1. **Purpose of Report**

1.1 To seek approval for a proposed increase in allotment rent charges from 1st January 2018.

2. **Recommendations**

2.1 Cabinet approves revised allotment rent charges from 1st January 2018, as set out in Paragraph 3.1 of the report, allowing for the statutory notification period, as noted in Paragraph 3.4 of the report.

3. **Reasons for Recommendations and Background**

3.1 It is recommended that from 1st January 2018 the allotment rent charge is increased from 14p/m² annum to 16p/m² annum, and that the minimum plot charge is increased from £35.00pa to £40.00pa. It is recommended that the charge for raised beds remains unchanged at £20.00pa.

3.2 During 2012 the Council consulted with the allotment tenants. 83% of those responding said that rent should be increased regularly in small amounts rather than a single large increase at irregular intervals.

3.3 The allotment rent was increased by 1p/m² to 12p/m² in 2015, to 13p/m² in 2016, and to 14p/m² in 2017. It is recommended that a similar rate of rent increase is adopted in 2018 by increasing the rent to 16p/m². The minimum charge rate of £35.00pa was introduced in 2014 and has not been increased since that date. It is recommended that the minimum plot charge is increased to £40.00. The minimum plot charge is the amount below which the rent will not drop, regardless of plot size.
3.4 The Council has a legal duty to notify existing allotment tenants 12 months in advance of a rent increase.

3.5 The recommended increase (Section 3.1) represents an annual rent increase of 14% for 766 allotment tenants. 389 tenants will have their rent increased by exactly £5.00pa, 298 between £5.00 and £10.00pa, 69 between £10.00 and £20.00pa and 10 greater than £20.00pa.

202 tenants will be completely unaffected by the proposed rent increase.

3.6 Subject to maximum occupancy, the proposal would increase the annual rent income from £41,700 (2017) to £47,000 (2018), representing a rent increase of 13% overall.

During 2016/17 the Councils allotment budget was in deficit. The rent increase in 2018 will ensure that the Allotment Service can continue to be maintained at the same level.

3.7 The Allotment Act 1950 says that an authority may charge such rent as a tenant may "reasonably be expected to pay". The recommended rental increase has taken account of all of the following factors:

- Comparison with other neighbouring Local Authorities (Section 3.8).
- Comparison with other recreational activities (Section 3.9).
- National Allotment Society Policy Document 103. Rents (Section 3.10).
- Consultation with the Hyndburn Federation of Allotments (Section 5.1).

3.8 Based on 2011 data provided by the National Allotment Society, the average allotment rent charged by 25 North West authorities is 17.66p/m².

Comparison with neighbouring authorities:

<table>
<thead>
<tr>
<th>Authority</th>
<th>Annual Rent 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blackburn with Darwen Borough Council</td>
<td>18p/m²</td>
</tr>
<tr>
<td>Burnley Borough Council</td>
<td>16p/m²</td>
</tr>
</tbody>
</table>

The recommended annual rent of 16p/m² (2018) is lower than the average rent charged by 25 North West authorities (2011) and comparable to the Councils two nearest local authorities (2016).

Comparison with neighbouring local authorities allows a benchmark to indicate where other local authorities have set their rents in order to meet costs.

3.9 There are no recreational activities, which are directly comparable to allotments; therefore the price of an adult swim ticket in Hyndburn has been used for the purpose of comparison.

Between 2006 and 2012 Hyndburn Leisure increased its charges by 76%, which reflects the adult swim price and the typical level of increase across all activities. Between 2013 and 2016 Hyndburn Leisure increased the adult swim price by 25%.
Between 2006 and 2013 the Council increased allotment rents by 22%, and between 2014 and 2018 by 74%.

The increased allotment rents and local leisure charges from 2006 have been almost identical.

3.10 The National Allotment Society has produced Policy Document 103 – Rents. The National Allotment Society recognises within its Policy the significance of rent to the allotment provider as an income, and further adds that rents must be reasonable and set in accordance with the legal requirement (Section 3.11). When considering NAS Policy 103 the Council has taken the following into account:

- The long-term financial sustainability of the allotments.
- The nature, quality and cost of facilities provided, including the cost of maintenance.
- Expenditure on management and administration.

During 2016/17 the Council's Allotment Service operated at a financial loss. The proposed rent increase in 2018 will permit the service to be maintained at its present level, thereby ensuring the long term sustainability of the allotments. The proposed rent increase has been set to account for the cost of allotment management, administration and maintenance of the allotments.

