



west lothian
college

Asset Management Procedures

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1 Introduction

The Asset Management procedures are designed to:

- ensure the financial treatment of any college asset is carried out with appropriate authorisation;
- safeguard the financial interests of the college;
- protect the legal obligations in relation to maintenance of assets.

2 Classification of Assets

Assets are defined as rights or other access to future economic benefits controlled by the college as a result of past transactions or events. For accounting purposes and the purposes of the asset management procedures, assets can be classified as either:

- Fixed Assets
- Other Assets (maintainable and non-maintainable)

3 Fixed Assets

Fixed Assets can be defined as assets that have physical substance and are either held in use:

- in the production or supply of goods and services
- for rental to others
- for administrative purposes on a continuing basis in the college's activities

Fixed Assets will be capitalised in the college's balance sheet for accounting purposes, and a register of all Fixed Assets will be maintained by the Finance Manager for all capital assets held.

Fixed Assets can be further classed as land and buildings or equipment

Land and Buildings

Land and Buildings are measured using the revaluation model. Under the revaluation model assets are revalued to fair value. Where appropriate Depreciated Replacement cost has been used as a measure of fair value for land and buildings otherwise Market Value will be used. The College has a policy of ensuring a full revaluation takes place at least every 5 years such that the fair value is not materially different to the current value. Depreciation and impairment losses are subsequently charged on the revalued amount.

Freehold land is not depreciated as it is considered to have an indefinite useful life.

If a building is brought into use mid-way through a year the depreciation charge in the first year will be pro-rated to reflect the number of months the asset was in use.

Buildings under construction are accounted for at cost, based on the value of architects' certificates and other direct costs incurred to 31 July. They are not depreciated until they are brought into use.

College buildings are depreciated over 30 years and transferred car parking areas are depreciated over 25 years, both commencing in the first full financial year after the date of transfer of the estate to public ownership (2 April 2007). Other additions to the estate are depreciated over 10 years from the date they are brought into use.

ii) Fixed Plant and Equipment

Equipment is capitalised at cost and carried at depreciated historical cost, which is used as a proxy for fair value when it is expected to be in use within the business on a continuing basis for at least 3 years. Depreciated historical cost is deemed to be more appropriate than revaluing for equipment as it is common for such assets to reduce in value rather than to increase as they are utilised by the College (FReM 6.2). Capitalised equipment is depreciated over its useful economic life from the date it is brought into use as follows: -

Fixed Plant	5-29 years
Equipment	4 years

Where equipment is brought into use mid-way through a year the depreciation charge in the first year will be pro-rated to reflect the number of months that the asset was in use.

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Balance Sheet.

3.2 Fixed Asset Additions

All requests must be approved by the Principal where the value is less than £100k. Any request which is greater than £100k must have the approval of the Board of Governors.

The purchase of Fixed Assets will be in line with the procurement policy

3.3 Fixed Asset Disposals

All assets purchased from college funds must be disposed of in accordance with college procedures and the scheme of delegation. No disposal of any fixed asset should be made without the prior consent of the Principal. Where the value of the disposals is greater than £100,000 approval is required from the Finance and General Purposes Committee. Where the value of the disposals is greater than £500,000 approval is required from the Scottish Funding Council.

The Finance Manager will ensure that the disposal is correctly accounted for and the Facilities Manager will ensure that the TABS database is updated. The procedure for disposal of all assets is outlined at section 6.

4 Other Assets (maintainable and non-maintainable)

The purchase of equipment and other assets which are not capitalised is written off to the Income and Expenditure Account in the period of acquisition. No depreciation charge is therefore due.

Maintainable assets are items of equipment which are small in value and therefore not capitalised, but which the college has a legal obligation to ensure they are maintained on a regular basis (see section 9).

5 Register of Assets

The Finance Manager will maintain a register of all Fixed Assets for all capital assets held (section 3).

The Facilities Manager is responsible for maintaining the register of all college computer equipment and will undertake a regular audit of computer equipment for presence and configuration.

