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Wales

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PROCEDURE FOR THE DISPOSAL OF OBSOLETE AND SURPLUS EQUIPMENT, VEHICLES, FURNITURE AND CONSUMABLES

Introduction and Aim

This procedure is to ensure that surplus and obsolete equipment, vehicles, furniture and consumables are disposed in a cost effective manner that ensures the safety of staff, service users, donors, visitors and the new owner.

The procedure applies to all equipment (including IT hardware and software), vehicles, furniture and consumables that have become obsolete or surplus to requirements irrespective of whether purchased from capital or revenue funds, as Public Health Wales Standing Orders.

Obsolete items are items which can no longer be used and consequently, will need to be disposed of. Surplus items are items no longer required by a department but items may still be used elsewhere. Both surplus and obsolete items may still have a monetary value.

This procedure does not cover the disposal of land and buildings. All land and buildings disposal require Ministerial approval. The Director of Planning, Performance and Estates in liaison with NWSSP Specialist Estates Services is responsible for submitting land and buildings disposal business cases to Trust Board for approval and then ultimately to the Welsh Government for approval.

This procedure does not cover the disposal of service users property.

Linked Policies, Procedures and Written Control Documents

[All corporate policies and procedures are available on the Public Health Wales website](#)

All other organisational Health and Safety policies, procedures and written control documents.

- Public Health Wales [Standing Orders](#) and [Standing Financial Instructions](#)
- Public Health Wales [Waste Management Policy](#) and [Procedures](#)
- [Fixed Asset Purchase and Control Procedure](#)
- [Health and Safety Policy](#)
- [All Wales Information Governance Policy](#)
- [Waste Electrical and Electronic Equipment \(WEEE\) Regulations 2013](#)

SCOPE	
This procedure and any arrangements made under it applies to:	
<ul style="list-style-type: none"> • All persons employed or engaged by Public Health Wales, including part time workers, temporary and agency workers, those holding honorary contracts and those engaged by PHW hosted bodies. • All service users, visitors and volunteers. 	
Equality and Health Impact Assessment	An Equality, Welsh Language and Health Impact Assessment has been completed and can be viewed on the policy webpages.
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Accountable Executive Director/Director	Huw George, Deputy Chief Executive and Executive Director for Finance and Operations
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Disclaimer

If the review date of this document has passed please ensure that the version you are using is the most up to date either by contacting the document author or the [Board Business Unit](#)

Summary of reviews/amendments				
Version number	Date of Review	Date of Approval	Date published	Summary of Amendments
1	May 2012	May 2009	May 2009	Original Velindre NHS Trust Policy (Black 124) transferred in 2009.
2	May 2018	30/05/2018	31/07/18	Update
3	October 2022 - September 2023	29 January 2024	21 February 2024	Update of job titles relating to roles and responsibilities and update of declaration forms within appendices.

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1. INTRODUCTION

- 1.1 This procedure has been written to ensure that surplus and obsolete equipment, vehicles, furniture and consumables are disposed of in a cost effective manner that ensures the safety of staff, service users, donors, visitors and the new owner.
- 1.2 Furthermore, there is a need to ensure:
- Items that are obsolete or surplus to requirements are identified as such.
 - Documented evidence exists detailing which items have been disposed of, when and how.
 - Disposal is made in accordance with applicable regulations and law prevailing at the time.
 - When items are disposed of, the appropriate health and safety checks have been made.
 - When items are disposed of, the cost and disruption of services is minimised.
 - When items are sold, the best possible market price should be obtained to ensure income is maximised.
- 1.3 The overlying aims of the Procedure are:
- To provide clarity on the financial value of obsolete or surplus equipment and consumables.
 - To create a procedure that reduces the environmental impact of its Carbon footprint, by encouraging the re-use of surplus equipment and consumables and adds value to the circular economy.

2. ROLES AND RESPONSIBILITIES

- 2.1 The Trust has assigned the following responsibilities to its employees.
- 2.2 Asset Managers are responsible for declaring items as obsolete or surplus. They must arrange for the item to be clearly identified as obsolete or surplus.
- 2.3 The Asset Manager should, where possible, arrange for the item to be withdrawn from use and stored in a secure area to ensure that it is not inadvertently put back into use or allowed to deteriorate and

lose its value.

