



Australian Government

Insolvency and Trustee Service Australia

A large, faint, circular seal is overlaid on the background. The seal contains the text 'CLIENT SERVICE CHARTER' around its perimeter. The background of the entire page is a colorful mosaic of squares in shades of orange, yellow, teal, and purple.

Client Service Charter



Australian Government

Insolvency and Trustee Service Australia
Chief Executive & Inspector-General
in Bankruptcy

Client Service Charter

This charter describes what the Insolvency and Trustee Service Australia (ITSA) does, the standards of service you can expect from us and our expectations of you as a client. It also explains how you can raise a concern or lodge a complaint with us.

This edition of the charter reflects comments received from our clients through our client opinion survey, focus groups and general feedback.

Your comments and suggestions about how we can improve our service are welcome at any time and can be made to charter@itsa.gov.au.

If you require information about or help in relation to any of ITSA's responsibilities, please phone our Information Service on 1300 364 785

Veronique Ingram
Chief Executive and Inspector-General in Bankruptcy
Canberra
December 2010

Who we are

ITSA is responsible for regulating and administering the personal insolvency system in accordance with the *Bankruptcy Act 1966*. Our purpose is to provide a personal insolvency system that minimises the impact of financial failure on the community, produces equitable outcomes for debtors and creditors and enjoys public confidence through application of business laws, regulation and trustee services.

The Bankruptcy Act creates the roles of the Inspector-General in Bankruptcy, Official Receivers and the Official Trustee. ITSA performs all of these roles.

ITSA is not responsible for company insolvency law and practice (which is the responsibility of the Australian Securities and Investments Commission).

Our values

All ITSA employees must comply with the Australian Public Service Values and Code of Conduct, which require accountability, honesty, integrity and impartiality.

The APS Values and Code of Conduct can be found on the Australian Public Service Commission website at www.apsc.gov.au.

We will help you by:

- treating you professionally, courteously and fairly
- providing relevant information on our website or by telephone on 1300 364 785
- responding promptly to you
- using plain language when writing and speaking to you
- providing accessible offices and services where possible, including:
 - user-friendly website
 - interpreter support
 - large-print copies of letters and reports on request.

Who our clients are

- 1 **Debtors** – individuals who are considering options to deal with unmanageable debt, or individuals who are currently using one of the options provided by the *Bankruptcy Act 1966*.
- 2 **Creditors** – individuals or organisations who are owed monies and are contemplating using personal insolvency options to recover their debts, or are currently involved in a personal insolvency administration.
- 3 **Others** – people or organisations who provide information, guidance and other services to debtors and creditors and the community, including registered insolvency practitioners, financial counsellors and legal practitioners; and people who want to obtain information about an individual's solvency status from the public record.

Privacy

We collect, store, use and disclose personal information in accordance with the *Bankruptcy Act 1966* and Australian privacy law, which provide for the name, date of birth and other prescribed details in all personal insolvency administrations (including proposals for Debt Agreements and Personal Insolvency Agreements, whether or not the proposal is accepted by creditors) to be entered on the public record (the NPII).

TO DEBTORS EXPERIENCING FINANCIAL DIFFICULTY

What you can expect from us

- 1 We will help you obtain information to enable you to make an informed decision about appropriate options for relief from your unmanageable debts.
- 2 We will provide you with information about:
 - your available options
 - the consequences of entering into any type of personal insolvency administration
 - what you can and cannot keep if you enter bankruptcy, a personal insolvency agreement or a debt agreement
 - what you can and cannot do if you enter bankruptcy, a personal insolvency agreement or debt agreement
 - how to contact financial counsellors, registered trustees and registered debt agreement administrators.
- 3 We will, upon acceptance of your bankruptcy, personal insolvency agreement or debt agreement proposal (regardless of whether or not it is accepted by your creditors):
 - enter your name and personal information on the public record (the NPII)
 - promptly notify your creditors
 - make your relevant information available to credit reference companies for recording on commercial credit reference records, and to other organisations.
- 4 We will act as your trustee or administrator if you have not nominated one, or occasionally we may refer your administration to a registered trustee or administrator to act for you.