The Facilities Manager is responsible for maintaining the electronic register of college furniture and equipment on the TABS Asset Management system. Individual items with a purchase price in excess of £500 or where the item is less than > £500 but considered desirable and all maintainable assets must be included in the register. The register will be used by the Facilities Manager to ensure appropriate maintenance records for the college are kept. Centre Heads/Managers are responsible for undertaking physical verification checks on the assets, in their respective areas. This is done on an annual basis with periodic spot checks.

The Facilities Manager will ask Managers to review the equipment under their control (excluding computer equipment) on an annual basis. They must inform the Facilities Manager of any changes to the status of the equipment.

6 Disposal of Assets

All assets purchased from college funds must be disposed of in accordance with College procedures. All registered assets should be disposed of through Facilities Management and Finance in order that they can be removed from the asset register and to ensure correct disposal procedures can be implemented. Any area disposing of an asset must attach a Scrap Label (see Appendix 4C; Form HS030B) and complete an Asset Disposal Form. This form is located on IShare.

The authorisation levels for any disposal are set out in the college's Financial Regulations and scheme of delegation.

Where the value of the disposal is greater than £100,000 approval is required from the Finance & General Purposes Committee.

Where the value of the disposal is greater than £500,000 approval is required from the Scottish Funding Council.

ICT

The Depute Facilities Manager is responsible for ensuring all electronically-stored data and software is removed from computer equipment prior to disposal, to ensure compliance with software licensing conditions and relevant legislation (e.g. Data Protection Act). Procedures for disposal of computer equipment are set out in Annex 6.

7 Security of Assets

In line with the college's Financial Regulations, the Senior Team is responsible for maintaining proper security at all times for all buildings, equipment and furniture, etc under their control. They shall consult the Vice Principal Finance & Corporate Services in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

All managers are responsible for the immediate reporting of loss of assets by theft to the Vice Principal Finance & Corporate Services.

8 Health & Safety

The college has a responsibility to ensure all equipment is maintained in a safe manner. Regular inspection of equipment is an essential part of any preventative maintenance programme and should ensure faults are detected early and repaired thus preventing accidents or incidents with college equipment. Health and safety considerations are outlined in Appendix 1.

9 Maintenance of Assets

The Facilities Manager is responsible for ensuring the maintenance of all electrical installations and that all work and maintenance is recorded. Only approved contractors should be used to maintain fixed electrical installations.

If a user finds a piece of portable equipment is dangerous, or in hazardous condition they should contact the help desk immediately; the equipment will be isolated or removed immediately. The line manager should be informed of the action taken to determine appropriate action.

Any piece of equipment which fails either visual inspection or a specified test will be removed by the Facilities Management Team who will log the failure on the TABS Asset Management system.

If the item presents an immediate hazard due to the fault or defect then the electrical connector should be removed to prevent reconnection until the fault has been rectified. The unserviceable label annotated as "HAZARDOUS". Again this will be done by the FM team.

Maintenance considerations are outlined at Appendix 2.

10 Use of Equipment

Any member of staff who uses any equipment should be competent in its use and have knowledge and experience of the equipment. They should be aware of the risks associated with the equipment and its use.

If a member of staff finds something wrong with the equipment, they should remove it from use and report it to their line manager as outlined in section 9.

Considerations for safe use of equipment are outlined at Appendix 3.

11 Personal Equipment

If portable electrical equipment has been provided to the individual by the College for personal use then the equipment should be part of the formal inspection and testing schedule.

If the equipment is personal to the individual then it is their responsibility to ensure their equipment is safe for their use only. Facilities will PAT test this if appropriate.

Visual inspections of personal portable electrical equipment should be carried out before connecting to a mains supply.

Personal equipment (personal computing devices) must only be used by the individual who owns the equipment and not loaned or given to other personnel for use. West Lothian College laptop computers allocated to individuals do not fall into this category as these computers must be able to be loaned freely within the organisation.

12 Review and Implementation

The Vice Principal Finance & Corporate Services and Head of Estates and Sustainability will be responsible for the implementation and review of the procedures.

