

Phil Norrey
Chief Executive

To: The Chair and Members of the
Farms Estate Committee

County Hall
Topsham Road
Exeter
Devon
EX2 4QD

(See below)

Your ref :
Our ref :

Date : 2 February 2018
Please ask for : Wendy Simpson, 01392 384383

Email: wendy.simpson@devon.gov.uk

FARMS ESTATE COMMITTEE

Monday, 12th February, 2018

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

1 Apologies for Absence

2 Minutes

Minutes of the meeting held on 11 December 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.

4 Tenants' Representation

Verbal report of the Head of Digital Transformation and Business Support on the change of the Estate Tenants' representative on the Committee.

MATTERS FOR DECISION

5 Revenue Monitoring (Month 9) 2017/18 (Pages 1 - 4)

Report of the County Treasurer (CT/18/14) on the County Farms Estate Revenue Monitoring Statement (Month 9) 2017/18, attached.

Electoral Divisions(s): All Divisions

6 Capital Monitoring (Month 9) 2017/18 (Pages 5 - 6)

Report of the County Treasurer (CT/18/13) on the County Farms Estate Capital Monitoring (Month 9) 2017/18, attached.

Electoral Divisions(s): All Divisions

7 Management and Restructuring Issues (Pages 7 - 10)

Report of the Head of Digital Transformation and Business Support (BSS/18/01) on County Farms Estate Management and Restructuring Issues, attached.

*Electoral Divisions(s): South Brent & Yealmpton;
South Molton; Torrington Rural*


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

Nil

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.

<p>Membership</p> <p>Councillors C Chugg (Chair), J Brook, J Berry, A Dewhirst, T Inch, C Whitton and J Yabsley</p> <p>Co-opted Members C Latham (Tenants' Representative) and E Quick (Devon Federation of Young Farmers Clubs)</p>
<p>Declaration of Interests</p> <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>
<p>Access to Information</p> <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 and can also be accessed via the Modern.Gov app, available from the usual stores.</p>
<p>Webcasting, Recording or Reporting of Meetings and Proceedings</p> <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 Chair. 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 Chair 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>
<p>Emergencies</p> <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>
<p>Mobile Phones</p> <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>

NOTES FOR VISITORS

All visitors to County Hall, including visitors to the Committee Suite and the Coaver Club conference and meeting rooms are requested to report to Main Reception on arrival. If visitors have any specific requirements or needs they should contact County Hall reception on 01392 382504 beforehand. Further information about how to get here can be found at: <https://new.devon.gov.uk/help/visiting-county-hall/>. Please note that visitor car parking on campus is limited and space cannot be guaranteed. Where possible, we encourage visitors to travel to County Hall by other means.

SatNav – Postcode EX2 4QD

Walking and Cycling Facilities

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Access to County Hall and Public Transport Links

Bus Services K, J, T and S operate from the High Street to County Hall (Topsham Road). To return to the High Street use Services K, J, T and R. Local Services to and from Dawlish, Teignmouth, Newton Abbot, Exmouth, Plymouth and Torbay all stop in Barrack Road which is a 5 minute walk from County Hall. Park and Ride Services operate from Sowton, Marsh Barton and Honiton Road with bus services direct to the High Street.

The nearest mainline railway stations are Exeter Central (5 minutes from the High Street) and St David's and St Thomas's both of which have regular bus services to the High Street. Bus Service H (which runs from St David's Station to the High Street) continues and stops in Wonford Road (at the top of Matford Lane shown on the map) a 2/3 minute walk from County Hall, en route to the RD&E Hospital (approximately a 10 minutes walk from County Hall, through Gras Lawn on Barrack Road).

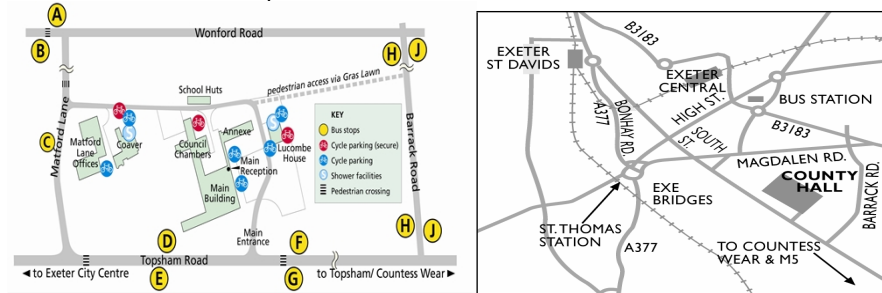
Car Sharing

Carsharing allows people to benefit from the convenience of the car, whilst alleviating the associated problems of congestion and pollution. For more information see: <https://liftshare.com/uk/community/devon>.

