



COUNCIL POLICY

Debt Management & Financial Hardship

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Clause Number

Responsible Position Chief Financial Officer

Branch Financial Accounting Services

Division Corporate Services

Version 1

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PURPOSE

Council has a responsibility to maintain effective control over debts owed to Council including rates, charges, interest and fees. Council must ensure that monies owed are collected in a timely, efficient and effective manner to finance its operations, ensure effective cash flow management and reduce the likely occurrence of unrecoverable debts. This policy defines the principles and guidelines that will apply to the recovery of unpaid Rates and Charges and unpaid sundry debtor accounts.

This policy also details the options available to ratepayers experiencing genuine financial hardship, and establishes guidelines for assessing financial hardship applications. This policy applies to all applications for alternative payment arrangements, writing off of rates, annual charges, fees or interest in accordance with the Local Government Act, 1993 and the Local Government (General) Regulation 2005.

Policy Objectives

When undertaking debt recovery in order to reduce outstanding debts, Council will be guided by the principles of:

- Equity – to ensure consistency, fairness, integrity and confidentiality of all proceedings for both Council and the customer.
- Engagement - Council is committed to engaging with customers with arrears to obtain payment to satisfy their debt and prevent avoidable escalation of the debt recovery processes and the use of legal action.
- Transparency – ensuring obligations of Council’s customers are clear in assisting them to meet their financial obligations where possible.
- Financial Hardship – Council will assess cases of financial hardship on an individual bases and will be courteous and respectful.
- Compliance – to fulfil the statutory requirements of the Local Government Act 1993 with respect to the recovery of Rates and Charges and any other debts and compliance with the Office of Local Government Debt Management and Hardship guidelines.
- Financial Sustainability – to maximize collections of outstanding debts, optimize Council’s cash flow and overall financial performance ensuring Council’s Rates Outstanding Ratio remains at or below the industry standard.

SCOPE

The policy applies to all Council staff, elected members of Council and contracted service providers.

This Policy applies to all debtors (including ratepayers) who have outstanding monies owed to Council.

This Policy does not confer any delegated authority upon any person. All delegations to staff are issued by the Chief Executive Officer in accordance with Section 378 of the Local Government Act 1993.

The specific provisions contained within the Local government Act 1993 and associated Regulations must be adhered to when applying this Policy.

DEFINITIONS

To assist in interpretation, the following definitions apply:

Term	Definition
Act	Local Government Act 1993
Claim	A claim made to the Court by a party (whether a claimant, a defendant or other party)
Council	Dubbo Regional Council
Customer	Ratepayer or Sundry Debtor
Default	A failure by the ratepayer or sundry debtor to abide by the terms and conditions agreed under a payment arrangement for the payment of outstanding Rates and Charges or sundry debtor account
Interest	The fee charged by Council, expressed as a percentage, on Rates and Charges that remain unpaid after the due date
Interest Rate	Made in accordance with Section 566 of the Local Government Act 1993
Judgment and Default Judgment	Includes any order for the payment of money, including any order for payments of costs
Mercantile Recovery Agency	An organisation engaged by Council to recover a debt owed to Council
Payment Arrangement	An agreement entered into by Council and a Ratepayer / Sundry Debtor for the payment of outstanding rates, charges and fees under an agreed instalment payment arrangement plan
Pensioner	An eligible pensioner as defined in Clause 134 of the Local Government (General) Regulations 2005
Pensioner Rebate	A rebate granted to eligible pensioners in accordance with Section 575 of the Local Government Act 1993
Rates and Charges	Ordinary Rates and Annual Charges levied in accordance with the Local Government Act 1993
Ratepayer	The person liable for payment of Rates and Charges for the property in accordance with section 560 of the Local Government Act, 1993
Sundry Debtor	A person, organisation, company or other entity that has a debt or legal obligation to pay an amount to Council
Sundry Debtor Account	An account issued by Council for a charge or service
Write Off	A debt declared non recoverable

BACKGROUND AND RELATED LEGISLATION

Rates and charges

Council levies annual Rates and Charges on all rateable properties in Council's Local Government area in July of each financial year in accordance with the Local Government Act, 1993.

Council issues instalment notices to ratepayers who elect to pay by instalments and such notices are issued at least one month prior to the due date for the instalment.

560 Who is liable to pay rates?

(1) The owner for the time being of land on which a rate is levied is liable to pay the rate to the Council, except as provided by this section.

(2) If land owned by the Crown is leased, the lessee is liable to pay the rate, except as provided by subsection (4).

(3) If there are two or more owners, or two or more lessees from the Crown, of the land, they are jointly and severally liable to pay the rate.

(4) The Crown is liable to pay the rate for land owned by the Crown which is subject to the Housing Act 1912 or the Aboriginal Housing Act 1998.

561 Who is liable to pay charges?

The person liable to pay a charge is:

(a) The person who, if the charge were a rate and if the land on which the charge is levied were rateable in respect of that rate, would be liable under section 560 to pay the rate, or

(b) The Crown in respect of land owned by the Crown, not being land held under a lease for private purposes.

