

STRATFORD DISTRICT COUNCIL

SECTION: FINANCIAL	
<u>POLICY: RATE ARREARS AND PENALTY WRITE-OFF</u>	
RESPONSIBILITY: Corporate Services	REVIEW DATE: March 2008
VERSION: 1	APPROVED DATE: March 2005
FILE NUMBER: 16043	
DELEGATIONS REGISTER NO: [Click here]	

POLICY STATEMENTS

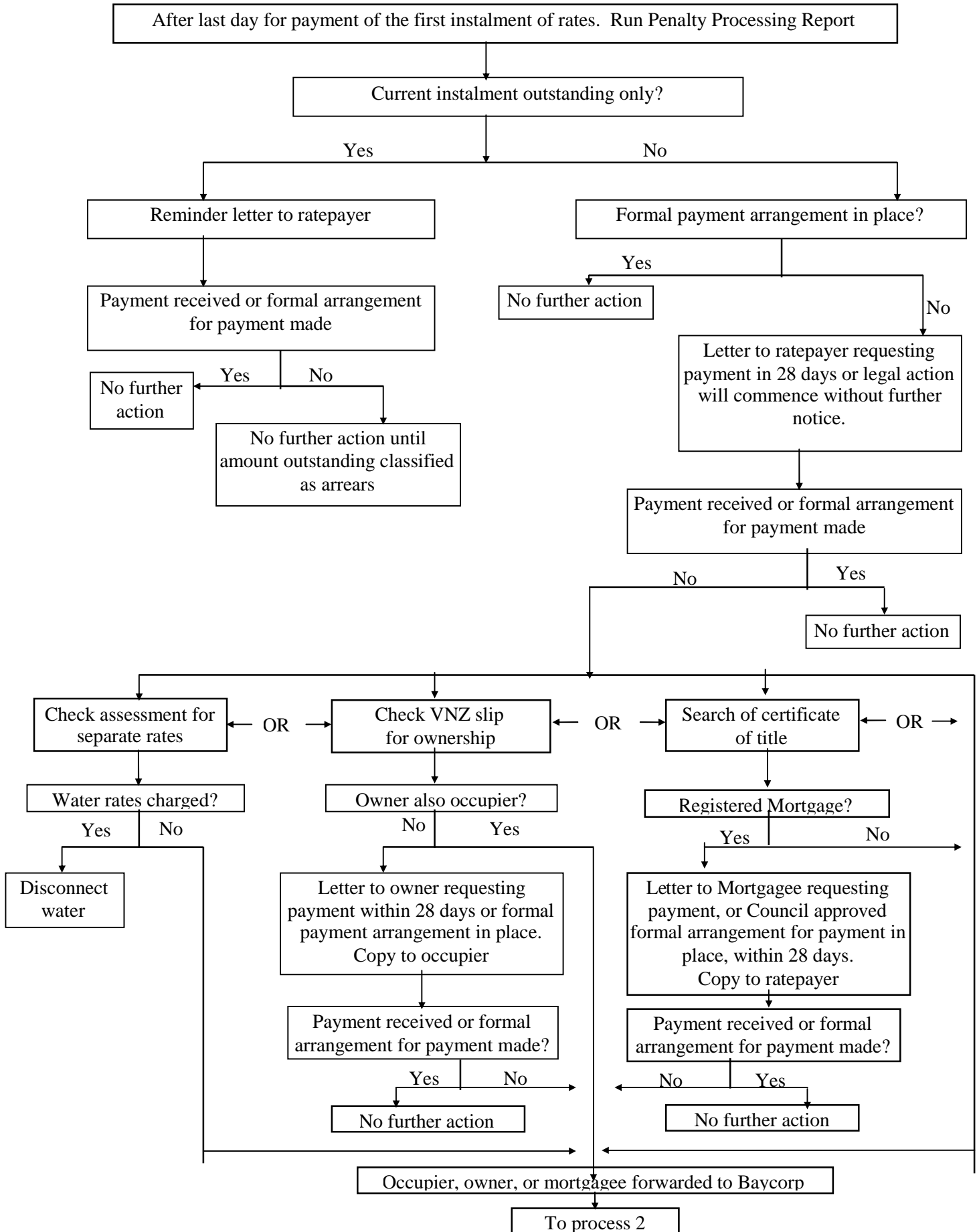
That the following "Rate Arrears and Penalty Write-Off" (refer also Appendix 1 flow chart) be adopted:

1. On application by the ratepayer, an instalment penalty shall be written off provided this is the first instance of late payment by that ratepayer.
2. Where it is evident that a ratepayer has not received a rate instalment notice at least four weeks prior to the last day for payment, an extension of time for payment may be granted by the Corporate Services Manager. This is to be evidenced by the return of mail or other factual evidence.
3. Where a ratepayer enters into an arrangement for the payment of rate arrears and the current years rates by 30 June next, further instalments and six month penalties will be written off. However any default in the arrangement will cause the penalties to remain. It should be noted that instalment and six month penalties up to the date of commencement of the arrangement will remain. The following authorisations will apply:
 - (i) Arrangements up to 30 June next Revenue Clerk
 - (ii) Arrangements up to 30 June following year Corporate Services Manager
 - (iii) Arrangements beyond 30 June following year General Manager
4. The process for the recovery of rate arrears will be as follows:
 - (i) Following the last day for payment of the first instalment of rates:
 - send a reminder letter to all ratepayers with the current instalment outstanding only requesting that payment be made or a formal arrangement for payment be put in place.
 - send a letter to all ratepayers with rate arrears where the current instalment is outstanding and no formal arrangement for payment is in place. Request that payment be made, or a formal arrangement for payment be in place, within 28 days or further action will commence. Specify the possible action which may take place for default in payment.
 - (ii) Check Valuation NZ slip for ownership. Where occupier is not the owner, send a request to the owner for payment, or a formal payment arrangement to be made, within 28 days. Where payment is made by the owner within the 28 days all penalties will be written off.

