

Phil Norrey
Chief Executive

To: The Chairman and Members of
the Farms Estate Committee

County Hall
Topsham Road
Exeter
Devon
EX2 4QD

(See below)

Your ref :
Our ref :

Date : 14 February 2017
Please ask for : Wendy Simpson, 01392 384383

Email: wendy.simpson@devon.gov.uk

FARMS ESTATE COMMITTEE

Wednesday, 22nd February, 2017

A meeting of the Farms Estate Committee is to be held on the above date at 2.15 pm in the Committee Suite - County Hall to consider the following matters.

P NORREY
Chief Executive

A G E N D A

PART I - OPEN COMMITTEE

2 **Minutes**

Minutes of the meeting held on 30 November 2017 (previously circulated).

3 **Items Requiring Urgent Attention**

Items which in the opinion of the Chairman should be considered at the meeting as matters of urgency.

MATTERS FOR DECISION

4 **Capital Monitoring 2016/17 (Month 10) (Pages 1 - 4)**

Report of the County Treasurer (CT/17/12) on the County Farms Estate Capital Monitoring Statement 2016/17, attached.

Electoral Divisions(s): All Divisions

5 **Revenue Budget 2016/17 (Month 10) (Pages 5 - 8)**

Report of the County Treasurer (CT/17/13) on the County Farms Estate Revenue Budget Monitoring Statement 2016/17 (Month10), attached.

Electoral Divisions(s): All Divisions

6 Management and Restructuring Issues (Pages 9 - 10)

Report of the Head of Digital Transformation and Business Support (BSS/17/01) on County Farms Estate Management and Restructuring Issues, attached.

Electoral Divisions(s): Dawlish

7 Nitrate Vulnerable Zones (Pages 11 - 12)

Report of the Head of Digital Transformation and Business Support (BSS/17/02) on the recent changes to the Nitrate Pollution Prevention Regulations and the addition and removal of areas within the zone, attached.

Electoral Divisions(s): All Divisions

PART II - ITEMS WHICH MAY BE TAKEN IN THE ABSENCE OF PRESS AND PUBLIC

8 Exclusion of the Press and Public

Recommendation: that the press and public be excluded from the meeting for the following items of business under Section 100(A)(4) of the Local Government Act 1972 on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1, 2 and 3 of Schedule 12A of the Act, namely information relating to, and which is likely to reveal the identity of, tenants and information relating to the financial or business affairs of tenants and the County Council and, in accordance with Section 36 of the Freedom of Information Act 2000, by virtue of the fact that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

MATTERS FOR DECISION

9 Holdings and Tenancies etc.

(Items to be considered by the Committee in accordance with the Cabinet Procedure Rules and Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, no representations having been received to such consideration taking place under Regulation 5(5) thereof)


Report of the Head of Digital Transformation and Business and Support (BSS/17/03) on Middle Winsham Farm, Braunton, attached on GOLD paper.

Electoral Divisions(s): Braunton Rural

Notice of all items listed above has been included in the Council's/Cabinet Forward Plan for the required period, unless otherwise indicated. The Forward Plan is published on the County Council's website.

Members are reminded that Part II Reports contain exempt information and should therefore be treated accordingly. They should not be disclosed or passed on to any other person(s).

Members are also reminded of the need to dispose of such reports carefully and are therefore invited to return them to the Democratic Services Officer at the conclusion of the meeting for disposal.