3.11 Summary of legislation, case law and procedures

Section 10(1) of the Allotments Act 1950 states that “Land let by a Council under the Allotments Acts 1908 to 1931 for use as an allotment shall be let at such rent as a tenant may reasonably be expected to pay…………”:

Additionally the Council has taken account of existing case law relating to rent increases on allotment sites, the most relevant of which is Harwood – v - Borough of Reigate and Banstead (1982). In this case the Court determined that it was the “right approach” for the Council “not to discriminate against this recreational activity as compared with other recreational activities”. This case emphasised that it was the Council that was required to determine the rent, although representations made by or on behalf of tenants should be listened to, the rent was not a matter for agreement between the Council and the tenant. The Council was, under section 10(1) of the Allotments Act 1950 required to determine the rent that a notional tenant might reasonably be expected to pay, the appropriate test for the Council in determining the rent is that it “must take into account all relevant circumstances in a broad, common sense way, giving such weight as the Council thought fit to various factors in the situation so that it might come to a conclusion that it thought right and fair”.

3.12 The Allotments Acts 1908-1950 are prescriptive regarding the provision of allotments. The Council has had regard to the Allotments Acts when considering the rent on allotment sites. In considering Section 10(1) of the Allotments Act 1950, the Council has taken the following into account when proposing the level of allotment rent:
The rate by which the allotment rent has been increased is comparable to that set by other recreational activities within Hyndburn.

The tenant consultation during 2012 established that allotment tenants were in favour of small regular increases, rather than large increases at irregular intervals.

The allotment rent set by Hyndburn remains amongst the lowest in the North West. It is reasonable to expect Hyndburn allotment tenants to pay a level of rent that is at least equivalent to the lowest set by other Allotment Authorities.

Consultation with the Hyndburn Federation of Allotments (HFA) during the preparation of this report has produced a favourable response, accepting that a rent increase is needed to enable the service to continue at its present level.

4. Alternative Options considered and Reasons for Rejection

4.1 No change. There is a continued need for the Council to invest in allotments and the proposed increases will help provide a sustainable allotments service. During the 2012 consultation with allotment tenants an overwhelming majority of respondents (83%) opted for smaller annual increases, rather than a single large increase at infrequent intervals.

4.2 Increase the minimum charge from £35pa to £40pa, leaving the area charge rate at 14p/m². Projected annual income £43,800. This option would have an overwhelmingly disproportionate impact on tenants with smaller allotment plots. 404 allotment tenants would have their rent increased by 14.0% all exclusively those with plots smaller than 285m², whilst those with allotments above 285m² would be completely unaffected by the rent increase. Such a move would undermine the Councils move towards charging proportionately based on allotment size, thereby encouraging tenants with the very largest plots to downsize and allowing the Council to split over-large plots into smaller units.

4.3 Increase the area charge rate by 2p annum to 16p/m², leaving the minimum charge of £35pa unchanged. Projected annual income £45,300. Only allotment plots greater than 220m² will be affected by the increased rent. Whilst this option supports the Councils move towards charging based on allotment plot size, consideration also needs to be given to the fact that small allotment plots require a proportionate level of service, the cost of which should not be disproportionately borne by tenants with larger plots.

4.4 Increase the area charge rate by 3p annum to 17p/m², and increasing the minimum charge from £35 to £40pa. Projected annual income £48,800. 402 allotment tenants would have their rent increased by greater than 20%. This option has been rejected on the grounds that the rent rise for a significant proportion of tenants would be unreasonably high.

The recommended option (Section 3.1) spreads the rent increase proportionately between tenants with smaller plots and those with larger plots. Options 4.1 to 4.3 fail to provide the income level required to make the Allotment Service self-financing. Option 4.4 results in an annual rent increase beyond that considered reasonable.
5. **Consultations**

5.1 Cath Holmes, Chair of the Hyndburn Federation of Allotments, has made the following statement regarding the report: “the rent increase is in keeping with the consultation held in 2012, when 83% of those replying, said rent should be increased regularly in small amounts. The rental increase is fair and consistent. Allotment rents in Hyndburn are still comparable to neighbouring Boroughs. The minimum plot charge increase from £35 to £40 equates to 10p per week.”

5.3 Regular Portfolio Holder discussions and site based activities are part of the service arrangements.

5.4 A consultation with the allotment community was carried out by questionnaire during October/November 2012, which has informed the content of this report.

