

OVERVIEW AND SCRUTINY MANAGEMENT BOARD

Date and Time :-	Wednesday, 4 July 2018 at 11.00 a.m.
Venue:-	Town Hall, Moorgate Street, Rotherham.
Membership:-	Councillors Brookes, Cowles, Cusworth, Evans, Keenan, Mallinder, Napper, Sansome, Short, Steele (Chair) Walsh and Wyatt.

This meeting will be webcast live and will be available to view [via the Council's website](#). The items which will be discussed are described on the agenda below and there are reports attached which give more details.

Rotherham Council advocates openness and transparency as part of its democratic processes. Anyone wishing to record (film or audio) the public parts of the meeting should inform the Chair or Democratic Services Officer of their intentions prior to the meeting.

AGENDA

- 1. Apologies for Absence**
- 2. Declarations of Interest**
- 3. Questions from Members of the Public and the Press**
- 4. Exclusion of the Press and Public**

Agenda Items 5, 6 and 7 have exempt appendices. Therefore, if it is necessary to refer to the exempt appendices when considering those items of business, the Chair will move the following resolution:-

That under Section 100(A) 4 of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 3 of Part 1 of Schedule 12(A) of such Act indicated, as now amended by the Local Government (Access to Information) (Variation) Order 2006.

Items for Pre-Decision Scrutiny

In accordance with the outcome of the Governance Review, the following item is submitted for pre-scrutiny ahead of the Cabinet and Commissioners' Decision Making Meeting on 9 July 2018. Members of the Overview and Scrutiny Management Board are invited to comment and make recommendations on the proposals contained within the report.

5. Modern Methods of Construction Pilot to Build Affordable Homes (Pages 1 - 13)

Cabinet Portfolio: Housing

Strategic Directorate: Adult Care, Housing and Public Health

6. Community Energy Switching Scheme (Pages 14 - 24)

Cabinet Portfolio: Jobs and the Local Economy

Strategic Directorate: Regeneration and Environment

7. Strategic Property - Riverside House Lease (Pages 25 - 36)

Cabinet Portfolio: Jobs and the Local Economy

Strategic Directorate: Regeneration and Environment

8. Allotments Self-Management (Pages 37 - 76)

Cabinet Portfolio: Waste, Roads and Community Safety

Strategic Directorate: Regeneration and Environment

9. To determine any item which the Chairman is of the opinion should be considered as a matter of urgency.

10. Date and time of next meeting

The next meeting of the Overview and Scrutiny Management Board will be held on Wednesday 18 July 2018 at 11.00 a.m. in Rotherham Town Hall.



SHARON KEMP,
Chief Executive.

Public Report with Exempt Appendix
Cabinet and Commissioners' Decision Making Meeting

Summary Sheet

Name of Committee and Date of Committee Meeting

Cabinet and Commissioners Decision Making Meeting – 9 July 2018

Report Title

Modern Methods of Construction Pilot to Build Affordable Homes

Is this a Key Decision and has it been included on the Forward Plan?

Yes

Strategic Director Approving Submission of the Report

Anne Marie Lubanski, Strategic Director of Adult Care, Housing and Public Health

Report Author(s)

Liz Hunt, Affordable Housing Co-ordinator
01709 334956 or elizabeth.hunt@rotherham.gov.uk

Jane Davies, Head of Strategic Housing and Development
01709 334970 or jane.davies@rotherham.gov.uk

Ward(s) Affected

Hoover
Valley

Summary

This report requests Cabinet approval to deliver 12 bungalows for older people through a pilot to test alternative modern construction methods. Funding for the pilot will come from the Housing Revenue Account (HRA) and subject to confirmation, grant funding from the Sheffield City Region's Housing Fund.

'Modern methods of construction' (MMC) is a generic term used to cover several different types of homes that are manufactured in a factory environment and either fully or partially assembled in the factory, or the component parts are assembled on site. MMC can provide an efficient alternative to traditional construction methods for the following reasons:

- Increased pace of delivery
- Quality and energy efficiency can be higher
- Some providers claim the costs are lower than traditional construction

The MMC project will achieve the following outcomes:

- 12 new Council bungalows for older people to rent
- Making the best use of HRA small sites to deliver new Council homes

- Testing of modern methods of offsite construction to deliver high quality, energy efficient homes at a faster pace – which if successful could be scaled up to make a significant contribution to the borough's housing growth target
- Diversification of the local construction industry by offering opportunities to small and medium sized builders

The report explains that these technologies are new to Rotherham and, until the procurement exercise has been completed it is not possible to analyse property lifespan and lifecycle costings. A robust appraisal will be carried out by officers in finance, repairs and maintenance, asset management and housing services, to ensure the proposals demonstrate long term value for money to the Council.

Recommendations

1. That the use of the identified sites to deliver affordable housing using modern methods of construction be approved.
2. That a further report be submitted to Cabinet in November 2018 to:
 - detail the Outline Business Case
 - recommend contract partners and
 - seek approval for use of Housing Revenue Account capital resources for the pilot up to a maximum of the amount set out in exempt Appendix 2, following a procurement exercise.

Background Papers

Appendix 1 Summary of modern construction methods

Appendix 2 Exempt financial information

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Overview and Scrutiny Management Board – 4 July 2018

Council Approval Required

No

Exempt from the Press and Public

While the main report is an open item, exemption for Appendix 2 is requested under paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act, as it contains sensitive commercial information with regards to the Council's contracts.

Modern methods of construction pilot to build affordable homes

1. Recommendations

- 1.1 That the use of the identified sites to deliver affordable housing using modern methods of construction be approved.
- 1.2 That a further report be submitted to Cabinet in November 2018 to:
 - detail the Outline Business Case
 - recommend contract partners and
 - seek approval for use of Housing Revenue Account capital resources for the pilot up to a maximum of the amount set out in exempt Appendix 2, following a procurement exercise.

2. Background

- 2.1 This report requests Cabinet approval to deliver 12 bungalows for older people, through a pilot to test alternative modern construction methods. Funding for the pilot will come from the Housing Revenue Account (HRA) and, subject to confirmation, grant funding from the Sheffield City Region's Housing Fund, as outlined in exempt Appendix 2.
- 2.2 'Modern methods of construction' (MMC) is a generic term used to cover several different types of homes that are manufactured in a factory environment and either fully or partially assembled in the factory, or the component parts are assembled on site (see appendix 1). In recent years the MMC products on offer have diversified and increased significantly and as the Council has not commissioned any MMC construction projects in recent years now is the ideal time to test the market.
- 2.3 MMC could provide an efficient alternative to traditional construction methods for the following reasons:
 - Increased pace of delivery
 - Quality and energy efficiency can be higher
 - Some providers claim the costs are lower than traditional construction
- 2.4 Several private sector organisations including small and medium enterprises have approached the Council in recent months, requesting opportunities to showcase their MMC products.
- 2.5 Organisations offering MMC typically require a larger 'order-book' of 200+ units to achieve the economies of scale required to set up a local factory in the area. Rotherham Council is participating in a working group with other colleagues in the Sheffield City Region (housing associations and local authorities) to explore options for a more substantial programme through collaborative procurement.
- 2.6 However in the meantime, it would be helpful to be able to test the market and evaluate the costs and quality of different MMC products, to identify whether they can meet the specific local requirement for new high quality, affordable bungalows.

- 2.7 To this end, the Strategic Housing and Development Service is undertaking an open procurement exercise, which will conclude in August / September 2018.
- 2.8 Organisations have been invited to submit designs and costings for one or more of the sites. The evaluation process will focus on quality and value for money. Returned Tenders will be evaluated against agreed criteria and compared with each other. If there are several strong bids then more than one contractor could be appointed, which would allow the Council to compare speed of delivery, quality of the end product and costings.
- 2.9 It is essential that the proposals demonstrate value for money, not just at the construction phase but over the lifetime of the home and therefore the procurement brief sets out the requirement for robust and evidenced lifecycle maintenance costings. Submissions will be evaluated and scrutinised by the Council's repairs and maintenance service and finance officers, and no contracts will be awarded unless the Council is confident that the strategic objectives can be met and value for money achieved.
- 2.10 The proposal for each site is set out below.
- Symonds Avenue, Rawmarsh – eight bungalows
 - Hounsfield Crescent, East Herringthorpe – two bungalows
 - Hounsfield Road, East Herringthorpe – two bungalows
- 2.11 The bungalow sites are either low demand garage sites or undeveloped HRA land, which have varying degrees of nuisance issues. If this pilot proves to be successful this could provide a delivery route for many of the other 200-300 HRA owned small sites in the borough. Whilst groundworks and the construction of foundations are still required, the homes can be delivered to the site as completed units (depending on the specific product). Consequently the number of traffic movements to and from site is reduced as there are fewer large delivery vehicles.
- 2.12 It is anticipated that the build cost per property will be similar to traditional construction, due to the small numbers and the nature of the sites selected. The maximum total cost of the project has been estimated on this basis, and this has been set out in exempt Appendix 2. It is proposed that the whole of the scheme is to be HRA funded. This has been built into the new HRA business plan (approved by Cabinet and Commissioners in January 2018) although the amount provisionally identified for the MMC pilot will need to be increased. The Council has also submitted a business case to the Sheffield City Region (SCR) Housing Fund for a grant contribution to the project and the outcome should be known by late July.
- 2.13 The MMC project will achieve the following outcomes:
- 12 new Council bungalows for older people to rent – which is important as Rotherham has an ageing population and requires more level access accommodation suitable to meet people's changing needs, as set out in the Housing Strategy.

- Making the best use of HRA small sites to deliver new Council homes – and as these sites are often located within or in close proximity to existing neighbourhoods, these are particularly suitable for older people.
- Testing of modern methods of offsite construction to deliver high quality, energy efficient homes at a faster pace.
- Contribution to the Council's housing growth target.

2.14 The new bungalows will be added into the Council's stock and allocated via Key Choices to people aged over fifty or with an assessed medical need.

3. Key Issues

- 3.1 It is important to note that these technologies are new, and as yet untested in Rotherham. Until the tenders are returned, with details about property lifespan and lifecycle maintenance costings it will not be possible to ascertain whether they will deliver value for money. It is therefore essential that finance and repairs and maintenance colleagues are involved in scrutinising the tender returns, and that contracts are not entered into unless the scheme will represent value for money to the Council.
- 3.2 The Council has ambitious housing growth targets and needs to increase the delivery of new homes by around 50% per annum. A range of different delivery methods and approaches will be required to achieve the target and ensure local needs are met. The MMC pilot will achieve a relatively modest number of new homes (12) but if successful could lead to a much more extensive programme as it will allow MMC concepts to be tested.
- 3.3 The Council's own housing stock is reducing at a rate of between 150 and 200 per annum due to Right to Buy sales, and as demand and Housing Register figures continue to increase, it is important that the Council builds new Council homes to ensure the needs of Rotherham's most vulnerable residents can be met. Delivery of new homes via MMC could be much quicker than through traditional methods of construction.
- 3.4 Rotherham has an ageing population and there is an increasingly high demand for Council bungalows. Older people often wish to stay living in their existing communities and small, HRA owned sites can provide an ideal location for older people accommodation. The MMC project includes sites that are close to existing communities and where housing data reveals a high demand for level access accommodation. This will help older people to remain living independently for longer thus reducing the number of people entering residential care or hospital.
- 3.5 The MMC project will provide the opportunity for small and medium specialist companies to work in partnership with the Council, which will help to diversify the local construction industry.
- 3.6 Homes delivered by modern methods of construction typically achieve high levels of quality and energy efficiency. Industry experts state that due to the superior airtightness achieved by precision engineering and factory conditions the homes cost 20% less to heat than conventional properties, which will help to reduce fuel poverty.

- 3.7 It is likely that a separate maintenance agreement will need to be agreed with the Council's contract partners and this is being considered in the retendering of the repairs and maintenance contract. It will be a condition of the contract award that these new homes will be covered by a one year's defects liability warranty as well as a ten year structural warranty. During the one year defects liability period a firm maintenance agreement will be established with either an existing partner or another provider or the supplier of the units. The costs of all proposals will be benchmarked against the Council's ongoing maintenance contracts and industry standard information.
- 3.8 This pilot is also strategically significant for housing providers across the Sheffield City Region as a group of local authorities and housing associations are researching MMC products and preparing a joint / programme approach to procurement, to achieve the economies of scale required to merit a major programme. Rotherham will participate in this wider scheme and will share the experience from this pilot scheme.

4. Options considered and recommended proposal

- 4.1 Delivering these sites via traditional construction: At the present time manufacturing off-site is not proven to be less expensive than traditional construction, but the requirement to accelerate housing delivery along with the increasing shortage of skills have forced the housebuilding industry to look at change. Product information suggests that as the manufacturing process evolves, MMC products should be cheaper to build than traditional properties in the long term. This is an ideal time to pilot these methods in Rotherham. Traditional construction is therefore not recommended, to allow MMC to be trialled.
- 4.2 Sell the sites for development: The Council could opt to sell these sites on the open market to encourage small builders or self-builders to develop the sites. The Council's Asset Management Service has estimated the following site values – Hounsfield Crescent £30,000, Hounsfield Road £25,000, Symonds Avenue £100,000. These are relatively low values and selling the sites on the open market would not generate a significant income to the HRA. The Council has identified HRA funding which may be contributed to by SCR New Homes funding to make these new developments more viable, and there is an identified need for more housing specifically for older people. Therefore it is more beneficial for the Council to develop the sites for new Council homes. This approach is therefore not recommended.
- 4.3 The recommended approach is to undertake the MMC pilot to allow these methods and the delivery route to be tested, for the longer term strategic benefits this would deliver.

5. Consultation

- 5.1 Ward Members have been briefed on the proposals and will be kept up to date as the projects develop.

- 5.2 These are small sites and public consultation will be carried out via the planning application process, which has nationally prescribed regulations regarding informing local residents and the wider public.
- 5.3 Health Action Plan groups will be consulted, particularly those dealing with the needs of older people.
- 5.4 Households who are immediate neighbours of the site will be sent letters to inform them of the proposals and timescale for the development of the sites.
- 5.5 The Strategic Housing Forum was briefed on the MMC proposal as part of the overall housing growth plans for the borough. All members were supportive of the proposal.
- 5.6 The SCR “More New Homes” steering group has been consulted on the proposal, and the benefits of sharing information between the Rotherham small sites pilot and the wider SCR collaborative programme were confirmed. This is one of the principles underpinning the Council’s funding bid to the SCR Housing Fund.
- 5.7 The Strategic Housing and Development Services will engage with other relevant partners and teams to establish the detail around allocation of the single person household homes.

6. Timetable and Accountability for Implementing this Decision

- 6.1 Subject to Cabinet approval of a comprehensive business case later in the year, construction could commence in January 2019. However, some site works can be undertaken ahead of this, including site investigation works and the procurement exercise to engage contractor/s. Indicative scheme designs can be worked up. Planning colleagues have already been consulted and have confirmed that all of the sites are suitable for residential development. The project will be completed during summer 2019.
- 6.2 The table below details the key milestones associated with the project:

Dates	Key milestones
April – June 2018	Site investigation works and topographical surveys
April – June 2018	Procurement tender to be finalised
9 th July 2018	Report to Cabinet and Commissioners
July – end of August 2018	Tender sent out to prospective contractors via an open procurement exercise
September 2018	Return of tenders and evaluation
September 2018	Production of detailed outline business case and Cabinet report
November 2018	Cabinet and Commissioner report seeking approval of business case and tender acceptance
November 2018	Award of tender to successful contractor/s and legal contracts to be agreed and signed
November – January 2019	Planning approval gained for the sites

January 2019	Start on site
Summer 2019	Completion of the units

- 6.3 The project will be overseen by the Affordable Housing Co-ordinator who will work closely with Asset Management and other council services.
- 6.4 Overarching progress will be overseen by the Housing and Regeneration Programme Delivery Board / Officer Group and the overall accountable officer will be the Assistant Director of Housing and Neighbourhoods.

