

Policy Name	Debt Management
Policy Type	Finance
Policy Number	FIN07
Version	2
Approval Date	January 2019
Renewal Date	January 2022



**Policy Number**            **FIN07**  
**Policy Name**             **Debt Management**

## SUMMARY

Efficient and capable management of finances is one of the most essential areas of the West Daly Regional Council Organisation. Finance is a basis prerequisite for all operational areas and essential for ongoing operations and projects.

While annual revenue is derived from the Commonwealth and Northern Territory Governments, various funding agencies, service fees and rates, there is a reasonable expectation by the community that Council will manage accounts payable and receivable in an efficient and speedy manner, with appropriate internal checks to ensure management integrity and regular public reporting.

This policy considers debt management of rating and charges raised by Council during the course of normal business. Council's debtor levels must be constantly monitored and receive timely attention.

## POLICY STATEMENT

1. **Rating Debts** (refer also Policy FIN19 – Rating Principle)
  - a. Rate Notices will be sent as soon as possible following the Declaration of Rates and Charges. Ratepayers will have the option of payment by quarterly instalments, without accruing the declared interest.
  - b. Council will issue a statement of outstanding rates and details of any interest accrued as at the completion of the prior instalment period. The statement is to be accompanied by a notice indicating that default interest is not

Darwin Office

Unit 1/70 Cavenagh Street, Darwin NT 0800 | GPO Box 3775, Darwin NT 0801 | Ph: 08 7922 6403

Email [info@westdaly.nt.gov.au](mailto:info@westdaly.nt.gov.au) | [www.westdaly.nt.gov.au](http://www.westdaly.nt.gov.au) | ABN: 25 966 579 574

being applied and, that if rates remain outstanding at the date the second instalment is due, Council may take action to recover the debt.

- c. If a rate debt remains outstanding by the end of each rateable period, Council will take action to lodge a statutory charge over the land in accordance with the *Local Government Act*.
- d. Any legal and other lodgement or cancellation fees for lodgement and removal of a statutory charge are to be charged to the ratepayer.
- e. If rates on a property remain in arrears for at least (3) years, Council will take action to sell the property for recovery of the outstanding debt, legal and sale costs in accordance with the *Local Government Act*.

## **2. Non Rating Debts**

- a. Invoices will be issued for all charges other than rates and associated charges as soon as possible depending on the type of service provided.
- b. All payments will be receipted as received and appropriate entries made to financial data.
- c. Recorded Financial data will be used to provide monthly financial management reports aging all debts, other than rates, into 30, 60 and 90 days or longer.
- d. Statements and advice of outstanding charges will be provided to the last known address of any debtor and, if payment is not received or queried, outstanding charges of 60 days or longer will be passed to a debt collection agency. Levels of debt will be an integral part of each monthly report to Council by the Chief Financial Officer.
- e. If a debt remains outstanding after reasonable debt recovery action has proved fruitless, the matter will be referred to the Chief Executive Officer for determination of further action.
- f. All debt write off action must be a resolution of Council.

---

Darwin Office

Unit 1/70 Cavenagh Street, Darwin NT 0800 | GPO Box 3775, Darwin NT 0801 | Ph: 08 7922 6403

Email [info@westdaly.nt.gov.au](mailto:info@westdaly.nt.gov.au) | [www.westdaly.nt.gov.au](http://www.westdaly.nt.gov.au) | ABN: 25 966 579 574

## TERMINOLOGY AND REFERENCES

### REFERENCES

*Local Government Act*

### FURTHER INFORMATION:

*Senior Financial Consultant*

---

Darwin Office

Unit 1/70 Cavenagh Street, Darwin NT 0800 | GPO Box 3775, Darwin NT 0801 | Ph: 08 7922 6403

Email [info@westdaly.nt.gov.au](mailto:info@westdaly.nt.gov.au) | [www.westdaly.nt.gov.au](http://www.westdaly.nt.gov.au) | ABN: 25 966 579 574