

Fixed Assets and Content Management Policy

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1.0 Introduction

The Asset Management policy provides overall framework to guide the strategic management of Town Council's infrastructure assets in a co-ordinated manner. The policy sets out a systematic process to guide the planning, acquisition, operation and maintenance, and disposal of assets. The objective is to maximise asset service delivery potential and manage related risks and costs over the entire life of the asset. The Town Council fixed assets and contents management will be carried out based on this policy document which establishes systems and controls. This policy must be observed in conjunction with the Town Council Standing Orders and Financial Regulations which requires annual governance reporting as part of the annual returns.

Asset management will be integrated with financial and budgetary planning to inform decision making, incorporating a life cycle approach in asset management to achieve value for money usage of all assets. This policy also establishes accountability and responsibility for asset condition, use and performance.

Local Councils can acquire or dispose of assets under the general power in section 111 Local Government Act (LGA) 1972 "power to do anything which is calculated to facilitate, or is conducive to or incidental to, the discharge of any of their functions". However, for the acquisition of land and buildings special rules apply.

2.0 Usage and the protection of Assets

2.1 Town Council assets should not be used by employees and Councillors to pursue their own personal business.

2.2 Town Council assets should not be misused or maliciously damage by staff or Councillors.

2.3 Moveable assets like a laptop etc in the possession of staff and Councillors outside Council premises should be used to carry out Council business in accordance with this policy.

2.4 As far as is reasonably practicable, employees and Councillors will have full responsibility for the care, security and proper use of assets in their personal possession.

3.0 Asset Management Responsibility

Asset management needs a Corporate approach, hence requires appropriate initiative to give awareness and build internal capacity to undertake the required asset management activities.

3.1 Asset Manager

The Asset Manager has the overall responsibility for asset management which includes the implementation of the Asset Management policy as outlined below.

- Ensure all assets are suited to the purpose for which they are used
- Develop and implement Asset Management Plans for individual asset classes using of lifecycle principles.
- Develop and implement improvement plans for individual asset classes.
- Implement maintenance, rehabilitation and capital works programmes in accordance with Asset Management Plans and the annual budget.
- Manage infrastructure assets in consideration of long-term sustainability.
- Utilise an integrated Asset Information Management System appropriately for asset management tasks.

3.2 Town Clerk and Managers

- The Town Clerk is the person responsible for all Town Council assets and oversee implementation of the asset management policy.
- Managers are responsible for the supervision of policy compliance and implementation within their areas of operation.
- Managers will assist the Asset Manager to fulfil the requirements of Town Council asset management processes.

3.3 Staff

The Town Council staff are responsible for following asset management procedures and processes as set out in this policy.

3.4 Councillors

The Council should be aware of the Town Council Asset Management policy and procedures and ensure procedures are followed when dealing with Town Council assets in any capacity.

4.0 Asset Register

An asset register / database will be maintained in accordance with the Town Council Financial Regulations which states in clause 14.5 the requirement to maintain such register

(14.5 The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets).

The asset database shall seek to capture information for both fixed and tangible moveable property with a life expectancy more than one year.

The asset register / database shall include the following information which is necessary for managing asset lifecycle.

- Asset tag ID
- Date of purchase
- Make, model, and description
- Location
- Category of asset
- Assets Audit information
- Purchase Cost
- Insurance Valuations
- Repairs / maintenance information (hyperlinks) to key reports
- Disposal information

5.0 Acquisitions and Disposals

Acquisition and disposal of assets will adhere to the Financial Regulation of the Town Council as set out in the following clauses;

(14.2 No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the council, together with any other consents required by law, save where the estimated value of any one item of tangible movable property does not exceed £500.

14.3. No real property (interests in land) shall be sold, leased or otherwise disposed of without the authority of the council, together with any other consents required by law, In each case a report in writing shall be provided to council following recommendation from the Finance Committee in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).

14.4. No real property (interests in land) shall be purchased or acquired without the authority of the full council. In each case a report in writing shall be provided to council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate)

5.1 Acquisitions of tangible moveable assets

Acquisitions of asset will comply with the Town Council Financial Regulations and the following internal procedures and protocols shall also apply to asset purchase management activities.

