

The County Farms Estate

Revenue Monitoring (month 7) 2022/23

Report of the Director of Finance and Public Value

Please note that the following recommendations are subject to consideration and determination by the Committee before taking effect.

Recommendation: that the Committee endorse the report

Revenue Monitoring for the period 1 April 2022 to 31 October 2022.

- 1.1 The Revenue Budget presented to Corporate Infrastructure and Regulatory Services Scrutiny Committee on 24 January 2022 and approved at County Council on 17 February 2022 included a target surplus of £534,000 for the County Farms Estate. This is an increase of £70,000 on the previous year's target.
- 1.2 Appendix A provides details of income and expenditure to date.
- 1.3 Just over 50% of the annual income has been invoiced to date. The majority of the balance to be invoiced at the end of month 12. Forecasts indicate that income is expected to be approximately £41,000 higher than budget.
- 1.4 Some TRV accruals have been released but £48,538 of Tenant Right Valuation accruals are still not capable of being released as the 25 March 2022 end of tenancy valuations are not concluded. With the further changes of tenancy due at 25 March 2023 it is anticipated that this year's £21,000 budget will be over committed and a revised year end forecast of £58,000 is now anticipated.
- 1.5 £21,638 worth of unforeseen repair works has been ordered and paid in 2022/23. In addition, a further £24,635 of unforeseen works has been ordered but not invoiced. Total unforeseen maintenance expenditure and commitment at month 7 is therefore £46,273. The year-end forecast remains £103,000, as per budget.
- 1.6 The revenue funded maintenance programme is showing accruals of £27,541 at month 7. Contractors are still being pressed to present invoices to clear these remaining accruals as quickly as possible. There has been an in year spend of £23,602 leaving a net balance year to date figure of £3,939. The year-end forecast for the revenue funded maintenance programme remains £216,000. More than adequate,

priority programmed maintenance work has been identified to spend the entire budget in year.

- 1.7 There has been some additional spend against the redundant buildings, asbestos removal and health and safety improvements works budget since month 5. There are still accruals of £4,080. Contractors are being pressed to present invoices to clear these accruals as quickly as possible. There has been an in year spend of £7,491 leaving a net balance year to date figure of £3,411. The year-end forecast remains £63,000, as per budget.
- 1.8 Spend on testing and inspection works (service term contracts for private water supplies, boilers, fixed wiring systems, sewage treatment plants, radon fans etc) is showing accruals of £1,368. There has been in year spend of £4,305 at month 7 leaving a net balance year to date figure of £2,937. The year-end forecast remains £21,000, as per budget.
- 1.9 The programmed tree survey work has a budget of £13,000 with the expectation that this will be fully spent by year end. Annual tree surveys are now being carried out for the whole Estate and more Ash Die Back is being found. The remedial works have commenced and so far £4,222 has been spent on surveys and remedial works.
- 1.10 It is anticipated the building maintenance survey budget of £10,000 will be fully committed. Many surveys have now been carried out but not yet invoiced.
- 1.11 On the understanding the revenue funded repair and maintenance programme will be carried out as per year end forecast, the South West Norse (NPS) fees are expected to be as per the year end forecast of £236,000.
- 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 have been received
- 3.3 The technical data is believed to be true and accurate.
- 4. Financial Considerations
  - 4.1 The Author is not aware of any financial issues arising from this report.
- 5. Legal Considerations
  - 5.1 The Author is not aware of any legal issues arising from this report.
- 6. Environmental Impact Considerations (Including Climate Change)
  - 6.1 The Author is not aware of any environmental impact (including climate change) issues arising from this report.
- 7. Equality Considerations
  - 7.1 The Author is not aware of any equality issues arising from this report.
- 8. Risk Management Considerations
  - 8.1 The Author is not aware of any obvious risks to manage.
- 9. Public Health Impact
  - 9.1 The Author is not aware of any public health impact.
- 10. Summary/Conclusions/Reasons for Recommendations
  - 10.1 The Author has prepared this report in accordance with the findings of the County Farms Estate Strategic Review (April 2010).

Name

Angie Sinclair– Director of Finance and Public Value

Electoral Divisions: All

Local Government Act 1972: List of Background Papers

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Background Paper	Date	File Reference
Nil		

The above mentioned Reports are published on the Council's Website at:  
<http://democracy.devon.gov.uk/ieDocHome.aspx?bcr=1>

**COUNTY FARMS ESTATE - FINANCIAL REPORTS**  
**FINANCIAL STATEMENT - (MONTH 7) 2022-23**

<u>INCOME</u>	YEAR TO DATE £'000	ANNUAL TARGET £'000	CURRENT FORECAST £'000
Rent	(633)	(1,213)	(1,254)
Other	(30)	(40)	(40)
TOTAL INCOME	<u>(663)</u>	<u>(1,253)</u>	<u>(1,294)</u>
<u>EXPENDITURE</u>			
<b><u>STATUTORY COSTS</u></b>			
Tenant Right Valuation	(49)	21	58
SUB - TOTAL	<u>(49)</u>	<u>21</u>	<u>58</u>
<b><u>PREMISES COSTS</u></b>			
Building Maintenance - unforeseen	22	103	103
Building Maintenance - programmed	(4)	216	216
Building Maintenance - Surveys	0	10	10
Building Maintenance - STC	3	21	21
Building Maintenance - other (incl. land agents initiatives, redundant buildings, asbestos and health & safety)	3	63	63
Grounds Maintenance	4	13	13
Rents & other landlord charges	1	11	11
Rates, Electricity and Water Charges	7	6	10
SUB - TOTAL	<u>36</u>	<u>443</u>	<u>447</u>
<b><u>SUPPLIES &amp; SERVICES</u></b>			
Insurance	0	0	0
Adverts	0	2	2
NPS Fees	118	236	236
Legal Fees	0	4	4
Professional Fees	(8)	6	6
Other Fees & Charges (DFYF, SHLAA, GPDO)	0	7	7
SUB - TOTAL	<u>110</u>	<u>255</u>	<u>255</u>
<b>TOTAL EXPENDITURE</b>	<u><b>97</b></u>	<u><b>719</b></u>	<u><b>760</b></u>
<b>NET OPERATIONAL (SURPLUS)</b>	<b>(566)</b>	<b>(534)</b>	<b>(534)</b>
<b>FARM IMPROVEMENTS inclusive of fees</b>			
Revenue funded Restructuring (BM other)	0	0	0
SUB - TOTAL	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL COSTS SURPLUS</b>	<b>(566)</b>	<b>(534)</b>	<b>(534)</b>