Electricity at work (including the maintenance of Portable Electric Equipment)

Introduction

The following guidance has been drawn up to ensure the best standards of safety for staff and students when working with electrical equipment. It is largely based on advice given in the Health and Safety Executive's (HSE) leaflets on the subject and on the Electricity at Work Regulations 1989.

Inspection

Up until quite recently West Lothian College in line with most other large organisations carried out annual maintenance checks on all portable electrical appliances.

Recently the Health and Safety Executive have made it clear that most electrical equipment does not require to be tested annually. Instead, employers are encouraged to decide the level of maintenance needed according to the risk of the item becoming faulty, and how the item is constructed.

The College has a planned regime of portable appliance testing (PAT). This testing is programmed at regular intervals in accordance with the HSE guidance. During these tests, the equipment is tested for faults which may not be obvious from simple visual inspection. For instance, for some equipment the earth contact is essential to safety. It is therefore important that all earthed equipment and most leads and plugs connected to this equipment should be tested.

Equipment which is not earthed is usually called 'double insulated' or class II and is marked with a 'double square' symbol. Equipment not marked with this symbol is usually earthed and is called class I. Battery operated and extra-low voltage equipment does not need testing.

Over and above this testing programme, it is important that electrical equipment be inspected regularly. Unlike testing the inspection can be done by office staff without the need for specialised electrical training. A checklist is included in Appendix A.

The HSE Guidance (Maintaining portable and transportable electrical equipment HSG107) does not give prescriptive guidance on the frequency of inspection, leaving that to risk assessment. The Guidance however, does give suggested initial maintenance intervals for different types of equipment. The table below gives some examples:

Type of business	User checks	Formal visual inspection	Combined inspection and test
Office information technology, eg desktop computers, photocopiers, fax machines	No	1-2 years	None if double-insulated, otherwise up to 5 years.
Double-insulated equipment NOT hand-held, eg fans, table lamps	No	2-3 years	No
Hand-held double-insulated equipment, eg some floor cleaners, kitchen equipment and irons	Yes	6 months -1 year	No
Earthed equipment, eg electric kettles, some floor cleaners	Yes	6 months-1 year	1-2 years
Cables and plugs, extension leads	Yes	1 year	2 years

User Checks (Visual)

The person using the equipment is encouraged to look at it critically and check for signs that it may not be in sound condition. Things to check for include:

- Damage to the outside of the plug (cracked, loose pins, bent pins)
- Damage to the inside of the plug (correct fuse, wires correctly attached, terminals screwed tight, free from dust, dirt)
- damage to the cable sheath
- the outer sheath of the cable is not effectively secured where it enters the plug
- damage to the external casing of the equipment
- evidence of overheating (burn marks or discolouration)

A suggested checklist is included in Appendix A.

Formal Visual Inspection

A formal visual inspection should be carried out by a suitably trained person, but not necessarily a qualified electrician. The trained person can normally be a member of staff who has sufficient information and knowledge of what to look for and what is acceptable.

The inspection would include the visual checks similar to those carried out in the user checks but undertaken in a more formal, systematic way. Additional checks would include:

- removing the plug cover and ensuring that a fuse is being used;
- checking that the cord grip is effective;
- checking that the cable terminations are secure and correct, and that there is no internal damage, overheating or ingress of water, etc.

The formal inspection should not include taking the equipment apart.

Combined Inspection and Test

Combined inspection and testing requires a greater degree of competence than that required for inspection alone. It would usually include checking the correct polarity of the supply cables and checking the correct fusing. The tester would require training in the use of a Portable Appliance Tester.

While this type testing is not beyond the capability of a suitably trained member of staff, it may be appropriate to leave this work to a competent contractor.

Daily Inspection of Electrical items

Before an electrical installation, equipment or portable apparatus is put into use it shall be examined to determine that it is safe for it to be powered or plugged in.

Users shall be provided with sufficient information, instruction or training, as appropriate, to permit them to carry out this initial examination prior to the equipment being used by them.

