

 Adelaide Plains Council	Land Under Roads Policy	
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Administered by: General Manager Infrastructure and Environment	Last Review Date:	2021
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1. Objective

For reporting periods commencing on or after 1 July 2008, AASB 1051 – Land Under Roads came into effect, under which Council is required to state its accounting policy in relation to recognition of ‘land under roads’ assets.

2. Scope

This Policy applies to all existing land under roads, within the Adelaide Plains Council, as well as land newly acquired for road purposes that adjoins land under an existing road as it then forms an integral part of the combined road reserve, setting guidelines for consistent treatment of land under roads, throughout the District and not to value land under roads.

3. Definitions

Public Road – as defined in the *Local Government Act 1999*:

- (a) any road or land that was, immediately before the commencement of this *Act*, a public street or road under the repealed *Act*; or
- (b) any road –
 - (i) that is vested in a council under this or another *Act*; or
 - (ii) that is placed under a council’s care, control and management as a public road after the commencement of this *Act*,
- (c) any road or land owned by council, or transferred or surrendered to a council, and which, subject to this *Act*, is declared by the council to be a public road; or
- (d) and land shown as a street or road on a plan of division deposited in the Lands Titles Registration Office or the General Registry Office and which is declared by the council to be a public road; or

- (e) any land transferred or surrendered to the Crown for use as a public road that was, immediately before the transfer, held by a person in fee simple or under a lease granted by the Crown,

(and includes any such road that is within the boundaries of a public square).

Land under roads is defined as land under roadways, and road reserves, including land under footpaths, nature strips and median strips.

4. Policy Statement

According to AASB 116 - Property Plant and Equipment, paragraph 7(b), reliable measurement is an essential component for the recognition of an asset. In the absence of the ability to reliably measure the value of land under roads, Council will not recognise existing land under roads as an asset.

Land acquired for road purposes will initially be recognised at cost in accordance with AASB 116 paragraph 7(b) however will subsequently be recognised at fair value. That is, the cost will be written off as a revaluation decrement at the end of the reporting period.

5. Specific Provisions / Responsibilities

It is Council's opinion that it is not possible to reliably measure the fair value of land under roads previously acquired, further, newly acquired land that adjoins land under a road then forms an integral part of the pre-existing road reserve, such that the fair value of the combined area must be assessed as a unit and hence cannot be reliably measured. This also applies to roads in a subdivision transferred to Council without cost, in that such land forms an integral part of the road network and the contribution of value of the added land to the road network and of the road network to the added land, cannot be reliably measured Accordingly, in the absence of the ability to reliably measure the value of land under roads (AASB 116. 7(b)); it is of Council's opinion that the asset cannot be recognised.

6. Related Documents

Asset Management Policy

Fixed Assets Accounting Policy

7. Records Management

All documents relating to this Policy will be registered in Council's Record Management System and remain confidential where identified.

8. Document Review

This Policy will be reviewed periodically to ensure legislative compliance and that it continues to meet the requirements of Council its activities and programs.

9. References

Local Government Act 1999

AASB 1051 Land Under Roads

AASB 116 Property, Plant and Equipment

10. Further Information

Members of the public may inspect this Policy free of charge on Council's website at www.apc.sa.gov.au or at Council's Principal Office at:

2a Wasleys Rd, Mallala SA 5502

On payment of a fee, a copy of this policy may be obtained.

Any queries in relation to this Policy must be in writing and directed to the General Manager Infrastructure and Environment.