- Assets which cost more than £50 should be ID tagged except when their useful life is less than 12 months. Computer components which stores data should be ID tagged notwithstanding its purchase price. When assets are purchased in bulk and the total cost exceeds £50, for example chairs, should be tagged individually. Tagging should continue where individual items of the bulk are replaced in the future.
- Prior to deployment, Managers and Staff shall assign an ID tag to the asset and enter the information onto an asset ID form (Appendix 1) which should be passed immediately to the Asset Manager for entry onto the Asset Database.

5.2 Disposals of tangible moveable assets

Assets disposal should be carried out with appropriate authorisation which is dependent on class of asset and asset value using the disposal form. Disposal of assets with inherent value should aim at ensuring value for money for the Council and obtaining a sale with an anticipated current value wherever possible. (Appendix 2)

5.2.1 Disposal principle

- High value Assets that are no longer required by the Town Council should be disposed of by first determining an appropriate market valuation and if required, a third-party valuation should be sourced and then sold in the open market place.
- Appropriate authorisation to dispose of assets applies; The Town Clerk authorises disposals of assets up to the market valuation of £500, valuation above £500 requires the approval of the appropriate committee or the Town Council in accordance with the Town Council Financial Regulations.
- Appropriate authorisation does not apply where an asset is certified by a competent assessor or a Manager to be unusable and no longer functional, are not fit for purpose and are beyond repair or their use will breach regulatory compliance. A report for high value assets costing above £500 to replace should be sent to the appropriate Committee following such assets immediate disposal to avoid maintenance and hazard problems that their continuous use will bring.

5.2.2 Disposal Due Diligence

In determining if an asset is appropriate for disposal, appropriate due diligence is required as follows:

- Justification for disposal
- classification as usable with appropriate valuation or unusable
- Method of disposal (Note appropriate procedure for disposal of IT equipment and data storage devices)
- Sale Proceeds where cash is involved should follow the cash handling procedure.
- Where the sale involves trade-in for new equipment, this must be reported on the disposal form

5.2.3 Lost, stolen and destroyed assets

Lost, stolen and destroyed assets where the replacement cost is more than £500 must be reported on the disposal form following investigation and a report to the appropriate Town Council Committee. The disposal form should be passed to the Asset Manager for updating the Asset Register and for insurance claims where appropriate as in clause 6.

6.0 Audits and Valuations

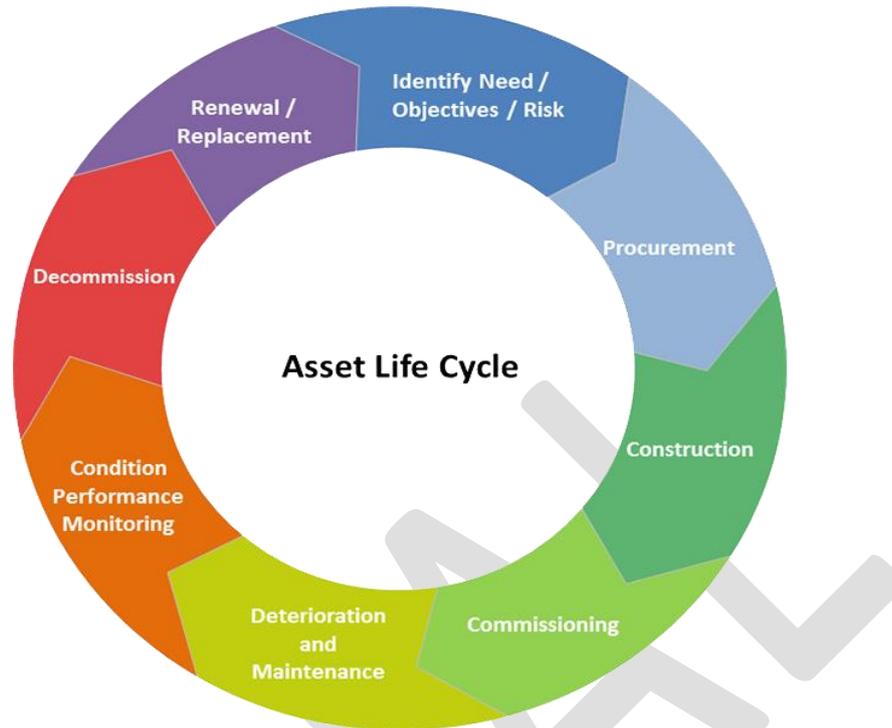
Asset management processes and procedures will be reviewed annually following a process of category and or location by location audits of assets throughout the year which will ensure all assets will have been audited by the end of the financial year. Audits will account for all risks associated with the asset, defects identification, repairs and maintenance requirements and inventory audits. Audits will aim to manage asset life cycle as depicted below.

