

The County Farms Estate Capital Monitoring (month 9) 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. The existing budget was reprofiled as part of the 2024/25 Medium Term Capital Programme budget setting.

Year	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Current Capital	900	450	0	0	0	1350

3) Capital Monitoring for the period 1 April 2024 to 31 December 2024 (month 9).

- 3.1 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.
- 3.2 There was an 'underspend' of £199,068 in 2023/24. In addition, a further £39,426 is available to carry out improvements to increase the capital value of acquired land. The balance of capital available to spend in 2024/25 amounts to £1,138,494.

- 3.3 As at month 9 £408,510 has been spent on farmhouse improvement works. A further £163,295 is already committed and should be spent by year end. Other works are currently being designed and specified and it is currently forecast that £794,636 will be spent on farmhouse improvement works by year end.
- 3.4 A further £11,596 has been spent on the methane harvesting feasibility project.
- 3.5 The total forecast spend at year end is thus £806,232 creating a shortfall of £332,262 against a budget of £1,138,494. It is proposed that the shortfall be carried forward to next financial year subject to formal approval.

4) Nitrate Vulnerable Zone Compliance

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

5) Enhancements and Improvements

- 5.1 The 2024/25 programme consists of:
- (a) 10 projects that were started in previous years which are now in defect periods.
 - (b) 2 projects started last financial year which are still being delivered on site.
 - (c) 2 new whole house refurbishment schemes have started on site this financial year.
 - (d) 3 further farmhouse improvement schemes are planned for this financial year.
 - (e) 1 new silage clamp is being designed to replace a failed landlords clamp.
 - (f) 1 improvement scheme to recently acquired land is being considered.
- 5.2 Actual spend at month 9 is now £408,510 with a further £163,295 committed (orders placed) to date. A total of £794,636 is forecast to be spent by year end.

6) Compensation Payments (Tenants Improvements, etc.)

- 6.1 It is currently anticipated that the majority, if not all, end of tenancy compensation liabilities that may arise at 25 March 2025 can be financed by the revenue budget.

7) Land Acquisitions

- 7.1 No land purchases are currently being considered.

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
Part Middle Winsham Farm, Braunton (bare land)	1.54	£30,000	17 December 2024

9) Options / Alternatives

- 9.1 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.

10) Consultations / Representations / Technical Data

- 10.1 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.
- 10.2 No other parties have been consulted and no other representations have been received.
- 10.3 The technical data is believed to be true and accurate.

11) Strategic Plan

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

12) Financial Considerations

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

13) Legal Considerations

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

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

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

15) Equality Considerations

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16) Risk Management Considerations

16.1 No risks have been identified.

17) Summary / Conclusions / Reasons for Recommendations

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

Angie Sinclair,
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Electoral Divisions: All

Local Government Act 1972: List of background papers

Background Paper

Date

File Reference

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