



Ku-ring-gai Council

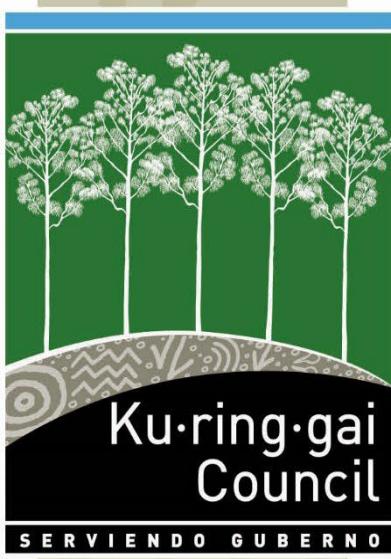
POLICY

Rates, Charges and Sundry Debts – Assistance, Concessions and Recovery Policy

Version Number 2

Adopted: 18 November 2025

Effective: 19 November 2025



Rates, Charges and Sundry Debts – Assistance, Concessions and Recovery Policy

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Controlled Document Information

Authorisation Details

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Related Document Information, Standards & References

Related Legislation:	The Local Government Act 1993 Local Government (General) Regulation 2021	
Related Policies (Council & Internal)	NA	
Related Documents - Procedures, Guidelines, Forms, WHS Modules/PCD's, Risk Assessments, Work Method Statements, etc	Debt Management and Hardship Guidelines (The Guidelines) issued under Section 23A of the Act by the Office of Local Government and the Office of Local Government Rating the Office of Local Government Rating and Revenue Raising Manual (The Manual).	
Other References	NA	

Version History

Version Number	Version Start Date	Version End Date	Author	Details and Comments
1	16 November 2021	18 November 2025	Manager Finance	This Policy collates the following: Rates and Charges Recovery Policy; Relief from Rates Hardship Resulting from Land Valuation Changes Policy; Sundry Debtors Policy.

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2	19 November 2025	November 2029	Acting Manager Finance	Updates clarify hardship assistance, include “capacity to pay” factors in arrangements, and around debt recovery.
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Policy

Purpose and Objectives

The purpose of this Policy is to document provisions for assistance in paying rates, charges and sundry debts, entitlement to pensioner concessions and requirements for debt recovery.

The objectives of this Policy are to:

- Ensure efficient and effective collection of outstanding rates, charges and sundry debts.
- Be fair and equitable to ratepayers and other debtors.
- Comply with requirements of the Local Government Act 1993 (Act) and Local Government (General) Regulation 2021 (Regulation).
- Provide assistance to debtors and ratepayers facing genuine hardship based on completed Financial Hardship Application form available from Council website <https://www.krg.nsw.gov.au>

Scope

This policy applies to rates, charges and non-rates debts (sundry debts), with respect to providing payment assistance and pensioner concessions, and debt recovery.

Responsibilities

Authority for implementation of this Policy is delegated by Council to the General Manager in accordance with the Local Government Act (1993).

The General Manager has in turn delegated overall responsibility for compliance with this Policy to the Manager Finance.

Policy Statement

Assistance in Paying Rates and Charges

Council recognizes that ratepayers may at times have difficulty paying their rates and charges. Council thus provides assistance as follows:

Assistance by Periodic payment arrangements

- In accordance with Section 564 of the Act, Council will consider and may enter periodic payment arrangements to assist ratepayers in cases of financial hardship or extenuating circumstances.
- Arrangements are at the discretion of Council and on terms that take into account the particular circumstances, capacity to pay, disposable income and payment history of the ratepayer. Ratepayers may be asked to provide information to verify reasons for seeking an arrangement.
- Council may write off or reduce interest accrued on rates and charges if the ratepayer complies with an arrangement.
- Where a ratepayer does not meet their obligations under an arrangement, Council may reinstate interest written off or reduced and the arrangement may be terminated.
- The onus is on the ratepayer to contact Council on a timely basis when they are having difficulty making payment of rates and charges by the due date, however Council will also make reasonable efforts to contact ratepayers and negotiate a mutually acceptable resolution prior to debt recovery.

Assistance by writing off accrued interest

- In accordance with Section 567 of the Act Council may write off accrued interest on rates and charges if the ratepayer was unable to pay for reasons beyond their control or the payment of accrued interest would cause the person hardship.

Pensioner Concessions

Council may waive or reduce rates, charges and interest for which an eligible pensioner is liable, in relation to land on which a dwelling is situated, and which is occupied by the pensioner as his or her sole or principal place of living.

For this purpose, an eligible pensioner means a person prescribed in Section 134 of the Regulations. This includes persons who receive a pension, benefit or allowance under Chapter 2 of the Social Security Act 1991 of the Commonwealth, or a service pension under Part III of the Veterans' Entitlements Act 1986 of the Commonwealth, and who are entitled to a pensioner concession card issued by or on behalf of the Commonwealth Government.