7. Financial and Procurement Implications

- 7.1 The estimated project costs are set out in exempt Appendix 2.
- 7.2 The new HRA Business Plan includes funding for the MMC project, although the amount provisionally allocated will need to be increased as set out in appendix 2. More than £50m of HRA capital resources have been identified in the business plan for housing growth over the next five years. The amount allocated in the HRA Business Plan is not an approved budget and a detailed outline business case will be produced and reported to Cabinet in November, which will set out the HRA resources required and formally request a capital budget. If approved, funding of this initiative will be via HRA Revenue Reserves and SCR funding as per 7.3 below if awarded.
- 7.3 SCR funding may be granted to cover a proportion of the project costs, this is also set out in appendix 2. Any grant received will form part of the funding for this initiative.
- 7.4 The properties will generate New Homes Bonus and council tax income which will contribute to the achievement of financial planning assumptions within the Council's Medium Term Financial Strategy. The new bungalows will also generate approximately between £58K and £60K per annum of rental income to the Housing Revenue Account. According to the literature available the long term management and maintenance costs of these new bungalows should be no different to traditional build properties but they will be subject to a separate maintenance agreement with the Council's maintenance partners.
- 7.5 Many of the SME contractors who provide MMC are relatively new entrants to the housing market. Therefore they are not on current procurement frameworks such as Yorbuild as these frameworks are only updated every five years or so. In order to have the greatest scope and attract a maximum number of tender returns the procurement process will run as an open tender via YorTender to allow all possible contractors to submit tender bids, which will then be evaluated and compared against pre-determined criteria. Up to two contractors could be appointed to develop the sites.

8. Legal Implications

- 8.1 All contracts in respect of this project will be managed by the Council's Asset Management Team, and will follow industry standard form. The Council will retain 'step in' rights to complete the works should any contractor fail to finish the project. Further contractors will only be paid in staged payments following the completion of works, therefore the Council will never pay for works that have not been completed.

9. Human Resources Implications

- 9.1 None identified.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 The main groups to benefit from the new homes will be older people requiring level access accommodation, which will help people to live independently for as long as possible.

11. Equalities and Human Rights Implications

- 11.1 None identified.

12. Implications for Partners and Other Directorates

- 12.1 The programme will be delivered by the Strategic Housing and Development Service, but essential roles will also be played by officers in Asset Management and Planning services within the Regeneration and Environment directorate.

13. Risks and Mitigation

- 13.1 Some of the SME companies developing these projects may be relatively new companies with a short trading history. Consequently, on paper, they may be deemed as 'high risk' partners. The Council will have legal 'step in' rights to appoint other contractors to finish any works that are outstanding should a company go into administration.
- 13.2 Inspection of the ongoing project will be carried out by the Council's Clerk of Works, who will only authorise payments once he / she is satisfied that all the works have been completed to the correct standards. This system reduces the Council's exposure to financial risk.
- 13.3 The new bungalows will not be exempt from Right to Buy applications. Due to national Government Policy the Council cannot exempt these homes. At the point of a Right to Buy application if the 'cost floor' (build cost plus all the fees and additional project costs) of the property is higher than the tenant's purchase price (after the discount has been applied) then the tenant will have to purchase at the cost floor amount – i.e. the level of discount is reduced. In circumstances where the open market value of the property is lower than the cost floor then the Council will have to sell at the open market value and write off the difference between the cost floor and the open market value.

- 13.4 The long term maintenance costs associated with some of the MMC build types is not yet known. However this information will form part of the evaluation process for the procurement Tenders and will be compared to the standardised maintenance costs for all other Council properties. This will form part of the Value for Money exercise. However, a stand-alone maintenance contract may be required for the units and this will be taken into account in the repairs and maintenance contract re-Tendering process.
- 13.5 Overall the risk of not undertaking this pilot is that the Council will not have a clear understanding of the benefits of MMC and the opportunity to deliver a major housebuilding programme on other key sites, at a faster pace than through traditional methods. The report explains that robust evaluation and scrutiny will take place of all proposals prior to contracts being signed to ensure that the new homes will provide value for money over the lifetime of the homes, not just at the point of construction.
- 13.6 There is a risk that the grant funding request is not approved, and even if it is, the full details of the terms and conditions are currently unknown. However this will be taken into account in the detailed business case.

14. Accountable Officer(s)

Tom Bell - Assistant Director of Housing and Neighbourhood Services

Approvals obtained on behalf of:-

	Named Officer	Date
Strategic Director of Finance & Customer Services	Judith Badger	22.06.2018
Assistant Director of Legal Services	Lesley Doyle	May 2018
Head of Procurement (if appropriate)	Karen Middlebrook	May 2018
Head of Human Resources (if appropriate)		

*Report Author: Liz Hunt, Affordable Housing Co-ordinator
01709 334956 or elizabeth.hunt@rotherham.gov.uk*

*Jane Davies, Head of Strategic Housing and Development
01709 334970 or jane.davies@rotherham.gov.uk*

This report is published on the Council's website or can be found at:-

<http://moderngov.rotherham.gov.uk/ieDocHome.aspx?Categories=>

Appendix 1 – Summary of modern construction methods

Mode of delivery	Description
Open Panel	A structural frame using panels constructed in the factory and assembled on site. Services, insulation and internal finished are installed on site.
Closed Panel	Similar to open panel but with more factory based fabrication with some internal finished and often doors and windows being pre-installed.
Volumetric	The most factory-based form of production. Three dimensional models are used in isolation or in multiples. Can be pre-finished with all fixtures and fittings.
Hybrid	A combination of volumetric and panelised systems. High value areas (kitchens and bathrooms etc) are formed in a pod and the rest uses panels as a frame.
Sub-Assemblies	Major structural elements are manufactured off site but are not part of the primary structure, e.g. foundations
Components	Non-structural elements are manufactured off site. Less common but can include mechanical or electrical services.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

Public Report with Exempt Appendix
Cabinet and Commissioners' Decision Making Meeting

Summary Sheet

Name of Committee and Date of Committee Meeting

Cabinet and Commissioner's Decision Making Meeting – 9 July 2018

Report Title

Community Energy Switching Scheme

Is this a Key Decision and has it been included on the Forward Plan?

No

Director Approving Submission of the Report

Damien Wilson, Strategic Director of Regeneration and Environment

Report author(s):

David Rhodes, Environment, Energy and Data Manager
01709 254017 or david.rhodes@rotherham.gov.uk

Wards Affected

All

Executive Summary

The purpose of this report is to seek approval to assess the feasibility of developing a community energy switching scheme in Rotherham to reduce the number of people in Rotherham paying high tariffs for gas and electricity.

Recommendations

1. That a detailed feasibility study be undertaken in order to assess the viability of developing a Community Energy Switching Scheme.
2. That a detailed feasibility report be brought back to Cabinet for consideration.

List of Appendices Included

Appendix A Development and operating arrangements of Doncaster Council and Robin Hood Energy Community Energy Switching Scheme.

Appendix B Details of Typical Commission Received; Anticipated Revenue and Projected Costs.

Background Papers

None

Consideration by any other Council Committee, Scrutiny or Advisory Panel
Overview and Scrutiny Management Board – 4 July 2018

Council Approval Required

No

Exempt from the Press and Public

An exemption in respect of Appendix B is requested under paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972, as this Appendix contains sensitive commercial information. It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information, as the Councils commercial interests could be prejudiced by disclosure of this commercial information.

Community Energy Switching Scheme

1. Recommendations

- 1.1. That a detailed feasibility study be undertaken in order to assess the viability of developing a Community Energy Switching Scheme.
- 1.2 That a detailed feasibility report be brought back to Cabinet for consideration.

2 Background

- 2.1 Previous domestic Council energy programmes focussed on helping people to insulate their homes, install modern controllable heating and renewable or efficient energy systems to help reduce energy costs.
- 2.2 Ofgem has reported that around 57% of non-prepayment meter consumers remain on poor value standard variable rates, which can be as much as £300 a year more expensive than the cheapest deals on the market. However, more than one in five households across the UK now get their energy from small/medium-sized suppliers, leaving the largest six suppliers with a record-low market share. During 2017, 5.1 million electricity consumers and 4.1 million gas consumers switched supplier, which was the highest number for almost a decade. Many of the customers switched for the first time.
- 2.3 A community energy switching scheme aims to reduce the cost of living for people by getting a fair price on gas and electricity. A number of Local Authorities in the UK have developed community energy switching schemes in partnership with private companies or Council owned licenced energy suppliers. The operation, management, resource requirements and potential revenue of the different schemes vary across the country.
- 2.4 An initial exercise was carried out to assess the development and operating arrangements of different schemes. Meetings were arranged with two different types of scheme / organisations to assess the development, operating and management requirements of the schemes. Details of the two schemes assessed are attached at Appendix A and summarised as follows:
 - Doncaster Council and Robin Hood Energy – a ‘white label’ partnership scheme. A white label provider is an organisation (Doncaster Council) that does not hold a supply licence and instead partners with a licenced supplier (Robin Hood Energy) to offer gas and electricity using its own brand.
 - ichoosr – A private company that signs up participants for quarterly energy auctions, resulting in the offer of energy tariffs.
- 2.5 Other private and public community energy switching schemes are operating in the UK including Leeds Council with ‘White Rose Energy’ (also with Robin Hood Energy); Cornwall Council with ‘Community Energy Switch’; Bristol Council with ‘Bristol Energy Ltd’ and OVO Energy (private company) who operate a number of schemes in partnership with Local Authorities to name a few.

3 Key Issues

- 3.1 There are numerous organisations operating community energy switching schemes, many with different methods of operation and management. If the Council is to proceed towards developing a community energy switching scheme it is recommended that a detailed feasibility study is carried out. It is important to note that the Council itself is unlikely to derive any financial benefit from such a scheme, the beneficiaries would be residents.
- 3.2 The Council should market and communicate the scheme to residents and offer fair, simple and clear prices and good customer service. The Council should also receive a commission from the partner organisation selected. The revenue received would be used to support the additional resources required to develop, market and support the scheme in Rotherham.
- 3.3 Details of a typical commission offered by Doncaster Council and Robin Hood Energy are included in the exempt Appendix B as an example. An initial budget would be required to set up the scheme as well as for marketing, support and operation. Resource requirements include:
- Community Energy Officer. Responsible for developing, operating, marketing, communication and supporting residents joining the scheme. It is envisaged that one Officer will be required for year 1 and an additional Officer will be required in years 2 and 3 once the scheme expands.
 - Marketing and communication. Promoting the scheme through different media, arranging public marketing events and communicating to all stakeholders.
- 3.4 Revenue and cost projections detailed at Appendix B illustrate that any up-front costs would be repaid through the money received from the partner organisation for each meter signed up for a year. However, this is dependent upon the speed of take-up by residents, so there may be a period when revenue funding is required to support the project. It is anticipated that void Council properties would need to be included in the scheme to make it financially viable.

4 Options Considered and the Recommended Proposal

- 4.1 **Option 1** – Do not develop a community energy switching scheme and let residents manage their own tariff changes through comparison websites such as uswitch, comparethemarket.com or moneysupermarket.com. This option would not require any additional staffing resources.
- 4.2 **Option 2** - Carry out an information campaign for residents to inform them of the potential savings with details on comparison sites, the big 6 energy companies and alternatives. This option could also run specified days at Riverside House (and other Council sites e.g. libraries) to assist residents wishing to switch but lacking the confidence, IT knowledge or equipment. This would be a short term support programme.

This option would require a marketing budget and use of staff time though could be seen to be endorsing energy companies on the comparison websites without knowing a great deal about them. This could result in residents asking for further support and blaming the Council for any failures of energy companies. The Council would need to be careful that residents in receipt of warm home discount do not lose out by switching.

- 4.3 **Option 3** – Carry out a detailed feasibility study to assess the viability of developing a Community Energy Switching Scheme and obtain further information about a potential scheme for Rotherham. Option 3 would require staffing time to develop the feasibility and provide a report on future options and next steps. This option would assist residents but there would be no financial benefit to the Council.
- 4.4 It is therefore recommended that option 3 is progressed as the outcome of the feasibility study and subsequent development of a Community Energy Switching Scheme could reduce the number of people in Rotherham paying high tariffs for gas and electricity.

5. Consultation

- 5.1 Consultation has been carried out with Housing & Neighbourhood Services. A concern was raised about including void Council properties and the benefits of a future scheme compared to current arrangements. The concerns raised by the voids team will be used to develop the criteria for any future scheme including:
- The licenced provider will require a dedicated voids team.
 - Debts left by leaving tenants will be cleared by the licenced provider and payment pursued from previous occupants not the Council.
 - A commission will be required for each meter.
 - Emergency credit is required on each meter and standing charges waived for a set period.

6. Timetable and Accountability for Implementing this Decision

- 6.1 If approval is given to the recommendation as presented, this will be actioned immediately and a community energy switching scheme feasibility study will be carried out to assess the viability of developing a scheme and partnership. The feasibility study can be carried out in-house by Officers and is expected to take two months to complete. It is therefore proposed to bring a further report to Cabinet in late 2018 on the detail of the feasibility study and next steps.

7. Financial and Procurement Implications

- 7.1 There are no financial implications arising from this report, which only seeks approval to undertake the feasibility study, which will be completed in house, using existing staff resources.

8. Legal Implications

- 8.1 OFGEM introduced the Retail Market Review (RMR) reforms late in 2010 to make the retail energy market simpler, clearer and fairer for consumers. The domestic RMR recognised that white label partnerships have the potential to deliver greater consumer choice and competition. White label partnerships must comply with the RMR rules.
- 8.2 Charging for services is only permitted on a pure cost recovery basis, i.e. a surplus that equates to 'profit' cannot be generated without the formation of a trading company.
- 8.3 Other white label arrangements being made by Local Authorities have a minimum 3 – 5 year contract. There are break clauses included in these contracts should one or both partners want to end the project. It is anticipated the Council would make similar arrangements.
- 8.4 The Council would enter into a partnership arrangement with a provider following an EU compliant tender in accordance with Utilities Contract Regulations 2016. The partner supplier will be responsible for the supply of gas and electricity to the customers of the white label partnership and the partner provider will be obligated to comply with the supply license conditions.

9. Human Resources Implications

- 9.1 Additional resources may be required to develop, operate and support the scheme as detailed in Exempt Appendix B, these will be explored more fully as part of the feasibility study.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 If implemented a Community Energy Switching Scheme could assist in reducing fuel poverty.

11. Equalities and Human Rights Implications

- 11.1 If implemented the energy supply offer will be made available to all households in Rotherham.

12. Implications for Partners and Other Directorate

- 12.1 The implications for Housing Services have been included in the report.

13. Risks and Mitigation

- 13.1 The Council or energy provider cannot guarantee that a given tariff will always be the cheapest. The energy supply market is volatile and the cheapest market price can be superseded the next day by another provider.

- 13.2 The highest risk for the Council would be reputational. Consumer complaints about billing and the Council may receive the criticism for any price increases set by the partner energy company. Customer service and customer retention performance would have to be regularly monitored.
- 13.3 There is a financial risk to the Council if the number of residents that sign up to the scheme is insufficient to cover the marketing and administration costs. The Council would need to consider pulling out of the scheme in order to mitigate on going losses if this was the case.

14. Accountable Officer(s)

Paul Smith, Head of Asset Management

Approvals obtained on behalf of:-

	Named Officer	Date
Strategic Director of Finance & Customer Services	Judith Badger	19.06.2018
Assistant Director of Legal Services	Stuart Fletcher	19.06.2018
Head of Procurement (if appropriate)		
Head of Human Resources (if appropriate)		

*Report Author: David Rhodes, Environment, Energy and Data Manager
01709 254017 or david.rhodes@rotherham.gov.uk*

This report is published on the Council's website or can be found at:-
<http://moderngov.rotherham.gov.uk/ieDocHome.aspx?Categories=>

APPENDIX A

Ichooser

1. ichoosr is a private company that organises quarterly energy auctions with licenced suppliers. The aim is to secure reduced tariffs through group purchasing schemes. Participants sign up for energy auctions following a set process:
 - 1.1 Residents sign up for the scheme free of charge.
 - 1.2 Participants are included in the next quarterly auction.
 - 1.3 A personal offer (tariff) is offered to participants post auction.
 - 1.4 Participants accept or decline the offer/tariff. If accepted 'ichoosr' deals with the switching process
2. The process can take up to 12 weeks to switch following a set process. Partner organisations (e.g. Local Authorities) marketing the scheme in their area receive a small commission for each resident that signs up to the scheme and adopts a new tariff.

Doncaster Council.

