



## **Disposals Policy**

### **Purpose**

The purpose of the policy is to provide a framework of Inspire Education Group's (IEG) asset management and disposals by ensuring items, whether recorded as fixed assets, or held as inventory, are disposed of in the most economically advantageous way for the Group. The procedures appended to this policy will also describe the attributes of an asset which contribute to the decision around whether an asset is a redundant or surplus asset.

### **Scope**

This policy relates to all of the organisations within the IEG Group. All staff, agency staff and contractors must abide by this policy at all times.

### **The Policy Statement**

IT Equipment, furniture, curriculum equipment, machinery, infrastructure or any other assets surplus to requirements can be disposed of. Assets may need to be disposed for a number of reasons e.g.

- Beyond economic repair
- No longer complying with Health and Safety requirements
- No longer required due to changes in procedures or functions
- Not capable of running required software
- Obsolete
- Refurbishment of an area

Lost, irreparable and stolen assets must follow the same procedure as assets for disposal. The Fixed Asset Register and inventory will be amended to show disposals and such entries will be endorsed by the Group Director of Finance. The net income from the sale of surplus or redundant assets will be treated as income in the Group organisation that purchased the original asset. The costs of disposal will be treated as Group expenditure.

Where the item/s were originally funded by a restricted grant, the income from the sale may have to be returned to the funder e.g. Education and Skills Funding Agency.

The Group will dispose of all surplus ICT equipment and other electrical equipment in a manner which prevents the transmission of personal data, infringement of licenses or copyright, is cost effective, and which complies with both environmental requirements and the United Kingdom Directive on Waste Electrical and Electronic Equipment (WEEE).

**Policy Name:** FIN007 - Disposals Policy

**Policy Author:** Group Chief Financial Officer

**Issue:** April 2022 Page 1 of 2

**Approved by:** Policy Approval Group

**Review Date:** April 2024

**Site:** IEG, Staff Intranet, HE Student Intranet



### **Responsibilities**

This policy is the responsibility of the Chief Financial Officer.

### **Related Documentation**

This document is to be read in conjunction with IEG's Financial Regulations.

An Equal Opportunities Impact Assessment was carried out by the Policy Approval Group on 28th April 2022.

## **Disposals Policy – Appendix 1**

### **Disposals Procedures**

#### **General disposal procedures**

- Identify the asset for disposal
- Determine the market value (dependent on overall value)
- Select the best disposal method
- Obtain relevant approval for disposal
- Record disposal in the fixed asset register and inventory

Any items on the inventory that have been disposed of, must also be marked as disposed.

#### **Approved Methods of Disposal**

##### Private Sale (including to staff):

To ensure a fair price is received, a market valuation should be obtained. The sale should be publicised appropriately, via advertising or e-mailing and can be sold to the first person to make an offer or via sealed bids, as appropriate.

##### Public Auction:

To ensure the best price in a specific auction suitable. This will depend on the item/s to be auctioned e.g. specialist or house clearing style.

##### Donation to an appropriate organisation:

All donations must be approved by two members of the Executive Team, one being the Chief Financial Officer.

##### Recycled or Destroyed:

Items with no market value or no use to another organisation should be appropriately and safely destroyed.

##### Exchange:

In some circumstances it may be economically advantageous to trade in or exchange items when replacements are being sourced.

### **Approvals**

Prior approval of the Board is required where the Net Book Value is over £25,000 and/or the sale is not open market.

The Chief Financial Officer must be notified and approve the disposal of any assets that appear on the Fixed Asset Register.

The disposal of inventory items not capitalised (costing less than £1,000) can be approved by the Group Director of Finance, the Group Director of IT and the Group Director of Estates.