Membership
<p>Councillors C Chugg (Chairman), J Berry, J Brook, A Dewhirst, R Julian, R Rowe and J Yabsley</p> <p><u>Co-opted Members</u> E Quick (Devon Federation of Young Farmers Clubs) and C Latham (Tenants Representative)</p>
Declaration of Interests
<p>Members are reminded that they must declare any interest they may have in any item to be considered at this meeting, prior to any discussion taking place on that item. Members of the Council have been granted a dispensation to allow them to speak and vote in any debate as a consequence of being a representative of the County Council on any County Council wholly owned, controlled or joint local authority company or Joint Venture Partnership unless the matter under consideration relates to any personal remuneration or involvement therein.</p>
Access to Information
<p>Any person wishing to inspect the Council's / Cabinets Forward Plan or any minutes, reports or lists of background papers relating to any item on this agenda should contact Wendy Simpson, 01392 384383</p> <p>Both the Forward Plan and agenda and minutes of the Committee are published on the Council's Website.</p>
Webcasting, Recording or Reporting of Meetings and Proceedings
<p>The proceedings of this meeting may be recorded for broadcasting live on the internet via the 'Democracy Centre' on the County Council's website. The whole of the meeting may be broadcast apart from any confidential items which may need to be considered in the absence of the press and public. For more information go to: http://www.devoncc.public-i.tv/core/</p> <p>In addition, anyone wishing to film part or all of the proceedings may do so unless the press and public are excluded for that part of the meeting or there is good reason not to do so, as directed by the Chairman. Any filming must be done as unobtrusively as possible from a single fixed position without the use of any additional lighting; focusing only on those actively participating in the meeting and having regard also to the wishes of any member of the public present who may not wish to be filmed. As a matter of courtesy, anyone wishing to film proceedings is asked to advise the Chairman or the Democratic Services Officer in attendance so that all those present may be made aware that is happening.</p> <p>Members of the public may also use Facebook and Twitter or other forms of social media to report on proceedings at this meeting. An open, publicly available Wi-Fi network (i.e. DCC) is normally available for meetings held in the Committee Suite at County Hall. For information on Wi-Fi availability at other locations, please contact the Officer identified above.</p>
Emergencies
<p>In the event of the fire alarm sounding leave the building immediately by the nearest available exit, following the fire exit signs. If doors fail to unlock press the Green break glass next to the door. Do not stop to collect personal belongings, do not use the lifts, do not re-enter the building until told to do so.</p>
Mobile Phones
<p>Please switch off all mobile phones before entering the Committee Room or Council Chamber</p>
<p>If you need a copy of this Agenda and/or a Report in another format (e.g. large print, audio tape, Braille or other languages), please contact the Information Centre on 01392 380101 or email to: centre@devon.gov.uk or write to the Democratic and Scrutiny Secretariat at County Hall, Exeter, EX2 4QD.</p>
 <p>Induction loop system available</p>

The County Farms Estate

Capital Monitoring (Month 10) 2016/17

Report of the County Treasurer

1 Capital Monitoring (Month 10) 2016/17

- 1.1 The Capital Programme presented to Corporate Services Scrutiny Committee on 22nd January 2016 (and subsequently approved by County Council) included schemes totalling £1,671,000.
- 1.2 The programme includes £271,000 for existing Nitrate Vulnerable Zone compliance schemes, and £900,000 in respect of additional scheme priorities.
- 1.3 The remaining £500,000 relates to additional scheme priorities for Decent Homes Standards, Energy Act and other associated infrastructure projects.
- 1.4 On 4 July 2016 delegated officer approval gave authorisation to purchase specific plots of land. The resulting purchase saw DCC acquire one plot at a cost of £150,000.
- 1.5 Added to this is scheme slippage of £771,000, resulting in a capital programme of £2,592,000 for 2016/17.
- 1.6 Expenditure and commitments (orders) to date is £1,038,000 with a forecast year end spend of £1,706,000.
- 1.7 **Nitrate Vulnerable Zone Compliance**
 - 1.7.1 The construction of two previously approved concrete box slurry stores are now complete.
 - 1.7.2 Included in the 2016/17 Capital Programme, approved via the Cabinet Member for Resources and Asset Management on 11 August 2016, is a further concrete box slurry store at Lower Alminstone Farm, Woolsery. A tendering exercise has been concluded for this scheme but due to the successful contractors busy work programme, it has been agreed that this scheme will slip to the 2017/18 financial year. The contract has been awarded.

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1.7.3 A fourth scheme has been designed but approval has not been requested to include this scheme in the 2016/17 capital programme but is in the process of being resurrected ready to commence works in spring 2017.

1.7.4 A fifth scheme is being designed.

1.7.5 Expenditure and commitments to date currently stands at £668,000 with a year end forecast of £776,000 due to anticipated slippage of £886,000.

