

Policy Type	Corporate
Function	Financial Management
Policy Owner	Manager Financial Services
Policy Contact	Manager Financial Services
Effective Date	11 November 2025

## Purpose

Effective management and recovery of outstanding revenue is a critical component of Council's financial operations. It is essential that all debts owed to Council are actively monitored and responsibly managed to maintain financial sustainability.

This policy establishes a structured approach for the prompt and efficient recovery of overdue accounts. Its aim is to support sound cash flow management and reduce the level of outstanding debt owed to Council.

## Scope

This policy applies to all sundry debts receivable by Council. Exceptions Nil.

## Policy Statement

The effective management and recovery of outstanding revenue is a vital part of Council's financial responsibilities. Council must ensure that all debts owed are appropriately monitored and managed to maintain financial sustainability. The debt recovery process will be applied consistently across all debtors and will follow clear guidelines to ensure procedural fairness.

### Debt Management

Monthly debtor statements detailing all sundry debts due to Council shall be forwarded by postal or electronic means to debtors. Debt collection practices will be followed as per the Sundry Debtors Operational Standard.

### Payment Plans

Council expects all sundry debtor invoices to be paid promptly, within thirty (30) days from the date of issue. However, it is acknowledged that debtors may occasionally face financial hardship.

In such cases, debtors may apply for a payment arrangement by completing the Application to Pay Sundry Debtors Account by Periodic Payments Form.

Council will assess each application and may approve a payment plan under the following conditions:

- Payments must be made at least monthly.
- The full outstanding balance must be cleared by 30 June of the same financial year.

Written confirmation of the approved plan will be provided to the debtor, including notification that non-compliance may result in referral to Council's Debt Collection Agency.

Payment plans will be regularly monitored. If a debtor fails to adhere to the agreed plan, the arrangement will be cancelled, and the full outstanding amount will become immediately payable.

In exceptional circumstances, payment plans outside these terms may be approved at the discretion of the Director Corporate and Community Services and the Manager Financial Services.

## Authority to Commence Debt Recovery

Authority to commence debt collection or legal recovery action is delegated by the Chief Executive Officer to the Director Corporate and Community Services and Manager Financial Services who shall consider, among other things, the prospects for recovery of the sundry debt and the anticipated legal and recovery costs.

## Lease Rental Recovery Action

As lease rentals are subject to lease agreements, the recovery of overdue rentals will be administered in accordance with the relevant lease agreement. If not stipulated in the lease agreement, this policy will apply.

## Dispute Resolution

Council's Finance department must be made aware when a debtor is in dispute over an invoice that has been issued.

When an invoice is in dispute, further recovery action will be suspended during the duration of the dispute.

Where the dispute is not resolved within 14 days, the relevant dispute information will be referred to the Manager Financial Services for resolution.

## Risk Management

The policy supports Council's strong commitment to transparency, consistency, equity and flexibility and promotes the image of Council as both efficient and fair.

The policy mitigates the risk of relief being provided to debtors who are unable to pay their Sundry Debtors account but not experiencing genuine financial difficulties or hardship.

The Sundry Debtors Operational Standard that supports this policy provides a detailed administrative process to Council employees to ensure applications are processed efficiently and accurately.

## Legislation

*Local Government Act 2009*

*Local Government Regulation 2012*

## Related Documents

Reference Number	Document Title
FIN-OSD-0001	Sundry Debtors Operational Standard

**Document History and Version Control**

Title of Document	Sundry Debtors Recovery Policy
Document Reference Number	FIN-POL-0010 Rev 2
Review Schedule	36 months
Council Meeting Date	11 November 2025
Council Resolution Number	1906903