

Board of Management Finance Committee

Date of Meeting	Wednesday 27 November 2024
Paper No.	FC2-D
Agenda Item	3.4
Subject of Paper	Asset Management Policy
FOISA Status	Disclosable
Primary Contact	Deborah Fagan, Associate Director, Procurement & Asset Management
Date of production	18 November 2024
Action	For Approval

1. Recommendations

- 1.1 To review the attached Asset Management Policy and issue final approval.
- 1.2 To note that it was reviewed and approved by the Academic Board on 31 October 2024.

2. Purpose

- 2.1 The purpose of this paper is to provide an insight into the new Asset Management Policy.

3. Consultation

3.1 Consultation with Finance, IT, Estates, Facilities, Compliance, Organisational Development in the creation, review and testing of the Asset Management Policy with feedback and outcomes being adopted.

4. Key Insights

4.1 Following the adoption of Asset Management by Procurement and the appointment of an Asset Manager in January 2024, a new Asset Management Policy and supporting procedures were developed.

4.2 Asset Management are responsible for maintaining the colleges central Asset Register, coordinating asset acquisitions, tagging Equipment & Furniture Assets, and ensuring compliance with the asset management policy and procedures.

4.3 The Asset Manager will be responsible for the communication and training of the Asset Management Policy and related Procedures. This will be targeted initially at budget managers and staff identified as being involved in Asset Management activities.

5. Impact and Implications

5.1 The Asset Management Framework (Policy and Procedures) will ensure we have a systematic and transparent approach to managing the college's physical assets. It will ensure that assets are effectively safeguarded, utilised, and accounted for throughout their lifecycle. The Policy and Procedures provide clear guidelines for acquiring, maintaining, securing, and disposing of assets, promoting responsible management, accurate financial reporting, and compliance with the college's financial and regulatory policies. By doing so, it aims to protect the college's investments, minimise risks of loss or misuse, and ensure that assets are properly utilised to support educational and operational objectives.

5.2 The Policy and Procedures identify the responsibilities placed appoint each department in the management of assets. It should be noted that these responsibilities are not new, they have merely now been documents within the Policy and Procedures. Full training will be provided to the departments in order to increase compliance.

Appendices

Appendix A - Asset Management Policy



Asset Management Policy

© 2024 City of Glasgow College

Charity Number: SCO 36198

Table of Contents

1. Introduction	5
2. Purpose and Aims	5
3. Scope	6
4. Definitions	6
5. Asset Identification and Classification.....	7
6. Roles and Responsibilities	7
7. Asset Acquisitions.....	8
8. Asset Ownership.....	8
9. Asset Register	10
10. Security of assets.....	10
11. Recording of Assets	11
12. Asset Depreciation	12
13. Asset Tagging	12
14. Removal/Loan of Equipment from College	13
15. Annual Physical Verification of Assets.....	14
16. Asset Disposal	15
17. Missing Assets	16
18. Sale Of Surplus Assets	17
19. Audit	18
20. References	18
21. Document Control and Review	19
22. Revision Log.....	20

Asset Management Policy

1. Introduction

- 1.1. City of Glasgow College will annually spend large sums of money on the purchase of a wide variety of items for furniture, equipment, plant, computer hardware, etc. It is, therefore, essential for proper control of such assets and insurance purposes in the event of theft, fire, and other risks, that the college's Asset Manager ensures the maintenance of adequate records for all Assets.
- 1.2. The college's Asset Control Procedures are essential for ensuring that college Assets are properly managed, accounted for, and safeguarded. These procedures help prevent loss, theft, and misuse of assets, and they also ensure accurate financial reporting. They provide clear instructions on the key elements of managing, monitoring, and maintaining assets throughout the college.
- 1.3. These procedures apply to all physical assets owned, leased, or controlled by the college.