Related Legislation

- Local Government Act, 1993
- Local Government (General Regulation) 2005
- Privacy and Personal Information Protection Act, 1998

Related Documentation

- Council's Code of Conduct
- Council's Revenue Policy
- Office of Local Government Debt Management and Hardship Guidelines, November 2018

POLICY

Payment of Rates and Annual Charges

Rates notices are issued by 1 August each year in accordance with Section 562 of the Local Government Act 1993.

Section 562(3) of the Act defines that rates and annual charges may be paid by a single instalment by 31 August or by quarterly instalments. If payments are made by quarterly instalments, the instalments are payable as follows:

Instalment 1	Due 31 August
Instalment 2	Due 30 November
Instalment 3	Due 28 February
Instalment 4	Due 31 May

Rates and Charges not paid by the due date are considered outstanding.

Interest on Overdue Rates and Charges

Council will charge interest on outstanding Rates and Charges that remain unpaid after they become due and payable in accordance of Section 566 of the Act. Interest accrues on a daily basis. The rate of interest is that set by the Council but must not exceed the rate specified for the time

being by the Minister for Local Government. Accrued interest is, for the purpose of its recovery, taken to be a charge which is due and payable.

Payment Arrangement

Council accepts that there are ratepayers who cannot meet mandatory instalment amounts by the due dates as provided under section 562 of the Act.

Council therefore will accept an alternative payment schedule by way of a short extension or a payment arrangement under section 564 of the Act. Payment arrangements can be weekly, fortnightly or monthly payments provided that Council determines that the reasons for the arrangement is acceptable.

Payment arrangements should, where possible, seek to have the outstanding amount, and future rate instalments (including water consumption where applicable) paid in full by 30 June of the current financial year.

Where payment arrangements will not pay the Rates and Charges in full by 30 June, the arrangement should, where possible, pay the outstanding amount, and future instalments (including water consumption where applicable) within twelve (12) months.

Ratepayers who are not able to enter into an arrangement that would clear the outstanding Rates and Charges within (12) twelve months should be referred to the Financial Hardship section of this policy and be encouraged to seek financial support.

Arrangement offers for amounts that are insufficient to pay the outstanding amount will only be accepted for a maximum period of three months to allow the Ratepayer to seek financial support and make further contact with Council.

Payment arrangements that are for a period of greater than three (3) months will be documented in writing in a Payment Arrangement. Customers are required to sign and return the completed Payment Arrangement. This formalises the agreement and will commit the ratepayer to the agreed payment schedule.

In accordance with Section 568 of the Local Government Act 1993, payments will be applied towards the payment of Rates and Charges in the order in which they became due.

All ratepayers who enter into a payment arrangement will continue to have interest charged on the outstanding amount in accordance with Section 566 of the Act.

Ratepayers who default on two (2) or more occasions on the payment arrangement entered, will have the payment arrangement cancelled and recovery action may continue.

Recovery of Debts

Recovery action will commence with a Reminder Notice being issued to the property owner whose Rates and Charges are greater than \$50.00, remain outstanding 14 days after the due date and no payment arrangement exists.

If rates and charges remain outstanding, and no payment arrangement has been agreed, Council may commence debt recover proceedings.

Refer to the Rates and Charges Debt Management Flowchart attached (Appendix 1) to this Policy, for a visual representation of this process.

Debt Recovery Proceedings

Debt recovery proceedings may be instigated for Rates and Charges when the amount outstanding is at least two (2) instalments and \$800.00 in arrears, or \$800.00 or greater in arrears and the rate payer has defaulted on two (2) or more occasions on their payment arrangement.

Legal costs and expenses incurred in the recovery of Rates and Charges will be raised as a charge on the assessment and will be payable by the ratepayer.

Commencement of Legal Action

If no contact is made by the due date of Council's Reminder Notice, Council's mercantile recovery agency will issue a Letter of Demand advising that if payment is not paid in full or a mutually suitable payment arrangement entered into within fourteen (14) days, then recovery action involving legal costs will commence.

Should the arrears not be paid in full, nor a mutually suitable payment arrangement be entered into, legal action may be taken by way of a Statement of Claim. Legal costs associated with the Statement of Claim will be raised as a charge against the property.

Recovery action will continue until such time as the outstanding debt including all legal costs incurred by Council are paid in full, or a mutually suitable payment arrangement is made with Council to pay the outstanding amount, including legal costs, as per this policy.

If the ratepayer fails to pay in full including legal costs or contact Council or Council's mercantile recovery agent for a mutually suitable payment arrangement, at the completion of 28 days from the date of service of the Statement of Claim, Default Judgment will be entered against the ratepayer.

Council will defend any action in relation to a Statement of Claim in court proceedings if required to do so.