Council offers the following assistance to eligible pensioners:

Concessions

- Statutory Concession: Section 575 of the Act provides that pensioners are entitled to a reduction in their rates and charges, currently prescribed by the NSW Government as a reduction of \$250.
- Voluntary Concession: Council provides an additional voluntary reduction in rates and charges for pensioners who are entitled to the statutory concession, under Section 582 of the Act. Voluntary concessions are notified annually in the Council Delivery Program and Operational Plan and are currently 8.5% of the total rates and charges.

Accruing Rates and charges

To further support eligible pensioners:

- Upon request, eligible pensioners may accrue rates, charges and interest on their property as long as they continue to meet the requirements for a pensioner concession on that property. In these circumstances and for that period, Council will not require payment of the rates and charges.
- Should an eligible pensioner no longer meet the requirements for a pensioner concession on a property, Council will allow the accrual to continue for up to one year without requiring repayment, provided the property is not tenanted and there is no change in ownership.
- Section 712 of the Act requires that proceedings for the recovery of a rate or charge must commence within twenty years from the date when the rate or charge became due or payable. As such, Council will require pensioners to commence payment of overdue rates and charges such that the age of debt to Council does not exceed nineteen years.

Writing Off Rates and charges

- The Local Government Act does not provide Council with the discretion to write off rates and charges, other than in the following circumstances as provided by Section 131 of the Regulation:
 - (a) if there is an error in the assessment, or
 - (b) if the amount is not lawfully recoverable, or
 - (c) as a result of a decision of a court, or
 - (d) if the council or the general manager believes on reasonable grounds that an attempt to recover the amount would not be cost effective.
- The General Manager, in accordance with Section 377 of the Act, currently has delegated authority from Council to write off rates and charges up to \$100. Amounts in excess of \$100 may only be written off by resolution of Council.

Assistance due to Land Valuation changes

- Under Section 601 of the Act a ratepayer who incurs a rate increase following a revaluation of land and suffers substantial hardship, may apply to Council for relief.

- The Act provides Council with the discretion to waive, reduce or defer the payment of the whole or part of the increase. However, recognizing the private benefit ratepayers receive from valuation increases and the requirement for certainty in rates income for the wider public benefit, Council will not waive or reduce an increase in rates. Rather, Council may enter arrangements for periodic payments as per the “Recovery of Outstanding Rates and Charges” section of this Policy.

Sundry Debtors

The following debt management principles will apply to Sundry Debtors:

- Council will consider periodic payment arrangements to assist debtors in cases of financial hardship or extenuating circumstances.
- Arrangements are at the discretion of Council and on terms that take into account the particular circumstances and payment history of the debtor. Debtors may be asked to provide information to verify reasons for seeking an arrangement.
- Where a debtor does not meet their obligations under an arrangement, the arrangement may be terminated.
- Debts may only be written off in accordance with the delegated authority determined by Council and Section 213 of the Regulation which states that a debt can be written off only:
 - a) if the debt is not lawfully recoverable, or
 - b) as a result of a decision of a court, or
 - c) if the Council or the General Manager believes on reasonable grounds that an attempt to recover the debt would not be cost effective.
- The General Manager, in accordance with Section 377 of the Act, currently has delegated authority from Council to write off debts (not including rates and charges) up to \$10,000. Debts in excess of \$10,000 may only be written off by resolution of Council.

Debt Recovery

- If outstanding rates, charges and sundry debts are overdue and not subject to a current and compliant payment arrangement, Council may take debt recovery action.
- Where recovery action is unsuccessful and rates and charges are overdue for more than 5 years, a property may be sold by public auction in accordance with Section 713 of the Act, subject to a resolution of Council.

Definitions

Term / Abbreviation	Definition
Council	Ku-ring-gai Council
Act	Local Government Act 1993
Regulation	Local Government (General) Regulation 2021
Arrangement	An agreement acceptable by Council for a person to repay debt within a specific period of time and with conditions applying thereto.
Eligible Pensioner	For the purpose of determining pensioner concessions in relation to a rate or charge levied on land on which a dwelling is situated, Eligible Pensioner means a person prescribed in Section 134 of the Local Government (General) Regulations 2021 and who occupies that dwelling as his or her sole or principal place of living.
Financial Hardship or Extenuating Circumstances	Is having difficulty in paying debts when repayment is due. This can arise from loss or change in income; illness; loss arising from an accident; natural disaster or emergency situation; death in the family; separation, divorce or other family crisis; family violence; other temporary financial difficulty due to loss of income or increase in essential expenditure; and other situations that reasonably explain why a person has not been able to repay their debts.
Non-rates Debt	A debt that has not been levied as a rate or annual charge under the Local Government Act 1993, otherwise referred to as a Sundry Debt.
Sundry Debt	Non-rates Debt

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