

The Highland Council

Minutes of Meeting of the **Housing and Property Committee** held in the Council Chamber, Council Headquarters, Glenurquhart Road, Inverness on **Wednesday 28 January 2026** at **9.30am**.

Present:

Ms S Atkin (Vice Chair)	Mrs I MacKenzie
Mr R Bremner	Mr R MacKintosh
Mrs G Campbell-Sinclair (Chair)	Ms A MacLean
Mr L Fraser	Ms K MacLean (substitute) (remote)
Mr A Graham	Mr D McDonald
Mr R Jones	Ms J McEwan (remote)
Ms M MacCallum	Ms M Ross

Non-Members also present:

Mr A Baxter (remote)	Mr M Hutchison (remote)
Mr M Cameron (remote)	Mr S Kennedy
Mr J Finlayson (remote)	Ms E Knox (remote)
Mr R Gale (remote)	Mr S Mackie (remote)
Ms C Gillies (remote)	Mr P Oldham (remote)
Mr J Grafton (remote)	Mr M Prosser (remote)
Dr M Gregson	Mrs T Robertson (remote)

Tenant Representatives in Attendance:

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 MacLeod, Service Lead Housing Investment/Building Maintenance
Ms C Pieraccini, Strategic Lead Finance (Place)
Mr K Forbes, Property Manager (Estates Management)
Mr W MacKinnon, Community Development Manager (West & Mid)
Mrs L Dunn, Joint Democratic Services Manager
Mrs G MacPherson, 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

Apologies for absence were intimated on behalf of Mr B Boyd, Mr I Brown, Mr S Cameron, Mr D Macpherson and Mr R Stewart.

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

The Committee **NOTED** that there were no Declarations of Interest or Transparency Statements.

3. Good News Naidheachdan Matha

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

4. Housing Revenue Account Financial Strategy and Estimates for 2026/27 Tuairmsean Cunntas Teachd-a-steach Taigheadais 2026/27

There had been circulated Report No HP/01/26 by the Assistant Chief Executive – Place.

During discussion, the Tenant Representative welcomed the format of the collaborative report but expressed concern about the design of the tenant consultation, the affordability of the proposed increase, and the use to which rental income was put. She spoke against the recommended 8% rise across the HRA estate for 2026/27, with particular reference to working tenants who did not qualify for benefits, and unpaid carers, and quoted a report from April 2025 by the Joseph Rowntree Foundation which indicted that wages in Scotland had only increased by 4.6%, the lowest in the UK, with one in five Scots, and one in four children living in poverty. The welfare system was failing to protect people from harm and it should not be an aspiration to have more people claiming benefits. Increased use of foodbanks, the rise of cost of living related shoplifting, and the increasing cost of second hand goods were highlighted, as were other planned and unexpected costs facing people, the role of poverty as a driver of ill health and the limiting of life-enriching activities, and the rise of malnutrition as a result of food poverty. In relation to the use of the rental income, not enough was being spent on improving the properties, too few met accessibility standards, the void rate was too high, and tenants should not be effectively funding new build properties. The benefits of a housing mitigation fund to help deliver new homes was highlighted. In relation to the high loan charge ratio, it was suggested the Council should not continue to borrow money and, in summary, a rise of 5% to 5.5% was suggested.

Some Members raised the following issues in favour of the recommended 8% rise:

- if the Council had taken appropriate action to increase rents several years earlier, the current situation would be less severe, and it was vital that the same flawed decision-making did not recur, given the implications for the future. The Council's responsibility to maintain and invest in the housing stock was emphasised;
- discussions were ongoing with the Scottish Government on how to fund new housing and reduce the debt and, until government policy was changed, the Council had to take appropriate action to tackle the current situation;
- the Council's responsibility to provide safe, warm and sustainable homes, which required adequate investment, was highlighted;

- while acknowledging the difficulties the 8% rise could cause some tenants, reference was made to the challenging position facing the HRA budget, as detailed in section 5 of the report, and that an 8% rise now would prevent the situation further deteriorating and requiring an even steeper rise in years to come;
- reducing the rent increase by less than 8% would impact the maintenance and repairs budget, resulting in an increase in more costly emergency repairs, and reducing the value of the properties. Investment in maintenance and improvements, such as new windows, improved insulation, and upgraded heating systems could significantly reduce household energy bills;
- the need to reduce the loan charge ratio was emphasised; and
- the welfare system was designed to assist families who were living in poverty, and support was provided to tenants with financial struggles. However, working tenants that did not receive benefits were also likely to face additional financial pressures and need support. It was therefore proposed that a fund should be created to assist with this. Confirmation was provided that officers would examine the feasibility of developing such a scheme and how this could be financed, the details of which would be reported to Members for consideration.

