


# **HRA Garage Management Strategy**

9 February 2022

Policy Owner: Director of People and Place

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## 1. Introduction

The Housing Revenue Account (HRA) has an extensive portfolio of garages, originally built for the benefit of its housing tenants to support the housing functions of the HRA. The council must make the most of all HRA assets, including garages, to ensure that they help to deliver strategic outcomes, meet the operational requirements of the Housing Service, contribute to the quality of life for the HRA's tenants and neighbours, are fit for purpose and are a positive financial benefit to the HRA. This strategy was adopted on 9 February 2022.

## 2. Purpose

The purpose of this document is to explain the council's strategic approach to the HRA's garage assets. It is part of a framework of strategies, policies and processes dealing with various aspects of managing and investing in HRA assets.

## 3. Aims

This document is a strategic plan to:

- Ensure that the council's HRA garage assets are managed so that they are;
  - Fit for purpose,
  - Enhance the quality of life in local neighbourhoods and
  - Make a positive financial contribution to the HRA.
- Propose alternative uses if they are:
  - Not of an appropriate standard or
  - Underused or
  - Inefficient or
  - Expensive to manage or maintain or
  - The land could be used more effectively to deliver the council's strategic objectives.
- Support our housing-related strategies and policies, the HRA Business Plan and longer-term aspirations for area regeneration.

## 4. Scope

The policy is concerned with the strategic management of council garages and associated assets held in the HRA. It does not cover:

- Operational management of the garage stock.
- Non-garage parking areas held in the HRA, although the principles set out in this document may be applicable.
- Electric scooter stores and charging points.
- Electric vehicles and charging points.
- Council garages and associated assets held in the General Fund, although the principles set out in this document may be applicable.

## 5. The key outcomes of this strategy are to:

- Manage garage assets efficiently and effectively.
- Maintain garages to an appropriate standard.
- Control costs.
- Increase income to exceed expenditure.
- Review alternative uses to maximise the financial and strategic contribution of all garage sites.

## 6. Legislation and Guidance

Part II of the Housing Act 1985 Section 12 (1) (c)

<https://www.legislation.gov.uk/ukpga/1985/68/part/II>

Control of Asbestos Regulations 2012 (as many garage roofs contain asbestos).

<https://www.legislation.gov.uk/uksi/2012/632/contents/made>

Control of Asbestos Regulations 2012 Approved Code of Practice and guidance

<https://www.hse.gov.uk/pubns/books/l143.htm>

Regulatory Reform (Fire Safety) Order 2005

<https://www.legislation.gov.uk/uksi/2005/1541/contents/made>

<https://www.gov.uk/government/collections/fire-safety-law-and-guidance-documents-for-business>

<https://www.gov.uk/government/publications/making-your-premises-safe-from-fire>


Environmental Protection Act 1990 (relating to motor fuel, oils or other chemicals).

<https://www.legislation.gov.uk/ukpga/1990/43/contents>


## 7. Relevant council documents

This strategy relates to the management of the HRA's garages at a strategic level. It does not address the whole range of strategic housing issues and analysis. Its principles align with other housing-related strategies and policies, but do not replace or take precedence over them. These include:

Housing Revenue Account (HRA) Business Plan 2019, which is the strategic plan for the council's housing stock

 HRA\_Business\_Plan\_2019.pdf

HRA Revenue and Capital Budget

 Statement of Accounts 2020-21 signed .pdf

Draft Corporate Plan 2021 - 2024, which is out for public consultation until 1 April 2021.

 Corporate Plan 2021 to 2024

Interim Asset Management Position Statement January 2021

## 8. Policy background

Canterbury district faces difficult housing challenges: high property prices and rents mean that many households cannot afford to rent or buy a home on the open market and affordable housing is in short supply.

