

Report to Stanwick Parish Council meeting 23rd September 2021

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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 regarded as an income stream.

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.

2.2 Rental charges for 1st April 2020, as agreed by Council September 2018, and notified to tenants is shown in the table below:

Plot size	Rent	Deposit
Full size plots (14)	£35.00	£35.00
Half size plots (11)	£17.50	£17.50
Quarter size plot (1)	£8.75	£8.75

2.3 Anticipated rental income for the year 1st April 2021 to 31st March 2022 is £691.25

3. Allotment receipts

Year 2018 to 2019		Year 2019 to 2020		Year 2020 to 2021		1 st April 2021-to 31 st August 2021	
Rent	Deposit	Rent	Deposit	Rent	Deposit	Rent	Deposit
£180.00	£127.50	£767.00	£105.00	£660.00	£17.50	£686.25	£0

3.1 For the year 2018 to 2019, the rents were £30.00 per full size plot and £15.00 for a half size plot. From 1st April 2019, the rents increased to £35.00 and £17.50.

3.2 The year 2018 to 2019 shows are artificially reduced income as rent due date switched from March into April to ensure the rents are received within the financial year they are due.

3.3 Rent year to date show a £5.00 variance from the expected sum due to a reduction to correct an overpayment by a plot in the previous financial year.

4. Refunded Deposits

4.1 Table to show the amount of deposits refunded where a tenant has given up their allotment:

2018-2019	2019-2020	2020-2021	1 st April 2021-to 31 st August 2021
£135.00	£75.00	£15.00	£0

4.2 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:

2018 to 2019	2019 to 2020	2020 to 2021	1 st April to 31 August 2021
£325.00 grass cutting £84.97 Padlocks & chain	£0	£440.00 gate replacement £140.00 tap repairs	Waiting invoice for possibly tap repairs
£409.97	£0	£550.00	£0

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 1972 refers)..

5.6 Actual grounds maintenance costs:

2018-2019	2019-2020	2020-2021	1 st April to 31 August 2021
£525.00 grass cuts	£660.00 grass cutting (part year)	£800.00 grass cutting	Awaiting invoice for grass cutting
£525.00	£660.00	£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 2021

7.1 Grounds maintenance

7.1.1 Expected costs for grass cutting to the end of October are £1120.00

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 Taps require replacement

8. Action required

8.1 The Council should consider the rent levels that should be applied from 1st April 2023.

[Report ends.]