

Title:	1.4 Debt Recovery Procedures
Previous No:	
File No:	
Statutory Environment:	<i>Local Government Act 1995, Local Government (Financial Management) Regulations 1996</i>
Minute No:	
Last Updated:	July 2015
Review Date:	June 2019

Objectives:

The objective of this is to detail the procedure for the recovery of outstanding rates and debts.

Procedure:

RATES DEBTOR COLLECTION PROCEDURE

1. Instalments

There are ratepayers who cannot meet the 2 or 4 mandatory instalment options as provided under s. 6.45 of the Local Government Act 1995. The Shire will therefore accept by application an alternative pay schedule where the ratepayer is to specify the dates and the amounts that are to be paid. Failure by the applicant to adhere to the payment schedule will result in the issue of a final notice for the total amount outstanding.

Payment in full or an amount equivalent to the first instalment as shown on the rates notice must be paid by the due date, being 35 days from the date of issue unless alternative arrangements have been agreed upon.

Where no election has been made to enter into an Instalment Option or alternative arrangements made and where Rates and Services Charges remain outstanding 35 days after the date of issue, legal action will be taken for their recovery.

2. Final Notice

Final notices will be issued to outstanding ratepayers after 7 days.

3. Referral to Debt Collection Agency

After 21 days if still no further contact with Council with either a plan or having paid the rates in full, the ratepayers will be sent to the Council debt collector who will then send letter of demand. If still no contact, the debt collector will contact Council for further instruction.

SUNDRY DEBTOR COLLECTION PROCEDURE

1. Invoice/Infringement Notices

An invoice/infringement notice will be issued requiring payment within 30 days from the date of issue.

2. Final Statement

A final statement will be issued for all sundry debtor accounts in arrears 30 days requesting payment within 7 days.

3. Letter of Demand

Should debts remain unpaid after the expiry date shown on the Final Statement, a letter of demand will be issued requiring payment within 7 days.

4. Referral to Council for Legal Action

Should the debt still remain unpaid, a schedule is to be presented to Council at the next ordinary meeting or as soon as practicable recommending legal action. Debts remaining unpaid will be examined for the purpose of determining whether a summons will be issued. Following the issue of a summons, a reasonable offer to discharge a debtors' account will not be refused. Where a summons has been issued and remains outstanding, action will be taken to pursue that summons by whatever means necessary to secure satisfaction of the debt. This may include the issue of a Warrant of Execution against goods if necessary.

Any sundry debtor in arrears 60 days or more be excluded from further use of these facilities such as public halls and the community bus until the account has been paid in full or an acceptable repayment plan has been entered into.