



Council Policy Manual

CP 9.9 Overdue Rates Policy

POLICY OBJECTIVE

To have a consistent approach to rates recovery and debt collection whilst maintaining a quality customer service.

POLICY STATEMENT

1. Any rates payments due to the City of Perth that have not been received by the due date shall be recovered in accordance with this policy.
2. The City may, at the request of a ratepayer, approve special payment arrangements other than the options offered on the rate notice subject to the following:-
 - a) The ratepayer will be eligible for an arrangement if their rates outstanding are for the current year only.
 - b) Special arrangements will be for regular instalments with the debt to be finalised prior to the date on which the rates are generated for the next financial year.
 - c) The arrangement shall not be repeated for more than three consecutive years unless authorised by the Chief Executive Officer, Director Corporate Services or Manager Finance in exceptional circumstances. Where a ratepayer has received a maximum three year arrangement, and providing the ratepayer has met all the conditions of that arrangement, the ratepayer will be advised prior to the third year's rates that it is the last year of the arrangement after which any entitlements to any further arrangement ceases.
3. Amounts outstanding after the due date for payment will be followed up within 30 days of the due date with a Final Notice.
4. The sequence of actions taken against defaulting ratepayers who have been referred for recovery action will be as follows:-
 - a) Letter of demand (7 day letter).
 - b) Call campaign – contact is made by telephone (where possible) or email in order to seek payment or a special arrangement. Special payment arrangements are



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subject to approval by the City. If this action is unsuccessful, the matter is then referred for legal action to commence.

5. Issuing of Court proceedings in accordance with Section 6.56 of the *Local Government Act 1995*. Processes to enforce judgment are as follows:-
 - a) Proceed with issuing of a General Procedure Claim.
 - b) Obtain a Default Judgment.
 - c) Obtain a Property (Seizure and Sale) Order (PSSO).
 - d) Appropriate earnings through an Earnings Appropriation Order.

6. Other courses of action that may be taken include:-
 - a) Section 6.60 Notice – divert rental payments due to the lessor to the City.
 - b) Section 6.64(3) - Lodge a Caveat on the property so the property cannot be settled until the debt is paid in full.
 - c) Take possession of the land under Section 6.64 of the *Local Government Act 1995*. In this instance, the City may rent or dispose of the property if rates remain unpaid for at least three years. A resolution of Council is required before proceeding with this course of action.
 - d) Query with Mortgager details of the loan where applicable, to determine if it is a condition of the loan for the rates and taxes to be kept current with a view to having the mortgagee enforce the relevant clause of the mortgage concerning the punctual payment of proper related rates & taxes.

Document Control Box							
Document Responsibilities:							
Custodian:	Senior Rates Coordinator			Custodian Unit:	Finance		
Decision Maker:	Policy approved by Council						
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Industry:							
Organisational:							
Document Management:							
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