

Disposal of Assets Policy



February 2024

To be reviewed annually

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1. Introduction

- 1.1 The purpose of this policy is to provide protocols for the disposal of schools assets. This policy will help to ensure that equipment is properly accounted for prior to disposal and that the disposal is by appropriate method, minimising any risk to the schools.
- 1.2 'Assets' applies to the terms 'asset(s)', 'item(s)', 'equipment', throughout this policy and refers to any item listed on the schools inventory.
- 1.3 Non-disposal of obsolete equipment not only takes up space, but potentially incurs on-going maintenance costs. The schools should therefore dispose of such equipment in line with the processes set out in this policy.
- 1.4 Consideration has been given to identifying the risk and the areas most susceptible to fraud. This policy is designed to minimise fraud and misappropriation.

2. School Inventories

- 2.1 The schools must maintain an inventory of permanent stock. The inventory will assist in the identification of assets that require disposal. An electronic, spreadsheet - based inventory record is available from the IT Team (*see example, page 8*). Under the direction of the FBL the schools maintain its assets via a cloud based system (Parago) which is regularly updated by the IT Manager and reports can be extracted at any one time.
- 2.2 Within the inventory, equipment should be documented with details to clearly identify the item in question and its location. If items are scheduled for disposal, the disposal method and authorisation is to be documented (*see disposal procedures*). This may mean expanding and updating the inventory records where necessary to reflect the additional information required. If it would not be appropriate to reflect the information in the existing inventory, a separate but linked record should be maintained instead.
- 2.3 It is very important that schools maintain up-to-date and appropriately detailed inventory records.

3. Reasons for Disposal

- 3.1 Items can be available for disposal because they are:
 - Not capable of running required operational software systems or being upgraded to do so.
 - No longer required, due to changed procedures, functions or usage patterns.
 - No longer complying with occupational health and safety standards.
 - Beyond repair but able to be sold for scrap.

4. Responsibilities of the Headteacher/Designated Officer

- 4.1 The Executive Headteacher/ Designated Officer must be aware that they are accountable for all decisions they take in the disposal process. Accounting and control procedures should be observed and all decisions documented and reported to the governing body.

5. Options for the Disposal of Assets

5.1 Assets identified for disposal may be disposed of using the procedures outlined below. Acceptable methods of disposal are:

- Transfer of the assets to a new schools site.
- Sale of assets.
- Donation of assets to a community service organisation or schools.
- Destroy assets.
- Recycle assets.

5.2 Choice of the most appropriate disposal option will normally be influenced by the age and functionality of the equipment for disposal and by market value.

6. Transfer of Assets to a New School Site

6.1 Prior to the transfer of existing assets to a new school site, a check should be made to ensure that all such items are included in the school's inventory. If this is found not to be the case, the inventory should be updated.

6.2 If many assets are to be transferred to the new site, an appropriately detailed list of such items could be compiled for ease of use. However, the disposal column of the inventory should also be appropriately updated to show that the items in question have been transferred. (See paragraph 13).

6.3 The receiving schools should include all transferred items in its own inventory.

6.4 Historical inventories and the new inventory should be held together in a central file for reference purposes, to ensure consistency for inspection purposes (see paragraph 16).

7. Sale of Assets

7.1 The sale of assets involves assigning a minimum price to the item(s) and publicising the item's availability for sale and setting a closing date for receipt of bids. This may range from an advertisement on the Council's Intranet Site, a newsletter advertisement or a general round-robin email notice. Where appropriate, consideration should also be given to selling assets back to the original supplier. Assets should be advertised as "sold as seen" with no guarantee of lifespan given.

7.2 It is essential to adopt documented procedures, which are clear and transparent and minimise the risk of allegations of unfairness in any process of distribution. The schools will follow the Council's Code of Conduct for Schools-Based Employees, which lays down guidelines on how schools and individual members of staff should avoid any impropriety or any suspicion of improper conduct.

7.3 The schools are to be clear and transparent in determining the appropriate minimum prices of items. The minimum price of items should at least cover the costs connected to the disposal, for example those related to clearing data from a PC or Laptop, etc. For all sales the schools will adhere to the Council's Financial Procedure.

Rules state that official receipts should be issued (and copies retained) for any payments received in this regard. In addition, appropriate documentary evidence needs to be retained to allow all such income to be accounted for to the point of banking (FMS cash receipting reports, paying -in slips). All such income is due to the main delegated budget and should not be paid into the schools voluntary fund.

- 7.4 All items should be in a good and safe condition. If you are unsure if goods are safe then you should not sell them, or offer them for sale, until you have had them checked by an expert. Electrical goods should only be sold if the Portable Appliance Test is in date. Advice and guidance is available from the Property Services Team.
- 7.5 Prospective buyers should be given adequate opportunity to inspect the goods prior to collection and on collection, the inventory should be updated. The item may, on receipt of an offer, be sold to the first person to make such an offer.
- 7.6 If when originally purchased the asset was subject to VAT then VAT at the appropriate rate in force, must be charged on the agreed sale price, and schools should indicate this as Vatable income when paid into the main schools budget.

8. Donations to external organisations including Schools

- 8.1 The schools may authorise the donation of equipment to another organisation or school, updating the inventory to reflect this. In the main and with reference to the Code of Conduct, such donations should be to organisations or schools and not individuals.