The Doncaster Council scheme development and arrangements are:

1. Doncaster Council has established a 'white label' partnership agreement with Robin Hood Energy and set up their own community energy switching brand and website (<https://www.greatnorthernenergy.co.uk/>). The scheme offers domestic energy tariffs under a 'white label' arrangement with Robin Hood Energy. A white label provider is an organisation (The Council) that does not hold a supply licence and instead partners with a licenced supplier (Robin Hood Energy) to offer gas and electricity using its own brand (Great North Energy).
2. A number of schemes were assessed by Doncaster Council prior to the partnership agreement with Robin Hood Energy including a potential partnership with White Rose Energy (Leeds Council). Doncaster Council previously worked with 'ichoosr' to develop a community switching scheme but found the lengthy switching process (up to 12 weeks) too long, and only had a 25% take up rate on expressions of interest because of this time delay. Other Local Authorities are considering a partnership agreement with Doncaster Council using the Great North Energy label.
3. The majority of the customer facing activity and marketing is undertaken by existing staff (Doncaster has 3 x Neighbourhood Energy Officers who are externally funded and St Leger Homes Tenant Liaison Officers).
4. Doncaster Council is looking at expanding the scheme to include commercial energy for SME's.

Robin Hood Energy

The Robin Hood Energy scheme arrangements are:

1. Robin Hood Energy are a national not for profit organisation currently employing 160 - 180 staff dealing with customer services; billing; back office functions; wholesale buying; regulatory compliance and metering services associated with energy provision. Robin Hood Energy is owned by Nottingham City Council.
2. Robin Hood Energy continue their relationship with customers and those that are on an 18 month fixed tariff are moved to the cheapest available peak tariff once the contract term expires. This arrangement is not available to customers on the 12 month tariff at the moment.
3. Online account management is available such as a customer helpline with wait times at 2 minutes maximum and within 1 minute for 70% of customers. Return calls are made within 48 hours.
4. Payment arrangements are monthly, quarterly or pre-paid. Pre-paid customers are monitored and offered direct debit when stable.
5. When Robin Hood Energy were asked about recent reports of price increases and financial stability the response was:
 - 5.1 The standard variable tariff hadn't changed for 18 months and increased after the big 6 raised their tariff.
 - 5.2 Company debt report for 2016/17 showed a deficit as expected.
 - 5.3 Now at critical mass of customers to break even (over 100,000) and expected to break even for 2017/18.

The Head of Energy Projects, Commercial, Infrastructure and Energy at Nottingham City Council confirmed the information given by Robin Hood Energy and Doncaster Council. Derby Council has also arranged a white label partnership with Robin Hood Energy and set up their own Community Energy Switching brand and website (<https://www.ramenergy.co.uk/>).

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

Public Report with Exempt Appendix
Cabinet and Commissioners' Decision Making Meeting

Summary Sheet

Name of Committee and Date of Committee Meeting

Cabinet and Commissioners' Decision Making Meeting – 9 July 2018

Report Title

Strategic Property - Riverside House Lease

Is this a Key Decision and has it been included on the Forward Plan?

Yes

Strategic Director Approving Submission of the Report

Damien Wilson, Strategic Director of Regeneration and Environment

Report Author(s)

Jonathan Marriott – Estates Manager

01709 823898 or jonathan.marriott@rotherham.gov.uk

Ward(s) Affected

Boston Castle

Summary

The purpose of this report is to seek approval to restructure the lease for Riverside House. Approval is sought to delegate the final details and future lease arrangements for Riverside House to the Strategic Director – Regeneration and Environment, in consultation with the Strategic Director – Finance and Customer Services and the Assistant Director - Legal Services. The principles of the proposed lease are contained in the report and within the exempt Appendix 1.

Recommendations

1. That final approval to enter into a lease restructure for Riverside House and the final terms of the agreement be delegated to the Strategic Director – Regeneration and Environment, in consultation with the Cabinet Member for Jobs and the Local Economy, the Strategic Director – Finance and Customer Services and the Assistant Director - Legal Services.
2. That the Assistant Director of Legal Services be authorised to negotiate and complete the necessary legal agreements.

List of Appendices Included

Appendix 1 Exempt Financial Addendum

Background Papers

None

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Overview and Scrutiny Management Board – 4 July 2018

Council Approval Required

No

Exempt from the Press and Public

No.

Strategic Property - Riverside House Lease

1. Recommendations

- 1.1 That final approval to enter into a lease restructure for Riverside House and the final terms of the agreement be delegated to the Strategic Director – Regeneration and Environment, in consultation with the Cabinet Member for Jobs and the Local Economy, the Strategic Director – Finance and Customer Services and the Assistant Director - Legal Services.
- 1.2 That the Assistant Director of Legal Services be authorised to negotiate and complete the necessary legal agreements.

2. Background

- 2.1 In September 2011 the Council entered into a 35 year lease for Riverside House from Evans Property Group (the Landlord). This is a commercial full repairing and insuring lease with fixed rate 5 year rent reviews and no break clause.
- 2.2 There are restrictions within the lease, the main restriction being the use to which the building can be utilised, with further restrictions on subletting parts of the building. There is also a requirement to obtain Landlord's permission to modify or make any additions or alterations to the building.
- 2.3 The lease has 28 years of the 35 year term remaining. An opportunity has arisen via the Landlord to restructure the lease. The basis of the restructure would be that the existing lease be extended by a further 7 years, though the rent payable and rent review clause, along with user clause, would be revised. The restructured lease would also contain the provision that at the end of the 35 year term the ownership of the building and site would revert to the Council for £1.
- 2.4 Under the current lease at the end of the 35 year term the Council would have to return the building to the Landlord in a state of repair and at an agreed specification, which could include the payment of any dilapidations claim. There would also be the need to either negotiate a further lease with the Landlord or seek alternative premises.
- 2.5 Under the terms of the existing lease and the terms of the proposed restructure the Council is responsible for all the property running costs including repairs, maintenance and insurance.
- 2.6 The lease restructure will allow the Council more freedoms and flexibilities in the use of the building, along with full flexibility on sub-lease arrangements which would offer future income generation opportunities. The proposal will also deliver annual revenue savings to the Council as detailed in the exempt Appendix 1.
- 2.7 Further background is contained within the exempt addendum to this report.

3. Key Issues

- 3.1 The Council approached the Landlord to discuss potential options for Riverside House. The discussions centred on issues such as permission to sub-let part of the building, potential to purchase the building and revised lease arrangements which would deliver annual revenue savings, along with an option to own the building at the end of the lease.
- 3.2 Council Officers have worked with the Landlord to present an option to restructure the existing lease agreement, which contains the following principles:-
 - 3.2.1 A restructured lease for 35 years is entered into (i.e. a further 7 years).
 - 3.2.2 At the end of the 35 years the Council will own property (under the current lease the property remains within the ownership of the Landlord).
 - 3.2.3 The restructured lease will allow the Council more freedoms and flexibilities such as allowing sub-lease arrangements which would offer future income generation opportunities.
 - 3.2.4 The proposal will deliver annual revenue savings to the Council as detailed in the exempt Appendix 1.
- 3.3 Further key issues are contained within the exempt addendum to this report.

4. Options considered and recommended proposal

The following options have been considered

- 4.1 **Option 1** That Cabinet resolves to enter into a restructured lease for Riverside House as detailed in this report.
- 4.2 **Option 2** That Cabinet resolves to not enter into a restructured lease and continues with the current lease arrangement.
- 4.3 It is recommended that Option 1 is agreed and the final terms of the agreement is delegated to the Strategic Director – Regeneration and Environment, in consultation with the Strategic Director – Finance and Customer Services and the Assistant Director - Legal Services.

5. Consultation

- 5.1 No consultation has been carried out.

6. Timetable and Accountability for Implementing this Decision

- 6.1 The Landlord has stated that the detailed financial arrangements for the proposed lease are subject to financial markets (what is termed as 'marked to market') and as such where there is a significant movement in gilt yields this will have an implication on the initial rent which the Council would have to pay under the proposed restructured lease. It is therefore recommended that the completion of the restructured lease is carried out as soon as possible to minimise the risk of movement in the financial markets.
- 6.2 If the recommendation is approved the implementation will be via the following process:-
- 6.2.1 Negotiation of the heads of terms are ongoing, though such negotiations are subject to contract and Council approval and do not commit the Council to any agreement to restructure the lease until formal approval is obtained. It is anticipated that the heads of terms will be agreed by the time this report is presented.
- 6.2.2 Following the agreement of the heads of terms the Landlord will seek its own Board approval. Once this Board approval has been obtained, then both the Landlord's and the Council's legal teams will be instructed to make the necessary amendments to the Lease, which should be completed within 6-8 weeks thereafter.

7. Financial and Procurement Implications

- 7.1 Financial and procurement implications are contained within the exempt addendum to this report.

8. Legal Implications

- 8.1 Legal implications are contained within the exempt addendum to this report.

9. Human Resources Implications

- 9.1 None Considered.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 None Considered.

11. Equalities and Human Rights Implications

- 11.1 None considered.

12. Implications for Partners and Other Directorates

- 12.1 All Directorates are affected as occupants of Riverside House along with partners such as South Yorkshire Police. However, entering into a restructured lease alone will not affect the occupation of the building, though there could be positive effects and opportunities for closer working with partnership organisations through a relaxation of the user clause as a result of the lease restructure.

13. Risks and Mitigation

- 13.1 Risks and Mitigations are contained within the exempt addendum to this report.

14. Accountable Officer(s)

Damien Wilson, Strategic Director Regeneration and Environment
Jonathan Marriott, Estates Manager, Asset Management

Approvals obtained on behalf of:-

	Named Officer	Date
Strategic Director of Finance & Customer Services	Graham Saxton	08.06.2018
Assistant Director of Legal Services	Lesley Doyle	24.05.2018
Head of Procurement (if appropriate)	N/A	
Head of Human Resources (if appropriate)	N/A	

Report Author: Jonathan Marriott, Estates Manager
01709 823898 or jonathan.marriott@rotherham.gov.uk

This report is published on the Council's website or can be found at:-
<http://moderngov.rotherham.gov.uk/ieDocHome.aspx?Categories=>

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

Summary Sheet

Name of Committee and Date of Committee Meeting

Cabinet and Commissioners' Decision Making Meeting – 9 July 2018

Report Title

Allotments Self-Management

Is this a Key Decision and has it been included on the Forward Plan?

Yes

Strategic Director Approving Submission of the Report

Damien Wilson, Strategic Director of Regeneration & Environment Services

Report Author(s)

Phil Gill, Leisure and Green Spaces Manager
01709 822430 or philip.gill@rotherham.gov.uk

Ward(s) Affected

All

Executive Summary

The Council and Rotherham and District Allotments Association have worked together to review the current allotments service and explore possible alternative service models to drive long-term improvement. This recognises the pressure the service has been under since 2011 due to reduced public spending. The Review has gathered evidence to support the assessment of options, including a survey of existing plot-holders, an audit of Council-owned allotment sites, and information about management models in place elsewhere in Britain. Consequently, the Review has concluded that the adoption of a self-management model offers best prospects for service improvement and involving allotment users more in this.

Recommendations

1. That the Council be recommended to adopt a new vision and specification for allotments, as proposed in this report.

2. That the Council be recommended to approve the transfer of management of council-owned allotments to a new borough-wide self-management body, and authorises officers to work with Rotherham and District Allotments Association, Voluntary Action Rotherham and others to establish a Community Benefit Society for this purpose.

List of Appendices Included

Appendix 1 Allotments Plot-holder Survey Findings

Appendix 2 Allotments Site Audit Results

Appendix 3 Preferred Self-Management Model

Background Papers

None

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Overview and Scrutiny Management Board – 4 July 2018

Council Approval Required

Yes

Exempt from the Press and Public

No

Allotments Self-Management

1. Recommendations

- 1.1 That the Council be recommended to adopt a new vision and specification for allotments, as proposed in this report.
- 1.2 That the Council be recommended to approve the transfer of management of council-owned allotments to a new borough-wide self-management body, and authorises officers to work with Rotherham and District Allotments Association, Voluntary Action Rotherham and others to establish a Community Benefit Society for this purpose.

2. Background

- 2.1 The Council's Culture, Sport and Tourism Service manages 30 allotment sites, including 13 that are leased to allotment societies, 13 that are directly managed, and 4 that are currently inactive. There are 1,107 plots in total across these sites, of which 592 are on society sites, and 515 are on directly-managed sites.
- 2.2 In recent years there has been a need to manage the service within increasingly limited resources. This has involved a series of above-inflation rent increases generating additional income that has allowed a gradual reduction in Council subsidy. The replacement of core funding with the income from increased rental fees has enabled the Council to deliver a saving without reducing the operational budget for the service since 2012/13. These fee increases have been a concern within the allotment community, as they may make the activity less attractive and affordable for some, and could reverse recent growth in the number of allotment gardeners.
- 2.3 Nationally and locally there is growing interest in the potential role of mutual and co-operative approaches in the future delivery of services. Additionally, the Council is committed to developing Neighbourhood Working to achieve improved efficiency and more responsive services built on greater local accountability and engagement.
- 2.4 Consequently, the Council has undertaken an Allotments Review with the following aims:-
 - assess strengths and weaknesses of the current service;
 - define a sustainable vision and specification for what the service should be, including financial self-sufficiency, opportunities for investment and allowing users a greater say in how allotments are managed and operated;
 - identify and evaluate possible alternative service models, including mutualisation;
 - recommend a preferred option for future service delivery;
 - develop an action plan for the implementation of any changes recommended by the review.

- 2.5 The Rotherham and District Allotments Association (RaDAA) has embraced the opportunity to engage with the Council to jointly review how the allotment service is managed, and what steps might be taken to overcome current challenges, including remodelling the service to secure the best possible outcomes for allotment users within the limited available resources.
- 2.6 The Review focuses on the Allotment Service provided by the Culture, Tourism and Sport service of the Council and does not include sites and services provided by Parish Councils or others. It includes sites managed directly by the Council, as well as those leased by the Council to allotment societies who then sub-let plots to individuals.
- 2.7 The Review has proposed a new vision for allotments, as follows:-
“Rotherham’s allotments will allow and encourage people of all backgrounds and abilities to enjoy gardening in safe, secure, accessible and sustainable surroundings, and will make efficient use of available land and resources to ensure that the service is financially self-sufficient whilst being affordable to those who want to use it.”
- 2.8 The Review has also developed a specification to describe what a good allotments service should look like, as follows:-
- Provide sufficient land for allotments
 - Ensure sites are safe and secure, and have well-maintained facilities and infrastructure
 - Manage tenancies efficiently, including letting vacant plots quickly
 - Communicate with plot-holders and allow them to be involved in key decisions
 - Promote benefits of allotment gardening to the wider population
 - Ensure financial probity, and compliance with all relevant laws and regulations

3. Key Issues

- 3.1 A combination of above-inflation rent increases and revenue and capital resource limitations affecting the quality of the allotment service delivered by the Council has caused concern amongst many tenants, and prompted consideration of new ways to achieve service improvements within available resources.
- 3.2 Analysis of consultation results and information from other local authority areas suggests that self-management offers a number of benefits, including more efficient plot-letting, fewer overgrown vacant plots, increased rental income, faster response to site issues, better communication with individual tenants, increased efficiency through use of volunteers, ability to access external funding, and scope to harness the enthusiasm, experience and local knowledge of volunteers to promote allotment gardening and to build capacity amongst fellow gardeners. Further information about allotment user consultation is given in Appendix 1.

- 3.3 An audit of allotment sites has identified a significant amount of improvement work that would be needed to bring some areas of land into a usable condition, and to bring security, access, buildings and other site infrastructure up to a good standard. This is one of a number of risks of self-management discussed in Section 13 of this report. Further information about the allotment site audit is given in Appendix 2.

4. Options considered and recommended proposal

- 4.1 **Option 1.** Continue with the existing model in which the Council leases allotment sites where there is sufficient capacity and interest amongst allotment gardeners to form and sustain societies, and manages other sites directly.

Whilst this is a low-risk option, as it continues a tried and tested approach, it would not address the current difficulties the Council has in improving service standards within available resources, neither would it protect against the risk of continued service pressures as the Council has to find further budget savings.

- 4.2 **Option 2.** Appoint a commercial contractor to manage allotment services on behalf of the Council.

This might bring some benefits where a contractor is able to draw on company-wide expertise and resources to drive improvement. However, it is unlikely that it would be a viable option in Rotherham because the commercial value of a contract focussing solely on allotments would be very small, and therefore unlikely to allow firms to commit the resources necessary to deliver sought-after improvements. Additionally, it would not increase the level of self-management.

- 4.3 **Option 3.** Develop a new model involving the creation of a new borough-wide self-management body, capable of employing staff, whilst also allowing existing allotment societies to continue to manage individual sites. A Community Benefit Society would be a suitable legal form for such a body. Further details of how this arrangement would work are given in Appendix 3.

