REPORT FOR: Tenants', Leaseholders'

and Residents'

Consultative Forum

Date of Meeting: 31 January 2013

Subject: Garage Strategy Update

INFORMATION REPORT

Responsible Officer: Lynne Pennington

Director of Housing

Exempt: No

Enclosures: Appendix 1 - Garage Sites with Potential

for the Development of Affordable Housing

Section 1 – Summary

This report provides an update on the progress of the Garage Strategy from July 2012 to date.

FOR INFORMATION



Section 2 – Report

2. Introduction

- **2.1** A report was presented to TLRCF in July 2012, describing the position in relation to the garages on council owned housing estates and setting out the aims and objectives of the Garage Strategy (see paragraph 4. below). A Garage Strategy Steering Group was also set up, attended by Councillor Currie and Councillor Bath, council officers and tenant representatives to take the Strategy forward and identify options to make better use of the garage sites, with the main objective of developing affordable housing, and the secondary objective of increasing rental income to support the Housing Revenue Account (HRA).
- 2.2 There are 69 individual garage blocks, located over 60 council owned estates in the borough (some estates having more than one garage block, such as Brookside Close). Since the July report, visits to all of the individual garage blocks have been systematically carried out by Councillor Currie, Councillor Bath and a Housing officer, continuing over a number of months. During these visits the development potential of each garage block site has been considered, and void garages have been unlocked and inspected. During these site visits a number of issues were identified regarding the condition, current use and potential future use of the garage sites. In addition, pre application advice on the development potential of sites has also been obtained from a Planning Officer.

3. Background

- **3.1** We have a total of 959 garages and carports which are available for rent by tenants and leaseholders on the surrounding estate, or the general public. We also have a handful of sites where some garages have been demolished and the site remains vacant.
- **3.2** Currently, garages must only be used to park roadworthy vehicles which are used on a regular basis, and are not allowed to be used for storage or commercial enterprises.
- **3.3** At the moment, approximately 400 of the 959 garages are let. We have 524 void garages and 35 in use by Housing Services for storage. Of the 524 void garages, only 162 are currently in lettable condition. The remainder are in need of either clearance or some level of repair before they can be let. Some are boarded up or have had their doors removed to prevent anti social behaviour.
- **3.4** At the moment we do not have sufficient demand for garages to let all the lettable 162 void garages. Enquiries regarding the renting of a garage are intermittent and some potential lets fall through due to the poor condition of the garage offered. 32 estates have a waiting list for their garages, but typically only 1, occasionally 2, person(s) are on the list for each estate. In total, 50 people are currently on the waiting lists but outstanding repairs or other issues prevent the letting of a garage to them.

- **3.5** In terms of clearance and repairs to garages, Housing has targeted sites were there is a demand (i.e. someone requesting to rent an individual garage) and no money has been spent on clearing garages where there is no demand. Repairs have mainly been confined to health & safety issues. This has led to problems with anti-social behaviour on garage sites, including fires being lit at Augustine Road and The Middle Way, and to significant number of void garages (at least 93) having rubbish in them which has to be cleared before any letting is possible.
- **3.6** Site visits to all 69 garage block sites have been undertaken by Councillor Currie and Councillor Bath, accompanied by an officer from Housing. As well as considering the potential for development of affordable housing, Councillors have identified other issues with the garages, including:
 - fly tipping in void garages and on garage forecourts;
 - vandalism;
 - broken locks and keys that do not fit locks;
 - issues of access to neighbouring properties over garage forecourts (permitted or otherwise);
 - evidence that some garages are too small to use for their permitted use of garaging a vehicle;
 - possible illegal structures adjoining garage areas, details of which have been passed to Planning Enforcement for investigation;
 - issues of clearance of void garages which are preventing further letting;
 - repairs and maintenance issues;
 - evidence that a number of void garages are being used for storage without the payment of rent. There are some indications that some are used for running a business or for storing items connected with running a business;
 - anti social behaviour issues.

