

# 230 Rate Recovery

## General Policy



### PURPOSE

The objective of this policy is to provide a comprehensive and standardised practice for Council to recover unpaid rates and charges.

### SCOPE

The aim of this policy is to provide a framework to ensure consistent, ethical, efficient and effective collection of outstanding rates and charges within the parameters and requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*. Also having regard to The Australian Competition and Consumer Commission's and the Australian Securities and Investments Commission's *Debt Collection Guideline: for collectors and creditors, 23 February 2016*

### POLICY STATEMENT

#### PRINCIPLES

The management and recovery of outstanding revenue is an important aspect of the Council's financial management function. It is Council's policy to pursue the collection of outstanding revenue diligently but with due concern for any financial hardship faced by ratepayers. The principles that will apply in the management and recovery of unpaid rates and charges are as follows:

- Responsibility – by making clear the obligations of ratepayers to pay rates combined with the processes used by Council in assisting them to meet their financial obligations.
- Transparency – by making the processes used to recover outstanding rates and charges clear, simple to administer and cost effective.
- Accountability – ensuring due process is applied to all ratepayers in the recovery process.
- Capacity to Pay – negotiating arrangements for payments where appropriate.
- Equity – by applying the same treatment for ratepayers with similar circumstances.
- Flexibility – responding where possible to unforeseen changes in the local economy and circumstances on an as needs basis.
- Council will not commence referral to Council's Debt Recovery Agent without taking reasonable steps as outlined in this policy to establish a payment arrangement or negotiate settlement of the outstanding debt.
- Comply with all relevant legislation including the Queensland *Local Government Act 2009* and *Local Government Regulation 2012*.

#### INTERNAL PROCEDURES

The following outlines the necessary stages and action types that will be taken internally by the North Burnett Regional Council where rates become overdue.

##### MISSED DISCOUNT – Recovery Procedure

Where payment of the discounted rates has been made after the close of the discount period

- |   |                                                                                                                                                                                                                                                                                                                        |                                                    |
|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|
| 1 | <b>Missed Discount Letter</b> –14 Days after Close of the Discount Period a letter is sent advising that the ratepayer was not eligible to receive the discount. The letter advises the outstanding balance and requests payment in full or advises the ratepayer to contact Council's Rate Staff for payment options. | Letter signed by Finance Manager                   |
| 2 | If payment has not been received in full or an acceptable arrangement has not been entered into within 28 days of the Missed Discount Letter, follow steps 2 to 4 of Current Rates – Recovery Procedure.                                                                                                               | Move to Current Rates – Recovery Procedure step 2. |

## CURRENT RATES – Recovery Procedure

Where rates for the current 6 monthly rate period are not paid by the due date

- 1 **First Reminder Notice** – Within 14 Days of the rate becoming overdue a reminder notice will be forwarded to the ratepayer requesting that rates be paid in full or alternatively that an acceptable arrangement be entered into. The notice will include an outstanding balance and estimated interest up to 14 days from the date of the notice.
- 2 **Second Reminder Notice** - If payment has not been received in full or an acceptable arrangement has not been entered into within 28 days after the issue of the First Reminder Notice, Council will issue a Second Reminder Notice. This second reminder notice will request rates and interest accrued be paid in full or an acceptable payment be entered into within 14 days from the date of this notice. The letter also advises that failure to make payment in full or enter into an acceptable arrangement **will** result in the commencement of recovery action for the unpaid rates and charges and that such action would incur significant costs which would also be recoverable from the ratepayer. Letter signed by Finance Manager
- 3 **Rates Not Paid by Date Specified in Second Reminder Notice** – Attempt Contact – Following the date stated in the second reminder notice attempts will be made to contact Ratepayers who have not made contact with Council regarding outstanding rates by telephone or email. Reasonable attempts will be made to obtain a telephone number or email address including a White Pages search. This contact is to obtain payment or negotiate an acceptable arrangement prior to the debt being referred to an external Debt Recovery Agent. Rates Officers to make Phone Calls
- 4 **Approval for Commencement of Recovery Action** – A list of all Ratepayers who were issued a second reminder letter who have not paid outstanding rates and interest accrued in full, or not entered into an acceptable arrangement will be sent to Council for approval to commence Recovery Action within 70 days of the issue of the second reminder notice. Council Resolution

## RELEVANT LAW

*Local Government Act 2009*  
*Local Government Regulation 2012*  
*Uniform Civil Procedure Rules 1999*

## RELATED POLICIES AND PROCEDURES

Nil

## RELATED FORMS

Nil

## APPROVAL

Council approved this policy on 27 June 2018.

## REVIEW

This policy will be reviewed every two years by Corporate Services Manager, Corporate and Community and is due for review in July 2020.

## REVISION HISTORY

Version	Meeting	Date	History
1	General Meeting	16/11/2010	New Policy
2	Policy & Planning Meeting	02/06/2015	Biennial Review
3	Budget Meeting	05/07/2017	Biennial Review
4	General Meeting	27/06/2018	Review