A 5-year condition survey and review with a Planned Maintenance Programme will be the basis for budgeting planned maintenance works on certain asset categories. The need for a planned maintenance programme of premises, plant and equipment arises from the following requirements:

- Preserving a functional and safe work environment for staff, tenants and visitors.
- Responding to changing needs.
- Minimising disruption.
- Providing value for money approach.
- Complying with legislation and minimising health and safety risks.
- Preserving the asset value of the property.
- Prolonging the useful life of the property.
- Presenting a good quality image.

Value for money will be achieved by controlling costs to budget and prioritising major maintenance works for future budget setting. It is also of importance to implement improvements identified from best practice, management surveys and reviews.

Asset Lifecycle Management



7.0 Insurance

The Town Council insures all its assets and content to protect the assets for all insurable risks. All assets are covered under Material Damage within the Town Council Insurance which includes damage because of a fire, flood, burglary, earthquake or other such events leading to obvious destruction, loss or damage to buildings, plant and content.

In the event of material damage, the requirement for insurance claim includes information on the property concerned, the damage or loss suffered, the cause of damage or loss, date of incident and photographs.

Insurance claims will cover the cost of repair or replacement of the asset minus the excess paid by the Town Council or third party if a third party can be held accountable for the damage. A due-process to justify an insurance claim should be followed as per the following criteria since claims will normally result in an increased Insurance premium at the next renewal.

- Cost to repair or replace the asset should be determined by striving to obtain two quotations from established Companies / Organisations or retail price for contents.
- Excess of the Insurance Claim which apply must be established as in the schedule below:

The following excesses currently apply to each and every loss arising in respect of each and every separate premises:

- | | |
|-----------------------------|--------|
| ○ Accidental Damage | ○ £100 |
| ○ Theft | ○ £100 |
| ○ Malicious Damage | ○ £250 |
| ○ Storm or Flood | ○ £250 |
| ○ Escape of Water | ○ £250 |
| ○ Falling Trees or Branches | ○ £250 |

Contents claims currently have an excess of £100 for each claim.

- A claim is not required where the excess to be paid equates to the cost of repair or replacement of the asset
- A claim is not required where the remainder cost after deducting the excess is less than £250

8.0 Policy Amendments and Reviews

Asset Management Policy shall be amended accordingly in line with the requirements and needs of the Town Council. Such amendments shall be initiated by officers of the Town Council or a Councillor and shall follow the proper procedures and Standing Orders of the Town Council. Notwithstanding, a full policy review shall be carried out every 4 years following the election of the full Council and shall be approved by the appropriate Committee.

Appendix 1

ASSET DEPLOYMENT FORM

(To be completed and passed to Asset Manager/Finance and a copy saved in Acquisitions folder in Assets on shared drive when deploying asset purchased which requires tagging)

Item Description / Name

Asset Tag Numbers

Product Code

Item Location

Item Condition

Item Value

Reason for purchase

Deployment Date _____

Person Deploying Item

Name _____ Sign _____ Date _____

Authorised Manager

Name _____ Sign _____ Date _____

Appendix 2

ASSET DISPOSAL FORM

(To be completed and passed to the Asset Manager/Finance and a copy saved in disposal folder in Assets on shared drive when disposing tagged assets)

Item Description / Name

Asset Tag Number

(Remove and attach asset tag to this form)

Product Code

Item Location

Item Condition

Disposal Value

Disposal Reason

Disposal Date _____

Person Disposing Item

Name _____ Sign _____ Date _____

Authorised Manager

Name _____ Sign _____ Date _____