

## RV 2 – Collection of Outstanding Rates

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### 1 Policy

To ensure rates and/or service charges owing to the Shire of Bridgetown-Greenbushes are collected in a consistent and timely manner, the following guidelines have been adopted by Council:

- 1.1 All monies owed to Council for rates raised under Section 6.32 of the Local Government Act are deemed to be overdue following a period of thirty-five (35) days from the date of the original rates notice.
- 1.2 At the expiration of the thirty-five (35) day period, the Shire shall issue a Final Notice and invite the debtor to discuss the matter with the Shire's administration within fourteen days with a view to resolution of the outstanding debt.
- 1.3 If no satisfactory arrangement has been entered into at the expiration of the fourteen (14) days, the matter is to be referred to the Shire's debt collection service provider to continue the debt collection process. A satisfactory arrangement is one where the debtor enters into a direct debit agreement with the Shire to acquit their debt by instalments by the 30 June of the current rate year.
- 1.4 All costs associated with debt collection action will be borne by the debtor, excluding the GST charged by the debt collector and the document handling fee charged by the Court.
- 1.5 Interest on outstanding monies shall be calculated on a daily basis at a level set by Council during its annual budget process for monies outstanding for a period of greater than thirty-five (35) days in accordance with Section 6.13(6) of the Local Government Act.
- 1.6 Following the issue of a General Procedure Claim (known previously as a Summons) and addition of associated debt collection costs, the Shire's Administration will accept a reasonable offer to discharge the debt. A reasonable offer is one where the debtor enters into a direct debit agreement with the Shire to acquit their debt by instalments by the 30 June of the current rate year.
- 1.7 The Shire's Administration is to continue Legal proceedings until payment of rates imposed is secured. Subject to Section 6.68 (3A) of the Local Government Act 1995, this includes the issue of a Property Seizure and Sale Order (previously known as a Warrant of Execution) against goods and/or land. Section 6.68 (3A) identifies those instances where the sale of land to recover rates will be referred to Council.
- 1.8 In cases where the owner of a leased or rented property on which municipal rates are outstanding cannot be located or refuses to settle the outstanding debt, notices may be served on the lessee or tenant under the provisions of Section 6.60 of the Local Government Act. This requires the lessee or tenant to pay to the Council the rent due under the lease or tenancy agreement as it becomes due until the amount in arrears has been paid.

#### Arrangements to Pay Off Outstanding Rates and/or Service Charges

- 1.9 The CEO is authorised to consider and to either approve or reject any application for deferment or payment by instalments, in accordance with Section 6.49 of the Local Government Act.

- 1.10 All requests for extensions and/or payment by instalments must be made in writing. The application must include details to support the repayments.
- 1.11 Once an application has been approved by the CEO, officers will develop an instalment payment schedule, a copy of which will be provided to the ratepayer.

Note: Ratepayers who have made written contact with the Shire seeking an extension and/or payment by instalment method, or are subject to a separate agreement, are exempt from legal action for recovery of outstanding monies unless the payment schedule has been defaulted.

Each debtor's right to appeal in accordance with the provisions of the Local Government Act shall not be relinquished by anything contained in this policy.

## 2 Applicable Legislation and Documents

<b>Act</b>	<p><i>Local Government Act 1995</i></p> <p>s.2.7(2)(b) – The council is to determine the local government's policies</p> <p>s.6.13 – Interest on money owing to local governments</p> <p>Part 6, Division 6:</p> <p>Subdivision 1 – Introduction and basis of rating</p> <p>Subdivision 2 – Categories of rates and service charges</p> <p>Subdivision 3 – Imposition of rates and service charges</p> <p>Subdivision 4 – Payment of rates and service charges</p> <p>Subdivision 5 – Recovery of unpaid rates and service charges</p> <p>Subdivision 6 – Actions against land where rates or service charges unpaid</p> <p><i>Rates and Charges (Rebates and Deferments) Act 1992</i></p>
<b>Regulation</b>	<p><i>Local Government (Financial Management) Regulations 1996</i></p> <p>Part 5 <i>Rates and Charges (Rebates and Deferments) Regulations 1992</i> – Rates and service charges</p>
<b>Local Law</b>	N/A
<b>Shire Policies</b>	FM 8 – Collection of Non-Rates Fees and Chgarges
<b>Related Documents</b>	N/A
<b>Related Procedure</b>	N/A

## 3 Administration

<b>Original Adoption Date</b>	30 June 2005
<b>Last Reviewed</b>	30 June 2022
<b>Scheduled Reviewed Date</b>	27 April 2023