





Asset Disposal Policy

September 2024

THIS POLICY WAS AGREED BY TRUSTEES ON (Date):	21 st November 2024
REVIEW DATE (every 3 years):	November 2027
CHAIR OF TRUSTEES:	
CEO:	

Asset Disposal Policy

This policy set out procedures to deal with the write off and disposal of all school assets and should be read in conjunction with the fixed asset policy. Assets are equipment that cost over £2,000 and are recorded on the EPA fixed asset register. Assets that are in good condition but no longer being used in one of the EPA schools may be offered for use within another school in the trust before being disposed of. Assets are disposed of when they are obsolete, worn out or no longer safe to use through sale, donation or scrapping according to the procedure below:

1. Establish that the equipment is no longer in use or is unusable /unsafe, this could be;
 - Broken, worn out, out of date etc.
 - Condemned after yearly electrical test
 - Obsolete – unused after 3 years
 - Uneconomical to repair – advised by repairers
2. For items that are being condemned a condemnation form (appendix 2) must be completed by school Office Manager or School Business manager and signed by the headteacher.
3. EPA must ensure that any disposal achieves the best price that can reasonably be obtained, is in line with any relevant grant conditions, and maintains the principles of regularity, propriety, and value for money. This can involve public sale where the assets have a residual value. Items which are to be disposed of by sale or destruction must be authorised for disposal by the Head Teacher and, where significant, should be sold following due process:
 - taking reasonable steps to advertise the disposal
 - inviting bids for the asset (sealed bids are preferable)
 - negotiating with potential purchasers
4. The School Business Manager in conjunction with Director of Facilities where applicable must ensure that disposals are in accordance with manufacturer's recommendations and health and safety regulations. IT equipment must be disposed of in accordance with the Data Protection act and data must be removed. Any software products for which licences are maintained in-house must be removed from the equipment prior to disposal.
5. The central finance team must be informed of assets that have been disposed of either by condemnation, donation, or sale so that the asset can be removed from the fixed asset register. The school business manager should email the trust finance manager with the asset description, reasons for the disposal, the date and sale proceeds if applicable. Schools must issue receipts for income received for disposed assets and send to the central finance team so that proceeds from disposal are recorded.
6. Any member of staff who determines that an asset is surplus to requirement, or who is involved in the disposal, should never attempt to purchase it, or take it for personal gain. There should be a clear separation of duties and the Headteacher must approve all disposals. Disposal of equipment to staff is not encouraged, as it may be more difficult to evidence EPA obtained value for money in any sale or scrapping of equipment. In addition, there are complications with the disposal of computer equipment, as EPA would need to ensure licences for software programmes have been legally transferred to a new owner.
7. EPA may agree to give assets bought for a proper purpose, but which are no longer needed for the conduct of its business, to a charity, up to a maximum value of £1,000 per single donation. The residual value of assets is determined by the greater of the net book value or market value.
8. The F&R committee need to agree disposals over £5,000. The EPA must seek and obtain prior written approval from the ESFA, for the following transactions:

- disposing of a freehold on land or buildings; and
 - disposing of heritage assets beyond any limits set out in EPA's funding agreement in respect of the disposal of assets generally. Heritage assets are assets with historical, artistic, scientific, technological, geophysical, or environmental qualities that are held and maintained principally for their contribution to knowledge and culture, as defined in applicable financial reporting standards.
The EPA may dispose of any other fixed asset (i.e. other than land, buildings and heritage assets as described above) without the approval of the Secretary of State.
8. All documentation relating to the disposal of the asset must be sent to the trust central team as it must be retained for a period of six years plus the year in which the disposal took place.

Reporting to Governors

1. Any assets/equipment disposed of above the value of £2,500 will be reported to and agreed by the F&R committee.
2. The fixed asset register will be reviewed annually by F&R Committee

Appendix 1

Condemning Form

Qty	location	Description	Make/model	Serial no	Date	Reason

Signature of Headteacher.....