



Sale of Land Due to Non-Payment of Rates Policy

Reference Number:	3.16
Type:	Council
Category:	Corporate Services
Relevant Community Vision Outcome:	<u>Responsible Governance</u> We will manage our city in a sustainable and affordable way with responsible governance. <u>Excellence in Customer Experience and Service Provision</u> We will foster an organisational culture focused on continuous improvement and delivering excellence in customer experience and service provision.
Responsible Officer(s):	Manager Financial Services
First Issued/Approved:	August 2008
Minutes Reference:	CoS 3/08/2026, Item 4.2
Last Reviewed:	August 2026
Next Review Due:	August 2027
Applicable Legislation:	Local Government Act 1999 Local Government (Financial Management) Regulations 2011
Related Policies:	Rating Policy
Related Procedures:	Sale of Land Procedure Due to Non-Payment of Rates

1. Purpose

This Policy sets out Council's position on the circumstances in which it may exercise its discretionary power under section 184 of the Local Government Act 1999 to sell land for the recovery of unpaid rates.

2. Scope

This Policy applies to all rateable land within the Council area where an amount payable by way of rates has been in arrears for three years or more, consistent with the threshold set out in section 184 of the Local Government Act 1999.

3. Policy Statement

Section 184 of the Local Government Act 1999 provides that, where rates in respect of land have been in arrears for three years or more, Council may sell the land. This is a discretionary power and does not require Council to proceed automatically once the statutory threshold has been met.

Council will only consider exercising this power where reasonable attempts to secure payment have been unsuccessful, having regard to the circumstances of the ratepayer, including any applicable hardship

considerations. The sale of land process is to be used as a measure of last resort for the recovery of long-term unpaid rates.

This Policy does not apply to rates arrears that have arisen as a result of an approved postponement of rates in accordance with Council's Rating Policy, unless the postponement ceases to have effect.

If Council has commenced the sale of land process under section 184 and, after reasonable attempts, there is no reasonable prospect of selling the land within a reasonable time, or the current valuation of the land is less than the amount of outstanding rates, Council may consider the further options available under section 185 of the Local Government Act 1999.

Section 185 enables Council to apply to the responsible Minister for an order in relation to land that cannot be sold through the section 184 process. Depending on the nature of the land, the Minister may order that the land be forfeited to the Crown, or transferred to the Crown or to Council, with any outstanding liability to Council in respect of the land then discharged.

4. Definitions

N/A