



# NOTICE

of

## **POLICY REVIEW COMMITTEE MEETING**

*Pursuant to the provisions of Section 88(1) of the Local Government Act 1999*

TO BE HELD IN

**COMMITTEE ROOM  
PLAYFORD CIVIC CENTRE  
10 PLAYFORD BOULEVARD, ELIZABETH**

MEMBERS MAY PARTICIPATE BY ELECTRONIC MEANS

ON

**TUESDAY, 12 MAY 2026 AT 6:00 PM**

A handwritten signature in blue ink, appearing to read "S Green".

**SAM GREEN  
CHIEF EXECUTIVE OFFICER**

Issue Date: Thursday, 7 May 2026

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### MEMBERSHIP

**MAYOR GLENN DOCHERTY – PRESIDING MEMBER**

Mr Sam Green

Ms Janey Mitson

Cr Misty Norris

Cr Jane Onuzans

Cr Tanya Smiljanic



**City of Playford**  
**Policy Review Committee Meeting**

**AGENDA**

**TUESDAY, 12 MAY 2026 AT 6:00 PM**

**1 ATTENDANCE RECORD**

1.1 Present

1.2 Apologies

1.3 Not Present

**2 CONFIRMATION OF MINUTES**

**RECOMMENDATION**

The Minutes of the Policy Review Committee Meeting held 10 March 2026 be confirmed as a true and accurate record of proceedings.

**3 DECLARATIONS OF INTEREST**

**4 DEPUTATION / REPRESENTATIONS**

Nil

**5 STAFF REPORTS**

**Matters to be considered by the Committee and referred to Council**

*Matters which cannot be delegated to a Committee or Staff*

5.1 Hardship Policy and Procedure and Debt Recovery Procedure (Attachments) .....5

**6 INFORMAL DISCUSSION**

Nil

**7 INFORMAL ACTIONS**

**8 CONFIDENTIAL MATTERS**

Nil

**9 CLOSURE**

## **STAFF REPORTS**

### **MATTERS TO BE CONSIDERED BY THE COMMITTEE AND REFERRED TO COUNCIL**

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***Matters which cannot be  
delegated to a Committee or Staff***

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## 5.1 HARSHIP POLICY AND PROCEDURE AND DEBT RECOVERY PROCEDURE

**Responsible Executive Manager :** Luke Culhane

**Report Author :** Iolanda Calabrese

**Delegated Authority :** Matters which cannot be delegated to a Committee or Staff

**Attachments :**

- 1. Hardship Policy - Proposed
- 2. Hardship Procedure - Proposed
- 3. Debt Recovery Procedure - Proposed
- 4. Hardship Policy - Tracked Changes
- 5. Hardship Procedure - Tracked Changes
- 6. Debt Recovery Procedure - Tracked Changes

### PURPOSE

For Council to endorse the proposed Hardship Policy and Procedure and the proposed Debt Recovery Procedure.

### STAFF RECOMMENDATION

1. Council endorse the proposed Hardship Policy (Attachment 1), Hardship Procedure (Attachment 2) and Debt Recovery Procedure (Attachment 3), noting that the next review is due in two (2) years.
2. Council authorise the Chief Executive Officer to make further amendments to the proposed Hardship Policy and Procedure and the Debt Recovery Procedure that do not alter the intent of the documents.

### EXECUTIVE SUMMARY

The Hardship Policy and Procedure and Debt Recovery Procedure reinforce Council's commitment to assist ratepayers and debtors experiencing financial hardship, with the aim of recovering council rates and charges in a fair and reasonable manner. These documents have been reviewed with minimal changes proposed.

#### 1. BACKGROUND

Council creates and maintains a suite of policies to set strategic direction and support effective decision making. Council's policies play an important role in communicating Council's intention and obligations and in setting roles and responsibilities in decision making.

The Hardship Policy and Procedure recognise that ratepayers should receive appropriate assistance when experiencing financial hardship and requires that they are dealt with in a respectful, fair and equitable manner. Application of the Policy enables ratepayers experiencing financial hardship to work with Council to reduce debt, stress and minimise the chance of legal action within mutually acceptable timeframes.

The Debt Recovery Procedure transparently outlines the recovery process for outstanding debts.

The Hardship Policy and Procedure and the Debt Recovery Procedure were previously endorsed by Council in April 2024 (Resolution 5824) and were due for review in April 2026.

## 2. RELEVANCE TO STRATEGIC PLAN

Decision-making filter: We will stick to our Finance Strategy to achieve long-term financial sustainability while still delivering planned services, responsibly managing debt and promoting the growth of the city.

The strategies as outlined in the Hardship Policy and Procedure and Debt Recovery Procedure ensures that Council's cash flow is maintained to enable the ongoing delivery of services to the community.

## 3. PUBLIC CONSULTATION

There is no requirement for community consultation regarding the review of this Policy and procedures. Once endorsed, the updated Policy and procedures will be made available on Council's website.

## 4. DISCUSSION

- 4.1 The proposed Hardship Policy and Procedure are included as Attachments 1 and 2. The tracked changes versions are included as Attachments 4 and 5.
- 4.2 The proposed Debt Recovery Procedure is included as Attachment 3. The tracked changes version is included as Attachment 6.
- 4.3 The scheduled review resulted in no significant changes. Minor amendments were made for grammatical corrections and updates of relevant dates to coincide with the current year.
- 4.4 A new paragraph (4.2.5.6) was added to the Debt Recovery Procedure to reflect the current practice where the Chief Executive Officer certifies all debt write-offs in accordance with the *Local Government Act 1999*.

## 5. OPTIONS

### Recommendation

1. Council endorse the proposed Hardship Policy (Attachment 1), Hardship Procedure (Attachment 2) and Debt Recovery Procedure (Attachment 3), noting that the next review is due in two (2) years.
2. Council authorise the Chief Executive Officer to make further amendments to the proposed Hardship Policy and Procedure and the Debt Recovery Procedure that do not alter the intent of the documents.

### Option 2

1. Council endorse the proposed Hardship Policy (Attachment 1), Hardship Procedure (Attachment 2) and Debt Recovery Procedure (Attachment 3), noting that the next review is due in two (2) years, and provides the following additional feedback:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

2. Council authorise the Chief Executive Officer to make further minor amendments to the proposed Hardship Policy and Procedure and the Debt Recovery Procedure that do not alter the intent of the documents.

## 6. ANALYSIS OF OPTIONS

### 6.1 Recommendation Analysis

#### 6.1.1 Analysis & Implications of the Recommendation

The Hardship Policy and Procedure and Debt Recovery Procedure have been key in developing appropriate assistance and support options for ratepayers experiencing financial difficulties and longer-term hardship.

#### **Risk Appetite**

##### Financial Sustainability

*Council has a low appetite for short-term financial risk that adversely impacts on the delivery of the long term financial plan and the Council's overall stability and sustainability.*

Application of the Hardship Policy and Procedure and Debt Recovery Procedure ensures the timely collection of rates and sundry debtor revenue, which manages cash flow to fund service delivery for the community. Assistance is offered in a transparent, fair and empathetic manner and helps to manage long term bill stress for ratepayers.

#### 6.1.2 Financial Implications

There are no financial or resource implications.

### 6.2 Option 2 Analysis

#### 6.2.1 Analysis & Implications of Option 2

This option allows for additional feedback to be provided and incorporated into the Hardship Policy and Procedure and Debt Recovery Procedure.

#### 6.2.2 Financial Implications

The financial implications will be dependent on the feedback provided.

# Hardship Policy



|                     |                                    |
|---------------------|------------------------------------|
| Policy Author       | General Manager Corporate Services |
| Date of next review | April 2028                         |

## 1. Statement of Intent

This Policy reinforces the commitment of the Council to assist ratepayers and debtors experiencing financial hardship, with the aim of recovering council rates and charges in a fair and financially responsible manner.

Ratepayers should:

- Be treated in a fair, equitable and respectful manner;
- Be offered mutually negotiated and agreed payment plans, or an extension of time to pay that addresses arrears and ongoing rates charges;
- Have their capacity to pay considered;
- Be offered Centrepay and direct debit payment options;
- Have debts to be paid within fair and reasonable timeframes;
- Receive empathetic, confidential and consistent assistance;
- Be offered referral to financial counselling and other services where required; and
- Be protected from legal action and additional costs while meeting their obligations.

## 2. Scope

This Policy endorses consistent application of assistance for ratepayers seeking relief from rates and charges due to hardship or extenuating circumstances. Relief and assistance may be in the form of postponement or remission of rates, negotiated flexible debt repayment plans, or referring the ratepayer to see an accredited financial counsellor.