TO DEBTORS EXPERIENCING FINANCIAL DIFFICULTY

What we expect from you

- 1 You will seek financial counselling or advice from other appropriate sources before you lodge your application for a personal insolvency administration with us.
- 2 You will read the prescribed information and other material given to you about the options available to deal with unmanageable debt.
- 3 You will understand the need for us to balance the sometimes conflicting expectations of the various parties in an administration or bankruptcy.
- 4 You will behave in a polite and courteous manner and not use threatening, offensive or abusive language or behaviour with our staff, even though your circumstances may be distressing.
- 5 If we are handling your personal insolvency administration as your trustee or administrator, you will:
 - fully and accurately disclose your affairs
 - promptly carry out our instructions (e.g. to deliver assets for sale or pay income contributions)
 - keep us promptly informed during the term of your administration of:
 - any changes to your name, address or day-time telephone number
 - any changes in your income or employment
 - any gifts, bequests, or other money or assets you receive
- 6 You will comply with the obligations and restrictions imposed. You should understand that breaking these laws may result in extension of your bankruptcy or a criminal prosecution.

TO CREDITORS WHO ARE OWED MONEY

What you can expect from us

- 1 We will ensure that debtors are adequately informed of the various options to deal with unmanageable debt.
- 2 We will ask debtors to consider all of their options, including contacting you to discuss their financial situation before entering into bankruptcy or a debt agreement.
- 3 We will provide you with prompt notification of new bankruptcies and report on issues that are likely to affect you where we act as the trustee.
- 4 We will promptly distribute dividends where we act as the trustee or administrator.
- 5 We will seek input on proposed changes to bankruptcy legislation, practice and publications through consultation with representative bodies at national and local levels.
- 6 We will regulate personal insolvency practitioners to ensure best practice administration standards are maintained.

What we expect from you

- 1 You will carry out your responsibilities and act professionally in your dealings with us, your clients and other professionals in the industry, in accordance with the Bankruptcy Act. This includes attending meetings personally, by telephone or by proxy when required and voting when decisions by creditors are required.
- 2 You will cease action to recover debts covered by bankruptcy, a personal insolvency agreement or a debt agreement and not harass debtors.
- 3 You will inform everyone buying or collecting your debts that they must cease action against and not harass debtors who are protected by provisions of the Bankruptcy Act.
- 4 You will promptly inform us of any relevant changes in your business and contact details.
- 5 If we are the trustee or administrator, you will:
 - provide all information that would assist us to pay a dividend or identify a possible offence or that would help us in our investigation
 - lodge accurate claims when requested and provide information to ensure quick

Others who assist debtors & creditors

payment of dividends

**TO REGISTERED TRUSTEES, REGISTERED DEBT AGREEMENT ADMINISTRATORS,
FINANCIAL COUNSELLORS AND OTHERS WHO ASSIST DEBTORS AND CREDITORS**

What you can expect from us

- 1 We will support the services you provide to creditors, debtors in financial difficulty who are considering or have entered into a personal insolvency administration by:
 - sharing our knowledge and experience with you, your colleagues and employees
 - delivering information sessions on personal insolvency law and practice, including summarising amendments to legislation
 - promptly providing information on changes to the law and practice, including issues revealed by regulatory activities.
- 2 We will seek your input on proposed changes to bankruptcy legislation, practice and forms through consultation at national and local levels.
- 3 When undertaking our regulatory and enforcement roles we will advise you of the details of any allegation and of the outcome of the investigation.
- 4 When undertaking our regulatory role and performing an inspection of a matter you are administering, we will conduct an exit interview and endeavour to report the results to the administrator or trustee within two weeks of receiving your response to the initial inspection findings.
- 5 If we are not satisfied with an administrator's or trustee's standards of practice, we will take remedial action which may include action to declare ineligible, de-register or impose conditions on ongoing registration.

Others who assist debtors & creditors

TO REGISTERED TRUSTEES, REGISTERED DEBT AGREEMENT ADMINISTRATORS, FINANCIAL COUNSELLORS AND OTHERS WHO ASSIST DEBTORS AND CREDITORS

What we expect from you

- 1 You will fully and impartially inform people experiencing financial difficulty about the various options to deal with unmanageable debt and consequences of each option.
- 2 You will carry out your responsibilities and act professionally in your dealings with us, your clients and other professionals in the industry, in accordance with the Bankruptcy Act, Bankruptcy Regulations and Inspector-General Practice Directions.
- 3 You will make yourself available for and promptly respond to any reasonable enquiries that we or our clients (debtors, creditors or other service providers) may have.
- 4 You will promptly inform us of any relevant changes in your business and contact details.
- 5 You will provide us with timely information that will help us to:
 - identify any issues of public interest
 - gather statistics and identify trends
 - maintain the accuracy of the public record (the NPII)
 - improve our procedures and practices.
- 6 You will inform us as soon as you become aware of a possible bankruptcy offence and provide us with all available supporting evidence.
- 7 You will promptly advise us if you believe an NPII entry is incomplete, inaccurate or misleading.
- 8 You will promptly file documents with us and give us information to update or correct the NPII, when you have a responsibility to do so. You should understand that failing to comply with these obligations may result in administrative sanctions.

