

The Highland Council

Minutes of Meeting of the **Housing and Property Committee** held in the Council Chamber, Council Headquarters, Glenurquhart Road, Inverness on **Wednesday 5 November 2025** at **9.30am**.

Present:

Ms S Atkin	Mrs I MacKenzie
Mr B Boyd (remote)	Mr R MacKintosh
Mr R Bremner	Ms A MacLean
Mr I Brown	Mr D Macpherson (remote)
Mrs G Campbell-Sinclair	Mr D McDonald
Mr A Graham	Ms J McEwan (remote)
Mr R Jones	Ms M Ross
Mr S Kennedy (substitute)	Mr R Stewart
Ms M MacCallum	

Non-Members also present:

Mr J Finlayson (remote)	Ms M Hutchison (remote)
Mr R Gale (remote)	Mr J McGillivray (remote)
Ms C Gillies (remote)	Mrs T Robertson (remote)
Dr M Gregson	

Tenant Representatives in Attendance:

Mr A Dick
Ms L Richardson

Officials in Attendance:

Ms A Clark, Chief Officer – Housing and Communities
Mr F MacDonald, Chief Officer – Property and Assets
Mr B Porter, Chief Officer – Corporate Finance
Mr B Cameron, Strategic Lead – Housing & Customer Services
Mr R Campbell, Service Lead – Capital Planning & Estate Strategy
Mr R MacLeod, Service Lead Housing Investment/Building Maintenance
Ms C Pieraccini, Strategic Lead Finance (Place)
Ms H Cameron, Housing Development Manager
Mr K Forbes, Property Manager (Estates Management)
Mr A Dempsey-Reid, Principal Accountant
Ms S Boardman, Principal Tenant & Customer Engagement Officer
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

1. Calling of the Roll and Apologies for Absence Gairm a' Chlàir agus Leisgeulan

There were apologies for absence from Mr S Cameron and Mr L Fraser.

**2. Declarations of Interest/Transparency Statement
Foillseachaidhean Com-pàirt/ Aithris Fhollaiseachd**

The Committee **NOTED** there were no declarations of interest/transparency statements.

**3. Good News
Naidheachdan Matha**

The Committee **NOTED** the good news as circulated.

**4. Property & Facilities Management Services Revenue Monitoring Statement to 31 August 2025
Aithris Sgrùdaidh Teachd-a-steach Sheirbheisean Rianachd Cuid-seilbh & Ghoireasan gu 31 An Lùnastal 2025**

There had been circulated Report No HP/35/25 by the Assistant Chief Executive – Place.

During discussion, the following main points were raised:-

- concern that the financial monitoring statement provided to Members did not cover the full period of Quarter 2 due to the reporting deadlines for the Committee and at the loss of Member scrutiny if this was to be the case for future reports;
- an explanation was sought and provided for the forecasted year-end underspend on the Catering, Cleaning and Facilities Management (CCFM) Service budget;
- further information was sought and provided on the recruitment challenges and staff turnover within CCFM, concern being expressed at the impact on cleaning standards in schools and other buildings. It was explained that all options were being considered including service redesign and having more flexibility across the Service in terms of roles and filling of posts;
- an assurance was sought and provided that managers were supporting staff who may be required to take on additional work as a result of vacancies and this issue would also be considered as part of the service redesign; and
- confirmation was sought and provided that Members would be provided with information on the pressure points within the Service in respect of schools.

Thereafter, the Committee:-

- i. **APPROVED** the budget position to the end of August 2025/26 (Period 5), and the estimated year-end position, as detailed in Appendices 1 and 2 to the report; and
- ii. **NOTED** the update provided regarding budget savings delivery as set out at Appendix 3 to the report.

5. Property Capital Monitoring Statement and Progress Update Aithris Sgrùdaidh Calpa Seilbhe agus Cunntas às Ùr air Adhartas

There had been circulated Report No HP/36/25 by the Assistant Chief Executive – Place.