Default Judgment and Post Judgment

If a Statement of Claim is served and the debtor:

- Makes no mutually suitable payment arrangement in the next 28 days; or
- Does not pay the amount claimed, including legal costs; or
- Does not apply for a Court Instalment Order to pay off the amount claimed, including legal costs; or
- Does not lodge a notice of defence with the court disputing the claim;
- Then the ratepayer may be liable to incur a Default Judgement.

Once Default Judgment has been entered against a ratepayer, the following post Judgement actions are then enforceable. These include but are not limited to:

- Writ of Execution;

- Garnishee Orders (wages, bank and third party);
- Examination Notice;
- Examination Order;
- Rent for Rates;
- Warrant of Apprehension;
- Creditors Statutory Demand (Windup Notice);
- Bankruptcy Notice.

Credit reporting agencies access some court records relating to debt recovery. Specifically, they access details of all Default Judgments and record these on the individual's credit history, in some cases for five (5) years.

If the debt has been paid in full, Council will upon request, write a letter to the debtor confirming that the debt has been repaid in full which may then be presented as proof of payment. Credit reporting agencies will not remove from an individual's credit history the existence of a Default Judgment because it assists users of their reports with credit risk assessment.

Debtors may sometimes ask for Council to consent to the filing of a Notice of Discontinuance or to have Judgment set aside to have the Judgment removed from their credit history. The process requires a notice of motion to have Judgment set aside and then a Notice of Discontinuance.

Council will not have the Judgment set aside or issue a Notice of Discontinuance in these circumstances. A Notice of Discontinuance is a remedy for correcting a claim that was issued in error. A debtor has no right to have a Judgment erased upon payment of the debt. The debtor had the opportunity to avoid Judgment when they were issued with the Statement of Claim and Judgment warning letter. A Judgment is a valid court Judgment.

Council does not report debts to any credit reporting agencies, and is under no obligation to assist debtors to delete factually correct court Judgment history.

Sale of Land for Unpaid Rates and Charges

Council may proceed to sell the land in accordance with Chapter 17, Part 2, Division 5, Section 713 of the Local Government Act, where vacant land has remained outstanding for more than one (1) year or more than five (5) years for any other land.

This is the last resort that Council takes in recovering the outstanding Rates and Charges on a property and only if:

- Reasonable attempts have been made to locate the owner of the land where the current address is unknown.
- Debt recovery actions have been undertaken by Council and the Rates and Charges remain outstanding.

If the sale amount is less than the outstanding Rates and Charges, Council will consider the debt to be paid in full in accordance with Section 719 of the Act, and will write-off the remaining outstanding balance.

In accordance with Section 720 of the Act, any balance of the purchase money must be paid into the Council's trust fund and held by the Council in trust for the persons having estates or interests in the land immediately before the sale according to their respective estates and interests. Council may pay the balance of the purchase money or any part of the balance to or among the persons who are, in its opinion, clearly entitled to it, and the receipt of the person to whom any payment is so made is an effectual discharge to the Council for it.

HARDSHIP

Council will consider applicants for financial hardship on an individual basis.

Council will consider applications for hardship where the rateable property is the principle place of residence or where the property owned is by an aged pensioner and is vacant whilst the ratepayer is in short term care.

A ratepayer may be eligible for consideration for hardship assistance when the ratepayer is unable to pay Rates and Charges when due and payable for reasons beyond the ratepayer's control.

As part of the application for hardship, the ratepayer must confirm the nature of the hardship and the estimated time the hardship will be experienced.

Legislative Options/Hardship Provisions

The Local Government Act, 1993 provides Council with the following options to assist ratepayers with financial hardship:

- Agreement as to periodic payment of Rates and Charges (Section 564 LGA 1993).
- Writing off or reducing interest accrued on Rates and Charges (Section 564 & 567 LGA 1993).
- Extension of Pension Concession to avoid hardship (Section 577 LGA 1993).
- Writing off or reducing rates, charges and interest of eligible Pensioners (Sections 575 & 582 LGA 1993).
- Waiving, reducing or deferring the payment of the increase in rates because of hardship resulting from a general revaluation (Section 601 LGA 1993).
- Waiving or reducing Council fees (Section 610E).

Identifying Financial Hardship

For the purposes of this policy a ratepayer experiencing financial hardship is defined to be a resident ratepayer who wishes to pay their rate instalments as they fall due but does not have the financial capacity to do so and payment when due would cause the person financial hardship. The ratepayer must demonstrate a willingness to pay by maintaining contact with relevant Council staff regarding their circumstances and by agreeing to a payment arrangement plan.

In determining eligibility Council may use the criteria used by Centrelink for granting of a pensioner concession card, including the assets and income test. Council may also require a request in writing including a statement of reasons, reasonable proof of financial hardship, details of assets, income and living expenses, and such other information required to make a valid assessment. Council may require the completion of a Hardship Rate Relief Application form and may also request the ratepayer attend an interview to assist Council in the understanding of the issues causing hardship.

