

MINUTE EXTRACT

The Highland Council

Minutes of Meeting of the **Housing and Property Committee** held in the Council Chamber, Council Headquarters, Glenurquhart Road, Inverness on **Wednesday 29 January 2025** at 9.55am.

Present:

Ms S Atkin	Mr R Mackintosh
Mr B Boyd (Remote)	Ms A MacLean
Mr R Bremner	Mr D Macpherson
Mr I Brown	Mr D McDonald
Mrs G Campbell-Sinclair	Ms J McEwan
Mr L Fraser	Mr C Munro
Mr A Graham	Ms M Reid (substitute)
Mr M Gregson	Mr R Stewart
Mrs I Mackenzie	

Non-Members also present:

Mr M Baird (Remote)	Ms L Johnston (Remote)
Mr A Baxter (Remote)	Mr T MacLennan (Remote)
Dr C Birt	Mr J McGillivray (Remote)
Mr A Christie	Mr D Millar
Mr J Finlayson (Remote)	Mr P Oldham (Remote)
Mr R Gale (Remote)	Mrs M Paterson (Remote)
Ms M Hutchison (Remote)	Mrs T Robertson (Remote)
Mrs B Jarvie (Remote)	Ms M Ross (Remote)

Tenant Representatives in Attendance:

Ms L Richardson, Tenant Representative
Mr A Dick, Tenant Representative

Officials in Attendance:

Ms A Clark, Chief Officer – Housing and Communities
Mr F MacDonald, Chief Officer – Property and Assets
Mr B Cameron, Strategic Lead - Housing & Building Maintenance
Mr R Campbell, Service Lead – Capital Planning & Estate Strategy
Ms C Pieraccini, Strategic Lead Finance (Place)
Ms H Cameron, Housing Development Manager
Mr K Forbes, Property Manager (Estates Management)
Mr R MacDonald, Energy Manager
Mrs L Dunn, Joint Democratic Services Manager
Ms A Macrae, Senior Committee Officer

**An asterisk in the margin denotes a recommendation to the Council.
All decisions with no marking in the margin are delegated to Committee.**

Mrs G Campbell-Sinclair in the Chair

3. Housing Revenue Account Estimates 2025/26 Tuairmsean Cunntas Teachd-a-steach Taigheadais 2025/26

There had been circulated Report No HP/01/25 by the Assistant Chief Executive – Place.

During discussion, some Members spoke in favour of an 8% rise in rent, with reference to the need for investment in order to maintain and improve the housing stock, particularly with regard to energy efficiency measures such as improved insulation, and new doors and windows, all of which would reduce tenants' energy bills. It was recalled that two years earlier, when inflation had been significantly higher, the Council had maintained the rent increase at 4%, but now it was vital to raise investment and lower costs in the longer term, protecting tenants and their homes.

Other Members supported a lower increase, with reference to the high costs facing many people, including those in receipt of benefits such as Universal Credit and Housing Benefit, and those working in lower paid jobs, whose salaries were unlikely to rise by 8% and the impact. It was suggested that an 8% rise would be an irresponsible and unreasonable burden on people along with reference being made to the impact of this on their wellbeing. Many people remained affected by the cost of living crisis and fuel poverty and, although inflation had reduced in the previous two years, it remained a significant impact, with many people relying on foodbanks and unable to properly heat their homes. It was proposed that a lower rent rise of 5.96% was crucial to tenants facing challenging times, and the cost of this could be met by removing £1.3m of energy efficiency works, affecting around 130 properties, this being less than 1% of the housing stock. Approximately 61% of Council tenants were in receipt of Housing Benefit or Universal Credit and would not receive an 8% rise in these benefits. It was also pointed out that while 48% of the responses to the Tenant Participation survey had favoured the 8% rise, this was likely because it was the lowest option, with no lower alternative, and around 30% of respondents had picked the 'none of the above' option.

Other issues raised included ongoing concern at the high level of historic housing debt and the resultant loan charges that the Council faced, this being around 43% of the total housing budget. An explanation was sought and provided for some of the figures in the report, and clarification that the 3% consultation response in paragraph 9.6 of the report should say 30%. It would be helpful if the void turnaround rate could be improved.

The Tenant Representative made reference to the government financial assistance that tenants had been receiving two years earlier which was not the case any longer. While supporting the need for investment in the housing stock, particularly with regard to energy efficient measures which would reduce fuel bills, she pointed out the challenges being faced by many Council tenants, and that tenants should not be financially responsible for energy efficiency and improvement measures to the housing stock and that this was, in fact, a Human Rights Issue. In support of her position, she quoted several organisations including the Joseph Rowntree Foundation and the UN Committee on Economic, Social and Cultural Rights, and also pointed out that housing debt was a serious problem for all Scottish Local Authorities.

Mrs G Cambell-Sinclair, seconded by Ms S Atkin, **moved** the recommendations as detailed in the report.

Mr A Graham, seconded by Mr M Gregson, moved as an **amendment** to delete the expenditure line for Capital Investment Funded from Current Revenue £1.346 million relating to “additional funding for capital investment in energy efficiency and external fabric from rent increase”, and make corresponding reduction in House Rents Income to £69.717 million. Reducing the rent increase for 25/26 to approximately 6%.

On a vote being taken there were 9 votes for the motion, 6 votes for the amendment and 2 abstentions, and the **MOTION** was carried, the votes having been cast as follows:

For the Motion:

Mrs S Atkin, Mr B Boyd, Mr R Bremner, Mr I Brown, Mrs Campbell-Sinclair, Mr L Fraser, Mr R Mackintosh, Mr C Munro, Mrs M Reid

For the Amendment:

Mr A Graham, Dr M Gregson, Mrs I Mackenzie, Mrs A MacLean, Ms J McEwan, Mr R Stewart

Abstentions:

Mr D Macpherson, Mr D McDonald

Decision

The Committee:

- i. **NOTED** the requirements to achieve a balanced budget and associated budget pressures for the Housing Revenue Account for 2025/26;
- ii. **NOTED** the feedback received from tenants through the annual rent consultation;
- iii. **AGREED** an 8% rent increase for 2025/26 and how this increase be allocated, which was detailed in Appendix 1 to the report;
- iv. **NOTED** how this would impact upon rents across the Council house estate and how this compared with rents across Scotland as detailed in section 5 of the report;
- v. **NOTED** the above rent increase would be applied to all residential HRA rents and service charges, to Gypsy/Traveller site pitches and to non-HRA rents for leased properties (subject to lease agreements); and
- vi. **NOTED** that in line with the Council’s Housing Challenge, work was ongoing to develop a detailed action plan and that this would include the development of a long term rent strategy to enable the expansion of the social rented housing stock alongside maintenance and improvement of the existing HRA estate.