CONFIDENTIAL ITEMS 2003 – JULY 2026

#	Date	Item Title	Confidential Order Details	Item being kept confidential - Agenda/ Attachment/ Minutes	Reason regarding retention or recommend-action to release	Resolution Regarding Action	Last Review Date	Next Review Date	Date Released
292	1 September 2025	Debt Write Off	Section 90 (3) (b) Order 1. Pursuant to Section 90(3)(b) Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except the Acting Chief Executive Officer, Acting General Manager Strategy, General Manager Corporate Services, General Manager Planning and Community, General Manager Infrastructure and Environment and the Minute Secretary be excluded from attendance at the meeting for Agenda Item 18.2 Confidential Item: Debt Write Off. The Council is satisfied that pursuant to Section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this agenda item is information the disclosure of which could reasonably be expected to prejudice the commercial position of the Council In addition the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in continued non-disclosure of this information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information. The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of Council's commercial position may severely prejudice Council's ability to be able to negotiate a cost-effective proposal for the benefit of the Council and the community in this matter and in relation to other contract negotiations. Section 91(7) Order 3. Pursuant to Section 90 (3) (b) That having considered Agenda Item 18.2 Debt Write Off, in confidence under 90(2) and (3)(b) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the council report, related documents and all minutes be retained in confidence until Council determines that this information is able to be publicly released or such lesser period as may be determined by the Chief	Council report, related documents and all minutes	The Council is satisfied that pursuant to Section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this agenda item is information the disclosure of which could reasonably be expected to prejudice the commercial position of the Council In addition the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in continued non-disclosure of this information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information. The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the	Council report, related documents and all minutes be retained in confidence until Council determines that this information is able to be publicly released or such lesser period as may be determined by the Chief Executive Officer and that this order be reviewed every 12 months.		Within 12 months	*Report and Minutes released on website 6 November 2026*

RELEASED

CONFIDENTIAL ITEMS 2003 – JULY 2026

#	Date	Item Title	Confidential Order Details	Item being kept confidential - Agenda/ Attachment/ Minutes	Reason regarding retention or recommend-action to release	Resolution Regarding Action	Last Review Date	Next Review Date	Date Released
			Executive Officer and that this order be reviewed every 12 months.		circumstances because the disclosure of Council's commercial position may severely prejudice Council's ability to be able to negotiate a cost-effective proposal for the benefit of the Council and the community in this matter and in relation to other contract negotiations.				

RELEASED

18.2 REPORT TITLE: CONFIDENTIAL ITEM: DEBT WRITE OFF

DATE OF MEETING: 1 SEPTEMBER 2025

FILE NUMBER: DOC/25/118810

ATTACHMENTS: NIL

Key Contact Dan Rouse, Team Leader Procurement and Creditors

Manager/Sponsor Steven Ireland, Manager Financial Services

Executive Helen Edmonds, Head of Wastewater
Alex Oulianoff, General Manager Corporate Services

Community Plan 2044

The following objective from the Community Plan 2044 is relevant to this report:

Objective 27. Efficient Public Services: enhance the efficiency and effectiveness of public services provided by Council, ensuring timely delivery of services that meet the evolving needs of the community and provide value for money.

Purpose:

To seek Council approval to write off a bad debt and review delegations debt write offs.

Summary – Key Issues:

1. Advice from a Restructuring Practitioner (BCR Advisory) has been received relating to $27,837.91 of debt owed to Mount Barker District Council.

2. It is recommended that $22,259.20 (including GST) of this debt is written off.

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Recommendation:

That Council:

Section 90 (3) (b) Order

1. **Pursuant to Section 90(3)(b)**
   Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except the Chief Executive Officer, General Manager Strategy, General Manager Corporate Services, General Manager Planning and Community, General Manager Infrastructure and Environment and the Minute Secretary be excluded from attendance at the meeting for Agenda Item 18.2 Confidential Item: Debt Write Off.

   The Council is satisfied that pursuant to Section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this agenda item is information the disclosure of which could reasonably be expected to prejudice the commercial position of the Council

   In addition the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in continued non-disclosure of this information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information. The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of Council's commercial position may severely prejudice Council's ability to be able to negotiate a cost-effective proposal for the benefit of the Council and the community in this matter and in relation to other contract negotiations.

2. **That Council write off $22,259.20 (including GST) in related to debts of the Company as outlined in this report.**

3. **That Council increase the delegation to the Chief Executive Officer for bad debt write off to $25,000 (excluding GST).**

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Section 91(7) Order

4. Pursuant to Section 90 (3) (b)

That having considered Agenda Item 18.2 Debt Write Off, in confidence under 90(2) and (3)(b) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the council report, related documents and all minutes be retained in confidence until Council determines that this information is able to be publicly released or such lesser period as may be determined by the Chief Executive Officer and that this order be reviewed every 12 months.

Background:

1. Council received written advice from BCR Advisory that the entity "Prancing Pony Brewery Pty Ltd" ACN 150 581 310 (known as the Company) was undergoing a restructure under s452A of the Corporations Act 2001.

2. Pursuant to Section 452A of the Act, this allows companies to:

   a. Retain control of the business, property and affairs while developing a plan to restructure (with the assistance of a Restructuring Practitioner – in this instance BCR Advisory); and

   b. Enter into a restructuring plan with creditors.

Discussion

3. The amount owed to Mount Barker District Council at the time the letter was received (September 2024) was $27,837.91 out of a total of $935,568.85 in unsecured creditors. This amount was invoiced for the volumetric and load charge for the provision of trade waste services. The main creditors was the Australian Taxation Office that accounted for $872,362.19 of the total.