Supporting documentation may include evidence from third parties such as an accountant, evidence from a recognised financial counsellor such as a member of the Financial Counsellors Association of NSW, a Statutory Declaration from a person familiar with the ratepayers circumstances who is qualified to provide Council with a clear unbiased assessment of the ratepayers financial hardship status such as a carer or power of attorney.

Hardship Provisions

Section 564 - Arrangements as to Periodical Payment of Rates and Charges

Section 564 of the Local Government Act 1993 provides that Council may enter into a formal agreement with a ratepayer for alternative periodical payments for due and payable rates.

Where ratepayers are experiencing financial difficulties in meeting their rate commitments, they are requested to make early contact with Council Officers to make a payment arrangement to pay off their outstanding rates by regular payments, subject to the following guidelines:

- The amount and frequency of the payments under the payment arrangement are to be acceptable to Council.
- Payment arrangements should, where possible, seek to have the outstanding rates cleared by the end of the current financial year.
- Where payment arrangements will not pay the Rates and Charges in full by 30 June, the arrangement should, where possible, pay the outstanding amount, and future instalments (including water consumption where applicable) within twelve (12) months.
- Payment arrangements that go beyond one year must be approved by the Revenue Accountant.

Where a payment arrangement would not pay the balance owing (including future Rates and Charges) within a two (2) year period from the date of the payment arrangement the ratepayer will be required to complete the "Hardship Rate Relief Application Form" as attached (appendix 2) providing reasonable proof of financial hardship. It may also be requested that the ratepayer attend an interview to assist Council in the understanding of the issues causing hardship.

It will remain the responsibility of the ratepayer to communicate with Council, particularly if there are circumstances that may result in the ratepayer being unable to meet the terms and conditions of the payment arrangement. Council will consider such circumstances on their merit and negotiate alternative payment arrangements if required. Failure to meet the payment arrangement schedule without approval from Council will result in the payment arrangement being cancelled and legal action being commenced.

In accordance with Section 568 of the Local Government Act 1993, payments will be applied towards the payment of Rates and Charges in the order in which they became due. All ratepayers who enter into a payment arrangement will continue to have interest charged on the outstanding amount in accordance with Section 566 of the Local Government Act 1993.

567 Writing off of Accrued Interest

Council applies interest rates to the maximum allowable under Section 566 of the Local Government Act 1993. However, Council may write off accrued interest on Rates and Charges payable by a person under Section 567 of the Local Government Act 1993, if:

- The person was unable to pay the rates or charges when they became due and payable for reasons beyond the person's control; or

- The person is unable to pay the accrued interest for reasons beyond the person's control; or
- Payment of the accrued interest would cause the person hardship.

Ratepayers requesting that interest charges are written off for one or more of the above reasons need to submit a letter providing details as to why they were unable to pay the instalment by the due date, or why the payment of the accrued interest would cause hardship. Each individual case will be considered by Council and decided on its particular merits against the criteria of Section 567. Council may consider writing off interest where the ratepayer is experiencing genuine financial hardship and the ratepayer has complied with all criteria with respect to a Section 564 periodic payment arrangement. Council may request the completion of the Hardship Rate Relief Application form.

The Chief Executive Officer is authorised to write off accrued interest and/or costs in accordance with the above criteria.

577 Extension of Pensioner Concession to Avoid Hardship

Ratepayers who hold a current Pensioner Concession Card and are solely or jointly liable for the Rates and Charges levied on the land on which a dwelling is situated, which is their principal place of abode, may be eligible for a reduction in rates under Section 575 of the Local Government Act 1993.

Section 577 of the Act, enables Council to make an order deeming certain persons who are jointly liable with an eligible pensioner(s) or solely liable, but who are not themselves eligible, to be eligible pensioners for the purpose of a mandatory reduction in Rates and Charges to avoid hardship.

Ratepayers applying for an extension of concession to avoid hardship will be required to complete the 'Hardship Rate Relief Application Form' detailing their financial position.

If the ratepayer continues to experience hardship after the concession period approved by Council has expired, then a new application must be made by the ratepayer.

582 Abandonment of Pensioner's Rates and Charges

The maximum statutory pension concession provided to eligible pensioners under Section 575 of the Local Government Act 1993 is fifty percent of the total ordinary Rates and Charges up to \$250.00 maximum and \$87.50 each of water and sewer charges.

Section 582 of the Local Government Act 1993 states a council may waive or reduce rates, charges and interest due by any person prescribed by the regulations who is in receipt of a pension, benefit or allowance under the *Social Security Act 1991* of the Commonwealth.

Council may, at its absolute discretion, further reduce on a voluntary basis (with no subsidy from the state government) Rates and Charges otherwise payable by an eligible pensioner.

601 Hardship Resulting From Certain Valuation Changes

Section 601 of the Act, provides that where any ratepayer who suffers substantial hardship as the consequence of the making and levying of a rate following a new valuation, may apply to Council for rate relief.