The person proposing to use the apparatus should be aware of the inherent dangers in the use of the equipment and its handling for any purpose and the following examination shall be carried out prior to using any item powered by electricity.

The initial action will be to visually inspect the item in question to ascertain the following items are in good order:

- The item is not showing signs of broken parts
- Supply flexes have undamaged sheaths
- The cable is securely clamped both at the apparatus and at the plug. No inner conductors visible.
- The plug is undamaged either by breakage of the case or pins, nor showing signs of discolouration due to heating.

If these are in order it may assumed that the apparatus is sound. If in doubt the apparatus should be checked by other means.

Before insertion into an electrical switch socket outlet this should be examined for damage, either by breakage or heating usually by discolouration. All flexible cables must be completely unwound.

Care must be taken in the use of portable apparatus so as not to drop the unit or damage the flexible cables, by pulling against the plug or by cutting into the cable sheath with a cutting tool or work piece.

Upon completion the apparatus should be examined for signs of damage caused by use. These will be similar to the initial examination but signs of heating will be particularly evident in the machine itself that may also give off a smell.

Signs of damage in use should be reported to the appropriate person in charge and the item should be taken out of use until repaired and/or declared safe for further use.

Hazard, Risk and Control

Many hazards and risks exist when using electrical equipment. The risks will vary depending on the environment, type of work being carried out and the equipment being used.

Centre heads or support managers should ensure that risk assessment is carried out in relation to the equipment itself and also the tasks carried out.

Once the risks have been identified and measured, control measures must be put in place to either remove or reduce the risk to an acceptable level.

Some examples of control measures are listed below:

- *Suitable to work environment* - Ensure tools are appropriate to the task being carried out.
- *Look for alternative powered equipment* - Is electrical equipment the only option, hydraulic, pneumatic are possibilities.
- *Use socket close to the equipment* - Ensure the work is carried out near an electrical outlet to prevent the cable from trailing across a floor.
- *Inspect before use* - Ensure the operator is trained to check the equipment for damage or faults before use.
- *Regular inspections* - Ensure regular equipment inspections are carried out and recorded.
- *PAT testing* - Ensure PAT testing is carried out on all portable electrical equipment at suitable intervals and results are recorded.
- *Emergency cut off* - Ensure emergency cut off switches are operating correctly.
- *Reporting systems* - Have a reporting system in place so that any faults or damaged equipment can be reported, identified as being faulty and dealt with effectively.
- *Use double insulated equipment* - Where possible use double insulated equipment for better protection.
- *Protect light bulbs from explosive damage* - If light bulbs are used then enclose them in a protective outer casing to prevent damage should the lamp explode.
- *Reduced voltage equipment* - Use equipment of lower voltage – 110 volts or battery-operated equipment.
- *Use safety devices* - Residual current detectors should be used in areas where moisture may be present or as added protection in high-risk areas.
- *Correct rated fuse fitted* - Ensure devices have been fitted with the correct rating of fuse. This can be checked during routine maintenance or inspections.
- *Carry out preventative maintenance* - Ensure preventative maintenance schedules are set up and therefore all equipment is subject to a routine check.
- *Work safely* - Ensure users of equipment use and operate the equipment safely adhering to all the safety rules laid down by risk assessment and controls.

Maintenance

Fixed Electrical Installations

Fixed electrical installations are permanent electrical fixtures and fitting in a building, such as light fittings, light switches sockets and fuse boxes. The Facilities Manager is responsible for any modification, repair or maintenance of fixed electrical installations.

Electrically powered equipment which is permanently wired is also classed as fixed equipment and must only be maintained/repared by a college approved competent engineer. Electrical installations are maintained through Estates and all work, maintenance and activities are recorded. Only approved contractors should be used to maintain fixed electrical installations

Anyone finding a fault in any fixed installation must report it to Facilities Management immediately.

Mechanical Equipment

Mechanical equipment is defined as a tool or piece of equipment that uses a power source. This covers equipment that is powered by electricity, pneumatics, hydraulics, and diesel or petrol.

