

**POLICY:** RATES – RECOVERY OF RATES AND CHARGES

**DATE ADOPTED:** Director Corporate Services & Finance’s Report #8.3.5  
Council 22 September 2021  
Resolution No ORD2021-330  
Council 20 October 2021  
Resolution No ORD2021-349

Director Corporate Services & Finance Report #1  
Policy 2 September 2015  
Council 16 September 2015  
Minute Book No: 12097

**ORIGINAL ADOPTION:**

**FILE REFERENCE:** 16.00015

**OBJECTIVE:** The efficient and effective collection of outstanding rates and charges whilst complying with statutory requirements of the Local Government Act, 1993.

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**ISSUE OF ORIGINAL RATE NOTICE**

Under Section 252 (3) (b) of the Local Government Act 1993, rates and charges are due on a quarterly basis. The due dates for each quarter are 31 August, 30 November, 28 February and 31 May each year. A ratepayer may approach Council and seek an arrangement to finalise the rate account. Recovery action will only apply to those ratepayers who have not made arrangements to finalise their rates, or who have defaulted on an existing arrangement. Council’s policy has also been to exclude aged pensioners from any legal action as per the current Policy – Accumulation of Rates by Aged Pensioners & Rebates.

**PROCEDURE**

- (1) One week after instalment due date Council will issue a Missed Instalment Notice as per Section 562 (5) if the Local Government Act 1993.
- (2) Issue a letter of Debt Demand with the current quarter rates owing and/or arrears with a combined total greater than \$300.00 notifying that failure to make full payment or a suitable arrangement within 7 days may result in further recovery action.
- (3) If there is no response to the correspondence above, a final demand letter from Council’s external debt recovery agent will be issued stating unless payment is received in full or a suitable arrangement made, legal action will be commenced with associated legal costs added to the outstanding amount. Following the commencement of legal action a judgement may be obtained against the ratepayer and this will affect their personal credit record for 5 years.
- (4) Recovery action by Council’s Debt Recovery Agency to recover outstanding debts that will be considered may include, but not limited to:
  - Statement of Liquidated Claim (Summons)
  - Judgement
  - Writ of Execution

- Garnishee against the debtors salary or bank account
- Examination Summons
- Rent for Rates
- Sale of land for unpaid rates in accordance with Section 713 of the Local Government Act 1993.
- The Winding up of a Company
- Bankruptcy.

Arrangement for payment of Rates may be accepted after legal action has commenced, subject to the continuation of legal action should the ratepayer not adhere to the approved arrangement.

Section 712 (1) of the Local Government Act 1993 provides that proceedings for the recovery of a rate or charge may be commenced at any time within 20 years from the date when the rate or charge become due and payable.

All legal costs and expenses incurred in recovering outstanding rates and charges shall be charged against the property in accordance with Section 605 of the Local Government Act 1993.