In order for Council to consider an application for relief under section 601 the following conditions must be met:

- The property must be categorised as “Residential” and be the ratepayer’s principal place of residence and be the only property in which the applicant has an interest. The increase in rates must be greater than the general/special variation % increase applied for the rating year in which the new land valuation comes into effect.
- The net ordinary rates payable must be more than 5% of annual gross household income.
- The applicant would suffer substantial hardship if required to pay the Rates and Charges when they fall due. Applicants will be required to complete a “Hardship Rate Relief Application Form”.
- The application must be made within six (6) months of Council issuing a Rates and Charges Notice based on the new land valuation. Assistance is only available in the first year the new valuation is used to levy rates.
- If eligible, Council will defer payment of the amount above the ordinary rate payable on the property for the previous year with the adopted rate percentage increase applied. The payment of this amount will be deferred to the following rating year. One quarter of the amount of the increase will be added to each of the quarterly instalments due in the following rating year. Interest will not be charged on the deferred amount unless it remains unpaid after the instalment due date to which it was applied.

610 (E) Hardship Assistance In Relation To Council Fees

The Chief Executive Officer will have the delegated authority to make such decisions in relation to the waiving or reducing of fees.

Any application for hardship assistance in relation to Council fees or charges, other than annual charges, by waiving or reducing fees under Section 610(E) of the Act, will be assessed in accordance with the same eligibility criteria used to assess hardship assistance in respect to rates and annual charges.

Hardship Relating to Undetected Water Leakage

In the case of water consumption charges where there exists an extremely high water consumption account or where a high account would cause financial hardship for the customer as a result of an undetected leak or breakage, Council may consider the write off of a percentage of additional water consumption over and above average water consumption for the corresponding billing period for the last three years (3) (if practical).

- All requests for an adjustment due to leakage must be received by Council in writing.
- The property owner must provide all relevant details regarding the water leak including particulars of the leak, dates and photo’s where possible.
- The property owner must have promptly engaged the services of a licensed plumber to repair the leak and enclose a copy of the plumbers invoice.
- Council will only consider requests for a review of an account where the water usage for the quarterly billing period is significantly higher than the average water consumption for the property in corresponding billing periods.
- In reviewing requests for an adjustment to a water consumption account, Council will give consideration to the following:
 - If increased water consumption for prior quarter/s should have been investigated;
 - Prior high water consumption at the property;

- If a property is owner occupied or tenanted;
 - Length of ownership;
 - If property owner is an eligible pensioner;
 - Whether payment of the account would cause financial hardship (Hardship Rates Relief Application form may be required);
 - If an adjustment has previously been granted at the property or to the property owner;
 - Prior history with Council with respect to payment of Rates and Charges including water consumption.
- Where the property is Non-Residential and is subject to Non Residential Sewer Service Charges or Trade Waste Treatment Charges, an adjustment may be granted based on the average consumption for the corresponding billing period for the last three (3) years if it is considered that the additional water did not enter Council's Sewer mains for treatment.

Applications for an adjustment due to Undetected Water Leakage will be assessed on a case by case basis and will be determined by Council's Chief Executive Officer, taking into consideration recommendations from Council's Manager Water Supply and Sewerage and Chief Financial Officer.

Assessment of Hardship Applications

Payment Arrangements

Delegated Officers of Council may consider and enter into payment arrangements with ratepayers on behalf of Council.

It is the responsibility of the customers who have entered into a payment arrangement with Council to advise Council if they cannot adhere to the payment arrangement.

Hardship Committee

A Hardship Committee comprising the Debt Recovery Officer, Revenue Accountant and the Chief Financial Officer will review all Hardship Rate Relief applications received by Council and make recommendations to the Chief Executive Officer where required in accordance with this policy.

A determination under this policy will be assessed against financial data provided by the applicant. Each application will be considered on a case by case basis on its merits with consideration being given to the following:

- The financial status of the ratepayer;;
- Income from all sources;
- Living expenses;
- Reasons for Financial Hardship;
- Health of the ratepayer and dependants that reside with the applicant;
- Length of ownership of the property;
- Prior history with Council in respect to the payment of Rates and Charges;
- Compliance with any previous periodic payment arrangements;
- The implication to Council in deferring or writing off interest charged;
- The implication to Council in deferring or writing off Rates and Charges (i.e. pension rebates).

The ratepayer will be informed of the Chief Executive Officer's decision in writing and if not satisfied with the outcome can request a review by Council's Mayor.

Continuing Hardship

If the ratepayer continues to experience hardship after the concession period approved by Council has expired, the ratepayer will need to reapply providing an updated "Hardship Rate Relief Application form" for assessment. In such circumstances Council may require up-to-date personal and financial information to confirm the ratepayers continued financial hardship.

Failure to Maintain the Payment Schedule or Other Concession Options

At all times, the ratepayer must communicate with Council, particularly if there are circumstances that may result in the ratepayer being unable to meet the terms and conditions of the concession option. Council will consider such circumstances on merit and negotiate alternative payment arrangements with the ratepayer if required.

