



Report to Policy Committee

Author/Lead Officer of Report:

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Report of: Ajman Ali

Report to: Communities, Parks & Leisure

Date of Decision: 14.11.2022

Subject: Proposal for 2024/2025 Allotment rents

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? 1283				
Has appropriate consultation 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“The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended).”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 allotment rent and water charges for 2024/2025 by 5.5% (an increase below current inflation)

Recommendations:

- 1) That the rent for allotments in 2024/2025 is increased by 5.5%
- 2) That this increase is at a below-inflation increase for 2024/2025 only, due to the current cost of living crisis.

Background Papers:

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

Minutes of the Allotment Advisory Group meeting 27.07.2022

Outcomes of 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: James Lyon
		Legal: Louise Bate
		Equalities & Consultation: Ed Sexton
		Climate: Jessica Rick
<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> Ceri Ashton	Job Title: <i>(Insert job title)</i> Allotments Manager
	Date: 03.11.2022	

1. PROPOSAL

1.1 INTRODUCTION

1.1.2 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.

1.1.3 Background – previous years

Increases since the last major review of rents for 2014/15 are 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%

1.1.4 To mitigate the effects of the significant increase in 2014 (which was to protect the service during austerity), a new discount structure was put in place, increasing the discount for those on a low income or with disabilities from 50% to 75%. This remains in place. A large-scale consultation was carried out prior to the 2014 increase. The outcome was that most tenants would prefer to see rents increase than have a reduction in service.

1.1.5 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, in order to protect the service.

1.1.6 RENTS

The allotments service is essentially self-financing. The rent and water charges collected fund the service. A rent increase in April 2024 would protect the service for customers and it is now proposed to increase Allotment rents by 5.5% (rounded to the nearest 5p). This proposed increase would be below current inflation. An increase below inflation is akin to a reduction, from a budget perspective. This is proposed for this year only, due to the current high level of inflation and cost of living crisis, and the outcomes of consultation. This proposal does not generate a saving to the Council. It protects the delivery of the service to a degree, enabling the Council to continue to provide decent allotment sites for people to grow their own food, but since the proposed increase is below inflation, there will be some reduction in the citywide site improvements which can be delivered. This proposal would enable us to maintain staffing levels, and continue with maintenance of the allotment sites

(repairs to infrastructure etc.). The proposal would enable us to continue with some of the annual citywide improvements (e.g. security fencing), but as it is below inflation, there would be some reduction.

- 1.1.7 Protecting the maintenance and enhancement of the allotment sites is in line with the 'Our Sheffield: one-year plan': ensuring that communities have access to high quality green spaces.

Summary of rental charges

Plot Type	Annual charge 2022/2023 (current year)	Annual charge 2023/2024 (already set)	Annual charge 2024/2025 5.5% proposal
Up to 100m²	£43.90	£45.20	£47.70
101m to 200m²	£89.70	£92.30	£97.40
201-300m²	£126.40	£130.10	£137.25
>301m²	£177.40	£182.50	£192.55
Parson Cross 1	£12.60	£13.00	£13.70
Parson Cross 2	£22.00	£22.60	£23.85
Pigeon Loft charge (rent only)	£55.10	£56.70	£59.80
Note: all these figures are totals including rent and water unless stated			

Breakdown

Current annual charges (2022/2023):

Plot Type	(A) Rent	(B) Water	(A+B) Total
Up to 100m²	£28.60	£15.30	£43.90
101m to 200m²	£58.10	£31.60	£89.70
201-300m²	£83.60	£42.80	£126.40
>301m²	£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		

Annual charges for 2023/24 (already set):

Plot Type	(A) Rent	(B) Water	(A+B) Total
Up to 100m²	£29.40	£15.80	£45.20
101m to 200m²	£59.80	£32.50	£92.30
201-300m²	£86.00	£44.10	£130.10

>301m ²	£128.00	£54.5	£182.50
Parson Cross 1	£8.45	£4.55	£13.00
Parson Cross 2	£14.70	£7.90	£22.60
Pigeon Loft charge	£56.70		

Proposed annual charges for 2024/2025:

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		

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. This is in line with the 'Our Sheffield: one-year plan', helping Sheffield to be a sustainable city, and contributes to our ambition to be a net zero carbon city by 2030.