1.8 **Compensation Payments (Tenants Improvements, etc..)**

1.8.1 Forecast spend in respect of existing liabilities stands at £20,000 in accordance with the previously approved programme. This excludes any additional liabilities that may fall due at 25 March 2017.

1.9 **Enhancements and Improvements**

1.9.1 Expenditure and commitments to date currently stands at £219,000.

1.9.2 Total forecast spend by year end remains on target and amounts to £760,000.

1.10 **Land Acquisitions**

1.10.1 On 4 July 2016 delegated officer approval gave authorisation to purchase specific plots of land at auction up to a maximum cost of £485,000.

1.10.2 Actual spend was £151,000.

2 **Options/Alternatives**

2.1.1 Alternative options have been considered and discounted as they are neither practical nor in the financial best interests of the Authority.

3 **Consultations/Representations/Technical Data**

3.1.1 The views and opinions of the Devon Federation of Young Farmers Clubs and the Estate Tenants Association will be presented by the two co-opted members to the committee.

3.1.2 No other parties have been consulted and no other representations for or against the proposal have been received.

3.1.3 The technical data is believed to be true and accurate.

4 **Considerations**

4.1.1 The Author is not aware of any financial, sustainability, carbon impact, equality, legal, risk management or public health issues arising from this report.

5 **Summary/Conclusions/Reasons for Recommendations**

5.1.1 The Author has prepared this report in accordance with the Councils capital funding procedures and guidelines.

Mary Davis – County Treasurer

Electoral Divisions: ALL

Local Government Act 1972: List of Background Papers

None

Who to contact for enquiries:

Name: Dan Meek, Director of Property Management, NPS South West Ltd, Venture House, One Capital Court, Bittern Road, Sowton Industrial Estate, Exeter, EX2 7FW

Contact: 01392 351066 or dan.meek@nps.co.uk

Name: Lisa Beynon, Head Accountant for Corporate Services, County Treasurer's, County Hall, Exeter

Contact: 01392 382876 or lisa.beynon@devon.gov.uk

The County Farms Estate

Revenue Monitoring (Month 10) 2016/17

Report of the County Treasurer

1 Revenue Monitoring (Month 10) 2016/17

- 1.1 The Revenue Budget presented to Corporate Service Scrutiny Committee on 22 January 2016 included a target surplus of £318,000 for the County Farms Estate, in accordance with targets set by Cabinet at its meeting on 13th January 2016.
- 1.2 Members are reminded that with Insurance Budgets having subsequently been centralised, as reported to this Committee on 28 April 2016, the revised target surplus has increased to £362,000. This has no impact on the County Farms Estate Revenue Budget as insurance costs will no longer be borne by the budget.
- 1.3 Appendix A provides a summary of the annual budget. It also provides details of income and expenditure to date.
- 1.4 As at month 10, there is still limited expenditure to report although a significant proportion of the building maintenance budgets (programmed, unforeseen, health and safety, redundant buildings, and asbestos) has been committed with works orders placed.
- 1.5 The anticipated year end spend on programme and unforeseen maintenance has increased again since month 7. This additional essential expenditure is being offset by a reduction in the other budget lines, including a reduction in the NPS management fees.
- 1.6 It is currently anticipated that the forecast level of income will be achieved and the target surplus delivered, albeit there may well be some further fluctuations within expenditure items.

2 Options/Alternatives

- 2.1 Alternative options have been considered and discounted as they are believed to either be contrary to current Estate policy and/or not in the best financial interests of the Estate.

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3 **Consultations/Representations/Technical Data**

- 3.1 The views and opinions of the Devon Federation of Young Farmers Clubs and the Estate Tenants Association will be presented by the two co-opted members to the committee.
- 3.2 No other parties have been consulted and no other representations for or against the proposal have been received.
- 3.3 The technical data is believed to be true and accurate.

4 **Considerations**

- 4.1 The Author is not aware of any financial, sustainability, carbon impact, equality, legal, risk management or public health issues arising from this report.