During discussion, the following main points were raised:-

- the progress with the new accommodation units at the Gypsy Travellers Site, Longman Park, Inverness be welcomed and confirmation that arrangements would be made for any Member wishing to visit the Site;
- further information was sought and provided on the rationale for the overall suitability and condition ratings for Thurso High School;
- an update was sought and provided on progress with the flexible approach being taken to deliver accommodation for permanent and visiting staff on Rum and other remote locations;
- it was hoped the next financial monitoring report would show expenditure against the Highland Investment Plan priority projects detailed in Appendix 2;
- an explanation was sought and provided on the anomaly between the school roll figures reported to the Scottish Government and planning capacity shown in respect of Kinmylies Primary School.
- information was sought and provided on the assessment process being undertaken with the Education Service for allocating the space vacated by the nursery at Kinmylies Primary School;
- In response to a query, it was clarified that school roll figures for primary schools did not include nurseries although this was being considered;
- further clarity was sought and provided on the process for calculating developer contributions to fund capacity increases in schools;
- an assurance was sought and provided that a detailed condition survey of Crown Primary School was to be carried out and an update on the findings and recommendations brought to the next Committee, with consideration being given to the short, medium and long term requirements; and
- it would be helpful if the figures for condition ratings C and D were presented separately in the report to provide greater clarity.

Thereafter, the Committee **APPROVED**:-

- i. the capital budget position at the end of the second quarter of 2025/26, including project progress, the estimated year-end position, and the main financial variances outlined in the report; and
- ii. progress in the exercise to establish how the Council's previously stated intention to bring all our school buildings up to at least a "B" rating for condition and suitability could be achieved.

6. Housing Revenue Account (HRA) and Non-HRA Budget Monitoring Statement 1 April to 31 August 2025
Aithris Sgrùdaidh Buidseat Cunntas Teachd-a-steach Taigheadais agus Cunntas Teachd-a-steach Neo-thaigheadais 1 An Giblean gu 31 An Lùnastal 2025

There had been circulated Report No HP/37/25 by the Assistant Chief Executive – Place.

During discussion, the following main points were raised:-

- more detailed information was sought and provided on what constituted resettlement activity and how the government grant for resettlement programmes was used, including on staff costs. It was confirmed a response would be provided to Mrs A Maclean in relation to third sector funding for resettlement work; and
- the number of properties currently being leased to private landlords and why these were not being rented out to those on the Highland Housing Register waiting list. It was confirmed that figures would be provided to Mrs J McEwan and that the Service was seeking to reduce its reliance on the private residential sector.

Thereafter, the Committee:-

- i. **APPROVED** the forecast financial position for 2025/26 as set out in the report and appendices to the report; and
- ii. **NOTED** the explanations provided for any material variances and actions taken or proposed.

7. Housing Revenue Account (HRA) Capital Monitoring Report to 31 August 2025
Aithisg Sgrùdaidh Calpa Cunntas Teachd-a-steach Taigheadais gu 30 t-Sultain 2025

There had been circulated Report No HP/38/25 by the Assistant Chief Executive – Place.

During discussion, the following main points were raised:-

- the fact £9.1m of funding had been secured through the Energy Company Obligation (ECO4) funding for projects across Highland for 2025/26 was a good news story for tenants and commending all the staff involved;
- more detailed information was sought and provided on the sum of £0.825m that had been ringfenced for an energy efficiency project, subject to confirmation of funding from the Scottish Government's Net Zero Infrastructure Fund;
- in response to a query, an assurance was provided that the intention was to progress further house purchases through the Rural Keyworkers Fund while highlighting the challenges involved;
- it would be helpful to have cross service and Member discussions within the Council on the opportunities to address delays in the planning process and on the basis this would provide assurance there was a willingness to tackle issues;

- caution as to how the above in respect of Council related items may be perceived externally and an assurance that this work would not involve any part of the quasi-judicial planning process;
- noting that work had commenced on the 2027 – 2032 Housing Capital Programme and Members would be provided with more information during the course of next year with workshops and ward briefings to be arranged going forward;
- the need to make it clear to tenants that ECO funders had control over the houses to receive energy efficiency upgrades while noting that a large part of the Capital Programme was focused on energy efficiency works regardless of any funding the Council attracted; and
- in response to a query, it was explained that insulation works were included as part of a fabric first approach and full measures projects and work was ongoing to make this clearer in the Service's reporting.

Thereafter, the Committee **APPROVED** the expenditure to 31 August 2025 and the projected outturn for the Housing Revenue Account Capital Programme 2025/26.

8. Establishing a Financial Strategy for the Housing Revenue Account and Rent Strategy for 2026-2031

A' Stèidheachadh Ro-innleachd Ionmhasail airson a' Chunntais Teachd-a-steach Taigheadais agus Ro-innleachd Màil airson 2026-2031

There had been circulated Report No HP/39/25 by the Assistant Chief Executive – Place.

