

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 : 4 May 2018
Please ask for : Wendy Simpson, 01392 384383

Email: wendy.simpson@devon.gov.uk

FARMS ESTATE COMMITTEE

Tuesday, 15th May, 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 meetings held on 12 February 2018 and 4 April 2018 (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 Revenue Monitoring (Final Outturn) 2017/18 and revenue Monitoring (Month 1) 2018/19 (Pages 1 - 6)

Report of the County Treasurer (CT/18/46), attached.

Electoral Divisions(s): All Divisions

5 Capital Monitoring (Final Outturn) 2017/18 and Capital Monitoring (Month 1) 2018/19 (Pages 7 - 10)

Report of the County Treasurer (CT/18/47), attached.

Electoral Divisions(s): All Divisions

6 Management and Restructuring Issues (Pages 11 - 14)

Report of the head of Digital Transformation and Business Support (BSS/18/03), attached.

Electoral Divisions(s): Torrington Rural

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

7 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

8 Holdings and Tenancies etc. (Pages 15 - 28)

(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)

(a) Report of the Head of Digital Transformation and Business Support (BSS/18/04) on matters relating to the occupation of Perriton Barton Farm, Whimple, attached.


(b) Report of the Head of Digital Transformation and Business Support (BSS/18/05) on requests for landlord's consent to proposed tenant's improvements, attached.

*Electoral Divisions(s): Hatherleigh & Chagford;
Whimple & Blackdown*

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><u>Co-opted Members</u> Mr E Quick (Devon Federation of Young Farmers Clubs) and Mrs L Warner (Tenants' representative)</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

County Hall is a pleasant twenty minute walk from Exeter City Centre. Exeter is also one of six National Cycle demonstration towns and has an excellent network of dedicated cycle routes – a map can be found at: <https://new.devon.gov.uk/travel/cycle/>. Cycle stands are outside County Hall Main Reception and Lucombe House

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

Fire/Emergency Instructions

In the event of a fire or other emergency please note the following instructions. If you discover a fire, immediately inform the nearest member of staff and/or operate the nearest fire alarm. On hearing a fire alarm leave the building by the nearest available exit. The County Hall Stewardesses will help direct you. Do not stop to collect personal belongings and do not use the lifts. Assemble either on the cobbled car parking area adjacent to the administrative buildings or in the car park behind Bellair, as shown on the site map above. Please remain at the assembly point until you receive further instructions. Do not re-enter the building without being told to do so.

First Aid

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

The County Farms Estate

Revenue Monitoring (Final Outturn) 2017/18 and Revenue Budget 2018/19

Report of the County Treasurer

1 Revenue Monitoring (Final Outturn) 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, income and expenditure reported at the 12 February 2018 Committee meeting and the year-end final outturn.
- 1.3 At year end there has been significant expenditure to report compared to the level of actual expenditure incurred at month 9.
- 1.4 Many of the Tenant Right Valuation accruals have been paid or offset as end of tenancy valuations for previous years have been settled. In addition, some significant new Tenant Right Valuation payments have been made or accrued for liabilities falling due before 31 March 2018.
- 1.5 £81,000 worth of unforeseen repair and maintenance ordered in 2017/18 were either paid or accrued for works substantially complete at year end.
- 1.6 £228,000 worth of programmed repair and maintenance ordered in 2017/18 were either paid or accrued for works substantially complete at year end.
- 1.7 NPS fees include the Land Agents management fees together with costs incurred organising and running the two Farmwise events, procuring all repairs, maintenance, servicing and testing works, and all property condition survey reports.
- 1.8 The final outturn provides a net surplus of £394,000 compared to the target surplus of £382,000.

Agenda Item 4

2 **Revenue Budget 2018/19**

- 2.1 The Revenue Budget presented to Corporate Service Scrutiny Committee on 31 January 2018 included a target surplus of £414,000 for the County Farms Estate, in accordance with targets set by Cabinet at its meeting on 10 January 2018.
- 2.2 Appendix B provides a summary of the annual budget. This targets an increased surplus of £32,000 on that budgeted for in the previous year.
- 2.3 There are no figures available for income and expenditure this early in the financial year.

3 **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 **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 **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 **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).

