

MURRAY RIVER COUNCIL
COUNCIL POLICY

**RATES,
CHARGES
&
GENERAL
DEBTORS
WRITE-OFF
AUTHORITY
POLICY**

POL-221.V#1



murray river
council

1. INTRODUCTION

Council levies Rates and Charges annually on properties within the Council area, in keeping with the Revenue Policy which is adopted by Council each year and in keeping with the various relevant clauses in the Local Government Act 1993 (the Act) and the Local Government (General) Regulation 2021 (the Regulation).

Council also incurs debts in relation to other services it provides ratepayers, residents and other business entities.

In some instances, it is necessary and in the best interest of Council, to write-off of debts. The usual process for approval of such Write-Offs of Debt is to obtain a resolution of Council. However, such a procedure is not efficient or cost effective under certain circumstances and where the amount involved is not significant. Section 213(2) of the Regulation authorises Council to provide a delegation to the CEO to write-off debts up to a specified financial value.

2. OBJECTIVES

The objectives of this Policy are:

- To facilitate the operational efficiency of dealing with the write-off of smaller debts that are:
 - Resulting from an error; or
 - The debt is not lawfully recoverable or is the subject of a decision of a court; or

Section 213(5)(a) and (b) of the Regulation

- Where in the reasonable opinion of the delegated person, attempts to recover the debt would not be cost effective, or
- Where the write off would facilitate any debt recovery actions, and/or results in the collections of a much larger amount; and

Section 213(5)(c) of the Regulation

- To ensure proper controls are in place to govern the activity of writing-off debts owed to Council, whether they be debts stemming from the levying of rates & charges or sundry debts stemming from the fees charged for the recover of services provided by Council.

3. SCOPE

This Policy applies to:

- All Council Officers; and
- Any write-off of debts.

4. LEGISLATION

- Local Government Act 1993 (NSW)
- Local Government (General) Regulation 2021 (NSW)
- Social Security Act 1991 (CTH)

5. POLICY STATEMENT

- 5.1. In keeping with Section 213 of the Regulations, the CEO is delegated the following limits for the write-off of debts.

The CEO may further delegate the delegated authority to Council Officers as seen fit by the CEO.

Category	Financial Limit	Comments & Requirements
Correction of Levying or Invoicing Errors	\$ 20,000	CEO to clearly document the details and circumstances of, as applicable, the error in levying or invoicing.
Accrued Interest (in cases of Hardship)	\$ 5,000	In keeping with and subject to the limits specified in Section 567 of <u>the Act</u> .
Rates & Charges Owed by Pensioners	\$ 5,000	In keeping with and subject to the limits specified in Section 583 & Section 584 of <u>the Act</u> .
Settlement of a Debt (accrued interest and other costs)	\$ 5,000	To facilitate an arrangement to settle amounts owing to Council, where, in keeping with Section 213(5)(c) of <u>the Regulation</u> , the CEO is of the reasonable opinion that the concession will result in full settlement of the remaining unpaid amount.
Settlement of a Debt (Rates, Charges or Sundry Debts)	\$ 5,000 or 25% of Debt, whichever is lower	To facilitate an arrangement to settle amounts owing to Council, where, in keeping with Section 213(5)(c) of <u>the Regulation</u> , the CEO is of the reasonable opinion that the concession will result in full settlement of the remaining unpaid amount.

- 5.2. The CEO must maintain a register that record and detail all write-off of debts that have been made in keeping with the delegated authority provided in this Policy.

The register must contain all details as required by Section 213(4) of the Regulation.

- 5.3. The CEO must submit to Council on the following occasions, a report detailing the write-off of debts that have been made:

- the first Council meeting after the completion of the first half of the financial year, and
- the first Council meeting after the completion of the financial year.

The report to contain details as specified in Section 213(4) of the Regulation.

- 5.4. The CEO to implement an internal process, where the requests for write-off of debt are made by Council Officers in writing (or through an auditable electronic system), to the CEO and where appropriate contain interim approvals (by a Manager or a Director).

6. RESPONSIBILITIES

Position	Responsibility
Mayor and Councillors	To have a reasonable understanding of the contents of this Policy and the delegations conferred through this Policy.
CEO	To lead staff (either directly or through delegated authority) in their understanding of, and compliance with, this Policy and any related Procedures and monitor conformance to the provisions of this Policy.
Directors, Managers and Supervisors	To communicate, implement and comply with this Policy and any related Procedures.
All Council Employees	To be aware of and ensure compliance with this Policy.
Council Committees	To be aware of and adhere to this Policy.

7. EVALUATION AND REVIEW

It is the responsibility of the Responsible Accounting Officer or the Chief Financial Officer to monitor the adequacy of this Policy and recommend appropriate changes.

This Policy will be formally reviewed every four (4) years or as needed, whichever comes first.

8. ASSOCIATED DOCUMENTS, DEFINITIONS AND ACRONYMS

External:

Nil.

Internal:

- MRC Policy - Revenue Policy (as applicable from time to time)

Definitions:

Term	Definition
Act	Local Government Act 1993 (NSW)
CEO	Refers to the person appointed as the General Manager in keeping with Section 334 of <u>the Act</u> . Within Murray River Council the role is referred to as the Chief Executive Officer.
Council Officer	<p>An officer is defined as being one of the following:</p> <ul style="list-style-type: none"> ▸ An employee, or ▸ A contractor or subcontractor, or ▸ An employee of a contractor or subcontractor, or ▸ An employee of a labour hire company who has been assigned to work in the person's business or undertaking, or ▸ An outworker, or ▸ An apprentice or trainee, or ▸ A student gaining work experience, or ▸ A volunteer

Policy	Refers to this Rates, Charges & General Debtors Write-Off Policy.
Regulation	Local Government (General) Regulation 2021 (NSW)
Write-off of Debt	Reversal of any amount, in the financial statements of Council or the waiver of any amount, for any reason whatsoever, that is owed or due to Council by an external party(ies).

9. DOCUMENT CONTROL

Version No.	Details	Dates	CM9 Reference	Resolution No.
1	Initial Issue	23 September 2025 to today	VF/25/321	100925

Council reserves the right to review, vary or revoke this policy at any time
This Policy is scheduled for review before 2029

NOTE:

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DISCLAIMER:

This document was formulated to be consistent with Murray River Council's legislative obligations and within the scope of Council's powers. This document should be read in conjunction with relevant legislation, guidelines, and codes of practice. In the case of any discrepancies, the most recent legislation should prevail. This document does not constitute legal advice.

It is recognised that, from time to time, circumstances may change leading to the need for minor administrative changes to this document. Where an update does not materially alter this, such a change may be made administratively. Examples include a change to the name of a Business Unit, position title or a change to the name of a Federal or State Government department, and a minor update to legislation which does not have a material impact. When such changes are made the version number will be amended and an extension added (eg V#1.1)