A ratepayer experiencing financial hardship is someone who is identified by themselves, by Council, by an accredited financial counsellor, or by a welfare agency as having the intention but not the financial capacity to make required payments in accordance with Council's payment terms.

This Policy also endorses appropriate and consistent action that meets delegation requirements in relation to sundry debtors.

## 3. Legislation and References

This Policy is to be read in conjunction with the Hardship Procedure.

Related documents include:

- *Local Government Act 1999*
  - Section 177 – advises that rates imposed on land are a charge on the land.
  - Section 178 – advises that liability for the rates charged on the land is the principal ratepayer

(owner).

- Section 182 – advises of Council’s power to grant relief of rates due to hardship or extenuating circumstances by way of remission or postponement of rates.
- Section 182A – advises of rates postponement eligibility for seniors.
- Section 183 – determines the priority of which payments are to be allocated to ratepayer’s debt.
- Section 184 – advises Council may sell the land if rates have been in arrears for three years or more.

- *Local Government (General) Regulations 2013*
- Debt Recovery Procedure
- Fees and Charges Policy and Procedure
- City of Playford Global Glossary

This Policy should not be considered as the only document that may relate to hardship, other tiers of government, agencies or organisations may have legislation or policies that also apply.

#### 4. Application

|                          |   |
|--------------------------|---|
| CEO                      | To facilitate support of the Hardship Policy.   |
| Manager Rates            | To oversee the consistent application of the Hardship Policy.                         |
| Rates Officer            | To apply consistent delivery of the Hardship Policy to ratepayers.                    |
| Customer Contact Officer | To refer ratepayers experiencing financial hardship to the Rates team where required. |

#### Relevance to Risk Appetite Statement

##### Financial Sustainability

The City of Playford has a **LOW** appetite for short-term financial risk that adversely impacts financial cash flow.

##### Reputation

The City of Playford has a **LOW** appetite for negative perceptions that compromise its credibility and reputation.

The Hardship Policy and Procedure ensures assistance supplied to ratepayers is in a financially and reputational responsible manner.

##### Feedback

Your feedback on this Policy is invited and can be directed to the Manager Governance via email to [governance@playford.sa.gov.au](mailto:governance@playford.sa.gov.au) or by calling the Customer Contact Team on 8256 0333.

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**Administration use only**

|                         |  |
|-------------------------|--|
| ECM document set no.    | 3936993  |
| Version no.             | 5  |
| Procedure link          | Hardship Procedure and Debt Recovery Procedure |
| Policy author           | General Manager Corporate Services             |
| Endorsed by             | Council  |
| Resolution no.          | TBC  |
| Legal requirement       | N/A  |
| Review schedule         | 2 Years  |
| Date of current version | April 2026                                     |
| Date of next review     | April 2028                                     |

**Version history**

| Version no. | Approval date  | Approval by                          | Change  |
|-------------|----------------|--------------------------------------|---|
| 1           | June 2018      | Senior Manager - Finance             | New Policy  |
| 2           | 25 May 2021    | Ordinary Council Resolution No. 4616 | Scheduled Review  |
| 3           | 23 August 2022 | Ordinary Council Resolution No. 5099 | Scheduled review with longer review date and other minor revisions. |
| 4           | 23 April 2024  | Ordinary Council Resolution No. 5824 | Scheduled review, author position title change.                     |
| 5           | 26 May 2026    | Ordinary Council Resolution No. TBC  | Scheduled review  |

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## Hardship Procedure



|                     |                                    |
|---------------------|------------------------------------|
| Procedure Author    | General Manager Corporate Services |
| Date of next review | April 2028                         |

### 1. Purpose

This Procedure supports the Hardship Policy and outlines options for ratepayers seeking relief and assistance from rates and charges due to financial hardship or extenuating circumstances.

### 2. References and Supporting Documentation

This Procedure is to be read in conjunction with the Hardship Policy.

Related documents include:

- *Local Government Act 1999*
  - Section 182 – advises of Council's power to grant relief of rates due to hardship or extenuating circumstances by way of remission or postponement of rates.
  - Section 182A – advises of rates postponement eligibility for seniors.
- Application for hardship assistance form
- City of Playford Global Glossary

### 3. Responsibilities

|                           |   |
|---------------------------|---|
| Manager Rates             | To oversee the consistent application of the Hardship Policy and Procedure.           |
| Rates Officer             | To apply consistent delivery of the Hardship Policy and Procedure to ratepayers.      |
| Customer Contact Officers | To refer ratepayers experiencing financial hardship to the Rates Team where required. |

### 4. Procedure

#### 4.1 Financial hardship definition

A ratepayer experiencing financial hardship is a person who is identified – by themselves, Council staff, an accredited financial counsellor, or a welfare agency – as having the intention, but not the financial capacity, to make required payments in accordance with Council's payment terms.

Ratepayers may have different assistance needs depending on their circumstances.

Ratepayers experiencing ongoing hardship may require ongoing assistance and are generally on low or fixed incomes, including recipients of the age pension, disability support pension, carers payment, or single parenting payment.

Ratepayers experiencing temporary hardship may require short term assistance and are generally experiencing a short term change in circumstances, such as loss or change in income due to unemployment or reduced employment, separation, divorce or other family crisis, serious illness, injury, or bereavement in the family, unexpected accident, incident, unexpected bills, or some other temporary financial difficulty.

When determining the appropriate form of assistance, hardship indicators may include the receipt of Centrelink income support, low income, payment history, previous recovery action taken by Council, or any previous hardship assistance received.

Hardship does not include circumstances where a person chooses not to meet a liability for an unpaid debt.

#### 4.2 Hardship assistance available

Council should inform the ratepayer of assistance available, which may include:

A **payment plan** based on:

- the ratepayer's capacity to pay and current financial circumstances
  - any arrears owing by the ratepayer
  - the ratepayer's likely ongoing rates charges
  - a mutually agreed amount which addresses both arrears and ongoing charges where possible
  - a frequency agreed with the ratepayer e.g., weekly, fortnightly, monthly
- and
- extension of time to pay where agreed
  - availability of Centrelink's Centrepay service or direct debit options
  - referral to an accredited financial counsellor
  - confidential case management
  - protection from debt recovery action

Payment arrangements should be set within fair and reasonable timeframes to enable repayment of the debt.

Council **may consider** waiving overdue fines, in whole or in part, where a ratepayer complies with their payment plan obligations.

#### 4.3 Staff obligations

Staff obligations when dealing with ratepayers experiencing financial hardship include:

- treat ratepayers respectfully and empathetically and have their circumstances kept confidential
- provide information about assistance available
- advise that they may seek the assistance of a free accredited financial counselling service
- negotiate a mutually acceptable payment arrangement
- consider various payment methods

- provide written confirmation of the agreed payment arrangement if requested
- renegotiate their payment arrangement if there is a change in their circumstances
- ensure protection from legal action and additional debt recovery costs while continuing to make payments in accordance with an agreed payment arrangement.

#### 4.4 Ratepayers obligations

Ratepayers that have entered into a payment plan under this Policy are required to:

- make the agreed scheduled payments
- update the Council of any changes to their contact information including postal address, phone numbers and email address
- advise Council of any changes to their circumstances
- inform Council if the reasons for hardship assistance are no longer applicable
- maintain contact with Council's Rates team
- treat Council employees respectfully
- not make false or misleading statements in application of hardship assistance.

#### 4.5 Applications for hardship assistance

Applications for hardship assistance may be made by:

- an accredited financial counsellor on behalf of the ratepayer; or
- the ratepayer directly with Council's Rates team.

Depending on the extent of the ratepayer's financial circumstances, Council may request that the ratepayer attend an appointment with a free **accredited financial counsellor**. Applicants attending financial counselling are required to complete:

- an authority to act form for an accredited financial counsellor; and
- an income and expenditure statement.

Ratepayers seeking assistance directly with the **Rates team** are required to undertake an assessment process to determine the assistance required.

Hardship application forms are available on [www.playford.sa.gov.au](http://www.playford.sa.gov.au).

#### 4.6 Completion of hardship assistance

Hardship assistance is considered complete when the ratepayer has paid all outstanding debt.

The ratepayer will then return to regular billing cycles after successfully completing the hardship assistance.

Ratepayers have the option to continue making ongoing instalments towards their current Council rates.

#### 4.7 Removal of hardship assistance

The ratepayer should be advised that they will be removed from hardship assistance and returned to Council's standard collection cycles should they cease to make payments according to the agreed payment arrangement or fail to contact or respond to Council for a period greater than 60 days. At that time, they should also be advised that debt recovery will recommence, which may include legal action.

