

EUXTON PARISH COUNCIL



Meeting: Allotment Committee Meeting (informal)

Hosted virtually via Zoom Meeting ID: 899 7984 3880 Passcode: 820019

<https://us02web.zoom.us/j/89979843880?pwd=M2t2d3VkQVF4UUJpeTRvTUJZM1ZDdz09>

Thursday, 8th July 2021 at 7.00 pm

ITEMS

Oversee the drawing of the plot numbers to allocate to plot holders

1. Verbal update on progress with Chorley Council lease and s106 agreement process
2. Report on progress of the site and additional request recommendation – report attached
3. Report on rent collection method and recommendation – report attached
4. Report on future rent setting using a recognised indices – report attached
5. Any other items which need attention or research
6. Date for next meeting

Allotment Committee

1	Chris Jones
2	Eric Jones
3	Patricia Fellows
4	Andy Oddy
5	John Matson
6	Katrina Reed
7	Dez Rigg
8	Helen Tune
9	Steve Walker
10	Neil Hall

D. Platt

CLERK

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Allotment Project Progress & Future Work

Background

The Allotment Committee was tasked with creating an allotment facility at Copland Place, Euxton. The committee initially compiled a wish list of all the elements that it would like to be included within the allotment project with the budget set at £182.5K. On receiving the estimates it soon became clear that a budget of £182.5K was not going to be enough to complete the project as per the wish list.

On instruction from the Allotment Committee it was decided to proceed within the initial budget and leave out some elements that could be then completed at a later date. These being, office building, storage container, reduced fencing and concrete shed bases instead of using flags. This was to be complete for a fixed budget of £150K (£32.5K having already been spent on installing land drains).

Progress

The work started 27th May 2021 and is proceeding on plan for completion 30th July 2021.

- perimeter fence and gate have been completed
- car parking area has been stoned and kerbed
- the land has been weed killed and has had a deep rotivation
- concrete base for an office building, storage and tool washing area have been completed
- concrete bases for composting bays and wood delination completed

The contractor has been experiencing difficulty obtaining materials because of the national shortage of construction materials. So far he is confident that he can source all he needs, however there is an 8 week delivery on the sheds. This means we may have to install these after the plots have been occupied, but to delay the site opening for the sheds would mean the plot holders losing valuable time to sow the winter crops.

Plan changes

When the northern ditch was converted to a land drain and the perimeter fence moved we have gained significant land to create an extra 2 plots (slightly smaller) on the northern side of the site which could be used as a disabled, community or smaller plots. As some may feel a regular plot of 120sq M is too large.

Completion works

To complete the site to the original wish list plus the two extra plots I propose we ask Council for an additional £17.5K of funding, to be spent as per below.

1. £2K to provide plot dividing fencing, shed bases, sheds, water butts and guttering to the two additional half plots
2. £8K to purchase a refurbished building 7M x 3M approx with delivery. Initially we costed for a new building at £24K.
3. £2.5K to purchase a refurbished storage container 3M x 2M approx with delivery. Initially we costed for a new container at £3.6K.
4. Estimate £5K for electricity services to the refurbished building.

Future items

We had also considered a composting toilet because of the high cost to install foul drains. Cllr Neil Hall has been looking into different types of composting toilets and their required maintenance. The cost of these units could be £7 to £8K. It is our thought that we save this for another day, possibly when there is an allotment society in place and it could be a project for them. It does look like there could be some funding from environmental grants for composting toilets.

Summary

The site is on schedule for completion and occupation early August 2021.
Complete the creation of two additional half plots with the same equipment as all the other plots.
Complete the original plan to include cabin, store and electricity.

Recommendation

The Allotment Committee requests Full Council for an additional £17.5K.

Collection of allotment plot rents

There will be 36 or more collections of rents which need to be administered. If we used conventional methods this would involve 36 invoices and a number of trips to the bank to pay in peoples cheques/cash who did not pay directly to the bank. It may also involve a number of chase statements and may be even some phone calls.

