



Author/Lead Officer of Report: Ceri Ashton,
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Report of: Executive Director, Place

Report to: Councillor Bryan Lodge

Date of Decision:

Subject: Allotment Rent increase for 2018/19

Is this a Key Decision? If Yes, reason Key Decision:-

Yes ☐ No ☒

- Expenditure and/or savings over £500,000

☐

- Affects 2 or more Wards

☐

Which Cabinet Member Portfolio does this relate to? Environment

Which Scrutiny and Policy Development Committee does this relate to? Economic and Environmental Wellbeing

Has an Equality Impact Assessment (EIA) been undertaken?

Yes ☒ No ☐

If YES, what EIA reference number has it been given? 1233

Does the report contain confidential or exempt information?

Yes ☐ No ☒

If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-

*"The (**report/appendix**) is not for publication because it contains exempt information under Paragraph (**insert relevant paragraph number**) of Schedule 12A of the Local Government Act 1972 (as amended)."*

Purpose of Report:

To seek approval for an increase in allotment rent and water charges for 2018/19, in line with the current level of inflation (1.8%).

Recommendations:

It is recommended that:

- (a) the rent for allotments in 2018/19 is increased in line with the current level of inflation, ie.1.8%;
- (b) the Head of Parks and Countryside be authorised to carry out consultation on a future above-inflation rent increase, as described in the report.

Background Papers:

(Insert details of any background papers used in the compilation of the report.)

Minutes of Allotment Advisory Group 20.12.16

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Janine Scarborough
		Legal: Andrea Simpson
		Equalities: Beth Storm
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	EMT member who approved submission:	Laraine Manley
3	Cabinet Member consulted:	Councillor Bryan Lodge
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: Ceri Ashton	Job Title: Allotments Manager
	Date: 20.03.17	

1. PROPOSAL

- 1.1 Sheffield City Council fulfils its statutory allotment duty through the provision of over 3100 allotment plots across the City. Allotment rents and charges are reviewed annually and in line with the respective tenancy agreements. The last rent increase took effect from 1st April 2014, when rents were increased by 60%. At that time full Council agreed, when approving the annual budget report, that rents would then be fixed for two years (until April 2017). The effects of that increase were mitigated by a revised discount structure, which was approved by the Cabinet Member for Environment, Recycling and Streetscene in April 2014. This discount structure will remain in place.
- 1.2 Tenants must be given twelve months' notice of any increase. Accordingly, a rent increase with effect from April 2017 was considered in early 2016 but not taken further. As a result, by the end of 2017/18, allotment rents and water charges will have been at the same level for four years. Because of inflation, this means that effective spending power has decreased each year.
- 1.3 The allotments service is essentially self-financing. The rent and water charges collected fund the service. A rent increase in April 2018 would be beneficial to the service and it is now proposed to increase rents in line with the current level of inflation (1.8%), rounded to the nearest £1 for simplicity. This proposal does not generate a saving to the Council, but it protects the current level of service, enabling the Council to continue to provide decent allotment sites for people to grow their own food.

Current charges:

Plot Size	(A) Rent	(B) Water	(A+B) Total
Up to 100m ²	£26	£14	£40
101m to 200m ²	£52	£28	£80
201-300m ²	£72	£40	£112
>301m ²	£112	£48	£160

Proposed charges for 2018/19:

Plot Size	(A) Rent	(B) Water	(A+B) Total
Up to 100m ²	£26	£14	£40
101m to 200m ²	£53	£29	£82
201-300m ²	£73	£41	£114
>301m ²	£114	£49	£163

- 1.4 At the Allotment Advisory Meeting in December 2016 there was some discussion about the benefits of an above-inflation rent increase. This does not affect the proposed rent increase for 2018/19 but it is proposed that further work be done to develop this proposal and that wider consultation be carried out.

2. HOW DOES THIS DECISION CONTRIBUTE ?

- 2.1 The proposal supports the Corporate Plan priority of Thriving Neighbourhoods and Communities by improving access to leisure facilities and green and open spaces.