6. **Implications**

| Financial implications (including any future financial commitments for the Council) | See section 3.5/3.6 above |
| Legal and human rights implications | See Section 3.4/3.7/3.11/3.12 above |
| Assessment of risk | N/A |
| **Equality and diversity implications** | Attached |
| A *Customer First Analysis* should be completed in relation to policy decisions and should be attached as an appendix to the report. |

7. **Local Government (Access to Information) Act 1985:**

**List of Background Papers**

- Cabinet Report dated 9th January 2013 “Allotment Rental Charges Review”
- Cabinet Report dated 23rd October 2013 “Allotment Rental Charge 2015”
- Cabinet Report dated 3rd December 2014 “Allotment Rental Charge 2016”
- Cabinet Report dated 21st October 2015 “Allotment Rental Charge 2017”
Customer First Analysis

1. Purpose

1.1 The purpose of the report is to introduce of a reasonable level of allotment rent charge from 1st January 2018.

1.2 Two key aims of the allotment service are to maximise the productive use of the allotment resource and to enable more people to benefit from food growing and the wider social, health and well-being benefits of allotment life. This includes encouraging and providing opportunities for more people from disadvantaged groups to get involved.

1.3 There are a number of the equality characteristics which are relevant to the allotment resource and service:

- Age, with consideration of older age groups and younger people
- Disability, including wider considerations of well-being, mobility and mental health
- Pregnancy and maternity, in relation to suitability of site conditions and facilities
- Race, religion or belief, in relation to ethnic communities

2. Evidence

2.1 For the first time, the Council now has some evidence of the equality characteristics of the allotment community, following an allotment consultation carried out in October/November 2012.

2.2 Direct contact has also been previously carried out with the allotment community to guide the detail of site improvements for those with particular needs. This has included disability support groups, tenants, waiting list people, and partner organisations.

2.3 122 people responded to the allotment consultation. While it is not certain that they are representative of the whole of the allotment community, the results provide an indication of equality related characteristics of the allotment community.
Age

18 – 24 yrs  1.5 %
25 – 44 yrs  11.5 %
45 – 64 yrs  47%
65 – 74 yrs  35%
Over 75 yrs  5%

Health

Very good  26%
Good       50%
Fair       19%
Bad        5 %
Very bad   0%

Day to day activities limited because of a health problem or disability

Not limited   68%
Limited a little  27%
Limited a lot    5%

2.4 Age ranges are perhaps more wide ranging than in the past, with 13 % of the respondents in the younger age groups, 47% in the middle age groups and 40% of the respondents in the older age groups.

2.5 While health and mobility is good for the majority, it is significant that around 24% of respondents experience less than good health and 32% of respondents have some level of mobility limitation.

2.6 23% said their health is better than before they had an allotment. And of those whose health had declined, a massive 83% said that having an allotment had helped to slow down the effects of illness or age.

3. Impact

3.1.1 The Council now has tangible evidence that allotment provision contributes to improved health and well-being.

3.2 The key equality consideration relating to the rental increase proposal is to ensure that no-one is discriminated from being able to access the allotment resource for reasons of affordability.

3.3 The rent review has taken account of all of the relevant factors as follows:-

• Results of consultation carried out with Hyndburn’s allotment community.
• Comparison with allotment charges of other Local Authorities in the North West.
• Comparison with increased charges for other recreational activities.
• Affordability, social and health improvement considerations.
3.4 The allotment resource includes special provisions with raised beds and ‘easy access’ beds on a number of sites and accessible and manageable plots of small sizes at Meadoway, Norden, Woodnook, Heys and Peel Park. These provide for people with limited mobility, including older age groups, activities for young people and schools involvement, disability support groups and encourage involvement from more people who are new to food growing or who only have limited time for example due to work, family or study commitments.

3.5 The cost of these special provisions is not being increased.

3.6 For all other plots, the proposed increases are very reasonable. Full details in the Cabinet Report show that the proposals represent a reasonable level of increase at this time, balancing all of the relevant considerations, including comparison with other recreational activities, amounts which remain at the lowest end of charges in the North West. The comparatively modest amounts, together with no increase for some provisions, reflect affordability for all and the community and social benefits of the allotment resource.

3.7 The allotment resource is very wide ranging with plots of many sizes available. This means that people can choose a plot type and size that is directly relevant to their needs and affordability. It is also often possible for an existing plot holder to reduce the size of their plot, or to move to more suitable provision, should their needs change over time.

3.8 Overall, with no increase for the special provisions of raised beds, and small plots plus a reasonable level of increase across the other plots, the proposals ensure that the whole of the allotment resource provides affordability for all.

4. Actions

4.1 The proposals inherently provide for equality considerations and no further action is required.

Name: Simon Prideaux  Signed: 

Service Area Planning and Transportation Dated: 17th October 2016