5 **Summary/Conclusions/Reasons for Recommendations**

- 5.1 The Author has prepared this report in accordance with the findings of the County Farms Estate Strategic Review (April 2010).

Mary Davis – County Treasurer

Electoral Divisions: ALL

Local Government Act 1972: List of Background Papers

None

Who to contact for enquiries:

Name: Dan Meek, Director of Property Management, NPS South West Ltd, Venture House, One Capital Court, Bittern Road, Sowton Industrial Estate, Exeter, EX2 7FW

Contact: 01392 351066 or dan.meek@nps.co.uk

Name: Lisa Beynon, Head Accountant for Corporate Services, County Treasurer's, County Hall, Exeter

Contact: 01392 382876 or lisa.beynon@devon.gov.uk

COUNTY FARMS ESTATE - FINANCIAL REPORTS FINANCIAL STATEMENT - (MONTH 10) 2016/17

<u>INCOME</u>	<u>YEAR TO DATE £'000</u>	<u>ANNUAL TARGET £'000</u>	<u>CURRENT FORECAST £'000</u>
Rent	(508)	(1,022)	(1,022)
Other	(45)	(50)	(50)
TOTAL INCOME	(553)	(1,072)	(1,072)
<u>EXPENDITURE</u>			
<u>STATUTORY COSTS</u>			
Tenant Right Valuation	(24)	2	12
SUB - TOTAL	(24)	2	12
<u>PREMISES COSTS</u>			
Building Maintenance - unforeseen	28	127	70
Building Maintenance - programmed	54	150	290
Building Maintenance - Surveys	1	10	10
Building Maintenance - STC	8	20	14
Building Maintenance - other (incl. land agents initiatives, redundant buildings, asbestos and health & safety)	5	65	60
Grounds Maintenance	3	10	6
Rents & other landlord charges	7	14	14
Rates, Electricity and Water Charges	4	12	7
SUB - TOTAL	110	408	471
<u>SUPPLIES & SERVICES</u>			
Insurance	0	0	0
Adverts	2	2	3
NPS Fees	163	230	200
Legal Fees	(3)	3	3
Professional Fees	(9)	6	1
Other Fees & Charges (DFYF, SHLAA, GPDO)	2	59	20
SUB - TOTAL	155	300	227
TOTAL EXPENDITURE	241	710	710
NET OPERATIONAL SURPLUS/(DEFICIT)	(312)	(362)	(362)
<u>FARM IMPROVEMENTS inclusive of fees</u>			
Revenue funded Restructuring (BM other)	0	0	0
SUB - TOTAL	0	0	0
TOTAL COSTS SURPLUS	(312)	(362)	(362)

THE COUNTY FARMS ESTATE MANAGEMENT AND RESTRUCTURING

Report of the Head of Digital Transformation and Business Support

Please note that the following recommendations are subject to consideration and determination by the Committee before taking effect.

Recommendation(s):

1. That 0.37 hectares (0.91 acres) or thereabouts of land forming part Manor Farm, Holcombe, Dawlish and more particularly known as part OS 3761 and 3775 be declared permanently surplus to the operational requirements of the Estate so that it can be developed as part of a highway improvement scheme.

1.0 Part Manor Farm, Holcombe - land for cyclepath

- 1.1 The Holcombe Estate comprises:

Manor Farm	53.05 hectares (131.10 acres)
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Total	53.05 hectares (131.10 acres)
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- 1.2 Manor Farm is being occupied and managed as a residential equipped starter farm until such times as the potential strategic or commercial development value of some or all of the land can be secured or permanently discounted.
- 1.3 Devon County Council's Engineers have identified a small part of the land as being strategically important and required for a highways improvement scheme. By taking a strip of land forming part Manor Farm adjacent to the A379, improvements can be made for cyclists and pedestrians between Teignmouth and Dawlish.

2.0 Options/Alternatives

- 2.1 Alternative options have been considered and discounted as they are believed to either be contrary to current Estate policy and/or not in the best financial interests of the Estate.

