

The County Farms Estate

Revenue Monitoring (Month 10) 2018/19

Report of the County Treasurer

1 Revenue Monitoring (Month 10) 2018/19

- 1.1 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 the targets set by Cabinet at its meeting on 10 January 2018.
- 1.2 Appendix A provides a summary of the annual budget. It also provides details of income and expenditure to date.
- 1.3 £577,000 of the predicted £1,125,000 income was collected in arrears at the end of month 10 with the majority of the balance to be collected at the end of month 12.
- 1.4 Two large Tenant Right Valuation accruals and a number of smaller accruals have been released reducing the accrued liability from 2017/18 to £43,000. There are three large TRV liabilities falling due at 25 March 2019 which will require the balance of the TRV budget thus the projected outturn is £20,000.
- 1.5 The revenue funded unforeseen maintenance budget has been set at £100,000. £60,000 worth of unforeseen repair works have been ordered and paid in 2018/19. In addition, a further £10,000 of unforeseen works have been ordered but not invoiced. Total unforeseen expenditure and commitment at month 10 is therefore £70,000.
- 1.6 The revenue funded maintenance programme has been set at £210,000. £89,000 worth of programmed repair works have been ordered and paid in 2018/19 with invoices for a further £26,000 of liabilities accrued in and charged to the 2017/18 accounts still expected. In addition, £124,000 of programme works have been ordered but not invoiced in 2018/19. Total programme expenditure and commitment at month 10 is therefore still forecast to come in on budget.
- 1.7 The revenue funded building maintenance other programme has been set at £61,000. Expenditure to date is only £3,000 with a further £4,000 of works ordered. The year-end forecast has been reduced to £44,000 based on a programme of further proposed redundant building, health and safety or asbestos removal works currently out to tender.

- 1.8 Approximately £14,000 worth of testing and inspection works (service term contract budget) have been paid at month 10 and a further £3,000 worth of works ordered.
- 1.9 A programme of quinquennial condition surveys will be complete by year end committing the £10,000 Building Maintenance Surveys budget.
- 1.10 Information is awaited from the County Councils Arboriculturalist on tree surgery works that may be required by year end following the recent tree inspections. The budget provision of £10,000 is retained for potential works.
- 1.11 The NPS fees include the management of the Estate, co-ordinating and running Farmwise at the County Show and the October event, Co-ordinating the Tenants Training Academy, procuring all programme and unforeseen maintenance, service term contracts, asbestos, health and safety and redundant building works.
- 1.12 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 individual income and 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 10) 2018/19

	YEAR TO DATE EXPENDITURE	ANNUAL TARGET	MONTH 7 FORECAST	CURRENT FORECAST
INCOME	£'000	£'000	£'000	£'000
Rent	(544)	(1,074)	(1,062)	(1,085)
Other	(33)	(40)	(40)	(40)
TOTAL INCOME	(577)	(1,114)	(1,102)	(1,125)
EXPENDITURE				
STATUTORY COSTS				
Tenant Right Valuation	(43)	20	20	20
SUB - TOTAL	(43)	20	20	20
PREMISES COSTS				
Building Maintenance - Unforseen	60	100	100	100
Building Maintenance - Programmed	63	210	210	210
Building Maintenance - Surveys	0	10	10	10
Building Maintenance - STC	14	20	20	20
Building Maintenance - Other (incl. Land Agents Initiatives, Redundant Buildings, Asbestos and Health & Safety)	3	61	44	44
Grounds Maintenance	0	10	10	10
Rents & Other Landlord Charges	7	14	14	14
Rates, Electricity and Water Charges	4	6	6	6
SUB - TOTAL	151	431	414	414
SUPPLIES & SERVICES				
Insurance	0	0	0	0
Adverts	6	2	7	7
NPS Fees	205	230	230	253
Legal Fees	0	4	4	4
Professional Fees	(10)	6	6	6
Other Fees & Charges (DFYF, SHLAA, GPDO)	1	7	7	7
SUB - TOTAL	202	249	254	277
TOTAL EXPENDITURE	310	700	688	711
NET OPERATIONAL (SURPLUS)	(267)	(414)	(414)	(414)
FARM IMPROVEMENTS inclusive of fees				
Revenue funded Restructuring (BM other)	0	0	0	0
SUB - TOTAL	0	0	0	0
TOTAL COSTS SURPLUS	(267)	(414)	(414)	(414)