Where a hardship ratepayer is **re-seeking** assistance but has not fulfilled their previous obligations under an existing hardship arrangement, Council may request future payments to be made by either Centrepay or direct debit deductions.

#### 4.8 Debt recovery

Council may suspend debt recovery processes while negotiating a suitable payment arrangement with a hardship ratepayer, and where the ratepayer has agreed to the arrangement and continues to adhere to the terms of that arrangement.

Council can recommence any legal proceedings for the recovery of the debt once the ratepayer has been removed from hardship assistance due to failure of the ratepayer to meet their obligations.

#### 4.9 Remission and postponement of payment

Where applicants satisfy the requirements for rate relief under Section 182 of the *Local Government Act 1999* due to hardship or extenuating circumstances, Council may grant relief in the form of a postponement or remission of rates, in whole or in part.

Application forms are available on [www.playford.sa.gov.au](http://www.playford.sa.gov.au).

#### 4.10 Postponement of rates for seniors

Under Section 182A of the *Local Government Act 1999*, postponement of rates can be applied where the ratepayer meets the following eligibility criteria:

- the ratepayer holds, or qualifies to hold, a current State Seniors Card issued by the state government;
- the person is, or is the spouse of, the prescribed ratepayer;
- the rates are payable on land that is the principal place of residence of the prescribed ratepayer;
- the land is owned by the prescribed ratepayer or their spouse; and
- no other person has an interest (as owner) in the land.

Ratepayers applying for a postponement of their rates should be offered a referral to an **accredited financial counsellor** for assistance with their application.

Applications must be made on the prescribed application form and be accompanied by the required information requested by Council including:

- a copy of the Seniors Card; and
- a completed Authority to Act form if an accredited financial counsellor will be acting on the ratepayer's behalf.

Eligible ratepayers are required to pay a minimum of \$500 per year towards their Council rates, with the payment of the remaining balance postponed for an indefinite period until their property is sold or eligibility ceases.

Payment options include:

- one lump sum of \$500;
- quarterly payments of \$125; or
- fortnightly Centrepay deductions of \$20.

Interest is applied monthly to the total postponed rates amount based on the annual Cash Advance rate plus 1%, compounded until the postponed amount is paid.

The Senior Rates Postponement fact sheet and the Senior Rates Postponement application form is available on [www.playford.sa.gov.au](http://www.playford.sa.gov.au).

## 5. Feedback

Your feedback on this Procedure is invited and can be directed to the Manager Governance via email to [governance@playford.sa.gov.au](mailto:governance@playford.sa.gov.au) or by calling the Customer Contact Team on 8256 0333.

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### Administration use only

|                         |                                    |
|-------------------------|------------------------------------|
| ECM document set no.    | 3936992                            |
| Version no.             | 5                                  |
| Policy link             | Hardship Policy                    |
| Procedure author        | General Manager Corporate Services |
| Endorsed by             | Council                            |
| Resolution no.          | TBC                                |
| Legal requirement       | <i>Local Government Act 1999</i>   |
| Review schedule         | 2 years                            |
| Date of current version | April 2026                         |
| Date of next review     | April 2028                         |

### Version history

| Version no. | Approval date  | Approval by                          | Change  |
|-------------|----------------|--------------------------------------|---|
| 1           | June 2018      | Senior Manager Finance               | New Guidelines  |
| 2           | 25 May 2021    | Ordinary Council Resolution No. 4616 | Scheduled Review - formerly Guidelines                            |
| 3           | 23 August 2022 | Ordinary Council Resolution No.5099  | Scheduled review with longer review date and other minor changes. |
| 4           | 23 April 2024  | Ordinary Council Resolution No.5824  | Scheduled review, title changes.                                  |



|   |             |  |                  |
|---|-------------|--|------------------|
| 5 | 26 May 2026 | Ordinary Council<br>Resolution No: TBC | Scheduled review |
|---|-------------|--|------------------|

## Debt Recovery Procedure



|                     |                                    |
|---------------------|------------------------------------|
| Procedure Author    | General Manager Corporate Services |
| Date of next review | April 2028                         |

### 1. Purpose

This Procedure supports the Hardship Policy to provide a clear process for the management of collection and debt recovery for both Council rates and sundry debtor charges. There is a need to ensure a consistent approach to the recovery of outstanding debts for all ratepayers and debtors, and to ensure processes for recovery of such debts comply with legislated and legal requirements.

### 2. References and Supporting Documentation

This Procedure is to be read in conjunction with the Hardship Policy.

Related documents include:

- Magistrates Court – Minor Civil Division
- ASIC Debt collection guideline: for collectors and creditors
- Rates and legal write-offs journal Register
- Rates fine waivers journal Register
- Sundry debtor write-offs and credit notes Register
- City of Playford delegation Register
- Complaints Handling Policy
- Fees and Charges Policy
- Hardship Procedure

### 3. Application

|                         |  |
|-------------------------|--|
| Chief Executive Officer | To certify all debt write-offs.  |
| Manager Rates           | To oversee the consistent application of the Debt Recovery Procedure and approve all debt waivers and write-offs in accordance with Council delegations. |
| Managers                | To request debt waivers and debt write-offs.   |
| Rates Officer           | To apply consistent delivery of the Debt Recovery Procedure and request and process debt waivers and debt write-offs.                                    |

|                          |   |
|--------------------------|---|
| Customer Contact Officer | To refer ratepayers and debtors to the Rates team where required and to refer fine waiver requests to the Rates team. |
|--------------------------|---|

## 4. Procedure

### 4.1 Rates

#### 4.1.1 Rates charges

- 4.1.1.1 The first quarterly rates notices are issued in July each year, with 30 day terms of payment. Where ratepayers choose not to pay in full, three further rates notices are issued in October, January, and April.
- 4.1.1.2 Quarterly rates are due in September, December, March, and June and fall overdue immediately after the due date for the relevant instalment.
- 4.1.1.3 Fines are charged on overdue accounts at a rate of 2%, with a further prescribed interest penalty applied each month thereafter, as outlined in Section 181(8) of the *Local Government Act 1999*.

#### 4.1.2 Rates recovery process

- 4.1.2.1 Overdue and reminder notice letters or SMS messages are issued each quarter following the due date.
- 4.1.2.2 The Rates team will make best endeavors to advise ratepayers, where contact information is available, of overdue rates greater than 60 days prior to referral to the collection agency.
- 4.1.2.3 Ratepayers with overdue balances older than six months may have their accounts referred to Council's contracted collection agency to pursue recovery of the debt through legislated legal channels.

#### 4.1.3 Rates payment arrangements

- 4.1.3.1 Ratepayers with overdue balances less than three months can negotiate an arrangement to pay the outstanding balance by contacting the Customer Contact Centre.
- 4.1.3.2 Ratepayers with overdue balances of more than three months can negotiate a suitable arrangement to pay the outstanding balance by contacting a Rates officer.
- 4.1.3.3 Rates officers will endeavor to ensure that payment arrangements are mutually agreed, take into account the ratepayer's capacity to pay, and allow any debts to be paid within an acceptable timeframe.
- 4.1.3.4 Defaulted payment arrangements may be cancelled if the ratepayer fails to catch up on missed payments or respond to Council employees to renegotiate their payment arrangement.

#### 4.1.4 Hardship

- 4.1.4.1 Ratepayers experiencing financial hardship should be offered appropriate support in accordance with the Hardship Policy and Hardship Procedure.

#### **4.1.5 Debt recovery legal process**

- 4.1.5.1 Ratepayer accounts overdue by more than six months are referred to an external contracted collection agency to commence recovery action through the Magistrates Court Minor – Civil Division, including:
- Issuing a demand letter, giving seven days for the ratepayer to make payment.
  - Negotiating a suitable arrangement to pay within an acceptable timeframe.
  - Issuing and serving a claim/summons on the property owner/ratepayer if the customer fails to pay or make an arrangement to pay.
  - Seeking a judgment debt through the Magistrates Court and an order for payment.
  - Issuing an investigation summons requiring the ratepayer to appear in court.
  - Issuing an examination summons requiring the ratepayer reappear in court for examination of their financial circumstances.
  - Issuing a warrant if the ratepayer fails to attend the court hearing.
- 4.1.5.2 Ratepayer accounts may continue to incur overdue fines each month, as outlined in the *Local Government Act 1999*.
- 4.1.5.3 The collection agency may make suitable payment arrangements and will refer ratepayers back to Council for further discussion if the arrangement is outside prescribed parameters or the ratepayer indicates they are experiencing financial hardship.