Some Members raised the following issues against the recommended 8% rise:

- the Impact Assessment Area in paragraph 4.6 of the report referred to the need for further analysis on the potential impact on household budgeting and the need for this along with further information such as the risk of increased rent arrears to allow a decision to be made was emphasised;
- support was voiced for many of the points made by the tenant representative;
- although Highland had the lowest rent levels in Scotland, it also had lower average wages as well as higher heating, fuel and grocery costs. In some rural areas, the cost of living was even higher than in urban cities;
- concerns were expressed that the consultation did not include an alternative lower rent increase option. In addition, further concerns were raised regarding the low response rate to the consultation and the importance of identifying new ways of engaging tenants was emphasised;
- with reference to the reported underspends in the budget, it was suggested the 8% rise was not required to fund maintenance, but an explanation for the underspends was provided, namely that they had resulted from unexpected additional capital funding for specific projects which could be carried forward;
- the relatively small number of tenant responses should be investigated and other means found to reach more people, and an explanation was provided of the informal ongoing feedback that was received from tenants via in person and other communications;
- the increasing number of people using foodbanks, community fridges and similar initiatives was evidence that an 8% rent rise was too high for many to afford;
- reference was made to the cumulative impact the decisions of several Council committees could have on an individual or family, and issues should be looked at more holistically. For example, specific reference was made to housing rent increases, council tax increases and Scottish water rate increases;
- concern was expressed that Council tenants were paying twice towards new build houses, through their rent and through the Highland Investment Plan;
- while the proposals to reduce the loan charge ratio were welcomed, the 8% rise would place too high a burden on tenants, and would be contrary to the Council's efforts to tackle poverty;

- the plight of older adults living in poverty was highlighted and it was urged that if the 8% was agreed, effort be put into mitigation for those struggling with the increases;
- the financial challenges facing tenants who had recently moved into employment were highlighted and it was unfair to charge them an 8% rise with no guarantee any of the income would be spent on their property;
- there were around 15,000 Council tenants in Highland, and around 40% received no assistance with rent payments, despite the challenging financial economic situation at present; and
- with inflation being around 3%, and salary increases in Highland around 4%, it was considered that an 8% rent rise was unfair.

Following reference to neighbouring local authorities who had set rent increases for the next 3-5 years, the Chair clarified that the Committee was being asked to agree to the increase for 2026-27. It was noted that the principles and approach detailed within the paper – Financial Strategy – would inform future rent increases on an annual basis.

Ms G Campbell-Sinclair, seconded by Ms S Atkins, **MOVED** the recommendations as detailed in the report.

Mr A Graham, seconded by Ms M MacCallum, moved as an **AMENDMENT** that recommendation (v) be amended to a 6% rent increase funded by a reduction of £1.692m in Capital Funded from Current Revenue and £67k in Repairs in Maintenance.

The Committee adjourned briefly for officers to verify the competency of the amendment. Once the meeting was reconvened, the Chief Officer – Corporate Finance provided clarification in respect of the financial implications of the amendment and the impact on budgets to accommodate a lower level rent increase of 6%. He provided confirmation that there would be a balanced HRA revenue budget for 2026/27 but there would be no change to the debt ratio. In terms of Service delivery, the Chief Officer – Housing and Communities explained that the £67k reduction on the Repairs and Maintenance budget would most likely impact on the cyclical repairs and provided examples of the type of additional improvement works that would not be undertaken as a result of the £1.692m reduction in capital funding.

On a vote being taken, the **MOTION** received 10 votes, the **AMENDMENT** received 4 votes, with no abstentions. The **MOTION** was therefore **CARRIED**, the votes having been cast as follows:-

For the Motion:

Mrs S Atkin, Mr R Bremner, Mrs G Campbell-Sinclair, Mr L Fraser, Mr R Jones, Mrs I Mackenzie, Mr R Mackintosh, Mrs K MacLean, Mr D McDonald and Mrs M Ross.

For the Amendment:

Mr A Graham, Ms M MacCallum, Mrs A MacLean and Mrs J McEwan.

Thereafter, the Committee:

- NOTED** the requirements to set a balanced budget for the HRA and the current financial position and associated challenges faced by the HRA;

- ii. **NOTED** the statement by the Section 95 Officer, in compliance with his responsibilities, of the need to address the financial challenges facing the HRA;
- iii. **AGREED** the Financial Strategy for the HRA as set out in section 7 of the report, noting the principals to guide the strategy that had already been agreed;
- iv. **NOTED** the feedback from tenants to the rent consultation, which was summarised in section 8 and the detailed feedback which could be found in Appendix 3 to the report;
- v. **AGREED** an 8% increase in rents across the HRA estate for 2026/27 and how this would be allocated in the 2026/27 budget as detailed in Appendix 5 to the report;
- vi. **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);
- vii. **NOTED** that in future years, the agreed Financial Strategy would be used to guide HRA Budget setting and multi-year financial planning; and
- viii. **NOTED** that officers would develop proposals in respect of establishing a scheme/fund to provide assistance to working tenants, details of which would be reported to a future meeting of the Committee for consideration.