3.0 Consultations/Representations/Technical Data

- 3.1 The views and opinions of the Devon Federation of Young Farmers Clubs and the Estate Tenants Association will be presented by the two co-opted members to the committee.
- 3.2 No other parties have been consulted and no other representations for or against the proposal have been received
- 3.3 The technical data is believed to be true and accurate.

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4.0 Considerations

- 4.1 The Author is not aware of any financial, sustainability, carbon impact, equality, legal, risk management or public health issues arising from this report

5.0 Summary/Conclusions/Reasons for Recommendations

- 5.1 The Author has prepared this report in accordance with the findings of the County Farms Estate Strategic Review (April 2010)

Rob Parkhouse, Head of Digital Transformation and Business Support

Electoral Divisions:

Dawlish

Local Government Act 1972: List of Background Papers

None

Who to contact for enquiries:

Dan Meek, NPS South West Ltd, Venture House, One Capital Court, Bittern Road, Sowton Industrial Estate, Exeter, EX2 7FW

Tel No: (01392) 351066

Email: dan.meek@nps.co.uk

THE COUNTY FARMS ESTATE NITRATE VULNERABLE ZONES

Report of the Head of Digital Transformation and Business Support

Please note that the following recommendations are subject to consideration and determination by the Committee before taking effect.

Recommendation(s):

1. That the contents of the report be noted.

1.0 Background

- 1.1 The European Commission Nitrates Directive requires areas of land that drain into waters polluted by nitrates to be designated as Nitrate Vulnerable Zones. The aim of the European Commission is to reduce nitrate pollution to below 50mg/litre.
- 1.2 The Environment Agency reviews the data that supports the designation of Nitrate Vulnerable Zones every four years. The current review takes effect from 1st January 2017. The Regulations which govern the review in England are The Nitrate Pollution Prevention Regulations 2015.

2.0 Nitrate Vulnerable Zones 2017-2020

- 2.1 On 1st December 2016 the Environment Agency published a map of proposed NVZs in England for 2017-2020. Areas have been removed where it is no longer deemed necessary to continue to include them and additional areas have been included where catchments show a nitrate concentration greater than 50mg/l.
- 2.2 Two farms on the Estate have been removed from the area effective from 1st January 2017 (Lower Chitterley Farm (including land at Lower Dorweeke) and half of Endfield Farm, Sandford).
- 2.3 One area of land has been included in a new NVZ area at Kingsbridge. Land at part Combe Royal (farmed with Higher Leigh Farm, Churchstow) has been included in the new zone effective from 1st January 2017. There will be transitional arrangements available to assist with the necessary change in management practices. The land at Combe Royal is being held for long term employment use and is farmed with Higher Leigh Farm which has recently been re-let. The new tenant will not be running a dairy enterprise at the farm and therefore there will be a limited effect on his overall business but he will be required to observe closed periods for spreading and keep records of what nitrogen is spread on the land.
- 2.4 A recent inspection of the land indicates that there are no obvious grounds or evidence to suggest an appeal against the inclusion of the land in the new NVZ would be successful. The new tenant has been made aware of the designation.

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2.5 Importantly for the Estate, the recent change in farming policy for the holding should ensure no additional capital investment is required on the holding to comply with the NVZ regulations.

3.0 Options/Alternatives

3.1 Alternative options have been considered and discounted as they are believed to either be contrary to current Estate policy and/or not in the best financial interests of the Estate.

4.0 Consultations/Representations/Technical Data

4.1 The views and opinions of the Devon Federation of Young Farmers Clubs and the Estate Tenants Association will be presented by the two co-opted members to the committee.

4.2 No other parties have been consulted and no other representations for or against the proposal have been received

4.3 The technical data is believed to be true and accurate.

5.0 Considerations

5.1 The Author is not aware of any financial, sustainability, carbon impact, equality, legal, risk management or public health issues arising from this report

6.0 Summary/Conclusions/Reasons for Recommendations

6.1 The Author has prepared this report in accordance with the findings of the County Farms Estate Strategic Review (April 2010)

Rob Parkhouse, Head of Digital Transformation and Business Support

Electoral Divisions:

All

Local Government Act 1972: List of Background Papers

None

Who to contact for enquiries:

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