



Report to Policy Committee

Author/Lead Officer of Report:

Rowan Longhurst, Service Manager - Countryside
and James Musgrave, Allotments Manager

Tel: 0114 2500500

Report of: Ajman Ali

Report to: Communities, Parks & Leisure

Date of Decision: 13/11/2023

Subject: Proposal for 2025/26 Allotment Rents

Type of Equality Impact Assessment (EIA) undertaken	Initial	<input checked="" type="checkbox"/>	Full	<input type="checkbox"/>
Insert EIA reference number and attach EIA 2395				
Has appropriate consultation/engagement taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-				
<p><i>“The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended).”</i></p>				

Purpose of Report:

To seek approval for an increase in the allotment rent and water charges for 2025/2026 of 5.96% (an increase below current inflation).

Recommendations:

The Committee is recommended to:

- Approve a 5.96% increase to allotment rents for 2025/26

Background Papers:

Minutes of the Allotment Advisory Group meeting 17.07.2023

Outcomes of the rent increase consultation survey, October 2023

Outcomes of the rent increase consultation survey, October 2022

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: Holly Nicholl
		Legal: Louise Bate
		Equalities & Consultation: Ed Sexton
		Climate: Jessica Rick n/a
	<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	SLB member who approved submission:	Ajman Ali
3	Committee Chair consulted:	Councillor Richard Williams
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 Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: <i>(Insert name)</i> James Musgrave	Job Title: <i>(Insert job title)</i> Allotments Manager
	Date: 1.11.2023	

1. PROPOSAL

1.1 Introduction

1.1.1 Sheffield City Council fulfils its statutory allotment duty through the provision of over 3400 allotment plots across the city. Allotment rents and charges are reviewed annually, and in line with the respective tenancy agreements. Tenants must be given 12 months' notice of any increase in rents.

1.2 Background – previous years

1.2.1 A significant review of rents was undertaken in 2014/15 and prices were increased substantially. Since then, prices have increased annually as follows:

Date of increase	% increase
April 2014	60%
(No increase April 2015-April 2017)	
April 2018	1.8%
April 2019	2.7%
April 2020	2.6%
April 2021	2%
April 2022	2%
April 2023	2.9%
April 2024	5.5%

1.2.2 In addition to the new pricing model which was developed in 2014/15, a new discount structure was put in place. This increased the discount for those on a low income or with disabilities from 50% to 75%. A large-scale consultation was carried out prior to the 2014 increase. The outcome of that consultation was that most tenants would prefer to see rents increase than have a reduction in service.

1.2.3 A further large-scale consultation was carried out in 2018, regarding rent increases in line with inflation. The outcome was that most tenants were happy for rents to go up in line with inflation, on a year-by-year basis.

1.3 Rents

1.3.1 The allotments service is self-financing – the service receives no further Council funding. The rent and water charges collected fund the service. This includes staffing the allotments team and a small budget which is used to fund improvements or security on sites across the city.

1.3.2 Due to the ongoing cost of living crisis and high levels of inflation, rather than automatically propose an increase of rents in line with inflation, we have instead consulted directly with tenants on the level of increase they feel is appropriate. This is the second year we have taken this approach (as inflation was very high last year).

1.3.3 Following that consultation exercise it is proposed that rents be increased by 5.96% (rounded to the nearest 5p) in 2025/26. This increase is below inflation levels and therefore when considered alongside cost increases for the service, it represents a budget 'reduction'. This proposal does not generate a saving to the Council.

- 1.3.4 The rent increase enables the Council to continue to provide decent allotment sites for people to grow their own food, but since the proposed increase is once again below current inflation, there will be some reduction in the citywide site improvements which can be delivered. To put into context, a 1% below inflation increase reduces the maintenance budget by approximately £3500. The reduction in budget is also compounded by significant increases to services/suppliers we contract in. This proposal would enable us to maintain staffing levels and continue with maintenance of the allotment sites (repairs to infrastructure etc.) albeit at a reduced level.
- 1.3.5 The decision to consult to this extent in future years will be taken based on inflationary levels.
- 1.3.6 Protecting the maintenance and enhancement of the allotment sites is in line with the Green and open Spaces Strategy. Ensuring that communities have access to high quality green spaces.
- 1.3.7 Summary of rental charges

Plot Type	Annual charge 2022/2023	Annual charge 2023/2024 (Current Year)	Annual charge 2024/2025 5.5% Already Set	Annual charge 2025/2026 5.96% proposal
Up to 100m ²	£43.90	£45.20	£47.70	£50.55
101m to 200m ²	£89.70	£92.30	£97.40	£103.20
201-300m ²	£126.40	£130.10	£137.25	£145.45
>301m ²	£177.40	£182.50	£192.55	£204.05
Parson Cross 1	£12.60	£13.00	£13.70	£14.50
Parson Cross 2	£22.00	£22.60	£23.85	£25.25
Pigeon Loft charge (rent only)	£55.10	£56.70	£59.80	£63.35
Note: all these figures are totals including rent and water unless stated otherwise				

