

<b>Agenda Item</b>	<b>8</b>
<b>Report No</b>	<b>WRSL/05/24</b>

## **HIGHLAND COUNCIL**

**Committee:** **Wester Ross, Strathpeffer and Lochalsh Area Committee**

**Date:** **29 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 Wester Ross, Strathpeffer and Lochalsh 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 Wester Ross, Strathpeffer and Lochalsh 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 held on the Housing Revenue Account is 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 Wester Ross, Strathpeffer and Lochalsh Area Committee on 20 February 2023 Members set the rent levels and applied a 7% increase for 2023/24 for 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 and garage sites in Wester Ross, Strathpeffer and Lochalsh.

Type	Number of Units	Total weekly	Total annual rent
Garages	23	£258.19	£12,393.12
Garage Sites	7	£6.48	£336.84
<b>Total</b>	<b>30</b>	<b>£264.67</b>	<b>£12,729.96</b>

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

Type	Occupied	Void
Garages	19	4
Garage Sites	7	0

- 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 in Wester Ross, Strathpeffer and Lochalsh.

Type	Council Tenants	Weekly Rent	Non-Tenants	Weekly Rent
Garages	5	£9.93	14	£11.41
Garage Sites	0	N/A	7	£0.93

- 5.5 The average garage rent Highland-wide is £10.77 per week and the garage site rent is £1.65 per week.

## 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.
- 6.3 The impact on garage rents in Wester Ross, Strathpeffer and Lochalsh 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	£10.05	£0.65	£10.70
Garage Rent non-tenant	£11.46	£0.94	£12.40
Garage Site Rent – Council Tenant	£0.77	£0.05	£0.82
Garage Site Rent non-tenant	£0.93	£0.06	£0.99
<b>Annual Income</b>	<b>£12,729.96</b>		<b>£13,557.41</b>

### 7.3% Rent Increase

Description	Weekly Rent	Weekly Increase	New Weekly Rent
Garage Rent – Council Tenant	£10.05	£0.73	£10.78
Garage Rent non-tenant	£11.46	£1.03	£12.49
Garage Site Rent – Council Tenant	£0.77	£0.06	£0.83
Garage Site Rent non-tenant	£0.93	£0.06	£0.99
<b>Annual Income</b>	<b>£12,729.96</b>		<b>£13,659.25</b>

### 7.95% Rent Increase

Description	Weekly Rent	Weekly Increase	New Weekly Rent
Garage Rent – Council Tenant	£9.93	£0.92	£10.85
Garage Rent non-tenant	£11.41	£1.16	£12.57
Garage Site Rent – Council Tenant	£0.77	£0.06	£0.83
Garage Site Rent non-tenant	£0.93	£0.07	£1.00
<b>Annual Income</b>	<b>£12,729.96</b>		<b>£13,741.99</b>

Designation: Executive Chief Officer Housing and Property

Date: 18 January 2024

Author: Jake Mitchell, Housing Manager