- 2.4 The Asset Manager must check each item to ensure that it is safe at the time of sale or disposal. If any item is condemned (e.g. an official order has been issued stating that the equipment is unfit to be used), the item must be labelled to this effect and withdrawn from use immediately. If need be, parts should be removed to prevent any further use.
- 2.5 If anyone identifies slow moving and obsolete items that are subsequently being condemned or disposed of, they must report this to their Finance Partner. Any evidence of significant overstocking and of any negligence or malpractice must be reported to the Executive Director of Operations and Finance.
- 2.6 If appropriate, the Asset Manager is responsible for identifying and terminating any maintenance or service agreements in respect of items that have been declared obsolete or surplus and, where appropriate, negotiate credits with the maintenance supplier.
- 2.7 The Asset Manager should make an assessment as to the items condition and maintenance history. If possible, the Asset Manager should ascertain the value of the item either via internal expert knowledge, use current second hand market price guidelines or if appropriate, obtain external professional advice.
- 2.8 Any item that contains storage media must be checked by the IT Department, to ensure that any confidential or sensitive data and licensed software has been removed prior to disposal.
- 2.9 All IT equipment (hardware and software including telephony and communications goods) must be given to the IT Department for disposal. The IT department must inform the Capital Finance Manager of any disposals to be recorded on the Fixed Asset Register.
- 2.10 The Estates and Health and Safety team can provide advice and guidance on the safe removal and disposal of items taking into account:
 - Waste Electrical and Electronic Equipment (WEEE) Regulations

<http://www.hse.gov.uk/waste/waste-electrical.htm>

- Trust Waste Management Policy and Procedures to ensure the disposal has the least impact possible on the environment through the “waste hierarchy”.

2.11 The Asset Manager, when evaluating and deciding upon the most appropriate method of disposal, must take into account the value of the item concerned and its likely sale proceeds versus the administrative cost of arranging the disposal e.g. what may be appropriate for a relatively high value piece of equipment would not necessarily be appropriate for an unwanted piece of low value furniture. Advice on the most appropriate method of disposal is also available from the Capital Finance Manager and the NWSSP Procurement Department.

3. PROCEDURE/PROCESS/PROTOCOL

3.1 INTERNAL TRANSFER OF SURPLUS EQUIPMENT, VEHICLES, FURNITURE AND CONSUMABLES WITHIN THE TRUST

3.1.1 In respect of all surplus items, the Asset Manager will first be responsible for ensuring that the item is not required internally with the Trust. Only those items that are considered to be safe in use can be transferred within the Trust for the purpose of re-use. If there is any doubt about the safety or suitability of an item for re-use, the item must be disposed of as scrap. Where possible, the Asset Manager should keep records or documented evidence that scrap items are disposed of as scrap.

3.1.2 The Asset Manager should advertise, via an email to Head of Estates and Health and Safety, all Trust Managers and Heads of Department, the availability of surplus and obsolete items within the Trust. The Asset Manager will consider all expressions of interest in the items and will arrange the internal transfer locally. This does not include the transfer of items for staff personal use.

3.2. DISPOSAL OF FIXED ASSETS AND INDIVIDUAL ITEMS WITH A RESALE VALUE

3.2.1 In respect of disposing of fixed assets and individual items with a resale value, the Asset Manager must complete and sign a

“Disposal/Condemning of Surplus/Obsolete Furniture, Equipment, Vehicles, and Consumables” form (Appendix 1). In the event of the disposal of numerous pieces of similar equipment (e.g. a number of pieces of furniture), only one copy of the form should be completed with a schedule of the items to be disposed of attached.

