



**Melton
Borough
Council**

Garage Allocations & Arrears Policy

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1. Policy Principles

Melton Borough Council (MBC) owns several garage sites across the borough which provides a rental income.

The letting of our garages is managed by our Tenancy Services Team who also have responsibility for collecting the rent, chasing debts, and repossessing garages when necessary.

There are variable rent charges for both garages which are reviewed annually.

2. Summary

2.1 Aims

The aim of the policy is to:

1. Set out the allocation priority for council garages to ensure this is applied consistently and fairly.
2. Defines the way that MBC will tackle customers who hold a license for these units and who fall into arrears. We will always look to offer a fair and balanced approach to the collection of our income and ensure that early intervention measures are adopted in all instances.

3.0 Allocations

3.1 Garages

3.1.1 Where there is more than one applicant Council garages will be allocated in the following priority order:

- **Priority 1** Disabled applicants with restricted mobility (blue badge holder/in receipt of higher rate component of DLA), regardless of whether they are a council tenant or private householder applying for their first garage or transferring from an existing garage.
- **Priority 2** MBC tenants and leaseholders applying for their first garage or transferring from an existing garage (without any rent or service charge arrears)
- **Priority 3** Non-tenants/Leaseholders (VAT charged)
- **Priority 4** Anyone applying for a second or subsequent garage

3.1.2 Where there is more than one applicant in a priority group, the application date will be used to determine the allocation.

3.1.3 Excluded categories:

- Council tenants and leaseholders will not be allocated a garage if they have arrears of rent or service charges for a property or current garage.
- Anyone with a Former Tenant Arrear for a previous garage or debts outstanding with MBC.

3.1.4 In exceptional circumstances and following approval from the Tenancy Services Manager, the Council reserves the right to allocate garages outside of the priority groups listed.

3.1.5 The term “disabled applicant” means that either the applicant or a member of their household is in receipt of attendance allowance or in receipt of the higher rate mobility component DLA.

3.1.6 Disabled applicants are given priority for the following reasons:

- If they are not given a high priority, in areas of high demand, they are less likely to be allocated a garage near to their home.
- If a disabled person’s car is stolen or damaged, the impact on that person is likely to be greater than for an able-bodied person.

3.1.7 Council tenants and leaseholders are given priority for the following reasons:

- Council garages were originally built for use by council tenants living in the vicinity.
- They are maintained at the expense of the Housing Revenue Account, and the rents are low.
- Tenants living in social housing are less likely to be able to afford to rent a garage in the private sector.

4 Arrears Collection

4.1 Garages are let in accordance with the Council’s garage Licence conditions.

4.2 Garages may be used for storage in accordance with the Council’s garage licence agreement conditions with the tenant responsible for taking their own insurance to cover their possessions.

- 4.3 All new garage tenants are required to pay 4 weeks rent in advance. VAT is payable on any garage let to anyone other than a council housing tenant who rents the garage in connection with the occupation of their home and is payable by a council housing tenant if they use the garage solely for storage.
- 4.4 Garage rents must be paid by Direct Debit (for new lettings with effect from April 2023) and any council tenant in rent arrears on their property will be refused a garage on these grounds.
- 4.6 If the rent is not paid on a garage then a warning letter will be sent to the customer to make them aware of the debt outstanding.
- 4.7 If the account is not cleared, contact will be made to discuss the circumstances and to either arrange for the debt to be cleared in full or an arrangement to be put in place to clear the debt.
- 4.8 If a satisfactory outcome cannot be agreed (or any arrangement subsequently broken) a final warning letter will be sent informing the customer to clear the debt within 14 days.
- 4.9 If the debt is not cleared in this time, then a Notice to Quit (NTQ) will be served and the licence ended on the expiry of the NTQ providing the customer has not cleared the debt in full.
- 4.10 When the NTQ is served a section 41 local government (miscellaneous provisions) act 1982 notice will be served in case any goods or possessions are left in the garage, giving 28 days to clear the items.

If, on expiry of the notice, the items have not been cleared MBC will dispose of them and recover the costs of disposal as an additional recharge. If there are items of value we may sell the belongings to cover the cost of the debt.

- 4.11 Should the tenant make contact and wish to continue renting the garage after the locks have been changed there will be an additional charge for the lock change and an administration charge of £25 alongside the arrears being cleared in full before the request is granted. The decision will be at the discretion of the Tenancy Service Manager.

5.0 Monitoring, Evaluation, Delegation and Review

The Assistant Director of Housing Management is responsible for monitoring the implementation of this policy.

This policy will be reviewed every three years. In addition, it will be reviewed:

- Following information/ suggestions that the policy is not effective.
- To reflect any service enhancements; and/ or,
- Following the introduction of any relevant new legislation, regulations, or guidelines.

The Tenancy Services Manager has the delegated responsibility for decision making in cases where there are exceptional circumstances.

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