

Report of: Head of Oxford City Homes

To: Executive Board

Date: 18th June 2007

Item No:

Title of Report : City Wide Garage Review

Summary and Recommendations

Purpose of report: To inform the Executive Board of the pro[bl]ems/current position of garage blocks citywide and to make recommendations regarding the future of certain sites and a change in policy.

Key decision: Yes

Portfolio Holder: Councillor Patrick Murray

Scrutiny Responsibility: Housing

Ward(s) affected: All Wards

Report Approved by

Portfolio Holder: Councillor Patrick Murray

Legal Services: Jeremy King

Finance: David Higgins

Oxford City Homes Business Manager: Graham Bourton

Strategic Director: Michael Lawrence

Policy Framework: To achieve value for money and improve the environment in which we live.

Recommendation(s):

1. That the Executive Board gives approval for officers to explore development options for Category 4 garage sites.
2. That the Executive Board gives approval to the proposed new garage agreement attached as an appendix and implements the change as outlined in paragraph 20 of this report.

Background

1. On 13th July 2006 the Housing Advisory Board recommended that a full review of all remaining Housing Revenue Account (HRA) garage sites should be resourced and actioned.
2. On 13th July 2006 Housing Advisory Board agreed £40K. for the demolition of identified garage sites. These demolitions have been carried out.
3. On 6th February 2007 Housing Advisory Board were presented with the details of garage blocks in phases 1 & 2 of the redevelopment of garage sites by Warden Housing Association. These sites have been excluded from this report.
4. Officers were instructed to carry out a complete review of all remaining HRA garage sites. The project rationale and specifics were identified as follows: -
 1. To carry out a review of all garage blocks as part of the HRA Asset Management Plan.
 2. To carry out an external stock condition survey of all garage block sites.
 3. To establish the current usage of the garage sites.
 4. To categorise the remaining garage blocks. (Weighted review)

Categorisation.

5. Officers have carried out an extensive external stock condition survey of all garages sites. All sites were individually visited; no cloning of information took place. Following the surveys, each garage site was categorised on a scale of 1 to 4. (4 being the worst).
6. The categorisation was determined by the following factors being on a scale of 1 to 10 (1 being low)
 - Repair condition of each garage block.
 - The condition of doors and roofs
 - Lighting and security of the site
 - Drainage and rainwater provision
 - Volume of void garages
 - Demand for garages in that area.
 - Level of anti-social behaviour

The totalling of the factors determined a category, the table below explains what each categorisation represents.

Category	Criteria
Cat 1	Stock in good condition primarily let with only minor repair issues.
Cat 2	Stock in fairly good condition, with some repair issues, which can be contained within existing budgetary provision.
Cat 3	Stock that requires major repairs for which there is no current budgetary provision to bring to a lettable standard. Major investment that could be offset by the sales of the category 4 sites.
Cat 4	Stock in poor condition, that cannot be let. These sites need to be considered for demolition and/or development and will be brought in future reports subject to approval by the Strategic Director of Housing Health & Community.

7. There were 2140 garages inspected and categorised under this review.

8. The split of the categorisation is as follows:-

- Cat 1 = 1238
- Cat 2 = 692
- Cat 3 = 117
- Cat 4 = 93

Category 4 Sites

Site Address	Number of garages
Iffley Road	56
Masons Road	9
Southfield Park 413-418	16
Vicarage Road	2
Knights Road	4
High Cross Way	6

9. Officers then carried out an intensive inspection of all lettable void garages. These were checked internally for any clearance, repairs or storage. Repairs and clearance have been carried out and garages were let in areas of high demand or where waiting lists existed. No extensive repairs were undertaken in an area of low demand.

10. A thorough systems interrogation and house keeping exercise also took place to ensure that all data relating to garages were up to date and correct so that there is an absolute understanding of the garages throughout the city.

11. There has been a proactive role within the department to actively rent out the ready to let garages, which has almost exhausted the eligible waiting list.
12. There have been 70 garage lets with an additional weekly income of £700.00.
13. There are currently 117 persons on the waiting list for garages of which 29 are not currently eligible due to rent arrears.
14. A further large advertising campaign is due, to allow further letting to take place to persons that may or may not be aware of the availability of council garages. Officers are now actively advertising available garages to both tenants and residents of the city.
15. A further visit was also made by officers with the Asset Manager to understand whether or not the sites identified, as category 4, would be suitable for development or sale.

Change of Use

16. A review of the current garage agreement has identified the need for a complete update. For example, the current agreement states that garages are designated for the storage of vehicles only, however, in the past, the Council has allowed the use of a number of HRA garages for other purposes. In Southfield Park for instance, tenants and leaseholders are given permission to use 6 nominated garages for storage of their bicycles, as they have no shed provision. Other issues that it fails to address are: -
 - a) At present it cannot be varied, only terminated and replaced with the new one. It does not provide for rent increases.
 - b) It provides for weekly rather than monthly payments thus precluding direct debits and making it costly to administer.
 - c) It purports to grant a tenancy when in law we are only granting a licence.
 - d) It does not deal with VAT.
 - e) It is very poor on notice procedures, it says the agreement will not be terminated until keys are returned, what if keys are not returned, can we never terminate an agreement.
 - f) A garage holder only has to give Oxford City Council 1 weeks notice.
 - g) It does not adequately define what the licensee can and cannot do.

- 17 Oxford City Homes also use garages around the city for the safe storage of evicted tenants belongings for later collection or disposal. There are currently 100 garages being used for this and similar purposes where no rents are charged.
- 18 Garages are also let to other Council departments for storage of materials and motor vehicles in various locations throughout the city to aid service delivery.
- 19 As a consequence, we are carrying out a risk assessment and should the Executive Board agree the change of use the tenancy agreement would have to be amended as per point 26 (Legal Implications).
- 20 To address the problems of the current garage agreement detailed in paragraph 16 above, work has been undertaken with our legal team to produce a new agreement that is fit for purpose. This proposed new agreement is attached as an appendix to this report. It is proposed that this new agreement should apply to all new garage tenancies let from the 1st July 2007. Since this is a completely new agreement, all existing garage holders need to be issued with the new agreement and it is proposed to issue the new agreement to existing garage holders between 1st July and 30th September 2007.

Financial Implications

- 21 No additional staffing costs are involved in undertaking work associated with the management of the garages.
- 22 The rental income that could be generated by the letting of the void Category 3 garages is £1300.00 per week.
- 23 The cost of bringing the category 3 garage sites up to a decent state of repair to allow them to be let could be cost neutral if it is agreed to fund those works from the assets received as a result of the disposal of sites. In addition increased rental income would occur, as sites would be desirable to let for use of motor vehicles and safe storage. However the backlog of refurbishment and repairs of these blocks is estimated to be £400,000.00
- 24 The cost of possible demolition of the Cat 4 sites could be offset by the sale of other sites for development, but these details would be presented to the Executive Board in future reports which would detail individual sites.
- 25 The costs associated with notifying garage holders of the changes to their licence conditions will be met from existing budgets.

Conclusion

- 26 That the Executive Board gives in approval for officers to explore development options for Category 4 sites and also gives approval to the proposed new garage agreement.

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