

Policy title	Asset Disposals
Responsible manager(s)	Divisional Manager Finance
Contact officer(s)	Assets Accountant
Directorate	Finance and Business Development
Approval date	28 February 2017
Focus area	Support Services
Delivery Program link	SS1.1 Manage Council's financial assets and obligations
Operational Plan link	SS1.1.1 Provide integrated corporate accounting and financial management systems and procedures

Purpose

Eurobodalla Shire Council's policy was developed to protect Council's financial interests by ensuring that asset disposals achieve the best possible result for Council.

Council from time to time is required to dispose of assets. These assets may have reached or exceeded their economic life for Council purposes. Alternatively there may be other justifiable economic reasons for disposal.

Policy aims

- To ensure asset disposals comply with legislative requirements.
- To promote awareness of the requirements of the *Local Government Act 1993* with respect to asset disposals.
- To make Council's policies and requirements for asset disposals readily accessible and understandable to the public.
- To make sure disposals are competitive and in accordance with the adopted management plan or approved budget variations.
- To comply with any funding agreements or legal and contractual requirements in relation to asset disposal.

Policy details

1	<p>Application</p> <p>This policy applies to all asset disposals unless otherwise exempted.</p>
2	<p>Legislation</p> <p>Eurobodalla Shire Council will comply with section 55 of the <i>Local Government Act 1993</i>, Australian Accounting Standard <i>AASB 116 Property Plant and Equipment 2009</i>, and the Division of Local Government <i>Code of Accounting Practice and Financial Reporting as updated</i>.</p> <p>All disposals must comply with section 55 of the <i>Local Government Act 1993</i>. For example the Council must invite tenders for a contract to dispose of Council property where the estimated receipt is of an amount of \$150,000 or more (or such other amount as may be prescribed by the regulation). Exceptions to this requirement are a contract for the sale by a council of land and a sale by a council at a public auction.</p> <p>Where tendering procedure is required or chosen to be followed this is to be in accordance with the statutory and legal requirements and in accordance with the</p>

	tendering practices prescribed within the Council's Procurement Policy and related Code of Practice.
3	<p>Requirements</p> <p>This Policy should be read in conjunction with all applicable Asset Management Plans to ensure whole of life is considered. Assets will be disposed to the best advantage of Council, considering the whole of life costs and the replacement needs.</p> <p>All disposals must be on a competitive basis and Council will comply with any funding agreements or other legal and contractual requirements in relation to assets and will ensure best value result for any other parties that might have an interest in assets disposals.</p>

Implementation

Requirements	Responsibility
1 This policy will be implemented by following the Legislative Requirements, the Procurement Policy and Asset Management Plans which specify in detail the plan, procedures and matters to be considered.	Asset Accountant
2 Staff Under supervision, relevant Council staff will be responsible for ensuring that this policy is implemented appropriately within their work area, after they have received appropriate training to do so.	Council officers
3 Concerns Public concerns communicated to Council in relation to this policy will be recorded on Council's records system and handled in accordance with Council's Customer Service or Complaints policy. These records will be used to determine any follow-up actions and analyse the history of reported public concerns.	Council officers
4 Consultation Any consultation deemed necessary will occur as required with key stakeholders, which may include (but not be limited to) the community, other agencies, statutory and industry bodies. Public submissions regarding this policy are invited for consideration during the exhibition period.	As applicable

Review

The policy will be automatically revoked at the expiration of twelve months after the declaration of the poll for the next general NSW local government election, unless Council revokes it sooner.

Note: *Automatic revocation of the policy is provided for by section 165(4) of the Local Government Act 1993. The next general local government election is expected to be held in September 2020.*

This policy may also be reviewed and updated as necessary when legislation requires it; or Council's functions, structure or activities change; or when technological advances or new systems change the way that Council manages Asset Disposals.

Reviews of the effectiveness of this policy could include the following:

Performance indicator	Data source(s)
Delivery Program/ Operational Plan outcomes achieved	Council reporting
Concerns or complaints registered	Council records
Customer feedback, survey responses	Surveys
Internal or external review	Audit

Governance

This policy should be read in conjunction with any related legislation, codes of practice, relevant internal policies, and guidelines.

Related legislation and policies

Name	Link
Related Council Policy or Code of Practice	www.esc.nsw.gov.au/inside-council/council/council-policies
Local Government Act 1993	www.legislation.nsw.gov.au/maintop/view/inforce/act+30+1993+cd+0+N
Australian Accounting Standard AASB 116 Property Plant and Equipment 2009.	www.aasb.gov.au/admin/file/content105/c9/AASB116_07-04_COMPjun09_07-09.pdf

Related external references

Name	Link
Office of Local Government	www.olg.nsw.gov.au

Change history

Version	Approval date	Approved by	Min No	File No	Change
1	27 Jul 2006	Council	06/139	E05.9513	Policy commenced
2	23 Apr 2013	Council	13/109	E13.7095 E05.9513	Reviewed and updated at start of new Council term.
3	28 Feb 2017	Council	17/31	E16.0297 E05.9513	Reviewed at start of new Council term, minor referencing updates.

Internal use

Responsible officer	Director Finance and Business Development		Approved by	Council	
Minute	17/31	Report	GMR17/005	Effective date	28 Feb 2017
File	E05.9513 E16.0297	Review date	Sep 2020	Pages	3