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**SLOPES - NPWS leases - Changes to MSU charges invoicing dates**

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SLOPES <slopes.au@gmail.com>  
Bcc: frank.zipfinger@gmail.com

4 July 2013 at 18:27

Dear SLOPES Members

All Clubs should have received a letter in the form attached setting out new payment arrangements for MSU accounts under our leases introduced by NPWS.

For years Clubs have had a 90 day period in which to pay MSU accounts. While arguably a generous period, it nevertheless accommodated the volunteer arrangements and the seasonal operations at most Clubs. In recent months NPWS sought to change those arrangements.

SLOPES put in a submission to NPWS which in summary said:

*As a minimum, SLOPES requests that:*

- a) a schedule of payment dates be issued by NPWS well in advance (several months at least),*
- b) the invoices be issued strictly in accordance with the timetable,*
- c) a minimum payment period of 45 days from invoice date be provided, with interest only to accrue after 50 days from invoice date.*

These requests have been taken up except that only 21 days has been granted instead of the requested 45 days.

The first invoices under the new arrangements were foreshadowed in the NPWS letter to issue "after the 2nd week in July".

We have checked with NPWS today and they confirm as follows:

The rent invoice is scheduled to be **issued** in the 3<sup>rd</sup> week of July.

- The invoice due date will be at least an additional **21 days after** the invoice **issue date**.
- A reminder notice will be issued if the invoice is not paid by the due date.
- Penalty interest will only be applied if the reminder notice is ignored.

Please refer to your lease for information on the applicable penalty interest rate.

**So, please note that now you will have only 21 days to pay the July invoice - NOT 90 days as in the past - and you should expect penalty interest to apply if you do not pay by the due date.**

Note also that typically in the standard lease the interest rate will be defined to be the higher of the Prescribed Rate under the NPWS Act and the total of 3% + the overdraft rate currently charged by the landlord's trading bank.

We have raised with NPWS the logistical issues of changing Club administrations and addresses, letters going astray in the post etc. Given the short payment period to apply in future and NPWS' intention to more strictly impose penalties for late payment, it is very important to make sure NPWS has your Club's current contact details for the issue of invoices.

The relevant NPWS contact is: [Marko.Kovac@environment.nsw.gov.au](mailto:Marko.Kovac@environment.nsw.gov.au) or +612 6450 5502 or 0402 297 575.

Regards

Frank Zipfinger  
President  
SLOPES

Our reference:

Dear Sir/Madam

The NPWS is writing to advise you of an important change in regard to the invoicing and payment of future Municipal Service Charges (MSU charges).

As part of the NPWS's upgrade of its financial accounting system, MSU charges will now be brought into conformity with agency standards for other leaseholder accounts/payments. In the past MSU charges were levied (in each year) on 1 July and 1 January and were due to be paid by 30 September and 31 March respectively. 90 days prior notification of the amounts to be payable had traditionally been given to leaseholders.

As standard practice, MSU accounts will now be payable on the 1<sup>st</sup> July and 1<sup>st</sup> January each year and an invoice will be issued at a **minimum** of 21 days prior to the due date.

The relevant charges affected are:

- MSU Operating charges (12 monthly),
- MSU Capital charges (12 monthly),
- MSU Fixed Water charges (6 monthly), and
- MSU Fixed Sewerage charges (6 monthly)

However, due to the current upgrade of the NPWS's accounting system, for this year only, invoices for MSU charges that would ordinarily be due on **1 July 2013** will not be issued until after the 2<sup>nd</sup> week in July. On this occasion, invoices will be issued with an adjusted due date and leaseholders will be given at least 21 days notification before payment is due. The NPWS had foreshadowed these proposed changes with SLOPES and the Chamber of Commerce in earlier discussions and we hope that the transition will proceed without too much inconvenience to leaseholders.

Please ensure that you take the necessary steps required to make your respective payment coordinators aware of this important change so as to ensure that penalty interest charges are avoided.

Yours sincerely

**Marko Kovac**  
**Manager Property Services**  
**National Parks and Wildlife Service**

Dated: