

EXETER CITY COUNCIL

REPORT TO: SCRUTINY COMMUNITY- COMMITTEE
EXECUTIVE COMMITTEE

DATE OF MEETING: 9th SEPTEMBER 2014
16th SEPTEMBER 2014

REPORT OF: ASSISTANT DIRECTOR PUBLIC REALM

TITLE: ALLOTMENT SERVICE REVIEW

Is this a Key Decision?

Yes

One that affects finances over £1m or significantly affects two or more wards. If this is a key decision then the item must be on the appropriate forward plan of key decisions.

Is this an Executive or Council Function?

Executive

1 What is the report about?

- 1.1 This report sets out the current position with regard to the Council's provision of Allotments and, in the light of consultation with service users, proposes a number of changes to the operation of the service and the rules governing lettings.
- 1.2 The report further presents options to Members for the devolved or shared management of the allotments sites.

2 Recommendations:

- 2.1 That the results of the consultation set out in **Appendix A** are noted and appreciation recorded to those that participated in the process.
- 2.2 That all new tenancies be restricted to those living within the city and for as long as they continue to do so.
- 2.3 That all new tenancies be restricted in size to a maximum of ten rods (approx 250 m²) per household.
- 2.4 That the payment arrangements for allotment rents are brought into line with the range of payment options available for other council services, subject to such arrangements complying with the statutory provisions relating to allotments.
- 2.5 That discounts applied to current tenancies remain for the duration of the individual tenancy and are not transferrable, and that no discounts are applied to new tenancies.
- 2.6 That changes are made to the service to reduce maintenance costs and bring the service into line with the projected budget for 2015/16 as set out in Section 9.
- 2.7 That greater service user participation is encouraged and that the authority to enter

into management agreements with duly elected Allotment Associations as laid out in **Appendix B** be delegated to the Assistant Director Public Realm in consultation with the Portfolio Holder for Environment, Health and Wellbeing.

- 2.8 That the changes in the Allotment Gardens Rules and Conditions set out in **Appendix C** are approved and that the Service Manager with overall responsibility for Allotments be delegated responsibility to interpret the Rules in the case of a dispute.
- 2.9 That the Allotment Gardens Rules and Conditions are issued from 1st October 2014 and thereafter reviewed annually and that authority to approve or amend the Rules is delegated to the Assistant Director Public Realm in consultation with the Council's Monitoring Officer and the Portfolio Holder for Environment, Health and Wellbeing.
- 2.10 That a rent free period of up to a year may be authorised by the Service Manager where a new tenant is willing to accept an untidy plot or where a tenant is prepared to be the single representative overseeing the allotment site on behalf of the council.

3 Reasons for the recommendation:

- 3.1 To provide a platform upon which to build the sustainable, affordable, long term future of allotments in the city.
- 3.2 To enable the greater active participation of service user groups in the direct management of their sites.

4 What are the resource implications including non financial resources.

- 4.1 These proposals will help the Council achieve the objective of reducing the costs of providing allotments in the city. Savings of £22,500 will be made during the coming year but these will not close the gap between income and expenditure and there will be a cost to the Council in the continued provision of the service.

5 Section 151 Officer comments:

- 5.1 No further comments

6 What are the legal aspects?

- 6.1 The provision and regulation of allotment land is controlled by statute. As such any new agreement or lease must comply with the requirements of this legislation, in particular the Smallholdings and Allotments Act 1908, the Allotments Act 1925 and the Allotments Act 1950.

7 Monitoring Officer's comments:

- 7.1 There are no issues arising from this report apart from the recommendation that Legal Services should agree the form of Management Agreements to be entered into with the Allotment Association, together with any resulting lease, and the rules and conditions governing the use of the allotment sites.

8 Background to the Review of the Allotment Service

- 8.1 The Council's Allotment service currently offers 68 acres (27.5 Ha) of allotment space as 1,549 individual allotments to 1,201 tenants. The average allotment size is

7 rods but individual plot sizes vary. Rental charges for 2013/14 were £5.50 per rod: an average rental cost of around £40 per plot. Rents will rise in September 2014 to £6.30 per rod. Around 30% of the allotment space is subject to rent discounts with 413 tenants aged 60 or over. However, internal records about the allotment service are poor and this data can only be used as an indication.

8.2 In June 2013, an internal audit report on the Council's Allotment Service was published. Several risk areas were highlighted and recommendations included:

- Reducing or removing the discounts for people over 60, under 18 and Leisure Card holders
- Ensuring tenants were not subsidised for the cost of providing water and considering the installation of water meters or charges for tenants' individual use
- Bringing the financial systems for rent payment and collection into line with the council's corporate payments and debtors systems
- Formalising all staff and services contract arrangements associated with the allotments
- Developing more robust systems for plot inspection and redress, including recharging former tenants for the costs of clearance
- Reviewing the Allotment Rules and Tenancy Agreement
- Improving internal data and systems
- Undertaking a feasibility study to encourage more of the Associations to take over the running of the allotments on the councils' behalf on a cost-neutral basis.

