

DISPOSAL OF ASSETS

Objectives

The objectives of Tweed Shire Council's Disposal of Assets Policy is as follows:-

- To clearly define a framework, responsibilities and guidelines for Council Officers to manage the disposal of assets and scrap materials.

This Policy does not apply to Disposal of Land as there is a separate Disposal of Land Policy.

Sourcing Of Council Policy

The Disposal of Assets Policy is: -

Listed on the Council's Intranet and Internet under Policies.

Legal Requirements

The disposal of goods and services by Council is not prescribed in the Local Government Act other than:

Section 55 of the Local Government Act 1993

This section of the Act does not apply in respect to :-

- a contract for the sale of goods by Council at public auction.

Disposal of Plant, Equipment and Goods

The General Manager has the delegation to authorise the sale of items of plant, equipment and goods.

Internal controls for goods with a value over and under \$1,000 have been developed to manage disposal of assets which includes scrap materials.

Value over \$1,000

Council will dispose of plant, equipment and goods with an apparent value of \$1,000 or more by auction or by invitation of tenders or quotations with the Unit Director or Manager recommending the most appropriate method of disposal. The General Manager must authorise the sale of the item of plant, equipment or goods.

In determining the most appropriate method of disposal, the Unit Director or Manager must evaluate the best value for money return on the item being disposed. The Officer will take into consideration the costs that Council will incur if the item was being disposed of separately, in comparison to bottom line of change-over price of the replacement item being purchased.

The Council Officer responsible for disposing of the item of plant, equipment or goods must advise the Finance Section – Assets of the item being disposed to enable the Asset Register to be managed effectively and efficiently.

Value under \$1,000

The method of disposal of plant, equipment and goods with an apparent value of under \$1,000 shall be at the discretion of the Unit Director or Manager.

Council Officers are to ensure that they determine the most appropriate method of disposing of these assets, managing potential risks of corruption and that the process is documented.

Low Value Assets and Scrap Materials

Definition

Consumable materials – sand, gravel, chemicals, paint, turf, hardware items, pavers;

Off-cut materials – pipe, cables, timber, plumbing fittings;

Recyclable metals- scrap metals, steel posts, brass, street signs; Office Furniture;

Technology – IT equipment, mobile phones, cameras, calculators, computers, printers

Council has identified low value assets and scrap materials as potential targets for misappropriation of its assets. Council Officers will monitor the disposition of low value assets and scrap materials to ensure that no inappropriate activities are being conducted by employees.

Disposal of Assets Administration

This policy has identified who is responsible for managing the processes for disposing of the assets.

Council actively encourages employees to come forward when they suspect corrupt conduct or waste of its resources.

Employees are to return from the work site with goods and materials resources that have been purchased and not used on the project. These items must be placed in the relevant compound or left on vehicles to be used on the next project.

Where Council has established storage facilities for scrap materials, employees are to ensure that surplus goods and materials are placed in the storage facilities upon return to the depot and not left for potential misuse.