Allotments provide an opportunity to grow and consume food locally, this has a benefit in relation to reducing food miles and recycling through local composting.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 The proposal has been discussed at the Allotment Advisory Group (20th December 2016). Overall there was support for the concept of an increase in rent. Some concerns were raised that the rents should not be increased. Others stated that the proposed increase was very small and would not make much of a difference to tenants. Others stated that if the rents were going to be increased, they should be increased by a larger amount, to make an appreciable difference to the budget, or to create additional income which could be ring-fenced for a specific purpose, which would make it easier for tenants to understand the increase. The group does not have decision-making powers, but a vote was conducted in order to assess the views of the attendees. The outcome was as follows:

4 people in favour of above inflation increase
2 people in favour of inflationary increase
3 people in favour of no increase

It was felt that there was not sufficient time to fully develop and consult on proposals for a larger increase.

The draft minutes of the meeting, showing the representation and the discussion that took place, are attached to this report. They are due to be ratified at the next Allotment Advisory Meeting on 21st March and will then be published on the Council's website.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

- 4.1 Equality of Opportunity Implications

- 4.1.1 The decision would impact on all of our allotment holders (all aged 18+). The increase in rent would be comparatively small (rounding a 1.8% increase to the nearest £1, between £0 and £3 per customer, depending on the size of plot, provision of water and entitlement to a concession). Concessions are already available to make allotments more affordable to those on a low income. It is therefore not felt that the proposal has significant equality of opportunity implications, as per the Equality Impact Assessment.

4.2 Financial and Commercial Implications

- 4.2.1 Whilst the proposal does not have a direct financial benefit to the Council (since all the money collected is reinvested into the service), protecting the ability to maintain the allotment sites helps reduce the risk of any claims against the Council resulting from lack of maintenance

4.3 Legal Implications

- 4.3.1 The City Council has a statutory duty under the Small Holdings and Allotments Act 1908 to provide allotments if it believes there to be a demand for them. Setting of allotment rents is governed by section 10(1) of the Allotments Act 1950 which provides that land let for use as an allotment should be let at "such rent as a tenant may reasonably be expected to pay" for land let on the same terms for such use, provided that the Council may let allotments at a reduced rent if satisfied that there are special circumstances affecting the tenant which make a reduced rent appropriate.

- 4.3.2 In the 1981 case of *Harwood v Borough of Reigate and Banstead* the High Court, when considering the reasonableness of a proposed rent increase, held that the local council, and nobody else, was required to determine the rent that a notional (rather than a particular) tenant might reasonably be expected to pay and that in its determination it should:

- listen to representations made by or on behalf of its allotment tenants.
- take into account all relevant circumstances in a broad commonsense way
- give such weight as it thought fit to various factors in the situation
- come to a right and fair conclusion.

The Court gave guidance on the approach to be taken:

"... not to discriminate against this recreational activity as compared with other recreational activities. In other words, unless there are some very special circumstances relating to this particular recreational facility which, if it were some other recreational facility would require that a higher charge should be made for the use of that facility, then in the ordinary case if there is to be an increase in the rent charged then it should be in line with the increases that have been charged for the use of the other

recreational facilities. "

- 4.3.3 The rent levels described in this report comply with the statutory requirements and are in line with the High Court's guidance. Allotment rents are not being set at a level that will make a profit but to maintain the same level of service.
- 4.3.4 Because allotments are let on yearly tenancies the Council must provide 12 months' notice to tenants of any changes to the allotment tenancy agreement or the amount of rent to be collected.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1
 - Rents could be left at the same level. However due to inflation this would effectively be akin to a reduction in budget. This was rejected because the current allotment budget is not felt to be larger than needed. A reduction would decrease the level of service and site improvements.
 - Rents could be increased by a larger amount. There was discussion at the allotment advisory group around a larger increase in rent for a specific purpose, e.g. creation of a sinking fund, or a budget allocation specifically for the purpose of promotion of allotments in areas of lower demand. However due to the requirement to give tenants 12 months' notice of any increase in rent, it was felt that there was not sufficient time to develop and consider such proposals thoroughly for 2018/19. They will be re-visited in the future.

6. REASONS FOR RECOMMENDATIONS

- 6.1 The recommendation effectively enables us to maintain the status quo.