



DEBT RECOVERY ON UNPAID RATES AND CHARGES POLICY

Policy Number C15
Council Meeting 26 February 2020
Agenda Item 5.2
Next Review Date May 2024

Directorate
Department
Author

Corporate & Community Services
Finance Department
Manager Finance

1. POLICY OBJECTIVE

Council will ensure rate and other overdue property debts are recovered in a timely and fair manner.

2. POLICY SCOPE

The policy is required to provide quantitative guidelines to the general statutory obligations of the Local Government Act 1989 in relation to property debt recovery.

3. GUIDELINES

The following guidance applies to unpaid accounts where no payment arrangement has been made with Council. A flowchart detailing each stage is at the end of this policy.

- Within 1 month after the due date of the principal charge Reminder/Final Notices will be sent for default accounts. The Reminder/Final Notices shall advise the ratepayer of the Rates and Charges Hardship Policy.
- Ratepayers can apply under the Rates and Charges Hardship Policy C53, in writing within 10 days of receiving the Reminder/Final Notice. Failure to do so will result in an account in default and will be referred to Council's debt collection agency for issuing of Demand Letters.
- Council's Debt Collection Agency will send a Demand Letter on behalf of Council advising ratepayers they have 10 days to pay or to make a payment arrangement.
- If there is no response from the ratepayer to the Demand Letter, the Debt Collection Agency shall refer default accounts to Council for authorisation to proceed with legal action.
- If at any time a payment arrangement is received from the ratepayer it shall be monitored by the Debt Collection Agency. If a hardship application is received and accepted, the account is closed and monitored internally.
- If the debt is greater than 3 years and all debt recovery avenues have been exhausted, Council may sell the property in accordance with the provisions of Section 181 of the Local Government Act 1989.
- Council Delegated officers shall have discretionary power to waive interest in cases of financial hardship in accordance with the Rates and Charges Hardship Policy C53.



- Inconsistent and non-transparent decisions made outside of a determined framework.
- Non-compliance with legislation and poor governance practices.

5. ROLES AND RESPONSIBILITIES STATEMENT

This Policy will be published on Council's website. The Policy will be administered by the CEO, Director Corporate and Community Services, Finance Manager, Senior Revenue Officer and Rates and Valuations Coordinator.

6. POLICY DEFINITIONS

Council	South Gippsland Shire Council
Employee	Any person, including Councillors, employed by South Gippsland Shire Council (as defined by the Workplace Injury Rehabilitation and Compensation Act 2013)
EPA	Environmental Protection Authority

7. REFERENCE DOCUMENTS

Council Policy

Nil

Legislative Provisions, Standards, Guidelines and Principles

Part 8 Division 2 Payment of Rates and Charges of the Local Government Act 1989

8. ATTACHMENTS

Attachment 1 – Flowchart

DEBT RECOVERY ON UNPAID RATES AND CHARGES POLICY FLOWCHART

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December 2019