2. Purpose and Aims

- 2.1 The purpose of the Asset Management Policy is to establish a systematic and transparent approach to managing the college's physical assets. This Framework ensures that assets are effectively safeguarded, utilised, and accounted for throughout their lifecycle. It provides clear guidelines for acquiring, maintaining, securing, and disposing of assets, promoting responsible management, accurate financial reporting, and compliance with the college's financial and regulatory policies. By doing so, it aims to protect

the college's investments, minimise risks of loss or misuse, and ensure that assets are properly utilised to support educational and operational objectives.

2.2 The Asset Management Policy aims to optimise the college's use of its physical assets while ensuring their security and longevity. It seeks to:

- Enhance operational efficiency through the responsible acquisition, use, and disposal of assets.
- Ensure that assets are accurately tracked, maintained, and accounted for, supporting financial integrity and transparency.
- Reduce the risk of asset loss, theft, or damage by implementing robust control measures.
- Promote sustainability by encouraging the repair, reuse, and recycling of assets where possible.
- Facilitate compliance with audit requirements and financial regulations through clear documentation and accountability.

3. Scope

3.1 The Asset Management Policy applies to all physical assets owned, leased, or controlled by the City of Glasgow College, including equipment, furniture, IT hardware, and other valuable items. It covers all stages of asset management, from acquisition to disposal, and applies across all departments within the College. This Framework outlines the procedures for the identification, classification, registration, tagging, security, maintenance, and disposal of assets, ensuring compliance with the college's financial regulations and accounting policies. It includes both capital and non-capital assets, with specific guidelines on responsibilities, record-keeping, physical verification, and audits.

4. Definitions

- 4.1 **“Asset”** items of value owned or controlled by the college, including equipment, machinery, vehicles, IT hardware, etc.
- 4.2 **“Asset Register”** a centralised controlled document of records that contains detailed information about each asset.
- 4.3 **“Asset Owner”** an individual or department responsible for the safekeeping, maintenance, and proper use of an asset.
- 4.4 **“Equipment & Furniture Assets”** (E&F Assets) Assets maintained by the College for example furniture, machinery, e-Bikes, etc.
- 4.5 **“Group 1 Assets”** assets including furniture, fittings, and equipment (FF&E) installed by GLQ which FES are responsible for maintaining and life cycling.
- 4.6 **“IT Assets”** includes desktops, printers, monitors, laptops, tablets, mobile phones, and similar devices.

5. **Asset Identification and Classification**

- 5.1 **Identification:** Assets will be assigned a unique identification number in the form of an asset tag.
- 5.2 **Classification:** For accounting purposes and the purposes of the asset control procedures, assets can be classified as either:
 - Capital Assets - Single or bulk items with a value equal to or exceeding £10,000 including VAT.
 - Non-Capital Assets - Single item with a value equal to or exceeding £500 excluding VAT.

6. **Roles and Responsibilities**

- 6.1 The Chief Financial Officer (CFO) will ensure sufficient resources are allocated for asset management activities.

- 6.2 The Associate Director, Procurement and Asset Management will oversee the implementation and effectiveness of the Asset Management Policy and procedures.
- 6.3 Senior Management (Asset Owners) will ensure assets under their ownership are properly managed and maintained in accordance with the Asset Management Policy. Conduct annual audits of their assets as advised by the Asset Manager and report any changes in location or status to the Asset Manager.
- 6.4 The Asset Manager will be responsible for maintaining the asset register, coordinating asset acquisitions, tagging E&F Assets, disposals, and audits, and ensuring compliance with the Asset Management Policy.
- 6.5 The IT Department are responsible for liaising with the Asset Manager in providing asset details, purchasing of IT Assets, tagging, configuring, and distributing IT assets. Keep local asset records up to date, including details of new purchases, locations, statuses, etc. Managing the disposal procedure for IT Assets.
- 6.6 Employees of the college will use assets responsibly and report any issues related to asset condition, security, or misuse to their line manager and the Asset Manager.

7. Asset Acquisitions

- 7.1. All assets will be purchased in line with the Procurement Policy and Procedure.