Agenda Item 4

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

Agenda Item 4

APPENDIX A

COUNTY FARMS ESTATE - FINANCIAL REPORTS FINANCIAL STATEMENT - FINAL OUTTURN 2017/18

<u>INCOME</u>	ANNUAL TARGET	YEAR END OUTTURN	2016/17 OUTTURN	2015/16 OUTTURN	2014/15 OUTTURN
	£'000	£'000	£'000	£'000	£'000
Rent	(1,052)	(1,055)	(1,094)	(991)	(998)
Other	(40)	(43)	(34)	(16)	(63)
TOTAL INCOME	(1,092)	(1,098)	(1,128)	(1,007)	(1,061)
<u>EXPENDITURE</u>					
<u>STATUTORY COSTS</u>					
Tenant Right Valuation	20	114	102	55	33
SUB - TOTAL	20	114	102	55	33
<u>PREMISES COSTS</u>					
Building Maintenance - unforeseen	100	81	145	115	140
Building Maintenance - programmed	210	228	190	126	153
Building Maintenance - Surveys	10	2	1	0	4
Building Maintenance - STC	20	7	12	17	8
Building Maintenance - other (incl. land agents initiatives, redundant buildings, asbestos and health & safety)	61	7	8	18	43
Grounds Maintenance	10	2	7	11	7
Rents & other landlord charges	14	14	14	14	14
Rates, Electricity and Water Charges	6	3	0	8	9
SUB - TOTAL	431	344	377	309	378
<u>SUPPLIES & SERVICES</u>					
Insurance	0	0	0	0	43
Adverts	2	3	4	3	2
NPS Fees	230	235	235	258	255
Legal Fees	4	(1)	1	8	0
Professional Fees	6	7	(1)	8	25
Other Fees & Charges (DFYF, SHLAA, GPDO)	17	2	21	41	41
SUB - TOTAL	259	246	260	318	366
TOTAL EXPENDITURE	710	704	739	682	777
Revenue Funded Restructuring	0	0	0	0	10
NET OPERATIONAL (SURPLUS)/DEFICIT	(382)	(394)	(389)	(325)	(274)

COUNTY FARMS ESTATE - FINANCIAL REPORTS FINANCIAL STATEMENT - BUDGET 2018/19

<u>INCOME</u>	ANNUAL TARGET
	£'000
Rent	(1,074)
Other	(40)
TOTAL INCOME	<u>(1,114)</u>
<u>EXPENDITURE</u>	
<u>STATUTORY COSTS</u>	
Tenant Right Valuation	<u>20</u>
SUB - TOTAL	<u>20</u>
<u>PREMISES COSTS</u>	
Building Maintenance - unforeseen	100
Building Maintenance - programmed	210
Building Maintenance - Surveys	10
Building Maintenance - STC	20
Building Maintenance - other (incl. land agents initiatives, redundant buildings, asbestos and health & safety)	61
Grounds Maintenance	10
Rents & other landlord charges	14
Rates, Electricity and Water Charges	6
SUB - TOTAL	<u>431</u>
<u>SUPPLIES & SERVICES</u>	
Insurance	0
Adverts	2
NPS Fees	230
Legal Fees	4
Professional Fees	6
Other Fees & Charges (DFYF, SHLAA, GPDO)	7
SUB - TOTAL	<u>249</u>
TOTAL EXPENDITURE	<u>700</u>
NET OPERATIONAL (SURPLUS)	(414)
FARM IMPROVEMENTS inclusive of fees	
Revenue funded Restructuring (BM other)	0
SUB - TOTAL	<u>0</u>
TOTAL COSTS SURPLUS	(414)

The County Farms Estate

Capital Monitoring (Final Outturn) 2017/18 and Capital Budget 2018/19

Report of the County Treasurer

1 Capital Monitoring (Final Outturn) 2017/18

- 1.1 The capital programme for county farms for 2017/18 totalled £2,083,554.
- 1.2 The month 9 monitoring position forecasted spend of £1,007,571 was reported to the Farms Estate Committee at its meeting of 12 February 2018 (CT/18/13 refers).
- 1.3 Total actual incurred on the overall programme of works in 2017/18 amounted to £778,599. Of this, £398,685 was spent on new slurry storage facilities and £379,914 was spent on farmhouse renovation and improvement works.
- 1.4 There were a number of schemes completed in 2017/18 with some over or under spend due to variations between estimates and actuals, or minor contract variances post scheme approval. These were largely self-balancing and as such required no further action.
- 1.5 Scheme slippage to 2018/19 stood at £1,068,360, including £560,929 in respect of Nitrate Vulnerable Zone compliant schemes and £507,431 on a number of farmhouse renovation and improvement schemes, some of which required planning consent and/or building control approval.
- 1.6 In addition, at year-end £236,595 of savings on individual schemes are available for reallocation in 2018/19.

