

Policy

Disposal of Surplus Goods, Materials and Portable Assets

Version 1.1

Adopted by Council at its meeting on Thursday 16 October 2014

Minute No: 582

Division: Technology and Corporate Services
Section: Financial Services
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Disposal of Surplus Goods, Materials and Portable Assets

Objective

The objective of this policy is to clearly define the responsibilities of Council Officers in managing the disposal of surplus goods, materials and portable assets.

Scope

This policy applies to:

- a) Goods and materials that are surplus to the needs of the job/project for which they were purchased and where it is uneconomical to use in other job/projects;
- b) Scrap material
- c) Surplus fill materials from road works; and
- d) Portable assets that are no longer in working order and uneconomical to repair.

This Policy does not apply to the Disposal of Land (for which there is a separate Disposal of Land Policy) or the disposal of non portable assets (infrastructure, plant and equipment) for which there are separately defined practices.

Definitions

Surplus goods, materials and scrap material:

Some examples of goods, materials and scrap material include:

Goods, materials: sand, gravel, soil, chemicals, paint, turf, hardware items, pavers;
Scrap materials: pipe, cables, timber, pipe fittings, scrap metals, steel posts, brass, street signs, water meters, tool boxes

Portable assets: Items which are easily transportable/concealed and can be used outside of work (personal) or are easily disposed.

Some examples of portable assets include:

- Laptops and personal computers
- Projectors
- Tools (power or hand)
- Digital cameras
- Mobile Phones (Smartphones)
- Survey Equipment

Legal Compliance

Section 55(1) of the Local Government Act 1993 states:

A Council must invite tenders before entering into any of the following contracts:

(g) a contract for the disposal of property of the council,

Section 55(3) of the Local Government Act 1993 states:-

This section does not apply to the following contracts:

(f) a contract for purchase or sale by a council at public auction,

(n) a contract involving an estimated expenditure or receipt of an amount of less than \$100,000 or such other amount as may be prescribed by the regulations

Clause 163 (2) of the Local Government (General) Regulations 2005 states:-

For the purposes of section 55 (3) (n) of the Act, section 55 does not apply to a contract involving an estimated expenditure or receipt of an amount of less than \$150,000.

Section 377(1) of the Local Government Act 1993 states:

A council may, by resolution, delegate to the general manager or any other person or body (not including another employee of the council) any of the functions of the council, other than the following:

(h) the compulsory acquisition, purchase, sale, exchange or surrender of any land or other property (but not including the sale of items of plant or equipment)

Disposal of Surplus Goods, Materials and Portable Assets

Internal controls for goods with a value over and under \$10,000 have been developed to manage disposal of surplus goods, materials and portable assets.

Value over \$10,000

Council will dispose of surplus goods, materials and portable assets with an apparent value of \$10,000 or more (excluding surplus fill material from road works) by public auction or by invitation of tenders or quotations with the Unit Director or Manager recommending the most appropriate method of disposal.

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 and submit a report to the Executive Management Team seeking approval for the proposed disposal method. The Officer will take into consideration the costs that Council will incur to dispose of the item and if applicable compare the potential sale price of the item if it is being traded in for a replacement.

The Council Officer responsible for disposing of the item of surplus goods, materials and portable assets must advise the Finance Section – Assets of the item being disposed to enable any applicable Asset Register to be amended.

Value under \$10,000

The method of disposal of surplus goods, materials and portable assets with an apparent value of under \$10,000 (excluding surplus fill material from road works) shall be at the discretion of the Unit Director or Manager and be in compliance with Section 55 and Section 377 of the Local Government Act.

Unit Directors or Managers 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.

As a general guide, employees are to return from the work site surplus goods/materials or scrap materials. These items must be placed in the relevant compound, stock piles, bins or left on vehicles to be used on the next project.

However, there are circumstances where it is not cost effective to return the surplus goods/materials or scrap materials back to the depot, then the most appropriate method of disposal of these low value assets, shall be at the discretion of the Director or Manager and be in compliance with Section 55 and Section 377 of the Local Government Act.

Council has, by adopting this policy, resolved to sell or surrender from time to time any surplus property with an apparent value of less than \$10,000.

Disposal of Surplus Fill Material from road works

Council has periodically available for disposal, road fill material which is surplus to requirements. Amounts of surplus road fill material have no real value and its disposal can incur significant costs such as transportation.

In anticipation of these circumstances, the Infrastructure Delivery Manager will periodically advertise the existence of the surplus road fill material and invite expressions of interest from the public to receive the fill material. Expressions of interest received will be assessed by the Development Assessment Unit, and when appropriate will advise of approval under the EPA Act. The Manager will maintain a listing of such approved fill sites.

When surplus fill material becomes available, the Infrastructure Delivery Manager will determine where the fill will be delivered, having regard to the type of material available, the approval conditions for the various sites on the list, and the requirements of the Protection of the Environment Operations Act and Regulation.

The Infrastructure Delivery Manager will maintain records of where the road fill material has been disposed of, and an estimated quantity. These records will periodically be recorded in Council's Records Management System, under Disposal of Assets.

Council has, by adopting this policy, resolved to surrender from time to time surplus fill material from road works with an apparent value of less than \$10,000.

Disposal of Surplus Landscape Mulch

Council has periodically available for disposal, landscape mulch which is surplus to its requirements due to the materials being of an insignificant quantity or cost, or transporting the materials back to the depot is not cost effective.

When surplus landscape mulch is available in a particular area, the Manager shall determine a suitable Council facility/site where the mulch is to be distributed.

Disposal of Water Meters

Old or used water meters are to be made inoperable when they are removed from service and placed in the dedicated recycle bins at the depot.

Disposal of Portable Assets and Other Surplus Equipment

Disposal of portable assets and other surplus equipment are to be approved by the relevant Unit Director or Manager, in accordance with the provisions and legal requirements of this Policy.

In regard to portable assets the Unit Director or Manager is to approve method/s for disposal. Technology that is not saleable may be disposed of through the E-Waste facility at Council's landfill site.

Information on the disposal of this type is to be recorded in Council's Records Management System, under Disposal of Assets.

Disposal of Surplus Goods, Materials and Portable Assets Administration

This policy has identified who is responsible for managing the processes for disposing of surplus goods, materials and portable assets.

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

Council will conduct an investigation of all cases, where reports are received that Council Employees are misusing the provisions of this Policy and Council's Code of Conduct prescribes sanctions that may be actioned against an employee for breaches of this Policy.

Version History

Version #	Summary of changes made	Date changes made
1.0	Formerly Disposal of Asset Policy Version 1.0 adopted 13 November 2007 and reviewed 21 July 2009	
1.1	Formerly Disposal of Asset Policy Version 1.1 adopted 22 April 2008	
1.0	New Policy created and renamed to Disposal of Surplus Goods, Materials and Portable Assets	February 2013
1.1	Policy reviewed and updated in accordance with requirements of the Protection of the Environment Operations Act	Adopted by Council on 16 October 2014