- 3.2.2 The Asset Manager will be responsible for notifying the Trust’s Capital Finance Manager if the item being disposed of could be regarded as a fixed asset and pass on a copy of the disposal form (appendix 1). The Trust’s Capital Finance Manager will ascertain if the item is on the Trust’s Fixed Asset Register and if there are any potential impairment issues when the item is disposed of and will advise the Asset Manager accordingly. The Trust’s Fixed Asset Register will be updated, by the Trust’s Capital Finance Manager, with all asset disposals.
- 3.2.3 The Asset Manager and Finance Partner should agree on the method of disposal with help from the Capital Finance Manager and/or NWSSP Procurement Department if required. Disposal must be in alignment with the Trusts environmental strategies and policies. As per section 11.14 of the Trust’s Standing Financial Instructions, disposal of surplus, obsolete equipment/consumables is subject to competition rules. Competitive tendering or quotation procedures is discretionary in respect of the disposal of:
- a) Any matter in respect of which a fair price can be obtained only by negotiation or sale by auction as determined (or pre-determined in a reserve) by the Chief Executive or their nominated officer;
 - b) Obsolete or condemned articles and stores, which may be disposed of in accordance with applicable regulations and law at the prevailing time (e.g. WEEE) and the procedures of the Trust;
 - c) Items to be disposed of with an estimated sale value of less than £1,000 (evidence of estimate required);
 - d) Items arising from works of construction, demolition or site

clearance, which should be dealt with in accordance with the relevant contract.

In all other instances the best possible market price should be obtained.

3.2.4 Methods of disposal that should be considered are as follows:

- a) Bids may be invited from other public or third sector organisations.
- b) Sale by auction – Where either the items are of high monetary value or the items are deemed suitable (e.g. hospital clearance), the services of an auctioneer should be sought. In respect of vehicles, the services of a recognised car auction should be sought.
- c) Sale to scrap dealers – Items which are declared as condemned will be sold as scrap. Vehicles must be scrapped at an Authorised Treatment Facility (ATF). See below link for details:

<https://www.gov.uk/scrapped-and-written-off-vehicles/where-vehicles-can-be-scrapped>

3.2.5 Where it is deemed appropriate and after consultation with Finance Business Partners, items may be offered to a charitable organisation free of charge. Warp It may be of help with the distribution, reuse and recycling of surplus/redundant assets, please go to www.warp-it.co.uk for more information. The Capital Finance Manager should be consulted about any Fixed Assets before donating.

3.2.6 Finance Partners and/or the Capital Finance Manager will be responsible for the arrangements in respect of the collection of the income, where appropriate, arranging for payment to be requested by an invoice and issuing a receipt on payment which authorises the collection and removal of the item from site.

3.2.7 The Finance Partner shall retain copies of all documentation relating to the disposal of items within their Department.

- 3.2.8 In all circumstances, the Trust's Terms and Conditions apply to items sold or donated and the recipient must sign the health and safety form and indemnity form (see appendices 2, 3 and 4). It should be noted however, that these disclaimers do not absolve the Trust of all legal liabilities and the Trust could still be left liable to prosecution. In general, the more comprehensive the information supplied to the new owner, the more the Trust's liability is reduced.

3.3 SELLING OF OBSOLETE AND SURPLUS EQUIPMENT, VEHICLES, FURNITURE AND CONSUMABLES

- 3.3.1 Where appropriate, potential buyers should be allowed an opportunity to view and discuss the item with the Departmental Manager who declared the item as surplus. All offers received must be made in writing and in accordance with the Trust's terms and conditions of sale (Appendix 2). All purchasers of surplus items must understand the need to have the items checked before use and thereafter maintain it appropriately to ensure its continued safe and effective use. The purchaser is also responsible for the cost of collection of the item.
- 3.3.2 The highest bid will be accepted subject to the purchaser's completion of health and safety at work undertaking form and indemnity form (see appendices 3 and 4). Public Health Wales NHS Trust is indemnified by any purchaser against responsibility for any claim brought under the Health and Safety of Work Act 1974. Also, against personal injury or death caused to any person or damage caused to any property whilst using or in contact with the goods after it is sold.
- 3.3.3 VAT must be charged (and passed onto HM Revenue and Customs) on all sales of scrap, obsolete and surplus goods. Directorate Finance Partners will be responsible for ensuring this is actioned.

3.4 PROCEDURE CONFORMANCE / NON COMPLIANCE

- 3.4.1 If any Trust employee fails to comply with this policy, the matter may be dealt with in accordance with the Trusts Disciplinary Policy. The action taken will depend on the individual circumstances and will be in accordance with the appropriate disciplinary procedures. Under some circumstances failure to follow this policy could be considered to be gross misconduct.

