CONCEPT

Slow-Moving and Obsolete Stock Disposal: Surplus Identification, Write-Off and Investment Recovery

23 – 27 August 2027
London - Central London four-star



Slow-Moving and Obsolete Stock Disposal: Surplus Identification, Write-Off and Investment Recovery

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Introduction:

Slow-moving and obsolete stock accumulates quietly: items bought for cancelled projects, over-delivered orders and superseded models sit on shelves, absorbing space, insurance and handling effort while their recoverable value falls each quarter. Without clear criteria, a disposal committee and a controlled sale process, write-offs stall or invite loss and fraud. This Core Concept course trains inventory, stores, procurement and finance staff to identify surplus with ageing and FSN analysis, choose the disposal route that recovers most value, and document every write-off. Participants build a Surplus Disposal Plan and Write-Off Approval Pack for a case warehouse.

Course Objectives:

- Identify slow-moving, non-moving and obsolete items from ageing reports and FSN and XYZ classes using agreed thresholds
- Confirm surplus quantities and condition through a targeted count and condition survey before any disposal decision
- Classify each surplus lot as usable surplus, obsolete, damaged or scrap and select the disposal route that recovers most value
- Prepare write-down estimates and a write-off approval pack that a disposal committee and auditors can accept
- Apply audit trail, segregation of duties and fraud controls to tenders, auctions, scrap sales and hazardous item disposal
- Set investment recovery KPIs and prevention controls on reorder parameters and demand review to stop surplus recurring

Target Audience:

- Inventory control staff who maintain stock records, run ageing reports and propose items for disposal
- Stores and warehouse supervisors who count, segregate and release surplus, damaged and scrap items
- Procurement and sales staff who run return-to-vendor requests, tenders, auctions and scrap sales
- Finance staff who record write-downs, write-offs and disposal proceeds
- Internal audit and control staff who review disposal committee decisions and sale evidence

Course Outline:

Day 1: Slow-Moving Stock Causes and Surplus Diagnosis

- Slow-Moving, Non-Moving, Surplus and Obsolete Stock Definitions
- Root Causes: Forecast Error, Over-Delivery, Design Change and Cancelled Projects
- Hidden Cost of Dead Stock: Space, Insurance, Deterioration and Handling
- Stock Ageing Report by Last Issue Date and Receipt Date Buckets
- Current-State Surplus Health Check for a Store

Day 2: Analysis Models and Disposal Governance

- FSN Analysis: Fast, Slow and Non-Moving Thresholds
- XYZ Demand Variability Classes Combined with FSN
- Disposition Classes: Usable Surplus, Obsolete, Damaged and Scrap
- Disposal Committee Charter, Delegated Authority and Segregation of Duties
- Investment Recovery Pathways: Redeployment, Divestment and Cannibalisation

Day 3: Confirming Surplus and Choosing the Disposal Route

- Targeted Stock Count and Condition Survey to Confirm Surplus
- Internal Redeployment and Inter-Site Transfer Offer Lists
- Return-to-Vendor Negotiation and Restocking Fee Terms
- Sale by Sealed Tender and Auction: Lotting, Reserve Price and Bidder Checks
- Donation, Recycling and Scrap Sale by Weight: Ferrous and Non-Ferrous Lots

Day 4: Valuation, Fraud Controls and Surplus Prevention

- Net Realisable Value Estimate and Write-Down Recording
- Write-Off Approval Pack: Evidence, Photographs and Committee Minutes
- Audit Trail and Fraud Red Flags: Undervalued Lots, Collusive Bids and Scrap Diversion
- Hazardous Item Disposal Records: Chemicals, Batteries and Waste Oils
- Prevention Controls: Reorder Parameter Review, Demand Review and Requisition Challenge

Day 5: Case Warehouse Disposal Plan and Write-Off Pack

- Case Warehouse Data Pack: Ageing Extract, Count Results and Condition Notes
- Route Selection Matrix and Recovery Value Estimate per Lot
- Investment Recovery KPI Set: Recovery Rate, Surplus Stock Value and Days to Dispose
- Surplus Disposal Plan and Write-Off Approval Pack Drafting
- Pack Defence Before a Mock Disposal Committee

Skills You Will Gain:

- Stock Ageing Analysis
- FSN and XYZ Classification
- Surplus Condition Assessment
- Disposal Route Selection
- Tender and Auction Lotting
- Write-Off Documentation
- Disposal Fraud Detection
- Investment Recovery Reporting

Why Attend This Course:

- Leave with a Surplus Disposal Plan and Write-Off Approval Pack built from a case warehouse ageing extract and count results
- Turn idle shelves of dead stock into recovered cash, freed space and cleaner records
- Recognise the undervalued lots, collusive bids and scrap diversion that erode disposal proceeds
- Compare surplus and scrap practice with peers from manufacturing, utilities, retail, healthcare and public sector stores

Conclusion:

Surplus stock loses value every month it waits, so the gain comes from spotting it early, confirming it on the shelf and moving it through a controlled route. The one week move from causes and ageing analysis, through FSN and XYZ classes, disposition classes and committee governance, to redeployment, vendor returns, tenders, auctions and scrap sales, then to write-downs, fraud controls, hazardous items and prevention. The case work ends with a Surplus Disposal Plan and Write-Off Approval Pack ready for a real committee.