

**PUBLIC PROUREMENT AND DISPOSAL OF PUBLIC
PROPERTY (RETENTION OF PUBLIC PROPERTY AND
DISPOSAL OF PERSONAL PROPERTY) REGULATIONS,
2021**

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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 OF PUBLIC
PROPERTY AND DISPOSAL OF PERSONAL PROPERTY)
REGULATIONS, 2021**

Citation

1. These Regulations may be cited as the Public Procurement and Disposal of Public Property (Retention of Public Property 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, depletion or amortization. Book value means the value of the firm as per the books of the company. It is the value at which the assets are valued in the balance sheet of the company as on the given date; and
“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 of public property and disposal of personal property

3. Procedures for the retention of public property 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 public 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 public property.

Risk-based approach for retention of public property

(2) A public body shall adopt a risk-based approach for the retention of public 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 public 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 public property and determine the relevant control to be implemented to protect the public property.

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

(6) In assessing the likelihood of the occurrence of a risk occurring, the public body shall consider the nature and function of the public 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 tangible and intangible public property 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 public property;

- (b) issues related to maintenance, preservation and performance of public property;
- (c) the responsibilities, records and procedures necessary to achieve the its objectives;
- (d) the minimum value of public property 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 public property:

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

(4) The record of each item of public property 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 personal property 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; 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 public 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 assets 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
- (b) publish a notice on its website and, where required in the Guidelines, in at least one newspaper in daily circulation in Trinidad and Tobago.

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