

## REPORT

**To: Finance & Policy Committee, Warwick Town Council**

- 1) **Purpose:** The purpose of this report is to explain the details of the proposed lease to be given by Warwick Town Council (the Council) to the Percy Estate Allotment Society (PEAS) and seek agreement on the rent to be charged to PEAS.
- 2) **Background:** The Council has made the decision that all its allotment sites should move to self-management. It has four sites namely Percy Estate (130 plots), Canalside (18 plots), Railway (37 plots) and Cape Housing (33 plots).

It was agreed that the Percy Estate, as the largest site, should be first to move to self-management and a steering committee was set up in early 2019 to begin this work. At the Allotments Committee meeting on 9<sup>th</sup> September 2019, I was nominated as the Councillor responsible for the devolved management project

On 25<sup>th</sup> November 2019 PEAS held its first General Meeting at which the plot holders agreed to form their own Society named the Percy Estate Allotment Society (PEAS) and passed a motion to accept devolved management of the site subject to the successful completion of due diligence prior to the agreement of the lease.

The lease which is attached as appendix 1 was agreed by the Allotments committee at its meeting on 20<sup>th</sup> July and is now to be considered by the F&P committee and this report is to support the proposal.

- 3) **Report:** The lease is based on the template provided by the National Allotments Society who are supporting this project. I would bring the following points to the notice of the committee:-
  - a. **Clause 3.2:** The water supply account is to remain in the name of the Council who will invoice PEAS for the amount due upon receipt of the bills.
  - b. **Clause 5.1:** The Council have the right to inspect the site
  - c. **Clause 7.1:** The Council has to maintain the water system on the site and look after those trees that are not on the individual plots. The maintenance of the access road and car park is the responsibility of Warwick District Council and they are due to repair it this summer although no date has yet been set.

The financial commitments the Council has in clause 7.1 will need to be funded from the annual rent paid by PEAS. The water system has been upgraded this year so there should be no major work required for a number of years. The work cost £5,800 so given a 7 year cycle when it will need to

be upgraded or replaced it is suggested an annual reserve of £750 should be set aside for this purpose.

The tree survey should be carried out every 3 years. There was one due in 2021 but has been brought forward to 2020 so it can be done before PEAS take over the lease. The survey cost £350 and the work it recommended cost £386. To cover this in the future an annual reserve of £250 should be accrued to meet this expense and to cost of any work that has to be carried out as a result of the survey.

There will be some minimal administration costs incurred by the Council with regard to the Percy Estate so a sum of £200 per annum is suggested to cover this.

Taking the above into consideration, it is suggested that the annual rent for the site is £1,200.

To allow PEAS to build up some cash reserves it is recommended that the rent is discounted for the first two years. This would mean that they pay £400 (1/3<sup>rd</sup>) for 2021 and £800 (2/3<sup>rd</sup>s) for 2022.

It is suggested that the rent be reviewed at the end of 2023 by which time both the Council and PEAS will have good data on the costs each are incurring as a result of the lease. The draft lease will have to be amended to include this review.

**4) Financial Impact:** The Council will receive an annual rent of £1,200 which will be discounted by two thirds in 2021 and a third in 2022. These funds will be used to build up a reserve to meet the costs of maintaining the water supply and the cost of the tri-annual tree survey.

**5) Recommendations:** The committee is asked to:-

- a. Note this report.
- b. Agree the draft lease as amended for the rent review after 3 years, so that It can be sent to PEAS for its approval
- c. Agree to the discounting of the first two year's rent by two thirds in 2021 and a third in 2022.

***Cllr Noel Butler***  
***10<sup>th</sup> August 2020***

## Appendix 1



The National  
Allotment Society

National Society of Allotment and Leisure Gardeners Ltd

This Agreement is made the      day of                      20

B E T W E E N

(1) Warwick Town Council

of The Court House, Jury Street, Warwick, CV34 4EW

("The Council") and

(2) Percy Estate Allotments Society

of ***Address to be provided***

("The Association")

Now it is agreed as follows:-

### 1. Interpretation

- 1.1. Words referring to one gender will be read as referring to any other gender and words referring to the singular will be read as referring to the plural and vice versa.
- 1.2. Where the tenant is more than one person the obligations and liabilities will be joint and several obligations and liabilities of those persons.
- 1.3. The clause headings do not form part of this Agreement and will not be taken into account in its interpretation.

### 2. Allotment

2.1. The Council agrees to let and the Association agrees to take all that piece of land situate at Portobello Road, Warwick (“the Allotment Site”) containing approximately **To be added** square metres more particularly delineated/for the purpose of identification only edged red on the plan annexed hereto (subject to any exceptions reservations and provisions contained in any deed or document under which the Council hold or derive title to the land) excepting and reserving to the Council and those authorised by it:-

2.1.1. All mines and minerals;

2.1.2. The right to have erect and maintain advertisements;

2.1.3. The right to use any existing right of way

### 3. Tenancy and Rent

3.1. The Allotment site shall be held for a term of one day under seven years from 1<sup>st</sup> January 2021 determinable as hereinafter provided at a rent of £ **To be agreed** per annum payable half yearly in arrear on 30<sup>th</sup> June and 31<sup>st</sup> December (“the Rent Days”).

