

Appendix 1: County Farms Audit Management Action Plan

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Colour Coding		In progress	To be commenced
Complete/closed			
Ref	Audit Recommendation (truncated)	Management Action	Manager Responsible & Target Date
1	Recommendation 1: Essential i) The core recommendation is for a comprehensive review of team policies and procedures.... ii) Following discussions with the current [Interim] Head of Property, it has been proposed that the following approval limits will apply... iii) It is further recommended that the lead auditor from this work be seconded into the County Farms team for an interim period...	i) Ongoing. The first set of updated policies are being presented to the County Farms Working Group on 24 March 2021. ii) Approval limits will continue to follow CCC Constitution and Scheme of Authorisation. The application of this to the Farms team will be recorded. iii) The Audit team is working alongside the Rural team in the review of policies and procedures.	Rural Asset Manager September 2021 N/A Ongoing
3	Recommendation 3: Important It is recommended that the County Farms team identify a set of KPIs, aligned to team objectives and strategy.....	Initial KPI Proposals have been drafted for discussion with CFWG and relevant services. These will be linked to CCC commercial investment KPI reporting.	Rural Asset Manager September 2021 (or earlier where feasible).
4	Recommendation 4: Important A data cleanse of the property data should be undertaken..... County Farms should be included as active users of the new property asset management system	A further manual data cleanse of Rural Assets data is under way A procurement process for a new property asset	Rural Assets Manager July 2021 Assistant Director Property

	currently being procured, unless there is a compelling reason to exclude the farms estate from this system.	database is under way that will include all property assets including Rural Assets.	Summer 2022 (or earlier)
5	Recommendation 5: Standard Each County Farms property should be assigned a unique property code on ERP.....	Agreed. Finance have requested clarification on the rationale for this as it does not appear to provide any benefit to current ERP invoicing and reporting processes but increases workload. Referred to Audit for clarification.	Rural Asset Manager July 2021
6	Recommendation 6: Important The County Farms team should conduct a complete review of all invoicing raised in 2018/19 and 2019/20 to The Rental Agreement Spreadsheet should also be updated with details of all information relevant to the income from each tenancy, including Improvement Charges, payment plans etc.	The review has previously been completed. An updated master spreadsheet has been created and is being re-verified at present.	Completed Rural Asset Manager April 2021
7	Recommendation 7: Standard The County Farms team should consider setting up “subscriptions” for each tenants, which would enable invoices to be raised automatically in ERP Gold.....	Ongoing discussions with Finance regarding the process to set this up. This may require some changes to ERP processes and manual set up.	Rural Asset Manager June 2021
8	Recommendation 8: Important In line with the process envisaged in existing Tenancy Agreements, the County Farms team must start to charge interest on all debts, in line with the rate specified in the relevant tenancy agreement.	Awaiting initiation of update to existing policy and consideration of categorisation as raised by Committee.	Rural Asset Manager July 2021

9	Recommendation 9: Important A formal policy on debt management must be developed and implemented by the County Farms team....	An updated policy has been agreed with CCC Debt Management. The issue of automated letters and debt action raised at Committee is under review and will be reported by June 2021 at the latest.	Rural Asset Manager May 2021
10	Recommendation 10: Important A policy on tenancy advertisement should be formalised and documented.	A formal advertisement policy is being drafted. New targeted advertising/marketing options are being explored for future lettings. Notification of forthcoming tenancy opportunities prior to the main advertising campaign is not undertaken as this generates significant levels of enquiries before marketing is prepared.	Rural Estates Manager July 2021
12	Recommendation 12: Standard In order to encourage a more diverse range of businesses, it is recommended for the County Farms team to provide two versions of the application forms and budget forecast forms etc...	The application has been amended to suit agricultural and non-agricultural proposals. The updated form is being presented to CFWG for approval.	February 2021 April 2021 – form had previously been updated and action complete, form now being presented to CFWG as part of overall review.
13	Recommendation 13: Important The evaluation criteria should be reviewed and aligned with the criteria which are made public to applicants on the Council's website.....	Evaluation and selection criteria have been reviewed, and is being tested on upcoming lettings. An Equality Impact Assessment is being prepared. We have requested that a link to the Council's Equality and Diversity strategy be added to the Rural Business application webpages. The standard position on any agricultural or commercial tenancies is that sub-letting is prohibited except with landlord's consent. In respect of sub-letting, contrary to earlier advice, there are a small	Rural Asset Manager April 2021