4. Objectives of the Garage Strategy

- To determine which garage sites have development potential;
- To determine which garage sites that do not have development potential to invest in to increase lettings and therefore increase income to the HRA;
- To determine the future of any garage sites that have neither development potential or demand to be let as garages;
- To consider future investment needed in remaining garage stock to maximise income generation over the next few years;
- To consider whether market research would assist with implementation of the strategy and the strategic decisions to be made;

- To review garage rent levels, and determine rental strategy for the HRA business plan;
- To consider further marketing opportunities, change of lettings policy etc to maximise income from any retained garages.

5. Progress against the objectives of the Garage Strategy

Objective 1 - To determine which garage sites have development potential

- **5.1** Site visits by Councillors to all garage sites have identified garage blocks that could potentially be suitable for the development of affordable housing. In addition, pre application advice has been obtained from a Planning officer who has visited 44 specified locations. The Planning officer has advised on the development potential for affordable housing, based on site size, layout, orientation and relationship to the surrounding area, in the context of current Planning requirements.
- **5.2** Appendix 1 gives a list of 36 garage block sites that are considered to have development potential for affordable housing and has been signed off by the Garage Strategy Steering Group. The number of potential units in the table in Appendix 1 totals 107. This is an estimate for indicative purposes only and is based on assessment during site visits of the provision of family sized houses (3 bed plus), unless flats are proposed. Numbers of units will be confirmed in the design and Planning processes.
- **5.3** Further feasibility studies on these sites are required to identify currently unknown barriers to development, such as underground service pipes or Tree Preservation Orders, and to identify options for delivery of housing on appropriate sites.
- **5.4** In order to progress the feasibility studies, the list of garage sites with development potential has been passed to a specialist housing and finance consultancy for inclusion in an analysis of options for the development of affordable housing in Harrow. This analysis takes a comprehensive view of the delivery of housing, either on individual garage sites, or over wider areas which include garage sites. The initial results of the analysis are expected in February 2013, enabling a decision to be made on prioritising sites that can go forward for individual or larger scale development.
- **5.5** In addition to the garage sites, nine areas of vacant land on council housing estates have been identified as worthy of investigation for development potential. These additional sites have also been included in information passed to the specialist consultancy for investigation as part of the development options analysis.

The Mayor's Housing Covenant

5.6 Housing has submitted a bid to the GLA under the Mayor's Housing Covenant for funding to develop 10 x 3 bed low cost home ownership properties to be ring fenced for purchase by existing council tenants. The aim of this project is to enable existing tenants to move to home ownership, free up existing social properties for reallocation and to offer opportunities for the

participating tenants to develop savings plans and contribute to the design and build process. These properties will be developed on a number of the sites listed in Appendix 1. The results of Harrow's bid will be available from February 2013, when allocations are expected to be announced.

Objective 2 - To determine which garage sites that do not have development potential to invest in to increase lettings and therefore increase income to the HRA

- **5.7** The Garage Strategy Steering Group has identified 10 garage sites that are possible candidates for repair and letting, based on the following criteria:
 - Sites with no development potential;
 - Sites with voids which could attract additional income if repairs were to be carried out (i.e. repairs are not being considered for sites that are fully let already);
 - Sites with a waiting list for letting, particularly where repairs issues are preventing letting;
 - Sites where repair costs are likely to be reasonable and represent value for money.
- **5.8** Waiting lists are normally only composed of 1 or 2 names but there are multiple void garages on some of the sites. The sites for potential repair have therefore been cross referenced against the following criteria to maximise letting potential following repair:
 - Sites known to have been historically popular for letting;
 - Sites where there is potential for demand for letting e.g. in areas where the streets are heavily parked, near stations, behind shops;
- **5.9** The estimated cost of repair for these 10 garage sites is currently being validated by individual site surveys, carried out by Asset Management's Stock Condition Surveyor, who is aiming to complete surveys of the 10 sites by the end of January 2013
- **5.10** The Garage Strategy Steering Group has approved the principle that any repairs to garages should pay back from additional income in years 1-5. The final decision as to which garages to programme for repair in 2013/14 will be taken at the Garage Strategy Steering Group meeting in February, once costs of repair have been validated by Asset Management. Councillor Currie has requested that the £60,000 garage repair budget for 2012/13 be rolled over to 2013/14 so that a fully informed decision on repairs can be taken.
- **5.11** Councillor site visits and the Garage Strategy Steering Group have identified a number of factors affecting the repair and subsequent letting of garages:
 - Size of garages. Some garages may be too small for the permitted use of parking a car.
 - A significant number of void garages have rubbish in them which would need to be cleared either as part of, or separate to, a repairs programme;