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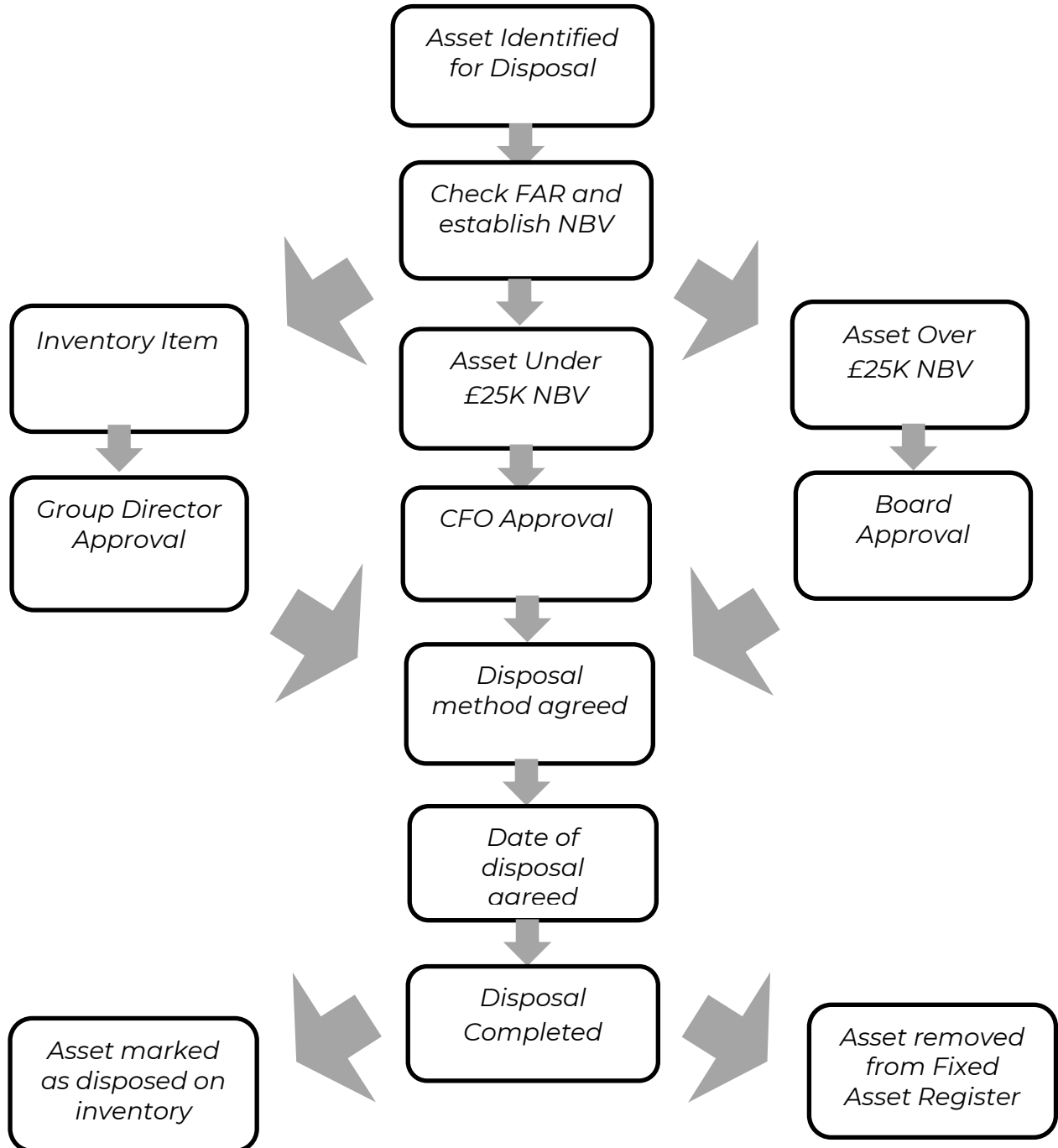
## **Best Consideration**

IEG should obtain the best consideration that can reasonably be obtained when disposing of property. Best consideration is defined as the best price obtainable where the principal aim is to maximise the value of the receipt. Consideration is not limited to the sale value less the costs of disposal; it may also include disposal terms which have an identifiable commercial value.



## Disposals Policy – Appendix 2

### Disposals Flowchart



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**For completion by Finance Only**

Date of Disposal	Assets removal from FAR actioned

**For completion by IT/Estates Only**

Asset Description	Date Sent for Weee disposal	Certificates received date (to be recorded on the inventory)