

	RECOVERY OF RATES		
POLICY OWNER:	Council		
DEPARTMENT:	CORPORATE	**RESPONSIBLE OFFICER:**	Executive Manager Corporate Strategy & Performance
CREATION DATE:	23/08/2022	**REVIEW SCHEDULE:**	Annually
RELATED PROCEDURES:			
RELATED FORMS:	Instalment Arrangement Form		
RELATED DELEGATIONS:			
RELATED POLICIES:			
LEGISLATION:	Local Government Act 6.45 (and others) Regulations		
DOCUMENT CONTROL			
DATE REVIEWED:	**REVIEWED BY:**	**CHANGES (IF ANY):**	**ENDORSED BY COUNCIL:**
23/08/2022	Council	Nil	FC7/8/22
28/11/2023	Council	Nil	OCM 11/11/23
24/09/2024	Council	Nil	OCM 03/09/2024
19/10/2026	Council	Major: refer to minutes	OCM 07/10/26

Recovery of rates

OBJECTIVES

To ensure the timely, consistent, and equitable recovery of outstanding rates and charges, while maintaining compliance with legislative requirements, minimising financial risk, and supporting appropriate consideration of financial hardship.

POLICY STATEMENT/S

Rates are a statutory debt, and the Shire is committed to their timely and consistent recovery. Recovery actions will be applied in a fair and proportionate manner, ensuring the responsible management of public funds while allowing for appropriate consideration of financial hardship.

Financial Hardship

The Shire may consider applications for financial hardship on a case-by-case basis.

Assistance may include:

- Payment Arrangements
- Temporary deferral of recovery action

Approval of hardship arrangements must be documented and is subject to periodic review.

Payment ArrangementsCouncil accepts that there are ratepayers who cannot meet the instalment options as provided under s6.45 of the Local Government Act 1995.

The Shire may approve by application an alternative payment schedule (Henceforth called the " Financial Hardship Agreement').



- For such an Agreement to be considered an 'Instalment Arrangement Form' is to be completed and returned to the Shire for approval
- Payment arrangements must ensure the debt is cleared within a defined and reasonable timeframe, unless otherwise approved. Upon written acceptance of an Agreement by the Shire, written confirmation will be provided to the applicant. This formalises the agreement and will commit the ratepayer to the payment schedule.
- Verbal agreements shall not be accepted.

Failure to comply with an approved payment arrangement will result in escalation to recovery action without further negotiation.

Recovery actions will be undertaken in a timely manner, generally aligned to the following timeframes:

- Final Notice: within 30 days of due date
- Letter of Demand: within 30 days of Final Notice
- Legal action: following expiry of demand period

Final Notices

Final Notices will be issued during a period generally not exceeding 30 days after the due date of a notice for payment of rates.

Such notice will be issued when:
a. No payment has been made,
b. Insufficient payment to cover the first instalment has been made; or
c. Where there is no current valid instalment option (i.e., persons who have paid their first instalment option late).

Final Notices will indicate that:

a. Rates are now in arrears,
b. Penalty interest is being charged at the rate set by Council; and
c. Legal action may be taken without further notice, which will add extra costs to the account.

Rates for eligible pensioners are automatically deferred in accordance with applicable legislation. Accordingly, Final Notices will not be issued for deferred amounts while eligibility remains valid.

Letter of Demand

A Letter of Demand will be issued where rates remain unpaid following a Final Notice, providing a minimum of 14 days to respond prior to escalation.



Issue of Summonses

Following issue of Letter of Demand:

a. Rates remaining unpaid after the expiry date shown on the Letter of Demand will be examined for the purpose of determining whether a summons will be issued.
b. The Shire may engage a Collection Agent or Solicitor(s) to issue General Procedure Claims to those ratepayers who failed to pay by the date indicated upon the Letter of Demand.
c. Costs incurred because of the issue of a General Procedure Claim will be applied to the ratepayers 'assessment immediately upon receipt by Council of such costs – refer s6.56 of the Act.
d. Following issue of a General Procedure Claim, a reasonable offer to discharge a rate account (inclusive of the costs incurred through the issue of the General Procedure Claim) will be accepted.
e. Where a General Procedure Claim has been issued and remains outstanding, action will be taken to pursue that summons by whatever means necessary to secure satisfaction of the debt.
f. Legal proceedings will continue until payment of rates and any other outstanding costs are secured. This includes the issue of a Warrant of Execution against goods and land if necessary.
g. In cases where the owner of a leased or rented property on which rates are outstanding cannot be located, or the owner refuses to settle amounts outstanding, notice will be served on the lessee. The lessee will then under the provisions of s6.60 of the Local Government Act 1995, be required to pay Council any rent due until such time as the amount in arrears has been fully paid

Outstanding rates and recovery actions will be reported to Council on a regular basis. Significant debts and recovery actions will be subject to internal review to ensure compliance with this policy.

Sale of Property for non-payment of Rates

The Chief Executive Officer has delegated authority to initiate sale of property for non-payment of rates as per subdivision 6 of the Local Government Act 1995, action against land where rates or services charges are unpaid. This action will only be considered as a last resort where all reasonable recovery actions have been exhausted.