

3rd July 2018

Community, Health & Housing Committee

Housing Garage Sites Report 2018

Report of: *Angela Abbott, Interim Head of Housing*

Wards Affected: *All*

This report is: *Public*

1. Executive Summary

- 1.1 Housing Services is currently reviewing usage of Council-owned Housing Revenue Account ('HRA') garage sites across the entire estate. The review is focussing on anti-social behaviour hotspots ('ASB') and garage account arrears.
- 1.2 This report sets out the background and recommendation for Committee to direct a formal scoping exercise in relation to the above. A formal exercise will allow for a more focussed, systemic and transparent approach to service provision and revenue protection.

2. Recommendation(s)

- 2.1 **That Housing Services undertakes a formal scoping exercise for a full report to be submitted to the next Community, Health and Housing Committee.**
- 2.2 **That the Committee formally notes the statistical headline data relating to garage sites (Appendix A).**

3. Introduction and Background

A recent informal review of garage sites has principally focussed on a desktop analysis of occupancy rates and void loss (see Appendix A). The key purpose has been to identify sites which may be developed according to a new strategic approach for asset management. The primary methodology has focussed on garage sites in terms of:

- Size (of each combined site)

- Occupancy (i.e. active tenancies)
- Anti-social behaviour activity (in immediate and proximate geographical areas)

The informal review has provided additional opportunities to identify ASB, allowing it to be tackled through existing mechanisms. Such ASB includes but is not limited to: fly-tipping, nuisance youths and fires. Further development of ASB-prevention and relief mechanisms are still required however.

The overall number of HRA garages in the Borough are 1103, of which 301 have been 'void' (empty) during 2018. This reflects an approximate 27% void rate across the garage estate. Projected annual loss of income pertaining to void garages for 2018-19 (based on Quarter 1 figures) will be in excess of £149,556.00.

72 garages with active tenancies (6% of the estate) have a minimum of two-weeks arrears. Even low-level arrears collection requires additional focus to protect the revenue stream, and as such prove less economically viable.

An additional 76 garages (6% of the estate) have historically been utilised by Housing Services and other Council departments ('indirect use'). For example, for the interim storage of former-tenant possessions following eviction. Such usage has not effectively been reviewed for a considerable time, particularly in terms of cost-efficiency. It also reflects a higher headline occupancy rate, which is not reflective of public demand.

Individual garages are currently being inspected to determine whether they are required for ongoing indirect use. If it is assessed that they are not then, dependant on the site, a decision will need to be made whether they can be returned to active use or de-commissioned.

Some sites across the garage estate are in a poor state of repair and are deemed not fit for purpose to store a modern car, given the increase in average dimensions of modern vehicles. It is believed, although not yet fully evidenced, that the majority of current tenancies are for storage and not parking; which has extended implications for local parking in terms of current provision and future development potential.

A costing exercise was previously conducted to consider an average refurbishment or replacement cost (see table below). It was determined that it would not be economically viable to build new garages unless there is a significant level of demand. Whilst the repair of the garages would be at a lesser cost, either option would result in the requirement to significantly increase rental charges across the entire garage estate.

To build new garages (per garage)	Cost	Weekly amount based on 5-year plan	Total weekly rent for Council Tenants until 31 st March 2018	Total weekly rent for non-Council Tenants until 31 st March 2018
Cost to build new	14400			
Provisional Cost Sum for demolition and site preparation	4000			
Total	18400	£71	£79.23	£82.07
Refurbishment of existing garages (per garage)				
Asbestos survey & removal	2600			
Provisional Cost sum for concrete repairs	750			
Drainage	500			
New roof	1530			
PC sum for Surface/Boundary treatment	1500			
Total	6880	£26	£34.23	£37.07

Issues, Options and Analysis of Options:

Effective management of the garage estates is required for current and future residents of the Borough, including both tenants and private home owners.

Historically the garage estate has not been a key focus and has now created both problems and opportunities for service provision.

Problems as identified above principally concern ASB and revenue loss.

Opportunities include the improvement of the garage estates for all concerned, focussing on maximising what can be done with each individual site.

Options for developing the garage sites may include development for construction of new dwellings. Further and in the alternative differing parking options, including parking bays, and an effective increase in parking provision may be possible.

Some sites could be developed into housing through utilising a variety of construction methods. Such methods may include standard or non-standard housing. For example, modular housing (where contextually appropriate) could be tested as part of wider corporate development management.

Prior to the above being considered a formal exercise would start to highlight key issues and concerns yet allow for more detailed analysis and focus.

Option 1: Implementation of a formal scoping exercise:

Implementing the exercise will allow for:

- Transparency, particularly for customers
- Tailored-service provision
- Economic focus
- Future affordable housing and development enablement

Option 2: Non-Implementation of formal scoping exercise:

Non-implementation will potentially:

- Fail to advance Corporate priorities
- provision
- Fail to provide a strategic approach to ASB within the garage estates
- Maintain an inefficient system of void-loss and fail to adequately protect revenue streams/asset-management.

Reasons for Recommendation:

Option 1 is recommended as the most transparent for the Council and fully supports existing ASB and income-protection strategies. It will allow for a more detailed assessment of how garage sites can be utilised to maximise opportunities for asset development, parking and housing across the Borough.

The scoping exercise will feed into current specific site developments, as well as the wider corporate asset work being undertaken as part of the wholly-owned company (Seven Arches Investments Limited) and Joint Venture Partnership.

Taking no further action will fail to advance corporate priorities and would be counter to our modernisation programme.

Consultation

None.

References to Corporate Plan

The Council's Corporate Plan aims to:

- To deliver safe and comfortable homes which are efficient and sustainable.
- Manage our stock to recognise the limited resources available and supporting those in greatest need.

- Review the future delivery of housing services to provide the best outcomes for Brentwood residents.
- Work with partners to reduce anti-social behaviour and ensure that Brentwood is a safe place to live.
- Consider how Council assets can be utilised to promote sustainable development in the Borough.
- Maximise Council assets to deliver corporate objectives and ensure community benefit.

Through implementing cost-efficient garage estate management, and by adopting a more rigorous and strategic approach, each of the aims listed above can be achieved.

Implications

Financial Implications

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Financial implications have been set out in the body of the report. By implementing a formal scoping exercise, this will identify potential issues and address in more detail the areas of revenue loss, which could enforce the commercial activity the Council is undertaking.

Legal Implications

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The purpose of this report is to undertake a formal scoping exercise in relation to reviewing usage of Council-owned Housing Revenue Account garage sites across the entire estate. Other than the need to ensure that any scoping exercise is undertaken in accordance with the Council's standing orders there are no other legal implications arising from the recommendation within this report.

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

None.

Background Papers (include their location and identify whether any are exempt or protected by copyright)

None.

Appendices to this report

Appendix A - Garage Site Statistical Information

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