9 Consultation on changes to the Allotment Service

9.1 The findings of the Audit report, together with feedback from service users, prompted a review of the service as it was brought under new management in the restructured Public Realm directorate. The review was undertaken between November 2013 and May 2014 and options for the future of the allotment services were developed and consulted on in June.

9.2 The consultation presented a number of options around the fees and services that are offered to allotment holders, including fee increases, reducing administration services such as lettings, mediation and maintenance scheduling, reducing the level of grounds maintenance and removing water supplies. The objective was to determine how the level of subsidy for the allotment service, £43,260 in 2013/14, could be removed or reduced.

9.3 The consultation created some controversy amongst current allotment holders for a number of reasons. In response to this, the consultation period was extended by some four weeks and concluded on 4th August. Local Members, officers and the Portfolio Holder for Environment, Health and Wellbeing attended several meetings and site visits in response to requests from allotment holders.

9.4 A summary of the 178 consultation responses (15%) is attached at **Appendix A**. Surprisingly, given the extent of controversy during the consultation period, the results show that there is clear consensus on:

- Restricting new tenants to one ten rod plot
- Restricting the service to people living in the city only
- Not paying more to cover maintenance or to provide discounts to some service users

- Not removing water, with a significant majority of respondents happy to pay more for it
- Reducing the level of services offered
- Ending on-site rent collection

9.5 A significant majority of respondents also supported rent rises above inflation to cover the level of service they required.

9.6 However, opinion was divided relatively equally on whether maintenance services should be reduced, whether discounts should be removed and whether tenants wanted to become part of an Allotment Association.

9.7 Nationally, a survey by the Association for Public Service Excellence, revealed that allotments provided by local councils have the following characteristics:

- Most councils subsidise the allotment service, although this is reducing year on year
- Most are managed through a combination of council and allotment association intervention
- Most rents are between £21 and £50 per plot and costs are expected to rise above inflation to as much as £70 per plot from 2014/15.
- 61% of councils offer discounts mainly to people over 60 but also people unemployed or on income support, people with disabilities and students.
- Allotment provision is increasing, either through direct provision, or through planning gain or the voluntary sector.
- Most councils offer the provision and ongoing maintenance of perimeter boundaries and paths etc
- Most councils do not offer grounds maintenance other than perimeter boundaries and paths
- Most councils offer mains water, although this is reducing year on year
- 37% of councils intend to make their service cost neutral over the next two years

9.8 It is clear that many local Councils with responsibility for allotments are considering similar options to Exeter.

10 Proposed changes to the Allotment Service

10.1 Given that, in national comparisons, Exeter City Council's allotments are already on the expensive side, we are confident that efficiencies can be made to the service with limited impact on service users.

10.2 Already, as part of the new management arrangements since September 2013, the number and cost of staff responsible for the allotment service has reduced significantly. This has reduced service costs but has also dramatically reduced access by service users to the management elements of the service, such as mediation and maintenance scheduling, leading to some dissatisfaction.

10.3 Proposals for the future of the allotment service are as follows:

- **Tenancies:** In view of the demand for allotments, all future new tenancies will be restricted to those living within the city and for as long as they continue to do so. Current tenants will be able to enjoy their current plot, regardless of size and

succession between Partners only will be permitted. Any tenants moving from the city will be required to relinquish their plot at the end of the tenancy year. All new tenancies will be restricted to a maximum of ten rods per household.

- **Discounts:** Any discounts that are applied to current tenancies will remain for the duration of the individual tenancy. They will not be transferrable on succession. No discounts will be available for new tenancies.
- **Rents and payments:** Tenants will be offered the same range of payment options available for other council services from September 2015.
- **Water:** Mains water will continue to be offered.
- **Maintenance services:** Perimeter boundaries and principal paths only will continue to be maintained by the council. The council will continue to encourage volunteer grounds maintenance activities in the allotments.
- **Management services:** Feedback from service users is that they are dissatisfied with the service they receive in regard to their allotment. For example, allotment inspection has been inconsistent across the city and has resulted in plots becoming overgrown and thereby costly to recover. Moreover, during the consultation, many users were critical of the lack of an on-site presence. While improvements in the service response can be made the Council can no longer afford to provide an on-site presence for induction, routine inspection, trouble-shooting, initial compliance etc. In view of this, it is clear that if service users wish to see allotment services improve, they will need to become more involved with delivering them.

