
COLLECTION OF RATES AND SERVICE CHARGES

Policy Owner: Director Corporate Strategy and Performance

Contact Person: Manager Finance

Date of Approval: 14 December 2010 – CS06-12/10

Objective

To establish a formal standard for the recovery of outstanding rates and charges levied under the *Local Government Act 1995*.

Statement

The following process is to be followed for the recovery of outstanding rates and service charges. Legal proceedings will continue until payment of the rates and service charges are made in full.

1. Issue Final Notices

A Final Notice is to be issued 14 days after the due date, to those persons who have made either no payment, or insufficient payment to cover the first instalment. The Final Notice is to specify that the ratepayer/s have seven (7) days to pay in full or to enter into a special repayment arrangement. Final Notices are not to be issued to eligible persons registered to receive the pensioner rebate under the Rates and Charges (Rebates and Deferments) Act 1992 as such persons have until 30 June in the year of rating to make payment, without incurring any late payment penalties.

2. Notice of Intention to Issue General Procedure Claim

A Notice of Intention to issue General Procedure Claim is to be issued within 28 days after the due date to those persons who did not respond appropriately to the Final Notice.

The Notice of Intention to issue General Procedure Claim is to specify that the ratepayer/s have fourteen (14) days to pay in full or to enter into a special repayment arrangement – failure to do so will result in a summons being issued without further notice.

3. Issue of a General Procedure Claim

3.1 A General Procedure Claim is to be issued through the Joondalup Magistrates Court, if no response is received in relation to the Notice of Intention to issue General Procedure Claim. In accordance with Section 6.56 of the *Local Government Act 1995*, legal fees are to be debited to the ratepayer/s account.

3.2 Ratepayers are required to either pay the full amount on the General Procedure Claim or pay by instalments. If they choose to pay by instalments, they must sign the Admission of Claim on the reverse of the General Procedure Claim and enter

the amount they agree to pay in each instalment. Such instalments are subject to acceptance by the Chief Executive Officer or an officer delegated by the Chief Executive Office.

- 3.3 If the Admission of Claim is not returned after fourteen (14) days of the issue of a General Procedure Claim, a letter is to be sent requesting the ratepayer/s complete the Admission of Claim and return it to the City within seven (7) days. If, after the further period of seven (7) days, the Admission of Claim is not returned to the City, a Property Sale and Seizure Order is to be issued.
 - 3.4 If an instalment payment is received from a ratepayer/s but the Admission of Claim has not been returned to the City, a letter is sent requesting that the Admission of Claim be completed and returned to the City.
 - 3.5 When the Admission of Claim is received, it must be checked to ensure that it has been duly signed. If not signed it must be returned requesting that the Admission of Claim be duly completed.
 - 3.6 If the Admission of Claim has been completed correctly, a repayment arrangement is to be entered into so long as the proposed repayment arrangement is acceptable to the City. This is to ensure that the debt is recovered within a reasonable timeframe. A letter is sent confirming acceptance of the repayment arrangement.
 - 3.7 If the proposed repayment arrangement is not acceptable to the City, a letter is sent advising that the proposed arrangement is not sufficient to repay the debt in a reasonable time and requesting the ratepayer/s to contact the City's Rating Services staff. Staff discretion is required when contact is made as some ratepayer/s are in genuine financial difficulty and may be unable to pay more than what was proposed on their Admission of Claim.
 - 3.8 If payment of the General Procedure Claim is received, but no Admission of Claim returned, and there is a small balance owing or the legal fees have not been paid, a letter is to be sent advising of same and requesting payment.
 - 3.9 If the repayment arrangement, as agreed on the Admission of Claim, is not honoured, a letter is to be sent advising that the repayment is overdue and advising that if payment is not received by the agreed date, a Property Sale and Seizure Order will be issued.
4. Non-Service of General Procedure Claim
- 4.1 When a General Procedure Claim is unable to be served, a Non-Service of General Procedure Claim will be issued by the Bailiff. The Bailiff may advise if the property is a rental property or will provide an alternative address for the General Procedure Claim to be re-issued.
 - 4.2 If the property is a rental property, the property agent is to be contacted to ascertain the new address. If the property agent is responsible for payment of the rates, the address is to be changed and a new rate notice is to be sent to the property agent for payment.

4.3 If a new address is supplied, the new address is to be recorded. A letter is sent, informing the owner/s of the General Procedure Claim and if not responded to within seven (7) days Council will re-issue the General Procedure Claim.

5. Property Sale & Seizure Order

5.1 If the ratepayer/s has not responded to the General Procedure Claim, a Property Sale and Seizure Order is to be issued fourteen (14) days after the date of issue of the General Procedure Claim. The Property Sale and Seizure Order is also processed through the Joondalup Magistrates Court.

5.2 The Property Sale and Seizure Order is a goods order in the first instance and if the Property Sale and Seizure Order is returned Nulla Bona (no goods), then a land warrant is to be issued.

5.3 Where a Property Sale and Seizure Order involves land where the owner resides, the approval of Council to be obtained before the land Warrant is lodged. Warrants against land may be used to collect outstanding rates and service charges in respect of investment properties without a requirement that these be referred to Council.

6. Section 6.64 – Sale of Land

If any rates and charges which are due to Council in respect of any rateable land have been unpaid for at least 3 years, Council may take possession of the land under the provisions of Section 6.64 of the Local Government Act 1995. The approval of Council is to be obtained before this course of action is undertaken.

7. Section 6.60 – Seizure of Rent for Non Payment of Rates

Where the owner of a leased or rented property, on which rates and service charges are outstanding, cannot be located or refuses to settle rates and service charges owed, a notice may be served on the lessee or tenant under the provisions of Section 6.60 of the Local Government Act 1995, requiring the lessee or tenant to pay to the City the rent due under the lease/tenancy agreement as it becomes due, until the amount in arrears has been paid. The Chief Executive Officer has delegated authority to implement the provisions of Section 6.60 and this authority has been on-delegated to the Director Corporate Strategy and Performance.

Responsibility for Implementation

Manager Finance

Implementation: Reviewed, Reviewed, Reviewed 21 October 2008

Version	Next Review	Record No:
21 May, 2002 – CS01-05/02,		
09 September, 2003 – PLC01-09/03		
27 June, 2006 - CS09-06/06		
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