

Agenda Item	7
Report No	BI/003/22

HIGHLAND COUNCIL

Committee: Black Isle Area Committee

Date: 15 February 2022

Report Title: Housing Revenue Account: Garage Rents 2022/2023

Report By: Executive Chief Officer Housing and Property

1 Purpose/Executive Summary

- 1.1 This report provides information on garage rents for Lochaber and invites the Committee to set rent levels for garage and garage sites held on the Housing Revenue Account for 2022/2023.

2 Recommendations

- 2.1 The Committee is invited to agree a level of rent increase to apply to Black Isle 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.

5 Current income relating to garages

- 5.1 The table below details the current position with garages in Black Isle.

Type	Number of Units	Total weekly	Total annual rent
Garages Ward 9	49	£547.82	£26,295.36

- 5.3 The current occupancy levels and details of the budgeted void rent loss are provided below. Allocation of garages and garage sites was suspended whilst the review of garages and garage sites in Black Isle was being carried out.

Type	Occupied	Void
Garages Ward 9	43	6

- 5.4 This is budgeted as void rent loss within the area HRA Revenue Budget, with current annual budget of £83,979 per year across Ross & Cromarty.

- 5.5 Actual rents paid vary between Council tenants and non-council tenants, as VAT is charged for people renting a garage who are non-Council house tenants. The table below shows the current rents for tenants and non-tenants for garages and garage sites in Black Isle.

Type	Council Tenants	Weekly Rent	Non-Tenants	Weekly Rent
Garages	15	£9.82	34	£11.78

- 5.6 The average garage rent Highland-wide is £10.43 per week.

6 Rent Options

- 6.1 Tenant consultation on the general rent increase for Council house rents for 2022/23 was based on options for a 1% or 1.5% rent increase. A 1% general rent increase was approved by the Housing and Property Committee on 20 January 2022

- 6.2 The impact on garage rents in Ross & Cromarty of an increase of 1% and 1.5% is summarised in the tables below.

1% Rent Increase

Description	Weekly Rent	Weekly Increase	New Weekly Rent
Garage Rent – Council Tenant	£9.82	£0.10	£9.92
Garage Rent non-tenant	£11.78	£0.12	£11.90
Annual Income	£26,295.36		£26,558.32

1.5% Rent Increase

Description	Weekly Rent	Weekly Increase	New Weekly Rent
Garage Rent – Council Tenant	£9.82	£0.15	£9.97
Garage Rent non-tenant	£11.78	£0.18	£11.96
Annual Income	£26,295.36		£26,689.81

- 6.3 Any net additional rent income from garages and garage sites generated by a rent increase would also be applied as an increase in the area repairs budget for garages and garage sites in 2022/23.

Designation: Executive Chief Officer Housing and Property

Date: 8 February 2021

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