



RATE RECOVERY POLICY

TITLE: Rates Recovery Policy
POLICY TYPE: Statutory
POLICY NUMBER: GRC 024
RESPONSIBLE OFFICER: Director Community & Corporate
DEPARTMENT: Community & Corporate Services

Version	Decision Number or CEO Approval	Decision Date	History
1.	Ordinary Meeting of Council (ref. OM-084/24)	26/06/2024	Adopted

1. LEGISLATIVE AUTHORITY

- *Local Government Act 2009 – Chapter 4 Parts 1,2 & 3 Finances & Accountability*
- *Local Government Regulation 2012 – sections 119 to 126*

2. POLICY OBJECTIVE

To establish a policy for the timely recovery of rates and charges levied which seeks to achieve fair and consistent treatment of all ratepayers who have outstanding rates and charges.

3. POLICY SCOPE

This policy will apply to all ratepayers who have an overdue rate or charge levied by Council, unless otherwise specified.

4. POLICY PRINCIPLES

3.1 Rate Payment Arrangements

Council understands that from time-to-time ratepayers will request to pay the account by instalments.

The agreement to pay by instalments does not fall within the intention of Sections 119 to 126 of the *Local Government Regulation 2012* as a concession or deferment of the date for payment.

Rates being paid by this arrangement have become due and the arrangement is merely an administrative process to facilitate the payment and to delay normal recovery action. The debt as a due debt will incur interest at the rate set by Council's annual budget resolutions.

Council will however allow property owners who are unable to pay their rates by the due date to enter into an arrangement to pay by instalments according to an agreed schedule, with no recovery action being taken while the arrangement is being maintained.

- As a general guide, Council will accept any “reasonable offer” for periodic payments or limited deferral of rates awaiting sale of agricultural production.
- A “reasonable offer” for a payment arrangement will generally result in all overdue rates and charges being paid in full within 40 weeks of the arrangement being made.
- Any arrangement outside the 40-week period will need to be considered by Council’s Chief Executive Officer.
- Payment arrangements can be weekly, fortnightly, monthly or on an ad-hoc basis.

In the event that a payment arrangement is not maintained within the agreed terms, recovery action will continue. Ratepayers can request further arrangements, but a maximum of three arrangements will be given before no further arrangements will be considered by Council.

3.2 Small Debt Write Offs

If a ratepayer has short paid their rates by \$10.00 or less and as a consequence would have missed their discount, Council will allow the current discount and the outstanding amount may be carried forward to the next rating period. The decision to allow the discount in this instance is to be made by the Rates Officer.

Any other write off of a small debt (up to \$500) must be approved by the Chief Executive Officer via email and in response to a recommendation from the Rates Officer and Director of Corporate Services.

Write offs of debts greater than \$500 must be approved by Council.

5. RECOVERY PROCESS

5.1 Principles Used for the Recovery of Overdue Rates and Charges

In the recovery of overdue rates and charges, the following principles will be used:

- (a) Transparency by making clear the obligations of ratepayers and the processes used by Council in assisting them meet their financial obligations.
- (b) Making the processes used to recover overdue rates and charges clear, simple to administer and cost effective.
- (c) Capacity to pay in determining appropriate payment arrangements.
- (d) Equity by having regard to providing the same treatment for ratepayers with similar circumstances.
- (e) Flexibility by responding where necessary to changes in the local economy.
- (f) Adherence to the debt collection guidelines developed by the Australian Competition and Consumer Commission.

5.2 Recovery Actions

The following actions will be used in the recovery of overdue rates and charges:

Action	Timing	Action Type	Severity	Response Time	Comment	Authority Level
1.	14 days after expiration of the discount period	First Reminder Notice	Low	23 days	Notice informing ratepayer that they have missed the discount and that they should make payment by the due date to avoid interest and further action.	Finance Officer – Revenue
2.	47 days after expiration of the discount period	Final Reminder Notice Advising that the debt has been notified to our Debt Recovery agent.	Low	7 days	Notice advising rates overdue and interest charges are accruing. Action may be initiated unless the debt is paid in full or arrangements made to see the debt settled.	Finance Officer – Revenue
3.	51 days after expiration of discount period.	Debt Recovery Agent to send Demand Letter to all accounts over \$900 AND Debt Recovery Agent to send a final reminder to all accounts below \$900	Low - Medium	7 days	Letter demanding debt is paid within 7 days to avoid legal proceedings. Further action suspended if ratepayer agrees and maintains an appropriate payment arrangement.	Finance Officer – Revenue
4.	63 days after expiration of discount period and outstanding balance is over \$900.	Proceed with legal action through Magistrates Court	Medium	As determined by Court processes	Accounts under \$900 will not proceed to court but will be monitored.	Director, Finance Manager or Authorised Delegate
5.	9 months vacant land with judgment obtained and for other property 33 months after expiration of discount period of the following 6 monthly general rates and charges.	Notice of Sale	High		Notice in accordance with legislation informing owner of Councils intention to make resolution to sell the land for recovering of rates. Full payment including costs will be required to cease action.	Director, Finance Manager or Authorised Delegate
6.	1-year vacant land with judgment obtained and 3 years for other land, of overdue rates and charges (legislative requirement).	Sale of Land	High	Within legislative timeframe	Full payment including costs will be required to cease action.	Council

6. REVIEW DATE

This policy will be reviewed as necessary.

7. RELATED DOCUMENTS

- GRC Revenue Policy (GRC-0012)
- GRC Revenue Statement

8. ATTACHMENT

Nil.