During discussion, the following main points were raised:-

- the Council was facing significant and complex housing challenges and ensuring there was a strong and sustainable HRA that delivered priorities was essential in terms of how it wished to shape the housing stock going forward;
- Members at this stage were being asked to approve a set of principles and the tenant rent consultation and the decision on rent levels for 2026/27 would be taken by the Committee on 28 January 2026 based on Member and tenant feedback;
- the report and consultation showed tenants the scale of investment that could be realised through a 5-year rent strategy and enabled them to feedback their views on the proposals; there was the ability to make assessments once responses had been received and to further engage with tenants if required;
- highlighting the importance of the Strategy in tackling the current Highland Housing Register waiting list and upgrading properties including heating systems and other energy efficient works to reduce tenant costs;
- local Members and the Tenant Participation Team had an important role in ensuring as many tenants as possible engaged with the consultation and confirmation was provided that the consultation period would be extended to 5 January 2026 to allow more time for responses;
- the need to consider the significant financial impact of the proposals on older sheltered housing tenants who might also have to pay additional service charges and whether a poverty and equalities impact assessment had been carried out. It was confirmed that further work would be

undertaken on this issue and included in the report to the Committee on 28 January 2026;

- concern at the impact historical HRA debt was having on the ability to build new housing and invest in the existing housing stock and that the Council continue to work with COSLA in relation to debt write-off;
- concern the options for rent increases of 8%, 9%, and 10% included in the consultation would result in a large increase in rents over a period of five years and place many working tenants on low incomes and those not on full benefits into poverty. This was in the context of the increased cost of living and use of foodbanks and the proposals being well above the level of pay rises tenants could expect;
- an amendment was therefore proposed that the Committee agree to tenants being consulted on a wider range of rent options than proposed starting at 3%, 5%, 7% and 8%;
- whilst Council rents were now one of the lowest when compared with other local authorities, the need to take into account that income levels were in the main lower in the Highlands and the cost of living much higher than in other parts of Scotland, including energy costs;
- it was accepted that Council house rents should cover improvements and repairs, however it was unfair to place the burden of funding new housing programme on tenants including that required to service the Inverness and Cromarty Firth Green Freeport;
- it was understood that housing need and demand in respect of the Inverness and Cromarty Firth Green Freeport formed part of the Highland Investment Plan to be funded through Council Tax;
- the Council had to be upfront and clear in the tenant consultation about what each of the rent increases would deliver, allow tenants to put forward alternatives in terms of their affordability and to listen to their views in this regard;
- an assurance was sought that improvements to the homes of existing tenants would be prioritised over building new houses. It was noted that the consultation would be made clear as possible so that tenants advised the Council of their priorities for the future;
- the Strategy and methodology used was welcomed and as in the past, forward planning and investment in new Council houses was required and it was not considered improper for existing tenants to make some contribution to the future delivery of new housing;
- confirmation was sought and provided that the Council had a duty to set its rent levels on an annual basis and this would provide an opportunity for review should there be fundamental changes to inflation, economic or social conditions over the five-year period;
- the baseline budget assumptions of a projected 2% pay award for 2026-2031 be considered carefully as recent pay awards had been above this level;
- it would be helpful for Members to be circulated with more information on how a rent increase of 8% would achieve a total increase in the revenue budget of £8.917m; and
- in relation to the reducing the loan charge ratio, it was suggested the actual amount of debt proposed was to increase by over £100m over the five-year period to finance the new build programme with no plans to reduce the level of debt or repay the capital.

The Tenant Representative commented that the Scottish Government should be providing additional funding to local authorities to raise the standard of housing to an adequate level or give them powers to raise their own income. Tenant rents should not be subsidising new builds, and an annual increase of at least 8% over five years could not be supported on the basis of affordability. Further explanation was required in relation to the principle and benefits relating to reducing the loan charge ratio and it was hoped progress could be made through COSLA on the issue of HRA debt write-off going forward.

Thereafter, and on hearing from the Council's Section 95 Officer, Members were advised that any proposal to consult on rent increases below the level of inflation might as a consequence result in cuts and reductions in the housing budget. In addition, the Chair reminded Members that as advised by officers a rent increase of 5% was below the 5.5% increase required for a standstill budget.

Following summing up, Mrs G Campbell-Sinclair seconded by Ms S Atkin **MOVED** the recommendations as detailed in the report.