- 10.4 Tenant organisation at site level, independent of the council or, more likely, a shared management function is the most sustainable model for the future. We are eager to work with allotment associations and encourage a more partnership based approach to the management of the allotments. The provision of demand-led, on-site services such as induction, inspection, trouble-shooting, initial compliance with Allotment Rules and Conditions etc will need to be undertaken in the future by volunteer site representative groups. An active community association is best placed to undertake this front line role. Allotment plots could be offered rent-free to allotment holders willing to take on this responsibility. On those sites where there is currently no self organisation, tenants will be encouraged to engage in the process. A more robust shared management model would also enable untidy allotments to be identified, the reasons examined and, where someone has simply lost interest, the allotment taken back and re-let. If this strategic solution is not possible, the cost of staffing, reduced by 60% from 2013/14, will need to be factored back into the service cost calculation.
- 10.5 A shared management arrangement is not the only option for Allotment Associations, or similar. Indeed, there is no reason why they cannot take on a long lease of their allotment site/s, under the Council's developing Community Asset Transfer policy, and be completely self-managing and self-financing.
- 10.6 If greater service user participation is to be encouraged, the Council needs to grant authority to enter into agreements with Allotment Associations, as laid out in **Appendix B**. It is recommended that this authority be delegated to the Assistant Director Public Realm in consultation with the Portfolio Holder for Environment, Health and Wellbeing. The alternative to this is to seek Executive approval for each

arrangement which is a poor use of the Council's resources.

- 10.7 Changes are required to the Council's Allotment Gardens Rules and Conditions in order to implement these new arrangements. The revised Rules and Conditions are set out in **Appendix C** and, if approved, will come into force on 1 October 2014. Again, it is recommended that the authority to amend the Rules each year is delegated to the Assistant Director Public Realm in consultation with the Council's Monitoring Officer and the Portfolio Holder for Environment, Health and Wellbeing. The alternative to this is to seek Executive approval for each arrangement which is a poor use of the Council's resources. In addition, the Service Manager with overall responsibility for Allotments will be responsible for interpreting the Rules in any incidences of dispute.

11 Decommissioned and new allotments

- 11.1 With a waiting list of some 578, the Council is keen to meet the demand and maximise the number of allotments in the city. If groups are able to self-manage the sites, the council is prepared not only to transfer the lease on existing allotment sites but also to transfer new areas of land, subject to change of use etc, for conversion to new allotments.
- 11.2 Feedback from service users, particularly during consultation, was that the Council should tackle the number of plots that are in such poor condition that no-one is prepared to rent them. In response to this, it is proposed that a survey of the allotment stock is undertaken to establish remediation costs for decommissioned plots and that any surplus on the 2014/15 allotment budget, delivered as a result of the service changes described above, will be committed in full to the refurbishment of these plots. It is also proposed to offer allotments rent-free to a new tenant accepting an untidy plot for a period of up to a year. The cost of this, at a maximum of £63, is considered good value in comparison to employing contractors and may be attractive to new tenants.

12 Financial position

- 12.1 The current and projected financial position taking account the recommendations is set out in the following table:

Service element	2013/14 budget	Projected 2015/16 budget	% change
Income – 2014 rent rise of 14%*	-£41,000	-£46,740	14.00%
Management costs	£25,300	£10,390	-58.93%
Maintenance	£22,210	£11,210	-49.53%
Water	£11,110	£12,280	10.53%
Rent collection/invoicing	£10,700	£3,000	-71.96%
Central Support Recharges	£5,910	£7,650	29.44%
Other Costs	£9,030	£9,170	1.55%
Net cost of service	£43,260	£6,960	

*Agreed in September 2013

- 12.2 The removal of the discounts for new tenants, which cost in the region of £6,500 each year, will gradually increase rental income over a long period of time.

- 12.3 The 2015/16 figures set out above are estimated costs and are subject to change. Not all of the difference between the net cost of the service in 2013/14 and 2015/16 will accrue as savings to the council as the Allotment Manager has been redeployed to other duties. However, savings on maintenance and increased income will deliver an estimated £22,500 in real cost reductions to the council.

13 Conclusion

- 13.1 Consultation with our allotment holders proved to be a very useful exercise and this report takes account the feedback in its recommendations.
- 13.2 These proposals will achieve sufficient savings in the service and ensure compliance with the internal audit recommendations, whilst maintaining an element of subsidy for allotments without pressure for further rent rises above inflation in future years, as long as self management and volunteer maintenance is successful. A further review of the service will be undertaken in two years' time to assess the outcome of this proposed approach.

14 What risks are there and how can they be reduced?

- 14.1 Provided that any changes comply with the allotment legislation, in particular section 10 of the Allotments Act 1950, and the requirement to undertake an Equality Impact Assessment, then there are no perceived risks in supporting these recommendations.

15 What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?

- 15.1 An Equalities Impact Assessment has been undertaken. No impact is identified in supporting the recommendations in this report.

16 Are there any other options?

- 16.1 Divesting the Allotments in their entirety to a third party
- 16.2 Further revenue investment in the service

SARAH WARD
Assistant Director Public Realm

Local Government (Access to Information) Act 1972 (as amended)
Background papers used in compiling this report:-

Allotments Exeter City Council Internal Audit June 2013

State of the Market Survey 2013 - Local Authority Allotment Services Association for Public Service Excellence Briefing 13/61 December 2013

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