- 1.3.8 Annual charges for 2024/2025 (already set):

Plot Type	(A) Rent	(B) Water	(A+B) Total
Up to 100m ²	£31.00	£16.70	£47.70
101m to 200m ²	£63.10	£34.30	£97.40
201-300m ²	£90.75	£46.50	£137.25
>301m ²	£135.05	£57.50	£192.55

Parson Cross 1	£8.90	£4.80	£13.70
Parson Cross 2	£15.50	£8.35	£23.85
Pigeon Loft charge	£59.80		

1.3.9 Proposed annual charges for 2025/2026:

Plot Type	(A) Rent	(B) Water	(A+B) Total
Up to 100m²	£32.85	£17.70	£50.55
101m to 200m²	£66.86	£36.34	£103.20
201-300m²	£96.16	£49.27	£145.45
>301m²	£143.10	£60.93	£204.05
Parson Cross 1	£9.43	£5.09	£14.50
Parson Cross 2	£16.42	£8.85	£25.25
Pigeon Loft charge	£ 63.36		£63.35

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 The proposal supports Our 2022/23 Delivery Plan and future planning of
- Fair, inclusive, and empowered communities
 - Strong and connected neighbourhoods which people are happy to call home.
 - Tackling inequalities and supporting people through the cost-of-living crisis
 - Healthy lives and wellbeing for all
 - Clean economic growth
 - Happy young people who have the start they need for the future they want.
- 2.2 To Enable the Allotment service to contribute and embed the outcomes the review of the 'corporate plan' and the emerging 'Council Plan'.
- 2.3 To Enable the Allotment service to contribute and embed the outcomes of 'Our City Goals' "To fulfil that promise, we need to be acting together and driving change towards the same goals".
- 2.4 Allotments provide an opportunity to contribute to the '*Transformation of Sheffield's Food System*' with particular reference to Sheffield City Councils '*Food Strategy 2023*, vision of fairer, healthier, greener' and ShefFood's '*Local Food Action Plan for Sheffield, a collective vision for Sheffield where everyone has access to health sustainable food*'.
- 2.5 A thriving allotment community and estate can also contribute to the South Yorkshire Local Nature Recovery Strategy (LNRS). This strategy will protect and enhance habitats and species whilst also seeking to 'stack' multiple ecosystem services such as flood mitigation, clean air provision, carbon sequestration and access to greenspace.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 In 2018 a consultation with all allotment holders about rent setting was undertaken, via a questionnaire. The response rate to the questionnaire was 22%. 70% of those who responded indicated that they were in favour of small yearly increases in charges e.g., in line with inflation.
- 3.2 With the fact that inflation remains high (6.8% in July 2023, when we began the process of consultation) we once again invited all tenants to take part in a rent increase survey for the period 2025/26.
- 3.3 In light of the responses to last year's survey (for the 2024/25 rent period) we adopted a slightly different methodology to address concerns raised by the Sheffield Allotment Federation and some tenants, these being:
- a) A deviation from the 2022 survey where we offered 3 options. The 2023 survey sought a response on proposed rent increases between 5% and 10% in increments of 0.5%. The justification to set the lowest figure of 5% is broadly in line with the previous year's agreement of 5.5% and in part due to significantly increasing costs along with the combined effect of a predicted second year of below inflation rent increase. The options below 5% rent increases on the survey were not provided in this year's survey. A rent increase of below 5% would have a serious detrimental impact on the council's ability to maintain a service level that is expected by tenants.
 - b) When analysing the results of this survey, we made it clear that we would calculate rent increase by applying the average (mean) 'suggested % increase' to the survey results.
- 3.4 The survey was open to all tenants, via an online survey (with a paper-based option available). The results are presented in the table and chart below and shows that 62% of tenants were in favour of the lowest proposed increase of 5% but that the second most popular result (9% of respondents) was in favour of the highest proposed increase of 10%.
- 3.5 The overall levels of engagement with the survey (17.5% of our tenants) is lower than in 2022. The self-selecting nature of the survey it is hard to be sure that we a captured the view from our wider community of allotment tenants, including those with protected characteristics. It is also lower than a response that would be considered statistically representative of all tenants. For the 2004 tenants who had been contacted via email and directed to the survey via the online portal, our response rate was 28.9%
- 3.6 The table below shows 2023 survey results.

