



Council Policy Manual

WEST WIMMERA SHIRE COUNCIL

COUNCIL POLICY

ASSET DISPOSAL POLICY 2022	Policy No:	
	Adopted by Council:	16 November 2022
	Next review date:	16 November 2026
Senior Manager:	Director Infrastructure Development & Works Director Corporate and Community Services	
Responsible Officer:	Assets Manager	
Functional Area:	Asset Management Financial Services	
Introduction & Background	<p>The Asset Disposal Policy is the framework that enables strategic, quality governance of Council-owned assets through the whole lifecycle of the asset to its disposal. The policy meets the relevant Council Plan objectives pertaining to Asset Management and service delivery.</p> <p>This policy is supported by the Asset Disposal Procedure which is authorised by the CEO.</p>	
Purpose & Objectives	<p>The purpose of this policy is to give direction for the disposal of Council assets, when:</p> <ul style="list-style-type: none"> • the assets are no longer required to meet agreed services • that particular asset was utilised by a service which is no longer supported by Council • there is no clear need for Council to retain ownership of the asset • when the projected lifecycle cost can no longer be justified. • when the asset has reached its optimal useful life and a new asset needs to be purchased as a replacement (e.g., plant and fleet assets) <p>This policy provides direction for identifying, assessing and making decisions that will inform the Council of their responsibilities in the disposal process.</p> <p>The primary objective of this policy is to provide a systematic, transparent and accountable method for the disposal of Council-owned assets in</p>	



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	accordance with Council policies and all appropriate legislation and accounting standards.
Response to the Overarching Governance Principles of the Local Government Act 2020	<p>Section 9 of the <i>Local Government Act 2020</i> states that a Council must in the performance of its role give effect to the overarching governance principles.</p> <p>This policy is in response to the following overarching governance principle/s of the <i>Local Government Act 2020</i>:</p> <ul style="list-style-type: none"> (a) the community engagement principles (section 56); (b) the public transparency principles (section 58); (c) the financial management principles (section 101);
Definitions	<p>Disposal: Actions necessary to decommission and remove assets from Council's portfolio that are no longer required.</p> <p>Lifecycle: The time interval that commences with the identification of the need for an asset and terminates with the disposal of the asset or any liabilities thereafter.</p> <p>Lifecycle Cost: The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.</p> <p>Council Officers: These include Council employees (Including full-time; part-time temporary and casual), contractors, volunteers or the employees of anybody providing services on the Council's behalf.</p>
Policy Details	
1.	<p>Scope</p> <p>The Asset Disposal Policy applies to all asset classes owned by Council and identified as, but not limited to the Asset Capitalisation Policy:</p> <ul style="list-style-type: none"> • Land and land improvements, • Roads, • Buildings, • Other Structures, • Parks, Open Space and Streetscapes, • Plant and Equipment, • Furniture and Fittings, • Bridges, • Drainage, • Footpaths and Kerb and Channel.



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2.	<p>Policy Principles</p> <p>Council must have regard to the following principles in its disposal of assets:</p> <ul style="list-style-type: none">• open and effective competition,• demonstrate Council's accountability and responsibility to ratepayers,• seek to be fair and equitable to all parties involved,• seek to ensure probity, accountability and transparency in all disposal processes,• seek to ensure that the best outcome is achieved for Council,• applies to all Council Officers and Councillors,• Council officers must carry out all phases of the disposal process with impartiality, fairness, independence, openness and integrity, <p>Council must obtain the best value in the management of public money. This is not restricted to price, but must, where applicable, include consideration of:</p> <ul style="list-style-type: none">• the contribution to Council's Long Term Financial Plan and Strategic Management Plans,• any relevant direct and indirect benefits to Council,• efficiency and effectiveness,• the costs of various disposal methods,• internal administration costs,• risk exposure, and,• value of any associated social and/or environmental benefits.
3.	<p>Disposal Methods</p> <p>Council may utilise the following methods, where appropriate based upon the principles above, in disposing of an asset;</p> <ul style="list-style-type: none">• Trade-In• Expression of interest• Open Tender• Sale or Public auction• Demolish/Recycle• Charity/Gifting• Land exchange



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4.	<p>Consultation</p> <p>The council must undertake certain processes in respect of its proposed disposals of land and/or buildings in accordance with the Local Government Act 2020. Particular requirements are stated within section 114 of that Act including giving public notice of sale, and the requirement for a valuation of the property not more than six months prior to the sale.</p>
5.	<p>Associated Documents</p> <ul style="list-style-type: none"> • Council Plan 2021-2025 • Australian Accounting Standards • Asset Management Policy • Asset Capitalisation Policy

Policy Adopted:	Ordinary Meeting 21/03/18	Minute Book Page 37707	RecFind 18/001105
Policy Reviewed:	Asset Management Steering Committee 2017 09 18		
	Asset Management Steering Committee 2018 02 05		
	Councillor Workshop 2018 02 14		
	Council Forum 2018 03 07		
	Council Meeting 2020 06 18		RecFind E20/000147
	Council Forum 2020 07 06		
	Council Meeting 2022 11 16	Minute Book Page	RecFind