Car Parking and Security

There is a pay and display car park, exclusively for the use of visitors, entered via Topsham Road. Current charges are: Up to 30 minutes – free; 1 hour - £1.10; 2 hours - £2.20; 4 hours - £4.40; 8 hours - £7. Please note that County Hall reception staff are not able to provide change for the parking meters.

As indicated above, parking cannot be guaranteed and visitors should allow themselves enough time to find alternative parking if necessary. Public car parking can be found at the Cathedral Quay or Magdalen Road Car Parks (approx. 20 minutes walk). There are two disabled parking bays within the visitor car park. Additional disabled parking bays are available in the staff car park. These can be accessed via the intercom at the entrance barrier to the staff car park.



NB   Denotes bus stops

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First Aid

Contact Main Reception (extension 2504) for a trained first aider.

The County Farms Estate

Revenue Monitoring (Month 9) 2017/18

Report of the County Treasurer

1 Revenue Monitoring (Month 9) 2017/18

- 1.1 The Revenue Budget presented to Corporate Service Scrutiny Committee on 24 January 2017 included a target surplus of £382,000 for the County Farms Estate, in accordance with the targets set by Cabinet at its meeting on 11 January 2017.
- 1.2 Appendix A provides a summary of the annual budget. It also provides details of income and expenditure to date.
- 1.3 As at month 9 there is minimal actual expenditure to report. There has however been further improvement since month 7 of expenditure committed.
- 1.4 The Tenant Right Valuation accruals are beginning to be paid or offset as end of tenancy valuations are settled. Some new Tenant Right Valuation payments have been made in 2017. The net balance reflects an invoice raised for a large reimbursement due from an incoming tenant for a valuation recently settled. There is currently at least a further £44,000 of Tenant Right Valuation liabilities falling due at 25 March 2018 which may need to be funded from the revenue account.
- 1.5 £41,000 worth of unforeseen repair works ordered in 2017 have been paid. In addition, a further £30,000 of unforeseen works have been ordered but not invoiced. Total unforeseen expenditure and commitment at month 9 is therefore £71,000.
- 1.6 £17,000 worth of programmed repair and maintenance works ordered in 2017 have been paid. In addition, a further £150,000 of programmed works have been ordered but not invoiced. Total programmed expenditure and commitment at month 9 is therefore £167,000.
- 1.7 A further £30,000 of programmed works have been tendered and are being value engineered before orders are placed. Further programmed maintenance works are currently out to tender. Expenditure is forecast to be made before financial year end.
- 1.8 Approximately £12,000 worth of testing and inspection works (service term contract budget) were ordered at month 9 but not paid.

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- 1.9 Approximately £2,800 worth of Asbestos removal works were ordered at month 9 but not paid.
- 1.10 Approximately £5,000 worth of Health and Safety works were being tendered at month 9 but had not been ordered.
- 1.11 Approximately £10,000 worth of redundant building works were being tendered at month 9 but had not been ordered.
- 1.12 £8,000 worth of quinquennial property condition surveys have been commissioned where the condition data is now more than five years old.
- 1.13 Approximately £5,000 worth of tree surgery works have been commissioned following recent quinquennial tree inspections.
- 1.14 The Estates contribution to the Devon Federation of Young Farmers Club has not yet been paid.
- 1.15 It is currently anticipated that the forecast level of income and expenditure will be achieved and the target surplus delivered, albeit there may well be some 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.