As an **AMENDMENT**, Ms J McEwan, seconded by Ms M MacCallum, moved the recommendations in the report subject to tenants being consulted on rent increases starting at 5%, 7%, and 8%.

On a vote being taken, the **MOTION** received 9 votes and the **AMENDMENT** received 8 votes, and there no abstentions. The **MOTION** was therefore **CARRIED**, the votes having been cast as follows:-

For the motion: Ms S Atkin, Mr B Boyd, Mr R Bremner, Mr I Brown, Mrs G Campbell-Sinclair, Mr S Kennedy, Mr R Mackintosh, Mr D McDonald, Ms M Ross.

For the amendment: Mr A Graham, Mr R Jones, Ms M MacCallum, Mrs I Mackenzie, Mrs A Maclean, Mr D Macpherson, Mrs J McEwan, Mr R Stewart.

Thereafter, the Committee:-

- i. **NOTED** the context which sets out the current and historical position of the HRA and the rationale for establishing a Financial Strategy;
- ii. **APPROVED** the principles of the Financial Strategy, which would also guide the 5-year Rent Strategy which would enable the expansion of the social rented housing stock alongside improving the financial sustainability of the existing HRA estate;
- iii. **APPROVED** the tenant rent consultation which would commence by 17 November and run until 5 January 2026; and
- iv. **NOTED** that the Financial Strategy, including the 5-year Rent Strategy, would be submitted to Committee in January 2026 for approval and that this would include details on how the rental increase would be allocated in the 2026/2027 HRA budget.

9. Strategic Housing Investment Programme 2026-2031 Prògram Tasgadh Taigheadas Ro-innleachdail 2026-2031

There had been circulated Report No HP/40/25 by the Assistant Chief Executive – Place.

During discussion, the following main points were raised:-

- an explanation was sought and provided on the work ongoing with partners to deliver the new build programme in the context of high tender costs and significant increase in build costs, particularly outwith Inverness. Members were advised that the Scottish Government had increased subsidy levels and that potential alternative funding models and opportunities to purchase houses from developers at lower cost were being considered;
- whether there was a benchmark figure for the value to the Council of purchasing houses from developers on the open market compared to new build costs;
- further information was sought and provided on progress with the delivery of 20 units at Clachnaharry, Inverness;
- noting that the Committee would be provided with an update on progress through COSLA and with the Scottish Government in respect of the Council's historic housing debt write-off;
- an assurance was sought and provided that options were being considered to combine projects to make them more attractive to developers and work was ongoing through the Highlands and Islands Regional Economic Partnership to improve delivery in rural areas;
- it would be helpful for a report to be brought forward to the Committee or Council as appropriate on local development planning policies and how the Council could better facilitate small rural developments through a holistic approach;
- an update was sought and provided on the current status of national initiatives to assist first time buyers in the housing market; and
- confirmation that officers would provide Ms M Ross with an update in respect of an area within her Ward identified as a site for potential housing development.

Thereafter, the Committee:-

- i. **APPROVED** the Strategic Housing Investment Plan (SHIP) as attached as Appendix 2 to the report, for submission to the Scottish Government;
- ii. **NOTED** that local projects would be discussed with Members in Area Business Meetings;
- iii. **AGREED** the indicative planned investment programme to 2031 contained in Appendix 3 to the report; and
- iv. **NOTED** that a full review of the SHIP would be undertaken in 2026 to take into account the agreed HRA Financial Strategy and findings from the Housing Need Demand Assessment.

10. Empty Homes Strategy Ro-innleachd Thaighean Falamh

There had been circulated Report No HP/41/25 by the Assistant Chief Executive – Place.

During discussion, the following main points were raised:-

- the need to understand the reasons why properties remained empty and the work being undertaken to establish whether properties were listed or had planning or landlord licensing issues to help guide decision making across the Council to facilitate properties being brought back into use;
- bringing the current number of empty homes back into use this would have significant benefits for the Highland Housing Challenge and provide much needed housing in communities,
- the importance of a clear strategy being in place and action taken on empty homes and of the Council making representations to the Scottish Government on the potential to improve the policy on compulsory purchase orders;
- it should be recognised that empty homes cases were often complex and involved challenging and intractable issues and the need to understand the effect of the Council tax payable for these properties;
- it would be helpful for local Members to be provided with more regular updates on empty homes at a ward level and the potential for more community engagement on this issue; and
- a report to be brought to the next Ward Business meeting on the unoccupied steward's house at the Cameron Youth Centre. Mr A Dick, Tenant Representative and as Chair of the Cameron Youth Centre, advised that negotiations with the Council were ongoing to have the building demolished and he would provide updates to the Chair on progress.

