

AGENDA MANAGEMENT SHEET

Name of Committee Cabinet

Date of Committee 6th April 2006

Report Title **Smallholdings Estate: Maintenance and Improvement Liability Recovery**

Summary This report requests agreement to raise the cap level of funds to bring the County Smallholdings Estate into good condition from £287,000 to £375,000 from receipts for the sale of Smallholding Estate land as agreed by the Smallholdings Panel on 29th November 2005.

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Would the recommended decision be contrary to the Budget and Policy Framework? Yes/No

Background Papers "Recovering Maintenance Liability of the Farm Estate" report to Smallholdings Panel on 29th November 2005.
Minutes of Smallholding Panel Meeting on 29th November 2005 (Item 3).
The Novacrane Electrical Report (2005/06)

CONSULTATION ALREADY UNDERTAKEN:- *Details to be specified*

- Other Committees Smallholdings Panel: 29th November 2005
- Local Member(s)
(With brief comments, if appropriate)
- Other Elected Members Councillors G Atkinson }
Councillors D Booth } for information
Councillor F McCarney }
- Cabinet Member Councillor A Cockburn – I fully support the
(Reports to The Cabinet, to be cleared with recommendations and commend them to Cabinet
appropriate Cabinet Member)

Cabinet - 6th April 2006

**Smallholdings Estate:
Maintenance and Improvement Liability**

Report of the Directorate of Environment and Economy

Recommendation

That the proportion of receipts from the sale of Smallholding Estate land to be used for strategic land purchases and essential maintenance and improvement of the Smallholdings Estate, capped at £287,000 be raised to £375,000 to bring the County Council Farm Estate into good condition.

1. The County Council Farm Estate has been under-funded for many years and has a maintenance and electrical rewiring backlog of some £650,000 – a figure identified in the recent condition survey carried out on the Estate by an independent consultancy group.
2. The budget for farm building maintenance and electrical repairs, static for many years at some £100,000, is not sufficient to meet the requirements of major projects of the Estate comprising 50 smallholding farms and 15 cottages, especially considering recent cost increases. In addition, the level of budget is not sufficient to meet the Council's statutory requirements in relation to Housing and Animal Welfare.
3. Following agreement at the Smallholdings Panel Meeting on 29th November 2005, Members are therefore asked to agree that the cap level of the fund from receipts from the sale of Smallholdings Estate land to bring the Estate into good condition be increased from £287,000 to £375,000 to protect the County Council's capital value.
4. The impact of the recommendation is to increase the extent to which capital receipts from the sale of assets are earmarked for spending in a specified service area. As a result the level of general capital resources available to support the capital programme and be allocated through the annual budget process is reduced. It also means that schemes funded in this way do not have to go through the same scrutiny and appraisal process and effectively compete against other capital investment priorities for the allocation of scarce resources. Members should note this reduction in flexibility in approving the recommendation.

5. In 2006/07 the development of a capital receipts strategy is planned in response to risks highlighted in the corporate strategic risk register and included in the 2006/07 Corporate Business Plan. The strategy will incorporate all aspects of a capital receipts policy including the identification, delivery and subsequent use of any resources generated, including proposals in respect of earmarking covering all types of capital receipt. Any proposals in respect of earmarking receipts for the smallholding estate will therefore be part of this wide ranging review later to report later in the financial year.

JOHN DEEGAN
Strategic Director of Environment and Economy
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23rd March 2006