Failure to notify Council of the above, or general failure to meet the payment arrangement schedule, may result in Council seeking full recovery of the rates and/or charges through the initiation of legal action.

Council may at its discretion withdraw any hardship concession.

SUNDRY DEBTOR ACCOUNTS

Council reserves the right not to extend credit and require payment in advance of any service supplied. Sundry debtor accounts are 14 days, statements are issued within seven (7) days of months' end. Sundry debtor accounts not paid by the due date are considered outstanding.

Council reserves the right to amend terms of trade for sundry debtor accounts from time to time.

Recovery of Sundry Debtor Debts

Council may take recovery action of an overdue sundry debtor account within thirty (30) days of the account becoming overdue unless the debtor enters and complies with an overdue payment agreement.

Council will not take recovery action for an overdue sundry debtor account when a debtor enters and complies with an overdue payment arrangement.

Council's overdue payment agreement with sundry debtors will not exceed six (6) months. Council may extend the six (6) month limit if they believe exceptional circumstances exist.

In cases of not-for-profit organisation, charities and unincorporated community groups, the Chief Executive Officer retains discretion in relation to the manner of which outstanding debts are recovered.

Council will not consider hardship applications in relation to animal registration fees, the costs of microchipping, or veterinarian fees and charges.

Debt Recovery/Legal Proceedings of Sundry Debtor Accounts

Where an amount is overdue for more than thirty (30) days, the sundry debtor account may be placed on stop credit. Council reserves the right not to extend credit and require payment in advance of any service supplied.

Recovery action will commence with a Reminder Notice being issued to the sundry debtor whose outstanding sundry debtor account is outstanding for more than thirty (30) days.

If the sundry debtor account remains outstanding fourteen (14) days after the Reminder Notice due date, and no payment arrangement has been agreed, Council may commence debt recovery proceedings.

Council's mercantile recovery agency will issue a Letter of Demand advising that if payment is not paid in full or a mutually suitable payment arrangement entered into within fourteen (14) days, then recovery action involving legal costs will commence.

If payment is not made in full or a mutually suitable payment arrangement agreed by the due date of the Letter of Demand, then recovery of outstanding sundry debtor accounts will follow the same procedure as outlined for outstanding Rates and Charges.

Legal fees and expenses associated with debt recovery proceedings will be pursued through the legal proceedings.

Write Off of Outstanding Sundry Debtor Accounts

A sundry debtor account can be deemed uneconomical to recover due to but not limited to: bankruptcy, deregistered company, balances lower than the legal fees to recover, etc.

All sundry debtor accounts deemed to be uneconomical to recovery or unrecoverable by the Chief Executive Office will be written off. All such write offs will be reported to the Chief Executive Officer annually at the completion of the financial year.

RESPONSIBILITIES

The Debt Recovery Officer is responsible for debt recovery matters relating to the recovery of outstanding Rates and Charges and sundry debtor accounts in consultation with Council's Revenue Accountant, Rates Officers, Water Billing Officer, Accounts Receivable Team Leader, Customer Service staff, Chief Financial Officer, Director Corporate Services and the Chief Executive Officer.

Outstanding debts requiring legal action are submitted to Council's Revenue Accountant for approval prior to commencement of legal action.

CONTACTING RATEPAYERS

Council will be guided by the Office of Local Government Debt Management and Hardship Guidelines best practice procedures for contacting ratepayers regarding outstanding Rates and Charges.

Council will serve notices on persons in accordance with Section 710 of the Local Government Act 1993.

Whilst Council will endeavour to make contact with ratepayers regarding outstanding Rates and Charges prior to escalating recovery action, it is the responsibility of ratepayers to ensure Council's contact details including the postal address for service of notices are correct.

COUNSELLING, MEDIATION AND INFORMAL DISPUTE RESOLUTION

Where a ratepayer or debtor owes a debt to Council and disputes the amount levied or outstanding, the customer is required to put the dispute in writing, stating reasons they believe the account to be incorrect. Council will investigate the complaint to determine if the dispute can be resolved informally and shall respond to the dispute in writing in a timely manner.

Council's Complaints Management Policy and Internal Ombudsman Policy should be referred to for guidance on complaints.

If a rate payer is actively participating in a dispute resolution process, has made an application for financial hardship that has not yet been determined, or is complying with a payment arrangement made with Council in good faith, debt recovery proceedings will be suspended.

Ratepayers are encouraged to access support services to help resolve legal or financial issues and/or negotiate arrangements to manage debt. Community legal centres and financial counsellors provide a mix of social, financial and paralegal advice and advocacy on debt issues.

