

Agenda Item	9.
Report No	CC/06/24

## HIGHLAND COUNCIL

**Committee:** Caithness 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 Caithness 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 Caithness 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 Caithness Area Committee on 06 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 Caithness.

Type	Number of Units	Total weekly	Total annual rent
Garages	231	£2,953.62	£141,773.76
Garage Sites	382	£820.72	£39,514.80
<b>Total</b>	<b>613</b>	<b>£3,774.34</b>	<b>£181,288.56</b>

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

Type	Occupied	Void
Garages	174	57
Garage Sites	324	58

- 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 Caithness.

Type	Council Tenants	Weekly Rent	Non-Tenants	Weekly Rent
Garages	66	£11.45	108	£13.69
Garage Sites	48	£1.72	276	£2.07

- 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 Caithness 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	£11.45	£0.74	£12.19
Garage Rent non-tenant	£13.69	£0.89	£14.58
Garage Site Rent – Council Tenant	£1.72	£0.12	£1.84
Garage Site Rent non-tenant	£2.07	£0.13	£2.20
<b>Annual Income</b>	<b>£181,288.56</b>		<b>£193,072.32</b>

### 7.3% Rent Increase

Description	Weekly Rent	Weekly Increase	New Weekly Rent
Garage Rent – Council Tenant	£11.45	£0.83	£12.28
Garage Rent non-tenant	£13.69	£1.00	£14.69
Garage Site Rent – Council Tenant	£1.72	£0.13	£1.85
Garage Site Rent non-tenant	£2.07	£0.15	£2.22
<b>Annual Income</b>	<b>£181,288.56</b>		<b>£194,522.62</b>

### 7.95% Rent Increase

Description	Weekly Rent	Weekly Increase	New Weekly Rent
Garage Rent – Council Tenant	£11.45	£0.91	£12.36
Garage Rent non-tenant	£13.69	£1.08	£14.77
Garage Site Rent – Council Tenant	£1.72	£0.14	£1.86
Garage Site Rent non-tenant	£2.07	£0.16	£2.23
<b>Annual Income</b>	<b>£181,288.56</b>		<b>£195,701.00</b>

Designation: Executive Chief Officer Housing and Property

Date: 18 January 2024

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