

# Report to Stanwick Parish Council meeting 15<sup>th</sup> September 2022

Prepared by J Hodgson

## 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 1<sup>st</sup> 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.

### 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 1<sup>st</sup> 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 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023 is £603.00

### 3. Allotment receipts

Year 2019 to 2020		Year 2020 to 2021		Year 2021 to 2022		1 <sup>st</sup> April 2022-to 31 <sup>st</sup> August	
Rent	Deposit	Rent	Deposit	Rent	Deposit	Rent	Deposit
£767.00	£105.00	£660.00	£17.50	£784.00	£140	£621.25	£52.50

3.1 For the year 1<sup>st</sup> April 2019, the rents increased to £35.00 and £17.50. Rents have not ben changed since.

3.2 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.

3.3 Certain tenants pay 'early' in March which can distort the year total receipts.

#### 4. Refunded Deposits

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

2019-2020	2020-2021	2021-2022	1 <sup>st</sup> April 2022-to 31 <sup>st</sup> August 2022
£75.00	£15.00	£123.75	£15

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:

2019 to 2020	2020 to 2021	2021 to 2022	1 <sup>st</sup> April to 31 August 2022
£0	£440.00 gate replacement £140.00 tap repairs	£0	£62.10 replacement taps
£0	£550.00	£0	£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 19.72 refers).

5.6 Actual grounds maintenance costs:

2019-2020	2020-2021	2021-2022	1 <sup>st</sup> April to 31 August 2022
£660.00 grass cutting (part year)	£800.00 grass cutting	£800.00 grass cutting	Awaiting invoice for grass cutting (likely to increase in cost)
£660.00	£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 2022

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 may require replacement

## **8. Action required**

8.1 The Council should consider the rent levels that should be applied from 1<sup>st</sup> April 2024.

[Report ends.]