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

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APPENDIX A

COUNTY FARMS ESTATE - FINANCIAL REPORTS FINANCIAL STATEMENT - (MONTH 9) 2017/18

	AS REPORTED AT 11 DECEMBER COMMITTEE	YEAR TO DATE	ANNUAL TARGET	CURRENT FORECAST
INCOME	£'000	£'000	£'000	£'000
Rent	(495)	(527)	(1,052)	(1,062)
Other	(4)	(34)	(40)	(40)
TOTAL INCOME	(499)	(561)	(1,092)	(1,102)
EXPENDITURE				
STATUTORY COSTS				
Tenant Right Valuation	(35)	(31)	20	20
SUB - TOTAL	(35)	(31)	20	20
PREMISES COSTS				
Building Maintenance - unfrozen	31	41	100	110
Building Maintenance - programmed	0	17	210	214
Building Maintenance - Surveyor	2	2	10	10
Building Maintenance - STC	0	1	20	15
Building Maintenance - other (incl. land agent initiative, redundant building, asbestos and health & safety)	2	4	61	61
Ground Maintenance	0	0	10	10
Rent & other landlord charges	7	7	14	14
Rates, Electricity and Water Charges	1	2	6	4
SUB - TOTAL	43	74	431	438
SUPPLIES & SERVICES				
Insurance	0	0	0	0
Adverts	0	0	2	2
NPS Fees	109	151	230	230
Legal Fees	(2)	(2)	4	4
Professional Fees	(9)	(8)	6	6
Other Fees & Charges (DFYF, SHLAA, GPDO)	0	2	17	20
SUB - TOTAL	98	143	259	262
TOTAL EXPENDITURE	106	186	710	720
NET OPERATIONAL (SURPLUS)	(393)	(375)	(382)	(382)
FARM IMPROVEMENTS inclusive of fees				
Revenue funded Restructuring (BM other)	0	0	0	0
SUB - TOTAL	0	0	0	0
TOTAL COSTS SURPLUS	(393)	(375)	(382)	(382)

The County Farms Estate

Capital Monitoring (Month 9) 2017/18

Report of the County Treasurer

1 **Capital Monitoring (Month 9) 2017/18**

1.1 The Capital programme presented to Corporate Services Scrutiny Committee on 24th January 2017 (and subsequently approved by County Council) included schemes totalling £600,000.

1.2 Added to this was slippage of £1,483,554 taking the total capital scheme for 2017/18 to £2,083,554.

2 **Nitrate Vulnerable Zone Compliance**

2.1 Currently one new concrete box slurry store is planned to be constructed, and one clay lined lagoon is being designed and specified. Both schemes will not start on site until the new financial year.

2.2 The budgeted programme for this area of work currently stands at £1,013,345 with a year end forecast of £421,942 due to anticipated slippage of £540,980 and cost savings on completed schemes of £50,423. It is intended that the cost savings will be redeployed.

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

3.1 Forecast spend currently stands at nil but this excludes any liability that may yet fall due in year or at 25 March 2018. Potential for future compensation payments in year.

4 **Enhancements and Improvements**

4.1 The budgeted programme for this area of work stands at £1,050,209 and it is currently forecast to come in at £585,629, with £374,258 slippage and £90,322 cost savings on completed schemes. It is intended that the cost savings will be redeployed.

5 **Land Acquisitions**

5.1 Currently no potential land purchases have been identified.

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6 **Options/Alternatives**

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

7 **Consultations/Representations/Technical Data**

- 7.1 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.
- 7.2 No other parties have been consulted and no other representations for or against the proposal have been received.
- 7.3 The technical data is believed to be true and accurate.

8 **Considerations**

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

9 **Summary/Conclusions/Reasons for Recommendations**

- 9.1 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 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):

That the Committee approved the recommendations as set out in the opening paragraphs of sections 1, 2 and 3 of this report.

1.0 Churchlands Farm, Ermington

1.1 It is recommended that:

- (a) The Committee approves the reletting of the farmhouse, buildings and 37.19 acres or thereabouts of land at Churchlands Farm, Ermington as an equipped residential mixed livestock holding on the open market to new entrants and on a Farm Business Tenancy commencing 25 March 2019 and expiring 25 March 2026, subject to terms being agreed.