3.5 DISTRIBUTION

- 3.5.1 The procedure will be available via the Trust Intranet Site, on the Finance Division intranet pages. Where staff do not have access to the intranet their line manager must ensure that they have access to a copy of this policy.

4. TRAINING REQUIREMENTS

- 4.1 Whilst there are no formal training programmes in place to ensure implementation of this procedure, each Executive Director, Divisional Director, Directorate/Divisional Business Manager and Heads of Department must ensure that managers and all staff are made aware of the procedure provisions and that they are adhered to at all times.

5. MONITORING COMPLIANCE

- 5.1 This procedure will be implemented and monitored by the Finance Division.
- 5.2 The Trust will be audited against the delivery of the procedure by Internal and External Audit.

6. Review

- 6.1 This procedure will be reviewed every three years unless new legislation or guidance requires an earlier review.

Appendix 1

Public Health Wales NHS TRUST - DECLARATION FORM

DISPOSAL/CONDEMNING OF SURPLUS /OBSOLETE FURNITURE, EQUIPMENT, VEHICLES & CONSUMABLES

Division/Directorate:	
Description of Asset (<i>from Asset Register</i>):	
Serial Number:	
Asset Register Reference (<i>from Asset Register</i>):	P.....
Asset Location:	
Original Date of Purchase (<i>from Asset Register</i>):	
Original Purchase Price (<i>from Asset Register</i>):	
Market Value (if known):	
Condition and age of Asset (<i>at the time of completing this form</i>):	
Reason for Disposal:	
For vehicles:	<p>Has the yellow 'sell, transfer or part-exchange your vehicle to the motor trade' section from the vehicle log book (V5C) been kept or sent to Finance?</p> <p style="text-align: center;">YES / NO</p> <p>For scrapped vehicles, please confirm the authorised treatment facility (ATF) scrap dealer</p>
Have maintenance, service, insurance or similar contracts been cancelled? If yes, please give details.	
DISPOSAL DATE: (<i>ie the date that the asset left ownership of the Trust</i>)	

Is the disposal	• a Sale? Including sold as scrap (proceeds made)*	Go to Q1
	• a Donation (no proceeds)**	Go to Q4
	• a Write Off? (no proceeds)	Go to Q4
Q1. Any Offers Received:	YES / NO	
Q2. If Yes, Please Give Details:		
Q3. Proceeds of Sale: £		
Q4. Expenses incurred during disposal: £		

* Please see Terms and Conditions of Sale

** Please complete Health and Safety at Work Undertaking and Indemnity Form in addition to the disposal form

FORM COMPLETED BY:

Name/Position:	
Contact Details:	
Signature:	
Date:	

FINANCE USE ONLY:

Name:	
Signature:	
Date disposed of on RAM:	

Link to disposal form [PHW-Asset-Disposal-Form.docx](#)

Appendix 2

Public Health Wales NHS TRUST

TERMS AND CONDITIONS OF SALE

1. Inspection

The goods shall be open to inspection before tendering and the Purchaser shall be deemed to have inspected them. If purchased within previous inspection the Purchaser shall do so at his own risk.

2. Condition of Goods

The goods are sold as they lie and, after the acceptance of a tender/quotation for any or all of them, no question concerning their condition or the purchase price will be entertained. For any goods or article sold and intended to be re-used, the Purchaser shall be deemed to have satisfied himself as to the condition thereof. For any equipment to which the Electrical Equipment (Safety) Regulations 1975 (as amended) apply, subject to any information giving by markings on the equipment itself or in a notice accompanying the equipment, the equipment sold on the basis that it complies with the provision of the Regulations. In the case of vehicles, these are offered for sale without guarantee as to their condition and on the understanding that a) the Purchaser will either tow or transport them away b) if they are to be used on the road the purchase will ensure that all markings indicating previous ownership are removed from the vehicle prior to the vehicle being taken from the organisation's premises.

3. Risk

The goods shall be, and remain in every aspect at the risk of the Purchaser from the expiration of the period of ten days beginning with the day of acceptance of the tender, and the Trust shall not be under any liability for the safe custody or preservation of the goods thereafter. PROVIDE THAT, if the purchaser removes the goods before the expiration of such period, then, as from the time of such removal, the risk in such goods so removed shall pass to the Purchaser and the Trust shall be relieved from all further liability in respect of these goods.