This option would spread the benefits of self-management across all allotment sites. A borough-wide body would enable efficient and joined-up working and provide a stronger, more unified voice for allotments in Rotherham.

- 4.4 **Recommended proposal.** Option 3 responds to the particular circumstances and issues identified by the Allotments Review. It is judged to offer the best prospects for the achievement of the agreed vision and specification for an allotments service. It is therefore recommended as the preferred option. This report refers to the proposed borough-wide self-management body as the 'Allotments Alliance', although this is just a working title.

5. Consultation

- 5.1 Rotherham and District Allotments Association (RaDAA) is a well-established body whose membership comprises allotment societies within the Rotherham area, including those that lease sites from the Council. The Review Project Team has included representatives of RaDAA, allowing them to be part of detailed discussions of the findings and conclusions throughout the process.
- 5.2 Extensive consultation with allotment plot-holders has also been carried out as part of the review. A total of 1,077 questionnaires were sent out, generating 282 responses (26.2% return rate). Evidence from this has been central to the identification of improvement priorities. See Appendix 1 for details.
- 5.3 Officers in Legal Services, Finance, Human Resources and Performance, Policy and Improvement have been consulted on proposals arising from the review.
- 5.4 Voluntary Action Rotherham (VAR) has been made aware of the Review and the proposal to adopt a self-management model. They have confirmed that they will be able to provide appropriate advice and support to those involved in developing detailed proposals for an Allotments Alliance. Specialist advice, e.g. HR and TUPE, may have a cost attached.
- 5.5 The National Allotment Society has been consulted on the proposal. They have indicated their support for the principle of self-management, and have advised on the various legal forms that a new allotments body might take. They have also expressed a willingness to provide further support and advice during the implementation of the recommendations of this report.
- 5.6 Staff from the Council's Green Spaces team, including the current Allotments Officer have contributed to the review process and have been involved in discussions about the existing service and possible alternative models.

6. Timetable and Accountability for Implementing this Decision

- 6.1 The Assistant Director, Culture, Sport and Tourism will be accountable for implementing this decision. The Leisure and Green Spaces Manager will lead the formation of a Shadow Management Committee involving allotment user representatives working with Council officers to develop and implement detailed arrangements for a new Allotments Alliance.

6.2 The anticipated timescale for implementation is as follows

- July 2018 - Cabinet Decision to establish borough-wide self-management body for allotments service
- July 2018 - 'Allotments Alliance Shadow Management Committee' formed
- July 2018 to January 2019 - Shadow Management Committee develops Lease Heads of Terms, Society Objects and Rules, and prepares for transfer of tenants' personal data to new body in accordance with General Data Protection Order.
- January to March 2019 - Preparation and submission to Financial Conduct Authority of registration application.
- March 2019 - Allotments Alliance formally established
- April 2019 - Transfer management of council-owned allotments to Allotments Alliance

It must be noted however, that this is an ambitious timetable and may be subject to change as the process to roll out the preferred option is implemented.

7. Finance and Procurement Implications

- 7.1 The income received from rents is currently less than the costs incurred in delivering the service. Rent increases of 2.2% and 3.0% have already been agreed for 2018-19 and 2019-20 respectively by the Cabinet and Commissioners' Decision Making meeting, as it is a legal requirement that allotment rents are set 12 months in advance.
- 7.2 If the proposed self-management model is adopted, then all costs and income would be controlled by the relevant bodies. Where a site is managed by an Allotment Society, then they will collect rent from individual plot-holders. A proportion of this will be used to pay rent to the Allotments Alliance allowing it to fund its activities, including the employment of staff. Where the Allotments Alliance manages sites directly, then they will collect rent from plot-holders themselves.
- 7.3 The Review has found that extensive works are required to address existing liabilities on allotment sites and to bring uncultivable areas of land to a satisfactory standard for gardening where necessary to meet demand. Whilst detailed costings for these works are not currently available, it is possible that investment of up to £1m may be required over time. All essential health and safety work is currently undertaken as required, so none of the outstanding liabilities would need to be resolved urgently. It is suggested that they should be addressed over a period of 10 years following the transfer of allotments management. The proposed model envisages that the Allotments Alliance and Societies will be responsible for prioritising future investment and securing funding for this. It is possible they may approach the Council for assistance.

- 7.4 The Allotments Alliance and Societies will be responsible for putting in place any necessary insurance cover, including Public Liability and, if appropriate, Employer's Liability insurance.
- 7.5 There will some one-off costs associated with the implementation of a new self-management model. These cover legal costs, specialist advice and the cost of registering the new body. It is estimated that these costs would be circa £18.5k. These costs would need to be managed within the overall Regeneration & Environment budget.
- 7.6 The rules for payment of VAT on supplies will depend on how the Allotments Alliance and Societies are set up, and whether they are VAT registered. The possible impact of VAT on finances will therefore need to be considered as further details are confirmed for new self-management bodies.
- 7.7 There are no direct procurement implications arising from this report.

8. Legal Implications

- 8.1 The introduction of self-management arrangements will not affect the Council's statutory duty under Section 23 of the Small Holdings and Allotments Act 1908 to provide land for allotments.
- 8.2 It is proposed that any land acquired by the Council for allotments will be leased to the Allotments Alliance, who may then sub-let it to allotment societies. This will not affect the statutory protection of such land afforded by Section 8 of the Allotments Act 1925.
- 8.3 A range of possible legal forms for the proposed Allotments Alliance have been assessed. A Community Benefit Society is believed to be the most suitable available form, as it allows democratic decision making by its membership, it is a legal entity that can make contracts and employ people, and it limits the liability of individual members. It is also a tried and tested model and is suitable for charitable status. Further details of this assessment are given in Appendix 3.
- 8.4 New allotment societies will need to identify the most appropriate legal structure to suit their own circumstances in each case. Specialist legal advice on such matters is available from the National Allotment Society to its members.

9. Human Resource Implications

- 9.1 Two posts within the current Council staff establishment are involved in allotment service delivery. If the proposed adoption of a self-management model takes place then any posts involved in operational delivery of the allotment service will no longer be needed within the Council but there may be a case for a TUPE transfer. The Council will still need to manage the relationship with the new Allotments Alliance. Once the implications of the new model are understood, the post-holders may be at risk of redundancy.

- 9.2 Alternatively, depending on the activities of the Allotments Alliance and the role of any staff to be employed, the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended by the Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014 (commonly known as TUPE) may apply. If TUPE is deemed to apply, this would involve the transfer of the one affected employee to the Allotments Alliance. Further advice will be needed during the setting up of the Alliance to determine any TUPE implications.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 Whilst the proposed introduction of a self-management model would not have any direct implications for children, young people and vulnerable adults, it is proposed that the Allotments Alliance should include at least one representative of these communities to champion their involvement in the development and use of allotments.

11. Equalities and Human Rights Implications

- 11.1 The agreed vision for Rotherham's allotments states that they will allow and encourage people of all backgrounds and abilities to enjoy gardening. This would need to be re-stated as one of the founding principles of the Allotments Alliance to ensure that its policies and actions are underpinned by a commitment to strive for equality and respect for people's human rights.

12. Implications for Partners and Other Directorates

- 12.1 There are no direct implications for partners or other directorates arising from this report.

13. Risks and Mitigation

- 13.1 Principal risks and associated mitigation measures are as listed below.
- 13.2 Lack of volunteers. The successful operation of a self-management model depends on volunteers being willing to take on positions of responsibility. If insufficient volunteers come forward then it may impair the ability of the Allotments Alliance and societies to function effectively, and increase workloads for other volunteers. Such a situation could eventually lead to the winding up of the body, as happened recently to a local allotment society.
- 13.3 Mitigation. Ensure support is available where necessary to help inspire potential volunteers, to promote volunteering opportunities, to deal with any problems that may occur, and to build volunteer leadership skills. The Council can help to signpost such support from organisations such as Voluntary Action Rotherham, and the National Allotment Society.

- 13.4 Lack of expertise amongst volunteers. Whilst volunteers may be able to deal with many day-to-day matters, it is less likely that they will have the breadth of knowledge and experience needed during the setting up of an Allotments Alliance, or to deal with all situations that may arise thereafter. Failure to address such issues effectively could prove costly and time-consuming, and affect the achievement of wider objectives.
- 13.5 Mitigation. Voluntary Action Rotherham has expressed a willingness to provide advice to volunteers involved in setting up and running the Allotments Alliance. Professional advice on legal and other specialist matters is available to members of the National Allotment Society. Training of selected volunteers and any staff employed by the Allotments Alliance is advisable, as this will equip them to provide support to, and mentor other volunteers across all sites as needed.
- 13.6 Inability to form Allotment Societies for individual sites. Currently, half of the active Council-owned allotment sites are managed by Societies. These tend to be larger, better-equipped sites. Elsewhere, it may be difficult to form Allotment Societies, particularly at smaller sites with few plot-holders.
- 13.7 Mitigation: The proposed model would require the Allotments Alliance to manage sites directly where a society does not exist. Proposed Area Clusters would provide a means to involve people with good local knowledge in this. If a site is too small to sustain its own Society, then it may be possible to form a Society covering more than one site.
- 13.8 Refusal of Allotment Societies to participate in the Alliance model. The operation of the Allotments Alliance including the employment of staff would depend on the income from rents covering its costs. If any Allotment Societies refuse to participate in this model and keep all the rent they collect for their own use, then it would threaten the financial viability of the Alliance.
- 13.9 Mitigation: The proposed model would require all Allotment Societies to rent sites from the Allotments Alliance. The Council would no longer lease sites directly to Societies. Thus a proportion of rent collected by all Societies would be passed on to the Allotments Alliance to allow it to operate. Societies and their members would be able to influence how the Alliance spends its budget.
- 13.10 Poor performance by self-management bodies. The introduction of a new self-management model is intended to improve allotment service standards. Whilst the Review has found that self-management normally delivers better outcomes, this cannot be assumed.
- 13.11 Mitigation: By agreeing a set of performance indicators and putting in place a monitoring system, the Allotments Alliance would be able to identify any Societies that appear to have difficulty maintaining standards, and provide support if necessary. Ultimately, the Alliance could terminate a Society's lease and take over control of the site if all else fails. The Alliance would also need to monitor and report its own performance and take action if this falls below standards agreed by its membership.

- 13.12 Improper conduct by people within self-management bodies. The transfer of control and responsibility that would come with the setting up of a self-management model may lead to the misuse of resources, fraud, individuals acting outside their authority or other misconduct. This could cause irreparable damage to people's confidence and trust in the service.
- 13.13 Mitigation. A comprehensive code of conduct must be in place for volunteers and staff working within the Allotments Alliance, and the Alliance must put in place effective measures for monitoring and enforcing this, including a whistle-blowing policy. Independent auditing of accounts will help to identify any irregularities.
- 13.14 Insufficient funds to deal with site liabilities. The Review has found that investment would be needed to bring all allotment sites up to a good standard, and to make all areas of land fit for cultivation.
- 13.15 Mitigation: It is expected that self-managed bodies will be in a strong position to develop successful bids for grant funding. Not only are they able to access funding not available to the Council, but the energy and enthusiasm of volunteers with good local knowledge will also be invaluable in making the case for funding.
- 13.16 Financial insolvency. Evidence from other areas where self-management has been adopted suggests that they can achieve savings and improved outcomes through the involvement of volunteers and more flexible service delivery. However, there is still the possibility that the Allotments Alliance could have unexpected costs that it is unable to cover from regular income, and an inability to pay staff costs and other bills could put the model at risk. Should any staff transfer from the Council to the Alliance, then possible impacts of pension liabilities would also need to be taken into account in assessing the financial viability of the new model.
- 13.17 Mitigation. Proper accounting and cost-control measures will reduce the risk of running out of money. Over time, it is recommended that self-management bodies build up reserves that can be drawn upon in times of need.
- 13.18 Breach of Council's statutory duties re allotments provision. Under the self-management model, the Council will effectively be outsourcing the carrying out of its duties to the Allotments Alliance but not the responsibility itself. This risk is largely mitigated by the fact that the Council will be part of the Allotments Alliance and will accordingly retain some influence and control, although it is not known at this stage how much. Accordingly, there remains the risk, albeit a mitigated one, that the Alliance will fail to carry out these duties thus leaving the Council liable for their failure.
- 13.19 Mitigation. The Council will have representation on the Allotments Alliance and proper reporting and monitoring procedures will have to be set up to ensure the early recognition of any problems and the powers to enforce remediation.

13.20 Programme Slippage. Due to probable complexity of work and negotiations required to reach agreement and readiness to transfer responsibility to the new body.

13.21 Mitigation. Early identification of key tasks and milestones, and provision of necessary capacity-building.

14. Accountable Officer(s)

Polly Hamilton - Assistant Director, Culture, Sport and Tourism.
Phil Gill - Leisure and Green Spaces Manager.

Approvals obtained on behalf of:-

	Named Officer	Date
Strategic Director of Finance & Customer Services	Judith Badger	22.06.2018
Assistant Director of Legal Services	Stuart Fletcher	19.06.2018
Head of Procurement (if appropriate)		
Head of Human Resources (if appropriate)		

*Report Author: Phil Gill, Leisure and Green Spaces Manager
01709 822430 or philip.gill@rotherham.gov.uk*

This report is published on the Council's website or can be found at:-
<http://moderngov.rotherham.gov.uk/ieDocHome.aspx?Categories=>

Appendix 1

Meeting:	Cabinet/Commissioner Decision Making Meeting
Date:	9 th July 2018
Report Title:	Allotments Self-management
Ward	All

ALLOTMENT PLOT-HOLDER SURVEY FINDINGS

1. Background

- As part of a review of the allotment service provided by the Council's Culture, Sport and Tourism Service, a questionnaire was supplied to gardeners on sites managed directly to the Council, and also those on sites leased by the Council to allotment societies.
- The purpose of the consultation has been to gather basic information about allotment users, and to understand their views on a range of issues including allotment rents, strengths and weaknesses of current service arrangements, and possible interest in having a greater involvement in the running of allotments.
- The survey was distributed, by post, directly to plot-holders on directly-managed sites during the week beginning 11th September 2017. Distribution to users of society sites was co-ordinated by Rotherham and District Allotment Association who forwarded sufficient copies to each society secretary for every plot-holder to receive one.
- A total of 1,077 questionnaires were issued.

2. Return Rate

- The overall number of questionnaires returned was 282, or 26.2% of the 1077 total sent out.
- This gives a margin of error of +/- 5.02% at a 95% confidence level (<https://www.snapsurveys.com/support/calculators/margin-error-calculator/>) suggesting that the results of the survey are likely to reflect the views of allotment users generally.
- The return rate from tenants on directly managed sites was better, at 34.1%, than the rate from plot-holders on society sites (19.4%).
- Additionally, 29 (or 10.3%) questionnaires did not make it clear which site the respondent had an allotment on.
- Return rates for individual sites varied widely, as shown in Table 1.

Table 1. Allotment Survey Return Rates by Site

Council-managed	Number Sent	Number Returned	Percentage return rate
Avenue Road	48	14	29.2%
High Street	27	12	44.4%
Highfield Road	5	4	80.0%
Lowfield Avenue	6	2	33.3%
Moor Road	16	5	31.3%
Psalters Lane	5	1	20.0%
Rectory Fields	44	13	29.5%
Rosehill Park	24	9	37.5%
Vicarage Fields	43	19	44.2%
St Leonards Road	10	1	10.0%
Barnsley Rd/Wetmoor Lane	71	22	31.0%
Sub-total	299	102	34.1%
Allotment society-managed	Number Sent	Number Returned	Percentage return rate
Kimberworth Park	28	4	14.3%
Broom Allotments	69	11	15.9%
Broom Valley Old	67	5	7.5%
Clifton Garden Society	130	32	24.6%
Clough Bank	66	3	4.5%
Hartley Lane	83	27	32.5%
Herringthorpe Valley Rd	36	5	13.9%
South St	30	7	23.3%
Wharf Road	30	10	33.3%
Wood Street	33	0	0.0%
Sandymount Road	30	5	16.7%
Scrooby *	80	17	21.3%
Queen St. North	54	8	14.8%
Queen St South	42	17	40.5%
Sub-total	778	151	19.4%
Site not stated		29	
Grand total	1077	282	26.2%

*Note that since the survey took place, the Allotments Society at Scrooby has disbanded, and the site has reverted to direct Council management.