Please choose your preferred % increase from the suggestions below	Number of recipients	% of recipients	Total % to add weighted by how many chose each option
5%	362	62.4	3.12

5.50%	20	3.4	0.19
6%	33	5.7	0.34
6.50%	28	4.8	0.31
7%	40	6.9	0.48
7.50%	24	4.1	0.31
8%	14	2.4	0.19
9%	9	1.6	0.14
10%	50	8.6	0.86
	580		
TOTAL PERCENTAGE INCREASE WEIGHTED BY NUMBER OF PEOPLE WEIGHTED BY NUMBER OF PEOPLE WHO CHOSE EACH OPTION			5.96

3.7 For comparison the table below shows 2022 survey results

Option	Total	Percent
Rents are increased by 9.4% in 2024/25 and citywide site improvements continue as in previous years	270	29.77
Rents are frozen at 2023/24 levels for an additional year and citywide site improvements are significantly reduced	392	43.22
Rents in 2024/25 are increased but by less than 9.4% and there is a reduction in citywide site improvements	245	27.01

3.8 A snapshot of 2023 survey comments indicate a mixed reaction to the proposal.

- “I’m happy with what I have to pay my allotment is important to me and would keep it whatever the cost”.
- “Whilst any increase will be felt by those renting allotments, if it helps to recoup losses for one year I would be happy to pay the 10% but would not necessarily want to pay 10% each year thereafter. I assume this is due to current inflation rates”.
- “I would be happy if 7.5% were applied as that would allow more investment to take place without testing the renters on fixed incomes”
- “Rents are great value for money. We need to maintain an Allotments Service so would be happy with an above inflation increase”.
- To balance the following comments have been recognised.
- “Why exactly is it always going up? What exactly do I get ? All I am paying for is a plot of land which I have to maintain and keep clear, so why do the prices have to go up ?”

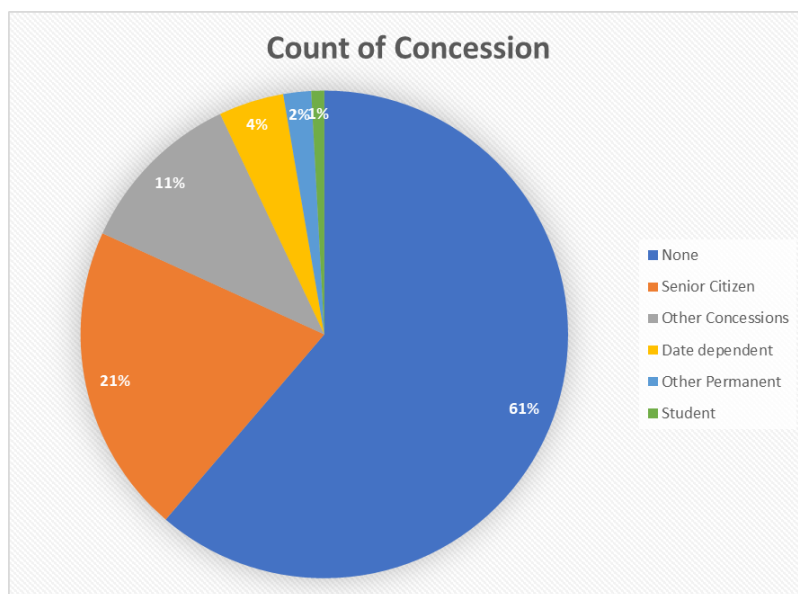
- “larger increases threaten to outprice people on low unsubsidized income out of affording their allotments”
- “I don’t believe it is fair to increase the cost at all”
- “I don’t think you should tie increases to rate of inflation unless you are willing to decrease rents as prices fall. But that won’t happen”

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality Implications

4.1.1 Overall, there are no significant differential, positive or negative, impacts from this proposal. The decision to increase annual allotment rents would impact on all our allotment holders. The increase in rent would be comparatively small (between £1.40 and £11.50 per customer per year before discount), depending on the size of plot, provision of water and entitlement to a discount. Discounts/concession (up to 75%) are already available to make allotments more affordable to those on a low income, with disabilities or of state pension age.

See Chart below for tenants who receive a discount/concision (2023)



4.2 Financial and Commercial Implications

4.2.1 The Council continues to face significant financial challenges and must make difficult decisions about services that the people of Sheffield care deeply about.

4.2.2 The additional funds collected from the rent increase will be invested directly into the allotments service, however, inflation and costs are continuing to increase at a rate greater than the proposed 5.95% increase in rents to tenants. The outcome of the consultation is a compromise of a rent increase and a reduction in the level of service in order for the service to remain self-financing.