#### **4.1.6 Legal costs**

- 4.1.6.1 All debt recovery costs and fees associated with any course of action are to be borne by the ratepayer and will remain a charge on the property, where appropriate, until paid.
- 4.1.6.2 Any ratepayer or debtor who wishes to appeal against legal costs added to their assessment or account must provide written reasons for their appeal to Council.
- 4.1.6.3 All requests for review of legal costs will be investigated and assessed with the facts of the case collated by the Manager Rates. The final decision on whether the costs will be written off will be made in accordance with delegation levels.
- 4.1.6.4 Legal cost waivers or write-offs must be documented and authorised in the Rates and legal write-offs journal Register for the relevant financial year.

#### **4.1.7 Notice of Discontinuance**

- 4.1.7.1 If a ratepayer requests proof that a debt owed to Council has been paid, Council may issue a letter confirming payment, provided all overdue debts have been settled.
- 4.1.7.2 If a ratepayer requests a Notice of Discontinuance to remove a judgement, Council may require all overdue debts to be paid in full.

- 4.1.7.3 Council's collection agency will carry out the process for a Notice of Discontinuance at the request and approval of the Rates team.

#### **4.1.8 Sale of property to recover rates charges**

- 4.1.8.1 Where a ratepayer's account is overdue by more than three years, Council may, via the collection agency, recover outstanding rates through the sale of the property under Chapter 10 Section 184 of the *Local Government Act 1999*.
- 4.1.8.2 A letter is issued to the ratepayer by the acting solicitors advising of Council's intention to proceed with the sale of the property for unpaid rates.
- 4.1.8.3 If no contact is received from the ratepayer within one month of the date of the Chapter 10 letter, the solicitor acting for Council will issue a Section 184 Notice to the ratepayer and the mortgagee, seeking payment in full of the outstanding rates.
- 4.1.8.4 If, after one further month from the Section 184 Notice, the ratepayer fails to contact Council or the solicitor, pay the outstanding rates in full, or enter a satisfactory payment arrangement, Council will appoint a real estate agent to undertake the sale process.
- 4.1.8.5 These proceedings can only be stopped, up to the commencement of the auction, by payment of the arrears and associated costs in full.

#### **4.1.9 Write-offs and fine waivers**

- 4.1.9.1 Fines may be requested to be written off where the ratepayer is experiencing financial hardship, did not receive their rates notice, the property has been sold, an error was made by Council, or there are other extenuating circumstances.
- 4.1.9.2 Any rates **overdue fine** waivers must be documented and authorised in the electronic Rates fine waivers journal Register for the relevant financial year.
- 4.1.9.3 Any rates **legal costs** waivers or write-offs must be documented and authorised in the electronic legal write-offs journal Register for the relevant financial year.
- 4.1.9.4 Any write-offs or waivers of **rates charges** must be documented and authorised in the electronic rates write-offs journal Register for the relevant financial year.
- 4.1.9.5 All write-offs and waivers must be investigated and authorised in accordance with Council's delegations and comply with auditing standards.

## **4.2 Sundry debtors**

### **4.2.1 Sundry debtor billing**

- 4.2.1.1 Debtor invoices are raised in the debtors system at the electronic request of the relevant teams, assigned payment terms of 30 days from date of invoice, and emailed to the debtor.
- 4.2.1.2 Statements are issued at the end of each month.

### **4.2.2 Sundry debtor recovery process**

- 4.2.2.1 Statement reminders are issued to overdue debtors after 30 days.

- 4.2.2.2 A demand letter is issued after 60 days overdue.
- 4.2.2.3 If the debtor fails to pay or contact Council in response to the demand letter, the debt is referred back to the relevant team to determine whether it should be lodged with the collection agency to commence debt recovery.
- 4.2.2.4 Fines and interest are **not** currently charged on overdue sundry debtor invoices.

#### **4.2.3 Payment arrangements**

- 4.2.3.1 Debtors may negotiate payment arrangements, where applicable, with either the relevant team or the Rates team.
- 4.2.3.2 The collection agency can make suitable payment arrangements, or refer the debt back to Council if the arrangement is outside prescribed parameters.

#### **4.2.4 Debt recovery legal process**

- 4.2.4.1 Where the relevant team has difficulty recovering a debt, they may refer it to the Rates team for escalated recovery or request referral to the contracted debt recovery agency to commence legal action.
- 4.2.4.2 If recovery of the debt is unsuccessful, the collection agency will proceed with legal action through the Magistrates Court – Minor Civil Division, resulting in a court order for payment.
- 4.2.4.3 All legal costs and expenses incurred by Council in recovering outstanding debts may be charged to the debtor, and where legislation allows, against the debtor's property.
- 4.2.4.4 Sundry debtors are classed as a non-secured debt, except where other legislation prescribes it as a *rates arrears debt*. This may result in the debt becoming irrecoverable.

#### **4.2.5 Sundry debt write-offs and waivers**

- 4.2.5.1 The relevant team manager may request that a sundry debt be written off, waived, or credited, providing appropriate details are documented with their electronic request.
- 4.2.5.2 Debts will only be waived if the debtor is determined by the relevant team manager to be experiencing financial hardship.
- 4.2.5.3 Debts will only be written off if justifiable reasons are provided by the relevant team manager, the debt recovery process has been exhausted, and the debt is determined to be irrecoverable.
- 4.2.5.4 Requests for write-offs or waivers are to be reviewed and approved by the Manager Rates, or other appropriate manager, in accordance with Council delegations.
- 4.2.5.5 All sundry debtor write-offs and waivers must be documented and authorised in the electronic Sundry debtor write-offs and credit notes Register for the relevant financial year, to comply with auditing standards.
- 4.2.5.6 All debt write-offs are certified by the Chief Executive Officer to ensure that reasonable attempts have been made to recover the debt or that the costs of recovery are likely to equal or exceed the amount to be recovered.

### 4.3 Insolvency

- 4.3.1 In South Australia, Council rates charges are secured against the property, whereas sundry debtors are classified as non-secured debts.
- 4.3.2 Insolvency occurs when the liabilities of a person or entity exceed their assets. Employees may encounter situations where debtors are unable to meet their financial obligations, including the inability to pay debts when they become due, and may become insolvent.
- 4.3.3 Insolvency may involve administration, liquidation, bankruptcy, or repossession of the property by the mortgagee (bank).
- 4.3.4 For rates debts, the balance will be paid in full upon settlement of any sale of the property.
- 4.3.5 Sundry debts require submission of a proof of debt to the liquidator.
- 4.3.6 If, at the conclusion of the insolvency process, only a part or no dividend is paid towards the debt, the sundry debt balance will be written off as irrecoverable.

### Part X Debt Agreements

- 4.3.6.1 Council does not participate in Part X Debt Agreements.
- 4.3.6.2 Any correspondence from credit repair agencies seeking Council to accept a cents in the dollar debt settlement should be responded to by advising that Council does not participate in Part X Debt Agreements.
- 4.3.6.3 In South Australia, Council rates are a legislated charge secured against the property, and all rates, legal costs, and fines must be paid in full.

### 4.4 Records Management

- 4.4.1 Council employees must maintain accurate, complete, and up-to-date records of all communications with ratepayers and debtors.
- 4.4.2 All customer contact should be recorded in the Pathway system and, where applicable, in the debt recovery contractor portal. All correspondence should be registered in ECM.
- 4.4.3 Records may be required for future debt recovery processes, court proceedings, complaints or disputes, and/or Freedom of Information requests (FOI).

### 4.5 Complaints and Appeals

- 4.5.1 Customers who are not satisfied with the outcome of their complaint should be directed to contact the Ombudsman SA on 08 8226 8699 or [Ombudsman@ombudsman.sa.gov.au](mailto:Ombudsman@ombudsman.sa.gov.au).
- 4.5.2 Complaints and appeals will be considered in accordance with Council's complaints and grievance procedures and Sections 270 and 271 of the *Local Government Act 1999*. A copy of the Complaints Handling Policy can be found at [www.playford.sa.gov.au](http://www.playford.sa.gov.au).

## 5. Feedback

Your feedback on this Procedure is invited and can be directed to the Manager Governance via email to [governance@playford.sa.gov.au](mailto:governance@playford.sa.gov.au) or by calling the Customer Contact Team on 8256 0333.

