Wirksworth Town Council

Asset and Disposal Policy

Policy Adopted: 21/09/2026
Minute No: C26/73

1. Background

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 used by the Council to deliver its services [Governance and Accountability for Local Councils: A Practitioners Guide (England)]. Fixed assets are also known as non-current assets. Fixed assets acquired in any year should be added to the asset register for management purpose.

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:

- land and buildings held freehold or on long-term lease in the name of the Council;
- community assets (e.g. war memorials);
- 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 £1000;
- long-term investments, shares and loans made by the Council;
- assets held on trust.

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 on 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;
- 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 £1000 (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).

3. Valuation of Assets

3.1 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)].

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

- purchase price, net of VAT (if VAT has been reclaimed);
- where it is not possible to trace the purchase price of the asset, a nominal value of £1 may be applied.

3.3 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 financial year. The financial ledger should be reviewed for all purchases made during the year. Any new assets which fall in the categories stated at 2.1, should be added to the asset register, with their values recorded at the purchase price or at £1 if gifted to the Council.

4.2 The financial ledger should also be reviewed for all asset sales made during the year. Assets that have been lost, disposed of or gifted by the Council and any assets which fall in the categories stated in 2.3, 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.

4.3 It is the Council's responsibility to ensure that a 'stock take' of asset register items occurs to ensure that all asset register items can be physically verified. Any asset which cannot be located should be removed from the asset register and recorded in the schedule of disposals. The disposal procedure must be carried out in accordance with the procedure stipulated in section 5.

5. Asset Disposal Procedure

5.1 Asset disposals will be reported to the Finance, Buildings and Personnel Committee. Where any asset is valued in excess of £1,000 then the decision regarding its disposal must be referred to Full Council as per section 14 of the Financial Regulations.

5.2 All proceeds from disposals are the property of the Council and must be accounted for and reported to Committee. Asset disposal decisions, and the reasons for taking them, should be documented.

5.3 The best value outcome to the Council must be a major consideration when disposing of assets. Goods should only be disposed of after checks have been made to ensure the item cannot be reused/repurposed in another area of the Council. Disposal should be based on a fair market value for each item. The price established should be based on:

- current market value
- condition of the item
- age of the item

- an assessment of usefulness of the item.

5.4 Items can be available for disposal because they are:

- required to be disposed of under a particular policy;
- no longer required due to changed procedures, functions or usage patterns;
- occupying storage space and not needed in the foreseeable future;
- no longer complying with health and safety standards;
- beyond repair.

5.5 Assets identified for disposal may be dispensed with by way of:

- sale;
- donation – Where goods have no significant residual value (less than £25) and/or where their disposal is unlikely to produce sufficient revenue, then the Finance, Building and Personnel Committee may authorise donation of goods to another organisation within Wirksworth;
- scrap – Where items have negligible value or where the costs and time involved in managing the sale process would exceed the financial benefit, the equipment may be scrapped.

5.6 It is important that any asset disposals are correctly handled to ensure transparency and accountability. The RFO is responsible for ensuring all asset disposals are recorded.

Monitoring

This policy was adopted on 21/09/26 (Minute reference C26/73) and will be reviewed each year at the Annual Meeting (or sooner should legislation dictate).