

The County Farms Estate

Capital Monitoring (Provisional Outturn) 2015/16 & Capital Programme 2016/17

Report of the County Treasurer

1 Introduction

- 1.1.1 The capital programme for county farms for 2015/16 totals £2,074,000.
- 1.1.2 Provisional Outturn stands at £1,284,000, a little less than previously forecast due to additional slippage on some schemes, with expenditure arising after 31st March.
- 1.1.3 Scheme slippage to 2016/17 stands at £771,000, including £424,000 in respect of two Nitrate Vulnerable Zone compliant schemes for which tenders have been let and works are already contracted for the Spring (as previously reported).
- 1.1.4 After allowing for slippage there is a net underspend of £19,000.
- 1.1.5 This relates to agreement reached with a tenant for compensation payment to be retained in lieu of rental income owed by that tenant, resulting in an underspend against the Capital Programme and a corresponding loss of income to the Revenue budget (see CT/16/46, section 1.5),
- 1.1.6 There are a number of other schemes now complete in 2015/16 with a forecast over or under spend due to variations between estimates and actuals, or minor contract variances post scheme approval. These are largely self-balancing and as such require no further action.

1.2 Nitrate Vulnerable Zone Compliance

- 1.2.1 Currently seven new slurry stores are planned to be constructed, three concrete boxes and four tin tanks.
- 1.2.2 This includes two slurry store schemes that have been competitively tendered and contracts awarded / due to be awarded shortly, but with the works to be deferred until next spring. The contractors having agreed to hold their prices.

1.2.3 Final spend stands at £783,000 on NVZ compliance schemes for 2015/16, a little higher than previously forecast.

1.2.4 Scheme slippage to 2016/17 stands at £491,000 in total.

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

1.3.1 Final spend stands at £18,000 on end of tenancy compensation liabilities that fell due at 25 March 2015, less than previously forecast for the reasons set out in 1.1.5 above.

1.3.2 Scheme slippage to 2016/17 stands at £20,000 in total.

1.4 **Enhancements and Improvements**

1.4.1 Final spend stands at £483,000 on capitalised maintenance or improvement schemes, a reduction on previous forecasts with some expenditure incurred after 31st March.

1.4.2 A significant proportion of these schemes focus on either maintaining listed property or improving the quality of the farmhouses.

1.4.3 Scheme slippage to 2016/17 stands at £260,000 in total, with a significant proportion of this spent in April.

1.5 **Land Acquisitions**

1.5.1 Currently no capital is available to purchase land.

2 **2016/17 Capital Programme**

2.1 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.

2.2 The programme includes £271,000 for existing Nitrate Vulnerable Zone compliance schemes, and £900,000 in respect of additional scheme priorities.

2.3 The remaining £500,000 relates to additional scheme priorities for Devon Homes Standards, Energy Act and other associated infrastructure projects.

3 **Options/Alternatives**

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

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 Councils capital funding procedures and guidelines.

Mary Davis – County Treasurer

Electoral Divisions: ALL

Local Government Act 1972: List of Background Papers

None

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