



Asset Register Policy 2025-2027

Adopted:	27/01/2025
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INTRODUCTION

The Council maintains its asset register to ensure that fixed assets are appropriately safeguarded. Fixed assets are defined by the Joint Panel on Accountability and Governance Practitioners' Guide 2024 (JPAG).

The Council's Fixed Asset Register has three main purposes:

1. forms a basis for completion of the AGAR Box 9 (with the exception of assets held on trust);
2. forms a basis for decisions on risk and insurance issues;
3. provides assurance of the continued existence of Council property.

The asset register is approved by the Council at the end of each year but is a working document throughout the financial year which the RFO will update and amend as necessary.

SCOPE OF THE ASSET REGISTER

In order to ensure transparency and reasonableness, the following items are included in the Council's asset register, whether purchased, gifted or otherwise acquired, together with their holding location:

- land and buildings held freehold or on long term lease in the name of the Council;
- community assets;
- vehicles, plant and machinery;
- assets considered to be portable, attractive or of community significance;
- assets estimated or known to have a minimum purchase or resale value of £250.00

The following items fall outside the definition for inclusion and are, therefore, excluded from the Council's asset register and will not be separately identified for insurance purposes.

- land and buildings held on short term lease or rented;
- land and buildings maintained or serviced but not owned by the Council;
- assets rented by, or loaned to, the Council;
- boundaries of land owned, ie fences, hedges and gates;
- floor or land surfaces and drainage;
- plants and trees;
- assets estimated or known to have a minimum purchase or resale value of less than £150.00
- repairs;
- cash, short term investments and other current assets;
- intangible assets, ie trademarks, internet domain names, contingent assets;
- negative assets, ie borrowings, creditors and contingent liabilities.

A separate section of the asset register will contain a schedule of disposals.

ASSET VALUATION

Once recorded on the asset register, the value of assets must not change from year to year until disposal. Depreciation and impairment adjustments are not appropriate for local councilsⁱ

For accounting purposes, acquisitions and disposals of fixed assets will be treated as any other purchase or sale and recorded as part of annual payments or receipts, expenditure or income.

The Council's assets are valued by one of the following means:

- purchase price net of VAT (if VAT can be reclaimed);
- purchase price gross of VAT (if VAT cannot be reclaimed or where the VAT status of the purchase is unclear).

Where it is not possible to trace the purchase price of the asset, the insurance valuation will be applied. As a last resort, a nominal value of £1.00 will be applied - this will also be used for assets gifted to the Council.

In exceptional circumstances, where land or buildings have been subject to substantial renovation and improvement to such an extent that the new market value bears no relation to the original purchase cost and in order to avoid renovation and improvement work being separately recorded on the asset register, a market value supplied by a qualified surveyor will be entered.

UPDATING THE ASSET REGISTER

The start point will be the asset register that has been agreed at the end of the previous financial year. The RFO will:

- review the purchase ledger for all purchases made during the year that meet the criteria stated above along with any assets gifted to the Council. These will be added to the asset register with their values recorded at the purchase price (net of VAT £1.00 if gifted to the Council);
- review the sales ledger will be reviewed for all asset sales made during the year along with those assets that have been lost, disposed of or gifted by the Council. Any assets which fall into these categories will be removed from the asset register and recorded in the schedule of disposals. The asset register will also record any assets loaned by the Council, including the individual or organisation borrowing the asset, its location and the date when the loan period ends.

The Clerk/RFO will make an annual inspection of asset register items to ensure that all such items can be physically verified. Any assets which cannot be located shall be removed from the asset register and recorded in the schedule of disposals.

The Clerk/RFO will present the asset register and schedule of disposals for annual review by the Finance & General Purposes Committee. The F&GP Committee will recommend the asset register for approval by the Council by the end of the financial year so that the agreed total figure can be entered as Box 9 on the AGAR.

INSURANCE

The Asset Register will be used to inform the insurers of Council assets. For the purposes of insurance, the value to be used is the replacement value of items and not the purchase price as per the asset register.

ⁱ Once recorded on the asset register, the value of assets must not change from year to year until disposal. Concepts of depreciation and impairment adjustments are not appropriate for local councils (Governance and Accountability for Local Councils: A Practitioner's Guide (England) 2014, para. 3.69).