3. Analysis of Responses

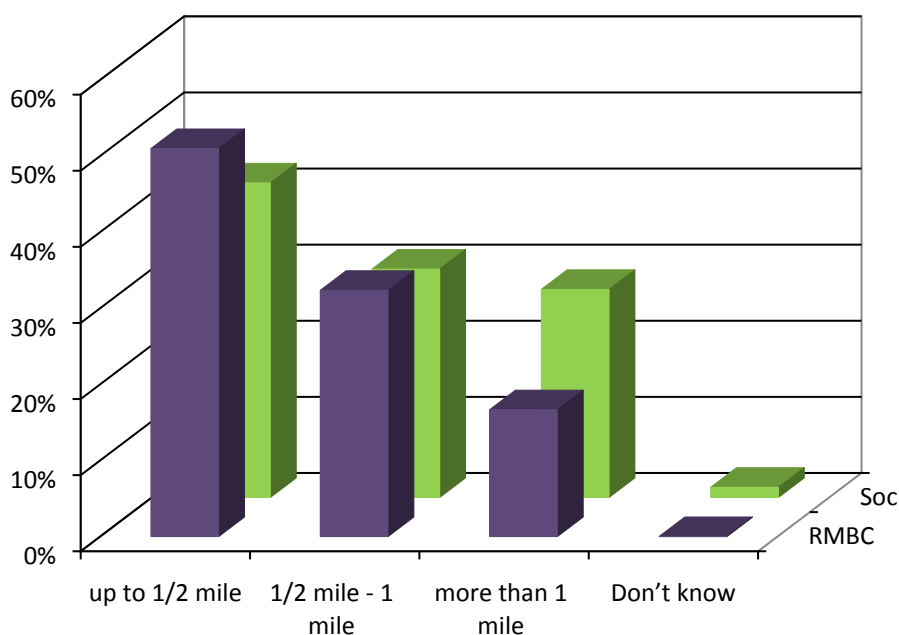
A summary of responses to each question, broken down into directly-managed and society sites is given in following sections. In most cases, percentage scores for different answers are shown graphically to allow quick comparison of directly-managed and society sites.

3.1 Which allotment site do you have a plot on?

Responses to this question are shown in Table 1, and discussed in section 2 above.

3.2 How far is your allotment from your home?

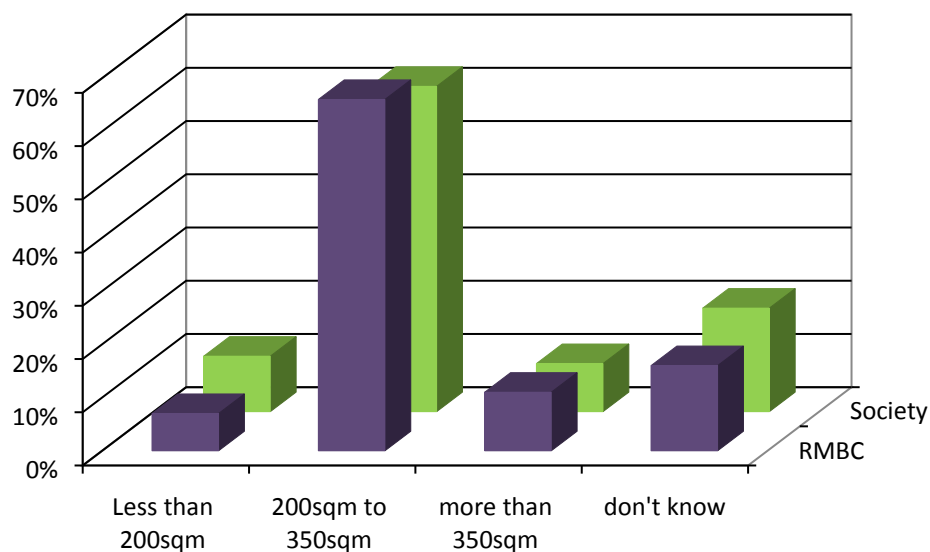
	RMBC	Society	Total
up to 1/2 mile	52	62	114
1/2 mile - 1 mile	33	45	78
more than 1 mile	17	41	58
Don't know	0	2	2
Total	102	150	252



A larger proportion of respondents at society sites live more than a mile from their allotment plots, whilst those at directly managed sites tend to live closer to their plots.

3.3 What size is your allotment plot?

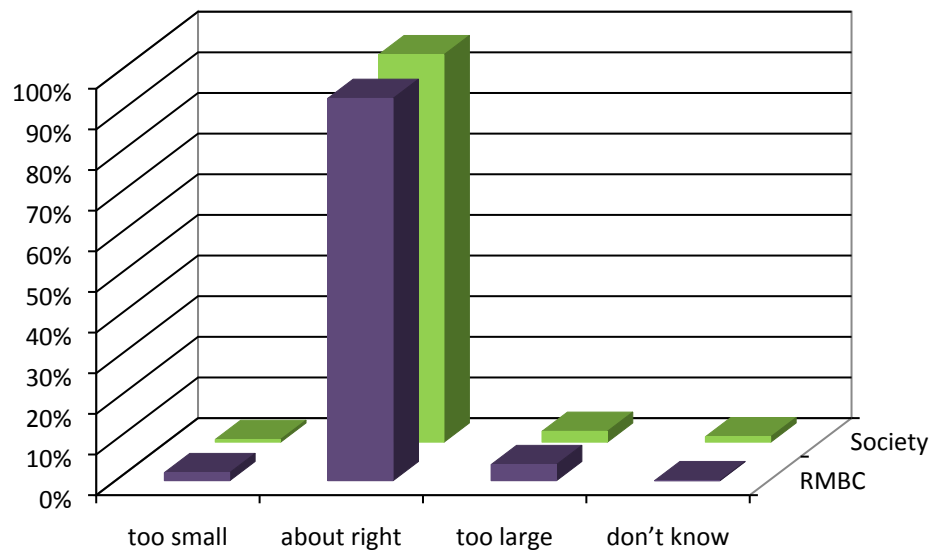
	RMBC	Society	Total
Less than 200sqm	7	15	22
200sqm to 350sqm	66	88	154
more than 350sqm	11	13	24
don't know	16	28	44
Total	100	144	244



A large majority of respondents at both society and directly-managed sites still have a 'traditional' sized plot.

3.4 Is your allotment plot the right size?

	RMBC	Society	Total
too small	2	1	3
about right	95	143	238
too large	4	4	8
don't know	0	2	2
Total	101	150	251

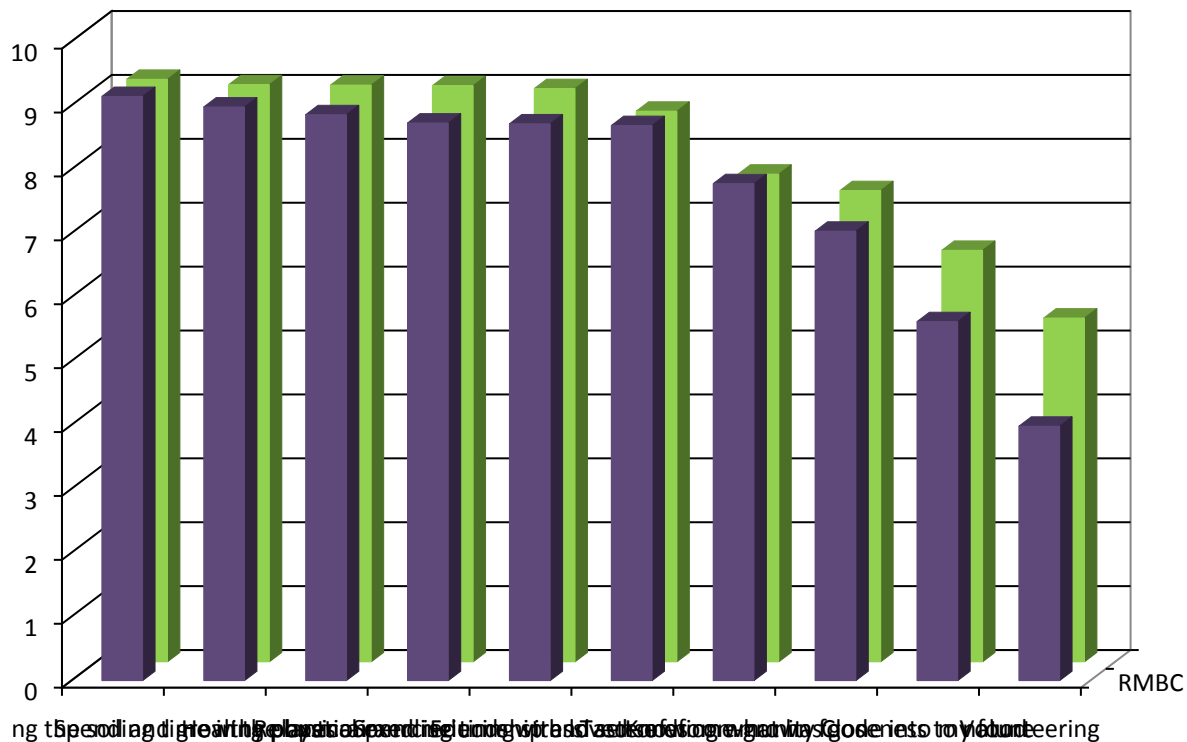


Respondents are almost all happy with the size of their current plots which, as noted above, are mostly traditional full-size plots. However, concerns have been expressed in recent years that the cost and amount of work involved in keeping a plot of this size might put some people off, and therefore it is possible that the views of current allotment users do not reflect the views of non-users who might consider taking on a smaller plot if more were available.

3.5 How important to you are the following possible benefits of having an allotment?

Possible responses to this question are 'Very Important', 'Important', 'Slightly Important', 'Not at all Important' and 'Don't know'. Average numeric scores were calculated using the methodology shown in section 5 below. Thus, a higher numeric score indicates that more people viewed the benefit as being more important.

	RMBC	Society
Enjoy tending the soil and growing plants	9.14	9.12
Spending time in the open-air	8.98	9.03
Healthy physical exercise	8.86	9.02
Relaxation and reducing stress	8.73	9.02
Spending time with loved-ones	8.71	8.97
Friendship and sense of community	8.69	8.62
Taste of home-grown food	7.78	7.63
Knowing what has gone into my food	7.03	7.37
Closeness to nature	5.62	6.44
Volunteering	3.98	5.38



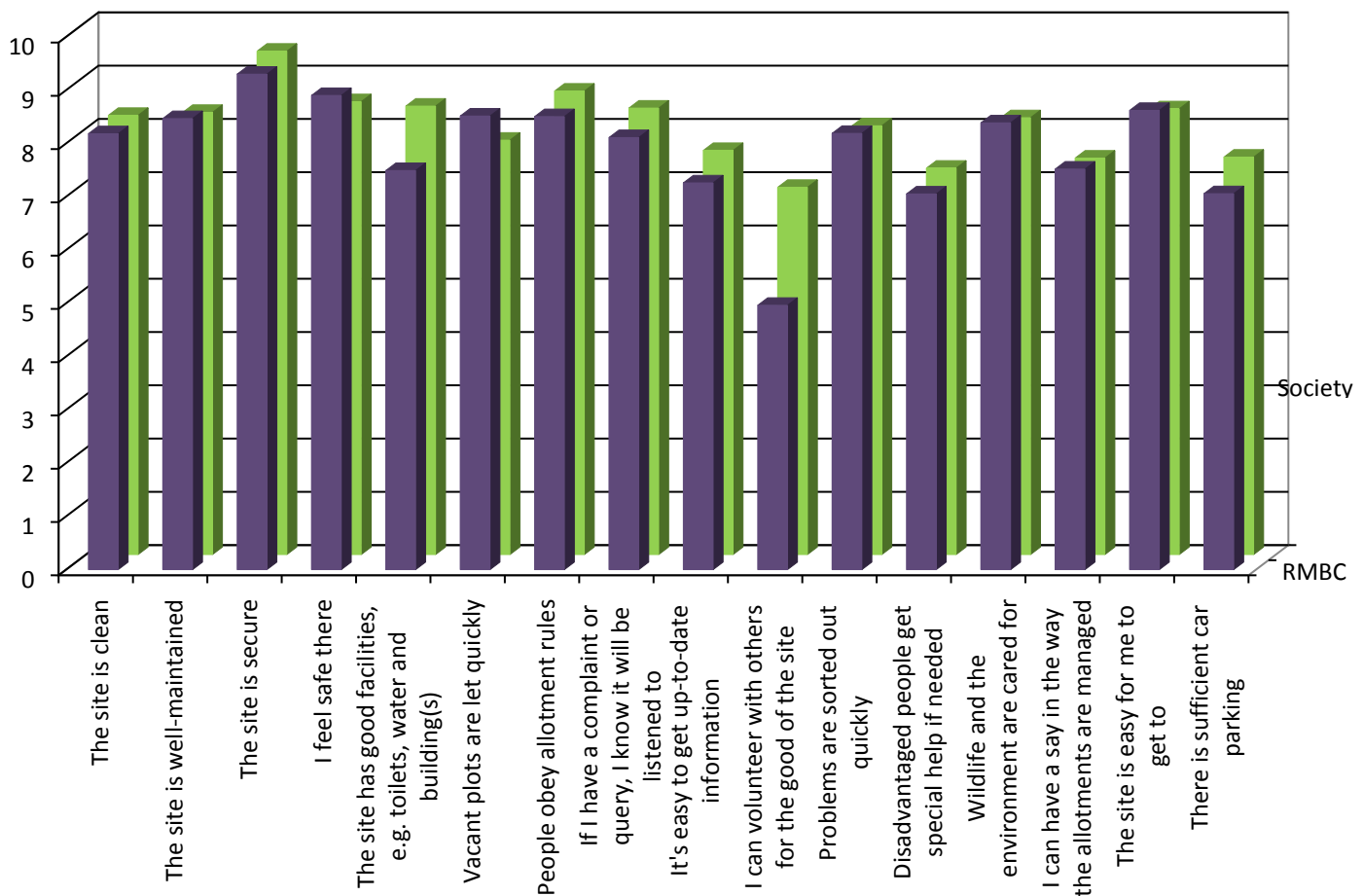
Responses from people on directly-managed sites and society sites were very similar, with ‘enjoying tending the soil and growing plants’, ‘spending time in the open-air’, ‘healthy physical exercise’, ‘relaxation and reducing stress’, ‘spending time with loved-ones’ and ‘friendship and sense of community’ being the main reasons people enjoy the activity. ‘Taste of home-grown food’ and ‘knowing what has gone into my food’ are slightly less important, followed by ‘closeness to nature’. ‘Volunteering’ was seen as the least important aspect of allotment gardening for respondents from both directly-managed and society sites.

3.6 Thinking about the way the allotments are managed, how important are the following things to you?

As in the previous question, possible responses are ‘Very Important’, ‘Important’, ‘Slightly Important’, ‘Not at all Important’ and ‘Don’t know’. A similar numeric analysis has been performed to give the scores shown below.

	RMBC	Society
The site is clean	8.18	8.24
The site is well-maintained	8.47	8.30
The site is secure	9.30	9.45
I feel safe there	8.90	8.50
The site has good facilities, e.g. toilets, water and building(s)	7.49	8.42
Vacant plots are let quickly	8.51	7.78

	RMBC	Society
People obey allotment rules	8.50	8.70
If I have a complaint or query, I know it will be listened to	8.11	8.38
It's easy to get up-to-date information	7.26	7.58
I can volunteer with others for the good of the site	4.96	6.89
Problems are sorted out quickly	8.19	8.05
Disadvantaged people get special help if needed	7.05	7.25
Wildlife and the environment are cared for	8.39	8.20
I can have a say in the way the allotments are managed	7.52	7.44
The site is easy for me to get to	8.62	8.37
There is sufficient car parking	7.06	7.46

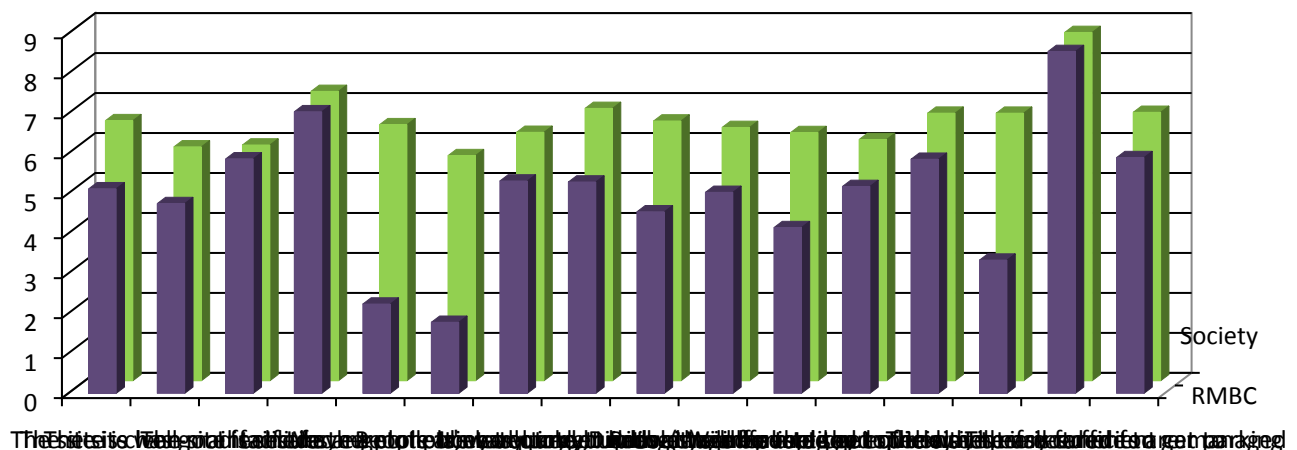


Site security is seen as the most important aspect of allotment management on both society sites and those managed directly by the Council, while 'I can volunteer with others for the good of the site' is the least important for both, although respondents from directly managed sites scored this significantly lower than those from society sites. A higher proportion of society plot-holders viewed having good facilities as important, while a higher proportion of people on directly-managed sites see letting vacant plots quickly as important. Otherwise, both sets of respondents have broadly similar views about the importance of the listed factors.