8. Asset Ownership

8.1. Equipment & Furniture Assets

8.1.1 Asset ownership and responsibility for all Equipment and Furniture will remain with the member of Senior Management for which the asset was purchased from their budget.

8.1.2 In the instance where ownership of any Equipment & Furniture Asset transfers from one department to another, the Asset Updating Form will be completed by the Budget Manager and approved by the responsible Senior Manager. Once complete and approved, the form will be automatically sent to the Asset Manager, who will update the Asset record within the Asset Register.

8.2. Group 1 Assets

8.2.1 Asset ownership and responsibility for all Group 1 Assets will remain with Estates and FES FM.

8.3. IT Asset

8.3.1 Asset ownership and responsibility will be assigned according to the asset use for example:

- Laptops purchased for staff use - ownership and responsibility will be transferred from IT to the department or faculty in which the staff member works.
- IT Labs created for use by a specific curriculum area - ownership and responsibility will transfer from IT to the faculty in which the lab will be located and utilised.

8.3.2 In this instance a Transfer of Ownership Form will be completed by IT and the receiving department, acknowledging that responsibility will be transferred. After receipt, installation, and configuration of the assets, ownership will transfer to the Senior Manager within the receiving department.

8.3.3 IT Assets will be maintained and controlled centrally by IT Services for configuration and security however Asset Owners will be responsible for tracking the physical location of the asset.

9. Asset Register

9.1. The Asset Manager will maintain the colleges centralised register of all Assets, Capital, and Non-Capital. Information contained within the Asset Register will include:

- Asset ID
- Description
- Purchase date and acquisition cost
- Depreciation information
- Responsible department or person
- Location
- Current status
- Physical Verification Date.

10. Security of assets

10.1. In line with the college's Financial Regulations, Senior Managers are responsible for the care, custody, and security of the buildings, equipment, furniture, etc. under their control.

10.2. All IT equipment will be asset tagged with a bar code by the IT Department immediately after delivery.

10.3. All non-group 1 equipment and furniture will be asset tagged with a bar code by the Asset Manager after the location has been confirmed by the owning department.

- 10.4. Senior Managers will consult the Chief Financial Officer where the security of Assets is thought to be defective or where it is considered that special security arrangements may be needed.
- 10.5. Assets owned or leased by the college will not be subject to personal use without proper authorisation.
- 10.6. The Senior Manager responsible must ensure the asset register is updated to reflect any approved change of use or location of a college asset. This will be communicated to the Asset Manager using the following Asset Updating Form.

11. Recording of Assets

- 11.1. All assets and equipment with a purchase value between £100 and £499 will be recorded and managed locally by the purchasing department.
- 11.2. All assets and equipment with a purchase value between £500 and £9,999 and mobile devices i.e., laptops, tablets, mobile phones, etc. will be recorded in the Asset Register as a Non-Capital Asset.
- 11.3. All assets and equipment or collections of assets and equipment procured as a “bundle” greater than £10,000 will be recorded in the Asset Register as a Capital Asset. These Capital Assets feed directly into the college’s Annual Accounts.
- 11.4. The purchase of new assets will be captured by the Asset Manager using reporting from the college’s purchasing and finance system. The Asset Manager will engage with the purchasing department to collect and collate the information required to record the asset within the Asset Register.
- 11.5. The College may on occasion receive items as gifts or a donation. If the value of the gift or donation is £500 or greater the Asset Manager will be notified.

The gift or donation will be listed as donation within the Asset Register for accountability and reporting purposes.

11.6. The recording of all assets over the value of £500 will be conducted in line with the New Asset Procedure.

12. Asset Depreciation

12.1. The college will adhere to the guidelines laid out in the Accounting Framework of the college in terms of capitalisation and depreciation.

12.2. The college will charge depreciation on the capital assets in the year that it is purchased. The depreciation will reflect the useful economic life of the asset as follows:

- Equipment - 8 years
- ICT Hardware - 4 years
- Marine Engine and Simulator - 20 years.

