

AGENDA 8, Enc vi) Report on Proposed Allotment Rent Increase for Directly Managed Sites (excluding Nursery Park), and held ground rent for self-managed sites

Executive Summary

This report addresses the need to increase rents on the allotment sites now directly managed by the Council since 2024: Hirst East End, Woodhorn Road, and North Seaton Colliery.

It is proposed that an increase from £31 to £35 per plot per year is the most appropriate at this time.

While the increase to £35 represents a 12.9% increase, it amounts to only £4 across the year, or less than 8p per week. This modest increase is necessary to improve our budget for allotment maintenance and development while balancing the needs of our allotment holders.

We recommend maintaining the £10 ground rent for self-managed sites to encourage continued independent management. It's also proposed that the rent for Nursery Park, which has always been directly managed by the Council, be maintained at its current level of £65 per plot per year.

This report was originally presented in September 2024, however Council agreed that allotment rent matters should be brought to the allotment liaison committee first, following amendments to the committee's terms of reference to allow this. Due to the required six months' notice period for rent increases, the opportunity to implement changes for 2025 was lost. This updated report is now being presented following the formation of the new council. It will be considered by the allotment liaison committee, which will provide feedback, before a decision is made by Council

The report considers the historical context of low allotment rents, the challenges of engaging with tenants who prefer traditional communication methods, and the Council's responsibility to manage these assets effectively for all residents. A PEST analysis of the risks associated with rent increases is included.

This approach seeks to address immediate financial needs while setting a sustainable course for the future of Ashington's allotments.

Background

Following the Council's decision to directly manage these additional sites, we must now consider the financial implications and ensure that rents are set at an appropriate level. Historically, allotment rents in Ashington have been low, which has created challenges in maintaining and improving these valuable community assets.

That being said, the Council has invested heavily in roadways, water systems and capital site improvements over the last couple of years. Less positively, we have also picked up some large bills for damage, clearance, vandalism, and asbestos. Allotment Associations have also contributed in the past, via the rents the retained when self-managed.

There are active waiting lists for allotment sites, indicating demand.

This matter was originally considered by Council in September 2024, however it was agreed that allotment rent increases should first be considered by the allotment liaison committee, following amendments to the committee's terms of reference. Due to the timing of this

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decision and the requirement for six months' notice to allotment holders, the opportunity to implement rent increases for 2025 was lost. This report is now being presented following the formation of the new council, and in time to follow rent review notice for an increase in 2026.

Proposal

Increase annual rent from £31 to £35 per plot for directly managed sites.

Implement this increase from 2026, following consultation with the allotment liaison committee and subsequent approval by the Council.

Communicate clearly with allotment holders about the reasons for the increase and the benefits it will bring, acknowledging that while the increase is modest, this will be reflected in the achievable development work.

The recommended increase will be taken to Council's Finance and General Services Committee on 10th June 2025, allowing the required six months' notice for North Seaton Colliery (whose rent is levied from January), Hirst East End (from April), and Woodhorn Road (from July).

Justification

Budget improvement:

The additional income will allow for better maintenance and improvements to allotment sites, enabling the Council to project income more accurately for budgeting purposes and providing allotment holders with clarity about costs.

Long-term Considerations:

While this report previously recommended a maximum annual increase of £5 to provide allotment holders with some reassurance, it is now recognised that this may unduly constrain future Councils. As such, the focus of this report is solely on the proposed increase for 2026. Future rent reviews should remain flexible and responsive to actual need, affordability, and investment plans, with appropriate consultation and approval mechanisms.

Value for money:

At £35 per year plots still represent excellent value at less than 68p per week, maintaining a rent far below the £80 average of the neighbouring towns surveyed in March 2023.ⁱ A further survey in 2024 by Northumberland Society of Local Clerks (SLCC) returned an average rent of £58, ranging from £25 - £156.ⁱⁱ

Administrative efficiency:

With second-class stamps now costing 87p, any smaller increase would be largely absorbed by administrative costs, therefore anything in line with inflation or CPI would provide limited benefit.

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Risk Analysis (PEST)

Political:

There was notable backlash from allotment holders when the proposed increase of £4 per plot was first discussed, demonstrating that even modest rises can provoke concern. Much of the opposition came from individuals holding multiple plots, for whom the cumulative impact is more significant.

Clear and early communication about the necessity of the increase and the benefits it will bring will be key to mitigating future concerns. The involvement of the Allotment Liaison Committee provides an important forum for these discussions and helps ensure that tenant perspectives are heard before decisions are made by Full Council.

