



Writing off Rates and Charges and Debts

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Clause Number CEC21/11

Responsible Position Chief Financial Officer

Branch Financial Operations

Division Organisational Performance

Version 1

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Consultation

Document Revision History	
Description	Date
Notes	

POLICY

PURPOSE

Council has a responsibility to maintain effective control over debts owed to Council including rates, charges, interest and fees. Council must ensure that monies owed are collected in a timely, efficient and effective manner to finance its operations, ensure effective cash flow management and reduce the likely occurrence of unrecoverable debts.

Clause 131 of the Local Government (General) Regulation requires Council, from time to time, by resolution, to fix the amount of rates and charges above which any individual rate or charge may be written off only by resolution of the Council.

Clause 213 of the Local Government (General) Regulation requires Council, from time to time, by resolution, to fix the amount above which debts to the Council other than rates and charges, may be written off only by resolution of the Council.

This policy defines the set amount where any debt above this amount may only be written off by Council resolution.

BACKGROUND AND RELATED LEGISLATION

This Policy is prepared in accordance with Clause 131 (1), and Clause 213 (2) of the Local Government (General) Regulation 2005.

SCOPE

The Policy applies to all Council staff, elected members of Council and contracted service providers.

This Policy applies to all debtors (including ratepayers) who have outstanding monies owed to Council.

DEFINITIONS

To assist in interpretation, the following definitions apply:

Term	Definition
Act	Local Government Act 1993
Council	Dubbo Regional Council
Debtor	A person, organisation, company or other entity that has a debt or legal obligation to pay an amount to Council
Rates and Charges	Ordinary Rates and Annual Charges levied in accordance with the Local Government Act 1993
Ratepayer	The person liable for payment of Rates and Charges for the property in accordance with section 560 of the Local Government Act, 1993
Write Off	A debt declared non recoverable

POLICY

The amount delegated to the Chief Executive Officer is to be set as the amount above which a rate or charge may only be written off by resolution of Council in accordance with Clause 131 (1) of the Local Government (General) Regulation 2005.

The amount delegated to the Chief Executive Officer is to be set as the amount above which debts may only be written off by resolution of Council in accordance with Clause 213 (2) of the Local Government (General) Regulation 2005.

An amount of rates or charges, or a debt of or below the amount delegated to the Chief Executive Officer can be written off either by resolution of the Council or by order in writing of the Chief Executive Officer.

A resolution or order writing off an amount of rates or charges must:

- a) Specify the name of the person whose debt is being written off, and
- b) Identify the account concerned, and
- c) Specify the amount written off

or must refer to a record kept by the council in which those particulars are recorded.

An amount of rates and charges can be written off under Clause 131 of the Local Government (General) Regulation 2005 only:

- If there is an error in the assessment, or
- If the amount is not lawfully recoverable, or
- As a result of a decision of the Court, or
- If the Council or the Chief Executive Officer believes, on reasonable grounds, that an attempt to recover the amount would not be cost effective.

A debt can be written off under Clause 213 (2) of the Local Government (General) Regulation 2005 only:

- If the debt is not lawfully recoverable, or
- As a result of a decision of a court, or
- If the council or the Chief Executive Officer believes on reasonable grounds that an attempt to recover the debt would not be cost effective.

The fact that an amount of rates or charge, or a debt owing to Council is written off under Clause 131 or 213 of the Local Government (General) Regulation 2005 does not prevent Council from taking legal proceedings to recover the amount or the debt.

RESPONSIBILITIES

The Chief Financial Officer is responsible for enacting this policy.