13. Asset Tagging

13.1. All Assets

13.1.1 Assets will be tagged using a pre-printed asset identification tag which provides a unique number in the following format (example provided):

- E&F Assets - F123456
- Group 1 - C123
- IT Assets - C1234567
- Creative Industries (Store Assets Only) - CG12345

13.1.2 Will an asset tag become damaged or spoiled the asset will be retagged by the responsible department and the Asset Manager notified in order to update the

Asset Register. New asset tags for E&F Assets can be obtained from the Asset Manager.

13.2. Equipment & Furniture Assets

13.2.1 Equipment and Furniture with a purchase value of greater than £1,000 will be tagged with a bar code label by the Asset Manager upon recording the Asset in the Asset register.

13.3. Group 1 Assets

13.3.1 Group 1 Assets will be assets tagged by FES FM.

13.4. IT Asset

13.4.1 IT Assets will be tagged with a bar code label by the IT Department upon asset delivery and register.

13.5. Creative Industries (Store Assets Only)

13.5.1 Assets purchased by Creative Industries for use by staff and students for loan purposes will be tagged by the Technical Support Operations Manager.

14. **Removal/Loan of Equipment from College**

14.1. Removal/Loan of any asset from the college e.g., for use by an employee at home in relation to college duties, for repair, etc. will be properly authorised by a member of Senior Management. A Senior Manager wishing to use equipment at home must seek the approval of their line manager.

14.2. The Asset Updating Form will be completed to gain authorisation and communicate the update to the Asset Manager in order for the Asset Register to be updated.

14.3. It is the responsibility of the relevant Senior Manager to ensure that all removed assets are returned, and the Asset Manager is informed.

14.4. This approach may vary depending on the item and lending department for example:

- Libraries - short term loans of laptops to students
- IT - long term loan of laptops to staff
- Creative Industries - loan of audio-visual equipment to students
- Health & Safety - loan of specialist health & safety equipment to staff

14.5. The procedure for lending this equipment will be the responsibility of the department and will be managed locally. The department must ensure they keep up-to-date records including information on the location and recipient of the equipment.

14.6. Loan equipment will also be subject to physical verification.

15. Annual Physical Verification of Assets

15.1. All Assets

15.1.1 The Asset Manager is responsible for organising and managing the annual verification of assets.

15.1.2 Asset verification will be conducted by the owning department in line with the Physical and Digital Verification Procedure, with supervised spot checks being carried out by the Asset Manager.

15.1.3 The main purpose of the Physical Verification of Assets is to confirm the accuracy of the data held in the asset register and to ensure the security of College Assets.

15.1.4 The Asset Owner is responsible for reporting any changes to the asset register, including purchases, disposals (with the exception of IT Assets), and location updates, to maintain the register's accuracy.

15.1.5 Any variations discovered during the full physical check will be updated in the Asset Register.

15.1.6 Any missing or damaged Assets will be reported to the Associate Director, Procurement and Asset Management.

15.2. Equipment & Furniture Assets

15.2.1 Approximately 10% of all Equipment & Furniture Assets over the value of £1,000 will be physically verified each year.

15.3. IT Asset

15.3.1 IT devices such as laptops, tablets, and mobile devices will be digitally verified through system and application verification annually.

15.3.2 In addition, a physical verification of a 10% sample of IT Assets will be conducted annually.

16. **Asset Disposal**

16.1. Assets that are damaged, non-compliant, or end of life must be disposed of following approved procedures, ensuring compliance with regulatory requirements and environmental considerations.

16.2. Before the decision is made to dispose of an asset consideration by the Asset Owner must be taken in terms of circular economy, recycling, repair, and refurbishment of the assets. Consideration will also be given to the residual value of assets that can be sold or donated.