Minor mechanical equipment may therefore include power driven versions of hand tools such as power/chain saw, electric plane/sander, and portable drill/ screwdriver/ nail gun.

Hand tools are defined as those operating without an external power supply or motor such as hammers, chisels, wrenches etc. Hand held tools should be inspected regularly at Sector level and maintained accordingly.

All powered mechanical equipment should be included on the TABS Asset Management system.

Reports on maintenance requirements should be produced in advance and information provided to the appropriate Centre Head in order that the equipment can be released for maintenance.

Buildings

A buildings maintenance programme is in place on the TABS Asset Management system and covers all plant maintenance for the college. All maintenance work is recorded and carried out by approved contractors. All faults are reported through Facilities Management and are recorded on the TABS Asset Management system.

References

HSE Electrical Safety and You INDG 231
HSE Maintaining portable and transportable electrical equipment HS(G) 107
HSE Guidance on the Electricity at Work Regulations 2007 HS® 25
HSE Electricity at Work: Safe Working Practices HS(G) 85

Statutory Provisions

The Electricity at Work Regulations 1989

Appendix A to Appendix 1 Electrical Safety Management Checklist

Centre.....Equipment..... Date / /

Frequency of Checks: Monthly/Annual (delete as applicable)

Completed By..... Position.....

Check	Fault indicated?	
	Yes	No
1. Is there any indication of damage to electrical leads?		
2. Have any repairs been carried out to leads that appear unsafe?		
3. Are all plugs and connectors in good condition?		
4. Is there any sign of overheating?		
5. Are cables well positioned, off the floor and away from areas where they could be accidentally damaged?		
6. Are cables routed to avoid potential wear and abrasion?		
7. Are cable sheaths in good condition along the full length of the cable?		
8. Are plugs and connectors properly wired (no internal wires or sheaths showing)?		
9. Are all covers, casing fitments and access panels properly positioned?		
10. Does the equipment casing appear to be in good condition and free from cracks or damage?		
11. Are there any risks associated with the position of the electrical equipment?		
12. Is the equipment clean and tidy?		
13. Is there a risk of water (or other liquids / vapours) gaining entry into the equipment?		
14. Has the equipment been inspected by a competent person?		
15. Is the inspection date in line with current policy?		
16. Has a label been affixed indicating the next 'Test Due' date?		
17. Is the equipment protected by an appropriate fuse?		
18. Is the equipment operating as expected		

The Health and Safety Adviser can be contacted on 7507 or at: grahamanderson@west-lothian.ac.uk

Appendix 2: Use of Equipment Considerations

Staff Use of Equipment

Any member of staff who uses equipment should be competent to use that particular type of equipment. They should have knowledge and experience of the equipment they are using and should be aware of the risks associated with the equipment and its use.

Staff using the equipment should be competent to carry out a critical visual examine of the equipment looking for physical damage. There is no requirement for staff to take the equipment apart. Part of the visual examination should be to ensure the equipment PAT test is valid and in date.

If a member of staff finds something wrong with the equipment, they should remove it from use and report it to their Centre Head for further investigation. The equipment should be labelled appropriately to prevent others using the equipment until the fault has been rectified.

Student Use of Equipment

As part of the training programme, when students use equipment they should be made aware of the pre-use checks they should carry out to ensure the equipment is safe for use.

Students who use equipment in college and at home, such as hairdressing student kits or Student Services laptops, should be trained in checking their own equipment on a regular basis and they should keep a record (Appendix 4C; Form HS033) of the visual checks they have carried out.

Any faulty equipment in the student kits should not be used and the fault reported to their lecturer immediately. Lecturers who control students who use personal kits in the working environment should check regularly to ensure the visual inspection records are being kept up to date and ensure the students are competent in checking their equipment.

Appendix 3A – H&S Documentation – Equipment Scrap Labels (HS030B)

Scrap labels should be used when equipment is beyond economical repair and is to be removed permanently from service and disposed of.

The correct disposal procedures must be followed in relation to the equipment being scrapped.

