



POLICY REGISTER

Asset Disposal

Policy adopted: 2022 – Minute No: 2022/96

Reviewed: July 2025

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Policy Information

<i>Issue</i>	Prepared/Revised by	Action Amendment Description	Approved by and Date
1.0	2022		Council 2022/96
2.0	2025		Council 2025/102

OBJECTIVE

- To provide an accountable and transparent process for the disposal of surplus assets and materials.
- To ensure that such disposal is in accordance with the requirements of the Local Government Act (1993) and in the interests of good governance and complies with Council's Code of Conduct, particularly with respect to conflict of interest.
- To clearly define a framework, responsibilities and guidelines for Council Officers to manage the disposal of surplus assets and materials.

SCOPE

This policy applies to all processes related to the disposal of assets (except those expressly excluded by this Policy) undertaken by Balranald Shire Council.

POLICY STATEMENT

Disposal of Plant, Equipment and Goods

At all times, surplus assets or materials should be disposed of in a way that maximises returns whilst ensuring open and effective competition.

Prior to disposal, a reasonable effort is to be made to ensure Council has no need for the asset. Items of historical or cultural significance should be given special regard and any dangerous goods disposed of only in an authorised manner.

No warranty is to be offered on assets sold.

Approval to commence the disposal process must be obtained from the relevant Director or Manager with the appropriate delegated authority to dispose of the asset value in question.

A decision to dispose of an asset should be based on one or more of the following:

- Obsolete and/or operationally inefficient;
- Non-compliance with workplace health and safety standards;
- The item in question is past its designated expiry date;
- No further use in the foreseeable future;
- No use in the previous 18 months (stores stock items);
- Optimum time to maximise return or part of an asset

- replacement program;
- Uneconomical to repair.

Accountability

All decisions made, and the reasons for the decisions, must be documented and recorded within Council's electronic document and records management system by the responsible officer.

Methods of Disposal

Public Tender

Where assets of significant value (being \$250,000 or more) are to be sold, the sale must be by way of a public tender process. The tender process must be undertaken in accordance with the Local Government (General) Regulation 2005 and the Office of Local Government Tendering Guidelines for NSW Local Government.

Methods for Assets valued under \$250,000.00

Public Auction/Online Auction, Expressions of Interest/Quotations, Gifts to Charity, Destruction/Recycling.

The responsible officer, in consultation with their manager/director, must determine the most appropriate method of disposal.

For example, low value items may best be disposed of by way of advertising locally and seeking expressions of interest.

Auctions may be best utilised for items where there is public demand for items and the costs of the auction can be justified in relation to the expected revenue from the sale of the item.

Trade-ins can be an efficient and convenient way to upgrade equipment such as plant. A decision to trade in must be based on a clear analysis of the benefit of trade in versus a separate sale of the goods/item in question.

Donations to charities or community organisations can be made in relation to low value items (under \$2000.00) with the authority of the relevant director. The following should be kept in mind when determining such donations:

- Charities and community groups should receive equitable treatment to avoid possible claims of bias;
- Where the donation is seen as appropriate but there is a potential claim of bias; the matter should be referred to the General Manager;

- Where feasible the charity or community group should remove/transport the assets themselves at no cost to Council.

Items that have no value, are unserviceable and/or the disposal cost is deemed higher than the likely return may be written off and recycled or destroyed.

Conflicts of Interest

The officer responsible for the disposal of any Council asset and the relevant director or manager must ensure that no conflict of interest occurs in or as a result of the asset disposal process.

Sales to Staff or Councillors

The sale of assets to staff is **NOT** to occur outside of a public process.

DEFINITION

Asset: means any asset item recorded in Council's Asset Register, excepting land and buildings.

Conflict of Interest: as defined under Council's Adopted Code of Conduct.

Charity or Community Group: Not for profit organisations.

Plant: Includes machinery, vehicles, equipment, appliance, implement or tool and any equipment, component or fitting thereof or accessory.

EXCEPTIONS

This Policy does not relate to real property (i.e. land and buildings).

LEGISLATION REQUIREMENTS

As listed at the end of this policy.

POLICY HISTORY AND VERSION CONTROL

Policy Title	Asset Disposal Policy
Directorate	General Manager
Department	Corporate
Policy Group	Corporate

Responsible Officer	Governance and Risk Officer
History	2.0
Relevant Legislation	<ul style="list-style-type: none"> • Local Government Act 1993 • Local Government (General) Regulation 2005 • Tendering Guidelines for NSW Local Government

RELATED DOCUMENTS

- Adopted Code of Conduct
- Procurement Policy and Procedures
- Asset Management Policy