

Agenda Item	7
Report No	LA/5/24

HIGHLAND COUNCIL

Committee: Lochaber Area Committee

Date: 23 January 2024

Report Title: Housing Revenue Account: Garage Rents 2024/2025

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 2024/2025.

2 Recommendations

- 2.1 The Committee is invited to agree a level of rent increase to apply to Lochaber 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 A report was submitted to Lochaber Area Committee on 29 August 2019 which provided Members with information on garages and garage sites in Lochaber. The proposals agreed by Members in that report provided the strategic framework to deal with garages and garage sites in Lochaber over the following few years.
- 4.3 At Lochaber Area Committee on 24 January 2023 Lochaber Members set the rent levels and applied a 5% increase for 2023/24 for Lochaber garages and garage sites 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 Lochaber.

Type	Number of Units	Total annual rent
Garages	102	£69,025
Garage Sites	110	£14,217
Total	212	£83,242

- 5.2 In addition to the above number of units there are 23 garages in Clerk Drive, Corpach which have been closed on the housing system. These garages are not available for re-let due to their poor condition and therefore have been removed from the housing system to prevent void rent loss accumulating. The Clerk Drive garages are on the Lochaber Garage Action plan as detailed at section 8 of this report.
- 5.3 The current occupancy levels are provided below.

Type	Occupied	Void
Garages	94	8
Garage Sites	110	0
Total	204	8

- 5.4 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 Lochaber.

Type	Council Tenants	Weekly Rent	Non-Tenants	Weekly Rent
Garages	26	£12.27	76	£14.72
Garage Sites	19	£2.31	91	£2.77

- 5.5 The average garage rent Highland-wide is £9.94 per week and the garage site rent £1.77 per week.

5.6 The repairs budget for garages in Lochaber is £7,000 for day-to-day repairs. This only relates to repairs to garages themselves. As previously reported additional expenditure relating to garage repairs has to be identified through area environmental and planned maintenance budgets.

6 Rent Options

6.1 Tenant consultation on the general rent increase for Council house rents for 2024/25 was based on options for a 6.5%, 7.3% or 7.95% rent increase. The rent increase for Council houses will be considered at Housing and Property Committee on 31 January 2024.

6.2 The impact on garage rents in Lochaber of an increase of 6.5%, 7.3% and 7.95% is summarised in the tables below.

6.5% Rent Increase

Description	Weekly Rent	Weekly Increase	New Weekly Rent
Garage Rent – Council Tenant	£12.27	£0.79	£13.06
Garage Rent non-tenant	£14.72	£0.95	£15.67
Garage Site Rent – Council Tenant	£2.31	£0.15	£2.46
Garage Site Rent – Non - Tenant	£2.77	£0.18	£2.95
Annual Income	£83,242		£88,653

7.3% Rent Increase

Description	Weekly Rent	Weekly Increase	New Weekly Rent
Garage Rent – Council Tenant	£12.27	£0.89	£13.16
Garage Rent non-tenant	£14.72	£1.07	£15.79
Garage Site Rent – Council Tenant	£2.31	£0.17	£2.48
Garage Site Rent – Non - Tenant	£2.77	£0.20	£2.97
Annual Income	£83,242		£89,318

7.95% Rent Increase

Description	Weekly Rent	Weekly Increase	New Weekly Rent
Garage Rent – Council Tenant	£12.27	£0.97	£13.24
Garage Rent non-tenant	£14.72	£1.17	£15.89
Garage Site Rent – Council Tenant	£2.31	£0.18	£2.49
Garage Site Rent – Non - Tenant	£2.77	£0.22	£2.99
Annual Income	£83,242		£89,859

7 Lochaber Garage and Garage Site Action Plan

7.1 When considering the garage rent levels at Lochaber Area Committee on 23 January 2019 Members requested officers carry out a review of garages and garage sites across Lochaber, this piece of work was to include a condition survey to identify what improvements could be made to garages and garage sites across Lochaber and the following key actions were agreed:

- All garages and garage sites across Lochaber will be reviewed to establish if there is potential for housing development.
- A RAG rating approach will be adopted with a focus on RED garages.
- Garages and garage sites will be included in Rate your Estate walkabouts.
- There will be further discussion with Members where Capital Environmental Improvement spend would be required to make improvements to garages and garage sites.
- The repairs budget for garages is £7,000. Where budget allows this will be used to make improvements to AMBER garages identified as not suitable for future housing development and in need of low-level repairs.
- There will be further discussion with Members at Ward Business meeting where disposal of garages is a more viable option.

8 Action Plan Progress

- 8.1
- A working group was established which involved a small team of local officers who were tasked to look at each area where there are garage sites and garage lockups in Lochaber.
 - The Housing Development Team were requested to carry out a review of all garages and garage sites in Lochaber to establish if there would be any housing development potential in these areas. Kearney Donald Partnership were asked by the Development Team to carry out this review. This work was complete in March 2021, Kearney Donald produced a report which identified ten potential sites. Further analysis of these ten sites was carried out by the Housing Development Team resulting in one potential housing development site.
 - The working group, referring to the condition survey report, the development review report from Kearney Donald, local knowledge, and site visits, prioritised each garage area using the RAG rating and produced an action plan for improvement. The action plan was presented and approved by Members at their Ward Business Meeting on 13 September 2021

8.2 Good progress has been made to date. There were 26 void garage sites on the action plan. All garage sites were reviewed and void garage sites allocated. At the time of writing this report all RED and AMBER garage sites have been dealt with and there are no void garage sites in Lochaber.

8.3 There were 79 void garage lockups in the action plan plus tenanted garages which were in poor condition, these were not viable to repair. These garage lockups which were located in Kennedy Road, Glen Nevis Road, Comesky Road, Kilmallie Road,

Blar Mhor Road, Birch Road, Douglas Place and Moray Place were demolished. This has improved these areas aesthetically and has also provided much needed additional parking.

- 8.4 Garages in Clerk Drive, Broom Drive and Kilmallie Road are the final garages that remain outstanding on the plan. These garages have been surveyed, are not viable for repair and have been identified for demolition. Due to budget restrictions, it has not been possible to demolish these this financial year, further planning will take place to identify budget in future years to demolish these. This will then complete the Garage Action Plan for Lochaber.

Designation: Executive Chief Officer Housing and Property

Date: 19 December 2023

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