



### 1. Policy Intention

To outline clear and appropriate debt recovery procedures which will be undertaken by the Shire of Murray (Shire) to ensure effective control over all invoiced debts owed to the Shire whilst being sympathetic to those ratepayers and debtors suffering genuine financial hardship.

### 2. Policy

#### 2.1 Rates

- 2.1.1** Where rates remain outstanding fourteen days after the due date shown on the Rate Notice, and the ratepayer has not elected to pay by an approved payment option, a Final Notice shall be issued requesting full payment within seven days.
- 2.1.2** Rates remaining unpaid after the expiry date shown on the Final Notice will be examined for the purpose of issuing a Collection Letter.
- 2.1.3** Where payment still remains outstanding despite the issue of a Collection Letter and the ratepayer has not entered into a payment arrangement a Claim will be issued for recovery.
- 2.1.4** Following the issue of a Claim and the addition of legal costs, as provided in Section 6.56 of the *Local Government Act 1995* (the Act), a reasonable offer to discharge a rate account will not be refused.  
  
Any instalment arrangement will be calculated so that the minimum repaid over a full year will equal 100% of annual levies and any costs associated with debt collection charges.
- 2.1.5** Where a Claim has been issued and served but remains unsatisfied, action will be taken to pursue that Claim by whatever means, through Council's solicitors or collection agency as the case may be, to secure payment of the debt.
- 2.1.6** Legal proceedings will continue until payment of rates imposed is secured. This includes the issue of a Property Seizure and Sale Order (PSSO) against goods and land if necessary.
  - (a) If a PSSO against land is proposed to collect outstanding rates due on a property where the owner resides, approval of Council shall be obtained before the PSSO is lodged.
  - (b) PSSOs against land will be used to collect outstanding amounts in respect to investment properties without a requirement that these be referred to Council.
- 2.1.7** A caveat may be lodged on the property's Certificate of Title to protect the Shire's interest and it will not be removed until the debt is paid in full as per section 6.64 (3) of the Act.

**2.1.8** If there is an amount of Rates which has been unpaid for three or more years the Shire may utilise the provisions of section 6.64 of the act to:

- Lease the land; or
- Sell the land; or
- Transfer the land to the Crown; or
- Transfer the land to itself.

**2.1.9** In cases where the owner of a leased or rented property on which rates are outstanding cannot be located, or refuses to settle rates owed, notice will be served on the lessee under the provisions of Section 6.60 of the Act, requiring the lessee to pay to Council the rent due under the lease / tenancy agreement as it becomes due, until the amount in arrears has been fully paid.

**2.1.10** Where the owner is registered for a pensioner rebate on rates and Emergency Services Levy (where the deferment option may be available) or where the owner is registered for a senior's rebate (25% rebate and no deferment option); debt recovery may proceed for the collection of unpaid charges which are not subject to a rebate or deferment e.g. rubbish collection charges.

## 2.2 Sundry Debtors

**2.2.1** Sundry debtor accounts are overdue if not paid within seven days of the issuing of the account.

**2.2.2** The Shire may stop the provision of credit facilities to sundry debtors when an account is overdue for more than thirty days.

**2.2.3** The Shire will take recovery action of overdue sundry debtor accounts within sixty days of the account becoming overdue unless the debtor enters and complies with an overdue payment agreement. Any such agreement will not exceed 6 months unless exceptional circumstances exist.

## 2.3 Variation

The Chief Executive Officer may determine other suitable treatment options to deal with sundry debtors in the case of demonstrated hardship or other situations.

Policy Detail		
<b>Responsible Directorate</b>	Corporate Services	
<b>Responsible Department</b>	Finance	
<b>Responsible Officer</b>	Manager Finance	
<b>Next Policy Review / Schedule</b>	2027 (3-yearly)	
<b>Council Adoption</b>	<b>Date / Resolution</b>	30 August 2007 (OCM07/170)
<b>Amendment Record</b>	<b>Date / Resolution</b>	30 June 2011 (OCM11/099)
		26 July 2012 (OCM12/149)
		25 June 2015 (OCM15/155)
		22 February 2018 (OCM18/008)
		23 June 2022 (OCM22/070)
		19 December 2024 (OCM24/159)