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### Administration use only

|                         |  |
|-------------------------|--|
| ECM document set no.    | 3967113  |
| Version no.             | 4  |
| Policy link             | Hardship Policy  |
| Procedure author        | General Manager Corporate Services                             |
| Endorsed by             | Council  |
| Resolution no.          | TBC  |
| Legal requirement       | Chapter 10, Division 9 of the <i>Local Government Act 1999</i> |
| Review schedule         | 2 Years  |
| Date of current version | April 2026   |
| Date of next review     | April 2028   |

### Version history

| Version no. | Approval date  | Approval by                             | Change  |
|-------------|----------------|---|---|
| 1           | 25 May 2021    | Ordinary Council<br>Resolution No. 4616 | New Procedure                                   |
| 2           | 23 August 2022 | Ordinary Council<br>Resolution No. 5099 | Change to 2 year review period                  |
| 3           | 23 April 2024  | Ordinary Council<br>Resolution No. 5824 | Scheduled review, author position title change. |
| 4           | 26 May 2026    | Ordinary Council<br>Resolution No: TBC  | Scheduled review                                |

# Hardship Policy



|                     |                                    |
|---------------------|------------------------------------|
| Policy Author       | General Manager Corporate Services |
| Date of next review | April 2026 <sup>8</sup>            |

## 1. Statement of Intent

This Policy reinforces the commitment of the Council to assist ratepayers and debtors experiencing financial hardship, with the aim of recovering council rates and charges in a fair and financially responsible manner.

Ratepayers should:

- Be treated in a fair, equitable and respectful manner;
- Be offered mutually negotiated and agreed payment plans, or an -extension of time to pay, that addresses arrears and ongoing rates charges;
- Have their capacity to pay considered;
- Be offered Centrepay and direct debit payment options;
- Have debts to be paid within fair and reasonable timeframes;
- Receive empathetic, confidential and consistent assistance;
- Be offered referral to financial counselling and other services where required; and
- Be protected from legal action and additional costs while meeting their obligations.

## 2. Scope

This Policy endorses consistent application of assistance for ratepayers seeking relief from rates and charges due to hardship or extenuating circumstances. Relief and assistance may be in the form of postponement or remission of rates, negotiated flexible debt repayment plans, or referring the ratepayer to see an accredited financial counsellor.

A ratepayer experiencing financial hardship is someone who is identified by themselves, by Council, by an accredited financial counsellor, or by a welfare agency, as having the intention, but not the financial capacity, to make required payments in accordance with Council's payment terms.

This Policy also endorses appropriate and consistent action that meets delegation requirements, in relation to sundry debtors.

### 3. Legislation and References

This Policy is to be read in conjunction with the [Hardship Procedure](#).

Related documents include:

- [Local Government Act 1999](#)
  - Section 177 [—](#) advises that rates imposed on land are a charge on the land.
  - Section 178 [—](#) advises that liability for the rates charged on the land is the principal ratepayer (owner).
  - Section 182 [—](#) advises of Council's power to grant relief of rates due to hardship or extenuating circumstances by way of remission or postponement of rates.
  - Section 182A [—](#) advises of [Seniors R](#) rates [p](#)Postponement eligibility [for seniors](#).
  - Section 183 [—](#) determines the priority of which payments are to be allocated to ratepayer's debt.
  - Section 184 [—](#) advises Council may sell the land if rates has [ve](#) been in arrears for three years or more.
- [Local Government \(General\) Regulations 2013](#)
  - [Debt Recovery Procedure](#)
  - [Hardship Procedure](#)
- [Fees and Charges Policy and Procedure](#)
- [City of Playford Global Glossary](#)

This Policy should not be considered as the only document that may relate to [h](#)Hardship, other tiers of government, agencies or organisations may have legislation or policies that also apply.

### 4. Application

|                          |  |
|--------------------------|--|
| CEO                      | <a href="#">F</a> To facilitate support of <a href="#">the</a> Hardship Policy.                        |
| Manager Rates            | To oversee the consistent application of the Hardship Policy.  |
| Rates Officer            | To apply consistent delivery of the Hardship Policy to ratepayers.                                     |
| Customer Contact Officer | To refer ratepayers experiencing financial hardship to the Rates <a href="#">T</a> eam where required. |

## Relevance to Risk Appetite Statement

### Financial Sustainability

The City of Playford has a **LOW** appetite for short-term financial risk that adversely impacts financial cash flow.

### Reputation

The City of Playford has a **LOW** appetite for negative perceptions that compromise its credibility and reputation.

The Hardship Policy and Procedure ensures assistance supplied to ratepayers is in a financially and reputational responsible manner.

### Feedback

Your feedback on this Policy is invited and can be directed to the Manager Governance via email to [governance@playford.sa.gov.au](mailto:governance@playford.sa.gov.au) or by calling the Customer Contact Team on 8256 0333.

### Administration use only

|                         |   |
|-------------------------|---|
| ECM document set no.    | 3936993   |
| Version no.             | <a href="#">45</a>                              |
| Procedure link          | Hardship Procedure_and; Debt Recovery Procedure |
| Policy author           | General Manager- Corporate Services             |
| Endorsed by             | Council   |
| Resolution no.          | <a href="#">5824TBC</a>                         |
| Legal requirement       | N/A   |
| Review schedule         | 2 Years   |
| Date of current version | April 2024 <sup>46</sup>                        |
| Date of next review     | April 2024 <sup>48</sup>                        |

### Version history

| Version no.       | Approval date               | Approval by  | Change  |
|-------------------|-----------------------------|--|---|
| 1                 | June 2018                   | Senior Manager - Finance   | New Policy  |
| 2                 | 25 May 2021                 | Ordinary Council<br>Resolution No. 4616                                | Scheduled Review  |
| 3                 | 23 August 2022              | Ordinary Council<br>Resolution No. 5099                                | Scheduled review with longer review date and other minor revisions. |
| 4                 | 23 April 2024               | Ordinary Council<br>Resolution No. 5824                                | Scheduled review, author_position title change.                     |
| <a href="#">5</a> | <a href="#">26 May 2026</a> | <a href="#">Ordinary Council</a><br><a href="#">Resolution No. TBC</a> | <a href="#">Scheduled review</a>                                    |



## Hardship Procedure

|                     |                                    |
|---------------------|------------------------------------|
| Procedure Author    | General Manager Corporate Services |
| Date of next review | April 2026 <sup>68</sup>           |

### 1. Purpose

This Procedure supports the Hardship Policy and outlines options for ratepayers seeking relief and assistance from rates and charges due to financial hardship or extenuating circumstances.

### 2. References and Supporting Documentation

This Procedure is to be read in conjunction with the Hardship Policy.

- Related documents include:
  - Local Government Act 1999
    - Section 182 – advises of Council's power to grant relief of rates due to hardship or extenuating circumstances by way of remission or postponement of rates.
    - Section 182A – advises of rates postponement eligibility for seniors.
  - Application for ~~Hardship~~ hardship Assistance ~~assistance~~ Form ~~form~~
  - City of Playford Global Glossary

### 3. Responsibilities

|                           |   |
|---------------------------|---|
| Manager Rates             | To oversee the consistent application of the Hardship Policy <u>and Procedure</u> .     |
| Rates Officers            | To apply consistent delivery of the Hardship Policy <u>and Procedure</u> to ratepayers. |
| Customer Contact Officers | To refer ratepayers experiencing financial hardship to the Rates Team where required.   |

### 4. Procedure

#### 4.1 Financial ~~Hardship~~ hardship Definition

A ratepayer experiencing financial hardship is ~~someone~~ a person who is identified ~~–~~ by themselves, ~~by~~ Council staff, ~~by~~ an accredited financial counsellor, or ~~by~~ a welfare agency ~~–~~, as having the intention, but not the financial capacity, to make required payments in accordance with Council's payment terms.

Ratepayers may have different assistance needs depending on their circumstances.

Ratepayers experiencing ongoing hardship may require ongoing assistance and are generally on low or fixed incomes, including recipients of the such as aged age pension, disability support pension, carers payment, and-or single parenting pensionspayment.

Ratepayers experiencing temporary hardship may require short term assistance and are generally experiencing a short term change in circumstances, such as loss or change in income due to unemployment or reduced employment, separation, divorce or other family crisis, serious illness, injury, or bereavement in the family, unexpected accident, incident, unexpected bills, or some other temporary financial difficulty.

When determining the appropriate form of assistance, hHardship indicators considered when determining appropriate assistance may include the receiving-receipt of Centrelink income support, or low income, payment history, previous recovery action taken by Council, or any previous hardship assistance received.

Hardship does not include circumstances where a person chooses not to meet a liability for an unpaid debt.

#### 4.2 Hardship Assistance-assistance Availableavailable

Council should inform the ratepayer of assistance available, which may include including:

A **payment plan** based on:

- the ratepayer's capacity to pay and current financial situation-circumstances
  - any arrears owing by the ratepayer
  - the ratepayer's likely ongoing rates charges
  - a mutually agreed amount which addresses both arrears and ongoing charges where possible
  - a frequency agreed with the ratepayer e.g., weekly, fortnightly, monthly
- and
- extension of time to pay where agreed
  - availability of Centrelink's Centrepay service, or direct debit options
  - referral to an accredited financial counsellor
  - confidential case management
  - protection from debt recovery action

Payment arrangements should be set within fair and reasonable timeframes to enable repayment of the debt.