		number of holdings where sub-letting of residential properties has been permitted (with revenue share split between landlord and tenant), and occasional sub-letting of land for specific crops e.g. potatoes. This is subject to landlord's (i.e. CCC) consent.	
17	Recommendation 17: Important The County Farms team should take legal advice on the interest rates currently used in their tenancy agreements, and consider lowering the Default Interest Rate in any new tenancies granted, to reflect present low interest rates and ensure that such rates are enforceable by the Council.	Queries raised with Internal Audit & Finance regarding legal advice. Recommendation re-opened having previously been closed.	July 2021
19	Recommendation 19: Important It is recommended that formal guidance to officers within the County Farms team about the rent review process is produced, in line with RICS guidance.	Formal guidance incorporating RICS and CAAV requirements to be produced.	Rural Asset Manager June 2021
20	Recommendation 20: Important A formal policy is required to set out the circumstances under which a rent abatement will be considered, and how such abatements will be calculated and approved.	The rent abatement process including authorities is currently being reviewed.	Rural Asset Manager April 2021
21	Recommendation 21: Important The County Farms Capital Investment Procedure should be updated to require evaluation of the cost of the scheme against the expected rental price increase on the open market.....	The Capital Investment Procedure is being reviewed in detail with CCC Finance and ensure it is aligned to CCC protocols in taking business cases to Capital Programme Board and Committee as required.	Rural Asset Manager May 2021
22	Recommendation 22: Important The Capital Investment Procedure should be updated to:	A revised Landlord Improvements and Improvement Charge has been drafted and is under review.	Rural Estate Manager July 2021

	• State that Business Cases should be produced at an earlier stage in the process....		
24	Recommendation 24: The County Farms team should take legal advice regarding the best way to secure repayment of Improvement Charges.	Specialist agricultural legal advice will be sought as this relates to agricultural legislation and case law.	Rural Asset Manager July 2021
27	Recommendation 27: Important A clear housing standard should be established	A Rural Estate Housing Standard has been drafted incorporating requirements of the Decent Homes Standard and the Homes (Fitness for Human Habitation) Act 2018 as well as council policies. This will be presented to the CFWG for approval shortly.	Rural Asset Manager June 2021

	Closed/Completed Recommendations		
2	Recommendation 2: Importanta comprehensive review of the Strategy is complete....	Completed.	February 2020 Document.ashx (cmis.uk.com)
11	Recommendation 11: Standard The application form for tenancies should be amended to include any associations, links to the Council, or close personal relationships with officers or Members of Cambridgeshire County Council to be disclosed.	Longstanding policy and is already on the application form.	N/A
14	Recommendation 14: Important While rental levels should be realistic and achievable based on the planned use of the farm, it is recommended that the service would drive much greater value from its estate if a competitive bidding process were introduced to allow tenants who make it to the interview stage to formally review and re-bid on their rental	Completed. The bidding process has been reviewed and policy updated in line with the management response.	Rural Asset Manager January 2021

	offers. The team should also establish a target rent value for each property at re-rental.		
15	Recommendation 15: Important A formal process should be introduced for succession tenancy applications.....	Completed. Members have previously agreed a succession process that will be followed for any re-lettings involving a succession request.	February 2020
16	Recommendation 16: Important In order to drive best value from the estate, the County Farms team should cease the practice of offering succession tenancies where there is no legal requirement to do so.....	Succession tenancies will continue to be an option for the Farms Estate as per agreed policy.	N/A
18	Recommendation 18: Important Following discussions with the current [Interim] Head of Property regarding the immediate improvements which can be made within the County Farms team.....	Delegations will follow CCC Constitution and Schemes of Authorisation with escalation to Committee as required.	N/A.
23	Recommendation 23: Important The practice of allowing tenants to retrospectively ask the Council to fund works they have carried out and treat this as an Improvement Charge is not appropriate and should be immediately discontinued.	Agreed and completed.	N/A
25	Recommendation 25: Important Improvement charges should be recorded on the Rental Agreement Spreadsheet.	Agreed and Completed.	N/A
26	Recommendation 26: Important The team should apply, and maintain records of, Improvement Charges separate to rent....	Agreed and Completed.	N/A
28	Recommendation 28: Standard There must be a clear division of duties with regards to tender review.....	This has been and continues to be Rural Estate policy, in line with wider council practices.	N/A
29	Recommendation 29: Important	Agreed and Completed.	N/A

	Final proposed specifications should be assessed against the County Farms Standard and any variations from the Standard should have initial approval recorded by a manager.....		
30	Recommendation 30 OFR report.	Final recommendations were approved by C&I Committee in February 2020 in the County Farms Strategic Review that is now the approved and settled Farms policy.	February 2020.
31	Recommendation 31: Important Future Outcome-Focused Reviews (OFRs) or equivalent service review processes.....	Reviews are corporate matter and appropriately designed and managed reviews will be undertaken as required.	N/A