4. Payment

Payment in full by electronic transfer, banker's draft or guaranteed cheque shall be made before collection or within ten days of acceptance of the tender, whichever is the sooner, unless other special arrangements are agreed by the Trust. Cheques not guaranteed may be required to be cleared before collection of goods is permitted. Cheques should be made payable to the order of Public Health Wales NHS Trust. The issue of a receipt for the clearance of the purchaser's cheque shall be satisfactory evidence of the transfer of the title of the goods to the purchase. Where tenders are submitted for goods by weight, payment should be made after the goods have been check-weighed over a public weighbridge. The Trust reserves the right to send an officer to accompany the vehicle to the weighbridge.

5. Removal

The whole of the goods must be removed by, and at the expense of the purchaser, within seven days from the date of payment, at such time as may be mutually agreed between the Purchaser and the Trust officers. The site is to be left in a clean and tidy condition. Containers, where required, must be provided by the Purchaser.

6. Failure to remove the goods

- (a) If the purchaser, having paid the full amount of the purchase price, fails to remove all the goods within seven days of the date of the receipt, the Trust may, on giving seven days' notice to the purchaser, make a charge for removing and warehousing of the goods, all of which charges shall be paid before the goods, or any part thereof, are removed by the purchaser and the Trust may re-sell, or attempt to re-sell, the goods, and retain out of the proceeds the cost of such re-sale, and any attempted re-sale, and any charges for removal and warehousing and all other expenses incurred in connection with the goods, any balance remaining of the monies received in respect of such re-sale shall, after payment of such costs, charges and expenses, be paid or allowed to the original purchaser.

- (b) If, on any such re-sale, the price realised is insufficient to pay such costs, charges and expenses, the original purchaser shall pay the deficiency.

7. Warranty

No warranty is given or implied, except as required by law.

8. Accidents and Damage

The Purchaser shall pay the Trust the cost of making good any loss or damage suffered by the Trust arising out of the negligence of the purchaser, his agents and employees, arising from the sale of goods, and the purchaser shall indemnify the Trust in respect of all claims, demands, proceedings and costs arising from the death of, injury to, or damage suffered by, any third party, due to negligence of the purchaser in the course of, or arising out of, the removal of goods.

9. Health and Safety at Work Act 1974

The attention of the tenderer is directed to the requirements of Section 6 of the Health and Safety at Work Act 1974, or any statutory amendment or re-enactment thereof, and the duties it imposes in relation to the sale of goods for use at work. Any tenderer may be required to sign an undertaking to this effect.

Appendix 3

Public Health Wales NHS TRUST

HEALTH AND SAFETY AT WORK UNDERTAKING

The attention of purchaser(s)/recipient(s) is directed to the requirements of Section 6 of the Health and Safety at Work etc Act 1974. Any purchaser/recipient is accordingly required to sign the undertaking below:

UNDERTAKING

The purchaser/recipient hereby undertakes to take such steps as are necessary to ensure, so far as is reasonably practicable, that such goods or articles purchased/received as a result of this sale/donation for use at work will be safe and without risks to health when properly used.

PRINT NAME: _____

SIGNED: _____

ON BEHALF OF: _____

DATE: _____

Appendix 4

Public Health Wales NHS TRUST SALE/DONATION/TRANSFER/SCRAP OF ASSETS

FULL DESCRIPTION OF ITEM:

INDEMNITY CLAUSE

Further to the purchase/receipt by _____
of the above equipment/vehicle. I, the undersigned, am fully aware of the
condition of such equipment/vehicle and as such, will absolve, on behalf
of the purchasing body, the above organisation, from any responsibility
whatsoever concerning the equipment.

In particular, this indemnity applies to personal injury or death caused to
any person whilst using or in contact with the equipment/vehicle however
caused. Any damages to property caused by or through use of the
equipment/vehicle are also included in the terms of this indemnity as is
any claim or action brought about under the Health and Safety at Work
Act 1974 or relevant legislation.

PRINT NAME: _____

SIGNED: _____

ON BEHALF OF: _____

DATE: _____