Council **may consider** waiving overdue fines, in whole or in part, where a ratepayers meet complies with their payment plan obligations.

#### 4.3 Rights of Ratepayers-Staff obligations

Staff obligations when dealing with Ratepayers-ratepayers experiencing financial hardship have the right to include:

- be treated ratepayers respectfully, and empathetically and have their circumstances kept confidential
- receive-provide information about available-assistance available
- advise that they may seek the assistance of a free accredited financial counselling service
- negotiate a mutually acceptable payment arrangement

- consider various payment methods
- ~~receive~~ ~~provide~~ written confirmation of the agreed payment arrangement if requested
- renegotiate their payment arrangement if there is a change in their circumstances
- ~~be protected~~ ~~ensure~~ ~~protection~~ from legal action and additional debt recovery costs, ~~whilst~~ ~~while they~~ ~~continuing~~ to make payments ~~in accordance with~~ ~~according to~~ an agreed payment arrangement.

#### 4.4 Ratepayers obligations

Ratepayers that have entered into a payment plan under this Policy are required to:

- make the agreed scheduled payments
- update the Council ~~on~~ ~~of~~ any changes to ~~their~~ contact information including ~~correct~~ postal address, phone numbers and email address
- advise ~~the~~ Council of any changes to their circumstances
- ~~advise~~ ~~inform~~ Council if the reasons ~~of~~ ~~for~~ hardship assistance are no longer applicable
- maintain contact with ~~the Council's~~ ~~rates~~ ~~Rates~~ team
- treat Council employees respectfully
- not make false or misleading statements in application of ~~hardship~~ assistance.

#### 4.5 Applications for Hardship ~~hardship~~ assistance

Applications for hardship assistance may be made by:

- ~~by~~ an accredited financial counsellor on behalf of the ratepayer; or
- ~~by~~ the ratepayer directly with ~~the Council's~~ ~~rates~~ ~~Rates~~ team.

Depending on the extent of the ratepayer's financial circumstances, Council may request that the ratepayer attend an appointment with a free **accredited financial counsellor**. Applicants attending financial counselling are required to complete ~~an~~:

- ~~an~~ authority to act form for an accredited financial counsellor; and
- ~~an~~ income and expenditure statement.

Ratepayers seeking assistance direct~~ly~~ with the ~~rates~~ ~~Rates~~ **team** are required to undertake an assessment process to determine ~~the~~ assistance required.

Hardship application forms are available on [www.playford.sa.gov.au](http://www.playford.sa.gov.au).

#### 4.6 Completion of hardship assistance

~~Hardship assistance is considered complete~~ ~~Completion of hardship assistance is~~ when the ratepayer has paid all outstanding debt.

The ratepayer will ~~be returned~~ ~~then return~~ to regular billing cycles; after ~~they have~~ successfully ~~completed~~ ~~completing~~ the hardship assistance.

Ratepayers have the option to continue making ongoing instalments towards their current ~~council~~ ~~Council~~ rates.

#### 4.7 Removal of hardship assistance

The ratepayer should be advised that they will be removed from hardship assistance and ~~be~~ returned to Council's standard collection cycles; ~~—~~ should they cease to make payments according to the agreed payment ~~arrangement~~ ~~or~~ ~~arrangement~~ ~~or~~ fail to contact; or respond to;

Council for a period of greater than 60 days. At ~~this~~ that time, they should also be advised that debt recovery will recommence, which may include legal action.

Where a hardship ratepayer is **re-seeking** assistance but has ~~failed to not~~ fulfilled their previous obligations under an existing hardship arrangement, Council may request future payments ~~to be made~~ by either Centrepay or direct debit deductions.

#### 4.8 Debt recovery

Council may suspend debt recovery processes while negotiating a suitable payment arrangement with a hardship ratepayer, and where the ratepayer has agreed to ~~a payment~~ the arrangement and continues to adhere to the terms of that arrangement.

Council can recommence any legal proceedings for the recovery of the debt once the ratepayer has been removed from hardship assistance due to failure of the ratepayer to meet their obligations.

#### 4.9 Remission and postponement of payment

Where applicants satisfy the requirements for rate relief under Section 182 of the *Local Government Act 1999* due to hardship or extenuating circumstances, ~~the~~ Council may grant relief in the form of ~~a~~ postponement or remission of rates, in whole or in part.

Application forms are available on [www.playford.sa.gov.au](http://www.playford.sa.gov.au).

#### 4.10 Postponement of rates for seniors

Under Section 182A of the *Local Government Act 1999*, postponements of rates can be applied where the ratepayer meets ~~the following~~ eligibility criteria:

- the ratepayer holds, or qualifies to hold, a current State Seniors Card issued by the state government;
- the person is, or is the spouse of, the prescribed ratepayer;
- the rates are payable on land that is the principal place of residence of the prescribed ratepayer;
- the land is owned by the prescribed ratepayer or their spouse; and
- no other person has an interest (as owner) in the land.

Ratepayers applying for ~~a~~ postponement of their rates should be offered a referral to an **accredited financial counsellor** for assistance with their application.

Applications must be made on the prescribed application form, and be accompanied by the required information ~~as~~ requested by Council including:

- a copy of the Seniors ~~card~~ Card; and
- a completed Authority to Act ~~form~~ if an accredited financial counsellor will be acting on the ratepayer's behalf.

Eligible ratepayers are required to pay a minimum of \$500 per year towards their Council rates, with ~~the~~ payment of the remaining balance postponed for an indefinite period, until their property is sold or eligibility ceases.

Payment options include:

- one lump sum of \$500;
- quarterly payments of \$125; or
- fortnightly Centrepay deductions of \$20.

Interest is applied monthly to the total postponed rates amount based on the annual Cash Advance rate plus 1%, compounded until the postponed amount is paid.

The Senior Rates Postponement fact sheet and the Senior Rates Postponement application form is available on [www.playford.sa.gov.au](http://www.playford.sa.gov.au).

## 5. Feedback

Your feedback on this Procedure is invited and can be directed to the Manager Governance via email to [governance@playford.sa.gov.au](mailto:governance@playford.sa.gov.au) or by calling the Customer Contact Team on 8256 0333.

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### Administration use only

|                         |                                    |
|-------------------------|------------------------------------|
| ECM document set no.    | 3936992                            |
| Version no.             | <a href="#">45</a>                 |
| Policy link             | Hardship Policy                    |
| Procedure author        | General Manager Corporate Services |
| Endorsed by             | Council                            |
| Resolution no.          | <a href="#">5824TBC</a>            |
| Legal requirement       | <i>Local Government Act 1999</i>   |
| Review schedule         | 2 years                            |
| Date of current version | April 2024 <del>6</del>            |
| Date of next review     | April 2026 <del>8</del>            |

### Version history

| Version no. | Approval date  | Approval by                          | Change  |
|-------------|----------------|--------------------------------------|---|
| 1           | June 2018      | Senior Manager Finance               | New Guidelines  |
| 2           | 25 May 2021    | Ordinary Council Resolution No. 4616 | Scheduled Review - formerly Guidelines                            |
| 3           | 23 August 2022 | Ordinary Council Resolution No.5099  | Scheduled review with longer review date and other minor changes. |



|                   |                                     |   |                                     |
|-------------------|-------------------------------------|---|-------------------------------------|
| 4                 | 23 April 2024                       | Ordinary Council<br>Resolution No.5824                  | Scheduled review, title<br>changes. |
| <a href="#">5</a> | <a href="#">26 May 3 April 2026</a> | <a href="#">Ordinary Council<br/>Resolution No: TBC</a> | <a href="#">Scheduled review</a>    |



## Debt Recovery Procedure

|                     |  |
|---------------------|--|
| Procedure Author    | General Manager Corporate Services                 |
| Date of next review | <del>June</del> <del>April</del> 2026 <del>8</del> |

### 1. Purpose

This Procedure supports the Hardship Policy to provide a clear process for the management of collection and debt recovery for both Council rates and sundry debtor charges. There is a need to ensure a consistent approach to the recovery of outstanding debts for all ratepayers and debtors, and to ensure processes for recovery of such debts comply with legislated and legal requirements.

### 2. References and Supporting Documentation

This Procedure is to be read in conjunction with the Hardship Policy.