5. Housing Revenue Account (HRA) and Non-HRA Budget Monitoring Statement to 30 November 2025
Aithris Sgrùdaidh Buidseat Cunntas Teachd-a-steach Taigheadais agus Cunntas Teachd-a-steach Neo-thaigheadais gu 30 An Samhain 2025

There had been circulated Report No HP/02/26 by the Assistant Chief Executive – Place.

In discussion, concern was expressed at the lack of investment in Council garages and the fact many were in poor condition and not fit for purpose despite rent increases for garages and garage sites having been agreed. In response, it was confirmed that a report on Council garages and garage sites was to be brought to a future meeting of the Committee.

In response to questions, it was confirmed that Members would be provided with further information on the overspend on ‘Central Support’ and the difference in the variance from the previous report in respect of ‘Bad Debt Provision’.

Thereafter, the Committee:

- i. **APPROVED** the forecast financial position for 2025/26 as set out in the report and appendices attached to the report;
- ii. **NOTED** the explanations provided for any material variances and actions taken or proposed; and
- iii. **NOTED** that further information on the overspend on ‘Central Support’ and the difference in the variance from the previous report in respect of ‘Bad Debt Provision’ would be circulated to Members.

6. Housing Revenue Account (HRA) Capital Monitoring Report Monitoring Report to 30 November 2025
Aithisg Sgrùdaidh Calpa Cunntas Teachd-a-steach Taigheadais gu 30 An Samhain 2025

There had been circulated Report No HP/03/26 by the Assistant Chief Executive – Place.

In discussion, an assurance was sought and provided that the relevant Teams were sufficiently staffed to deliver, manage and monitor projects in relation to the energy funding that had been achieved through ECO4 funding for projects across Highland in 2025/26.

Thereafter, the Committee **APPROVED** the monitoring figures and projected outturn for the Housing Revenue Account Capital Programme 2025/26.

7. Property & Facilities Management Services Revenue Monitoring Statement to 30 November 2025
Aithris Sgrùdaidh Teachd-a-steach Sheirbheisean Rianachd Cuid-seilbh & Ghoireasan gu 30 An Samhain 2025

There had been circulated Report No HP/04/26 by the Assistant Chief Executive – Place.

In discussion, further clarification was sought and provided on those underspends on the budget that were due to staff vacancies and an update provided on the ongoing work being undertaken within the Catering, Cleaning and Facilities Management Team to both advertise posts and reduce the number of vacancies.

Thereafter, the Committee:

- i. **APPROVED** the budget position to the end of November 2025/26 (Period 8), 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.

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

There had been circulated Report No HP/05/26 by the Assistant Chief Executive – Place.

In discussion, it was confirmed that officers would consider the formatting of the appendices to the report to make them more readable.

The Committee **APPROVED** the capital budget position at the end of November 2025, including project progress, the estimated year-end position, and the main financial variances outlined in the report.

9. Strategic Asset Management Report Aithisg Stiùireadh So-mhaoin Ro-innleachdail

There had been circulated Report No HP/06/26 by the Assistant Chief Executive – Place.

In discussion, Members raised the following main points:-

- further clarification was sought and provided on the membership and configuration of the Strategic Asset Management Board and Highland Property Partnership, and how they linked in with the Highland Investment Plan;
- in response to a query, an assurance that the strategic asset management tool would provide cross cutting information on the impacts of potential options including on children, older people and others;
- concern at the estimated projected backlog of essential maintenance work due to the Council's lack of investment in its assets over decades and it was hoped the Plan would allow detailed consideration of effective maintenance plans in local areas and across the Council going forward;
- in regard to the above, an assurance was provided that there was significant investment in maintenance of the estate in the current and future years and over the next decade on new infrastructure, working with partners to reduce the size of the public estate and deliver efficiencies in service delivery for the benefit of all;
- the importance of working with communities and ensure there was regular consideration of groups and organisations in communities who might have new ideas and wish to be involved in the process;
- a bottom-up approach be progressed in local areas to accelerate the process with local Members ragging all the assets in communities and feeding this back to the Asset Management Team;
- the attendance of the Team at ward business meetings was welcomed and it was hoped progress with the Plan would be well reported to and followed up at Area Committees; and
- the core principle set out in the report of maintaining community connections was essential on the basis that people wished to have an accessible Council and public sector presence within their communities.

