

Asset Disposal & Rationalisation

COUNCIL POLICY NO. 128

1. POLICY PURPOSE

The purpose of this Policy is to establish a consistent, transparent and evidence-based approach to the disposal and rationalisation of Council assets throughout their lifecycle rationalisation of Council assets when the assets are no longer required to meet agreed services or when there is no clear need for Council to retain ownership of the asset. Council assets will not be automatically replaced at the end of their useful life or when they no longer serve the function for which they were intended. Disposal and rationalisation decisions will consider current and future service requirements, asset condition, risk, lifecycle costs, community benefit and financial sustainability.

This Policy defines the principles and decision-making framework to assist Asset Managers in identifying, assessing, approving and implementing asset disposal and rationalisation activities.

2. SCOPE

This policy applies to all asset classes owned by Council and identified as, but not limited to:

- real estate property,
- buildings or other fixed infrastructure,
- Infrastructure assets including roads, bridges, footpaths, drainage and open space assets
- light vehicles (cars and utes),
- heavy plant,
- tangible assets including artworks, office furniture and equipment and computers.

This policy does not apply where disposal processes are prescribed by legislation, grant funding agreements or other Council adopted policies/guidelines.

3. POLICY PRINCIPLES

Council must have regard to the following principles in its disposal or rationalisation of assets:

- Decisions are based on agreed service levels and whole-of-life asset management principles
- 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;
- Disposal decisions should maximise value to the community, recognising that best value is not always highest financial return;
- Council officers must carry out all phases of the disposal process with impartiality, fairness, independence, openness and integrity.

- Disposal decisions must demonstrate best value having regard to:
 - whole-of-life financial implications;
 - future maintenance liabilities;
 - service delivery impacts;
 - climate resilience where relevant;
 - utilisation levels;
 - community benefit;
 - environmental sustainability.

4. POLICY OBJECTIVES

To provide a systematic, transparent and accountable method for the disposal or rationalisation of Council owned assets in accordance with:

- Council Policy No. 078 - Councillor Code of Conduct
- Council Staff Code of Conduct
- Council Plan - 2025 - 2029
- Council's Strategic Resource Plan
- Long Term Financial Plan
- Council Policy No. 085 – Asset Management
- Council Policy No. 109 – Procurement
- Gannawarra Library Service Collection Development Guidelines
- *Local Government Act 1989 Schedule 10*
- *Local Government Act 2020*
- *Asset Management Strategy/Plans*
- *ISO 55001 Asset Management Principles*
- *IPWEA International Infrastructure Management Manual (IIMM)*
- All appropriate legislation and accounting standards.

5. CONSULTATION

Council must undertake public consultation in respect of its proposed disposal or rationalisation of land and/or buildings in accordance with the *Local Government Act 2020* and with the intent of the Council Plan 2025-2029.

6. ASSET REGISTER REQUIREMENTS

Following disposal or rationalisation, the responsible Asset Manager shall ensure:

- the Asset Register is updated,
- Asset Register associated financial records are adjusted,
- GIS records are updated where applicable,
- maintenance schedules are amended,
- Asset Management Plans are updated where required.

7. POLICY REVIEW

Council will review this policy as required but always within two years after a general election of the Council.

At the time it was developed, this policy was compliant with the *Victorian Charter of Human Rights and Responsibilities Act 2006*.

8. FURTHER INFORMATION

Members of the public may inspect all policies at Gannawarra Shire Council's Kerang and Cohuna office or online at www.gsc.vic.gov.au.

Any enquiries in relation to this policy should be directed to the Director Infrastructure & Development on (03) 5450 9333.



Revision History

Originally adopted:	15 July 2015
Reviewed:	19 September 2018
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