



Verslag ♦ Ingxelo ♦ Report

Kantoor van die Direkteur: Finansiële Dienste
12 November 2019

5/14/3/5
WYK: Alle

**ITEM VAN DIE AGENDA VAN 'N UBK VERGADERING WAT GEHOU SAL WORD OP
20 NOVEMBER 2019**

ONDERWERP: VERKOOP VAN UITGEDIENDE BATES PER OPENBARE VEILING

SUBJECT: SELLING OF OBSOLETE ASSETS ON PUBLIC AUCTION

1. **AGTERGROND/BEREDENERING / BACKGROUND/DISCUSSION**

According to the Asset Management Policy the disposal of an item of property, plant or equipment must be fair, equitable, transparent, competitive and cost effective and comply with a prescribed regulatory framework for municipal supply chain management and the Supply Chain Management Policy of the municipality.

Appropriate means of disposal may include:

- Public auction, Public tender, Transfer to another institution, Sale to another institution, Letting to another institution under finance lease, Trade-in, Controlled dumping (for items that have low value or are unhygienic)

Criteria for disposal:

- The useful life of the asset has expired;
- The asset is out-dated;
- The asset has no further useful life;
- The asset is economically irreparable

Refer to the attached list of assets identified during the 2019/2020 financial year for purposes of a decision to dispose of same.

Volgens die batebestuursbeleid van die raad moet die wegdoening van alle items van Eiendom, aanleg en toerusting, regverdig, billik, deursigtig, mededingend en koste-effektiewe wees en voldoen aan die voorgeskrewe reguleringsraamwerk vir munisipale voorsieningskanaalbestuurs en aan die Voorsieningskanaal Bestuursbeleid van die munisipaliteit.

2. **WETGEWING / LEGISLATION**

Section 50 of the Local Government: Municipal Finance Management Act, 2003 (Act no. 56 of 2003)

3. **KOPPELING AAN DIE GOP / ALIGNMENT TO THE IDP**

Verwys na 1.4.1 van die GOP/ Refer to 1.4.1 of the IDP

“Maintain and utilise assets effectively and efficiently- Implement an asset register that complies with Generally recognised Accounting Practice (GRAP) standards. In an effort to establish an asset management programme, compile a maintenance plan linked to the asset register, calculate escalated replacement cost of assets, and establish operating costs of assets and compare to standard.”

4. **FINANSIËLE IMPLIKASIE / FINANCIAL IMPLICATION**

R 1 032 867.47 (Obsolete Assets)

5. **AANBEVELING / RECOMMENDATION**

- That council approves the attached list of assets to be sold by public auction and for same to be removed from the asset register .

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(Get) M BOLTON
DIREKTEUR: Financiële Dienste