Boxley
PARISH COUNCIL

Asset Register Policy

Introduction

Local councils must maintain an asset register to ensure 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 (Governance and Accountability for Local Councils: A Practitioner's Guide (England) 2014, para. 3.66). The Council's Financial Regulations, section 15 refers to the custody of Assets, Properties and Estates.

Boxley Parish Council will maintain a Fixed Asset Register of items of value in excess of £100 which is held in the Parish Council Office. It will be updated annually and reviewed by the F&GP Committee in September. A record of assets and their values is required to:
• Provide information to Councillors as to the assets under their control.
• Provide Information for decision making purposes.
• Provide information for external reporting, insurance and audit purposes.

Purpose

A fixed asset register has 4 main purposes

1. It forms a basis for completion of box 9 in the Annual Return
2. It forms a basis for decisions on risk and insurance issues
3. It provides information on the age and potential lifespan of certain items
4. It provides assurance of the continued existence of Council's property

Items for Inclusion

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
• other assets estimated or known to have a minimum purchase or resale value of £100
• long term investments, shares and loans made by the Council
• assets held on trust
The values indicated in the asset register will inform the 'total fixed assets' section of the Annual Return.

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
• stock items intended for resale • stationery and other consumable items
• boundaries of land owned (e.g. fences, hedges and gates)
• floor or land surfaces and drainage
• plants and trees
• assets with a purchase or resale value of less than £50 (other than items listed as for inclusion in the asset register)
• repairs
• cash, short term investments and other current assets
• intangible assets (e.g. trademarks, internet domain names, contingent assets, broadcast rights)

• negative’ assets (e.g. provisions, borrowings, creditors and contingent liabilities)

Methodology

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).

Assets must be valued by one of the following means based on available information:

- ideally, apply the purchase price (net of VAT if VAT has been reclaimed);
- otherwise, apply the purchase price (gross of VAT if VAT has not been 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 should be applied. As a last resort, a nominal value of £1 may be applied. This should also be used for assets gifted to the Council.
- 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.
- For insurance purposes, the Council may include a column in the asset register to record the replacement value of each asset.

Procedure for updating the asset register

- The start point is the previous year’s asset register. Any purchases and disposals will be added/removed from the current years register.
- A discussion should be held with all Council officers to identify any assets that have been gifted to the Council.
- Any new assets which fall in the categories stated 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.
- The financial ledger should also be reviewed for all asset sales made during the year.
- A discussion should be held with all Council officers to identify any assets that have been lost, disposed of or gifted by the Council. Any assets which fall in the categories stated at above should be removed from the asset register and recorded in the schedule of disposals.
- The asset register should record any assets loaned by the Council, including the person or organisation borrowing the asset, its location and the date when the loan period ends.
- A ‘stock take’ of asset register items should occur to ensure that all asset register items can be physically verified. Any assets which cannot be located should be removed from the asset register and recorded in the schedule of disposals.
- The asset register, schedule of disposals and this policy will be reviewed annually by the Finance & General Purposes committee and then approved by full Council.

Disposals

No item belonging to the Parish Council may be disposed of without clear and recorded authorisation:

Items values under £100: The Clerk has delegated authority to dispose of an item if it is broken beyond economic repair.

Items valued £100 to £1,000: requires written authorisation from the Chairman or the Council or Chairman of the Finance and General Purposes Committee.
Items valued over £1,000: requires a formal resolution voted on at Full Council.

Methods of Disposal
Scrappage: If an item is unsafe or broken beyond repair, it must be recycled safely.
Donation: workable items no longer needed may be donated to local registered charities or community groups, subject to full Council approval.
Public Sale: Items with residual value must be sold via transparent methods (e.g. sealed public bids or public auction sites). Council members and staff must not receive preferential pricing.

The item must be logged on the disposals part of the Asset Register and kept there until the end of the financial year plus 6 years for audit verification.

Adopted by Council June 2026