Thereafter, the Committee:-

- APPROVED** the Empty Homes Strategy as detailed at Appendix 2 of the report;
- NOTED** the outcomes of activities in 2024/25 as set out in Section 7 of the report; and
- NOTED** that recruitment was underway for an additional Empty Homes Officer to assist with delivery of the Strategy actions, as agreed at Housing and Property Committee on 13 August 2025.

11. Domestic Abuse Housing Policy Poileasaidh Taigheadais Droch-dhiol Dachaigheil

There had been circulated Report No HP/42/25 by the Assistant Chief Executive – Place.

During discussion, Members welcomed the report and referred to the importance of early intervention by officers in relation to incidents of anti-social behaviour given these might involve domestic abuse. It was important to highlight the number of homeless presentations that involved women and families experiencing domestic abuse and the impact this had on victims and their children. It was further highlighted that the Housing Team in conjunction with third sector parties such as Women's Aid worked sensitively to relocate those experiencing domestic abuse.

Thereafter, the Committee:-

- APPROVED** the Domestic Abuse Housing Policy as set out in Appendix 2 to the report;

- ii. **NOTED** the alignment of the policy with the Council's statutory duties and expectations set out in the Housing Scotland Bill; and
- iii. **NOTED** that implementation of the policy would be supported by staff training, service development and partnership working.

12. Tenant Participation Update

Cunntas às Ùr mu Chom-pàirteachadh Luchd-màil

There had been circulated Report No HP/43/25 by the Assistant Chief Executive – Place.

During discussion, the following main points were raised:-

- the processes in place and level of digital and other forms of engagement was reassuring and encouraging. It was important going forward that as new initiatives occurred, tenant feedback formed part of the Council's own planning going forward, a central part of being a social landlord;
- the potential to arrange in person meetings and drop-in sessions for tenants in the Badenoch and Strathspey area; and
- commending the work of the tenant participation officers and welcoming a recent event held in Dingwall for tenants involving officers, welfare rights and other parties and the intention to hold these regularly.

Thereafter, the Committee:-

- i. **NOTED** the ongoing activities and commitment to tenant engagement demonstrated by tenant volunteers and officers; and
- ii. **AGREED** the progress made on the Tenant & Customer Engagement Action Plan detailed in the report and at Appendix 1 to the report.

13. Housing Performance Report 1 April 2025 – 30 September 2025

Aithisg Choileanaidh Taigheadais 1 Giblean 2025 – 30 t-Sultain 2025

There had been circulated Report No HP/44/25 by the Assistant Chief Executive – Place.

Thereafter, the Committee **NOTED** that this item would be considered at the next meeting on 28 January 2026.

14. Delivery Plan

Plana Lìbhrigidh

There had been circulated Report No HP/45/25 by the Assistant Chief Executive – Place.

The Committee **NOTED** that this item would be considered at the next meeting on 28 January 2026.

15. Performance Monitoring Update

Cunntas às Ùr mun Sgrùdadh Coileanaidh

There had been circulated Report No HP/46/25 by the Assistant Chief Executive – Place.

Thereafter, the Committee **NOTED** that this item would be considered at the next meeting on 28 January 2026.

16. Exclusion of the Public
Às-dùnadh a' Phobaill

The Committee **RESOLVED** that, under Section 50A(4) of the Local Government (Scotland) Act 1973, the public be excluded from the meeting for the following item on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 6 & 9 of Part 1 of Schedule 7A of the Act.

17. Housing Development Initiatives
Iomairtean Leasachaidh Taigheadais

There had been circulated to Members only Report No HP/47/25 by the Assistant Chief Executive – Place.

The Committee **AGREED** the recommendations as detailed in the report.

18. Property Transactions Monitoring
Aithisg Sgrùdaidh Ghnothachasan Seilbhe

There had been circulated to Members only Report No HP/48/25 by the Assistant Chief Executive – Place.

The Committee **NOTED** the recommendations as detailed in the report.

19. Land and Property
Fearann agus Seilbh

There had been circulated Report No HP/49/25 by the Assistant Chief Executive – Place.

The Committee **NOTED** the recommendations as detailed in the report.

The meeting was closed at 1.15pm.