2 Capital Budget 2018/19

- 2.1 The Capital programme presented to Corporate Services Scrutiny Committee on 31 January 2018 (and subsequently approved by County Council) included schemes totalling £600,000.
- 2.2 Added to this is slippage of £1,068,360 and the unallocated savings of £236,595 taking the total capital scheme for 2018/19 to £1,904,955

Agenda Item 5

3. Nitrate Vulnerable Zone Compliance

- 3.1 Currently one new concrete box slurry store has a budget provision, and one clay lined lagoon has been designed, specified and tendered but planning consent remains pending.
- 3.2 Budgeted spend stands at £560,929 on NVZ compliant schemes for 2018/19.

4 Compensation Payments (Tenants Improvements, etc..)

- 4.1 Forecast spend currently stands at nil but this excludes any liability that may fall due in year or at 25 March 2019. Potential for future compensation payments in year.

5 Enhancements and Improvements

- 5.1 Budgeted spend currently stands at £1,344,952 in total but the 2018/19 detailed capital programme of works has not yet been finalised.

6 Land Acquisitions

- 6.1 Currently no potential land purchases have been identified.

7 Options/Alternatives

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

8 Consultations/Representations/Technical Data

- 8.1 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.
- 8.2 No other parties have been consulted and no other representations for or against the proposal have been received.
- 8.3 The technical data is believed to be true and accurate.

9 Considerations

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

10 Summary/Conclusions/Reasons for Recommendations

- 10.1 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 paragraph of section 1 of this report.

1.0 Furze Cottages Farm, Ashreigney

1.1 It is recommended that:

- (a) The committee grant the existing tenant of Furze Cottages Farm, Ashreigney a six month and final Farm Business Tenancy of the holding commencing 29 September 2018 and expiring 25 March 2019, subject to terms being agreed. Such terms to include:
 - (i) the Farm Business Tenancy being in accordance with the County Council's standard format.
 - (ii) the rent for the holding being set at its open market value, as defined in the Agricultural Tenancies Act 1995.
- (b) That in due course Furze Cottages Farm, Ashreigney be advertised to let on the open market on a seven year Farm Business Tenancy commencing 25 March 2019 and terminating 25 March 2026, subject to terms being agreed.

1.2 The Ashreigney Estate comprises:

Furze Cottages Farm	42.62 hectares (105.32 acres)
Furze Barton Farm	84.82 hectares (209.59 acres)
Firsdon Farm	1.78 hectares (4.40 acres)
Total	129.22 hectares (319.31 acres)

1.3 At the County Farms Estate Committee meeting of 28 April 2016, members resolved under Minute Ref. FE/6 – Actions taken under delegated powers:

The committee noted the actions taken by the Chairman of the Cabinet and the Head of Business Strategy and Support in accordance with Part 3 of the County Council's Constitution.

Agenda Item 6

1.4 The Agenda for the County Farms Estate Committee meeting recorded the delegated action referred to in 1.3 above as:

- (i) *'That the tenants surrender of his Agricultural Holdings Act 1986 retirement tenancy of Furze Cottages Farm, Ashreigney, effective at 25 March 2016, be accepted by the landlord, and the tenant be simultaneously re-granted a Farm Business Tenancy of Furze Cottages Farm for a term commencing 25 March 2016 and terminating 29 September 2018, subject to terms being agreed.*
- (ii) *'That in due course Furze Cottages Farm, Ashreigney be advertised to let on the open market on a seven and a half year Farm Business Tenancy commencing 29 September 2018 and terminating 25 March 2026, subject to terms being agreed.'*

1.5 The current tenant has asked whether or not he may be allowed to continue occupying the holding for a further 12 months, subject to terms being agreed. His reason being that he has not yet been able to provide his own residential accommodation for his pending retirement.

1.6 Members will note it is the Estates intention to relet Furze Cottages on the open market to a new entrant once the current tenant has vacated. It is arguably more cost effective and a more efficient and easier start for a new entrant to take over a farm and start farming in the spring, as opposed to making the same start in the Autumn. From the Estates point of view therefore, it would make logical sense to allow the current tenant to continue farming the holding, under a new lease, for a further term of six months. There is no compelling argument or rationale for allowing the current tenant to continue occupying the holding for a further year.

1.7 For the avoidance of doubt this request for an extension of tenancy is not considered to be in accordance with the policy contained within Appendix (v) of the Estates Strategic Review report thus the protocol adopted under minute Ref FE/75 on 17 May 2011 has not been implemented.

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.

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:

Torrington Rural

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

By virtue of paragraph(s) 1, 2, 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 1, 2, 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

