



Title of meeting: Housing and Preventing Homelessness

Date of meeting: 14th February 2022

Subject: COUNCIL HOUSING BUDGET 2022/23 - Charges for Garages and Parking Sites

Report by: Director of Housing - Neighbourhood and Building Services
Wayne Layton - Finance Manager

Report Authors:

Wards affected: All Wards

Key decision: Yes

Full Council decision: No

1. Purpose of report

- 1.1 The law requires that all income and expenditure relating to Council Housing is accounted for separately in the Housing Revenue Account (HRA). All other Council income and expenditure is accounted for together in a separate account called the General Fund. This report deals solely with the HRA.
- 1.2 The City Council has delegated the function of setting rents, charges and revenue budgets for Council Housing to the Cabinet Member for Housing and Preventing Homelessness. Following consultation with residents and leaseholders, this report seeks to address all HRA budget issues.
- 1.3 A report setting out the officer recommendations for rents and other charges was considered by the Cabinet Member for Housing and Preventing Homelessness on the 24th January 2022. The Cabinet Member decided the rent and other charges to be applied but asked officers to bring a further report for decision specifically for the garage and parking site charges. The Cabinet Member agreed the officer recommendation of a 3.1% increase for garage and parking charges as set out in appendix 9 of the 24th January 2022 report but was minded to consider additional increases where possible for garages and parking sites.
- 1.4 The purpose of this report is to seek the Cabinet Member's decision on the City Council Housing garage and parking site charges as set out in Appendix 9.



2. Recommendations

It is recommended that the Cabinet Member for Housing and Preventing Homelessness approves the following:

- (i) The Garages and Parking Site Rents for 2022/23, to be applied from the 28th March 2022, as shown in Appendix 9, be approved and authority to let garages and parking sites at reduced rents where demand is low be delegated to the Director of Housing, Neighbourhood and Building Services in consultation with the Director of Finance and Resources.

3. Garages and Parking Sites

- 3.1 The way that the HRA garages and parking sites are marketed and managed continues to evolve in response to changes in demand whilst maintaining the underlying Budget Principle to “get the best return possible from non-core activities”. The HRA parking charges remain competitive when compared to other parking providers on and off Island.
- 3.2 It is proposed that the 2022/23 budget continues to assist the marketing of the Park and Ride scheme, by offering 'local/non-local' parking rates. Whilst maintaining the ethos of charging more for high-demand areas, all parking spaces irrespective of location will be charged at two rates, a lower rate for those people who live near to where they park and a higher rate for those who do not. This aims to encourage those who drive into the city to consider using the Council’s Park and Ride facility when it is available.
- 3.3 The proposal to increase the cost of all parking and garage permits by 3.1% in 2022/23 was approved by the Cabinet Member on the 24th January 2022. The report proposes that for the Above ground parking sites (Non-Local) for Buckland, City South, Landport and Portsea will increase to £14 per week, and for Open air spaces (non-local) in City South to increase to £14 per week. Parking Charges for Non-Locals in Leigh Park and Paulsgrove will increase by 3.1% as the demand for parking there is weaker.
- 3.4 For Non-Locals further analysis has shown that despite the pandemic the demand for those spaces remains consistent and there continues to be a waiting list for garage and parking sites in general terms. Benchmarking the charge for Non-Locals) against the charge for park and ride has been used in considering the scope for an increase beyond the 3.1%.
- 3.5 A balance needs to be maintained to ensure that the charging levels remain competitive, and the income levels are where possible maintained. The housing garage and parking sites core purpose remains to provide a direct benefit to the tenants and leaseholders of the service and the proposed charge maintains a differential rate for tenants and leaseholders. Increasing the Non-Locals carries



some risk in the event that those currently holding licenses look to alternative arrangements however the risk is felt to be low given the current demand.

3.6 A summary of the proposed charges for next year can be found in Appendix 9. It is recommended that authority to let garages at reduced rents where demand is low be delegated to the Director of Housing, Neighbourhood and Building Services in consultation with the Director of Finance and Resources.

3.7 The amount of income that is currently generated in total from Garage and Parking sites held within the HRA is £1.97m. By increasing the charges by CPI will yield an increase in income of £61,000. A further increase above the 3.1% for Non-Local Parking will generate an additional £8,400, meaning Income from garages and parking will increase in total by £69,400.

4. Reasons for recommendations

4.1 The reason for the recommendation is to set Parking and Garage site parking to ensure that the Council get the best return possible from non-core activities held within the Housing Revenue Account, whilst also supporting other initiatives within the City.

5. Integrated impact assessment (IIA)

5.1 An integrated impact assessment has been completed and is attached at Appendix A.

5.2 The assessment identifies no negative impacts associated with any of the options outlined.

6. Legal Implications

6.1 The body of the report contains a discussion of the key legal issues, and the Council is empowered to approve the recommendations.

