

Agenda Item	6
Report No	SR/4/21

HIGHLAND COUNCIL

Committee: Skye & Raasay Area Committee

Date: 29 March 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 Skye & Raasay and invites the Committee to set rent levels for garage and garage sites 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 Skye & Raasay Garages and Garage Sites.

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 at a local level. This includes decisions on retention/disposal of garages as well as on rent levels and investment, within the delegated area Housing Revenue Account budget.
- 4.2 At Skye & Raasay Area Committee on 2 March 2020 Members set the rent levels and applied a 3% increase for 2020/21 for Skye & Raasay garages and garage sites held on the Housing Revenue Account.
- 4.3 To formalise Member agreement to the 2% rent increase provisionally agreed at Ward Business Meeting on 22 February 2021.

5 Current income relating to garages and garage sites

- 5.1 The table below details the current position with garages across all Skye & Raasay Wards based on full occupancy:-

Type	Number of Units	Total weekly	Total annual rent
Garages Ward 10	5	£34.85	£1,672.80

- 5.2 Occupancy levels for garage and garage sites vary. The Skye & Raasay Housing Team has a specific focus on improving occupancy rates across all Skye & Raasay Wards
- 5.3 The current occupancy levels and details of the budgeted void rent loss are provided below.

Type	Occupied	Void
Garages Ward 10	5	0

- 5.4 Void rent loss is budgeted within the area HRA Revenue Budget, with current annual budget of £994.00 per year.
- 5.5 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 and garage sites in Skye & Raasay.

Type	Council Tenants	Weekly Rent	Non-Tenants	Weekly Rent
Garages Ward 10	3	£6.37	2	£7.87

- 5.6 The average garage rent Highland-wide is £10.23 per week and the garage site rent £1.60 per week.
- 5.7 The repairs budget for garages in Skye & Raasay is £500 for day to day repairs. As previously reported 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 was based on options for a 1% or 2% rent increase. A 2% general rent increase was approved at the Housing and Property Committee on 27 January 2021.

6.2 A 2% rent increase in line with the agreed Council house rent increase would be as follows:

Description	Weekly Rent	Weekly Increase	New Weekly Rent
Garage Rent – Council Tenant	£6.37	£0.13	£6.50
Garage Rent non-tenant	£7.87	£0.16	£8.02
Annual Income	£1,672.80		£1,706.26

6.3 Any net additional rent income from garages and garage sites generated by a rent increase would be applied as an increase in the area repairs budget for garages and garage sites in 2021/22.

7 Future Approach

7.1 The Highland Council Housing Management Team and Housing Maintenance Team will continue to agree local priorities for garages and garage sites with Members to decide which should be retained and where demolition/disposal should be considered. This would include a local assessment of demand and condition and would enable decisions on future investment and use. Consideration is given to:-

- Access to the site
- Size of the site
- Land availability adjacent to the site
- Current use and broader parking issues
- Condition
- Ownership of the garage structures

7.2 Although additional income from any rent increase applied locally will be available for investment in garage and garage sites locally it is likely that improvements will also require to be funded from area HRA revenue and capital environmental budgets. Garage and garage site improvements will need to be prioritised locally against other improvement priorities.

Members are asked to formalise the agreement for this level of rent increase to apply to Skye & Raasay Garages and Garage Sites for 2021/22.

Designation: Executive Chief Officer Housing and Property

Date: 22 February 2021

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