

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.

- 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

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

	AS REPORTED AT	YEAR	ANNUAL	CURRENT
	11 DECEMBER	TO DATE	TARGET	FORECAST
	COMMITTEE			
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
Rater, 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)