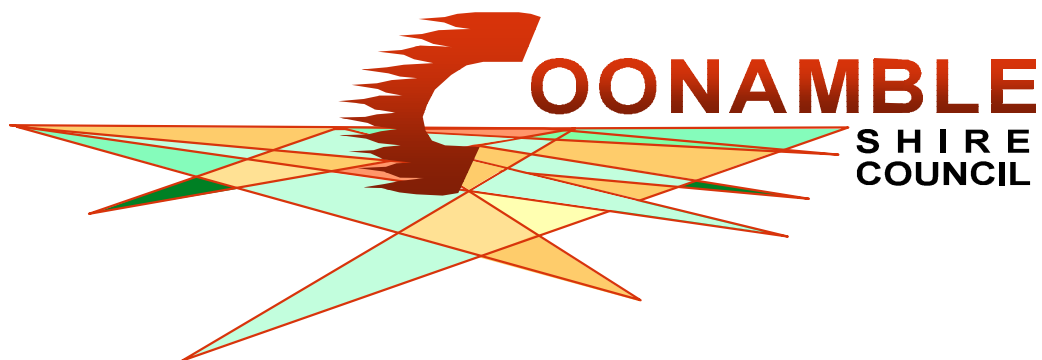


COONAMBLE SHIRE COUNCIL



DEBT RECOVERY POLICY

OBJECTIVE

To collect all rates, annual charges, user charges and debts due to Council in an efficient and effective manner.

POLICY PROVISIONS

Recovery action shall be divided into categories:

- a) Recovery of rates, domestic waste charges and charges on land
- b) Recovery user charges on Water and Sewer consumption
- c) Recovery of other debts.

STATEMENT

Any rate, annual charge, user charge or other debt not paid by the due date, falls into arrears. Council authorises the General Manager to recover these debts in an efficient and effective manner.

RECOVERY OF RATES, DOMESTIC WASTE CHARGES AND CHARGES ON LAND

Rates and Annual Charges are levied by 31 July each year and are payable by four equal instalments by the following dates:

- 31 August
- 30 November
- 28 February
- 31 May

Any instalment not paid by the due date falls into arrears and is subject to interest charges.

Council authorises the Senior Administration Officer - Rates, Director of Corporate Services and the General Manager to make arrangements with ratepayers to clear debts and further Council authorises the General Manager to take action to recover overdue Rates and Charges ensuring the most cost effective method is used.

There will be no general distinction made for pensioners or any class of ratepayer, with each case being individually dealt with according to the circumstances. Council is aware that at different times ratepayers may experience genuine hardship in meeting rate payments and upon application suitable arrangements for the payment of rates will be considered.

PROCEDURE

1. Notice issued - all owners are issued with a Rates and Charges Notice (s546) and where required with a Rate Instalment Notice (s562).
2. Rate Instalment Default Notice - after a minimum period of seven (7) days a Rate Instalment Default Notice is issued to the owner stating that rates are overdue and requesting payment within fourteen (14) days.
3. Letter of Demand - failure to comply with the Default Notice will result in a Letter of Demand stating that should the payment not be made within fourteen (14) days legal action will be taken.
4. Having issued three separate requests for payment of rates, legal action may be commenced without further notice to recover the debt with the lodging of a statement of liquidated claim at the local Court providing the amount outstanding is greater than \$300.
5. Should the debt remain unsatisfied Council may proceed to obtaining a writ of execution to recover the debt, which may include garnishee or seizure of goods.

At all stages in this process from the issue of the Rate Instalment Default Notice the opportunity to make a satisfactory payment arrangement with Council is offered prior to the commencement of legal action.

Failure to adhere to a payment arrangement that has been put in place will result in legal action for recovery of unpaid rates and charges.

RECOVERY USER CHARGES ON WATER AND SEWER CONSUMPTION

User charges are issued quarterly and will be due and payable after thirty (30) days from the issued date.

Any account not paid by the due date falls into arrears and is subject to interest charges.

Council authorises the Senior Administration Officer - Rates, Director of Corporate Services and the General Manager to make arrangements with tenants/ratepayers to clear debts and further Council authorises the General Manager to take action to recover overdue charges ensuring the most cost effective method is used.

There will be no general distinction made for pensioners or any class of ratepayer, with each case being individually dealt with according to the circumstances. Council is aware that at different times ratepayers may experience genuine hardship in meeting water payments and upon application suitable arrangements for the payment of charges will be considered.

PROCEDURE

1. Account Issued - the account will be due and payable after thirty (30) days from the issue date.
2. Default notice - within seven (7) days of the expiration of the due and payable period a default notice requesting payment within fourteen (14) days will be issued.
3. Notice of Restrictor - Should payment not be received a letter will be forwarded giving notice that the supply will be restricted at the expiration of seven (7) days.
4. A flow restricting device may be fitted and not be removed until the full amount of the debt plus an applicable removal fee is satisfied. The restrictor removal fee is per Council's adopted fees and charges.
5. Legal action be commenced after a further fourteen (14) days should the amount not be paid and the total outstanding be in excess of \$300.
6. Should the debt remain unsatisfied Council may proceed to obtaining a writ of execution to recover the debt, which may include garnishee or seizure of goods.

At all stages in this process from the issue of the Default Notice the opportunity to make a satisfactory payment arrangement with Council is offered prior to the commencement of legal action.

Failure to adhere to a payment arrangement that has been put in place will result in legal action for recovery of unpaid user charges.

RECOVERY OF OTHER DEBTS

All other user charges and debts will be due and payable after twenty one (21) days from the issue date.

Any account not paid by the due date falls into arrears, and where applicable credit facilities will be cancelled and no further goods or services will be provided.

Council authorises the Finance Manager, Director of Corporate Services and the General Manager to make arrangements with customers to clear debts and further Council authorises the General Manager to take action to recover overdue charges ensuring the most cost effective method is used.

PROCEDURE

1. The account will be due and payable after twenty one (21) days from the issue date.
2. An overdue notice will be issued within seven (7) days of the expiration of the due and payable period requesting payments within fourteen (14) days, where applicable credit accounts will be cancelled and no further goods or services will be supplied.
3. Letter of Demand - failure to comply with the overdue notice will result in a Letter of Demand stating that should the payment not be made within fourteen (14) days legal action will be taken.
4. Having issued three separate requests for payment of account, legal action may commence without further notice to recover the debt with the lodging of a statement of liquidated claim at the local Court providing the amount outstanding is greater than \$300.
5. Should the debt remain unsatisfied Council may proceed to obtaining a writ of execution to recover the debt, which may include garnishee or seizure of goods.

At all stages in this process from the issue of the Overdue Notice the opportunity to make a satisfactory payment arrangement with Council is offered prior to the commencement of legal action.

Failure to adhere to a payment arrangement that has been put in place will result in legal action for recovery of unpaid charges.

Inbound Contact

To avoid confusion, double-handling and adverse legal issues, once a matter has been referred to Council's external law firm for collection all inbound contact from debtors is to be handled by them. Council staff are to advise such debtors to deal directly with Council's external law firm and, if necessary, provide appropriate contact details for same.

***Presented to Council: 13 April 2011
On Public Exhibition: 20th April to 20th May 2011
Adopted by Council: 8 June 2011 – Min No 9204***