4. Prior to receiving this advice, the Company had been adhering to a payment plan that had been organised and agreed between Council's Financial Services staff and the Company.

5. The proposal gave context as to why the Restructuring Plan had been developed as the financial position of the Company had deteriorated as a result of:

   a. 2019 bushfires in the Adelaide Hills that resulted in stock losses and lost retail trade.
   b. 2020-21 COVID-19 restrictions and its follow-on effects in the economy, in particular hospitality venues.

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c. 2021-23 rapidly increasing input costs, logistics costs, wages and excise tax rate.
d. 2023-24 increased competition from large national breweries that made entry into various wholesale markets difficult.
e. 2023-24 cost of living pressures resulting in a reduction in beer sales Australia wide.

6. The plan advised that, if accepted by unsecured creditors, Council would receive 20.04 cents in the dollar or $5,578.72 resulting in a shortfall of $22,259.19.

7. The proposal also advised that, if not accepted by unsecured creditors, Council may not receive any payment as this may result in the company's liquidation with assets not sufficient to cover secured liabilities let along unsecured liabilities.

8. Council elected to not accept the Restructuring Proposal. BCR Advisory advised Council in late 2024 that a majority of creditors accepted the proposal.

9. Council has further explored avenues to collect the shortfall and has received Legal Advice and advice from Council's debt collection partner ARMA Debt Resolution.

   Council was advised that even though it rejected the Restructuring Proposal, as a majority of creditors accepted it is forbidden to commence or continue enforcement proceedings without the leave of the Court. No special circumstances were identified for leave to be granted by the Court.

10. Council has received a letter in late December 2024 confirming the payment structure as follows:

December 2024	7 (cents in the dollar)	$1,948.65 (received)
February 2026	13.04 (cents in the dollar)	$3,360.06
Total		**$5,578.71**

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11. This matter was considered by Council's Audit and Risk Committee at the 14 August 2025 meeting with the following recommendation made:

    Moved Deputy Mayor Jones that the Audit and Risk Committee recommends that Council:

    1. *Write off $22,259.20 (including GST) related to debts of the Company as outlined in this report.*

    2. *Consider reviewing its threshold for write off of debts.*

    Seconded Kym Della Torre CARRIED
    ARCM20250814.17

12. The administrative delegation to write off bad debts is currently to a limit of $5,000. The advice from the Audit and Risk Committee is that Council should review its write off threshold with a view to increase reflecting contemporary requirements.

13. A benchmarking exercise has been undertaken with the $5,000 threshold for comparative sized Councils being on the low end. It is proposed that this be increased to $25,000.

14. Trade waste is a service provided by a Council's wastewater team that will soon transition to GMB Water. As the service was provided and the invoiced generated in the Council entity, the debt write off will appear in the Council operating statement but ultimately funded by the Wastewater Operations Reserve.

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Community Engagement:

Informing only	Audit Committee agenda is available on Council's website

Policy:
DOC/23/77870: Accounts Receivable Procedure (internal)

Budget:
This will be an unbudgeted expense in the 2024/25 financial year.

Statutory/Legal:
Sec 143 SA Local Government Act 1999

Staff Resource Requirements:
Managed within existing staff resources

Environmental:
N/A

Social:
N/A

Risk Assessment:
N/A

Asset Management:
N/A

Conclusion:
Council needs to continue to monitor Accounts Receivable balances and ensure that debts are managed and recovered on a timely basis.

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RELEASED

18.2 **REPORT TITLE:** **CONFIDENTIAL ITEM: DEBT WRITE OFF**
DATE OF MEETING: **1 SEPTEMBER 2025**
FILE NUMBER: **DOC/25/118810**
ATTACHMENTS: **NIL**

Moved Councillor Size that Council:

Section 90 (3) (b) Order

1. Pursuant to Section 90(3)(b)

Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except the Acting Chief Executive Officer, Acting General Manager Strategy, General Manager Corporate Services, General Manager Planning and Community, General Manager Infrastructure and Environment and the Minute Secretary be excluded from attendance at the meeting for Agenda Item 18.2 Confidential Item: Debt Write Off.

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Seconded Councillor Seager

CARRIED
OM20250901.26

Moved Councillor Seager that Council:

2. Write off $22,259.20 (including GST) in related to debts of the Company as outlined in this report.

3. Increase the delegation to the Chief Executive Officer for bad debt write off to $25,000 (excluding GST).

Seconded Councillor Grosser

Councillor Jones moved an AMENDMENT that Council:

1. Write off $22,259.20 (including GST) in related to debts of the Company as outlined in this report.

2. Increase the delegation to the Chief Executive Officer for bad debt write off to $25,000 (excluding GST) and that amounts above $5,000 be reported to Council annually.

Seconded Councillor Szilassy

The AMENDMENT was PUT and CARRIED.

The motion, as amended, was PUT and

CARRIED
OM20250901.27

CONFIDENTIAL RELEASED

Moved Councillor Seager that Council:

Section 91(7) Order

3. Pursuant to Section 90 (3) (b)

That having considered Agenda Item 18.2 Debt Write Off, in confidence under 90(2) and (3)(b) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the council report, related documents and all minutes be retained in confidence until Council determines that this information is able to be publicly released or such lesser period as may be determined by the Chief Executive Officer and that this order be reviewed every 12 months.

Seconded Councillor Jones CARRIED

OM20250901.28

MEETING DECLARED CLOSED AT 8.57PM

MAYOR

13.10.25
DATE

CONFIDENTIAL RELEASED