1.2 The Ermington Estate comprises:

Churchlands Farm	15.05 hectares (37.19 acres)
Total	15.04 hectares (37.19 acres)

1.3 At the County Farms Estate Committee meeting of 10 February 2011, members resolved under Minute Ref. FE/68(f) – Churchlands Farm, Ermington:

- (i) that the tenant of Churchlands Farm, Ermington be offered a further 7 year Farm Business Tenancy of the holding for a term commencing 25 March 2012 and terminating 25 March 2019, subject to terms being agreed*
- (ii) the length of tenancy offered is in keeping with current policy for starter holdings, which allows a tenant to stay on a starter farm for a maximum term of 14 years*
- (iii) the tenancy extension is granted so as to reward the tenant for making a capital investment in the holding supported by a sound business plan demonstrating the investment will increase the holding's productivity and related earning capacity'.*

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- 1.4 The Estate Asset Management Plan suggests Churchlands Farm is a holding that should be retained and relet in accordance with the objectives of the Estate Policy and Strategy.
- 1.5 Although the current tenant will have occupied Churchlands Farm for 14 years by 25 March 2019, it is pleasing to be able to report that his long term informed objective of securing a private sector farm tenancy in the local area has come to fruition.
- 1.6 Over the years Churchlands Farm has proved to be an invaluable and very affordable means of entry for many young farmers with limited capital. It has seen many tenants start farming at Churchlands Farm and quickly progress either to a bigger starter farm or onto a progression farm.

2.0 The Rose Ash and Knowestone Estate

2.1 It is recommended that:

- (i) The Committee endorses the acceptance of the tenant's early surrender of East Catkill Farm, Rose Ash effective at 29 September 2018.
- (ii) The Committee approves the reletting of the house, buildings and 188.08 acres or thereabouts of land at East Catkill Farm, Rose Ash as an equipped residential dairy holding on the open market to new entrants and on a Farm Business Tenancy commencing 29 September 2018 and expiring 25 March 2026, subject to terms being agreed.

2.2 The Rose Ash and Knowestone Estate comprises:

East Catkill Farm	76.11 hectares (188.08 acres)
Nutcombe Farm	82.09 hectares (202.67 acres)
Total	158.20 hectares (390.75 acres)

- 2.3 The current tenant of East Catkill Farm has recently indicated that he wants to vacate the holding at 29 September 2018.
- 2.4 East Catkill Farm, Rose Ash comprises a traditional farmhouse, buildings and 76.11 hectares (188.08 acres) or thereabouts of land.
- 2.5 The holding is a well equipped dairy unit and the tenant has invested in an NVZ compliant slurry store suitable for the size of the holding. There is only 146.38 acres of land at East Catkill Farm. The remaining 41.70 acres of land is located approximately 4.5 miles away at Knowestone but this 'away' land is good quality and versatile winter forage production ground crucial to the sustainability of the overall holding.
- 2.6 The Estate Asset Management Plan suggests East Catkill Farm is a holding that should be retained and relet in accordance with the objectives of the Estate Policy and Strategy.

3.0 The High Bickington Estate

3.1 It is recommended that:

(i) The Committee approves advertising locally the 0.27 acres of land to let on a series of fixed term licences until further notice, subject to terms being agreed.

3.2 The High Bickington Estate comprises:

Lower Farm	34.63 hectares (85.26 acres)
Part Little Bickington Farm	0.11 hectares (0.27 acres)
Total	34.74 hectares (85.53 acres)

3.3 The current tenant of Lower Farm has been a good local custodian of an additional 0.27 acres of land, formerly part Little Bickington Farm, retained by the Estate for its future development potential.

3.4 The current tenant has indicated that he will not want this small parcel of additional land in 2018. It is considered important that the land is occupied by someone locally to keep the land clean and tidy and to potentially act as a deterrent to any unauthorised occupation and use.

3.5 Given its small size and close proximity to the new housing development, it is unlikely to be of interest to any local commercial farm tenant. It is therefore proposed to invite expressions of interest and/or licence fee offers from local residents to occupy the land on a formal licence agreement.

4.0 Options/Alternatives

4.1 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.

5.0 Consultations/Representations/Technical Data

5.1 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.

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

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

6.0 Considerations

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

7.0 Summary/Conclusions/Reasons for Recommendations

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

Agenda Item 7

Rob Parkhouse, Report of the Head of Digital Transformation and Business Support

Electoral Divisions:

South Brent & Yealmpton;
South Molton;
Torrington Rural

Local Government Act 1972: List of Background Papers:

None

Who to contact for enquiries:

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