HS030B

SCRAP

Date: 21/04/0 Asset Number: 2468

Asset Description: Soldering Iron

Disposal Instructions
Electrical connector to be removed from
Equipment and disposed of in general waste.
No special requirements

Asset removed from asset register

Date – The date the equipment is scrapped

Asset Number – The College Asset number if applicable otherwise enter the equipment serial number. If no number is available then add “NONE”

This information must also be provided to the Centre Head responsible for the equipment and the estates manager so that the asset can be removed from records.

Asset Description – A description of the equipment so it can be easily identified.

Disposal instructions – The correct method of disposal should be entered in this area so that the equipment is disposed of in a safe, manner in accordance with disposal procedures.

Appendix 3 B – H&S Documentation – Equipment Unserviceable Labels (HS030C)

Equipment Unserviceable labels should be used when equipment is found to be defective and requires repair.

If the defect is hazardous then this should be annotated on the label.

HS030C

EQUIPMENT UNSERVICEABLE

Date: 27/6/0 Asset Number: 12345

Asset Description: Power supply unit

Fault:

HAZARDOUS

Frame of equipment live all the time.

Plug removed for safety

Date – The date the equipment became faulty.

Asset Number – The College Asset number if applicable otherwise enter the equipment serial number. If no number is available then add “NONE.”

Asset Description – A description of the equipment so it can be easily recognised.

Fault – A description of the fault which was discovered on the equipment.

Appendix A Electrical Safety Management Checklist

Check	Fault indicated?	
	Yes	No
1. Is there any indication of damage to electrical leads?		
2. Have any repairs been carried out to leads that appear unsafe?		
3. Are all plugs and connectors in good condition?		
4. Is there any sign of overheating?		
5. Are cables well positioned, off the floor and away from areas where they could be accidentally damaged?		
6. Are cables routed to avoid potential wear and abrasion?		
7. Are cable sheaths in good condition along the full length of the cable?		
8. Are plugs and connectors properly wired (no internal wires or sheaths showing)?		
9. Are all covers, casing fitments and access panels properly positioned?		
10. Does the equipment casing appear to be in good condition and free from cracks or damage?		
11. Are there any risks associated with the position of the electrical equipment?		
12. Is the equipment clean and tidy?		
13. Is there a risk of water (or other liquids / vapours) gaining entry into the equipment?		
14. Has the equipment been inspected by a competent person?		
15. Is the inspection date in line with current policy?		
16. Has a label been affixed indicating the next 'Test Due' date?		
17. Is the equipment protected by an appropriate fuse?		
18. Is the equipment operating as expected		

The Health and Safety Adviser can be contacted on 7507 or at: grahamanderson@west-lothian.ac.uk

Appendix 4 – Health & Safety Forms

HS031 - Equipment Scrap Labels

HS030B - Equipment Unserviceable Labels

HS030C - Portable Electrical Equipment Training Kits Check sheets

HS030B

SCRAP

Date: _____ Asset Number: _____

Asset Description: _____

Disposal Instructions

HS030C

EQUIPMENT UNSERVICEABLE

Date: _____ Asset Number: _____

Asset Description: _____

Fault:

Student Equipment Weekly Check Sheet
(Used for portable Electrical training Kits)

Student Name: _____ **Class:** _____

Date	Equipment	Check carried out	PAT Test Valid	Defects found	Signed

Weekly Visual Check List

- Ensure no cuts to cable
- Ensure no abrasions to cable
- Ensure cable is not frayed
- Ensure cable is not kinked
- Ensure plug case is not cracked
- Ensure plug connector pins are not bent
- Ensure no taped joints in the cable
- Ensure outer sheathing of cable is gripped in connector
- Ensure no internal conductors showing
- Ensure equipment outer cover is not damaged
- Ensure there are no loose screws or parts
- Ensure there are no signs of overheating
- Ensure all covers are in place
- Ensure air can circulate freely around the appliance
- Ensure air vents are not blocked
- Ensure the equipment is not physically damaged
- Ensure equipment has a Valid PAT test label