

<b>Agenda Item</b>	<b>7</b>
<b>Report No</b>	<b>CIA/04/25</b>

## HIGHLAND COUNCIL

**Committee:** City of Inverness

**Date:** 03 February 2024

**Report Title:** Housing Revenue Account: Garage Rents 2025/2026

**Report By:** Assistant Chief Executive - Place

### **1 Purpose/Executive Summary**

1.1 This report provides information on garage and garage site rents for Inverness and invites the Committee to set rent levels for garage and garage sites held on the Housing Revenue Account for 2025/2026.

### **2. Recommendations**

2.1 Members are asked to:

- i. **SCRUTINISE and AGREE** the level of rent increase to apply to Inverness Ross Garages.

### **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 **Risk** – There are no risk implications arising from this report.

3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – There are no health and safety implications arising from this report.

3.5 **Gaelic** - There are no Gaelic implications arising from this report.

### **4 Impacts**

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

### 4.3 Integrated Impact Assessment - Summary

4.3.1 An Integrated Impact Assessment screening has been undertaken on Housing Revenue Account Garage Rents 2025-2026. The conclusions have been subject to the relevant Manager Review and Approval. This has been informed by the feedback received by tenants through the rent consultation process.

4.3.2 The Screening process has concluded that there is a minimally positive to negligible impacts accompanying an increase in garage rents. Members are asked to consider the summary detailed below to support the decision-making process.

4.3.3

<b>Impact Assessment Area</b>	<b>Conclusion of Screening/Full Assessment</b>
Equality	<ul style="list-style-type: none"> <li>• Children and Young People – <i>no impact</i></li> <li>• Children affected by disability – <i>no impact</i></li> <li>• Older adults – <i>no impact</i></li> </ul>
Socio-economic	<i>no impact – while some tenants have expressed concerns with rent increases, council garage rents remain low when compared to alternatives</i>
Human Rights	<i>Positive (minimal) – tenant consultation on rents was carried out in November 2024. Increases in rent will enable ongoing repairs and improvements to the garage estate.</i>
Children’s Rights and Well-being	<i>no impact</i>
Island and Mainland Rural	<i>no impact</i>
Climate Change	<i>no impact – while there is potential to increase investment in energy efficiency works on council housing through increased revenue, the impact of garage rents on this is negligible</i>
Data Rights	<i>no impact</i>

## 5 Background

5.1 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.

## 6 Current Income Relating to Garages

6.1 The table below details the current position with garages including total annual rent due.

Type	Number of Units	Total weekly	Total annual rent
Garages Ward 12	12	£128.02	£6,144.77
Garages Ward 13	57	£583.21	£27,994.18
Garages Ward 14	73	£732.59	£35,164.22
Garages Ward 15	124	£1,296.19	£62,217.22
Garages Ward 16	71	£723.68	£34,736.83
Garages Ward 17	1	£8.89	£426.82
Garages Ward 19	5	£51.56	£2,475.07
Garage Sites Ward 12	13	£22.67	£1,179.07
Garage Sites Ward 13	16	£27.97	£1,454.69
Garage Sites Ward 14	80	£150.28	£7,814.59
Garage Sites Ward 16	24	£42.40	£2,204.93
Garage Sites Ward 17	25	£43.88	£2,281.54
<b>Total</b>	<b>501</b>	<b>£3,811.36</b>	<b>£184,093.92</b>

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

Type	Occupied	Void
Garages Ward 12	12	0
Garages Ward 13	54	3
Garages Ward 14	66	7
Garages Ward 15	112	12
Garages Ward 16	69	2
Garages Ward 17	1	0
Garages Ward 19	5	0
Garage Sites Ward 12	10	3
Garage Sites Ward 13	10	6
Garage Sites Ward 14	52	28
Garage Sites Ward 16	22	2
Garage Sites Ward 17	20	5
<b>Total</b>	<b>433</b>	<b>68</b>

The total annual rent payable for occupied garages and garage sites is £140231.04

6.3 Actual rents paid vary between Council tenants and non-council tenants, as 20% 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.

Type	Council Tenants	Weekly Rent	Non-Tenants	Weekly Rent
Garages Ward 12	0	NA	12	£8.89
Garages Ward 13	14	£7.41	40	£8.89
Garages Ward 14	24	£7.41	42	£8.89
Garages Ward 15	14	£7.41	98	£8.89
Garages Ward 16	19	£7.41	50	£8.89
Garages Ward 17	1	£7.41	0	NA
Garages Ward 19	1	£7.41	4	£8.89

Garage Sites Ward 12	0	NA	10	£1.47
Garage Sites Ward 13	1	£1.23	9	£1.47
Garage Sites Ward 14	9	£2.71*	43	£1.47
Garage Sites Ward 16	0	NA	22	£1.47
Garage Sites Ward 17	0	NA	20	£1.47

\*Average Garage Site rent for Ward 15 is impacted by a large, consolidated site at Rowan Road

- 6.4 The average garage rent Highland-wide is £10.93 per week and the garage site rent £1.95 per week.