7. Director of Finance comments

7.1 The Director of Finance and Resources has been consulted and is in agreement with the recommendations to this report.

Signed by:

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James Hill – Director of Housing, Neighbourhood and Building Services

Appendices:

- 1 Council Housing Accounts – The Law
- 2 Budget Principles 2021/22 to 2024/25
- 9 Garages and Parking Sites Rents 2022/23
- A Integrated Impact Assessment (IIA)

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
1 Budget files	Property, Housing and Regeneration Finance
2 Rent standards for registered providers of social housing	Rent Standard and guidance - GOV.UK (www.gov.uk)
3 Social Housing Rents Regulations 2016	The Social Housing Rents (Exceptions and Miscellaneous Provisions) Regulations 2016 (legislation.gov.uk)
4 CPI Figure for September 2021	Consumer price inflation, UK - Office for National Statistics
5 UK government budget 2018	Budget 2018 - GOV.UK (www.gov.uk)
6 Insert 24 th Jan meeting reference	Link to report and decision

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by:

COUNCIL HOUSING ACCOUNTS - THE LAW

The Council Housing accounts are termed the "Housing Revenue Account" in the following notes. The rest of the City Council's accounts are termed the "General Fund".

LOCAL GOVERNMENT AND HOUSING ACT 1989

This Act has provided the main framework for Housing Finance since 1 April 1990. In summary the Housing Revenue Account provisions are as follows:

- 1 Local Housing Authorities must keep a separate Housing Revenue Account (HRA).
- 2 Amounts to be credited or debited to the Housing Revenue Account can only be in respect of items detailed in the Act or covered by regulations issued by the Secretary of State.
- 3 Budgets must be prepared each year for the Housing Revenue Account which will avoid a debit balance on the account. Action must be taken if in any year it appears a debit balance may arise.
- 4 An authority should maintain a separate Housing Repairs Account.
- 5 A transfer must be made between the General Fund and the Housing Revenue Account in respect of amenities provided by the Housing Revenue Account but shared by the whole community.
- 6 With the exception of 5 above no contribution can be made by the General Fund to the Housing Revenue Account except for certain items detailed in regulations issued by the Secretary of State.

In addition, the Act provides the main framework for the Capital Finance of Local Authorities

LEASEHOLD REFORM, HOUSING & URBAN DEVELOPMENT ACT 1993

The above Act came into force in 1993 and gave Housing Authorities the power to provide Welfare Services and to account for them within either the Housing Revenue Account or the General Fund at the Authorities discretion.

The Act also gave the Secretary of State wide powers to amend this provision and regulations have been made which prevent "personal services" such as regular feeding or bathing or cooking of meals from being accounted for within the Housing Revenue Account. Accordingly, the net costs relating to the element of personal services provided by staff in sheltered accommodation are funded by the General Fund.

BUDGET PRINCIPLES 2021/22 to 2024/25

Budgets to be driven by PCC Strategies to meet Corporate Priorities with particular emphasis on all forms of regeneration and creation of sustainable communities to achieve safe, secure, independent and healthy living for our residents, tenants & leaseholders with increased economic well-being, including the following:

- Offering access to respite care and other support for carers and service users
- Assessing individuals' needs and developing care/support to those needs
- Contributing to effective rehabilitation for people leaving hospital
- Enabling and contributing to the provision of good quality low cost homes with well-planned infrastructure
- Delivering and promoting high quality house design combined with exceptional environmental performance.
- Tackling fuel poverty
- Working to reduce carbon emissions and to eliminate negative environmental impacts from all areas of work.

Budgets to be prepared in consultation with residents, tenants & leaseholders & reflect their views

Balanced budgets to be prepared for a minimum 3 years for revenue budgets & 5 years for capital budgets

Work with suppliers & partners, particularly the Health Service, to try & co-ordinate services in the best interests of residents, tenants & leaseholders.

Support effective preventive measures wherever possible.

Maintain and improve homes by:

- Tackling disrepair in private housing to ensure vulnerable people are housed in decent homes.
- Reducing the number of unfit and inaccessible private sector homes
- Maintaining the cycle of planned external inspection & repair of council dwellings.
- Improving the quality of council dwellings and maintaining decent homes.
- Working towards a "Decent Environment" for all council dwellings.
- Improving energy efficiency and opportunities for microgeneration.

- Encouraging the reduction, reuse and recycling of materials.

Maintain high management standards for council dwellings.

To set rents, charges and Council Tax charges that avoid any unreasonable burden, and remain in accordance with Government Policy.

Get the best return possible from non-core activities i.e. provision of garages and parking.

Achieve continuous improvement through systems thinking methods, designing services against customer demand.

Comply with the law.