The council built and lets garages under its powers in Part II of the Housing Act 1985 Section 12 (1) (c), which enables the council to provide “*other buildings or land which, in the opinion of the Secretary of State, will serve a beneficial purpose in connection with the requirements of the persons for whom the housing accommodation is provided.*”

When the garages were constructed they served single tenure areas of council housing. The Right to Buy, has created a diversity of tenures, and although the garages are still held in the HRA, which receives the rental income and is responsible for their maintenance, 55% of garage licencees are not council housing tenants.

Several Acts of Parliament control the landlord/tenant relationship, but nothing specifically relates to the letting of a garage. As a garage is not a dwelling, the Housing Acts do not apply, even though our garages are on HRA land. The Landlord and Tenant Act 1954 applies to business tenancies. The garage licence agreement prohibits the use of garages for business purposes, thus ensuring that the 1954 Act does not apply.

The draft Corporate Plan 2021 sets the general direction of travel for this strategy. It aims to create a well funded social housing service so that our tenants receive the services they need, when they need them.

The HRA Business Plan 2019 is Canterbury City Council’s strategic plan for its housing stock and provides the detailed analysis that underpins this document. The HRA is under considerable financial pressure and the relevant strategic outcomes of the Business Plan are to:

- Ensure the HRA’s finances are robust and sustainable.
- Adopt a commercial approach and proactively manage HRA assets.

The Business Plan will be updated during 2021/22 to reflect major changes to the arrangements for the management and maintenance of the housing stock.

It proposes a programme of regular reviews of non-residential assets to appraise all options, including retention, development, investment, intensification, disposal or change of purpose. Capital receipts from the sale of HRA assets are reinvested in the HRA to help fund the delivery of the Business Plan.

HRA garages used to be managed by East Kent Housing (EKH), and now come under the auspices of the council’s in-house housing service, which came into being in October 2020. For many years garage management was a low priority and vacant garages were not relet. The reason is unclear, but may be due to the poor condition of some garage blocks and no clear strategic plan for the future. This document aims to remedy that situation.

The HRA Small Sites project and the garage stock condition survey of October 2020 have assessed the potential to redevelop all garage sites for housing and the results support the development of this strategy. The stock condition report and its appendices may be viewed via the following links:

- T1-5779 Report Canterbury Garages.pdf
- ✕ T1-5779 Appendix A - Asset List.xlsx
- ✕ T1-5779 Appendix B - PD Matrix Garages.xls
- ✕ T1-5779 Appendix C - SCS Data Export.xlsx
- ✕ T1-5779 Appendix D - Schedule of Rates.xlsx
- ✕ T1-5779 Appendix E - Cost Summary and Viability.xlsx
- ✕ T1-5779 Appendix F - Potential Development Scores.xlsx

## 9. Number of garages

When the HRA Business Plan 2019 was compiled, the housing IT system indicated that there were 1231 garages. The current Garages Asset List of 2020 [✕ T1-5779 Appendix A - Asset List.xlsx](#) contains 1,215 garages located across 174 blocks. The consultants that undertook the stock condition survey inspected 168 blocks containing 1,170 garages.

## 10. Location

Garages are situated across the district in neighbourhoods that were originally owned by the council in the HRA. Garage data is held on a block basis, yet most garage forecourts contain several blocks. Site plans can be viewed in the Google folder [HRA Garage Plans](#)

## 11. Age of the stock

The dates of construction are not recorded, but in view of the age of their surroundings, most are thought to have been built during the 1960s and 1970s.

## 12. Garage Block Size Profile

The number of garages within the blocks ranges from 1 to 24, although most blocks are very small.

**Table 1: Number of garages per block**

1 to 4	48	28.2%
5 to 8	75	44.1%
9 to 12	36	21.2%
13 to 16	6	3.5%
17 to 20	4	2.4%
21 to 24	1	0.6%

### 13. Voids

At 31st March 2020, 351 or 30% of the 1,170 garages covered by the stock condition survey were vacant. Void times ranged from 16 days to 27,245 days, with the average at 1,694 days or 4.6 years. Most voids are long term, with 329 garages (94%) vacant for more than 6 months.

