



**City Administrative Centre**  
Bridge Road (PO Box 42), Nowra NSW Australia 2541 - DX 5323 Nowra  
Phone: (02) 4429 3111 - Fax: (02) 4422 1816

**Southern District Office**  
Deering Street, Ulladulla - Phone: (02) 4429 8999 – Fax: (02) 4429 8939

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Website: [www.shoalhaven.nsw.gov.au](http://www.shoalhaven.nsw.gov.au)

For more information contact the Finance & Corporate Services Group

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## Debt Recovery Policy

**Policy Number:** POL13/1 • **Adopted:** 23/04/2008 • **Amended:** 13/12/2011, 7/05/2012 • **Reaffirmed:** 23/04/2013  
• **Minute Number:** MIN13.363 • **File:** 31052E • **Produced By:** Finance & Corporate Services Group • **Review Date:** 1/12/2016

### 1. PURPOSE

The purpose of this policy is to ensure the Revenue Services Section has clearly documented guidelines for the efficient and consistent collection of all outstanding property rate accounts. The objectives of this policy are:-

- To ensure consistent, fairness, integrity and confidentiality of all proceedings for both the Council and the ratepayer.
- To fulfil the statutory requirements of the Local Government Act, 1993 with respect to the recovery of rates, charges and other debtors.
- To maximise collections of outstanding debts and to optimise Council's cash flow.

### 2. STATEMENT

This document is to be used as guidelines in the administering of council's debt recovery policy.

### 3. PROVISIONS

#### 3.1. Rates and Charges Notice

Rates and charges notices are issued in July each year and are payable in four instalments on 31 August, 30 November, 28 February and 31 May. A rate notice or rate instalment notice is issued no less than 30 days before each instalment is due.

#### 3.2. Recovery Action

Seven (7) days after the due date has passed, any ratepayer whom has outstanding rates and charges to the value of \$100 or more will be sent a 'reminder letter' on Council letterhead from Council's Debt Recovery Agency. If payment is not received or a satisfactory arrangement made then all accounts with an outstanding balance exceeding \$400 will be referred to Council's Debt Recovery Agency for further action.

### **3.3. Debt Recovery Agency Procedures**

The debt recovery agency will as soon as practicable after receipt of a referral from Council issue a letter in relation to each overdue amount advising that Council has referred the debt to the agency for collection and that payment is required within seven (7) days, otherwise legal action will be commenced. The letter is to specify the minimum amount in legal costs that will be added to the ratepayer's rate assessment if legal action is commenced. Following the expiration of the seven (7) days as requested in the letter the debt recovery agency is then to issue a statement of liquidated claim. Following the statutory period after service of the statement of liquidated claim the debt recovery agency is to obtain judgement and then take the necessary proceedings to recover the debt including issuing writs of execution and garnishee orders.

### **3.4. Arrangements to Pay Rates and Charges**

A ratepayer may enter into an arrangement to repay rates and charges with Council or with Council's Debt Recovery Agency provided the arrangement will have rates and charges paid in full within twelve (12) months. Normal interest charges apply to arrangements unless interest is to be written off under Section 564 of the Local Government Act, 1993 and Council's Policy – Hardship Rate Relief Policy. Council's Debt Recovery Officer may enter into a longer term repayment arrangement if in that Officer's opinion, a ratepayer's current financial circumstances warrant this. A ratepayer dissatisfied with a decision of the Debt Recovery Officer may have that decision reviewed by the Revenue Manager. Ratepayers are to be advised at the time of making a repayment arrangement that if an arrangement is dishonoured, recovery action will recommence without further notice. All arrangements made with Council must be on a Council's prescribed form and must be signed by the ratepayer.

### **3.5. Debt Recovery Against Pensioners**

As per Council's Policy – Pensioner Rates and Charges – Arrears and Interest Council will not institute legal action to recover rates and charges from eligible pensioners except where rates and charges are outstanding for a period of seventeen (17) years at which time Council will commence action to secure outstanding rates and charges. Such action to secure overdue rates and charges outstanding after 17 years may include legal action.

### **3.6. Debt Recovery Against Deceased Estates**

Once Council has been advised in writing that a person is deceased, a memo will be placed on the Fujitsu Rating System and Council will defer action for approximately six (6) months. In some instances the estate will be transferred to the Executors without Council's knowledge and in such a case any legal fees already raised will be waived.

### **3.7. Delegation to Waiver Interest or Legal Fees**

Ratepayers may have interest or legal fees waived where the reason, although not related to financial hardship, is considered reasonable. The request for the waiver of interest or legal fees must be in writing and clearly state the reason the application is to be considered. The following items will not be considered when reviewing an application for interest or legal fees to be waived:-

- Mere oversight of due date for payment.
- Failure to contact Council prior to the due date to advise of financial difficulties.
- Previous special arrangement not being maintained.

- Previous history of late payments.
- Lack of communication from ratepayer to alter contact mail address.

Delegated Council staff have the authority to write-off amounts of up to \$4,000. Amounts greater than \$4,000 can only be written-off by resolution of Council in accordance with Council Policy – Rates and Other Monies – Delegation of Authority to Write Off.

### **3.8. Right of Appeal**

A decision made by the Revenue Section can be appealed by the applicant by making a formal written request to Council for review of the decision.