## 7 Rent Options

- 7.1 Tenant consultation on the general rent increase for Council house rents for 2025/2026 was based on options for 8%, 9% or 10% rent increase. The largest proportion of council house tenants have supported the 8% increase option. The Housing and Property Committee meeting on 29 January 2025 will consider and decide upon the council house rent increase.

- 7.2 The impact on current tenants of garage rent increases of 8%, 9%, and 10% is summarised in the tables below. New tenants will sign up at the applicable increased rent.

### 8% Rent Increase

	Council House Tenants (ex VAT)			Non-Tenants (incl VAT)		
	Rent	Increase	New Rent	Rent	Increase	New Rent
Garages Ward 12	NA	NA	NA	£8.89	£0.71	£9.60
Garages Ward 13	£7.41	£0.59	£8.00	£8.89	£0.71	£9.60
Garages Ward 14	£7.41	£0.59	£8.00	£8.89	£0.71	£9.60
Garages Ward 15	£7.41	£0.59	£8.00	£8.89	£0.71	£9.60
Garages Ward 16	£7.41	£0.59	£8.00	£8.89	£0.71	£9.60
Garages Ward 17	£7.41	£0.59	£8.00	NA	NA	NA
Garages Ward 19	£7.41	£0.59	£8.00	£8.89	£0.71	£9.60
Garage Sites Ward 12	NA	NA	NA	£1.47	£	£1.59
Garage Sites Ward 13	£1.23	£0.10	£1.33	£1.47	£	£1.59
Garage Sites Ward 14	£2.71	£0.21	£2.92	£1.47	£	£1.59
Garage Sites Ward 16	NA	NA	NA	£1.47	£	£1.59
Garage Sites Ward 17	NA	NA	NA	£1.47	£	£1.59

An 8% increase will bring a total £151,449.52 annually based on current occupancy, an increase of £11,218.48

### 9% Rent Increase

	Council House Tenants (ex VAT)			Non-Tenants (incl VAT)		
	Rent	Increase	New Rent	Rent	Increase	New Rent
Garages Ward 12	NA	NA	NA	£8.89	£0.80	£9.69
Garages Ward 13	£7.41	£0.67	£8.08	£8.89	£0.80	£9.69
Garages Ward 14	£7.41	£0.67	£8.08	£8.89	£0.80	£9.69
Garages Ward 15	£7.41	£0.67	£8.08	£8.89	£0.80	£9.69
Garages Ward 16	£7.41	£0.67	£8.08	£8.89	£0.80	£9.69
Garages Ward 17	£7.41	£0.67	£8.08	NA	NA	NA
Garages Ward 19	£7.41	£0.67	£8.08	£8.89	£0.80	£9.69
Garage Sites Ward 12	NA	NA	NA	£1.47	£0.13	£1.60
Garage Sites Ward 13	£1.23	£0.11	£1.34	£1.47	£0.13	£1.60
Garage Sites Ward 14	£2.71	£0.24	£2.95	£1.47	£0.13	£1.60
Garage Sites Ward 16	NA	NA	NA	£1.47	£0.13	£1.60
Garage Sites Ward 17	NA	NA	NA	£1.47	£0.13	£1.60

A 9% increase will bring a total £152,851.83 annually based on current occupancy, an increase of £12,620.79

### 10% Rent Increase

	Council House Tenants (ex VAT)			Non-Tenants (incl VAT)		
	Rent	Increase	New Rent	Rent	Increase	New Rent
Garages Ward 12	NA	NA	NA	£8.89	£0.89	£9.78
Garages Ward 13	£7.41	£0.74	£8.15	£8.89	£0.89	£9.78
Garages Ward 14	£7.41	£0.74	£8.15	£8.89	£0.89	£9.78
Garages Ward 15	£7.41	£0.74	£8.15	£8.89	£0.89	£9.78
Garages Ward 16	£7.41	£0.74	£8.15	£8.89	£0.89	£9.78
Garages Ward 17	£7.41	£0.74	£8.15	NA	NA	NA
Garages Ward 19	£7.41	£0.74	£8.15	£8.89	£0.89	£9.78
Garage Sites Ward 12	NA	NA	NA	£1.47	£0.15	£1.62
Garage Sites Ward 13	£1.23	£0.12	£1.35	£1.47	£0.15	£1.62
Garage Sites Ward 14	£2.71	£0.28	£2.98	£1.47	£0.15	£1.62
Garage Sites Ward 16	NA	NA	NA	£1.47	£0.15	£1.62
Garage Sites Ward 17	NA	NA	NA	£1.47	£0.15	£1.62

A 10% increase will bring a total £154,254.14 annually based on current occupancy, an increase of £14,023.10

- 7.3 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 2025/26.

Designation: Assistant Chief Executive - Place

Date: 22 January 2025

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