

## **Appendix 5 - further information supplied by the Strategic Director, Resources**

- 1.1 The additional cost estimate of £50k to £70K pa is based upon the resources Smiths Gore provide to the contract; the equivalent of 1.5FTE spread across support from 1 surveyor, 3 senior surveyors and 3 estate managers plus ad-hoc support from more senior partners
- 1.2 The contract covers the full range of core estate management day to day functions including; rent and maintenance contribution collection, chasing arrears, new lettings, rent reviews, lease renewals, instructing and liaising with solicitors, addressing tenants queries, maintenance issues, disputes, landlord & tenant issues and a range of minor activities involved in managing land and buildings and engaging with tenants. The in-housed work would be spread across various services including legal, finance, estate management and some spot purchasing of outside very specialist support. Additionally, there are roles currently carried out in various services that may be able to be combined with in-house work providing economies of scale and new, more economical, ways of working. This spread of activity makes it difficult to provide an exact calculation of the in-housing costs without further, more detailed investigation. However, both the Strategic Director Resources and the Director of Finance have reviewed the costs estimate and believe there is little risk that costs will be greater.
- 1.3 In addition to the in-housing, there is likely to be costs in revising the Downland Initiative. This was noted for information in paragraph 5.2, but is not directly related to the question of in-housing and would form part of any further decision the Cabinet would need to make in respect of the revision of this policy.
- 1.4 Although no direct consultation by the Council with Farmers has taken place, Smiths Gore engage with them on a daily basis where estate management arrangements, amongst other issues, are often discussed.