- Investment in garage repairs should be targeted to enable payback from additional income within a 5 year timescale;
- Repaired garages would need to be properly marketed at a competitive rent level and managed effectively;
- Access to some garages is obstructed by cars being parked on the garage forecourt and in front of garage doors, effectively preventing letting.

Anti social behaviour (ASB)

5.12 Whilst a handful of garages have had incidents of anti social behaviour in the past, the garages at Augustine Way and The Middle Way have suffered repeated ASB issues. Garages at The Middle Way have been gated and boarded off to prevent access to the garage site. There are 3 individual blocks of garages at Augustine Road, one of which suffers the worst ASB, leading to a number of garage doors being removed recently to prevent the garages being used as 'dens'. Asset Management and Resident Services will work together to consider options to prevent further ASB on this site. This will include consultation with local residents

Objective 3 - To determine the future of any garage sites that have neither development potential nor demand to be let as garages

- **5.13** There are 23 individual garage blocks that have no development potential or have low letting potential if repaired and the next step in the Garage Strategy is to explore options for the future use of these sites, as well as addressing the remaining objectives in the Garage Strategy. A revised action plan is now being drafted to address the outstanding objectives.
- **5.14** Councillors and members of the Garage Strategy Steering Group have identified several factors affecting options for the future use of garage sites:
 - Planning permission is required for a change of use e.g. to storage use, and there may be Planning issues to overcome relating to the loss of the garages / parking provision if an alternative use was proposed;
 - External funding (e.g. lottery funding) may be available to provide community facilities;
 - Any alternative use, such as community gardens, should not attract or encourage ASB;
 - Management and maintenance costs will need to be considered for alternative uses;
 - In some heavily parked areas, garage sites could be demolished to provide extra parking areas, although the cost of demolition can be high because of the cost of asbestos management during the demolition process;
 - Full consultation would be undertaken on proposed future use of garage sites so that estate tenants, leaseholders and residents are fully informed and can assist in the decision making process.

Section 6 – Financial Implications

- **6.1** If all of the garages were let, this would generate a gross annual income of some £684,000. However, given the level of voids and use for storage, the annual budgeted income to the HRA for 2012-13 is reduced to around £341k excluding VAT.
- **6.2** The Council needs to ensure that its assets are maintained and used in a way that enables income to be maximised where possible. Apart from the £61,500 set aside in the 2013/14 capital programme there is no other budget identified to tackle the current problems with the garages. Any expenditure in future years, including repair of garages, demolition and development of sites, would have to be included in the HRA business plan and taken into account in the setting of future years budgets. It is not clear at this stage whether the expenditure will be revenue or capital in nature, until the specifications of works are fully developed.
- **6.3** Any plans to reduce the number of garages is likely to have a negative impact on the current surplus generated to the HRA from garage lets, as any decisions taken will affect blocks, rather than individual garages. However, the creation of more rental demand, coupled with a more commercialised approach to the use and management of garages, may mitigate this impact. At this stage, it is not possible to quantify the impact to the HRA of this project, although this will be identified going forward and be taken into account in the decision making process.
- **6.4** If we make the decision to develop the garage sites for affordable housing we would have to identify how we would do this and the funding we would require. It is possible that development options could result in an increased number of dwellings therefore generating additional income for the HRA. The development options appraisal currently being carried out will inform this process. Similarly, other funding requirements will be reviewed and agreed as the project progresses.