The voids were spread over 120 blocks and only 48 blocks had no voids. Long term voids were spread across the garage stock and were not concentrated in particular blocks.

In 2019/20 75 garages became vacant, with a further 57 voids in 2020/21. By July 2021 voids had risen to 453 and 762 garages were occupied. Therefore, approximately 8% of occupied garages become vacant every year.

#### **We will:**

- **Develop a SMART action plan to reduce the number of vacant garages as quickly and cheaply as possible.**

### 14. Rent levels

All garage licencees are charged the same rent for a garage, but the council has to charge VAT to non-housing tenants.

**Table 2: Comparison of council garage rents in neighbouring districts in 2021/22**

<b>Local Authority</b>	<b>Weekly rent for council housing tenants</b>	<b>Weekly rent for private tenants (i.e. plus VAT)</b>
Ashford Borough Council	£11.00	£13.20
Canterbury City Council		
Standard	£9.18	£11.02
Crown Gardens	£11.73	£14.08
Dover District Council		
Standard	£15.00	£15.00
Town centre	£19.30	£19.30
The Gateway, Dover	£21.90	£21.90
Folkestone and Hythe District Council	£12.00	£14.40
Golding Homes (for Maidstone Borough	£12.00	£14.40

<b>Local Authority</b>	<b>Weekly rent for council housing tenants</b>	<b>Weekly rent for private tenants (i.e. plus VAT)</b>
Council)		
Medway Council	£10.90	£13.08
Private garage		£21.00 to £23.00
Private secure parking		£15.00
Example of private self-storage (Transit van size = contents of 1-bed flat)		£6.48 to £21.84

Source: Council websites 1 October 2021, Rightmove and Gumtree

Dover District Council (DDC) rents are an outlier. DDC has fewer garages than CCC and has been gradually increasing rents for the last 10 years. Its garage rents vary between sites, with higher rents in more popular locations. This approach results in a few licence terminations each year, but many licencees accept the situation because of a lack of alternatives.

Given the comparatively low rents, the significant maintenance costs identified by the stock condition survey and the poor financial state of the HRA, the council needs to generate more income from garage rents.

#### **We will:**

- **Maximise rental income by adopting a commercial approach to setting garage rent levels.**
- **Increase garage rents by at least £1.50 per week per year from 2022/23.**
- **Benchmark garage rents against neighbouring local authorities, local private garage landlords and self-storage companies.**

## **15. Income**

For the purposes of the stock condition survey, the consultants estimate the total potential annual income from the garage stock as 1,170 garages x £8.80 per week x 52 weeks which is £535,392. The void garages represent a shortfall in potential income of £160,618. £8.80 was the weekly rent in 2020/21.

No allowance was made by the consultants for rent arrears, which were £912.31, 0.25% of the projected annual garage income at 31 August 2021. The HRA budget 2021/22 for garage rent income is £346,836, whereas actual projected income for 2021/22 is £369,635.



## 16. Estimated maintenance cost 2020 to 2049

The stock condition survey indicates an estimated planned maintenance liability of £4,515,705 over 30 years.

The costs are based on the consultant's assessment of cost rates for component renewals in a planned maintenance procurement environment, using industry standard component life-cycle assumptions, which are in [T1-5779 Appendix D - Schedule of Rates.xlsx](#)

However, the costs do not include inflation, professional fees or VAT.

**Table 3: Summary of estimated maintenance cost 2020 to 2049**

Number of Garages	Average cost per garage 30 years	Average cost per garage 15 years	2020 to 2024	2025 to 2029	2030 to 2034	2035 to 2039	2040 to 2044	2045 to 2049	Total
1,170	£3,860	£3,079	£581,700	£722,100	£2,298,950	£363,425	£496,595	£52,935	£4,515,705

Over the 30-year period the forecast cost equates to a mean average of £3,860 per garage (over 30 years based on 1,170 garages) and the cost per garage ranges from £950 to £7,869. However, the average spend per garage over the first 15 years is £3,079, with a peak spend in years 11 to 15 (2030 to 2034) of the 30-year cycle. Therefore, significant short to medium term investment is required.