- 16.3. The Asset Disposal Procedure must be followed for the disposal of all assets contained within the Asset Register.
- 16.4. The disposal of assets must be approved by the relevant member of staff listed within the Asset Disposal Procedure. Bulk disposal of IT equipment will be approved by the IT Director however consultation will be conducted with SMT and the Financial Controller. Where the asset(s) hold a Net Book Value, approval to 'write-off' the assets within the Asset Register and College Accounts will be required by the Finance Committee. This request for approval will be submitted to the Committee quarterly by the Associate Director, Procurement and Asset Management.
- 16.5. The assets must be disposed of in a sustainable and environmental manner by a suitable registered company.
- 16.6. The department will inform the Asset Manager using the Asset Updating Form of the disposal in order to update the Asset Record within the Asset Register.

17. Missing Assets

- 17.1. Missing and stolen assets must be reported to the Associate Director of Procurement and Asset Management, and/or the CFO in the first instance.
- 17.2. The Asset Owner will be required to complete an Asset Investigation Form.
- 17.3. All effort must be made by the Asset Owner responsible for the asset to track the missing or stolen asset before completing the form.
- 17.4. A report of missing and stolen assets will be submitted to the Finance Committee by the Associate Director, Procurement and Asset Management quarterly and will contain the following information:
 - Asset Description

- Acquisition Cost
- Net Book Value
- Asset Owner and Department
- Last known location
- Detail of misplacement / theft.

18. Sale Of Surplus Assets

18.1. Before surplus College assets are offered for sale, the sale of the asset must follow the Sale of Assets Procedure and approval in accordance with the Financial Regulations.

Anticipated proceeds of Sale or Value of the Asset	Authorised By
In excess of £500,000	Board of Management & Scottish Funding Council
Between £100,000 and £500,000	Finance Committee
Between £10,000 and £50,000	Principal and Chief Financial Officer
Less than £10,000	Member of Senior Management Team and Chief Financial Officer

18.2. If the sale is less than £10,000, then proceeds will normally be credited to the owning department.

18.3. The sale of any College asset must be requested and approved using the Asset Updating Form.

18.4. If a sale is approved, the undernoted procedure will be followed:

18.4.1 The Asset Owner will complete the Asset Updating Form before the Asset is removed from college premises.

18.4.2 The customer will sign and return the Transfer of Ownership Agreement to ensure they agree with the terms and conditions under which the asset is being sold. The signed form will be attached to the Asset Updating Form.

18.4.3 A copy of the completed form will be provided to the College's Finance Department to ensure that a sales invoice is issued to the customer.

18.4.4 Payment must be received before the goods are released for collection or delivery.

18.4.5 A copy of the completed form will be automatically sent to the Asset Manager to ensure the asset record is updated within the asset register.

18.5. When selling surplus assets, the Asset Owner must take into consideration any regulatory and legal compliance when drafting the commercial agreement between to college and the seller.

18.6. The above procedure will also be followed when donating surplus assets.

19. Audit

19.1. The information contained in the Asset Register will be subject to periodic audits in accordance with a program that will be agreed upon in conjunction with the Audit Committee and Audit Scotland.

20. References

Document Type	Document Name	Link
Framework	Financial Regulations	Financial Regulations v6
Procedures	Procurement	Procurement Procedure v2.2
Procedure	Asset Disposal	Asset Disposal Procedure v1.1
Procedure	New Asset	New Asset Procedure v1.2
Procedure	Physical and Digital Verification	Physical Verification Procedure v2.1
Procedure	Sale of Assets	
Form	Asset Updating Form (including Sale of Assets)	Asset Updating Form
Form	Asset Investigation Form	Investigation form
Form	Transfer of Ownership	Transfer of Ownership

21. Document Control and Review

Approval Status	Approved
Approved by	Academic Board
Date Approved	31 st October 2024
EQIA Status	EQIA Conducted? Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
Proposed Review Date	October 2025

Lead Department	Procurement & Asset Management
Lead Officer(s)	Associate Director, Procurement & Asset Management
Board Committee	Academic Board Finance Committee
Copyright © 2024 City of Glasgow College	Permission granted to reproduce for personal use only. Commercial copying, hiring lending, posting online is strictly prohibited

22. Revision Log

Version Date	Section	Description
Version 1		Creation including consultation