

POLICY

3.5 ASSET MANAGEMENT



Supporting Procedure:	TBA	
Other Related Documents:	Policy 2.11 Motor Vehicles Policy 3.1 Procurement Asset Register Delegations of Authority Register Equipment Register Associations Incorporations Act 2015 Australian Accounting Standards	
Category:	Finance	
Type:	Strategic	Dates:
Last Review By:	Karen Henderson, Jane O'Malley & Patricia Sutton	05/02/2019
Issued By:	Chief Executive Officer	01/07/2019
Approved By:	Board of Management	20/06/2019

Introduction

The purpose of this policy is to ensure Peel-Harvey Catchment Council (PHCC) makes responsible asset purchases, manages asset replacement, maintains accounts for assets and retains control over assets.

This Policy is designed to ensure that all Employees have the necessary and suitable equipment to perform their duties.

PHCC retains the ownership of assets provided to staff and volunteers. Staff and volunteers are responsible for exercising reasonable diligence to protect assets from theft or damage.

Definitions

For the purposes of this Policy:

'Asset' is a tangible item with economic value. For this policy refers to physical items such as motor vehicles, office equipment, computers, communication system, furniture and equipment

'Employee' means all paid employed persons in PHCC

'Board of Management' or **'Board'** means the Association Members of PHCC and has the same meaning as the word 'Council' in the Constitution

'Volunteer' means anyone providing unpaid assistance to PHCC

3.5 ASSET MANAGEMENT

Policy Statement

PHCC acquires, uses, maintains and replaces assets to assist the organisation to meet its objectives. All assets are to be appropriately cared for, insured and recorded on the Asset Register.

1 Purchasing Assets

- 1.1 Purchase of an asset on behalf of PHCC must be undertaken in accordance with the Delations of Authority Register.
- 1.2 Asset acquisition should be based on consideration of whether the asset:
 - 1.1.1 will provide significant, direct and tangible benefit to the organisation
 - 1.1.2 does not exist or could not be upgraded or adapted to meet the same purpose
 - 1.1.3 is appropriate and cost effective over its life
 - 1.1.4 is compatible with existing equipment and will not lead to unwarranted additional expenditure
 - 1.1.5 can be accommodated in existing space and facilities
 - 1.1.6 is the most suitable and appropriate type, brand, and model.
- 1.3 Purchase of an asset must be undertaken in accordance with the PHCC Policy 3.1 Procurement.

2 Asset Register

- 2.1 An Asset Register of all capital purchases greater than \$6,500 in value is maintained by the Finance Manager. A separate Equipment Register is maintained by the Manager Corporate Services to ensure that all equipment available for use by the PHCC is registered
- 2.2 Assets are depreciated by class at a rate determined by asset life and the Australian Accounting Standards
- 2.3 Depreciation of assets used to support and develop the entire organisation is borne by the core administration cost centre
- 2.4 Acquisitions deem an asset less than \$6,500 in value will be also be recorded on the PHCC Asset Register to allow PHCC to determine the appropriate level of insurance cover.

3 Asset Utilisation

- 3.1 Assets will be used by authorised personnel for the purposes for which they were acquired. Under-utilised and under-performing assets will be identified, reasons critically examined, and appropriate action taken (e.g. disposal, sale or gifting) by the approval of the CEO. Modification of assets will only occur by authorised and qualified persons.
- 3.2 Assets may, on occasion, be loaned to approved organisations / individuals, with the approval of the CEO.

4 Asset Maintenance

- 4.1 Assets will be maintained through actions recommended in manufacturer's manuals. For each asset, efficient maintenance strategies will be implemented.

3.5 ASSET MANAGEMENT

5 Asset Security

- 5.1 Staff, volunteers and people/organisations approved to loan assets are responsible for the security of assets under their control. Assets are to be safeguarded against theft and damage and removed from the premises only with approval.
- 5.2 Appropriate insurance will be held for asset replacement, if theft, damage or other occurrences.

6 Asset Disposal

- 6.1 Asset disposal may occur through auction, tender, private sale, destruction, donation and transfers to other organisations, at the CEO's discretion.
- 6.2 The method of asset disposal will be based on consideration of what offers the best return and best furthers PHCC's objectives, including support for e.g. Landcare Groups.

7 Motor Vehicles

- 7.1 Motor vehicles are provided as shared pool vehicles for use by eligible staff, some of which may have commuter use. The decision to lease or purchase a vehicle is undertaken in accordance with the Delegations of Authority.
- 7.2 The Office Manager ensures that all vehicles are registered, are insured comprehensively and covered by a road service assistance program. The PHCC is responsible for the payment of insurance excess in the event of an accident unless the vehicle is not being used in accordance with Policy 2.11 Motor Vehicles, whereby the officer using the vehicle will be responsible for the payment of the excess.
- 7.3 All vehicles are to be maintained in accordance with their maintenance schedule and/or terms of their lease agreement with the maintenance expense borne by the Project cost centres. Maintenance is the responsibility of the Vehicles custodian, in accordance with Policy 2.11, Motor Vehicles.
- 7.4 All drivers of PHCC motor vehicles will have been given authorisation by the CEO and must hold a current WA Drivers Licence.