SGWORLD®

E-GUIDE

Asset Management and the
Academy Trust Handbook

Asset Management and the Academies Trust Handbook

In 2021 the handbook was re-named as simply the Academy Trust Handbook to reflect an increasing focus on governance as well as financial requirements. Effective stewardship of assets and resources is a core trustee duty and they must recognise the need to maintain an inventory of equipment in order to:

- Ensure that staff take responsibility for the safe custody of assets

- Ensure proper physical control of equipment

- To provide an up-to-date record of the equipment available for teaching purposes

- To manage the effective utilisation of assets and to plan for their replacement

- To provide a basis for insurance cover and claims if equipment is damaged or destroyed, e.g. by fire, theft, vandalism or other disaster;

- To enable external auditors to evaluate the annual accounts and the Trust's financial position

1

Internal Scrutiny

What the Guidance says:

Check the purchase of any capital assets (e.g. desk computers, interactive whiteboards, kitchen equipment) for physical existence

Internal Scrutiny in academy trusts: Annex 2 - Procurement

The ATH foreword stresses the role of efficient financial management and accountability, recommending schools follow guidance outlined in the ESFA Good Practice Guide on Internal Scrutiny

How an Asset Management System helps:

A school can have hundreds, even thousands of physical assets but without an accurate asset list you would be hard pressed to quickly find the physical location of a specific tablet or laptop. An asset management system will significantly reduce the time tracking down and verifying assets in the database.

2

Probity in Managing Public Funds

What the Guidance says:

The accounting officer must have oversight of financial transactions by ensuring the academy trust's property and assets are under the trustees' control, and measures exist to prevent losses or misuse

Part 1: Roles & Responsibilities 1.40

Part 1 of the ATH underlines the roles and responsibilities of the Trust's key personnel, including the Accounting Officer. They have the specific responsibility of assuring Parliament, and the public, of high standards of probity in the management of public funds, particularly regularity, propriety and value for money.

How an Asset Management System helps:

An asset management system is the perfect tool to help a school pro-actively record, track and manage it's assets. Accounts can be confident that they have detailed, up-to-date asset information to support the school budgeting process, investment decisions and procurement strategies.

3

The Asset Register

What the Guidance says:

The academy trust must have sound internal control, risk management and assurance processes. The control framework must manage and oversee assets and maintain a fixed asset register

Part 2: Main Financial Requirements 2.7

The ATH references *Buying procedures and procurement law for schools* which goes into more detail on fixed assets. Fixed assets are items of value you will use for a long time such as:

- land
- buildings
- machinery
- vehicles
- furniture
- office equipment
- IT

Keep a 'fixed asset register' of any fixed assets that cost more than the amount set in your school's rules. This will help prevent loss and track their value over time for depreciation, tax and insurance reasons. To do this you should:

- record them all, including their location, who is responsible for them and their condition

- tag them – many people use tags with serial numbers and barcodes to make inventories easier

- keep a loan book

- inspect them all once a year

- have procedures for moving, transferring and disposing of assets

How an Asset Management System helps:

An asset management software platform will help a school keep their fixed asset register accurate, up- to-date and free from ghost assets ie: an item which appears on the fixed register but is lost, stolen or unusable.

A software platform is the quickest, easiest way for a school to record their assets and then keep track of them, including the annual audit. An integrated mobile barcode/ QR code app can quickly scan asset tags, confirming their location in the database. The software can also be set up to support school asset depreciation and disposal procedures.

Additionally, loan items can also be scanned to check in equipment to temporary users and update the database

4

Insurance

What the Guidance says:

The trust's management of risks must include contingency and business continuity

The academy trust must have adequate insurance cover in compliance with its legal obligations

Part 2: Risk Management 2.4

The school must maintain a risk assessment process, a risk register and have continuity plans in place e.g. property risk from fire or flood and of course a global pandemic.

How an Asset Management System helps:

In the event of major incident such as fire or flood, an asset management system will give schools an accurate, detailed asset list with the right insurance cover and supporting paperwork - all the information needed to quickly make a claim and access the funds required to get back up and running. With a cloud-based solution, accessed by any web browser, this is all safely hosted offsite.

Additionally, during COVID when students and teachers worked off-site, an asset database helped track school equipment leaving and returning to school premises.

5

Theft

What the Guidance says:

Academy trusts must be aware of the risk of fraud, theft and irregularity and address it by putting in place proportionate controls. Trusts must take appropriate action where fraud, theft or irregularity is suspected or identified.

Part 6: The Regulator and intervention 6.10

The ESFA may conduct or commission investigations into actual or potential fraud, theft or irregularity in any academy trust, either because of a notification from the trust itself or from other information received. ESFA may involve other authorities, including the police.

How an Asset Management System helps:

With an asset management system, it is easier to identify missing assets. A label tagging system also signals to staff and students that asset locations are being pro-actively tracked.

6

Estates Management

What the Guidance says:

An academy trust's estate is both an asset and a mechanism to deliver outcomes for pupils. The DfE expects academy trusts to manage their school estate strategically and maintain their estate in a safe working condition.

Estates Management 1.20

The ATH references advice, standards and tools from [Good Estate Management for Schools.](#) This includes guidance on developing an estates strategy and asset management plan.

How an Asset Management System helps:

Asset management software is flexible enough to capture a simple physical asset such as a laptop but can also hold important maintenance and health and safety compliance information on a building or facility. This can include warranty and inspection documentation with scheduled renewal flags.