DISPOSAL OF ASSETS POLICY

Document Type	Operational Policy
Adopted by	Council
Date Adopted	30 June 2026
Date Effective	30 June 2026
Responsible Department	Corporate Support
Responsible Officer	GM Corporate Support
To be reviewed	Every three years

1. Purpose

a. To establish clear guidelines for the disposal of surplus assets owned by the Gore District Council (the Council). With the intent of ensuring:

- a consistent, transparent and robust approach
- the Council's legislative responsibilities are adhered to; and
- all disposals are conducted in a financially responsible manner, maximising value for the Council and the community.

2. Scope and Definitions

a. This policy applies to all Council-owned assets including land, building, plant, vehicles, and IT equipment deemed surplus to requirement

Asset	Any item owned by the Council that has value and can be used, sold or otherwise disposed of, including but not limited to, buildings, vehicles, equipment and IT hardware.
Disposal	Disposal refers to sale, donation, scrapping write-off, recycling, barter, trading or any other method by which ownership of an asset is relinquished.
Plant	Machinery, tools and equipment used in Council's operations.
Surplus Asset	An asset that is no longer required for the Council's operational needs or strategic objectives, and is deemed excess, obsolete, underutilised or no longer fit for purpose. Surplus under the Public Works Act 1981 refers to land that is no longer required for a public work, or any other public work by the

	Council.
Market value	The estimated amount for which an asset would be exchanged in an open market transaction between a willing buyer and a willing seller, with neither party being under compulsion to buy or sell and having reasonable knowledge of relevant facts. The market value should reflect the current conditions and demand for the asset. In regard to land and buildings, market value will be determined by an independent registered valuer.
Operationally Redundant	Activity Managers may determine whether an asset is no longer required for its original purpose or any new purpose within the same department or team within the Council.

3. Principles

a. Transparency: Processes will (where appropriate) be undertaken in an open and transparent manner. The Council reserves the right to review, discuss, consider and make decisions on commercial negotiations in a public excluded environment.

b. Compliance & accountability: All disposals must comply with legislation and policies, with all actions documented for accountability.

c. Maximising value/public interest: The Council will ensure that asset disposal decisions are made in the best interest of the community. Disposals should aim to achieve the maximum reasonable return considering both financial and non-financial outcomes. Consideration will be given to the original intention of the asset.

d. Retention of valuable assets: Before disposal, the Council should evaluate the potential future strategic value of assets, including their ability to support long-term objectives, service delivery, and community outcomes. Retention should be considered if assets may provide future benefits.

e. Conflict of interest: Staff and elected members must declare and manage any actual, potential or perceived conflicts of interest in accordance with Council policy. They must not use their position to obtain personal benefit from asset disposals. Where staff or elected members participate in purchasing surplus assets, this must occur through approved disposal processes, with appropriate oversight and documentation.

4. Land & Buildings

a. A report to Council will be required for any land and building disposal. Before disposing, the Council must resolve that the land or building is surplus. Prior to this activity managers may ascertain that a certain asset is operationally redundant to their activity. Considerations:

- No longer supports growth strategies or asset management plans
- It is no longer needed for its original purpose

- It isn't suitable for any other Council use
- Its ongoing costs are unsustainable
- Disposing of it offers financial benefits to the Council
- There are interested buyers
- Statutory processes

b. Disposals will be assessed against the Council's Significance and Engagement Policy.

c. Where possible, land and buildings must be sold at no less than fair market value at the time of sale, as determined by an independent registered valuer.

d. The Council resolution should specify the disposal method or delegate this decision and delegate negotiation responsibilities to the Chief Executive or another designated officer. If negotiations may involve settlements outside market values, this must be explicitly authorised by the Council resolution.

5. Plant & Vehicles

a. The Council must sell surplus plant and vehicles at current market value.

b. The preferred disposal methods include trade-in, tendering or auction.

c. If no interest is received from tendering, auctioning should be pursued.

d. The General Manager responsible for the asset is tasked with determining the most appropriate sale method, considering factors like market value, urgency, and condition.

e. All sales are conducted on an "as-is, where-is" basis with no warranty or right of return, unless required by law. The General Manager is responsible for ensuring the Council is not inadvertently committed to any warranty obligations during the sale process.

6. Information Technology

a. Surplus Information Technology (IT) equipment must be disposed of in an environmentally responsible manner.

b. Preferred disposal methods include recycling, donation or sale.

c. The IT department is responsible for identifying surplus IT equipment and ensuring all data is securely erased before disposal.

d. When IT equipment is sold, it may be offered to staff and elected members through arm's length transactions, ensuring assets are sold at market value. This process must be transparent, ensuring that the transaction does not create any conflict of interest.

e. All IT equipment sales are conducted on an "as-is, where-is" basis with no warranty or right of return. Internal IT support will not be provided to staff who have purchased IT equipment under this policy.

7. Other assets

a. Any surplus assets not specifically covered above must be disposed of using the same principles outlined in this policy.

b. The appropriate disposal method should be determined based on the asset type, market value, and potential reuse within the Council.

c. Disposal methods may include, sale, auction, trade-in, donation, or recycling, ensuring the best outcome for the Council.

d. The responsible department must assess and document the surplus status and ensure compliance with all relevant policies and regulations.

8. Strategic Assets

a. The Council retains a register of strategic assets in its Significance and Engagement Policy.

b. The Local Government Act 2002 requires any decision to transfer the ownership or control of a strategic asset to or from the Council, to only be taken if explicitly provided for in the Council's Long-Term plan or through an amendment to the current Long-Term Plan.

9. Process

a. The Finance team must be advised of all asset disposals where the original purchase cost of the asset being disposed of exceeds $2,000, or the asset is recorded in the Council's asset register.

b. Every asset disposal must be fully documented, clearly identifying:

- Full description of the asset.
- Reason for disposal.
- Who authorised its disposal.
- To whom it was disposed.
- Sale proceeds value, if any.

10. Approvals & Delegations

a. Council Approval: The sale of land and buildings requires a formal resolution of the Council.

b. Chief Executive (CE) authority: May approve the disposal of assets up to a book value of $100,000. Any disposal exceeding this amount requires Council approval.

c. General Manager authority: May approve the disposal of assets within their area of responsibility, up to a book value of $50,000.

d. Activity Manager authority: May approve the disposal of low-value assets up to a book value of $5,000, such as IT equipment or minor plant, following internal approval process.

11. Relevant legislation

a. Including, but not limited to:

- Public Works Act 1981
- Local Government Act 2002
- Local Government Act 1974
- Reserves Act 1977

12. Review & implementation of the Disposal of Assets Policy

a. This policy comes into effect on 30 June 2026.

b. This policy is to be reviewed no later than three years from the date it comes into effect.

c. This policy was adopted by the Gore District Council at its meeting held on 30 June 2026

Debbie Lascelles
Chief Executive
30 June 2026

Document History and Version Control Table				
Version	Action	Approval Date	Approval Authority	Due for Review
1.0	Creation of original document	March 2022	Full Council	2025
2.0	Review of document	June 2026	Full Council	2029