SUPPORT SERVICES

Ratepayers or debtors suffering financial hardship or require legal support, may find the following organisations of assistance:

ASIC's Moneysmart

www.moneysmart.gov.au/managing-your-money/managing-debts

Legal Aid NSW

www.legalaid.nsw.gov.au/get-legal-help/fina-a-service

Telephone: (02) 6885 4233

Community Legal Centres NSW

www.clcnsw.org.au/find-legal-help

Telephone: 1300 888 529

Centrelink

www.centrelink.gov.au

Telephone: 13 63 57

The Salvation Army (Moneycare)

www.salvos.org.au

Telephone: 1300 371 288 or 02 6881 8280

Lifeline Central West

www.lifelinecentralwest.org.au

Telephone: 1300 798 258

National Debt Hotline operated by Financial Counsellors Association of NSW

www.fcan.com.au

Telephone: 1800 007 007

Rural Financial Counselling Service NSW Central Region

www.rfcs-cw.com.au

Telephone: 1800 940 404

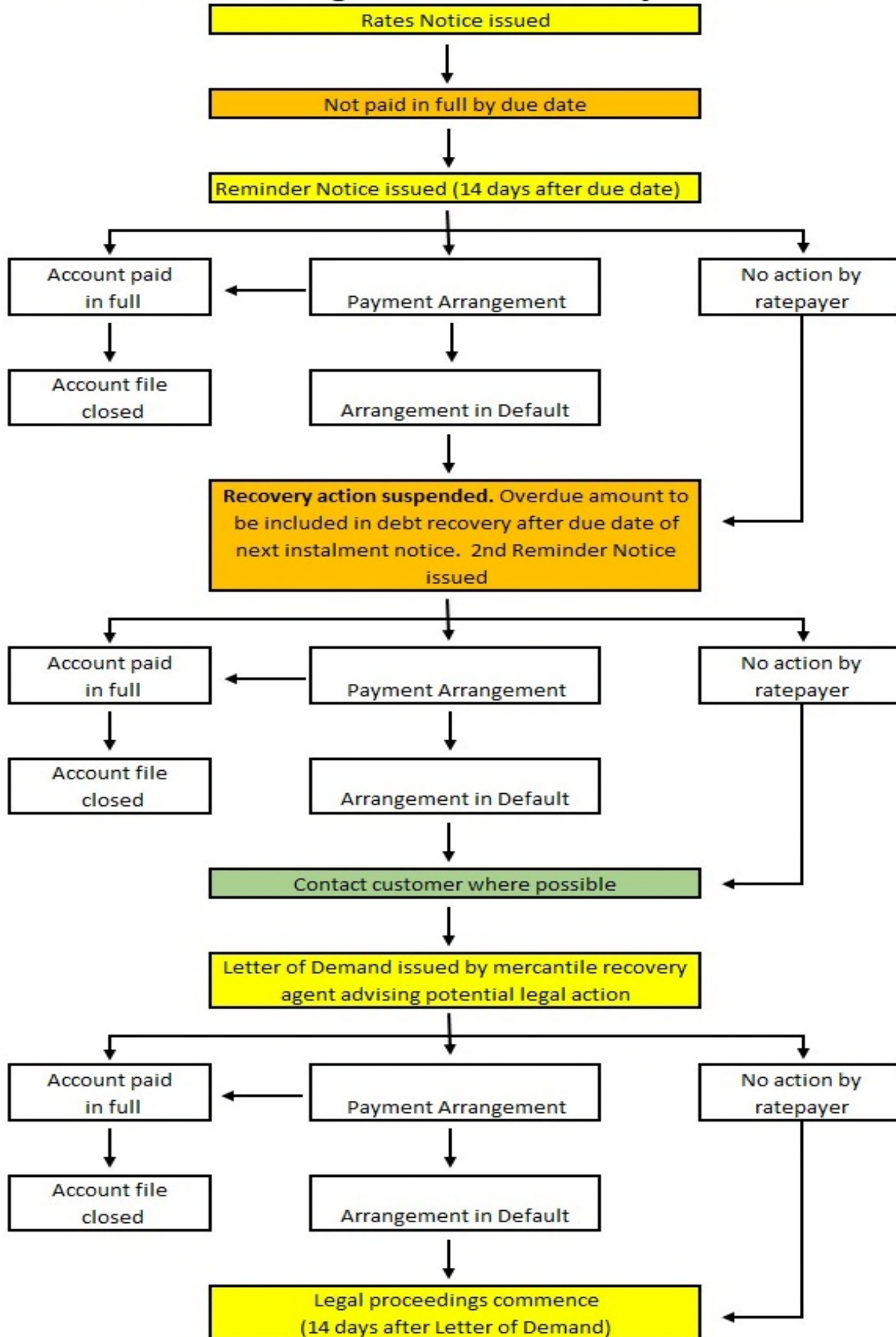
Council reserves the right to amend this policy from time to time.

The chief Executive Officer can exercise their discretion in regards to adherence of the operational procedures of this policy.

APPENDICES

Appendix 1

Rates and Charges Debt Recovery Flowchart





HARDSHIP RATE RELIEF APPLICATION
FOR THE WHOLE OR PART OF THE YEAR
COMMENCING 1 JULY 20____

Please answer all questions relevant to your application by using block letters and ticking appropriate boxes.