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 For 2024/25 initially a proposed increase of 9.4% (in line with inflation) was discussed at the Allotment Advisory Group meeting on 27th July 2022 (see minutes attached). Some concerns were raised, e.g. that the higher rents will put people off having an allotment, and a query about the legality of the basis for rent setting, which we do not believe was justified, since it arose from a misunderstanding of the distinction between the consultation process and the decision making process. The concerns about the size of the proposed increase were not unanimous. Some attendees were in support of the proposal. It was suggested that rather than increasing rents, we could reduce the annual budget for site improvements. This would impede our ability to maintain and improve the allotment sites.

In light of the concerns raised at the Allotment Advisory Group, and subsequently by Sheffield Allotment Federation and by some individuals, we have carried out consultation open to all tenants, via an on-line survey (with a paper-based option available). The results are presented in the table and chart below.

The response rate was extremely pleasing, with 28.30% of tenants completing the survey.

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

The results indicate that the majority of respondents were in favour of some degree of increase, to protect the site improvements (56.78%). However, 27.01% would prefer an increase of less than 9.4%, with some reduction in site improvements, whilst 43.22% would prefer a rent freeze and a larger reduction in site improvements. We are heartened that the majority of respondents understand that rent collected is reinvested into the service and feel that protecting the service is important. Taking these results into consideration, an increase in rent of 5.5% for 2024/2025 is proposed as a compromise, making allowances for the impact of the current cost of living crisis on our customers.

It has been stated by Sheffield Allotment Federation that:

‘The general feeling is that the allotments is a cash cow with high rents and little service.’

This suggests some misunderstanding, since the rents collected are reinvested in the service; however the results of the October 2022 survey suggest that this view is not widely held. Sheffield Allotment Federation and the allotment societies have the opportunity to shape the service via the Allotment Advisory Group. The results of the October 2022 survey suggest that the majority of tenants do value the service provided, since they are prepared to pay more rent to protect it.

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 £0.40 and £10.05 per customer per year, 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 and of state pension age.

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 5.5% 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 broadly self-financing.
- 4.2.3 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 there has been little appetite for self-management in Sheffield. Discussions at the Allotment Advisory Group have suggested that this may be changing, and this is something which will be explored further. However, any savings will be in the longer term.
- 4.2.4 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.

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.

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 a similar level of service (with a small reduction in site improvements). The proposal entails increasing rent by a relatively small proportion, and the majority of respondents to the survey were in favour of some level of increase, therefore we feel that the proposed increase is reasonable.

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.

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. This is in line with the 'Our Sheffield: one-year plan', 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.

4.4.4

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

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

4.5.2 Property implications

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 the annual site improvements.

4.5.3 Public Health

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.

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; quite a significant one due to the current high level of inflation. This was rejected because the current allotment budget is not felt to be larger than needed. A significant reduction in budget would decrease the level of service and site improvements.

5.2 An increase of 9.4% in line with inflation was initially considered, however this was rejected following the outcomes of consultation.

5.3 Rents could be increased by a larger amount, but this would go against the outcomes of the consultation.

Considering the results of the consultation questionnaire in January 2018, discussions at the Allotment Advisory Group, the survey of October 2022 and the need to deliver the service, an increase of 5.5% (below inflation) has emerged as the overall preferred option.

6. **REASONS FOR RECOMMENDATIONS**

6.1 The recommendation to increase the rents by 5.5% in 2024/25 protects the delivery of the service to a degree, whilst taking account of the results of consultation.

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