[T1-5779 Appendix E - Cost Summary and Viability.xlsx](#)

**Chart 1: Profile of expenditure proposed by stock condition survey 2020 to 2049**

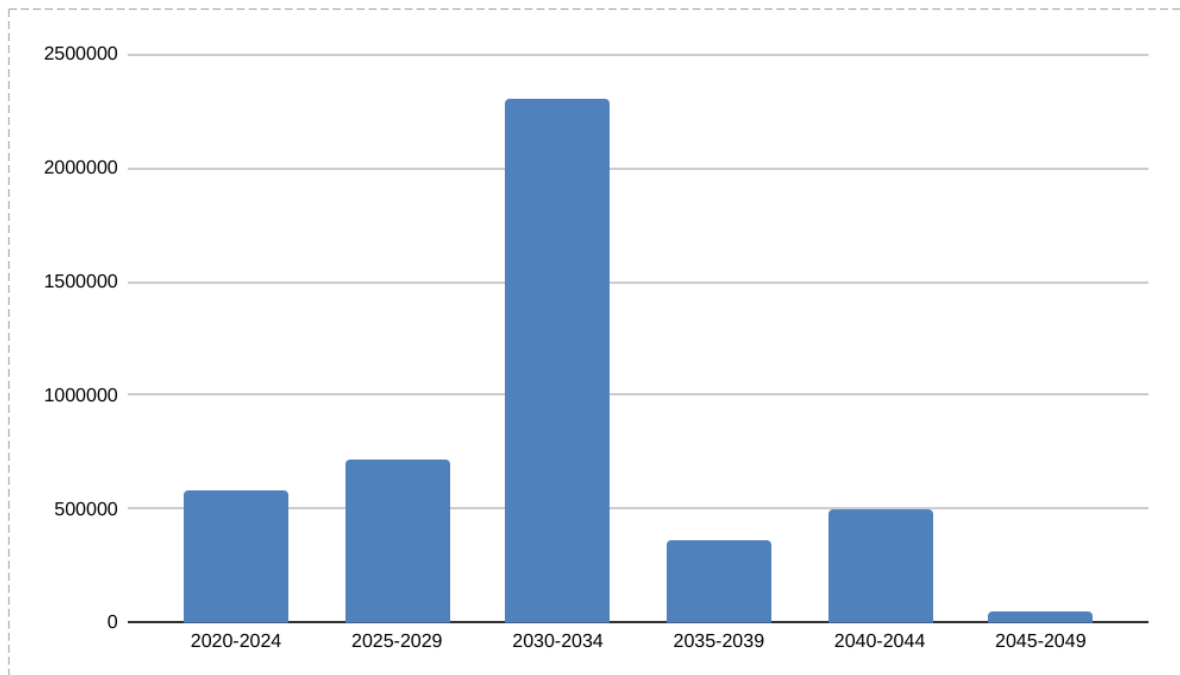


Table 4 below shows the estimated cost over the 30-year cycle compared to the forecast rental income. The rents used in this example were those for 2020/21 without any annual uplift. It shows that rental income, even with high levels of voids and no rent increases should be sufficient to pay for the maintenance required over the whole cycle.