Related documents include:

- ~~Hardship Procedure~~
- Magistrates Court – Minor Civil Division
- ASIC Debt ~~Collection-collection~~ Guidelines-guideline: for ~~Collectors-collectors~~ and ~~Creditorscreditors~~
- Rates and ~~Legal-legal~~ Writeswrite-offs ~~Journal-journal~~ Register
- Rates ~~Fine-fine~~ Waivers-waivers ~~Journal-journal~~ Register
- Sundry ~~Debtor-debtor~~ Write-write-offs and ~~Credit-credit~~ Notes-notes Register
- City of Playford ~~Dd~~ delegation's Register
- Complaints Handling Policy
- Fees and Charges Policy
- ~~Hardship Procedure~~

### 3. Application

|                                |   |
|--------------------------------|---|
| <u>Chief Executive Officer</u> | <u>To certify all debt write-offs.</u>  |
| Manager Rates                  | <del>Oversee-To oversee</del> the consistent application of the Debt Recovery Procedure <u>and approve all debt waivers and write-offs in accordance with Council delegations.-</u> |
| <u>Managers Rates Officer</u>  | <u>To request debt waivers and debt write-offsApply the consistent delivery of the Debt Recovery Procedure.</u>   |

|  |   |
|--|---|
| <a href="#">Rates Officer Customer Contact Officer</a> | <a href="#">To apply consistent delivery of the Debt Recovery Procedure and request and process debt waivers and debt write-offs.</a> <del>Refer ratepayers and debtors to the Rates team where applicable.</del> |
| <a href="#">Customer Contact Officer Managers</a>      | <a href="#">To refer ratepayers and debtors to the Rates team where required and to .Request debt waivers and debt write-offs</a> <del>refer fine waiver requests to the Rates team.</del>                        |

## 4. Procedure

### 4.1 Rates

#### 4.1.1 Rates charges

- 4.1.1.1 The first quarterly rates notices are issued in July each year, with 30 day terms of payment. Where ratepayers choose not to pay in full, three further rates notices are issued in October, January, and April ~~of each year.~~
- 4.1.1.2 Quarterly rates are due in September, December, March, and June and fall overdue immediately after the due date for the relevant instalment.
- 4.1.1.3 Fines are charged on overdue accounts at a rate of 2%, [with a further prescribed interest penalty and subsequently applied](#) each month thereafter ~~a further prescribed interest penalty~~, as outlined in Section 181(8) of the *Local Government Act 1999*.

#### 4.1.2 Rates recovery process

- 4.1.2.1 Overdue and reminder notice letters or SMS [messages](#) are issued each quarter ~~after following~~ the due date.
- 4.1.2.2 The ~~rates~~ [Rates](#) team will ~~undertake~~ [make](#) best endeavors to advise ratepayers, where contact information is available, of overdue rates greater than 60 days, prior to referral to the collection agency.
- 4.1.2.3 Ratepayers ~~that have~~ [with](#) overdue balances older than six months may have their accounts referred to ~~the Council's contracted~~ collection agency ~~contracted by Council~~, to pursue recovery of the debt through legislated legal channels.

#### 4.1.3 Rates payment arrangements

- 4.1.3.1 Ratepayers ~~that are~~ [with](#) overdue [balances](#) less than three months can negotiate an arrangement to pay the outstanding balance by contacting the Customer Contact Centre.
- 4.1.3.2 Ratepayers ~~that are~~ [with](#) overdue [balances of](#) more than three months can negotiate a suitable arrangement to pay the outstanding balance by contacting a ~~rates~~ [Rates](#) officer.
- 4.1.3.3 Rates officers will endeavor to ensure that payment arrangements are mutually agreed, ~~takes~~ into account the ~~ratepayer's~~ capacity to pay, and [allow that](#) any debts ~~will to~~ be paid within an acceptable timeframe.

4.1.3.4 Defaulted payment arrangements may be cancelled if the ratepayer fails to catch up ~~the-on~~ missed payments or respond to Council employees to renegotiate their payment arrangement.

#### 4.1.4 Hardship

4.1.4.1 Ratepayers experiencing financial hardship should be offered appropriate support in ~~line~~ accordance with the Hardship Policy and Hardship Procedure.

#### 4.1.5 Debt recovery legal process

4.1.5.1 Ratepayer accounts overdue ~~greater-by more~~ than six months are referred to an external contracted collection agency to commence recovery action through the Magistrates Court Minor ~~Civil Division~~, including:

- Issuing a demand letter, giving seven days for the ratepayer to make payment.
- Negotiating a suitable arrangement to pay within an acceptable timeframe.
- Issuing and serving a claim/summons on the property owner/ratepayer if ~~the~~ customer fails to pay or make ~~an~~ arrangement to pay.
- Seeking a judgment debt through the Magistrates Court and an order for payment.
- Issuing an investigation summons requiring the ratepayer ~~to~~ appear in court.
- Issuing an examination summons requiring the ratepayer re-appear in court ~~and for examination of have the court examine~~ their financial circumstances.
- Issuing ~~a~~ warrant if ~~the ratepayer fails failing~~ to attend the court hearing.

4.1.5.2 Ratepayer accounts may continue to ~~be charged~~ incur overdue fines each month, as outlined in the *Local Government Act 1999*.

4.1.5.3 The collection agency may make suitable payment arrangements and will refer ratepayers back to Council for further discussion if the arrangement is outside prescribed parameters, or the ratepayer ~~has~~ indicated they are experiencing financial hardship.

#### 4.1.6 Legal costs

4.1.6.1 All debt recovery costs and fees associated with any course of action are to be borne by the ratepayer and will ~~subsequently~~ remain a charge on the property, where appropriate, until paid.

4.1.6.2 Any ratepayer or debtor ~~that-who~~ wishes to appeal against ~~the~~ legal costs ~~that-have been~~ added to their assessment or account must ~~state-provide written the~~ reasons for their appeal ~~in-writing~~ to Council.

4.1.6.3 All requests for ~~a~~ review of legal costs will be investigated, ~~and~~ assessed ~~and-with~~ the facts of the case collated by the Manager Rates, ~~with-t~~ The final decision ~~as-toon~~ whether the costs will be written off ~~to-will~~ be made in accordance with delegation levels.

4.1.6.4 Legal cost waivers or ~~write-write~~-offs must be documented and authorised in the ~~Rates and Legal-legal Write-write-Offs-offs Journal-journal~~ Register for the ~~appropriate-relevant~~ financial year.

#### 4.1.7 Notice of Discontinuance

4.1.7.1 If a ratepayer requests proof that ~~the a~~ debt owed to Council has been paid, ~~Council may issue a letter can be issued by Council~~ confirming payment, ~~provided has been made. Such letter will only be issued if~~ all overdue debts have been ~~paidsettled~~.

4.1.7.2 If a ratepayer requests a Notice of Discontinuance to remove ~~the a~~ judgement, Council may ~~request require~~ all overdue debts to be paid in full.

4.1.7.3 Council's collection agency will carry out the process for a Notice of Discontinuance at the request and approval of the ~~rates-Rates~~ team.

#### 4.1.8 Sale of property to recover rates charges

4.1.8.1 ~~When-Where~~ a ratepayer's account is ~~becomes~~ overdue ~~greater by more~~ than three years, Council ~~undertakes may, (via the collection agency)-, to~~ recover outstanding rates through ~~the~~ sale of the property under Chapter 10 Section 184 of the *Local Government Act 1999*.

4.1.8.2 A letter is issued to the ratepayer by the acting solicitors advising of Council's intention to proceed with ~~the~~ sale of the property for unpaid rates.

4.1.8.3 If, ~~no contact is received from the ratepayer after within~~ one month of the date of the Chapter 10 letter, ~~no contact is received from the ratepayer, then~~ the solicitor acting for Council will issue a Section 184 Notice to the ratepayer and the mortgagee, ~~to seeking~~ payment in full of the outstanding rates.

4.1.8.4 If, ~~after one further month of from~~ the Section 184 Notice, the ratepayer fails to contact Council or the solicitor, pay the outstanding rates in full, or enter a satisfactory payment arrangement, Council will appoint a real estate agent to undertake the sale process.

4.1.8.5 These proceedings can only be stopped, up to the commencement of the auction, by payment of the arrears and associated costs in full.

#### 4.1.9 Write-Write-Offs and Fine-fine Waiverswaivers

4.1.9.1 Fines may be requested to be written off where the ratepayer is experiencing financial hardship, did not receive their rates notice, the property has been sold, an error ~~was~~ made by Council, or ~~there are other~~ extenuating circumstances.

4.1.9.2 Any rates **overdue fine** waivers must be documented and authorised in the electronic ~~Rates Fine-fine Waivers-waivers Journal-journal~~ Register for the ~~appropriate-relevant~~ financial year.