Councillor representatives on the Allotment Liaison Committee are particularly well placed to engage with allotment representatives, explaining the rationale for the proposed rent increase and how it will enable the Council to better manage sites and fund necessary improvements.

While allotment holders are valued members of our community, they represent only a small proportion of Ashington's population. The Council has a duty to consider the needs of all residents and to balance its budget accordingly, ensuring resources are distributed fairly and responsibly.

Economic:

Some low-income allotment holders may struggle with an increase. The proposed increase is modest (less than 8p per week at £35/year).

Presently, we have waiting lists, and it is hoped that in the future we will have healthy waiting lists for all sites, which will allow for the expected natural turnover on allotments.

An increase of less than the proposed amount would result in significantly less funding being available for capital expenditure and site improvements. This would limit the Council's ability to enhance infrastructure and respond to the expectations of tenants for better facilities.

This sensible and considered increase balances the financial needs of the Council with the interests of plot holders. It ensures that allotment services can be maintained and improved sustainably, without placing an excessive pressure on tenants.

Social:

There is a risk of disruption to a way of life for long-term allotment holders, some of whom visit every day, if they feel rents are unaffordable and have to give up their plot. We are aware that allotments are a refuge for many, a diversion, and a coping mechanism. We believe the increase is small enough to not significantly impact most holders, therefore the social impact is mitigated.

With improved allotment conditions we hope to attract new, diverse tenants when plots become available.

The involvement of the allotment liaison committee provides a forum for addressing tenant concerns and ensuring their voices are heard in the decision-making process.

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Technological:

Many tenants do not have email, requiring traditional postal communication. Additionally, cash payments are still common, increasing administrative strain and cost.

Postage costs (currently 87p per second class letter) significantly impact the cost of tenant communications. We've made significant progress in transitioning to electronic communications, but with over 400 tenants, this change remains challenging. We will continue efforts to encourage digital communication and online payments to reduce costs and improve efficiency in the long term.

Maintaining Rent for Self-Managed Sites

It is recommended that the Council maintains the ground-rent paid by self-managed allotment sites at £10 per plot per year, as this was increased in 2024. This recommendation is crucial for several reasons:

Stability for Associations:

Maintaining this rate provides financial stability for allotment associations that manage their own sites.

Incentive for Self-Management:

Keeping this rate unchanged continues to make self-management financially beneficial for associations, encouraging them to maintain their independence.

Risk Mitigation:

Any further increase in this partial rent could lead allotment associations to question the financial viability of self-management. If associations were to relinquish management, the responsibility would fall to the Council, potentially increasing our administrative and financial responsibilities significantly.

Balanced Approach:

While we propose an increase for directly managed sites, maintaining the rate for self-managed sites demonstrates an understanding of the different management models and their respective challenges.

Long-term Considerations

While this report focuses on the immediate need to increase rents for 2026, we acknowledge that future rent reviews will be necessary to ensure the long-term sustainability of our allotment service. Any future increases will be considered through the appropriate committee structures, with decisions coming to Council.

The proposed increase to £35 per plot per year represents a step towards aligning rents with those at Nursery Park and other local authorities, while remaining sensitive to the needs of our allotment community.

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Historical Context and Reputational Considerations

Ashington has a long history of low allotment rents, which has contributed to a pattern of underinvestment and reactive problem-solving. For many years, the Council found itself fire-fighting issues—spending significant sums on damage, clearance, and management challenges—while having little leverage to enforce agreements or implement consistent rules.

Previously, when sites such as Woodhorn Road, Hirst East End, and North Seaton Colliery were self-managed, associations retained all but £7.50 per plot from the rents collected, and they set their own rent level. During this period, Hirst East End and North Seaton Colliery also paid their own water rates. In some instances, contributions were made from self-managed sites accumulated funds towards capital improvements, and the financial responsibility was partially shared. However, historical spending on allotments exceeded allotment revenue and income placing an unsustainable cost impact on the budget.

Since the Council took over full management of these sites, all rent is now paid directly to the Council, which in turn bears all operational and capital costs—including water, maintenance, and site improvements. This shift in financial responsibility further underlines the need for a sustainable rent model that allows the Council to manage the sites effectively without placing undue strain on the wider budget.

It is also important to acknowledge that even modest rent proposals have generated backlash, especially among tenants holding multiple plots. While concerns are understandable, the Council must consider the needs of all Ashington residents. The proposed rent increase is both essential and proportionate providing a modest but vital uplift in revenue that enables ongoing site maintenance and future improvements, without creating unsustainable pressure on the precept.

