

Policy Type	Corporate
Function	Financial Management
Policy Owner	Manager Financial and Administrative Services
Policy Contact	Revenue Coordinator
Effective Date	1 July 2025

Purpose

The management and recovery of outstanding revenue is an important aspect of Council's financial management function. Council requires payment of rates and charges within a specified time period and will pursue the collection of overdue rates and charges diligently. Non-payment of rates or charges places an unfair burden on ratepayers who meet their legal obligations in full.

When pursuing the collection of overdue rates or charges Council will have due concern for any financial hardship faced by ratepayers and will allow appropriate time to pay overdue rates where financial difficulty is identified.

The Rates and Charges Recovery Policy (The Policy) guides the administration process to be used in the collection of overdue rates or charges. This may include Periodic Payment Plans and various recovery actions including the Sale of Land in accordance with legislative requirements.

Scope

The Policy provides scope for recovery procedures and applies to all ratepayers of Burdekin Shire Council.

Exceptions

Nil

Principles

The Policy is guided by the following principles:

- Debt Recovery – Council aims to ensure effective control over debts owed to Council, including overdue rates, charges and interest and to establish debt management procedures for the efficient collection of receivables and the recovery of outstanding debts including deferment and alternative payment arrangements;
- Transparency – by making clear the obligations of ratepayers and the processes used by Council in assisting it to meet its financial obligations;
- Simplicity – making the processes used to recover overdue rates and charges clear, simple to administer and cost effective;
- Capacity to pay – in determining appropriate arrangements for ratepayers; and
- Equity – by treating all ratepayers in similar circumstances in the same way.

Objective

The policy's objective is to:

- Ensure monies owed to Council are recovered in a timely, efficient and effective manner in order to finance Council's operations and ensure effective cash flow management.

- Ensure, when recovering outstanding rates and charges, Council makes it clear to ratepayers their obligations and the processes used by Council to assist them meet those obligations.
- Provide processes that will enable early intervention with ratepayers to reduce Council's ratepayer debt.

Policy Statement

Initial Recovery Action

Where rates and/or charges become overdue, Council will take the following recovery action on amounts greater than \$20:

1. Ten (10) to fifteen (15) working days after the due date of the rates and charges, property owners will be issued with an *Overdue Notice* with fourteen (14) days to respond.
2. Should the ratepayer not make full payment or come to an acceptable alternative and the overdue amount is in excess of \$500 the property will be referred to Council's debt collection agency with no further notice to the ratepayer.

Advanced Recovery Action

Where overdue rates and/or charges have been referred to Council's debt collection agency, an initial letter of demand will be issued, direct contact undertaken and other debt collection activities taken in order to secure payment of the debt. At this stage it will still be possible for ratepayers to enter into a payment plan which is determined on a case-by-case basis. Once the files are sent to Council's collection agency, all contact and plans made are to be dealt with by Council's debt collection agency.

Legal action is seen as a last resort to enforce collection and may be undertaken if the ratepayer fails to adhere to the approved payment plan or fails to respond to the contact made by Council's debt collection agency.

All recoverable costs, as part of all debt recovery processes, will be passed on to the ratepayer.

Sale of Land

Where some or all of the overdue rates and charges remain overdue for at least three (3) years, Council by resolution, may decide to proceed to Sale of Land in accordance with Chapter 4, Part 12, Division 3, Section 140(2), of the *Local Government Regulation 2012*.

Periodically a review will be undertaken to select properties that have rates and charges remaining overdue for at least three (3) years. A report shall be presented to Council to request a resolution to proceed to the Sale of Land process for the selected properties.

As soon as practicable after the resolution, a Notice of Intention to Sell detailing arrears, land and terms of the resolution must be issued to all parties who have an interest in the land.

For the procedures for Sale of Land process refer to the *Local Government Regulation 2012*, Subdivision 2, Selling land for overdue rates or charges.

The *Local Government Act 2009* provides capacity for Council to take sale of land action to recover rates or charges arrears outstanding for periods less than three (3) years in certain circumstances. This policy does not preclude such action being taken.

Periodic Payment Plans

Council will allow landowners who are unable to pay their rates by the due date to enter into an approved payment plan to make periodic payments in arrears following the levy of the rates and charges. Council will only accept periodic payment plan applications received in writing.

Council has not made a resolution to allow ratepayers to pay by instalments under section 129 of the *Local Government Regulation 2012*. Section 125(3) of the *Local Government Regulation 2012* allows Council to defer payment of rates under nominated conditions. The Regulation permits Council to require payment of an additional charge as a condition of the deferral.

Council will allow a deferral of rates to those ratepayers who enter into an approved payment plan. A condition of the deferral will be that the ratepayer will pay an additional amount equivalent to the interest that would have been applied, should the deferral not have been approved, charged in the same manner as interest.

At any stage prior to the property being referred to Council's debt collection agency, with the exception of properties that have proceeded to sale of land following Council resolution, Council will accept applications for periodic payment plans on the approved form or as detailed in acceptable written or electronic form.

Council will accept periodic payment plans where payments are made at least on a monthly basis and will clear the outstanding balance prior to the end of the rating period of the same financial year (31 December or 30 June). Council may accept but will not encourage periodic payment plans, at the discretion of the Revenue Coordinator or the Manager of Financial and Administrative Services, that fall outside the above-mentioned timeframes where there are extenuating circumstances and where the outstanding balance will be cleared prior to the due date of the next rate levy. Consideration will be given to whether the applicants have adhered to previous payment plans.

Payment plans with terms greater than those outlined above or where at least a minimum monthly payment is not possible, may be approved in cases of extenuating circumstances with consideration. Approval is to be given by the Revenue Coordinator or Manager of Financial and Administrative Services.

Council will not agree to a periodic payment plan where the term for repayment of outstanding rates and charges does not extinguish the debt in a reasonable time.

Where a Periodic Payment Plan meets the criteria set by Council and is approved, written acceptance of the plan will be provided to the ratepayer(s). This correspondence will also advise that the outstanding account may be referred to Council's debt collection agency if the approved plan is not adhered to.

Periodic Payment Plans are to be reviewed on a regular basis to confirm ratepayer compliance.

Periodic Payment Plan Default

Where payments have not been received in accordance with the approved payment plan, the ratepayer(s) will be advised in writing that the payment plan is in default and the account may be referred to Council's debt collection agency with no further notice to the ratepayer.

A payment plan may be reinstated when the arrears are brought up to date. A periodic payment plan may be renegotiated where the ratepayer(s) have demonstrated substantial compliance with the original plan.

Application for Rates Relief on the Grounds of Hardship

Ratepayers may apply for rate relief with an application on the basis of hardship supported by relevant documentation as outlined in the Rates and Charges Hardship Policy.

Risk Management

The policy supports Council's strong commitment to transparency, accountability and adherence to the financial management function.

The policy mitigates the risk to ratepayers who are unable to pay rates and charges within the specified time period of acquiring a level of unachievable debt.

The policy mitigates the risk of an unfair burden to ratepayers who make payment of rates and charges within the specified time period and meet their legal obligations in full.

The policy ensures fair and equal treatment for all ratepayers and details steps Council will take to ensure payment of rates and charges.

Legislation

Local Government Act 2009

Local Government Regulation 2012

Definitions and Abbreviations

Refer to the dictionary schedules contained in the *Local Government Act 2009* and the *Local Government Regulation 2012*.

Related Documents

Document Title
Revenue Policy 2025/26
Revenue Statement 2025/26
Rates and Charges Hardship Policy 2025/26
Payment Plan Application 2025/26

Document History and Version Control

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