

The County Farms Estate

Revenue Monitoring (Month 7) 2017/18 Report of the County Treasurer

1 Revenue Monitoring (Month 7) 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 7 there is minimal actual expenditure to report. There has however been an improvement since month 5 of expenditure committed ie works ordered.
- 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.
- 1.5 The programme and unforeseen maintenance accruals from the end of 2016/17 have largely been invoiced and paid.
- 1.6 £31,000 worth of unforeseen repair works ordered in 2017 has been paid. In addition, a further £20,000 of unforeseen works have been ordered but not invoiced. Total unforeseen expenditure and commitment at month 7 is therefore £51,000.
- 1.7 £40,000 of programmed repair and maintenance works have been ordered at month 7. A further £50,000 of works have been tendered and are awaiting orders to be processed and a further estimated £20,000 worth of works are currently out to tender. At least a further £100,000 of programmed repairs and maintenance works is currently being designed and specified ready for tender with expenditure forecast to be made before financial year end.
- 1.8 £5,000 worth of testing and inspection works (service term contract budget) were ordered at month 7 but not paid.

- 1.9 It is currently anticipated that the forecast level of income 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

APPENDIX A

COUNTY FARMS ESTATE - FINANCIAL REPORTS
FINANCIAL STATEMENT - (MONTH 7) 2017/18

	AS REPORTED AT		ANNUAL TARGET	CURRENT FORECAST
	18 SEPTEMBER	YEAR TO DATE		
	COMMITTEE			
	£'000	£'000	£'000	£'000
INCOME				
Rent	3	(495)	(1,052)	(1,052)
Other	(24)	(4)	(40)	(40)
TOTAL INCOME	(21)	(499)	(1,092)	(1,092)
EXPENDITURE				
STATUTORY COSTS				
Tenant Right Valuation	(42)	(35)	20	20
SUB - TOTAL	(42)	(35)	20	20
PREMISES COSTS				
Building Maintenance - unforeseen	(64)	31	100	100
Building Maintenance - programmed	68	0	210	210
Building Maintenance - Surveys	2	2	10	10
Building Maintenance - STC	0	0	20	20
Building Maintenance - other (incl. land agents initiatives, redundant buildings, asbestos and health & safety)	1	2	61	61
Grounds Maintenance	0	0	10	10
Rents & other landlord charges	0	7	14	14
Rates, Electricity and Water Charges	1	1	6	6
SUB - TOTAL	8	43	431	431
SUPPLIES & SERVICES				
Insurance	0	0	0	0
Adverts	0	0	2	2
NPS Fees	61	109	230	230
Legal Fees	(2)	(2)	4	4
Professional Fees	(9)	(9)	6	6
Other Fees & Charges (DFYF, SHLAA, GPDO)	0	0	17	17
SUB - TOTAL	50	98	259	259
TOTAL EXPENDITURE	16	106	710	710
NET OPERATIONAL (SURPLUS)	(5)	(393)	(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	(5)	(393)	(382)	(382)