Thereafter, the Committee **AGREED** the:

- i. Strategic Asset Management Plan be adopted as the guiding framework for future property-related decisions, noting the background, purpose, and partnership approach to its development; and
- ii. Action Plan be progressed, with updates provided on implementation and outcomes.

10. Community Asset Transfer Glusad So-mhaoin Coimhearsnachd

a) Withdrawal of Offer – Black Isle Education Centre

There had been circulated Report No HP/07/26 by the Assistant Chief Executive – Place.

In discussion, Members paid tribute to Raddery House Ltd (RHL) and officers for their significant work on and dedication to the project.

Thereafter, it was queried whether the process for Community Asset Transfers was sufficiently robust, given the maintenance costs to the Council to date and going forward pending disposal of the asset, and whether there was a follow up process to ensure the funds raised by the RHL were spent appropriately.

It was suggested that key issue for the project had been the need for more innovative dementia care in the area, and it was considered there was no reason why the work undertaken on this aspect could not be taken forward within the community by RHL with the support of local Members, in partnership and with other groups.

Following on from the above, it was explained that a Members workshop was being arranged to consider and review the CAT process within the terms of the legislation.

Thereafter, the Committee:

- i. **AGREED** to the withdrawal of offer for the land and property comprising the Raddery Wood and the Former Black Isle Education Centre, Raddery, the Black Isle, to Raddery House Ltd. based upon the terms of transfer as set out in the report to this Committee on the 29 January 2025;
- ii. **AGREED** to the process for disposal of the asset as set out in the report at paragraph 6.1; and
- iii. **NOTED** the consideration given to an alternative use of the asset by the Housing service as set out in the report at paragraph 6.5.

b) Fort Augustus Janitors House

There had been circulated Report No HP/08/26 by the Assistant Chief Executive – Place.

The Committee **AGREED** the sale of the land and property comprising the former Fort Augustus Janitors House to Fort Augustus and Glenmoriston Community Company for the sum of £70,000 based upon the terms of transfer as set out in section 6 of the report.

11. Delivery Plan Monitoring and Progress Update Q3 2025-26 – Reconfiguring our Asset Base; Net Zero, Energy, Investment and Innovation Plana Lìbhrigidh agus Aithisg Adhartais

There had been circulated Report No HP/09/26 by the Assistant Chief Executive – Place.

In discussion, Members raised the following main points:

- an assurance was sought and provided that both the overall costs and external funding opportunities were considered in terms of the decision to retrofit properties;

- the work of the Terra Tracker Team be commended and an assurance was sought and provided that options for the Team were being considered following the end of the pilot project;
- the need to take into consideration the whole of Ward 8: Dingwall and Seaforth in terms of the Single Public Estate project in Dingwall;
- an update was sought and provided on progress with the new Trades Framework and the slight delay in the procurement process, the intention being to have this in place for the Inner Moray Firth from Quarter 2, 2026, moving to a procurement process for the wider Highland area thereafter;
- the opportunities to improve the timelines for procurement for Housing and other Council services; and
- the challenges in achieving a balance in terms of the higher maintenance costs associated with the Council's substantial legacy of older buildings against the fact they tended to be heritage and listed buildings that communities wished to retain. Discussions on these buildings would be held with local Members as part of the area reviews.

Thereafter, the Committee **NOTED** progress to date and forward plans as outlined in the report.

12. Service Performance Report Cunntas às Ùr mun Sgrùdadh Coileanaidh

There had been circulated Report No HP/10/26 by the Assistant Chief Executive – Place.

The Committee:

- AGREED** the performance information for the Housing and Property Service;
- NOTED** the changes to presentation of the Housing and Property Service data in section 6 of the report in order to more clearly show alignment with Performance Plan commitments; and
- NOTED** the inclusion of SPI's out with the Performance Plan to further support transparency and scrutiny of performance reporting.

13. Housing Performance Report 1 April 2025 – 31 December 2025 Aithisg Choileanaidh Taigheadais 1 Giblean 2025 – 31 An Dubhlachd 2025

There had been circulated Report No HP/11/26 by the Assistant Chief Executive – Place.

In discussion, Members commended the Housing Team on the level of performance achieved.

The Committee **AGREED** the information provided on Housing performance in the period 1 April 2025 to 31 December 2025.

14. Exclusion of the Public
Às-dùnadh a' Phobail

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.

15. Property Transactions Monitoring
Aithisg Sgrùdaidh Ghnothachasan Seilbhe

There had been circulated to Members only Report No HP/12/26 by the Assistant Chief Executive – Place.

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

The meeting was closed at 12.50pm.