

Agenda Item	8.
Report No	SCC/06/22

HIGHLAND COUNCIL

Committee: Sutherland County Committee

Date: 28 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 Sutherland 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 Sutherland 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 Sutherland.

Type	Number of Units	Total weekly	Total annual rent
Garages Ward 1	39	£318.38	£15,282.24
Garages Ward 4	53	£443.10	£21,268.80
Garage Sites Ward 1	11	£12.24	£636.24
Garage Sites Ward 4	72	£79.07	£4,111.56
Total	175	£852.78	£41,298.84

- 5.3 The current occupancy levels and details of the budgeted void rent loss are provided below.

Type	Occupied	Void
Garages Ward 1	31	8
Garages Ward 4	45	8
Garage Sites Ward 1	11	0
Garage Sites Ward 4	55	17
Total	142	33

- 5.4 This is budgeted as void rent loss within the area HRA Revenue Budget, with current annual budget of £9,620.00 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 non-Council house tenants. The table below shows the current rents for tenants and non-tenants for garages and garage sites in Sutherland.

Type	Council Tenants	Weekly Rent	Non-Tenants	Weekly Rent
Garages Ward 1	9	£7.22	30	£8.45
Garages Ward 4	15	£7.39	38	£8.74
Garage Sites Ward 1	0	NA	11	£1.11
Garage Sites Ward 4	9	£0.93	63	£1.12

- 5.6 The average garage rent Highland-wide is £10.43 per week and the garage site rent £1.63 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 Sutherland of an increase of 1% and 1.5% is summarised in the tables below.

1% Rent Increase Ward 1

Description	Weekly Rent	Weekly Increase	New Weekly Rent
Garage Rent – Council Tenant	£7.22	£0.07	£7.29
Garage Rent non-tenant	£8.45	£0.08	£8.45
Garage Site Rent – Council Tenant	NA	NA	NA
Garage Site Rent non-Tenant	£1.11	£0.01	£1.12
Annual Income	£15,918.48		£16,077.67

1.5% Rent Increase Ward 1

Description	Weekly Rent	Weekly Increase	New Weekly Rent
Garage Rent – Council Tenant	£7.22	£0.11	£7.33
Garage Rent non-tenant	£8.45	£0.13	£8.58
Garage Site Rent – Council Tenant	NA	NA	NA
Garage Site Rent non-Tenant	£1.11	£0.02	£1.13
Annual Income	£15,918.48		£16,157.27

1% Rent Increase Ward 4

Description	Weekly Rent	Weekly Increase	New Weekly Rent
Garage Rent – Council Tenant	£7.39	£0.07	£7.46
Garage Rent non-tenant	£8.74	£0.09	£8.83
Garage Site Rent – Council Tenant	£0.93	£0.01	£0.94
Garage Site Rent non-Tenant	£1.12	£0.02	£1.13
Annual Income	£25,380.36		£25,634.17

1.5% Rent Increase Ward 4

Description	Weekly Rent	Weekly Increase	New Weekly Rent
Garage Rent – Council Tenant	£7.39	£0.11	£7.50
Garage Rent non-tenant	£8.74	£0.13	£8.87
Garage Site Rent – Council Tenant	£0.93	£0.01	£0.94
Garage Site Rent non-Tenant	£1.12	£0.02	£1.14
Annual Income	£25,380.36		£25,761.08

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: 28 February 2021

Author: Rory MacLeod, Housing Manager