



Perth and Kinross Council

**Policy for the Disposal of
Fleet and Mechanical
Equipment**

December 2022

1. Introduction

In accordance with the Fleet and Mechanical Equipment (FaME) asset management plan assets at the end of their life will be declared as surplus and released for disposal. This policy outlines how assets which fall within FaME will be disposed of.

2. Scope

A FaME asset is defined as;

‘All fleet and mechanical equipment that requires maintenance, calibration and/or a safety & inspection test’

3. Aims and objectives

To maximise income and/or make best use of FaME assets which are declared surplus or end of life.

4. Surplus

Assets are identified as surplus in one of four ways:

1. As part of a replacement programme.

An ongoing replacement programme is currently in place for all assets.

2. When they are unserviceable and beyond economical repair.

Unserviceable fleet and mechanical equipment is deemed to be beyond economical repair by Fleet Management technical staff or categorised as a “write off” by the council’s insurers.

3. When they are deemed not fit for purpose.

FaME can be declared not fit for purpose by Fleet Management technical staff, the budget holder, Corporate Health & Safety staff, relevant statutory bodies; Driver and Vehicle Standards Agency (DVSA), Department for Transport (DfT) or through a combination of listed parties.

4. When their function is surplus to requirements.

Assets which are surplus to requirements are identified by individual services budget holders. Once identified as surplus or redundant the asset will be assessed against other Council and Service needs prior to disposal.

Requirements to be considered include potential;

- re-allocation
- spare Pool use
- re-use as spare parts

Assets declared surplus should be communicated to all relevant parties as noted in the FaME Disposal procedure to ensure the timely update of all associated inventories.

5. Disposal

Disposal includes any activity associated with the disposal and decommissioning of an asset identified within the FaME asset management plan.

All assets that are not re-used have a sell on value and should be taken through the processes detailed in the FaME Disposal Procedure.

The Council currently disposes of surplus assets via recognised industry auction houses, through the processes laid down in the FaME Disposal Procedure.

6. Finance

Monies from the sale of assets are applied to offset the cost of new asset purchases. This therefore reduces the amount of money required to be borrowed to finance the future purchase of assets.

7. Governance

The disposal of surplus and redundant assets will be managed in accordance with the Local Government in Scotland Act 2003 principle of securing Best Value.

8. Retention policies

FaME disposal records must be retained on file for 7 years in line with Health and Safety instructions.

9. Review Policy

This Policy will be reviewed on an annual basis to ensure that it reflects the changing needs of Perth & Kinross Council and its employees. The review process, although led by the Capital Investment & Asset Management Team, will include a wider consultation with Fleet Management.