

**PUBLIC PROUREMENT AND DISPOSAL OF PUBLIC
PROPERTY (RETENTION AND DISPOSAL OF
PERSONAL PROPERTY) (NO.2) REGULATIONS, 2021**

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Regulation

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Legal Notice No.

REPUBLIC OF TRINIDAD AND TOBAGO

**THE PUBLIC PROCUREMENT AND DISPOSAL OF
PUBLIC PROPERTY ACT, 2015**

REGULATIONS

Made by the Minister, on the recommendation of the Office of
Procurement Regulation, under section 63 of the Public
Procurement and Disposal of Public Property Act and subject to
affirmative resolution of Parliament

**THE PUBLIC PROCUREMENT AND DISPOSAL OF
PUBLIC PROPERTY (RETENTION AND DISPOSAL OF
PERSONAL PROPERTY) (NO.2) REGULATIONS, 2021**

Citation

1. These Regulations may be cited as the Public
Procurement and Disposal of Public Property (Retention and
Disposal of Personal Property) Regulations, 2021.

Interpretation

2. In these Regulations –
- “net book value” means the original acquisition cost of
an item less its accumulated depreciation,
impairments, depletion or amortization. It is the
value at which the assets are valued in the balance
sheet of the company as on the given date;
 - “personal property” refers to physical property, inclusive
of stores, equipment, computers, motor vehicles.
 - “residual value” means an estimated amount that an
entity can obtain when disposing of an asset after the
useful life of the asset has ended. The estimated cost
of disposing of the asset should be deducted.

Retention and
disposal of
personal property

3. Procedures for the retention and disposal of personal
property shall be set out in handbooks and guidelines approved by
the Office, in accordance with the general procedures outlined
below.

4. (1) A public body shall ensure that it protects and maintains the personal property with which it is entrusted in a manner designed to maximise the use of, and where applicable, preserve or enhance the value of, the personal property.

Risk-based approach for retention of personal property

(2) A public body shall adopt a risk-based approach for the retention and disposal of personal property in order to achieve the principles of good governance, namely accountability, transparency, integrity and value for money.

(3) A public body shall consider the nature of each item of personal property to determine the risks to which it may be exposed, e.g. risk of loss through theft or fire, risk of misuse (including wastage) or risk of obsolescence.

(4) A public body shall assess the significance and likelihood of the risk which is likely to threaten the personal property and determine the relevant control to be implemented to protect the personal property.

(5) The significance of a risk shall be assessed in terms of the cost to replace the personal property, the importance of the personal property to the operation of the public body and the perception of the general public about the personal property.

(6) In assessing the likelihood of the occurrence of a risk occurring, the public body shall consider the nature and function of the personal property and such other issues which the public body considers relevant.

(7) In considering the mitigation strategy to be applied for the risk, the public body shall ensure that the mitigating action is in alignment with, and does not outweigh, the likelihood of the potential risk occurring.

5. (1) A public body shall establish a written policy that highlights its objectives for the retention of stores and equipment in accordance with the good governance principles of accountability, transparency, integrity and value for money.

Risk mitigation strategy

- (2) The policy shall address, *inter alia*, the following:
- (a) general procedures and overall requirements for protecting the stores and equipment;

- (b) issues related to maintenance, preservation and performance of stores and equipment;
- (c) the responsibilities, records and procedures necessary to achieve its objectives;
- (d) the minimum value of stores and equipment to be monitored under its inventory control system;
- (e) the thresholds for financial reporting; and
- (f) insurance against loss.

(3) A public body shall assign a responsible public officer to be responsible for performing the following functions in relation to the effective retention of stores and equipment:

- (a) monitoring the accuracy and usefulness of records on stores and equipment;
- (b) establishing the procedures for the protection of stores and equipment;
- (c) conducting initial and periodic physical inventories of stores and equipment and
- (d) verifying stores and equipment for disposal.

(4) The record of each item of stores and equipment shall include, *inter alia*:

- (a) the coding classification to be used in tagging the item;
- (b) the name and description of the item;
- (c) the date of purchase of the item;
- (d) reference to source documents;
- (e) the assigned location of the item;
- (f) the purchase price, depreciation amount and net book value of the item;
- (g) the residual value of the item, where applicable; and
- (h) the expiration date of the item, where applicable.