4.1.9.3 Any rates **legal costs** waivers or ~~write-write~~-offs must be documented and authorised in the electronic ~~Legal-legal Write-write-Offs Journal-journal~~ Register for the ~~appropriate-relevant~~ financial year.

4.1.9.4 Any ~~write-write~~-offs or waivers of **rates charges** must be documented and authorised in the electronic ~~Rates-rates Write-write-Offs Journal-journal~~ Register for the ~~appropriate-relevant~~ financial year.

4.1.9.5 ~~All Write-offs~~ and waivers must be investigated and authorised in ~~compliance~~ ~~accordance~~ with ~~Council's~~ delegations and ~~meet-comply with~~ auditing standards.

## 4.2 Sundry Debtors ~~debtors~~

### 4.2.1 Sundry ~~Debtor-debtor~~ billing

4.2.1.1 Debtor's invoices are raised in the debtors system, at the electronic request of the relevant teams, assigned payment terms of 30 days from date of invoice, and emailed to the debtor.

4.2.1.2 Statements are issued at the end of each month.

### 4.2.2 Sundry ~~Debtor-debtor~~ recovery process

4.2.2.1 Statement reminders are issued ~~after 30 days~~ to overdue debtors ~~after 30 days~~.

4.2.2.2 A demand letter is issued after 60 days overdue.

4.2.2.3 If the debtor fails to pay or contact ~~council-Council~~ in response to the demand letter, the debt is referred back to the relevant team to determine ~~if the debtor-whether it~~ should be lodged with the collection agency to commence debt recovery.

4.2.2.4 Fines and interest are ~~currently-not~~ ~~currently~~ charged on overdue sundry debtor invoices.

### 4.2.3 Payment arrangements

4.2.3.1 Debtors may ~~make-negotiate~~ payment arrangements, where applicable, with either the relevant team or the ~~rates-Rates~~ team.

4.2.3.2 The collection agency can make suitable ~~payment~~ arrangements ~~to pay~~, or refer the debt back to Council if ~~the arrangement is~~ outside prescribed parameters ~~where referred~~.

### 4.2.4 Debt recovery legal process

4.2.4.1 Where the relevant team ~~have-has~~ difficulty recovering a debt, they ~~can-may~~ refer it to the ~~rates-Rates~~ team for escalated recovery ~~process~~, or request referral to the contracted debt recovery agency ~~for-to~~ commencement of legal action.

4.2.4.2 ~~Failing-If~~ recovery of the debt ~~is unsuccessful~~, the collection agency will proceed with legal action through the Magistrates Court ~~-~~ Minor Civil Division, resulting in a court order for payment.

4.2.4.3 All legal costs and expenses incurred by Council ~~in recovering from the recovery of~~ outstanding debts may be charged to the debtor, and ~~where legislation allows~~ against the debtor's property ~~-where legislation is applicable~~.

4.2.4.4 Sundry debtors are classed as a non-secured debt, except where other legislation ~~has-prescribeds~~ it as a *rates arrears debt*. This may result in the debt becoming irrecoverable.

### 4.2.5 Sundry ~~Debt-debt~~ Write ~~write-o~~ffs and ~~Waivers~~waivers

4.2.5.1 The ~~relevant~~ team manager ~~of the relevant area~~ may request that ~~the-a~~ sundry debt

be written off, waived, or credited, ~~providing and supply~~ appropriate ~~documented~~ details ~~are documented~~ with their electronic request.

- 4.2.5.2 Debts will only be waived if the debtor ~~has been~~ determined by the relevant team manager to be experiencing financial hardship.
- 4.2.5.3 Debts will only be written off if ~~there is~~ justifiable ~~reasoning reasons are~~ provided by the relevant team manager, ~~and~~ the debt recovery process has been exhausted, and the debt ~~is~~ determined ~~as to be~~ irrecoverable.
- 4.2.5.4 Requests ~~for write-offs or waivers~~ are to be reviewed and approved by the Manager Rates, or other appropriate manager, in ~~line~~ ~~accordance~~ with Council delegations.
- ~~4.2.5.5 Sundry All sundry~~ debtor ~~write write~~-offs and waivers must be documented and authorised in the electronic ~~Sundry Sundry Debtor debtor Write write~~-Offs ~~offs~~ and ~~Credit credit Notes notes~~ Register for the ~~appropriate relevant~~ financial year, to ~~meet~~ ~~comply with~~ auditing standards.
- ~~4.2.5.6 All debt write-offs are certified by the Chief Executive Officer to ensure that reasonable attempts have been made to recover the debt or that the costs of recovery are likely to equal or exceed the amount to be recovered.~~

~~4.2.5.5~~

### 4.3 Insolvency

- 4.3.1 In South Australia, Council rates charges are secured against the property, ~~however~~ ~~whereas~~ sundry debtors are ~~classed classified~~ as non-secured debts.
- 4.3.2 Insolvency ~~occurs is a situation wherewhen~~ the liabilities of a person, or entity, exceed their assets. Employees may encounter ~~circumstances situations~~ where debtors ~~may~~ ~~bear~~ unable to meet their financial obligations, including ~~the~~ inability to pay debts when they become due, and may become insolvent.
- 4.3.3 ~~Insolvency may involve This may include~~ administration, liquidation, bankruptcy, ~~and~~ ~~or~~ repossession of the property by the mortgagee (bank).
- 4.3.4 ~~For Where this occurs for~~ rates debts, the balance will be paid in full ~~up~~ upon settlement of any sale of ~~the~~ property.
- 4.3.5 Sundry debts ~~will~~ require ~~submitting submission a of a~~ proof of debt ~~with to~~ the liquidator.
- 4.3.6 If, at the ~~end conclusion~~ of the insolvency process, ~~only~~ a part or no dividend is paid towards the debt, ~~then~~ the sundry debt balance ~~would be required will to~~ be written off as irrecoverable.

### Part X Debt Agreements

- 4.3.6.1 Council does not participate in Part X Debt Agreements.
- 4.3.6.2 Any correspondence from credit repair agencies, seeking Council to ~~enter into an agreement to~~ accept a cents in the dollar debt settlement, should be responded to ~~by~~ ~~advise advising~~ that Council does not participate in ~~in~~ Part X Debt Agreements.

4.3.6.3 In South Australia, Council rates are a legislated charge secured against the property, and all rate ~~charges~~, legal costs, and fines, must be paid in full.

#### 4.4 Records Management

4.4.1 Council employees ~~should ensure they~~ must maintain accurate, complete, and up-to-date records of all communications with ratepayers and debtors.

4.4.2 All customer contact should be recorded in the ~~pathway~~ Pathway system and, where applicable, in the debt recovery contractor portal, and ~~All~~ correspondence ~~should to~~ be registered ~~on~~ in ECM.

4.4.3 Records may be required ~~to be produced~~ for any future debt recovery processes, court proceedings, ~~through the court system,~~ complaints or disputes, and/or ~~freedom~~ Freedom of information ~~Information~~ requests (FOI).

#### 4.5 Complaints and Appeals

4.5.1 Customers ~~who are~~ not satisfied with the outcome of their complaint should be directed to contact the Ombudsman SA on 08 8226 8699 or [Ombudsman@ombudsman.sa.gov.au](mailto:Ombudsman@ombudsman.sa.gov.au).

4.5.2 Complaints and appeals will be considered in accordance with Council's complaints and grievance procedures and Sections 270 and 271 of the *Local Government Act 1999*. A copy of the Complaints Handling Policy can be found at [www.playford.sa.gov.au](http://www.playford.sa.gov.au).

### 5. Feedback

Your feedback on this Procedure is invited and can be directed to the Manager Governance via email to [governance@playford.sa.gov.au](mailto:governance@playford.sa.gov.au) or by calling the Customer Contact Team on 8256 0333.

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#### Administration use only

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|-------------------------|--|
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**Version history**

| Version no.       | Approval date                                  | Approval by  | Change  |
|-------------------|--|--|---|
| 1                 | 25 May 2021                                    | Ordinary Council<br>Resolution No. 4616                                | New Procedure                                   |
| 2                 | 23 August 2022                                 | Ordinary Council<br>Resolution No. 5099                                | Change to 2 year review period                  |
| 3                 | 23 April 2024                                  | Ordinary Council<br>Resolution No. 5824                                | Scheduled review, author position title change. |
| <a href="#">4</a> | <a href="#">26 May</a> <del>3 April</del> 2026 | <a href="#">Ordinary Council</a><br><a href="#">Resolution No: TBC</a> | <a href="#">Scheduled review</a>                |