



Author/Lead Officer of Report: Ceri Ashton,
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Report of: Executive Director, Place
Report to: Councillor Mary Lea
Date of Decision: 26.02.21
Subject: Allotment Rent Increase for 2022/2023

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? Culture, Parks and Leisure

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? 911

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"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."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 2022/2023 by 2% in line with inflation

Recommendations:

It is recommended that:

- (a) the rent for allotments in 2022/2023 is increased in line with inflation, taken as 2%.

Background Papers:

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

Minutes of Allotment Advisory Group 09.10.2018 and 26.01.21

| 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: Chris Nicholson |
| | Legal: Andrea Simpson |
| | Equalities: Annemarie Johnston |
| <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: Mick Crofts |
| 3 | Cabinet Member consulted: Councillor Mary Lea |
| 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: 26.02.21 | |

1. PROPOSAL

1.1.1 INTRODUCTION

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.

Tenants must be given 12 months' notice of any increase in rents.

Following a large-scale consultation with all tenants, a decision was taken in 2019 for an increase based on inflation of 2.6% which came into effect in April 2020. A decision was then taken in 2020 to increase rents by 2% based on inflation which will come into force in April 2021.

- 1.1.2 Prior to that, an 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. A decision was then taken to keep rents the same for 2017/18. A decision was then taken to increase the rents by 1.8% for 18/19, and a further decision taken to increase the rents by 2.7% for 2019/20 (both based on inflation).

- 1.1.3 Rents for pigeon lofts and for plots at Parson Cross Family Gardens have not been increased in previous years. Pigeon lofts provided by Sheffield City Council are currently located at Manor allotments only. They are within small allotment plots, and have access to a water supply. The rent for the plots and the water charge have increased along with other allotment rents in previous years, but the charge for their lofts themselves have remained the same for a number of years. The plots at Parson Cross Family Gardens are smaller than standard allotments. The rents for this site have only increased once since the creation of the site in 2010.

Increases to the rents for pigeon lofts and Parson Cross Family Gardens were included in the consultation for the 2021/22 rents but omitted from the decision, due to an oversight. It is proposed that these rents are also increased by 2% in 2022/23. The usual discount structure applies to the pigeon loft charges. Discounts do not apply to the rents at Parson Cross Family Gardens, since these rents are very low relative to the standard allotment rents.

It is not proposed that there will be any increase in the rent for allotment society huts (charged at 52p/square metre).

1.2 Rents

- 1.2.1 The allotments service is essentially self-financing. The rent and water charges collected fund the service. A rent increase in April 2022 would be beneficial to the service and it is now proposed to increase Allotment rents by 2% in line with inflation (based on a combination of CPI, currently 0.6%, and increasing staffing costs, which will rise by over 3% in 2021/2022, and rounded to the nearest £0.10 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 for 2020/2021:

| Plot Size | (A) Rent | (B) Water | (A+B) Total |
|---------------------------|----------|-----------|-------------|
| Up to 100m ² | £27.50 | £14.50 | £42 |
| 101m to 200m ² | £55.50 | £30.50 | £86 |
| 201-300m ² | £79 | £41 | £121 |
| >301m ² | £120 | £51 | £171 |

Charges for 2021/2022 (already set):

| Plot Size | (A) Rent | (B) Water | (A+B) Total |
|---------------------------|----------|-----------|---------------|
| Up to 100m ² | £28 | £15 | £43 |
| 101m to 200m ² | £57 | £31 | £88 |
| 201-300m ² | £82 | £42 | £124 |
| >301m ² | £122 | £52 | £174 |
| Parson Cross 1 | £8 | £4.30 | £12.30 |
| Parson Cross 2 | £14 | £7.55 | £21.55 |
| Pigeon Loft charge | £54 | | |

Proposed charges for 2022/23

| Plot Type | (A) Rent | (B) Water | (A+B) Total |
|---------------------------|----------|-----------|-------------|
| Up to 100m ² | £28.60 | £15.30 | £43.90 |
| 101m to 200m ² | £58.10 | £31.60 | £89.70 |
| 201-300m ² | £83.60 | £42.80 | £126.40 |
| >301m ² | £124.40 | £53.00 | £177.40 |
| Parson Cross 1 | £8.20 | £4.40 | £12.60 |
| Parson Cross 2 | £14.30 | £7.70 | £22.00 |
| Pigeon Loft charge | £55.10 | | |

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 In 2018 a consultation with all allotment holders about rent setting was undertaken, via a questionnaire 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.

The proposed rent increase for 2022/23 was discussed at the Allotment Advisory Group meeting on 26th January 2021 (see minutes attached). Some attendees did raise concerns that some allotment holders may have had a change of circumstances due to the impacts of Covid-19 and struggle to pay. However the relative increase in the rents is small, and many people who are on a low income are eligible to claim the 75% concession.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

- 4.1.1 Overall there are no significant differential, positive or negative, impacts from this proposal. The decision to increase allotment rents would impact on all of our allotment holders (all aged 18+). The increase in rent would be comparatively small (between £0.30 and £3.40 per customer, depending on the size of plot, provision of water and entitlement to a discount). Discounts are already available to make allotments more affordable to those on a low income.

4.2 Financial and Commercial Implications

- 4.2.1 The additional funds collected from the rent increase will be invested directly into the allotments service to ensure that the same level of service delivery can be maintained in future years whilst remaining self-financing. This also 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 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 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, or pricing could be changed in some way other than a small percentage increase across the board. However based on the results of the consultation questionnaire in January 2018 and discussions at the Allotment Advisory Group, an increase in line with inflation at 2% has emerged as the overall preferred option otherwise it could deter people from renting allotments

6. REASONS FOR RECOMMENDATIONS

- 6.1 The recommendation to increase the rents in line with inflation effectively enables us to maintain the status quo.