### **3.9. Privacy of Information**

Personal information collected as a consequence of this policy will only be used for the purpose intended and will not be used for any other purpose or disclosed to any other person unless required by law to do so or authorised to do so by the person to whom that personal information relates.

## **4. IMPLEMENTATION**

The Finance and Corporate Services Group will administer this policy.

## **5. REVIEW**

The Finance and Corporate Services Group will review this Policy within one year of the election of every new council or earlier should circumstances arise to warrant revision.

## **6. APPLICATION OF ESD PRINCIPLES**

Non Applicable

## **7. RELATED POLICIES**

- Pensioner Rates and Charges – Arrears and Interest
- Rates - Overdue Interest Rate
- Rates and Other Monies – Delegation of Authority to Write Off
- Hardship Rate Relief Policy

## **8. ATTACHMENTS**

Council Agreement to Pay Rates and Charges

Initial Reminder Letter sent by Recoveries & Reconstruction on Council letterhead

Letter of Demand sent by Recoveries & Reconstruction on their letterhead

Dear Sir/Madam

**Shoalhaven City Council**  
**Property Address: XXXXXXXXXXXX**  
**Assessment Number: xxx-xxxxx-x**

## REMINDER

Council would like to remind you an amount of \$XXX still remains outstanding on your rates account.

It would be appreciated if payment in full of this account is made by [date].

All requests for payment arrangements should be discussed with Council's authorised regency:

**Recoveries & Reconstruction (Aust.) Pty Ltd**  
**PLEASE CALL (02) 9330 – 9000**

Please be aware daily interest is accruing at 11% per annum on all overdue amounts.

If payment has been made within the past few days please accept our thanks and disregard this letter.

Yours faithfully,



### Agreement To Pay Rates And Charges

Finance & Corporate Services

**City Administrative Centre** Bridge Road, Nowra, NSW, Australia, 2541

**Address all correspondence to:** The General Manager, PO Box 42, Nowra, NSW, Australia, 2541 | DX 5323 Nowra  
council@shoalhaven.nsw.gov.au | www.shoalhaven.nsw.gov.au | Phone: (02) 4429 3111 | Fax: (02) 4422 1816

#### 1 Applicant

Given name(s): .....

Surname: .....

Postal Address: .....

#### 4 Terms of Agreement

Council appreciates that some ratepayers, due to unforeseen circumstances, cannot pay the rates and charges by the due dates shown on their rate notice and will accept agreements to pay the account as per arrangements shown below.



[Date]

Debtor Names  
Mail Street  
Mail location

Dear Sir/Madam

**Shoalhaven City Council**  
**Property Address: XXXXXXXXXXXX**  
**Assessment Number: xxx-xxxxx-x**

## REMINDER

Council would like to remind you an amount of \$**XXX** still remains outstanding on your rates account.

It would be appreciated if payment in full of this account is made by **[date]**.

All requests for payment arrangements should be discussed with Council's authorised regency:

**Recoveries & Reconstruction (Aust.) Pty Ltd**  
**PLEASE CALL (02) 9330 – 9000**

Please be aware daily interest is accruing at 11% per annum on all overdue amounts.

If payment has been made within the past few days please accept our thanks and disregard this letter.

Yours faithfully,

A handwritten signature in black ink that reads "Robert Spresser". The signature is written in a cursive style with a checkmark at the end.

Robert Spresser  
Revenue & Supply Manager  
Finance & Corporate Services Group  
Shoalhaven City Council

Payment can be made by the following options:

- BPay Biller Code: 4366 Reference: xxxxxxxx
- In person at Council's Nowra or Ulladulla office or by forwarding a cheque or money order to PO Box 42 Nowra NSW 2541
- Credit Card - telephoning 1300 66 20 25 or log onto Council's Website [www.shoalhaven.nsw.gov.au](http://www.shoalhaven.nsw.gov.au)

[Date]

Debtor Names  
Mail Street  
Mail Location

Dear Sir/Madam

**Shoalhaven City Council - Land Rates and Charges**

**Property Address:** xxxxxxxxxxxxxx

**Assessment Number:** xxxx-xxxxx-x

**Amount:** \$xxx.xx

**FINAL DEMAND**

We act on behalf of Shoalhaven City Council ("**Council**") who have instructed us that the above outstanding land rates and charges remain unpaid.

We request that payment be forwarded to Council by no later than [Date] using the payment methods outlined in your council rates and charges notice.

Council has instructed us to advise you that if the above amount is not paid in full to Council by [Date], then Council intends to instruct our legal division to commence legal action against you and if required, to seek orders from the court to recover from you all costs associated with issuing the legal action, which in the first instance is a minimum of \$xxx.xx.

**All payments by cheque or money order should be made payable to Shoalhaven City Council and sent to:**

**Shoalhaven City Council  
PO Box 42  
Nowra NSW 2541**

If payment was made prior to [Date], please disregard this notice.

All requests for instalment arrangements should be discussed with Recoveries & Reconstruction (Aust.) Pty Ltd on **02 9330 9000**. Council has empowered us to act on its behalf in making arrangements to pay by instalments.

Yours faithfully,



Brian Carter  
Recoveries & Reconstruction (Aust.) Pty Ltd