(5) A public body shall establish a stores and inventory management system and assign a trained, technically capable public officer to effectively manage the receipt, storage, issuance and disposal identification of the stores and equipment under its purview.

(6) The stores and inventory management system shall include economic order quantities, reorder levels, and where appropriate buffer stock.

(7) The stores and inventory management system shall, where possible, be in an electronic format to ensure maximum efficiency.

(8) A public body shall perform a physical stock count for comparison against its inventory record on an annual basis, or at shorter intervals where necessary to achieve the principles of accountability, integrity and value for money.

6. (1) A public body shall be responsible for the disposal of its stores and equipment which are deemed unserviceable, obsolete or surplus. Disposal of stores and equipment

(2) A public body shall dispose of unserviceable, obsolete or surplus stores or equipment by utilising the most appropriate means including, but not limited to –

- (a) public sale or tendering;
- (b) public auction;
- (c) gift;
- (d) lease;
- (e) concession;
- (f) transfer;
- (g) destruction;
- (h) trade-in;
- (i) recycling; and
- (j) donation.

(3) Where a public body decides to utilize a public sale or tendering or a public auction and the net book value, market value or residual value of the stores or equipment is in excess of one hundred thousand dollars, the public body shall publish in at least two newspapers in daily circulation in Trinidad and Tobago and on its website –

- (a) a list of the stores or equipment to be disposed of; and
- (b) the date, time and venue of the disposal.

(4) Where a public body decides to utilize a method, other than public sale or tendering or public auction, for disposing of its stores or equipment, it shall advertise on its website.

- (5) A public body shall ensure that –
- (a) its stores or equipment to be disposed of are identified and brought to the attention

- of its procurement officer within a reasonable time;
- (b) its stores or equipment to be disposed of, are disposed of –
 - (i) in a safe manner to protect the environment in accordance with the Environmental Management Authority’s Standards or any other environmental, health and safety standards that are in effect; and
 - (ii) in accordance with the manufacturer’s instructions, where applicable;
- (c) the net proceeds received from a disposal through a sale shall be properly accounted for in the financial records of the procuring entity;
- (d) all expenses related to the disposal is accurately recorded in the relevant inventory and financial systems;
- (e) appropriate security arrangements are made for a public auction in order to protect public funds;
- (f) a purchaser provides a source of funds declaration and sufficient bio-data including but not limited to his full name, date of birth, nationality, identification card/passport/driver’s permit number, residential mailing address, business mailing address and contact number;
- (g) the advice of a technical/subject matter expert is sought in making a recommendation for disposal; and
- (h) the Office is notified of all disposals within six (6) weeks of its completion; including details of the stores or equipment disposed of and its price and method of disposal and the supporting documents requested by the Office.

Disposal to public employees

7. (1) Where a public body proposes to dispose of personal property to an employee of a public body, or a member of a board or a committee of a public body (“an identified person”) either by way of direct sale, as a result of an auction or bidding process, or any other means of alienation, the Procurement and Disposal Advisory Committee shall cause a notice to be sent to the

Accounting Officer or equivalent in a public body seeking prior approval and setting out the following:

- (a) the details of the item earmarked for disposal;
- (b) the valuation report, where applicable, of the item earmarked for disposal;
- (c) the method to be adopted for the disposal and, if by way of direct sale or transfer, the reason for the proposed disposal to the employee or member;
- (d) the name of the employee or member;
- (e) the relationship of the employee or member to the public body; and
- (f) such other relevant details including the proposed disposal price.

(2) A public body shall, within ten (10) working days of the disposal of the personal property where the net book value, market value or residual value is in excess of one hundred thousand dollars –

- (a) notify the Office of the disposal indicating details of the items, the disposal price and the name of the employee or member; and

Dated this _____ day of _____, 2021.

Minister of Finance

Approved by the Senate this _____ day of _____, 2021.

Clerk of the Senate

Approved by the House of Representatives this day of , 2021.

Clerk of the House