3.7 How good do you think the same things are now where you have an allotment?

The format of this question, and analysis of answers, is similar to 3.6.

	RMBC	Society
The site is clean	5.12	6.51
The site is well-maintained	4.75	5.85
The site is secure	5.87	5.90
I feel safe there	7.04	7.24
The site has good facilities, e.g. toilets, water and building(s)	2.23	6.40
Vacant plots are let quickly	1.78	5.63
People obey allotment rules	5.31	6.21
If I have a complaint or query, I know it will be listened to	5.29	6.81
It's easy to get up-to-date information	4.54	6.50
I can volunteer with others for the good of the site	5.03	6.34
Problems are sorted out quickly	4.15	6.21
Disadvantaged people get special help if needed	5.18	6.04
Wildlife and the environment are cared for	5.86	6.69
I can have a say in the way the allotments are managed	3.33	6.69
The site is easy for me to get to	8.55	8.71
There is sufficient car parking	5.90	6.71



Respondents from society-run sites scored all aspects of management higher than those on directly-managed sites. The areas where the difference is greatest are as follows:-

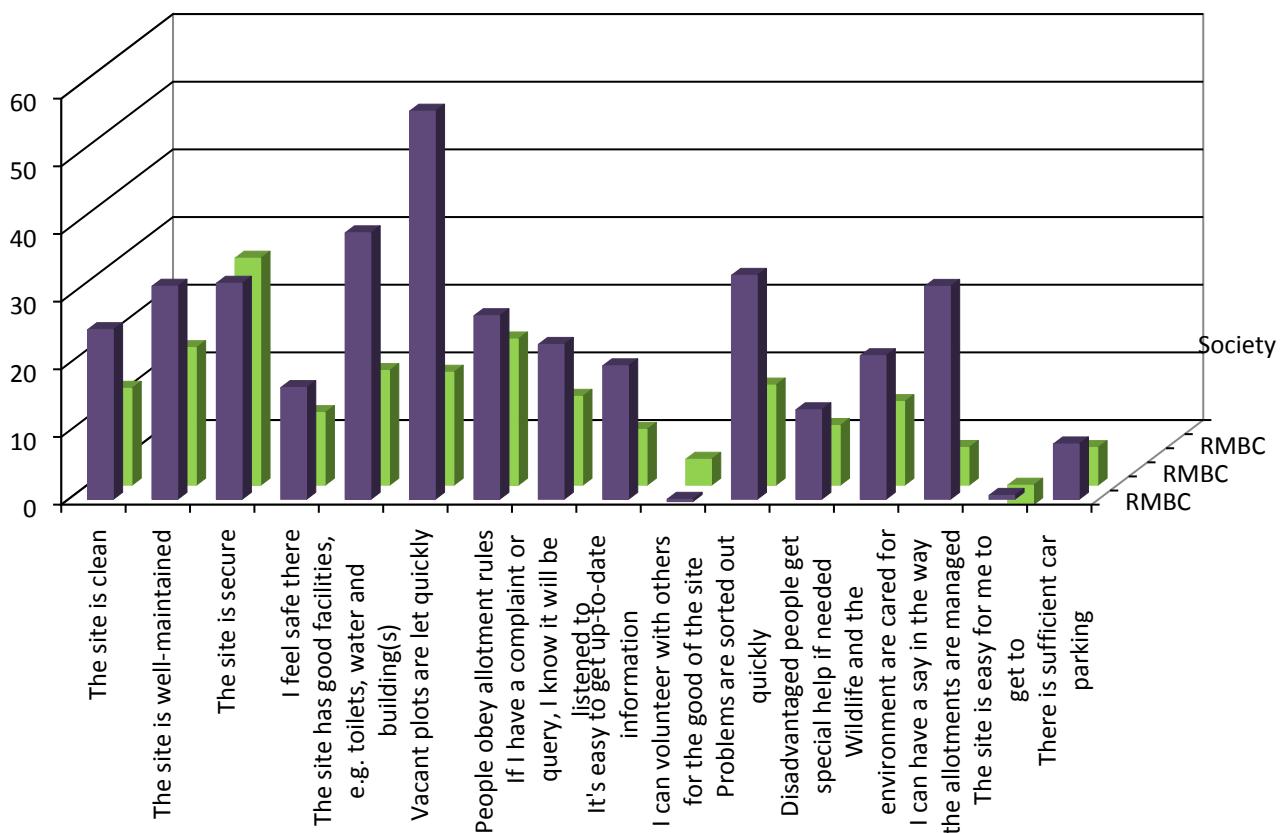
- The site has good facilities. This is unsurprising as societies have tended to become established on larger, better equipped sites. The Council has very limited resources to undertake significant improvements to sites under direct management.
- Vacant plots are let quickly. This is believed to reflect both the large total number of plots the Council's allotments team is responsible for letting, and also recent staffing issues within the same team. The absence of an Allotments Operative has delayed preparation of vacant plots for letting, and the Allotments Officer is able to spend less time processing plot lettings than previously due to having to take on a wider range of duties. By contrast, society officials are able to focus their efforts on letting plots just on their own site.
- I can have a say in the way allotments are managed. This is as expected, since allotment societies exist to represent their members. The Council's allotments team is not resourced to facilitate a similar level of tenant involvement.
- Problems are sorted out quickly. Again, the relatively poor score for directly-managed sites is believed to be due to difficulties the Council allotments team is having responding to issues across all its sites, which is compounded by current staffing pressures. By contrast, allotment societies are well placed to address issues as their committee members are routinely on site and therefore become aware of problems quickly and are well-placed to find solutions.
- If I have a complaint or query I know it will be listened to. This is very similar to the previous point, and the reasons for the difference in performance between directly-managed and society sites are likely to be the same.
- It's easy to get up-to-date information. This suggests that allotment societies do a good job of communicating with their members.

3.7.1 Priority for action

Scores for importance and current performance need to be considered together to identify which aspects of site management are most in need of improvement. For example, a factor that people think is performing weakly but which is also viewed as relatively unimportant is not as much of a priority as one that is performing weakly and is also viewed as important.

A numeric value has been calculated using the methodology shown in section 6 below to indicate how much of a priority each factor is.. The greater the score, the higher the priority for action is, as shown below.

	RMBC	Society
The site is clean	25.07	14.32
The site is well-maintained	31.49	20.32
The site is secure	31.93	33.55
I feel safe there	16.51	10.73
The site has good facilities, e.g. toilets, water and building(s)	39.38	16.94
Vacant plots are let quickly	57.36	16.70
People obey allotment rules	27.13	21.61
If I have a complaint or query, I know it will be listened to	22.89	13.14
It's easy to get up-to-date information	19.73	8.24
I can volunteer with others for the good of the site	-0.33	3.83
Problems are sorted out quickly	33.10	14.80
Disadvantaged people get special help if needed	13.23	8.82
Wildlife and the environment are cared for	21.22	12.35
I can have a say in the way the allotments are managed	31.47	5.57
The site is easy for me to get to	0.58	-2.89
There is sufficient car parking	8.18	5.55



A larger number of issues are seen as priorities for action on directly-managed sites than on society sites. Generally, it is believed that this is due

to lack of capital investment in directly-managed sites, difficulties addressing site and tenant issues which are exacerbated by current staffing pressures, and the fact that allotment societies are better placed than a centralised service to focus on the specific needs of their particular site and plot-holders. Issues with a 'priority for action' score of 30 or more are highlighted below.

Directly Managed Sites

- Vacant plots are let quickly.
- The site has good facilities
- Problems are sorted out quickly
- The site is secure
- The site is well-maintained
- I can have a say in the way the site is managed
- People obey allotment rules
- The site is clean
- If I have a complaint or query, I know it will be listened to
- Wildlife and the environment are cared for

Society Sites

- The site is secure
- People obey allotment rules
- The site is well-maintained.

This suggests that self-management of sites by societies allows a higher quality service to be provided to plot-holders than is possible on directly-managed sites with the resources that the Council currently allocates to the service. However, such comparison also needs to take into account that many of the sites still managed directly by the Council are small and have intrinsic problems that would make them difficult subjects for self-management.

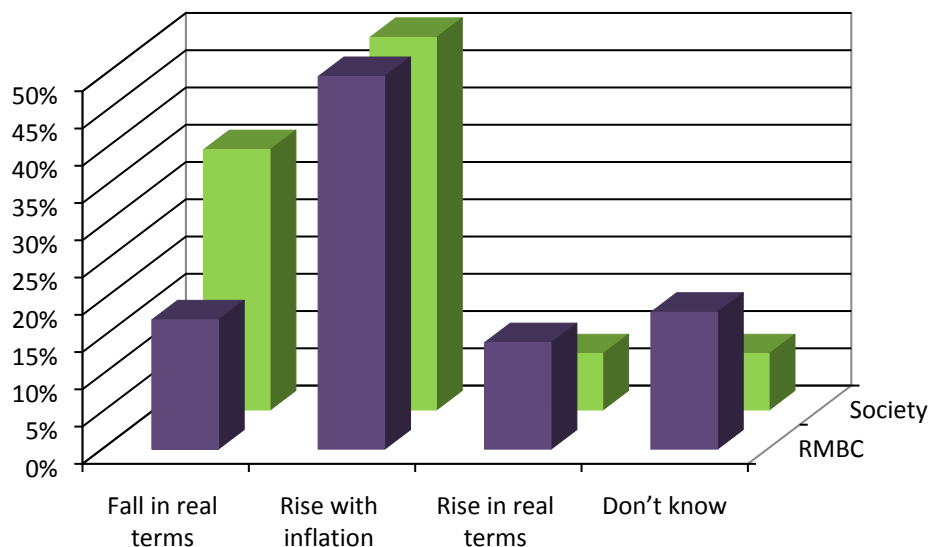
3.8 Allotment Rents

The questionnaire explained the reasons for recent increases in allotment rents, and asked respondents whether they thought rents should in future:

- fall in real terms, with services being reduced, or undertaken by volunteers, to achieve the necessary savings
- rise in line with inflation, to allow current levels of service to be maintained, or
- increase in real terms (i.e. faster than inflation) to pay for improvements in allotment provision

Responses were as shown below.

	RMBC	Society	Total
Fall in real terms	17	51	68
Rise with inflation	49	73	122
Rise in real terms	14	11	25
Don't know	18	11	29
Total	98	146	244

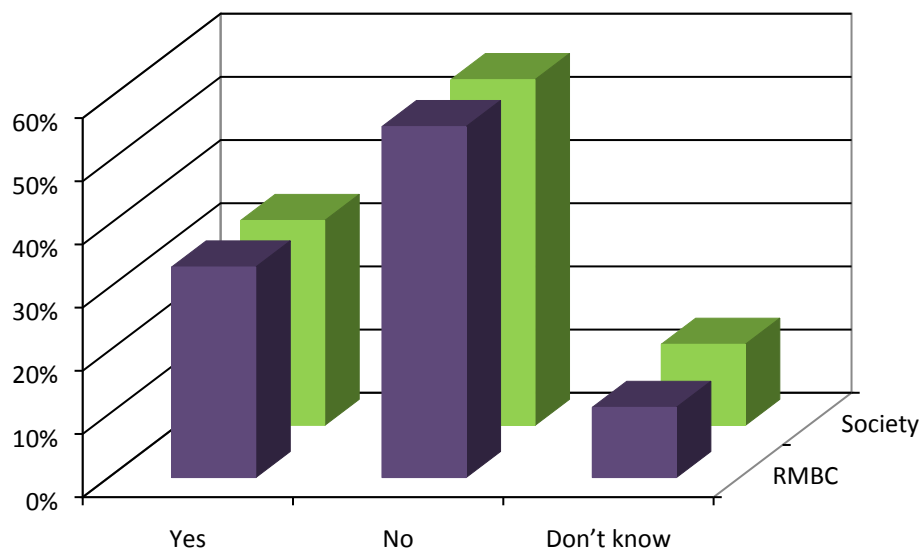


Around half of all respondents think that rents should continue to rise in line with inflation to allow the current level of service to be maintained. A significant minority of people on society sites (around 35%) believe that rents should fall in real terms, whilst only 17% of people on directly-managed sites share this view. It should be noted that each society determines the rents to be paid by individual plot-holders, but clearly the rent the Council charges the society for the whole site will be a major consideration in this

3.9 Do you think that disadvantaged people should be offered discounted rents?

This question also noted that if discounts were to be introduced, then rents paid by other allotment users would need to increase to compensate for the resulting loss of income.

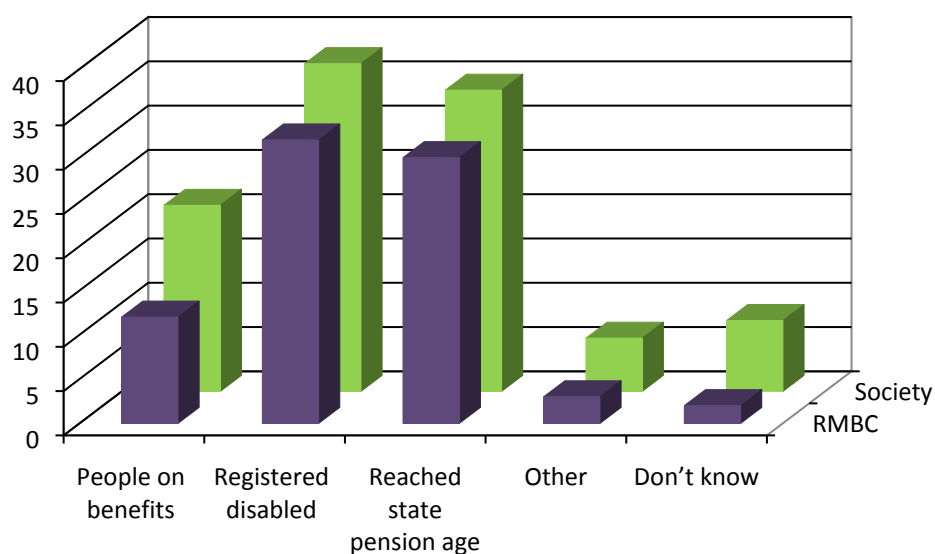
	RMBC	Society	Total
Yes	33	48	81
No	55	81	136
Don't know	11	19	30
Total	99	148	247



The results to this question from directly-managed and society sites were very similar, with around 55% not in favour of the introduction of discounts.

3.10 If you answered YES to question 9, which of the following groups of people you think should be able to receive a discount?

	RMBC	Society	Total
People on benefits	12	21	33
Registered disabled	32	37	69
Reached state pension age	30	34	64
Other	3	6	9
Don't know	2	8	10
Total	79	106	185



The total number of people answering this question was more than the number who said they believed that discounts should be offered. It is assumed that some people chose to say which groups they believe should receive discounts in the event that a decision is taken to introduce them, even though they do not agree with the principle of discounts being offered.

