



Policy Title	Draft Arrangements to Settle Account Policy
Policy Category	Public
Number & Version	SVC-FIN-PO-084-01
Policy Owner	Finance and IT
Approval by	Council
Effective date	
Date for review	September 2020

1. STRATEGIC PURPOSE

At times rates, charges and other debts that are owed to Snowy Valleys Council (Council) are not paid and these accounts fall into arrears. There are many reasons why amounts owing may not be paid on time; sometimes it is genuine financial hardship and others it is a lack of willingness by people to pay.

2. POLICY STATEMENT

Council has a responsibility to manage its finances in a thorough and timely manner. This policy sets out the arrangements that can be made to settle debts where debtors have financial difficulties.

3. DEFINITIONS

Settlement Arrangements – Agreement between Council and Debtor to pay debt.

Debtor – Person(s) owing an amount to Council.

Default – Failure to complete the arrangement. The amount owed is not paid.

Recovery Process – The Debtor will be given to a Debt Collector who will recover the amount owing including an Administration cost and Legal Fees.

4. CONTENT

Council employees can make an arrangement with customers to settle debtor accounts when the customer is experiencing financial difficulties and is unable to pay debt in full by the due date.

This process will:

- 4.1 be used for all amounts where the debtor requires an arrangement to pay due to financial difficulties
- 4.2 not exceed 1 year without approval from the CFO.
- 4.3 waiver interest on all arrangements that are completed within 1 year and that have abided by the arrangement.
- 4.4 result in the outstanding amount being forwarded to Councils Debt Collector in line with Councils *Debt Recovery Policy*, should the arrangement not be met or the amount not paid in full.

5. ASSOCIATED LEGISLATION

NIL

6. ASSOCIATED COUNCIL DOCUMENTS

Debt Recovery Policy – SVC- FIN-PO-086-01
 Rates Hardship Policy – SVC-FIN – PO – 085-01
 Arrangements to Settle Account Form – SVC- FIN-F 126-01

7. HISTORY

Date	Action	Name	Policy Number	Resolution Date	Resolution Number
4/11/2019	Superseded	Arrangements to Settle Account Policy	FIN.12 V1.4		