



FINANCE POLICY & PROCEDURE (FPP No. 4)

GUIDE FOR MANAGERS AND STAFF ON DISPOSALS OF TRUST ASSETS

DOCUMENT INFORMATION	
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This document replaces: Version 7	Notification of Policy Release: Distribution by Communication Managers All Recipients e-mail Staff Notice Boards Web-site SCAS intranet
Equality Impact Assessment	Stage 1 Equality Impact Assessment carried out on December 2018 – No Issues
Date of Issue:	December 2018
Next Review:	December 2021
Version:	FPP No. 4 Version 8

South Central AMBULANCE SERVICE NHS FOUNDATION TRUST

FINANCE POLICY NO. 4 GUIDE FOR MANAGERS AND STAFF ON DISPOSALS OF TRUST ASSETS

This document should be made available to all staff employed by the South Central Ambulance Service NHS Foundation Trust. It sets out the guidance for all staff on the subject of Disposals of Trust Assets.

This document is supplemental and subordinate to the South Central Ambulance Service NHS Foundation Trust Standing Orders and Standing Financial Instructions and does not supersede the governance provided by them either in part or in whole.

(SFI 17.14, 25.2.6 & 26.1)

Charles Porter
Director of Finance

Version : 8
Issued Date : December 2018
Review Date : December 2021

SOUTH CENTRAL AMBULANCE SERVICE NHS FOUNDATION TRUST

GUIDE FOR MANAGERS AND STAFF ON DISPOSALS OF TRUST ASSETS

1. Introduction

Whilst there is a great deal of activity and controls surrounding the purchasing of assets, goods and services, it is also vitally important to have controls covering the disposal of assets, e.g., equipment.

This policy sets out guidance for budget holders and other managers and officers who may be involved in such disposals.

2. Standing Financial Instructions

Within Standing Financial Instructions, competitive tendering and quotations will normally apply, except:-

- a) Where a fair price can be obtained only by negotiation or sale by auction.
- b) Where articles are obsolete or condemned including equipment and stock.
- c) Where items to be disposed of have an estimated sale value of less than £5,000.
- d) Where they arise from demolition, site clearance or works of construction.
- e) Where they are land and buildings, which are covered by Department of Health guidance in the Capital Investment Manual. All such disposals must be approved by the Trust Board.

3. Trust Disposals

- a) Where land and buildings are involved, a formal paper will be prepared by the Chief Executive, assisted by officers of the Trust for the Board to consider and approve. Once approved, disposal will be in accordance with the Department of Health guidance contained in the Capital Investment Manual, a copy of which is held in the Trust's Finance Department.
- b) Where vehicles are no longer required following their cyclical replacement, the Fleet Manager will decide whether they have a sale value or are to be scrapped.

Where a sales value has been established, the Fleet Manager should only proceed with a sale where the sales value exceeds the remaining value on the Trust's Fixed Asset Register. If there is any doubt as to the remaining value, advice should be sought from Financial Control.

Where a sales value is identified, the vehicles will normally be sold as seen through local auctions, the proceeds returning to the Trust as profits on disposal of assets providing that sales value exceeds the remaining value as shown on the Fixed Asset Register.

Alternatively, if such as St Johns Ambulance or the Red Cross have shown an interest, and the offer is in the order of what could reasonably be expected at auction, these may be pursued as an alternative by the Fleet Manager following written permission of the Director of Finance.

In either case, the Fleet Manager will complete the forms attached (copy of Appendix A and B). A copy will be retained by the Fleet Manager, with originals being sent to the Finance Department.

- c) Where equipment, e.g., defibrillators are identified for disposal and have a sale value identified by the appropriate Manager, such equipment will be disposed of by auction. Again the forms attached at Appendix A and B will be completed. Copies will be retained by the appropriate Manager, with originals being sent to the Finance Department.
- d) Where vehicles and equipment have no sale value identified, they should formally be condemned as obsolete. Such items should then be scrapped. A written record using the Trust's Condemnations and disposal form (copy attached to this procedure – Appendix A) should be retained by the Fleet Manager and other Managers as appropriate. Copies retained at source, originals to Finance Department

This methodology equally applies to obsolete stock. All stocks should be routinely evaluated for obsolescence.

In the unlikely event of a member of staff being interested in an obsolete item of equipment, e.g., old computer, the manager concerned should consult with the Director of Finance who will advise on action to be taken.

- e) Where an asset is disposed of, which is on the Trust's fixed asset register, regardless of whether it has a sale value or not, the manager dealing with the disposal must inform the Director of Finance via copy of Appendix A once the disposal has taken place. The fixed asset register can then be amended accordingly.
- f) Disposal of fixed assets (i.e., capital assets) before the end of their book life is unusual. If a manager considers this to be necessary, they should consult with the Director of Finance who will decide on any action to be taken.
- g) In all cases where assets are sold, the asset should not be released to the buyer until funds have been received. If payment is by cheque, the manager should check with the Finance Department that the cheque has cleared before releasing the goods (unless sold by auction).
- h) In the event of a vehicle being written off due to accident damage the forms attached should still be completed and the Fleet Manager should liaise with the Finance Department regarding the net book values etc for correspondence with insurers. Copies of Forms A and B should be retained by the Fleet Manager with originals to Finance Department.

4. Equality Statement

The Trust is committed to promoting positive measures that eliminate all forms of unlawful or unfair discrimination on the grounds of age, marital status, disability, race, nationality, gender, religion, sexual orientation, gender reassignment, ethnic or national origin, beliefs, domestic circumstances, social and employment status, political affiliation or trade union membership, HIV status or any other basis not justified by law or relevant to the requirements of the post.

By committing to a policy encouraging equality of opportunity and diversity, the Trust values differences between members of the community and within its existing workforce, and actively seeks to benefit from their differing skills, knowledge, and experiences in order to provide an exemplary healthcare service. The Trust is committed to promoting equality and diversity best practice both within the workforce and in any other area where it has influence.

The Trust will therefore take every possible step to ensure that this procedure is applied fairly to all employees regardless of race, ethnic or national origin, colour or nationality; gender (including marital status); age; disability; sexual orientation; religion or belief; length of service, whether full or part-time or employed under a permanent or a fixed- term contract or any other irrelevant factor.

Where there are barriers to understanding e.g. an employee has difficulty in reading or writing or where English is not their first language additional support will be put in place wherever necessary to ensure that the process to be followed is understood and that the employee is not disadvantaged at any stage in the procedure. Further information on the support available can be sought from the Human Resource Department.

SOUTH CENTRAL AMBULANCE SERVICE NHS FOUNDATION TRUST

Appendix A

CONDEMNATION AND DISPOSAL FORM

Part A – To be completed by the Administrator/Proposer/Fleet Manager

Vehicle Registration No/Equipment Item Number

Description.....

Location

Name..... Date Signature.....

Part B – To be completed by the Workshop/Equipment Manager

Date Inspected

Report of Findings

.....

Has Section 9 of Registration Document been completed YES/NO

Is vehicle/item capitally depreciated YES/NO (Check with Finance Manager)

Approximate Value

Replacement Cost

State why replacement is essential

.....

Signature.....

Date..... Name.....

Part C – To be completed when disposal is complete by the Finance Manager

Method of Disposal

Disposal proceeds £.....

Capital Asset Register update

Signature

Date Name

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