The results from directly managed sites and society sites are similar, with most supporting discounts for people who are registered disabled or who have reached state pension age. A smaller number think people on benefits should receive discounts. Other suggested recipients of discounts were people who don't work but get no benefit, people on low income, Rothercard holders, young working families, community and voluntary groups and people with mental health problems.

3.11 Other comments about allotment rents

120 people commented about allotment rents. The analysis of these is being carried out separately, and any conclusions will be taken into account in making recommendations for future rents.

3.12 Other comments about allotments in general

150 people supplied comments here. A separate analysis is being carried out of these to identify:-

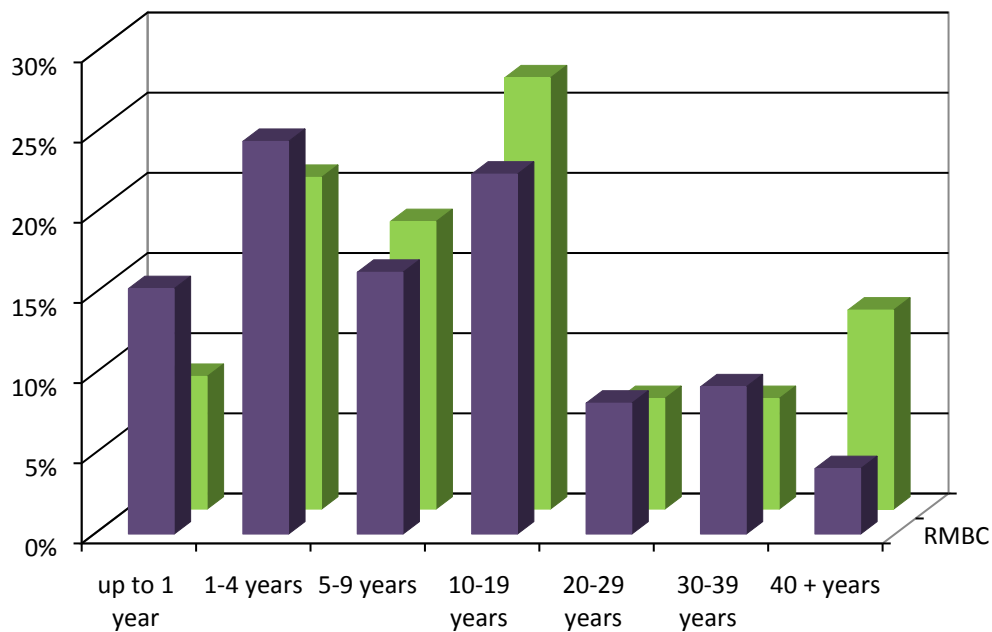
- any site-specific issues requiring action to be taken,
- any recurring themes that add to our understanding of strengths and weaknesses in the service as a whole.

The results of this analysis are not available at the time of writing.

3.13 Roughly how many years have you been allotment gardening?

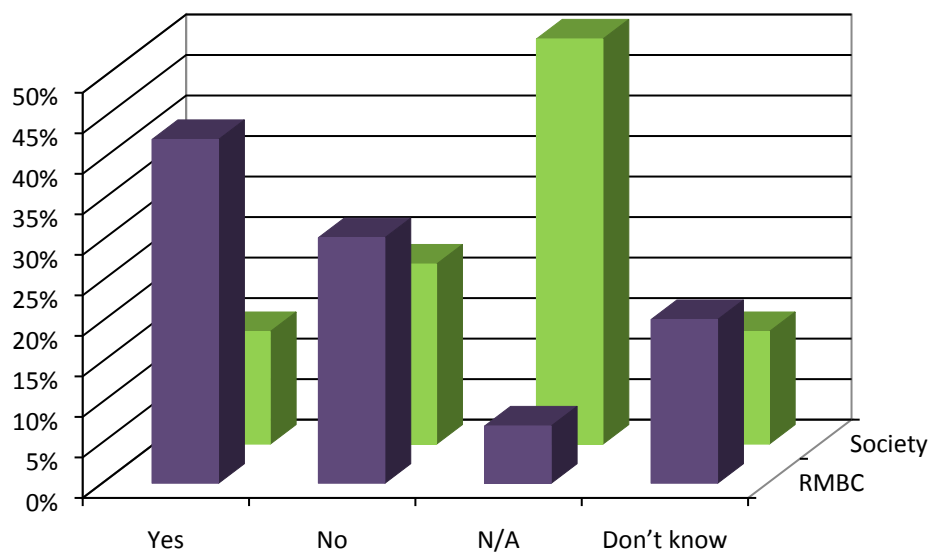
The main observation from analysis of answers to this question is that a larger proportion of respondents on directly-managed sites are relatively new to allotment gardening, whereas a larger proportion of people on society sites have been doing so for more than 40 years.

	RMBC	Society	Total
up to 1 year	15	12	27
1-4 years	24	30	54
5-9 years	16	26	42
10-19 years	22	39	61
20-29 years	8	10	18
30-39 years	9	10	19
40 + years	4	18	22
Total	98	145	243



3.14 Would you like to join an allotment society?

	RMBC	Society	Total
Yes	42	20	62
No	30	32	62
N/A	7	72	79
Don't know	20	20	40
Total	99	144	243



This question was intended to gauge the level of interest amongst people on directly-managed sites in being part of an allotment society. The main observations are as follows:-

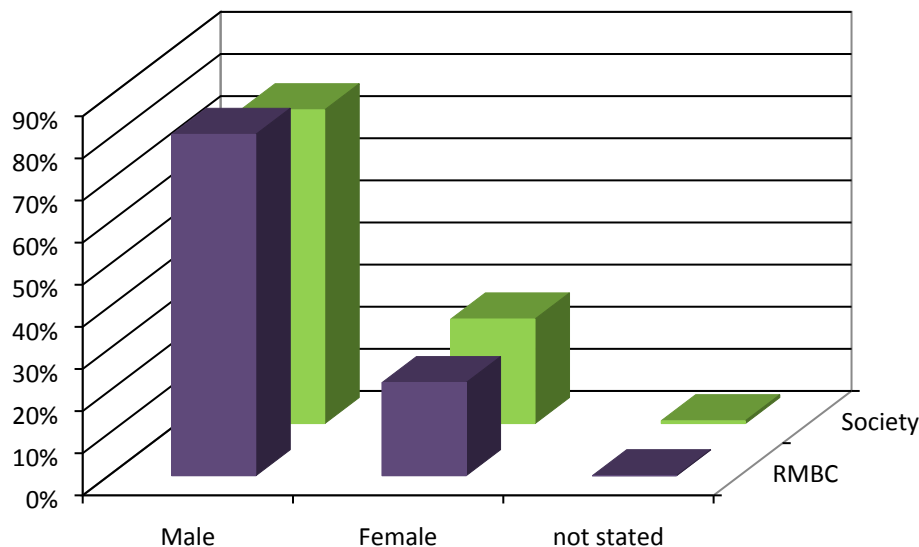
- More than 40% of respondents on directly-managed sites would like to join a society
- A number of people on directly-managed sites stated that they were already members of a society, suggesting that they may have plots on more than one site (i.e. including a society site)
- Around 22% of people on society sites stated that they do not want to be members of the allotment society.

This suggests there is some an appetite amongst a significant proportion of plot-holders on directly-managed sites to be part of a society, although this may be difficult to achieve unless suitable individuals come forward to form a committee.

4. Respondent Profile Results

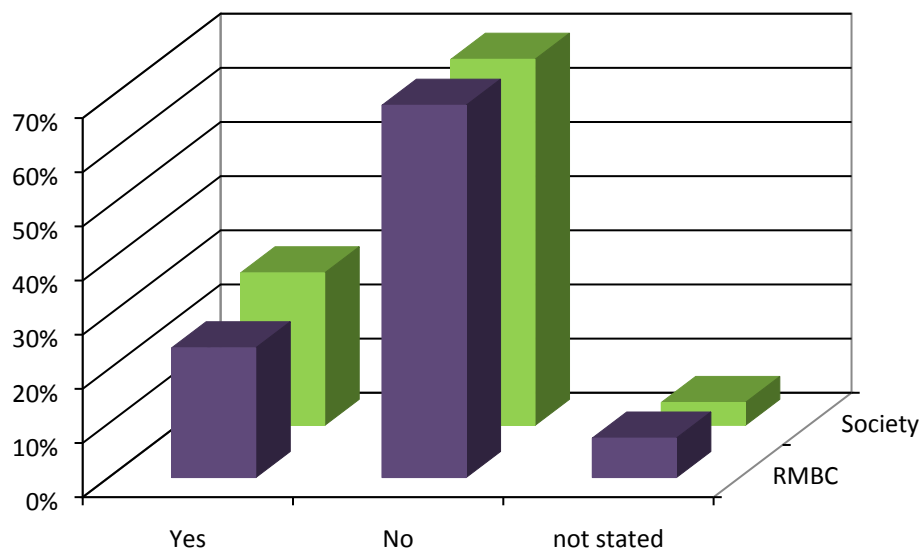
4.1 What is your gender identity?

	RMBC	Society	Total
Male	77	111	188
Female	21	37	58
not stated	0	1	1
Total	98	149	247



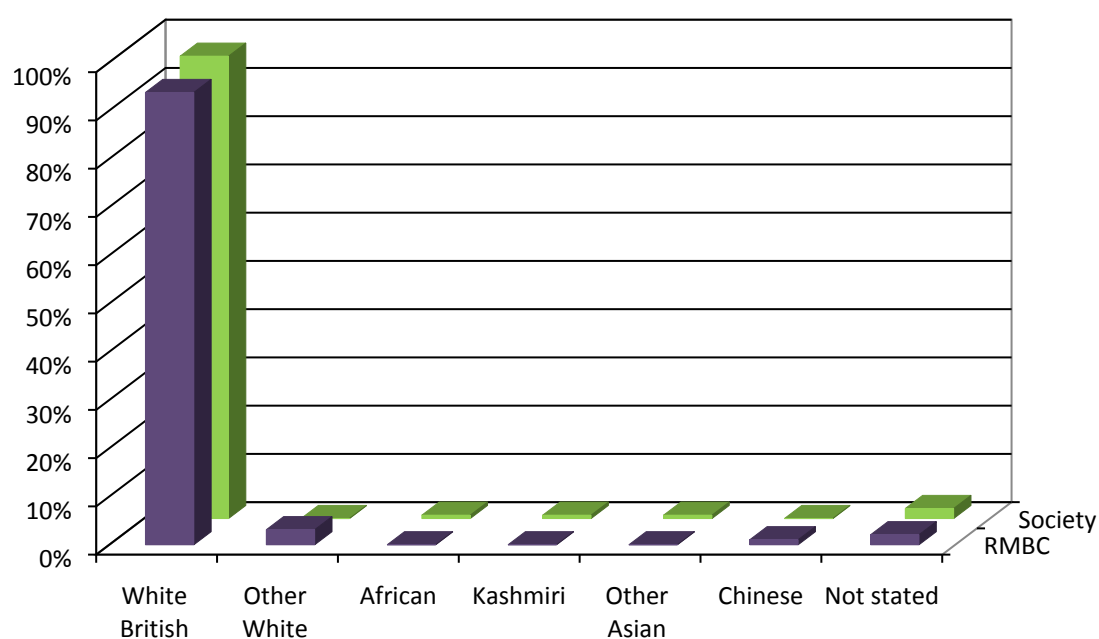
4.2 Do you consider yourself to be disabled or have a limiting illness?

	RMBC	Society	Total
Yes	23	40	63
No	66	96	162
not stated	7	6	13
Total	96	142	238



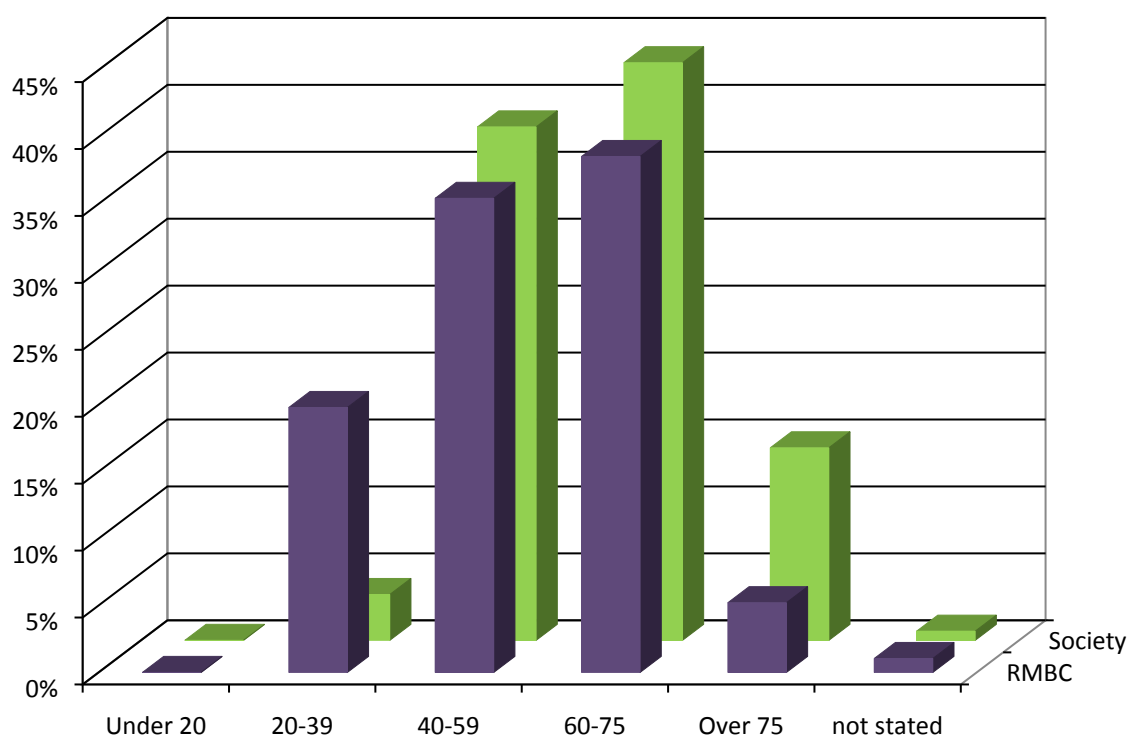
4.3 How would you describe your ethnic origin?

	RMBC	Society	Total
White British	90	138	228
Other White	3	0	3
African	0	1	1
Kashmiri	0	1	1
Other Asian	0	1	1
Chinese	1	0	1
Not stated	2	3	5
Total	96	144	240



4.4 What is your age on 1st September, 2017?

	RMBC	Society	Total
Under 20	0	0	0
20-39	19	5	24
40-59	34	56	90
60-75	37	63	100
Over 75	5	21	26
not stated	1	1	2
Total	96	146	242



5. Calculation of Average Values from Multiple-choice Questions

In questions referred to in sections 3.5 and 3.6 above, people were asked to rate the importance of various factors as one of the following:-

- Very important
- Important
- Slightly important
- Not at all important

They were also given the options of stating 'don't' to allow the answers to be averaged, each was first given a numeric value as follows:-

- Very important = 10

- Important = 6.667
- Slightly important = 3.333
- Not at all important = 0.

Don't knows were omitted from the calculation of the average because of the uncertainty about what their view might be if they had one.

The average score was then determined as follows, where (A) is the number of people selecting 'Very important', (B) is the number selecting 'Important', (C) is the number selecting 'Slightly important' and (D) is the number selecting 'Not at all important'.

$$(10*A + 6.667*B + 3.333*C) / (A + B + C + D)$$

The same approach was used for calculating an average performance score for question 3.7, where (A) is the number of people selecting 'Very good', (B) is the number selecting 'good', (C) is the number selecting 'poor' and (D) is the number selecting 'very poor'.

6. Calculation of 'Priority for Action' Score

Scores for importance and current performance need to be considered together to identify which aspects of site management are most in need of improvement. The following methodology is used by commercial market research organisations, such as MORI.

Priority for Action = (Average importance score - Average performance score) * Average importance score.

Thus, a larger number shows that people regarded a factor as important, but that its performance was rated as relatively poor, whereas a smaller number shows that a factor was regarded as relatively unimportant, and that its performance was better.

This method was used to calculate scores shown in section 3.7.1 above.

Appendix 2

Meeting:	Cabinet/Commissioner Decision Making Meeting
Date:	9 th July 2018
Report Title:	Allotments Self-management
Ward	All

ALLOTMENT SITE AUDIT RESULTS

1. General

- As part of the review of the allotment service provided by the Council's Culture, Sport and Tourism Service, an audit of Council-owned allotment sites has been undertaken.
- The purpose of the audit was to identify the size of each site, the standard of facilities and infrastructure on each, and any liabilities.
- The audit was carried out in late 2017 and early 2018. It was led by the Allotments Officer, and includes supplementary data supplied by allotments societies.
- Separate figures for society sites and directly managed sites are shown along with the totals across all sites. Where appropriate, figures are also given for inactive sites.

