

TREASURER'S INSTRUCTION
FINANCIAL MANAGEMENT ACT 2016
DISPOSALS

EFFECTIVE DATE

1 March 2022

SCOPE

This Treasurer's Instruction applies to all Agencies listed in Column 1 of Schedule 1, Part 1 in the *Financial Management Act 2016*.

APPLICATION

At all times.

OBJECTIVE

To provide information on the requirements applicable to the disposal of *Crown* assets (excluding Government businesses).

INSTRUCTION**Interpretation and Definitions**

Refer to Treasurer's Instruction PF-6 for general definitions.

General

- 1.1 The Accountable Authority is responsible for the oversight and management of an Agency's disposal activities.
- 1.2 Disposals must be made in the name of the *Crown* or relevant statutory authority.

Surplus Crown real property

- 1.3 Surplus *real property* must be disposed of in a manner consistent with relevant legislation.
- 1.4 With the exception of the Department of Treasury and Finance and the Department of Natural Resources and Environment Tasmania or as set out in clause 1.4, Agencies must not dispose of surplus *real property* unless the title to the property is in the name of a statutory authority and its enabling legislation provides for the disposal of *real property*.
- 1.5 The Department of State Growth is permitted to dispose of surplus *real property* where:

- 1.5.1 the property has been identified as having development potential; and
- 1.5.2 disposal by the Department of State Growth has been approved by the Secretary of the Department of Treasury and Finance and the Secretary of the Department of Natural Resources and Environment Tasmania.

Disposal of Other Assets

- 1.6 All assets other than surplus *real property* must be disposed of in such a manner that the disposal meets any relevant legislative requirements or, where no legislative requirements apply, so that it achieves the best return to Government.

Motor Vehicles managed by the Government's Fleet Manager

- 1.7 All motor vehicles managed by the Government's Fleet Manager, regardless of value, must be disposed of through the Government's Fleet Manager unless otherwise approved by the Secretary of the Department of Treasury and Finance.

Motor Vehicles not managed by the Government's Fleet Manager

- 1.8 All motor vehicles not managed by the Government's Fleet Manager must be disposed of in accordance with clause 1.9 or 1.11, dependent on value.

Non - real property assets with an estimated disposal value of \$10 000 or less

- 1.9 Except as provided in clause 1.7, for material from the collections of the Tasmanian Museum and Art Gallery or material that may be of State significance, the Accountable Authority must determine the process for disposal of assets with an estimated disposal value of \$10 000 or less.
- 1.10 Items that cannot be reused or recycled and/or with no commercial use or appreciable market value may be disposed of by dumping at approved refuse sites or by destruction.

Non - real property assets with an estimated disposal value more than \$10 000

- 1.11 Except as provided in clause 1.7, for material from the collections of the Tasmanian Museum and Art Gallery or material that may be of State significance, disposal of assets with an estimated disposal value in excess of \$10 000 must occur by way of public tender, public auction, or trade-in unless otherwise approved in accordance with clause 1.14.
- 1.12 Disposal must be consistent with the principles contained in Treasurer's Instruction PF 1, clauses 1.2.1, 1.3, 1.4 and where relevant, 1.2.
- 1.13 Where a public tender is used:
 - 1.13.1 The tender must be:
 - advertised in either specialist publications, or in the classified section or public notices/tenders section of local newspapers, or both; and

- allocated a specific closing time, date and place of lodgement which is to be clearly stated in all documents and advertisements.

1.13.2 Fair and impartial procedures must be in place in relation to receiving and opening all submissions and the submissions must be fairly and equitably evaluated. All prospective purchasers making a submission must be advised of the outcome of the process and provided with details of the successful offer including the name of the purchaser and the price accepted.

1.14 Disposal by a method other than those referred to in clause 1.11 is permitted where the Accountable Authority determines that such methods are not appropriate in the circumstances. In those cases approval to undertake an alternative disposal method must be provided in writing prior to the disposal process being commenced. Auditable documentation justifying any approved alternative processes must be prepared and maintained.

ADDITIONAL GUIDANCE

Further information in support of this Treasurer's Instruction, including information in relation to the disposal of material from the collections of the Tasmanian Museum and Art Gallery or material that may be of State significance, can be found in the *Disposals Better Practice Guidelines*.