9. Destroy or Recycle Assets

- 9.1 Items with no market value and no use to any other organisation or person may be destroyed in an appropriate and safe manner. Items must be destroyed or recycled in accordance with legislation (for example there are certain legislative requirements for the disposal of batteries, recycling of electrical and white goods etc). Advice on how to destroy or recycle assets in accordance with legislation can be obtained from Environmental Services. Environmental Services provide services for recycling and refuse collection.
- 9.2 The disposal must be authorised by the Executive Headteacher/ Designated Officer/ Governing Body and the schools inventory must be updated.

10. Disposal of PC's or Laptops

- 10.1 It is essential to ensure that any computer and laptop hard drive/ memory/ data store is professionally cleared of such data prior to disposal. This is to ensure that the schools adheres to GDPR legislation and minimises the risk that sensitive information is exposed to unauthorised individuals.
- 10.2 The schools have a contract with a supplier in this regard which schools are advised to follow. The supplier charge a fee per item cleared and will provide certificates to the schools, confirming that such items have been cleared. Certificates should be retained for reference purposes.
- 10.3 The ICT Department can arrange for computers and laptops to be destroyed and recycled. There might be a fee for this service. A pertinent certificate should be provided by the recycling company.

11. Donating or Selling Items to Staff

- 11.1 When offering items to staff, the schools will follow the Council's Code of Conduct for Schools-Based Employees, which lays down guidelines on how schools and individual members of staff should avoid any impropriety or any suspicion of improper conduct. In this regard, if schools receive any such offers, they need to consider carefully what subsequent action may be appropriate. For example, items should be appropriately advertised within schools to allow all staff the opportunity to see what may be available. In addition, consideration could be given to allocating items like computer equipment via a lottery if there are more interested parties than items available.
- 11.2 As well as updating the inventory to reflect the donation/sale, it is essential to retain appropriate documentation of the disposal process which are clear and transparent and minimise the risk of allegations of unfairness in any process of distribution. Such documentation should be retained in case of query/challenge later. Staff should also understand that computer/ laptop hard drives will be cleared of all data prior to any handover.

12. Updating School Inventory Records

- 12.1 Asset disposal decisions, and the reasons for taking them, should be documented. Not only does this assist in audit and other examinations, but it also highlights successes and problems for future reference.
- 12.2 The following information should be recorded against all items in the schools inventory:
- Chosen option of disposal including the reason/ rationale.
 - The date the equipment is sold, transferred, donated, destroyed or recycled.
- 12.3 For equipment which is to be sold, transferred or donated the following information should also be recorded:
- Where the equipment went and who handed it over (with signature) and who received it (with signature).
- 12.4 For equipment to be recycled/ destroyed, the following information should also be recorded: Who disposed of it (with signature) and counter-signature of a second member of staff as witness.
- 12.5 If a large number of items are intended for a single destination, for convenience these could be grouped together for sign-off.

13. Health & Safety Notice

- 13.1 For all equipment ensure the recipient signs the following health and safety notice:-

“The schools will not be liable for any Health and Safety issues surrounding the use of the

equipment. It is the recipient's responsibility to ensure that the equipment is suitable and safe for its intended use, installed correctly, and that it can be used without risk to health or safety. It is the recipient's responsibility to obtain any instruction for and advice on the installation and use of the equipment and to carry out or to have competent persons carry out all necessary checks appropriate to the equipment. The schools will not be liable for any loss, damage, or injury arising out of the installation or use of the equipment, however caused".

14. Checklist for the Disposal of Assets

1. Identify assets for disposal.
2. Select the best disposal option.
3. Seek authorisation from Executive Headteacher/ Designated Officer/ Governing Body for Disposal.
4. Remove asset strips from all items.
5. Remove the items from any outstanding maintenance arrangements and cancel contract if appropriate.
6. Oversee the disposal including the collection of any income and issuing of receipts.
7. Retain appropriate records to show that procedures have been followed
8. Update the schools inventory records and asset logs.
9. Update insurance policy to reflect disposal of assets.

Additional requirements for items identified for sale or donation:

1. Ensure items are in a good and safe condition.
2. Ensure Portable Appliance Tests are in date for all electrical appliances.
3. Issue the health and safety notice to recipients (in writing) and request a signature from the recipient.
4. Issue original documentation to recipients such as manufacturer's instructions and safety notices and where applicable service history.

15. Retention of Records

- 15.1 Inventory/ disposal/ sale records are to be retained in accordance with the recommendations in the Records Management Retention Guidelines for Schools.

16. Compliance

- 16.1 It is essential to retain appropriate documentary evidence to demonstrate that the schools have followed these procedures. Such evidence may be inspected from time to time to ensure that the schools are complying with the requirements of these procedures.

17. Disposal of Fixed Assets

- 17.1 This policy does not include the disposal of fixed assets e.g. fitted furniture, sinks, doors boilers etc. Please contact the Capital and Premises Team for advice and assistance for the disposal of any such fixed Assets.

18. Procedures for Writing Off Assets

On identification of item (s) to be written off; which have been bought from budgets under the Governing Bodies control, a schedule should be prepared for approval by the

Executive Headteacher and sanctioning by Governors. Disposal details should be entered in the inventory/equipment register. The financial limit based on current estimated value for disposal of asset to be approved by the Executive Headteacher is £10,000, above this limit a proposal will need to be approved by the Governing Body at appropriate meetings. The GB can delegate this function to the Finance Sub-committee.

This policy will be reviewed every three years or sooner if required.

Date approved by Governing Body: 9th February 2024

Date of next review: February 2025