Section 7 - Equalities implications

7.1 The Garage Strategy is concerned with making the best use of Council assets and we have not identified a need to do an Equalities Impact Assessment at this stage, as we are not changing the service to garage tenants. However, this will be reviewed as the project progresses.

Section 8 – Corporate Priorities

- **8.1** Improving the use and availability of garages for rent that are in a good state of repair, developing additional affordable housing and improving facilities on housing estates would all contribute to the corporate priorities of:
 - Keeping neighbourhoods clean, green and safe
 - United and involved communities: a Council that listens and leads
 - Supporting and protecting people who are most in need

Name: Donna Edwards	 behalf of the ief Financial Officer
Date: 25 January 2013	

Section 9 - Contact Details and Background Papers Contact:

Elaine Slowe **Enabling Manager Housing Service** Communities, Health and Wellbeing Elaine.slowe@harrow.gov.uk 020 8420 9229

Background Papers:

Appendix 1 – Garage sites with potential for the development of affordable housing

Appendix 1 Garage sites with potential for the development of affordable housing

Note- not all garage blocks on individual estates will have development potential. Garages are therefore listed below by garage numbers for identification purposes.

Garage Nos.	Address	Count	Voids	Waiting list	Potential unit type	No. of potential units
12 -17	Allerford Court	6	0	0	House	4
6 - 10	Antoneys Close	5	2	0	House	1
11 - 16	Antoneys Close	6	3	0	House	1
1-11	Apsley Close	11	4	0	House	1
1 - 16	Atherton Place	16	5	0	House	2
1 - 14	Bernays Close	14	8	1	House	1
16 - 26	Brookside Close	11	5	0	Bungalows	2
1 - 22	Buckingham Road	22	14	1	Flats	10
62 - 75	Charles Crescent	14	9	2	House	4
53 - 61	Charles Crescent	9	6	0	House	1
1 - 23	Chichester Court	23	12	0	Flats	18
102 - 113	Deacons Close	12	8	1	6 flats and 3 houses	9
1 - 19	Downing Close	19	12	0	House	1
1 - 4	Eastcote Lane	4	0	3	Flats	4
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2 - 17	Eaton Close	16	11	0	House	1

Garage Nos.	Address	Count	Voids	Waiting list	Potential unit type	No. of potential units
11 -1 2	Ellement Close	2	0	2	House	1
1 - 10	Ellement Close	10	7	0	house	1
1 - 11	Grove Avenue	11	8	0	Houses	3
1 - 21	Hazeldene Drive	21	6	1	House	2
117 - 123	Howards Close	7	6	0	House	6
30 - 83	Hutton Lane	54	35	0	House	4
100 - 115	Juxon Close	16	5	0	House	2
1 -27	Kenton Lane	27	15	1	House	1
1 – 6	Latimer Close	6	2	0	House	1
1 - 14	Masefield - Chenduit Way (demolished)	0	0	n/a	House	5
15 - 35	Masefield Avenue (site swap to reprovide play area	21	14	2	n/a	0
1 - 8	Milman Close	8	5	1	House	1
tbc	Nelson Road	16	3	1	House	1
1 - 16	Pinewood Close	16	6	0	House	1
1 - 13	Sandymount Avenue	13	2	0	House	1
1 – 10	Silverdale Close	10	6	1	House	1

Garage Nos.	Address	Count	Voids	Waiting list	Potential unit type	No. of potential units
	Stonograva					
1 - 8	Stonegrove Gardens	8	3	0	House	1
5 - 52	Stuart Avenue	48	28	0	House	8
1 -4	Stuart Avenue	4 demoli shed	n/a	0	House	2
1 -4	Stuart Avenue	Sileu	II/a	0	House	
20 - 23	The Heights	4	0	0	Flats	4
9 - 27	Westbere Drive	19	10	0	House	1
					Total estimated potential units	107