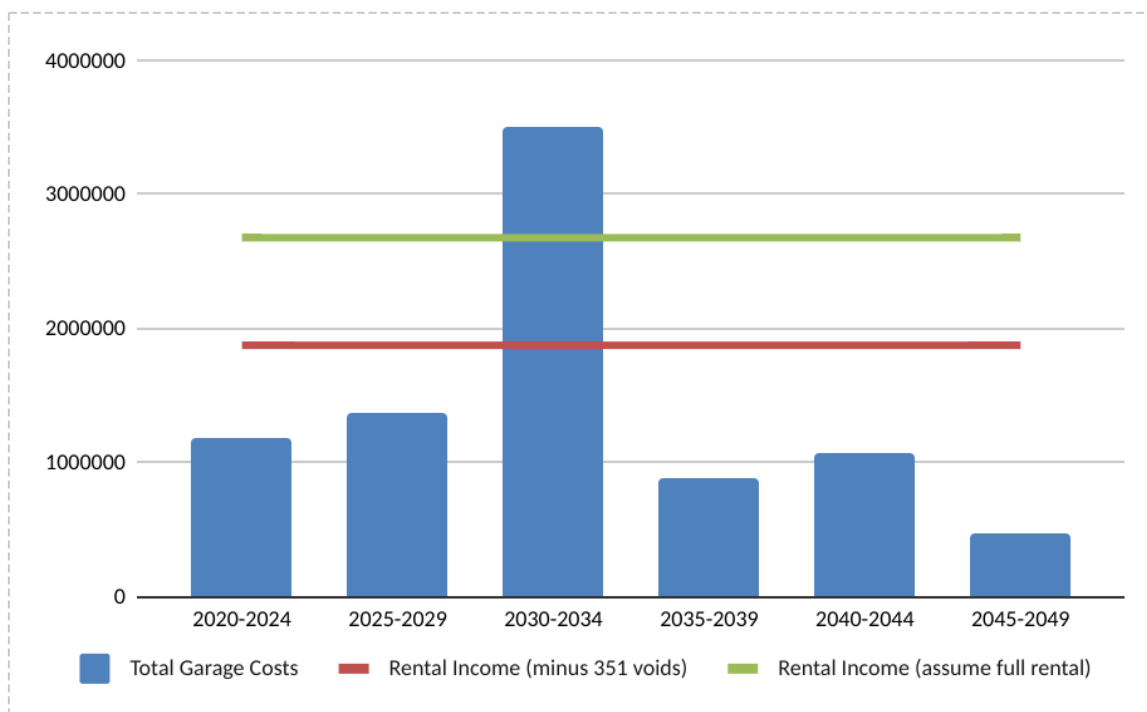
The planned maintenance programme would be a long term investment. The average cost per garage of £3,860 would take 420 weeks or 8 years to repay (assuming the 2021/22 rent of £9.18 per week, no annual rental increase, no arrears, no void maintenance to prepare vacant garages for letting and no inflation).

**Table 4: Summary of expenditure and income 2020 to 2049**

	2020 to 2024	2025 to 2029	2030 to 2034	2035 to 2039	2040 to 2044	2045 to 2049	Total	Notes
Planned Maintenance	£581,700	£722,100	£2,298,950	£363,425	£496,595	£52,935	£4,515,705	From Cost Summary
Responsive Maintenance	£292,500	£292,500	£292,500	£292,500	£292,500	£292,500	£1,755,000	Nominal Allowance of £50 per garage p.a.
VAT	£174,840	£202,920	£518,290	£131,185	£157,819	£69,087	£1,254,141	20%
Management Costs	£131,130	£152,190	£388,718	£98,389	£118,364	£51,815	£940,606	15%
	£1,180,170	£1,369,710	£3,498,458	£885,499	£1,065,278	£466,337	£8,465,452	
	2020 to 2024	2025 to 2029	2030 to 2034	2035 to 2039	2040 to 2044	2045 to 2049		
Total Garage Costs	£1,180,170	£1,369,710	£3,498,458	£885,499	£1,065,278	£466,337	£8,465,452	
Rental Income (minus 351 voids)	£1,873,872	£1,873,872	£1,873,872	£1,873,872	£1,873,872	£1,873,872	£11,243,232	
Rental Income (assuming 100% occupancy)	£2,676,960	£2,676,960	£2,676,960	£2,676,960	£2,676,960	£2,676,960	£16,061,760	

However, the forecast income and expenditure shows that annual expenditure exceeds income in the middle years of the programme (see Chart 2).