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 common-sense way.
 - give such weight as it thought fit to various factors in the situation.
 - come to a right and fair conclusion.
- 4.3.3 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. "
- 4.3.4 The rent levels described in this report comply with the statutory requirements and are in line with the High Court's guidance and the discount structure sets out the circumstances in which it is appropriate to charge a reduced rent. Allotment rents are not being set at a level that will make a profit but to maintain a similar level of service (with a small reduction in site improvements).
- 4.3.5 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.
- 4.4 Climate Implications
- 4.4.1 Due to the nature of this proposal (concerned with rent increase only) a full scored CIA is not required, however there are clearly climate related benefits from the maintenance of a quality allotments service.
- 4.4.2 The proposal will enable us to continue to deliver a quality allotments service, and hence enable our tenants to continue to grow their own food and reduce their carbon footprint. 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, helping Sheffield to be a sustainable city, and contributes to our ambition to be a net zero carbon city by 2030.

4.4.3 Enabling tenants to grow their own food also reduces the use of food packaging and connecting people with the production of food helps encourage a reduction in food waste. Furthermore, many allotment holders choose to grow organically, so the provision of the allotment service helps tenants access organic food.

4.4.5 Maintaining a good quality allotment service also helps maintain the land in productive use, providing biodiversity and carbon storage benefits.

4.5 Other Implications

4.5.1 *HR implications*

4.5.2 The proposal will help protect our ability to continue to employ the staff needed to provide the Allotments service.

4.5.3 *Property implications*

4.5.4 The proposal will help us to continue to maintain our allotment estate, although since the proposed increase is below inflation there will be a reduction in site maintenance.

4.5.5 *Public Health*

4.5.6 The proposal will protect our ability to provide allotments for the people of Sheffield. There is considerable evidence that having an allotment has health benefits. For example, having an allotment helps combat loneliness. It can play a part in preventing and alleviating mental ill-health. It provides exercise, and increases the time spent outdoors, hence increasing vitamin D levels. It helps promote a diet of fresh, local, seasonal produce, and helps people enjoy the well-being benefits associated with a greater sense of connection to nature. 'Food Strategy 2023'.

5. **ALTERNATIVE OPTIONS CONSIDERED**

5.1 Rents could remain at 2024/25 levels for an additional year. However, particularly when following a year of below-inflationary rent increases, this would represent a significant reduction to the budget for the service. This option was rejected as the proposal would significantly decrease the level of service and site improvements that can be undertaken.

5.2 Rents could be increased by inflation (6.7% at the time of the consultation). However, during this time of ongoing cost of living crisis it was felt that tenants should be consulted on this option. This option was rejected as it was felt that consultation was required. Following the results of the consultation it was acknowledged that this proposal was not in line with the results of the survey nor the confirmation in the survey that we would calculate rent increase by applying the average (mean) 'suggested % increase' to the survey results.

5.3 Rents could be increased by an amount greater than inflation. However, during this time of ongoing cost of living crisis it was felt that tenants should be consulted on this option. Following the results of the consultation it was acknowledged that this proposal was not in line with the results of the survey nor the confirmation in the survey that we would calculate rent increase by applying the average (mean) 'suggested % increase' to the survey results. larger amount, but this would go against the outcomes of the consultation.

6. **REASONS FOR RECOMMENDATIONS**

- 6.1 The recommendation to increase the rents by 5.96% in 2025/26, whilst below inflation, protects the staffing levels within the team and maintains a small (and slightly reduced) site improvement budget. It takes in to account the results of the consultation and is in line with the proposal set out to tenants within the consultation (i.e., that we would apply the average (mean) 'suggested % increase' to the survey results).

The proposal entails increasing rent by a relatively small proportion. The survey indicates a favourable response to a rent increase within a Set of % parameters and methodology using the mathematical mean therefore we feel that the proposed increase is reasonable.

It has been stated before that our rents are among the most expensive in the country. Direct comparisons with other authorities can be misleading, as there are many differences in how allotments are categorised and priced, the concessions available, and how the service is delivered. Our 75% discount for those on a low income or with disabilities is generous compared to other authorities: most offer lower discounts, or no discount at all. We feel that the large discount is fair, as it makes allotments more affordable for those who might struggle most otherwise. We are unusual in that all of our sites are directly managed by us, with no self-management (other than Rodney Hill's management of their own water supply). Self-management can be a way to keep rents lower since some of the management of sites is done by volunteers. Previously discussions at the Allotment Advisory Group have indicated a willingness to explore self-management models. This does not apply to all societies and the exact model is something which will be explored further with the group. However, any savings will be in the longer term.

We have sought to compare the rents to rental charges for agricultural land owned by the Council (although the two things are very different, since allotment holders receive different services and facilities). However, information for comparison was not available since charges and reviews of charges for agricultural land depend on specific agreements.

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