

Outstanding Debt

COUNCIL POLICY NO. 025

1. POLICY OBJECTIVE

To confirm the manner in which Council will recover outstanding debt.

2. SCOPE

This Policy applies to ratepayers and other clients who have an outstanding debt with Council and sets out the steps that Council will take to recover these debts.

3. REFERENCES

Local Government Act 1989

4. POLICY

4.1 Rates and Charges

Council will issue a Final Notice within 14 days of the final date for payment to those ratepayers who have opted to pay by lump sum and have failed to do so. If the assessment remains unpaid after 14 days or suitable payment arrangements have not been made within that time, the Director Corporate Services is authorised to commence legal action via Council's Collection Agency to assist with recovery of the amount owing.

Penalty interest is to be charged on overdue amounts in accordance with Section 172(2) of the *Local Government Act 1989*.

4.2 Special Rates and/or Special Charges Schemes

Council will issue quarterly instalment or other periodic notices in accordance with the payment options set by Council when the Scheme was adopted.

Penalty interest is to be charged on accounts where an instalment remains unpaid. Interest will be calculated at the adopted rate backdated to the date on which the instalment became payable.

Where an instalment remains unpaid for two payment periods, Council will issue a Demand for full payment of the account. Unless paid in full within 30 days of that Demand, the Director Corporate Services is authorised to commence legal action via Council's Collection Agency to assist with recovery of the amount owing.

4.3 Private Works/Hire and general Debtors

Council will issue monthly invoices for private works/hire and general debtors. Where these accounts are unpaid after 60 days and where that individual owes an amount in excess of \$200, the Director Corporate Services is authorised to commence legal action to assist with recovery of the amount owing.

Interest may be charged on amounts unpaid for in excess of 60 days in accordance with Section 227A of the *Local Government Act*.

4.4 Home Care/Home Maintenance/Meals on Wheels

Council will issue monthly invoices for Home Care, Home Maintenance and Meals on Wheels services. The Director Corporate Services will provide the Manager Community Care with a list of those clients who have failed to pay their accounts after 60 days.

The Manager Community Care will investigate the client's circumstances and recommend those that require further action to recover the amount owing if that amount is in excess of \$50. Where further action is required, a Final Demand for Payment letter will be forwarded to the client. If payment is then not forthcoming the Director Corporate Services is authorised to commence legal action to assist with recovery of the amount owing.

Interest may be charged on amounts unpaid for in excess of 60 days in accordance with Section 227A of the *Local Government Act 1989*.

5. POLICY REVIEW

This policy will be reviewed within twelve months after a general election of the Council.

At the time of review, this policy was compliant with the *Victorian Charter of Human Rights and Responsibilities Act 2006*.

6. FURTHER INFORMATION

Members of the public may inspect all Council policies at Gannawarra Shire Council's Kerang and Cohuna Offices, or online at www.gannawarra.vic.gov.au

Any enquiries in relation to this policy should be directed to the Director Corporate Services on (03) 5450 9333.

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