

Agenda Item	8
Report No	BSAC/03/21

HIGHLAND COUNCIL

Committee: Badenoch and Strathspey Area Committee

Date: 9 February 2021

Report Title: Housing Revenue Account: Garage Rents 2021/2022

Report By: Executive Chief Officer Housing and Property

1 Purpose/Executive Summary

- 1.1 This report provides information on garage rents for Badenoch and Strathspey and invites the Committee to set rent levels for garages held on the Housing Revenue Account for 2021/2022.

2 Recommendations

- 2.1 The Committee is invited to agree a level of rent increase to apply to Badenoch and Strathspey Garages.

3 Implications

- 3.1 Resource – Resource implications are detailed in the report.
- 3.2 Legal – There are no legal implications arising from this report.
- 3.3 Community (Equality, Poverty and Rural) – There are no equality implications arising from this report.
- 3.4 Climate Change/Carbon Clever – There are no climate change/Carbon Clever implications arising from this report.
- 3.5 Risk – There are no risk implications arising from this report.
- 3.6 Gaelic - There are no Gaelic implications arising from this report.

4 Background

- 4.1 Developing local priorities for garages and garage sites held on the Housing revenue Account are undertaken locally at Area Committees. This includes decisions on retention and disposal of garages as well as on rent levels and investment, within the delegated area Housing Revenue Account budget. There are no garage sites in Badenoch and Strathspey.
- 4.2 At Area Committee on 11 February 2020 Badenoch and Strathspey Members set the rent levels for 2020/21 increasing rents by 3% for Badenoch and Strathspey garages held on the Housing Revenue Account.

5 Current income relating to garages and garage sites

- 5.1 The table below details the current position with garages in Badenoch and Strathspey.

Type	Number of Units	Total weekly	Total annual rent
Garages	12	£83.25	£3996
Total	12	£83.25	£3996

- 5.2 Actual rents paid vary between Council tenants and non-council tenants, as VAT is charged for people renting a garage who are not Council house tenants. The table below shows the current rents for tenants and non-tenants for garages in Badenoch and Strathspey.

Type	Council Tenants	Weekly Rent	Non-Tenants	Weekly Rent
Garages	3	£6.03	9	£7.24

- 5.3 The average garage rent Highland-wide is £10.23 per week. All garages in Badenoch and Strathspey are currently occupied.
- 5.4 The repairs budget for garages in Badenoch and Strathspey is £1,030 for day to day repairs. This only relates to repairs to garages themselves. Additional expenditure relating to garage repairs would have to be identified through area environmental/planned maintenance budgets.

6 Rent Options

- 6.1 Consultation on the general rent increase has been based on options for a 1% or 2% rent increase. A 2% general rent increase is being recommended to the Housing and Property Committee on 27 January 2021.
- 6.2 The impact on garage site rents in Badenoch and Strathspey of this level of increase is summarised in **Appendix 1**. A 2% rent increase in line with the recommended Council house rent increase would be as follows:-

Description	Current Weekly Rent	Weekly Increase	New Weekly Rent
Garage Rent – Council Tenant	£6.03	£0.12	£6.15
Garage Rent non-tenant	£7.24	£0.14	£7.38
Annual Income	£3,996		£4,073

6.3 Any net additional rent income from garages generated by a rent increase would be applied as an increase in the area repairs budget for garages in 2020/21.

Designation: Executive Chief Officer Housing and Property

Date: 5 January 2021

Author: Sandra MacLennan, Housing Manager (South)

Garage options – Badenoch and Strathspey

Description	Weekly Rent	1% increase	Weekly Rent (1%)	2% increase	Weekly Rent (2%)	3% increase	Weekly Rent (3%)
Garage Rent - Council Tenant	£6.03	£0.06	£6.09	£0.12	£6.15	£0.18	£6.21
Garage Rent - non- HC tenant	£7.24	£0.07	£7.31	£0.14	£7.38	£0.21	£7.45
Annual Income	£3,996		£4,034		£4,073		£4,112