



## Bad Debt Policy

<i>Responsible Officer/s</i>	Chief Executive Officer Chief Finance Officer
<i>Relevant Legislation / Documents</i>	Local Government Act 1999 Recovery of Outstanding Debt Procedure
<i>Adopted</i>	June 2008
<i>Reviewed</i>	September 2023
<i>Next Review</i>	June 2027

### A. Purpose

It is recognised by Council that some debts may become irrecoverable over a period of time. This policy sets out the circumstances that enable council to write off these bad debts.

### B. Policy

#### 1. Principles

Recovery of debts will be pursued in accordance with Councils 'Recovery of Outstanding Debt Procedure'. Outstanding debtors who fail to respond to action by council will be referred to council's debt collection agency for further action as considered appropriate. Debts which are considered unlikely to be recovered will be written off in accordance with council approved delegations.

Debts shall be written off when all reasonable attempts at recovery have been taken. Recommendation for write off shall be made by the Chief Finance Officer after discussion with relevant staff. This recommendation will be made either to the Chief Executive Officer according to delegated authority or to elected members via a report at a general meeting of council.

Debts that are considered irrecoverable, or where the cost of recovery is uneconomic, shall be written off as a bad debt against the Debtors account and the Bad Debts Write off expense account.

The power to write off such debts is delegated to the Chief Executive Officer to a limit of up to \$2,000 per debt. The Council by resolution may write off a debt where the amount is greater than \$2,000.

In the instance of the rate debtors that have been classified as unrecoverable over a period of years, the full list will be reviewed each year and if the circumstances have not altered then Council will peruse the sale of land for non-payment of rates as per Section 184 of the Local Government Act or commence discussion with the Crown on the transfer of ownership.

### 1. *Delegation*

The Council delegates to the Chief Executive Officer the power to write off bad debts up to and including an amount of \$2,000 per property/debt as per provisions of the Local Government Act 1999.

### C. *Availability*

This Policy will be available for inspection at the Council Offices at Loxton or Waikerie during ordinary business hours at no charge.

Copies of this Policy will also be available from Councils website: [www.loxtonwaikerie.sa.gov.au](http://www.loxtonwaikerie.sa.gov.au) or postal copies may be obtained from the Council Office free of charge.

### D. *Document history and version control*

<b>Date</b>	<b>Version</b>	<b>Authorisation</b>	<b>Amendment Details</b>
5/11/2020	2.0	Audit Committee	Increase Delegation Limit Changes to unrecoverable rate debt
18/02/2022	2.1	Council Meeting	Minor Formatting Transfer to new Template
20/09/2023	3.0	Council Meeting	No Changes