

Rate Collection Policy

NOTE: Council regularly reviews and updates its policies. The latest controlled version can be obtained from the Policy Register on Council's intranet or by contacting Council's Corporate, Governance & Strategy Branch. **A hard copy of this electronic document is considered uncontrolled when printed.**

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1. POLICY STATEMENT

This policy provides the framework that outlines the principles, processes, and guidelines that South Burnett Regional Council ('Council') representatives and/or external agencies use when dealing with ratepayers, their financial or personal representatives and mortgagees in the prompt follow up and timely collection of rates and charges that have not been paid by the due date on a rate notice in accordance with the *Local Government Act 2009* ('Act') and *Local Government Regulation 2012* ('Regulation') and Council's Revenue Policy and Revenue Statement.

2. SCOPE

This policy applies to the recovery of overdue rates or charges.

3. GENERAL INFORMATION

This policy guides the administrative processes that are used for the collection of overdue rates and charges. It also assists Council representatives, ratepayers, and other stakeholders to understand the actions that Council will undertake and the consequences for non-payment of rates and charges, or for not promptly addressing overdue rates and charges.

When Council is pursuing the collection of overdue rates or charges, Council will consider the individual circumstances, or the financial hardships faced by relevant ratepayers.

Council has established balanced administrative processes that allow for some flexibility in ratepayer payment options including granting a concession in the form of payment by regular approved instalments. Processes include a variety of options, for example legal action through an external debt collection specialist, and the sale of land by public auction in accordance with the relevant legislative requirements.

3.1. Recovery Action

3.1.1. Summary of Initial and Advanced Recovery Actions

The following actions will be used in the collection of overdue rates and charges:

Action	Timing (Not earlier than)	Action Type	Severity	Response Time	Recovery Suspended	Authority Level to undertake action
Initial Recovery Action						
1	14-21 days after becoming overdue	Reminder notice issued by Council	Low	14 days	If overdue rates and charges are paid in full, or ratepayer enters and maintains a Council approved payment arrangement	Manager Finance & Sustainability
Advanced Recovery Action Debt Recovery stages 2 to 5 will only apply to debts over \$800.00 (refer to clause 3.4):						
2	28-35 days after becoming overdue	Letter of Demand issued by Debt Collection Specialist	Medium	14 days	If overdue rates and charges are paid in full, or ratepayer enters and maintains a Council approved payment arrangement through Debt Collection Specialist	Manager Finance & Sustainability
3	50 days after becoming overdue	Statement of Claim issued served by the Debt Collection Specialist	Medium	28 days	If overdue rates and charges are paid in full, or ratepayer enters and maintains a Council approved payment arrangement through Debt Collection Specialist	Manager Finance & Sustainability
4	78 days after becoming overdue	Pre-Judgment Warning letter issued by Debt Recovery Specialist	Medium	7 days	If overdue rates and charges are paid in full, or ratepayer enters and maintains a Council approved payment arrangement through Debt Collection Specialist	Manager Finance & Sustainability
5	85 days after becoming overdue	Judgment granted by the Court and Warning letter by Debt Recovery Specialist	Medium	7 days	If overdue rates and charges are paid in full, or ratepayer enters and maintains a Council approved payment arrangement through Debt Collection Specialist	Manager Finance & Sustainability
7	Three (3) years after rates and charges become overdue; or one (1) year for vacant or commercial use land and judgment obtained for the overdue rates and charges; or three (3) months for mining claims land	Possible Sale of land Warning letter issued by Council	High	Subject to circumstances	If overdue rates and charges are paid in full, or ratepayer enters and maintains a Council approved payment arrangement	Manager Finance & Sustainability

Action	Timing (Not earlier than)	Action Type	Severity	Response Time	Recovery Suspended	Authority Level to undertake action
8	Three (3) years after rates and charges become overdue; or one (1) year for vacant or commercial use land and judgment obtained for the overdue rates and charges; or three (3) months for mining claims land	Notice of Intention to Sell issued by Council	High	Subject to circumstances	If overdue rates and charges are paid in full	Council
9	Three (3) years after rates and charges become overdue; or one (1) year for vacant or commercial use land and judgment obtained for the overdue rates and charges; or three (3) months for mining claims land	Auction – Sale of Land for overdue rates and charges	High	In accordance the Regulation	If overdue rates and charges are paid in full	Council

3.1.2. Deferment of Recovery Actions

The recovery action detailed in clause 3.1.1 may be deferred for the following reasons:

- deceased estates in probate;
- bankruptcy liquidations;
- receivership/administration;
- property sale where an unconditional contract has been signed and has been provided to Council;
- approved hardship under Council's Financial Hardship Policy; or
- special circumstances.

3.2. Payment Arrangements

3.2.1. Application for a Formal Payment Arrangement and Standard Term Payment Commitment:

An application for a payment arrangement must be made in writing ('Application to Pay Rates by Instalments') by or on behalf of a ratepayer to Council and approved by the Manager Finance & Sustainability or delegated officer. The standard term payment commitment under a payment arrangement is:

- for debts less than \$2,500 – payments must be of a sufficient amount and frequency to clear the outstanding debt over a period of no longer than 12 months; or
- for debts greater than \$2,500 – payments must be of a sufficient amount and frequency to clear the outstanding debt over a period of no longer than two (2) years.

3.2.2. Application for a Non-Standard Payment Arrangement – Outside of Standard Term Payment Commitment:

Council may consider an application for a payment arrangement which falls outside the terms outlined in clause 3.2.1, in cases of genuine hardship, or extenuating or special circumstances (for example, long-term illness or unemployment).

Non-standard payment arrangements that may be considered based on individual circumstances are:

- for debts less than \$2,500 – the General Manager of Finance & Corporate or Manager Finance & Sustainability may approve arrangements where payments are a sufficient amount and frequency to clear the outstanding debt over a period of no longer than two (2) years;
- for debts greater than \$2,500 – the General Manager of Finance & Corporate or Manager Finance & Sustainability may approve arrangements where payments are a sufficient amount and frequency to clear the outstanding debt over a period of no longer than three (3) years; and
- for debts greater than \$10,000 – the Chief Executive Officer may approve arrangements where payments are a sufficient amount and frequency to clear the outstanding debt over a period of no longer than four (4) years.

Ratepayers experiencing genuine financial hardship, where a non-standard payment arrangement is not feasible, must complete the appropriate application form and submit the necessary paperwork in accordance with Council's Financial Hardship Policy.

Ratepayers may receive additional flexibility in payment options and payment arrangements if Council approval is granted.

3.3. Criteria for the Implementation of Advanced Recovery Action

Council has set a threshold for the referral of overdue rates and charges for legal action of \$800.00.

4. DEFINITIONS

Council means the South Burnett Regional Council.

Council employee means a person employed by Council who performs work, under the direction and control of Council, on an ongoing basis with an ongoing expectation of work entitled to superannuation contributions paid by Council.

Council representative means all Councillors and Council employees including permanent, casual, and temporary employees, apprentices, trainees, contractors, volunteers, and work experience students.

Councillor means Councillor, of a local government, includes the Mayor.

Rates and charges are defined in the Regulation as including differential general rates, minimum general rate levies, separate rates and charges, special rates and charges, utility charges and accrued interest on outstanding balances.

Overdue rates or charges are defined in the Regulation and includes:

- if Council takes the ratepayer to court to recover rates or charges and the court orders the ratepayer to pay Council's costs, the costs; and
- the interest if interest is payable, on the rates or charges, or costs.

5. LEGISLATIVE REFERENCE

Australian Competition and Consumer Commission Debt Collection Guidelines

Information Privacy Act 2009 (Qld)

Local Authorities Revenue Management Association Queensland Sale of Land Best Practice Guide

Local Government Act 2009 (Qld)

Local Government Regulation 2012 (Qld)

6. RELATED DOCUMENTS

South Burnett Regional Council Financial Hardship Policy – Statutory012

South Burnett Regional Council Revenue Policy – Statutory005

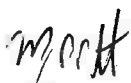
South Burnett Regional Council Revenue Statement

7. NEXT REVIEW

As prescribed by legislation or August 2026

8. VERSION CONTROL

Version	Revision Description	Adopted Date	ECM Reference
1	Development of policy	11 November 2009	1906499
2	Review of policy	15 June 2015	1959080
3	Review of policy – Resolution 2021/376	26 May 2021	2792107
4	Review of policy	20 October 2021	2792107
5	Administrative amendment – organisational structure review – resolution 2022/432	27 April 2022	2792107
6	Review of policy	28 September 2022	2792107
7	Review of policy	21 August 2024	2792107



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Date: 21 August 2024