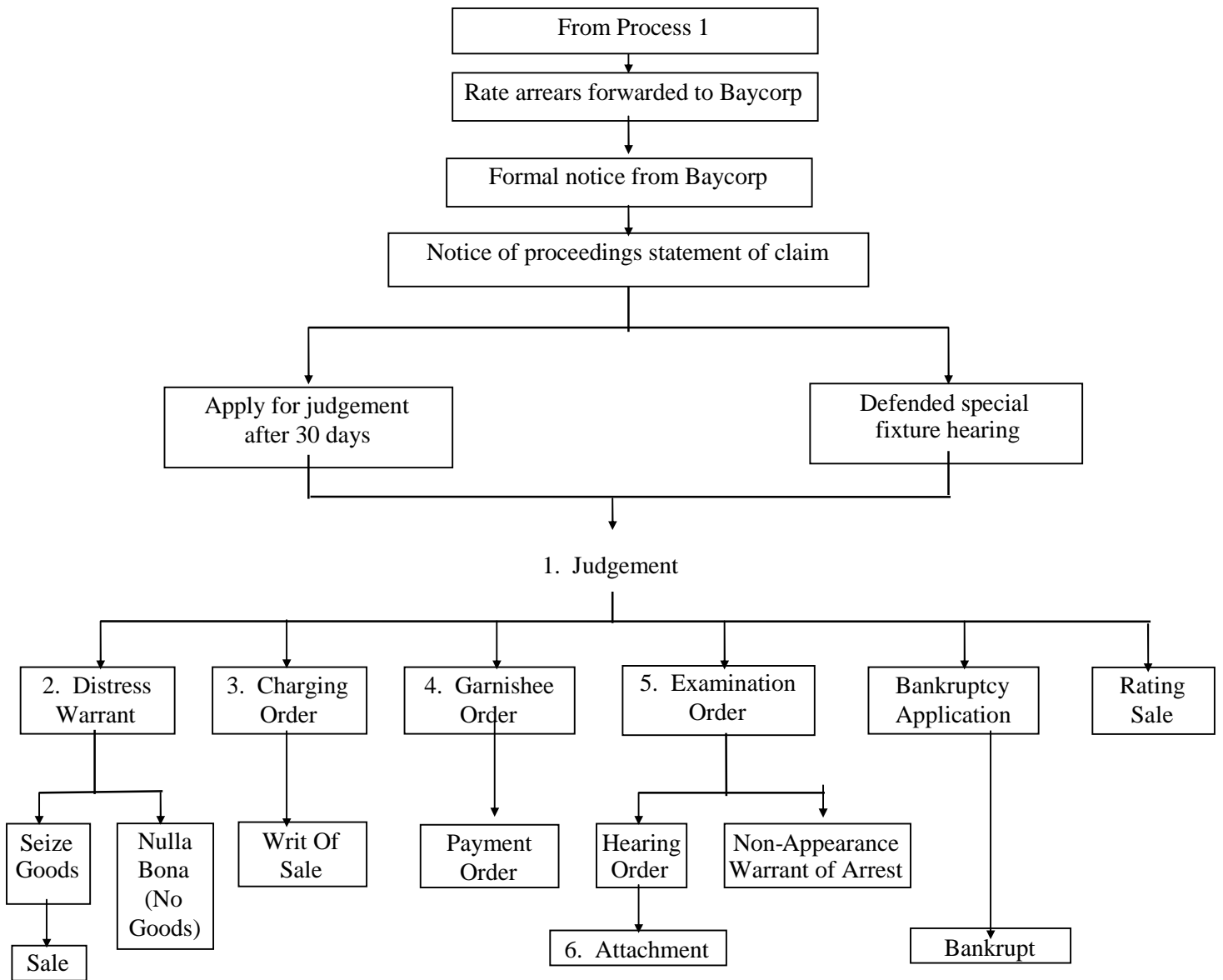
- (iii) Search certificate of title for registered charges. Where a mortgage is registered send a request to the mortgagee requesting payment, or a Council approved formal payment arrangement to be made, within 28 days. Even where the mortgagee makes full payment within 28 days, penalties will not be written off.
- (iv) Check assessment for separate charges. Where a water rate is charged, stop the supply of water to the property, notifying the occupier that payment is required or a formal payment arrangement is to be made within 28 days. As per Council policy the ratepayer will be charged with any expense incurred in stopping and restoring the supply of water.
- (v) Where the above three processes, specified in paragraphs (ii), (iii) and (iv), do not result in payment within the specified time the occupier, or owner, or mortgagee will be forwarded to Baycorp for collection.
- (vi) Where the amount outstanding for rate arrears, that has been lodged with Baycorp, is still unpaid by 30 June next, legal proceedings for a rating sale will be initiated.

Policy & Services Committee (23/9/97)
Council (14/10/97)

APPENDIX 1
PROCESS FOR RATE ARREARS COLLECTION (1)



PROCESS FOR RATE ARREARS COLLECTION (2)



Note

Once judgement is entered any one of the subsequent processes may be followed. If one process is not successful another may be pursued. Once judgement is entered a rating sale can be initiated at any time.