There is no hidden agenda. The rent recommendations made are evidence-based, focused on long-term sustainability, and made in accordance with the Council's responsibilities under financial regulations and the Allotment Acts.

The Council must strike a careful balance between supporting allotment holders and managing public assets in a way that is fair and responsible for all residents. While differing views will arise, the shared aim remains, delivering a resilient and improving allotment service that benefits current and future tenants, while maintaining the confidence and support of the wider public.

Conclusion

While increasing allotment rents is a sensitive issue, this modest proposal strikes a balance between improving our budget for allotment maintenance and respecting the needs of our allotment community. By following the committee procedures and communicating clearly, we can work towards a more sustainable allotment service that benefits both plot holders and the wider community.

While we recommend increasing the rent to £35 per plot per year, we recognise that the Council may wish to set a different figure based on additional considerations and feedback from the allotment liaison committee. Whatever figure is chosen, it's crucial that we move

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towards a more sustainable funding model for our allotment service while remaining sensitive to the needs of our allotment community.

The involvement of the allotment liaison committee in this process demonstrates our commitment to transparent and consultative management of allotment sites. This approach will help us balance the needs of allotment holders with our responsibility to manage these valuable community assets effectively.

Responsible Financial Officer Statement

As the Council's Responsible Financial Officer (RFO), I have a statutory duty under Section 151 of the Local Government Act 1972 to ensure the proper administration of the Council's financial affairs. This includes advising on the sound use of public funds, setting sustainable budgets, and protecting the financial integrity of Council services — including the allotment service.

While the Council may take into account the views of the Allotment Liaison Committee and other stakeholders, my professional recommendation remains that the rent for directly managed allotment plots should increase to £35 per year. This figure reflects the minimum necessary to ensure adequate funding for site maintenance and improvement without shifting an unfair strain on the wider community through the precept.

In making this recommendation, I have considered affordability, administrative cost-efficiency, long-term asset management, and comparative data from neighbouring authorities. As RFO, I am required to take a long-term, strategic view of financial risk and sustainability, and the figure proposed represents a balanced and professionally grounded response to those responsibilities.

Council's Financial Responsibilities

As a public body, Ashington Town Council holds collective financial responsibilities under Section 151 of the Local Government Act 1972. Councillors, both individually and corporately, are stewards of public funds and are responsible for ensuring that all expenditure is lawful, reasonable, and in the best interests of the community.

This includes setting fair and sustainable budgets, ensuring value for money, and making decisions that balance service delivery with prudent financial management.

In the case of allotment rents, the Council must weigh the needs of plot holders with its broader obligation to all residents — ensuring that funding allocated to allotments is proportionate, justified, and supported by appropriate income streams.

Rent setting should be informed by sound financial advice, affordability considerations, and a long-term view of sustainability. While consultation and feedback are essential, decisions must ultimately reflect the Council's legal and financial duties as custodians of public resources.

Spending on allotments is included as Appendix A.

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Recommendation

1. That the allotment liaison committee consider and provide feedback on the proposed increase of allotment rents from £31 to £35 per plot per year for directly managed sites, to be implemented from 2026.
2. That the allotment liaison committee's recommendations be considered by the Council's, Finance and General Services Committee Meeting on 10th June 2025, allowing the required six months' notice for implementation across all directly managed sites (North Seaton Colliery from January 2026, Hirst East End from April 2026, and Woodhorn Road from July 2026).
3. That the Council consider and approve that rents at Nursery Park Allotment site (also directly managed by the Council) are maintained at £65/year, recognising that this is already more than double the rate of other directly managed sites.
4. That the Council consider and approve that 'ground rent' paid by self-managed allotment sites is maintained at £10 per plot per year, to ensure self-management remains financially beneficial for associations and to encourage continued independence.

Endnotes

ⁱ Those Councils surveyed include Blyth, Cramlington, Seaton Valley, West Bedlington, East Bedlington, Choppington, Newbiggin, Haltwhistle, Hexham, Prudhoe, Alnwick, Amble, Berwick, Morpeth, Pegswood, Ponteland

ⁱⁱ Those Councils who returned the survey in 2024 included Ashington, Bellingham, Berwick, Corbridge, Cramlington, Haltwhistle, Haydon Bridge, Heddon, Hexham, Kielder, Lynemouth, Mitford, Morpeth, Newbiggin, Ponteland, Prudhoe