

4.8 Control of Assets

Introduction

Procedures relating to the purchase of assets should follow the regulations for all purchases with regard to limits, authorisations and tender policies. All assets purchased should be entered in the inventory if the cost is over the value specified in the Scheme for Financing Schools unless a lower limit has been set by the Governing Body or required by the school's insurers. Section 2.1 of the Scheme states;

"Control of Assets

Each school is required to maintain an inventory of all its moveable assets with a value in excess of £1,000 and in a form that complies with the guidance given by the Chief Finance Officer. Schools may determine their own arrangements for assets worth less than £1,000 but must keep a register in some form and have regard to insurance requirements.

Surplus or obsolete inventory or stock items may only be disposed of with the prior approval of the Governing Body and in a way which provides value for money for the school".

Inventory

All schools must maintain an inventory, as above, which contains details of moveable assets. It is recommended it includes all items with a value in excess of £200. This value must be agreed by governors and be included in the Financial Management Policy.

The register should be kept up-to-date and include the following information:

- date of acquisition
- description of the asset including a unique identification mark e.g. a serial number
- cost
- source of funding and/or ownership, if not the School Budget Share
- location of asset
- details of disposal or write-off.

Items used by the school but owned by others should be included with a note of ownership, this should be entered into the 'Funded/Owned by' column of the inventory see appendix 1, for example rented equipment such as photocopiers.

Wherever possible a specific member of staff should be identified as being responsible for maintaining the inventory and this role should be included in their job description.

The Schools Financial Management Policy and Procedures document should include a section which states who is responsible for the inventory and who is responsible for the annual check. It should also list the process for recording assets in the inventory and security marking.

An inventory:

- forms an important part of the school's procedures for ensuring that staff take responsibility for the safe custody of assets

- enables school management to undertake independent checks on the safe custody of assets, as a deterrent against theft or misuse
- helps the school to manage the effective utilisation of its assets and to plan for their replacement
- supports insurance claims in the event of fire, theft or other losses.

Appendix 1; Example Inventory Record.

Security of Assets

Stores and equipment should be secured by means of physical and other security devices. Authority to access must be clearly documented.

All the items in the register should be permanently and visibly marked as the school's property as soon as possible after delivery. There should be a regular (at least annual) count by someone other than the person maintaining the register. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly and where significant, reported to the governing body.

Loan of Assets

Items of school property should not be removed from school premises without the appropriate delegated authority. A record of any loan should be recorded by the school and the record updated when the asset is returned. During holiday periods, for security reasons, staff may take high value assets home. The position relating to the schools insurance should be clarified and explained to the staff concerned before any assets are taken off the school premises.

Items, which are sent away from the school premises for repair or maintenance, should also be recorded in this register.

When assets are returned their condition should be inspected and the register updated accordingly.

Appendix 2; Example Loans Record

Disposal of Items

There are several reasons why an inventory item might be disposed of, such as:

- It becomes obsolete or the cost of repair is greater than purchasing a replacement.
- It is traded in against new equipment
- Loss due to fire, vandalism or theft
- The equipment was on hire and has now been returned to the hire company.

If a school wishes to sell an inventory item then the proceeds must be paid into the school's budget share account and not the school's unofficial fund account. If you sell any asset VAT must be charged on its sale.

If there are any items that need to be written off, even if of nil value, details should be submitted to the governing body for their approval to write them off. All decisions should be minuted and an entry to the inventory record shown accordingly.

Appendix 3; Example disposal form