

Report to Stanwick Parish Council meeting 21st September 2023

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Financial Report – Allotments

1. Background

1.1 The allotments were established in 2015 with a grant from the Big Lottery.

1.2 The plots were first let in September 2015.

1.3 The current rental structure per annum is shown in the table below:

Plot size	Rent	Deposit
Full size plots	£35.00	£35.00
Half size plots	£17.50	£17.50
Quarter size plot	£8.75	£8.75

1.4 The tenancy year starts on 1st April. The rent charged will be pro-rata depending on when the tenancy is signed for midyear changes to plot holders.

1.5 The deposit is paid when the tenancy agreement is signed and a full year's deposit is collected irrespective of when the tenancy is signed.

1.6 The deposit is a one off payment that will be refunded if the allotment is given up by the tenant in satisfactory condition. Therefore it cannot be regard as an income stream.

1.7 Rent paid is not refunded if a tenant quits mid-year, after 30th April in each rent year.

1.8 The total number of plots has changed in 2023 due to reconfiguration of the site. However the are upon which rent is charged has not altered. Therefore this will not affect overall income.

1.8 Stanwick Allotments are run at a loss and are subsidised by Stanwick taxpayers through the Precept (local tax collected by North Northants Council and paid to Stanwick Parish Council)

2. Changes to the rent charged

2.1 The Council must give 12 months' notice if the rent is to be increased in accordance with the tenancy agreement. A decision to increase rents from 1st April 2024 has been made.

2.2 Rental charges for 1st April 2024, as agreed by Council September 2022, and notified to tenants is shown in the table below:

Plot size	Rent	Deposit
Full size plots (12)	£40.00	£40.00
Half size plots (14)	£22.00	£22.00
Quarter size plot (3)	£12.00	£12.00

2.3 Anticipated rental income for the year 1st April 2023 to 31st March 2024 is £691.25

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3. Allotment receipts

Year 2020 to 2021		Year 2021 to 2022		Year 2022 to 2023		1 st April 2023-to 31 st August	
Rent	Deposit	Rent	Deposit	Rent	Deposit	Rent	Deposit
£660.00	£17.50	£784.00	£140.00	£666.45	£70.00	£711.25	£105.00

3.1 Where a tenant leaves mid-year, they do not receive a pro-rata rent rebate or funds transfer if they are switching plots. This is set out in the rules.

4. Refunded Deposits

4.1 One plot had the deposit retained upon relinquishment.

5. Allotment costs to the Council

5.1 Costs incurred by the Council fall into the categories of staff costs, repairs/replacements/capital and grounds maintenance.

5.2 Staff costs includes the Clerks time in administration matters (management of the waiting list, issuing tenancies, accounting, rent collections, site visits, liaising with tenants and prospective tenants, issuing improvement notices etc). A conservative estimate is 1 hour per month at a cost to the council at £20.00 per hour: £240.00 per annum.

5.3 Repairs/replacements/capital includes fence & gate repairs; replacement padlocks.

5.4 Actual repairs/replacement/capital costs were:

2020 to 2021	2021 to 2022	2022 to 2023	1 st April to 31 August 2023
£440.00 gate replacement £140.00 tap repairs	£0	£107.27 replacement taps (NB fitted free of charge by local plumber)	£34.98 tap covers x3 £7.24 tap £12.49 padlock £29.15 padlock x2
£550.00	£0	£107.27	£83.86

5.5 Grounds maintenance includes cutting the two paths and the social area. In previous financial years the Council has contracted these works through Mr Mission. In June 2019 the contract was moved to Mowerman Grounds Maintenance (Minute 19.72 refers).

5.6 Actual grounds maintenance costs:

2020-2021	2021-2022	2022-23	1 st April to 31 August 2023
£800.00 grass cutting	£800.00 grass cutting	£800.00 grass cutting	Invoice expected at £880.00
£800.00	£800.00	£800.00	£0

6. Water costs

6.1 Anglian Water were instructed by JAH Construction to connect the water pipes to the mains.

7. Anticipated allotment costs for 2023

7.1 Grounds maintenance

7.1.1 Expected costs for grass cutting to the end of October are £880.00

7.2 Staff costs

7.2.1 Assuming 12 hours averaged over the year @ £20.00 per hour =£240.00

7.3 Other costs:

7.3.1 There may be costs associated with plot clearance, boundary repairs, padlocks etc.

7.3.2 Two further taps require replacement.

8. Action required

8.1 The Council should consider the rent levels that should be applied from 1st April 2025.

8.2 The Council may consider whether tenants who do live within Stanwick should pay an increased rent as they are not Stanwick tax payers.

Advice from the National Association: “Provided your tenancy agreement was clear about the additional charge for non-residents, this is not a problem to implement. As you have said, this is a great time to add it if it will have no impact on existing tenants so no notice period will be necessary before the change can be implemented.” Taylor Harris, legal advisor, National Allotment Society via email 17/08/23.

[Report ends.]