Fleet
TOWN COUNCIL

Fixed Asset Policy

Policy and Finance Committee Approved:	July 2026
Last reviewed:	July 2026
Due for next Review:	July 2029

1. Purpose

This policy sets out how Fleet Town Council records, values, reviews and disposes of its fixed assets. It is intended to ensure that the Council maintains accurate financial records, appropriate insurance cover, and proper stewardship of public assets.

2. Scope

This policy applies to all fixed assets owned, leased, controlled or maintained by the Council, including but not limited to:

- land and buildings;
- play equipment;
- street furniture;
- vehicles;
- plant and machinery;
- IT and communications equipment;
- furniture and fittings;
- memorials and other significant community assets.

The Council shall maintain an up-to-date Register of Assets and Investments. The continued existence of tangible assets shall be verified at least annually, in line with the Council's Financial Regulations.

3. Definitions

For the purposes of this policy:

Book value means the accounting value recorded in the Council's asset register and/or accounts.

Insurance value means the estimated full replacement cost of the asset for insurance purposes.

Capitalisation means the point at which an item is treated as a fixed asset rather than as revenue expenditure.

4. Capitalisation threshold

The Council will normally capitalise items where the purchase price, including associated costs directly attributable to bringing the asset into use, is **£2,000 or more**.

Items below this threshold will normally be treated as revenue expenditure unless:

- they form part of a larger grouped asset purchase;
- they are integral to a fixed asset already held by the Council;
- they are considered strategically significant by the Council; or

- they are required to be recorded separately for insurance, operational or legal reasons.

5. Asset valuation

The asset register shall, where appropriate, record both the **book value** and t**he insurance / replacement value**.

The Council recognises that these may differ. Insurance values are intended to reflect replacement cost, whereas book values are used for accounting and governance purposes.

6. Revaluation of assets

6.1 Buildings

Buildings shall normally be professionally revalued every **5 to 7 years**.

A revaluation may be undertaken earlier where there is good reason to do so, for example:

- major refurbishment, extension or structural alteration;
- significant market movement;
- damage, loss or change of use;
- a material discrepancy between recorded and likely replacement value;
- a request from the Council's insurers or auditors.

6.2 Other assets

Other significant fixed assets should be reviewed periodically to ensure that their recorded values remain reasonable and that insurance cover is adequate. A formal professional valuation will be obtained where the Council considers it necessary.

7. Asset register review

The Executive Officer shall ensure that the asset register is reviewed at least annually and updated to reflect:

- acquisitions;
- disposals;
- revaluations;
- adjustments to market value where applicable;
- insurance changes;
- corrections to descriptions, locations or asset details.

8. Disposal of assets

The Council shall control the disposal of assets to safeguard public funds and ensure that disposal is properly authorised.

No property shall be sold, leased or otherwise disposed of without the authority of the Council, together with any other consents required by law, except where the estimated value of any one item of tangible movable property does not exceed **£500**.

Disposal may be by:

- sale;
- trade-in;
- donation;

- recycling;
- scrapping;
- transfer to another public body or community organisation.

9. Disposal procedure

Before disposal, the officer responsible shall:

1. identify the asset and the reason for disposal;
2. confirm the estimated value and condition;
3. obtain any relevant quotations or offers, where practicable;
4. seek Council approval where required;
5. ensure any statutory, contractual or insurance requirements are met;
6. remove the item from the asset register once disposal is completed.

Where an asset is sold, the Council should aim to achieve best value, taking account of the item's condition, market value and the cost of sale.

10. Gifts and transfers

Any proposal to donate or transfer an asset to another body, charity, community group or individual must be approved by the Council and recorded in the minutes, together with the reason for the transfer and any conditions attached.

11. Loss, theft or destruction

Any significant loss, theft, accidental destruction or write-off of an asset shall be reported promptly to the Executive Officer and, where appropriate, to insurers and the Council.