

The County Farms Estate Capital Monitoring (Final Outturn) 2023/24 and Capital (Budget) 2024/25

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.

1) Recommendation

That the Committee endorses this report.

2) Background / Introduction

- 2.1 Each year the County Farms Estate generates significant capital receipts from the sale of surplus assets associated with an approved restructuring or rationalisation programme and through the sale of high value development opportunities.
- 2.2 The Estate bids for Capital for essential inward investment to maintain and improve critical infrastructure. Capital is bid for in competition with other front-line services.
- 2.3 The following table shows the current five-year capital allocation for the County Farms Estate. Existing budget has been reprofiled as part of the 2024/25 Medium Term Capital Programme budget setting.

Year	2023/24	2024/25	2025/26	2026/27	2027/28	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Current Capital	750	900	450	0	0	2100

3) Capital Monitoring for the period 1 April 2023 to 31 March 2024 (Final Outturn).

- 3.1 The Capital budget presented to Corporate Infrastructure and Regulatory Services Scrutiny Committee on 30 January 2023 and approved at County Council on 16 February 2023 included schemes totalling £750,000.
- 3.2 There was an 'underspend' of £31,018 in 2022/23 and an in-year receipt of £120,000 thus the balance of capital available to spend in 2023/24 amounts to £901,017.

- 3.3 Total spend in 2023/24 amounted to £701,949 resulting in an underspend against the budget provision of £199,068. This underspend will be carried forward to the 2024/25 budget.
- 3.4 There were a number of schemes completed in 2023/24 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.

4) Nitrate Vulnerable Zone Compliance

- 4.1 No new slurry store schemes were progressed this financial year.

5) Enhancements and Improvements

- 5.1 The 2023/24 programme consisted of:
- (a) Retention money was released for 12 projects that were completed in previous years.
 - (b) 2 new whole house refurbishment project were completed in year.
 - (c) 1 whole house refurbishment project was designed and tendered ready for a construction start date as close to the start of the new financial year as possible.
 - (d) 3 farmhouses are receiving further improvement works to address issues not fully resolved through earlier intervention.
 - (e) 4 sewage treatment plants have been installed by year end with a further 2 specified and tendered ready to install in the new financial year.
 - (f) Design and feasibility work was undertaken for a jointly funded methane harvesting slurry store cover in partnership with a third-party contractor.
 - (g) 1 farm water supply network replacement scheme was designed and tendered in year.

6) Compensation Payments (Tenants Improvements, etc.)

- 6.1 1 farm end of tenancy compensation was made from the capital budget in 2023/24. The majority of end of tenancy compensation payments due to outgoing tenants were contained within the revenue budget.

7) Land Acquisitions

- 7.1 One acquisition of 18.21 acres of land at High Bickington has now completed and the land has been let to a nearby Estate tenant.

8) Capital Receipts Generated in year

- 8.1 At the County Farms Estate Committee meeting of 26 September 2022, members requested an update at all future meetings of all capital receipts completed in year to date.

8.2 The table below schedules all County Farms Estate disposals that have completed in year to date and will contribute towards the Corporate Capital Programme.

Asset Sold	Acreage Sold	Capital Receipt (net of costs)	Date of completion
Field at Lower Northchurch Farm, Yarnscombe	3.93	£ 69,051	21 June 2023

9) Capital Budget 2024/25

9.1 The Capital budget presented to Corporate Infrastructure and Regulatory Services Scrutiny Committee on 25 January 2024 and approved at County Council on 15 February 2024 included schemes totalling £900,000.

9.2 There was an 'underspend' of £199,068 in 2023/24 thus the balance of capital available to spend in 2024/25 amounts to £1,099,068.

10) Options / Alternatives

10.1 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.

11) Consultations / Representations / Technical Data

11.1 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.

11.2 No other parties have been consulted and no other representations have been received.

11.3 The technical data is believed to be true and accurate.

12) Strategic Plan

12.1 This report has no specific direct alignment with the Council's Strategic Plan 2021 – 2025 - <https://www.devon.gov.uk/strategic-plan>

13) Financial Considerations

13.1 The Author is not aware of any financial issues arising from this report.

14) Legal Considerations

14.1 The Author is not aware of any legal issues arising from this report.

15) Environmental Impact Considerations (Including Climate Change, Sustainability and Socio-economic)

15.1 The Author is not aware of any environmental impact (including climate change) issues arising from this report.

16) Equality Considerations

16.1 The Author is not aware of any equality issues arising from this report.

17) Risk Management Considerations

17.1 No risks have been identified.

18) Summary / Conclusions / Reasons for Recommendations

18.1 The Author has prepared this report in accordance with the findings of the County Farms Estate Strategic Review (April 2010).

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Electoral Divisions: All

Local Government Act 1972: List of background papers

Background Paper
Date
File Reference

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