

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Cabinet Member for Culture and Tourism
2.	Date:	19th November, 2013
3.	Title:	Differential Allotment Fees and Charges
4.	Directorate:	Environment & Development Services

5. Summary:

Allotment rents for 2014 -15 were agreed by Cabinet Member for Culture and Tourism in January 2013. However, members have subsequently requested a further review of the rents to explore the potential to introduce differential rates reflecting different levels of facility provision at each site.

6. Recommendation:

That the Cabinet Member approves Option 3.

7. Proposals and Details:

In order to achieve an agreed budget saving allotment rents are increasing above inflation over a three-year period at the end of which the service will be cost neutral.

A request has been received to give consideration to charging less for allotments on sites with fewer facilities. However it is important to note that a decrease in the proposed rent for users of sites with fewer facilities will require a compensatory increase in the proposed rent for other users if the budget saving target is to be met.

Three possible options are presented below.

Option 1

Continue the current policy of charging all allotment holders the same amount per square metre. This will mean that the current rent for an average 300 m² plot will increase by 42% from £45.00 per year in 2013/14 to £63.90 per year in 2014/15.

Advantages

- Simple to administer.

Disadvantages

- May appear unfair to tenants of sites with less facilities.

Option 2

Classify allotment sites as A, B or C based on provision of the following: meeting room, toilet, water, on-site car park, secure boundaries. Sites are classified as A if they have 4 or more facilities, B for any 3 and C for fewer than 3.

Taking into account the number of plots within each class the following changes could be made to the proposed rents in order to achieve the necessary budget saving:

- Reduce the proposed rent increase in respect of Class C sites by 5% (actual increase will be 37%, to £61.34)
- Increase the proposed rent in respect of Class B sites by 10% (actual increase would be 52%, to £71.03)
- Increase the proposed rent in respect of Class A sites by 20% (actual increase would be 62%, to £77.49)

Advantages

- Rent will reflect facilities on site and this may give some comfort to tenants concerned about lack of facilities on their sites.

Disadvantages

- Rents on Class A and Class B sites increase disproportionately.
- Tenants and Allotment Societies on Class A and B sites may ask for facilities to be removed / closed so the site falls into a lower class; if agreed to this

would reduce income, leading to a need to increase rents further in order to achieve necessary savings.

- The quality and condition of facilities vary so tenants on some sites may feel this is an unfair approach (e.g. meeting rooms between 3 and 30+ years old, the latter being of a much lower quality).
- This classification may cause tenants to resist necessary site improvements (e.g. adding a car park to resolve on-street parking issues) as this could move a site into a higher rent bracket and therefore require a higher rent.

Option 3

Classify allotment sites as Class A (having both a toilet and a secure boundary) or Class B (not having a toilet and secure boundary).

Taking into account the number of plots within each class the following changes could be made to proposed rents for 2014-15 in order to achieve the necessary budget saving:

- Reduce Class B rents by 10% (actual increase will be 32%, to £59.40)
- Increase Class A rents by a further 5% (actual increase would be 47%, £66.15)

Advantages

- More simple to implement than option 2
- Rent will reflect facilities on site and this may give some comfort to tenants concerned about lack of facilities on their sites

Disadvantages

- Rents on Class A sites increase by a greater amount.
- Tenants and Allotment Societies on Class A sites may ask for facilities to be removed / closed so the site falls into a lower class; if agreed to this would reduce income, leading to a need to increase rents further in order to achieve necessary savings.
- The quality and condition of facilities vary so tenants on some sites may feel this is an unfair approach.
- This classification may cause tenants to resist necessary site improvements (e.g. adding a new boundary fence or toilets) as this could move a site into the higher rent bracket and therefore require a higher rent.

8. Finance:

By law changes in allotment rents need to be advised to allotment holders at least twelve months in advance of implementation. The fees for 2014/15 should therefore have been advised by March 2013 to allow implementation in April 2014. The earliest that fees can be changed will be twelve months from the date of the Cabinet Member's decision.

9. Risks and Uncertainties:

Any method for determining rent levels based on an assessment of site quality could be challenged as being unfair or inconsistent. Increases in rent could reduce demand for allotments, reducing income and possibly leading to budget pressures that might need to be addressed through further rent increases or reduction in service quality.

10. Policy and Performance Agenda Implications:

The proposed rent increase is intended to allow the allotment service to continue to be provided whilst delivering necessary budget savings.

11. Background Papers and Consultation:

Leisure & Green Spaces 2013/14 Fees & Charges report. Confirmed by Cabinet Member for Culture & Tourism, 15th January 2013

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