

The County Farms Estate

Revenue Monitoring (Month 7) 2020/21

Report of the County Treasurer

1 Revenue Monitoring for the period 1 April 2020 to 31 October 2020

- 1.1 The Revenue Budget presented to Corporate Infrastructure and Regulatory Services Scrutiny Committee on 28 January 2020 and approved at County Council on 20 February 2020 included a target surplus of £464,000 for the County Farms Estate.
- 1.2 Appendix B provides details of income and expenditure to date.
- 1.3 As at month 7 the total net expenditure shown in the summary accounts amounts to just £49,266. However, this figure is generated after outstanding prior year accruals of £81,980. In year expenditure is therefore £131,246.
- 1.4 Almost half the income (£548,931) has been invoiced so far this year. The majority of the remainder will be invoiced at the end of month 12. Year-end forecast outturn income is slightly down on target.
- 1.5 Three Tenant Right Valuation accruals are still not yet capable of being released as the end of tenancy valuations are not concluded.
- 1.6 £17,152 worth of unforeseen repair works has been ordered and paid in 2020/21. In addition, a further £8,856 of unforeseen works has been ordered but not invoiced. Total unforeseen maintenance expenditure and commitment at month 7 is therefore £26,008. The year-end forecast is likely to be reduced to £60,000 to fund some of the additional programme work already committed and being committed.
- 1.7 The revenue funded maintenance programme has been set with both the budget and forecast of £210,000 fully allocated to proposed works based on initial cost estimates provided for each scheme. £11,583 worth of programmed works has been ordered and paid in 2020/21. A further £219,777 worth of works had been ordered at month 7 but not yet completed. Total programmed maintenance expenditure and commitment at month 7 is therefore £231,360. Year-end forecast spend may reach £300,000.
- 1.8 At month 7 £1,788 worth of works to redundant buildings, asbestos removal and health and safety improvements had been ordered and

paid in 2020/21. Further work is currently being procured. The year-end forecast is likely to be reduced to £11,000 to fund some of the additional programme work already committed and being committed.

- 1.9 Approximately £2,127 worth of testing and inspection works (service term contracts for private water supplies, boilers, fixed wiring systems, sewage treatment plants, radon fans etc) had been paid at month 7 and a further £12,540 worth of works ordered. Year-end forecast spend is likely to be in the region of £15,000.
- 1.10 The programmed tree surveys have been carried out and all or any recommended tree surgery work has now been ordered. It is anticipated the ground maintenance budget will be fully committed.
- 1.11 10 quinquennial farm condition surveys have been commissioned. It is anticipated the building maintenance surveys budget will be fully committed.
- 1.12 It is currently anticipated that the forecast year-end level of income and expenditure will be achieved, and the target surplus delivered, albeit there may be some fluctuations within 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 7) 2020-21

| <u>INCOME</u> | * YEAR | ANNUAL | MONTH 5 | CURRENT |
|---|----------------|----------------|-----------------|-----------------|
| | TO DATE | TARGET | FORECAST | FORECAST |
| | £'000 | £'000 | £'000 | £'000 |
| Rent | (549) | (1,124) | (1,124) | (1,110) |
| Other | (19) | (40) | (40) | (40) |
| TOTAL INCOME | (568) | (1,164) | (1,164) | (1,150) |
| <u>EXPENDITURE</u> | | | | |
| <u>STATUTORY COSTS</u> | | | | |
| Tenant Right Valuation | (28) | 20 | 20 | 20 |
| SUB - TOTAL | (28) | 20 | 20 | 20 |
| <u>PREMISES COSTS</u> | | | | |
| Building Maintenance - Unforeseen | 16 | 100 | 100 | 60 |
| Building Maintenance - Programmed | 1 | 210 | 210 | 300 |
| Building Maintenance - Surveys | 0 | 10 | 10 | 10 |
| Building Maintenance - STC | 2 | 20 | 20 | 15 |
| Building Maintenance - Other (incl. Land Agents Initiatives, Redundant Buildings, Asbestos and Health and Safety) | (34) | 61 | 61 | 11 |
| Grounds Maintenance | 0 | 10 | 10 | 10 |
| Rents and Other Landlord Charges | 6 | 14 | 14 | 11 |
| Rates, Electricity and Water Charges | 5 | 6 | 6 | 8 |
| SUB - TOTAL | (4) | 431 | 431 | 425 |
| <u>SUPPLIES & SERVICES</u> | | | | |
| Insurance | 0 | 0 | 0 | 0 |
| Adverts | 0 | 2 | 2 | 2 |
| NPS Fees | 83 | 230 | 230 | 224 |
| Legal Fees | 0 | 4 | 4 | 4 |
| Professional Fees | (2) | 6 | 6 | 6 |
| Other Fees and Charges (DFYF, SHLAA, GPDO) | 0 | 7 | 7 | 5 |
| SUB - TOTAL | 81 | 249 | 249 | 241 |
| TOTAL EXPENDITURE | 49 | 700 | 700 | 686 |
| NET OPERATIONAL (SURPLUS) | (519) | (464) | (464) | (464) |
| Revenue funded Restructuring (BM other) | 0 | 0 | 0 | 0 |
| SUB - TOTAL | 0 | 0 | 0 | 0 |

* includes accruals from previous year