



Asset Disposal Policy

Policy owner	Director Infrastructure and Operations
Department	Infrastructure and Operations
Date endorsed	D Month Year
Next review date	D Month Year
TRIM reference	XX

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Policy statement / objectives

Kiama Municipal Council is committed to being honest, transparent and accountable in all that we do.

The objectives of this Policy are to encourage recycling / reuse or provide clear requirements for the disposal of Council assets; obtain the best value from those assets; and to maintain accurate asset records to meet financial reporting requirements.

Scope

This Policy applies to Council staff when Council assets including plant, machinery and equipment comes to the end of useful life spans and is required to be replaced and disposed of.

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References

- Local Government Act 1993
- Local Government (General) Regulations 2005 (NSW)
- Governance – policy framework
- Procurement Policy
- Asset Disposal Procedure

Consultations

- Director Infrastructure and Operations
- Manager Operations and Maintenance
- Manager Waste Services
- Chief Financial Officer
- Procurement Coordinator
- Head of IT Service Delivery
- Senior Asset Engineer

Definitions

Term	Definition
Asset	An item, thing or entity that has potential or actual value to an organisation (such as plant, machinery, equipment etc), but excluding land or buildings.
Council	Kiama Municipal Council

Variation and review

Council reserves the right to review, vary or revoke this Policy.

Review history

Date reviewed	Date adopted / endorsed	Brief detail of amendments
		New policy

POLICY

1. Application

All Council staff must comply with the requirements of this policy and related procedures. This policy applies to all assets owned, controlled or managed by Council except:

- asset rationalisations – which are addressed through business; service; asset management; and project planning activities or by separate business cases

- the procurement activities of Council - which are addressed in a separate policy
- the disposal of Council's real property (land and buildings)
- the process of selling ratepayers' assets to offset arrears for rates and charges
- the disposal of assets which are not owned by Council e.g. abandoned vehicles or intangible assets such as airspace
- the case of an emergency as declared under the State Emergency and Rescue Management Act 1989 or other emergency works carried out by Council
- assets that are part of a maintenance, replacement or upgrade program
- assets that do not have a resale value
- in any other circumstance as determined by the Chief Executive Officer (or delegated officer). In this case, the reason/s and decision shall be recorded in a written document.

2. Policy Principles

The disposal of Council assets is guided by the following principles:

- investigate alternative reuse or recycling of assets before disposal; and improve the utilisation of existing assets and storage spaces
- promote a transparent process that encourages open and fair public competition
- achieve the best possible net return based on current market value and condition of the assets at the time of disposal
- support fraud prevention measures and minimise losses
- compliance with Council's sustainability and environmental practices
- documentation of all asset disposal transactions
- compliance with the requirements of the disposal procedures

3. Policy Statement

Council strives to only acquire assets that are essential for providing services to our communities. However, Council will promptly dispose of assets that are no longer required to obtain the best value for money.

The accepted options when an asset is no longer required for, or capable of fulfilling, its original purpose will include, but not be limited to:

- reuse, recycle or re-purpose the asset for an alternative use by Council
- attempt to sell the asset (tender, auction, quotation, private sale, trade-in)
- donate to a community organisation
- disposal to a landfill as a last resort

To minimise the potential for fraud and losses, Council will dispose of assets to staff only if arising through a public competitive process or as specified in the preferred disposal methods of the disposal procedures.

4. Responsible officers

The *Director Infrastructure & Operations* is accountable to the *Chief Executive Officer* for the administration of the policy in consultation with the *Executive Leadership Team*.

The *Senior Asset Engineer* is the officer responsible for implementation of the policy.

Related forms / documents

- Asset Disposal Procedure

Attachments

Attachment 1	Nil

Authorisation

Name: ELT meeting date OR Council resolution No: ****

Date: Date endorsed by ELT or adopted by Council

Remember to update the Table of Contents when you have finished formatting the document

Item 16.2

Enclosure 1