Complaints handling procedures

We are committed to delivering quality service and ask you to contact us if you are dissatisfied with any aspect of our service.

If you wish to complain about ITSA's level of service

We encourage you to initially contact the ITSA employee you have been dealing with in order to resolve your issue. If you are unable to raise the issue with the person you have been dealing with, or you are not satisfied with their response, ask to speak to that employee's direct manager or site leader.

To find out more about lodging a complaint with ITSA, you should ask our staff or refer to our publication *ITSA's complaint handling procedures* which is available on our website at www.itsa.gov.au.

If you wish to complain about a trustee or administrator handling an administration

ITSA's independent regulation branch may investigate complaints about the administration of your bankruptcy, personal insolvency agreement or debt agreement.

We encourage you to first try and resolve your concerns with the trustee or administrator. If you are dissatisfied with the way they handle your complaint, or you feel unable to pursue the issue further with them, contact ITSA Regulation through ITSA's Information Service on 1300 364 785, or email br.qld@itsa.gov.au.

We will promptly advise you whether your complaint will be investigated or whether alternative options are available to you. Should your complaint be investigated you will be regularly informed on progress.

Review and appeal of decisions

The Bankruptcy Act provides for the Inspector General to independently review some decisions. To find out more about our review procedures refer to our publication *Can I appeal? Review and appeal of trustee and administrator decisions*, which is available on our website at www.itsa.gov.au.

Feedback

We also encourage and welcome positive feedback about our service and employees.

You can provide feedback by visiting www.itsa.gov.au and selecting the enquiry/feedback/complaints tab on the home page, you can call us on 1300 364 785, or you can email your feedback to charter@itsa.gov.au.

Our service standards

SERVICE	STANDARD
Telephone enquiries	Answer 80% of 1300 calls within 60 seconds
Respond to written requests for information	Reply to 80% within 2 business days
Assess new personal insolvency applications	80% assessed and registered within 1 business day of receiving a complete application. 100% assessed and registered within an average of 5 business days of receipt
Notify trustees and administrators of appointment	90% within 1 business day of registration of the administration
Issue bankruptcy notices	90% within 1 business day of receiving a complete application
Maintain the NPII	Updated within 1 business day of receiving new information
Formally inform bankrupts of their rights and obligations	80% within 3 business days of registration of a bankruptcy administration 100% within an average of 5 business days of registration of the insolvency administration
Send creditor notifications	80% within 3 business days of registration of the insolvency administration 100% within an average of 5 business days of registration of the insolvency administration
Send Debt Agreement vote result notifications	100% of non-conditional proposals within 2 business days of deadline date 100% of conditional proposals within 9 business days of deadline date
Send preliminary trustee report to creditors	75% within 6 weeks, 100% within 3 months
ITSA Regulation	
Registrations	Successful applicants will be registered within 60 days of interview or 60 days of date of application received ¹
Inspections	80% of final inspection reports provided within 14 days
Education	Quarterly publication of Personal Insolvency Regulator newsletter
Complaints	80% responded to within 14 days
Issues not requiring investigation	90% acknowledged within 7 days
Others	80% of investigative cases finalised within 60 days
Review of trustee decisions including remuneration	Finalised within 60 days
Fee and charge waivers	Complete 90% within 30 days of receipt
ITSA Enforcement	
Determine whether to investigate	90% within 14 days of receipt of allegation and all necessary supporting documentation
Complete all investigations	70% within 6 months of commencing investigation, 90% within 12 months of commencing investigation
Refer to Australian Federal Police or other law enforcement agencies when appropriate	Within 28 days of receipt of allegation and all necessary supporting documentation

A list of ITSA's service standards is in our Business Plan, which can be found on our website at www.itsa.gov.au

¹ 60 days of interview for registered trustee applications. 60 days of date of application for debt agreement administrator applications.

HOW TO CONTACT US

For all enquiries call **1300 364 785** or visit www.itsa.gov.au
or send an email to info@itsa.gov.au

Other ITSA publications can be found at www.itsa.gov.au
Office hours 8.30am – 5pm