3.2. Water supply shall be invoiced at cost quarterly.

### 4. Association’s Covenants

4.1. The Association will: -

4.1.1. Appoint a committee of management of not less than 3 persons (including a secretary) to be responsible to the Council for the conduct and affairs of the Association.

4.1.2. Provide the Council with the names and addresses of all committee members and notify the Council immediately of any change of membership of the committee.

4.1.3. Use the Allotment Site only as allotment gardens for private horticultural purposes and not for the purpose of any trade or business (trade or business shall be deemed to include the use of land as a market garden) except in the distribution of seeds, fertilisers, tools etc by the Association to its members;

4.1.4. Only let the Allotment Site to individual tenants in accordance with the Tenancy Agreement annexed to this Agreement as Schedule 1;

4.1.5. Not cause or permit to the occupier of any other land belonging to the Council nor adjoining owners of occupiers nor the general public any nuisance or annoyance and no obstruction or encroachment shall be caused or permitted

on any path or roadway set out by the Council or Association for the use of the occupiers of the Allotment Site;

- 4.1.6. Not permit any timber or other trees upon the Allotment Site to be cut or pruned and not permit any mineral gravel sand earth or clay to be taken away or carried away without the written consent of the Council provided always that this clause shall not apply to fruit trees grown by individual plot holders;
- 4.1.7. Be responsible for the day to day running of the Allotment Site and shall sublet the individual plots to members of the Association and shall keep a waiting list for that purpose
- 4.1.8. Keep an up-to-date register of the names and addresses of the allotment garden plot holders which register shall contain a record of the rent payments made by the plot holders and should be available for inspection by the Council or officer of the Council at any time on request; GPDR rules apply.
- 4.1.9. Make available for inspection by each allotment plot holder a copy of this Agreement and the Association rules regulations and byelaws (if any).
- 4.1.10. Maintain a list of potential allotment plot holders and let any vacant plot in accordance with the Association rules regulations and byelaws (if any) which shall include provision for a waiting list to be maintained and vacant plot offered in order of date of application. If requested to do so to provide the Council with full details of the tenancies and waiting lists.
- 4.1.11. Not offer a plot to an existing allotment plot holder for so long as there are applicants on the waiting list referred to clause 4.1.10 above.
- 4.1.12. Not assign or transfer the whole or any part of the Allotment Site save to allotment holders as individual allotments in accordance with the terms of this Agreement.
- 4.1.13. Use or permit the use of any building provided on the Allotment Site only by members of the Association and their guests in connection with the use of the allotments as permitted by this Agreement and not make any alteration or addition to the building except with the previous consent in writing of the Council;
- 4.1.14. Pay for the security and maintenance of the internal fabric of the building the cost of all heat and light provided for the building and keep the building in a clean and tidy condition at all times.

## **5. Entry onto the Site**

- 5.1. Any duly authorised officer or agent of the Council shall be entitled at any time to enter upon prior appointment (save in cases of emergency) and inspect the Allotment Site and the Association's records and shall inform the Association of the results of the inspection upon request;

## **6. Termination of Tenancy**

6.1. This Agreement may be terminated;

6.1.1. By either the Council or the Association giving at least 12 months notice in writing expiring on or before 6 April or on after 29 September in any year, or

6.1.2. By re-entry by the Council at any time after giving 3 months previous notice in writing to the Association on account of the land being required

6.1.2.1. for any purpose (not being the use of the same for agriculture) for which the land was acquired by the Council or has been appropriated under any statutory provision, or

6.1.2.2. for building mining or any other industrial purposes or for roads or sewers necessary in connection with any of these purposes, or

6.1.3. By re-entry by the Council at any time after giving 1 month's previous notice in writing to the Association if

6.1.3.1. the rent or any part thereof is in arrears of not less than 40 days whether legally demanded or not, or

6.1.3.2. the Association has breached any of the conditions contained herein.

## **7. The Council Covenants**

7.1. To maintain the infrastructure of the Allotment Site which shall include (but not limited to) hauling ways, boundaries of the Allotment Site (but not any individual plots) any trees not growing on plots, car parks, water mains and tanks and buildings owned by the Council and be responsible for taps etc and supply.

7.2. Carry out rubbish clearance from any maintenance of the Allotment Site.

## **8. Notices**

8.1. Any notice required to be given by the Council to the Association under clause 6 above may be given by sending by registered post or by recorded delivery service a written notice to the last known registered address of the Association or the last known address of its secretary or by fixing the same in some conspicuous manner on the allotment site but in the event of the Council giving notice under clause 6 above the Council may as an alternative serve notice by ordinary post or by hand and any notice required to be given by the Association to the Council shall be sufficiently given if signed by the secretary of the Association and sent by registered post or recorded

delivery to the Town Clerk of the Council to the Council's address given at the commencement of this Agreement.

Executed by the Council by

In the presence of

Executed by the Association by signing by

Two members of the committee

In the presence of