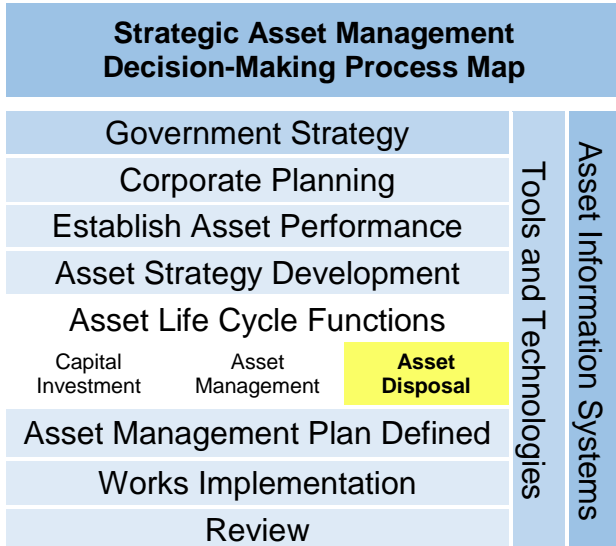


Property Disposal



DPTI Process Overview



The rationalisation and disposal of assets is a component of asset strategy development and as already described, occurs in the context of a corporate planning environment that aims to translate government settings into agency service delivery strategies.

Until recently, a view existed in government that a large asset portfolio was a desirable investment, regardless of its role in supporting agency service objectives. It is now accepted that property is a substantial cost component in the delivery of services.

Good asset management means ensuring that they are effectively and efficiently utilised for their intended purpose. Where this cannot be achieved, assets should be assigned a more appropriate use or considered for disposal.

During the process of establishing asset performance, agencies would have identified what building assets they have and confirmed their use. Where building assets are identified as under-performing, under-used, poorly located or irrelevant in supporting essential functions, they should be regarded as potentially surplus.

The property disposal process provides a useful guide to assist agencies identify surplus property assets and adopt strategies for their disposal. It is underpinned by the philosophy that agencies are accountable for the performance of their assets.

Strategy development includes consideration of a range of issues including existing property use, possible alternative uses, constraints which may apply and the cost / benefit analysis of on-going tenure e.g. ownership or lease. Before final decisions about property disposal are taken, their broader community obligations, and a number of due diligence issues may need to be considered e.g. heritage environment, zoning, and utility easements.

Options for disposal include transfer within government, or open market sale. A series of essential presale activities need to occur before a property can be offered for sale on the open market and the level of preparation will vary depending on the complexity of the issues encountered.

Corresponding DPTI Asset Brief:

- ❖ [Property Disposal](#)