



ASSET REGISTER POLICY

Title	Asset Register policy
Owner	Chairman
Version number	1.0
Primary audience	General public, councillors and staff
Document location	Shared drive
Objective	
This policy sets out the council's position maintaining its asset.	

This is a new policy proposed by the clerk in line with best practice.

1. Background:

1.1 - Local councils must maintain an asset register to ensure that fixed assets are appropriately safeguarded. This includes items of a capital nature where values tend to be high, and which have a useful life of more than one year.

2. Scope of Asset Register:

2.1 - 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,

2.2 - The values indicated in the asset register will inform the "total fixed assets" section of the Annual Return with the exception of assets held in trust.

2.3 - The following items fall outside the definition for inclusion and are, therefore, excluded from the Council's asset register:

- 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,
- Stationery and other consumable items,
- Floor or land surfaces and drainage,
- Plants and trees,
- Assets with a purchase or resale value of less than £100 (other than items listed as for inclusion in the asset register),
- Repairs,
- Cash and other current assets,
- Intangible assets (e.g. internet domain names, contingent assets),
- Negative assets (e.g. provisions, creditors).

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

3. Valuation of Assets for the Asset Register:

3.1 - Once recorded in 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).

3.2 - Assets must be valued by applying the purchase price (including VAT where appropriate).

3.3 - Where it is not possible to trace the purchase price of the asset then the insurance value must be applied. As a last resort, a nominal value of £1 must be applied. This should also be used for assets gifted to the Council.

3.4 - There is no guidance 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. In order to avoid renovation and improvement work being separately recorded on the asset register, and in these exceptional circumstances only, a market value supplied by a qualified surveyor may be entered.

4. Procedure for Updating the Asset Register:

4.1 - The start point is the asset register that has been agreed for the end of the previous year. The cashbook should be reviewed for all purchases made during the year. A discussion should be held to identify any assets that have been gifted to the Council. Any new assets which fall in the categories in 2.1 above should be added to the asset register, with their values recorded at the purchase price (net of VAT if VAT is being reclaimed) or at £1 if gifted to the Council.

4.2 - The cashbook should also be reviewed for all assets sales made during the year. A discussion should be held to identify any assets that have been lost, disposed of or gifted by the Council. Any assets which fall in the categories in 2.1 above should be removed from the asset register and recorded in the schedule of written-off / disposals. The asset register should record any assets loaned by the Council, including the person or organisation borrowing the asset, its location and date when the loan period ends.

4.3 - An annual inspection of asset register items should occur to ensure that all asset register items can be physically verified. Any assets that cannot be located should be removed from the asset register and recorded in the schedule of written-off / disposals.

4.4 - The asset register and schedule of disposals should be reviewed annually and then approved by the Council at the same time as the approval of the Annual Return.

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4.5 - This policy will be reviewed every two years by the Council.

5. The Asset Register and Insurance:

5.1 - The asset register will be used to inform the insurers of the 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.

5.2 - The Council should ensure land and buildings are valued accurately for insurance purposes. Buildings should therefore be valued every five years to ensure the appropriate insurance is held.

5.3 – Following a revaluation the AGAR (Annual Governance and Accounting Return) for the previous year needs to be amended to show the new valuation figure.

Supporting Materials

This policy should be read in conjunction with the following supporting materials:

- TBA

Review and approval

Sign off date	Review Date	Review Date
Finance & Governance C'tee	05/11/2024	
Full Parish Council	19/11/2024	

Next review date

This policy should be reviewed every two years or when significant change occurs to the subject matter.

The next review date for this policy is **October 2026**.

Version Control / History

Version no.	Author	Date	Status/Comments
0.1	AGS	08.10.2024	Policy put into new template with minor amendments
1.0	AGS	05.11.2024	Signed off version