2. Results

2.1 Number and size of sites

	RMBC - active	RMBC - inactive	Society	Total
number of sites	13	4	13	30
total area (sq metres)	167750	37004	255604	460358
% area cultivatable	74.3%	0.0%	68.2%	64.9%
number of plots	515	0	592	1107

2.2 Plot Letting status (February 2018)

	RMBC	Society	Total
Total number of plots	515	592	1107
% plots let	77.5%	92.7%	85.6%
% plots unlettable	11.3%	1.4%	6.0%
% plots vacant	11.3%	5.9%	8.4%

2.3 Waiting lists (February 2018)

	RMBC	Society	Total
Number on waiting lists	66	53	119
No. waiting where plot vacant	20	5	25

2.4 Site security/boundaries

	RMBC - active	RMBC - inactive	Society	Total
Total length boundary (m)	6927	2172	8795	17894
% boundary fence not present	19.4%	31.0%	22.0%	22.1%
% boundary fence mostly/poor	21.0%	32.8%	20.2%	22.1%
% boundary fence mostly/good	59.5%	36.2%	57.7%	55.8%
Total number of gates	29	2	35	66
Number of gates mostly/poor	6	0	4	10
Number of gates mostly/good	23	2	31	56

2.5 Access ways and car parking

	RMBC	Society	Total
Total length tracks and paths (m)	4127	6603	10730
% tracks and paths mostly/poor	44.3%	25.9%	33.0%
% tracks and paths mostly/good	55.7%	74.1%	67.0%
Total number of parking spaces	36	57	93
Plots per parking space	14.3	10.4	11.9

2.6 Buildings

	RMBC	Society	Total
Total number of buildings	21	147	168
Plots per building	24.5	4.0	6.6
number of buildings mostly/poor	3	9	12
number of buildings mostly/good	18	138	156

2.7 Water and electricity

	RMBC - active	RMBC - inactive	Society	Total
% sites with water supply	61.5%	0.0%	76.9%	60.0%
% sites with electricity supply	0.0%	0.0%	46.2%	20.0%
number of water taps	61	0	30	91
plots per water tap	8.4	n/a	19.7	12.2

2.8 Liabilities

	RMBC - active	RMBC - inactive	Society	Total
area heavily overgrown (sqm)	9562	10322	6040	25924
area moderately overgrown (sqm)	6052	13837	6946	26835
area with Japanese Knotweed (sqm)	33	0	123	156
area with rubbish to be cleared (sqm)	2897	9104	0	12001
area prone to flooding or waterlogging (sqm)	1728	0	4936	6664
area with no soil cover (sqm)	187	0	0	187
% total site area with liabilities	12.2%	89.9%	7.1%	15.6%

Appendix 3

Meeting:	Cabinet/Commissioner Decision Making Meeting
Date:	9 th July 2018
Report Title:	Allotments Self-management
Ward	All

PREFERRED ALLOTMENTS SELF-MANAGEMENT MODEL

1. Recommended Structure

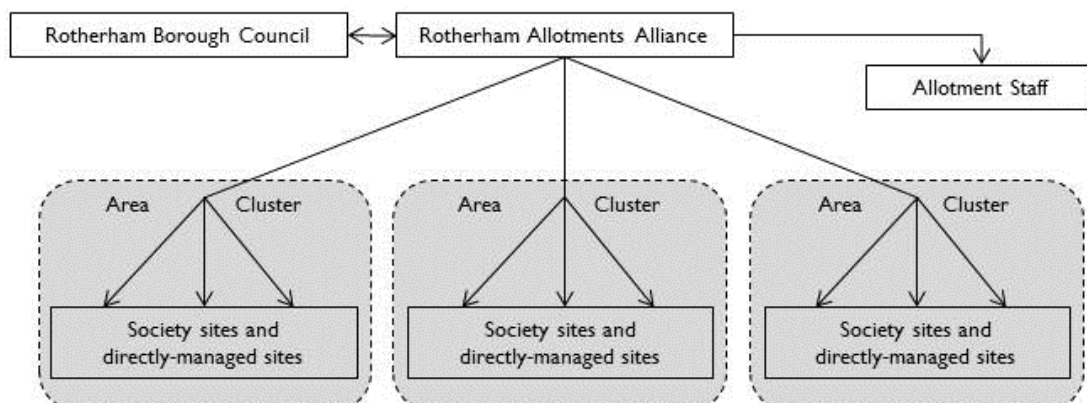
The Review has considered how control of allotments might be transferred to self-management bodies. Rotherham and District Allotments Association (RaDAA) has proposed a model with the following characteristics:-

- A number of new Area Self-Management Societies for different parts of the borough,
- Satellite Societies managing individual sites, and supported by the Area Self-Management Society as required,
- A paid Allotment Officer and Assistant to provide support to the Area Self-Management Societies as required.

The proposal, which also includes details of what Societies should be expected to do, reflects some key principles identified by the Project Group as a preferred way forward. These include expansion of self-management arrangements building on, rather than replacing, existing allotment Societies. It has been used as a starting point for further development and refinement to provide a possible comprehensive service model that addresses all agreed Review objectives and identified risks.

Consequently, a provisional self-management model has been developed, and is described below.

Figure 1 - Provisional Self-Management Model



- The principal feature of this approach would be the creation of a borough-wide allotments self-management body. This has been given the working title 'Rotherham Allotments Alliance'.
- The model also includes Area Clusters that would be constituent parts of the Alliance and governed by the same rules. Their role would be to encourage co-operation and co-ordination between sites in each locality.
- It is proposed that all allotment gardeners would be members of the Alliance with voting rights at AGMs.
- The Alliance would be led by a committee comprising allotment gardener representatives, Cabinet Member with responsibility for allotments, and one other Council Member. Other individuals representing interests such as health and wellbeing, the environment, children and young people, community development, learning etc. may be invited to support the work of the committee.
- The entire portfolio of Council allotment sites would be leased to the Rotherham Allotments Alliance who would then sub-let individual sites where there are Allotment Societies.
- The main benefits of a borough-wide self-management body are:-
 - It could employ and control staff on behalf of all Societies and sites,
 - Efficient and joined-up working relationship between partners, including the Council
 - Allows borough-wide service standards to be agreed and monitored
 - A stronger, more unified voice for allotments in Rotherham
 - Scope to share expertise and resources amongst all Societies and volunteers
 - Able to provide/obtain support for individual Societies (e.g. specialist advice), and thereby minimise risk of failure
 - Economies of scale and minimisation of duplication, so that available resources go further.
 - Able to co-ordinate action across the whole allotments sector, including promotional campaigns, events planning etc.
- Allocation of roles and responsibilities within such a model will require further detailed consideration and agreement. However, **Figure 2** illustrates a possible approach to help guide further consideration of these matters.

2. Proposed Legal Form for New Self-Management Body

2.1 Options

A wide range of different legal forms is available for organisations involved in the running of allotments. Consideration needs to be given to the intended characteristics of the proposed body when evaluating the various possible legal

forms. Discussion within the Review Team has identified the following as being desirable in any new self-management body:-

- Clearly defined aims and purposes;
- All gardeners are able to vote on key issues;
- Day-to-day control of the body's affairs by a board/committee whose members can be elected by the general membership
- Board/committee members have limited/no personal liability arising from the activities of the body
- Well-suited to fund-raising and applying for grants
- Able to employ staff, contractors etc
- Able to lease land from the Council, and sub-let it to individual Societies
- Scope to include new sites in future (desirable)
- Reasonably simple registration and regulatory requirements
- Minimise requirement to pay tax and business rates.

Taking these requirements into account, two options appear to be particularly suitable.

A. Community Benefit Society

Community Benefit Societies are set up with social objectives to conduct a business. They are run and managed by their members, who can elect a committee to carry out day-to-day operational management on their behalf. They can raise funds by issuing shares to the public, and must submit annual accounts.

To be recognised as a charitable community benefit society they must have exclusively charitable objects that are for the public benefit, allowing them to raise capital through public grants and charitable trusts. If approved, they're known as exempt charities - reporting to the Financial Conduct Authority (FCA), not the Charity Commission. A small fee is payable to register such a body, and annual fees also need to be paid to maintain registration.

As they are incorporated bodies they are legal entities in their own right, and therefore able to enter into contracts, hold land and employ staff. This also limits the liability of its members.

B. Charitable Incorporated Organisation

A CIO is governed by a board of trustees whose role is to ensure the charity is carrying out its purposes for the public benefit, and to plan and review the charity's work on a regular basis.

There are two different types of CIO available. Foundation CIOs, where the voting members and charity trustees are one and the same (known as 'closed' membership), and Association CIOs have a wider membership than the Foundation CIO, including members who are not trustees (known as 'open' membership). There are no initial or recurring fees for registration.

Like Community Benefit Societies, CIOs are incorporated bodies, and therefore share the same advantages listed above.

2.2 Recommended Option

Whilst both the options described may be used for the type of self-management body envisaged, a Community Benefit Society is believed to be better suited in this case. This is because it appears to be more extensively tried and tested, is a widely recognised mutual form, and benefit from legislative provisions which mean that re-organisations, particularly mergers between societies, are relatively easy to do.

Therefore it is recommended that a new Community Benefit Society be established to deliver a new borough-wide allotments self-management model.

Figure 2
Possible Roles and Responsibilities in Remodelled Allotments Service

	Governance	Finance, insurance and staffing	Provision of allotment land	Site improvement and maintenance	Tenancy Management	Service development and promotion
Rotherham MBC	<ul style="list-style-type: none"> • Ultimate responsibility for service standards and legal compliance • Ultimate step-in/rescue powers if self-management body failing • Drafting and supply of model constitution for Societies • Nomination of Council reps to Allotments Alliance 	<ul style="list-style-type: none"> • Manage capital reserves from sale of allotment land • Allocate capital funding to support site improvement projects • Receive reports from Alliance on use of capital funding, inc. achievement of agreed outcomes, leverage of match funding etc. • Advise on level of insurance required by self-management bodies, and check to ensure this is in place • Confirm whether TUPE regulations apply to any new posts created by the Alliance. 	<ul style="list-style-type: none"> • Consider requests to provide new land, or to take back surplus land from Alliance. • Manage any surplus land surrendered by Alliance, noting that grazing income may need to be passed back to Alliance to support their activities. • Acquire or appropriate land for new allotments as required • Lease all Council allotment land to Allotments Alliance. • Apply to Secretary of State for permission to dispose of surplus allotment land 	<ul style="list-style-type: none"> • Process applications from Alliance for capital funding to support site improvement projects • Receive reports from Alliance on use of capital funding, inc. achievement of agreed outcomes, leverage of match funding etc. • Provide technical advice on tree safety, invasive species, flooding and hazardous waste, as requested by Allotments Alliance 	<ul style="list-style-type: none"> • Supply initial model tenancy agreement • Lease all Council allotment land to Allotments Alliance 	<ul style="list-style-type: none"> • Advise Alliance of Council initiatives and policy changes relevant to allotments
Allotments Alliance	<ul style="list-style-type: none"> • Development, review and approval of terms of reference of Allotments Alliance. • Develop and implement service monitoring systems, incl. KPIs • Appointment of new Alliance members • First line step-in/rescue option in case of failing Society • Secretarial support and record-keeping for Alliance business 	<ul style="list-style-type: none"> • Employ allotment staff • Set annual budget for Alliance business (incl staff costs) • Calculate and collect rent payments from tenants on directly-managed sites and Societies, • Monitor own budget and report to members regularly • Take out insurance cover as necessary for Alliance business • Decide whether Societies must join NAGS to benefit from insurance cover 	<ul style="list-style-type: none"> • Sub-let allotment sites to Allotment Societies • Monitor demand for allotments across borough, using data supplied by Societies/clusters • Make recommendations to RMBC for acquisition/disposal of allotment land • Consider requests from Societies to surrender all or part of their leased land back to Allotments Alliance, and support them in finding alternative uses (e.g. grazing) • Help RMBC in applying for permission to dispose of surplus allotment land, including statutory consultation 	<ul style="list-style-type: none"> • Deploy allotment staff to help Societies with maintenance and improvement projects, and to arrange the following:- <ul style="list-style-type: none"> ○ Regular safety inspections of trees across all sites, and arrange works as needed ○ Deal with invasive species , flooding and hazardous waste reported by Societies ○ Support procurement by Societies of skips, pest control etc • Consider Society site improvement proposals, and decide whether to support • If supporting, apply to RMBC for capital on behalf of Society • Otherwise, work with Society to address weaknesses in bid • Identify and share information about other external grant funding opportunities 	<ul style="list-style-type: none"> • Sub-let allotment sites to Allotment Societies • On directly-managed sites, same tenancy management responsibilities as those on Society-managed sites (see below). 	<ul style="list-style-type: none"> • Champion all allotments, and provide a unified voice on matters of general interest • Develop and implement borough-wide communications to promote the benefits of allotment gardening, including Rotherham allotments website • Help Societies by encouraging new volunteers to strengthen sustainability and representativeness of committees. • Work with partners to reach under-represented and disadvantaged groups • Share/promote good practice guidelines from national bodies (e.g. NAGS) and between Societies/clusters • Arrange and promote skills development opportunities for volunteers in all Societies (e.g. training, mentoring)
Area Cluster	<ul style="list-style-type: none"> • Collation of monitoring information from individual Societies and reporting to Alliance 	<ul style="list-style-type: none"> • Ad hoc agreement to pool resources from individual Societies to fund joint initiatives 	<ul style="list-style-type: none"> • Monitor demand for allotments across cluster area, using data supplied by Societies • Make recommendations to 	<ul style="list-style-type: none"> • Agree and deliver mutual support and sharing of resources between individual Societies within cluster, to 	<ul style="list-style-type: none"> • Share information about proposed rents, allotment rules, difficult tenants etc 	<ul style="list-style-type: none"> • Facilitate collaboration between individual Societies on <ul style="list-style-type: none"> ○ Local promotion activity

	Governance	Finance, insurance and staffing	Provision of allotment land	Site improvement and maintenance	Tenancy Management	Service development and promotion
	<ul style="list-style-type: none"> Request Alliance step-in/rescue in case of failing Society 		Alliance for acquisition/disposal of allotment land	undertake maintenance and deliver small-scale improvement projects. <ul style="list-style-type: none"> Provide targeted support for small sites (could set up multi-site Society) 		<ul style="list-style-type: none"> Events Developing local partnerships (e.g. schools, community groups) Resource sharing to achieve economies of scale
Individual Society	<ul style="list-style-type: none"> Nomination of Society reps to Allotments Alliance Adjustment of model constitution, as required, and adoption of it Management of the Society in accordance with the constitution and the law Collection and reporting of monitoring information, including KPIs. Provide and promote opportunities for individual tenants to have their views heard, and to influence decisions taken by the Society committee. 	<ul style="list-style-type: none"> Set annual budget for Society business (incl. annual payment to Alliance) Monitor own budget and report to members Set annual rent payable by plot-holders Manage and report any reserves Take out insurance cover to levels specified by RMBC 	<ul style="list-style-type: none"> Maintain and report data about demand vs supply (e.g. waiting lists, number of vacant plots) Submit requests to Alliance to take back surplus/unused leased land.. 	<ul style="list-style-type: none"> Day to day maintenance of vegetation, vacant plots, tracks, buildings, fences, water supplies, drainage and other infrastructure Report invasive species (e.g. Japanese Knotweed), flooding and hazardous waste to allotment staff Deliver small-scale improvement projects Propose large-scale improvement projects needing extra capital investment to Alliance. 	<ul style="list-style-type: none"> Provide information about how to rent a plot & plot availability Manage waiting lists Prepare vacant plots for letting Issue tenancy agreements Collect rents and other payments (e.g. water) Take action to address under-payment, including possible termination of tenancy Agree and issue site rules Take action to address non-compliance, including enforcement and possible termination of tenancy Respond to general enquiries from tenants Take action to try to resolve disputes between tenants Respond to complaints from tenants and others 	<ul style="list-style-type: none"> Develop volunteering amongst general members Facilitate <i>Continued overleaf</i> dialogue with Society members to identify service improvement Lead regular communications to keep members informed and involved, including meetings, site notices, social media etc.