Costs for this, at its very minimum level of one letter/envelope/postage would be .75p plus a few trips to the bank @£1.53 per trip plus officer time = £33

Banks will not offer a variable direct debit system to small businesses or the Council.

Research

I have spoken to one of our suppliers which uses variable Direct Debits and they use a service company called GoCardless.

The system is completely electronic and controlled by us. We would be notified if a collection failed (ie, bank closed, changed or DD cancelled).

The customer (the plot holder) gets a notification, instigated by us, to fill in a GoCardless form (electronically) and then the DD is set up.

At the Council's end, we can see who is set up and so deduce who isn't set up and chase. We control when the payments are asked for and how much, so we can vary each year if Council increase each year by a percentage.

Costings

GoCardless offers a collection service which costs .20p per transaction and 1% service charge on all collections. Our example would be:

$36 \times £80$ (less .20p charge) = £2872.80

1% service charge on whole collection of £2880 would be £28.80

less the 1% charge of £28.80 = £2844.00 net income

The whole service would cost £36.00 equating to exactly £1 per plot.

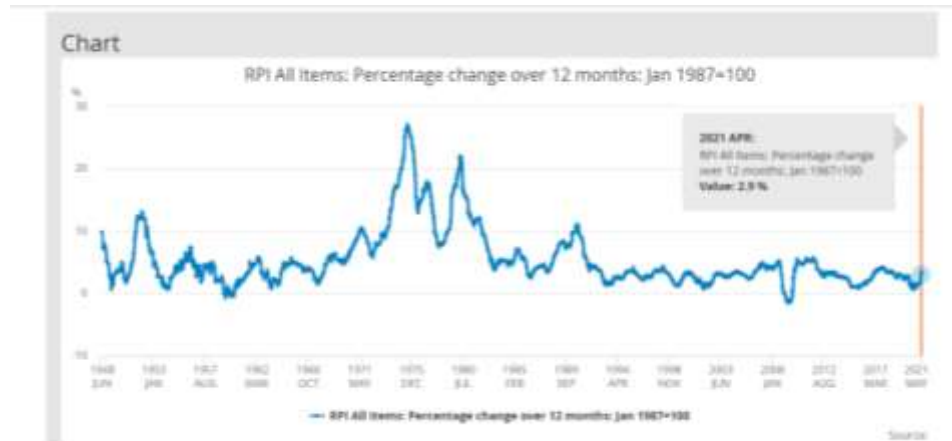
Recommendation

To begin the process of collections of plot rents it is recommended to use this system (or similar) as the cost of the service outweighs the benefits and is comparable to collecting the rents using 'paper' methods.

To agree to use a payment collecting service for the allotment rents.

Setting the Allotment rent prices

To aid in setting allotment rent prices in the future, negating the need for the Committee to consider an amount each year - it may be useful to set a policy from the beginning of how Council will set the percentage increase. One index is the RPI rate at a particular point of any year eg. The rate below is April 2021.



The Council's policy could be: Allotment rents will be increased each year by a percentage set the April before by the RPI rates.

Euxton's Policy reads on this subject of rent rises:

5. Rents

EPC decides how much the annual rent will be taking into account the cost of managing the site, local needs and any special circumstances. EPC is required to give 6 months' notice of a rent review and not more than one rent change per annum. Notification of rent review by October for implementation on 1st April of the following year. All plots are charged the same rent regardless of size and location.

If RPI was to be used at the RPI collection date set at 'April' then this would be adequate time to notify holders, as per the policy by October for implementation 1st April. The plot rent increases would be running at an increase of the previous years RPI rate.

If this example RPI index was agreed the notice period for the next financial year (1 April 22 to 31 March 2023) would require notice by October (so in September 2021).

£80 plus RPI (at April 21) 2.9% = £82.32 for year of 01/04/22-31/03/23

Recommendation

Agree to set a policy of using a recognised indices, such as RPI, each year at a set date such as April of that year to enable rent increase notices go out to plot holders by September to match the policy stating 'by October' each year – for implementation on the 1st April the following year.