DECLARATION

Rates Assessment Number

I,
Full Name

of

Address

Telephone No apply for a pension concession on the basis of financial hardship.

Property Description (*Lot DP/SP as shown on Rate Notice*)

1. Do you receive any pensions or benefits? Yes No

If Yes, please provide type of pension and amount received per fortnight.

Pension Amount \$

2. Do you have a current Pensioner Concession Card (PCC) issued by the Commonwealth Government? Yes No

Pension No. Card Start

OR

I am NOT the holder of a Pensioner Concession Card (PCC) as my pension is issued by the Department of Veterans Affairs.

Pension No Date of Grant

3. Have you claimed a Pensioner Concession on any other property this financial year? Yes No

If YES, please state the address of the other property.

Suburb State

4. The property for which I am claiming has been my sole/principal place of living since

5. I am liable for the payment of Rates and Charges on this property, together with others as listed below

If no others, please write Sole Owner.

Please provide details of all other persons indicated in Question 5. All owners other than the applicant should be listed, including your spouse.

Name	PCC Holder (Y/N)	Pension No	Date of Grant	Relationship (e.g. Spouse)	Resident (Y/N)	% Owner

Evidence of joint ownership is attached/has been provided to Council previously (circle whichever is applicable)

6. Is the property owned as shares in a company title? Yes No

If you do not own the property, please explain why you are liable to pay the rates.

7. Are there people living at the property other than those listed at Question 5? Yes No

8. Please indicate who these people are

- Self
- Spouse
- Children
- Boarders
- Relatives
- Other (please specify)

9. Do you own (either fully or partially) any other land or buildings? Yes No

If yes, list addresses of other land or buildings

10. How many children do you support?

Please state age

11. What is the cause of your financial hardship?

12. How long have you been experiencing hardship?

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13. Please state gross weekly amount received in dollars and cents from the following sources of income

a) Pensions and Benefits	\$
b) Compensation, Superannuation Insurance or Retirement Benefits	\$
c) Spouse's income	\$
d) Other residents of the property	\$
e) Full-time/Casual/part-time employment	\$
f) Family Payment - Centrelink	\$
g) Interest from Banks/Credit Unions/Building Societies	\$

14. Please provide name and current balance of all Bank, Credit Union or Building Society accounts held by you.

15. Please state details of weekly outgoings

Outgoing	Owed to	Amount
Rent / Home Loan		\$
Other Mortgages		\$
Personal Loans/ Hire Purchase		\$
Health Costs		\$
Council Rates and Charges		\$
Total		\$

Please attach a separate page with any other relevant information you feel may assist your application

I, HEREBY DECLARE THAT THE INFORMATION PROVIDED IS TRUE AND CORRECT

Signature

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Date

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If you make a false statement in your application you may be guilty of an offence and fined up to \$2,200.00.

CUSTOMER CONSENT

For the sole purpose of authorising Council to confirm with Centrelink whether or not the details I have provided to Council matches Centrelink or other Commonwealth Portfolio Department or Agency records in relation to the current status of my Commonwealth Benefit.

I, authorise Council to
(Full Name)

confirm the following personal details with Centrelink

- * Pension Number
- * Full Name
- * Address
- * Postcode, and
- * That I am a valid concessional card holder.

I agree that, unless I revoke my consent, this Customer Consent Record is a permanent consent, and may be relied on by Council until such time as I revoke it.

I may revoke this Customer Consent Record at any time by giving Council **written** notice that my consent is revoked. I understand if I revoke this consent, I may not be eligible for the concession given by Council.

I acknowledge I have read and understood this Customer Consent record.

Signature

Date

PRIVACY AND PERSONAL INFORMATION PROTECTION ACT 1998

Compliance with Section 10

The information contained in this application form and any information requested for the purpose of assessing eligibility for a Hardship Rate Relief Concession is required under the Local Government Act 1993 and the Local Government (General) Regulation 2005.

This information is required before your application for a Hardship Rate Relief Concession can be processed. The information is private and confidential and Council must not disclose the information to any person or body if it is not directly related to the purpose for which the information was collected.

If you have a complaint about the use of your personal information, please contact Council's Customer Service Centre. The information contained or referred to in this application form may be corrected and updated by you, by contacting Council.

PURPOSE OF THIS FORM

This form is to be completed by Ratepayers wishing to receive a concession on Council Rates and eligible Ratepayers are entitled to receive up to \$250.00 on ordinary rates and charges for domestic waste management services.

Generally, the concessions are available to eligible pensioners, however concessions may be granted to Ratepayers suffering financial hardship in certain circumstances.

The information provided by completing this form will enable Council to determine eligibility to receive a concession and the level of concession the Ratepayer is entitled to.

PRIVACY STATEMENT

You will need to provide personal information to Council in respect of this application. Council is required under the Privacy & Personal Information Protection Act 1998 (PPIPA) to collect, maintain & use your personal information in accordance with the Privacy Principles and other relevant requirements of the PPIPA. For further clarification please contact Council's Customer Service Centre.