**Chart 2: Profile of income and expenditure 2020 to 2049**



The cumulative summary in Table 5 indicates that expenditure will exceed income during the middle years of the programme if no action is taken to improve the void situation. Using the same financial parameters and assumptions as the consultant, a minimum of 881 garages must be occupied at all times to break even throughout the course of the cycle or 925 if we allow for 5% rent arrears.

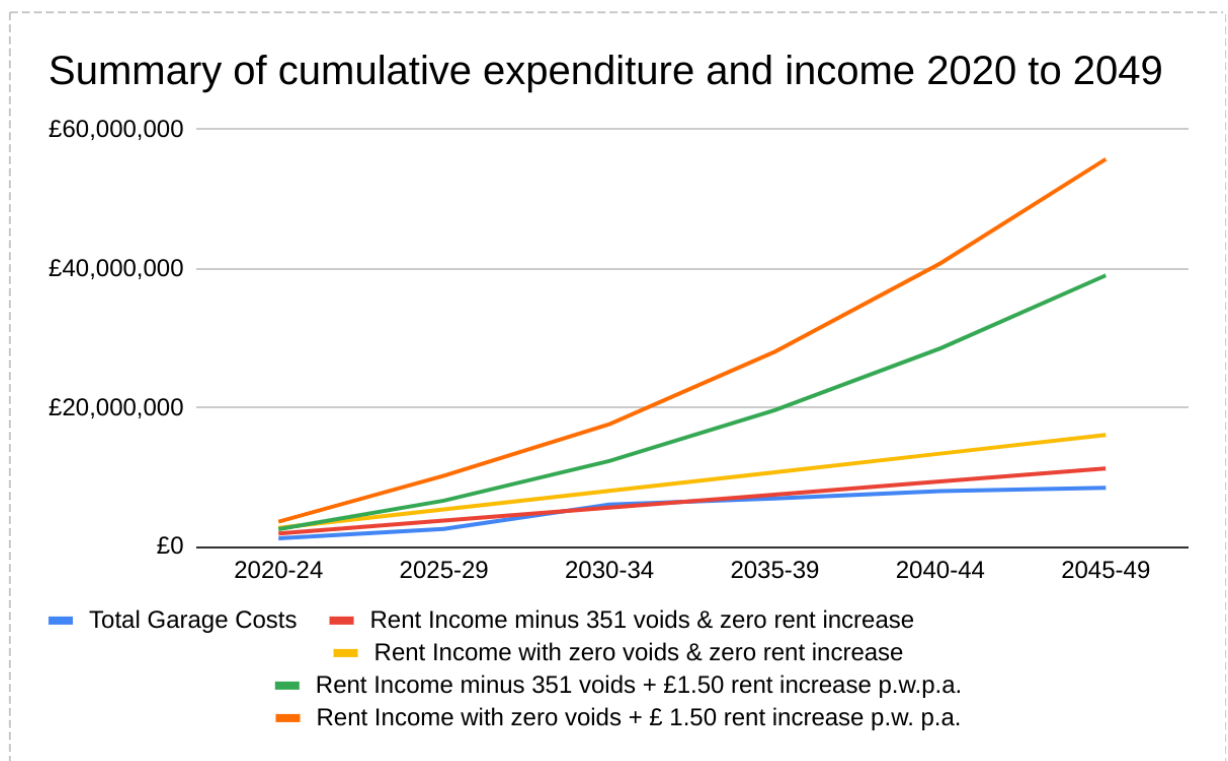
**Table 5: Summary of cumulative expenditure and income 2020 to 2049**

	2020 to 2024	2025 to 2029	2030 to 2034	2035 to 2039	2040 to 2044	2045 to 2049	Total	Notes
Planned Maintenance	£581,700	£722,100	£2,298,950	£363,425	£496,595	£52,935	£4,515,705	From Cost Summary
Responsive Maintenance	£292,500	£292,500	£292,500	£292,500	£292,500	£292,500	£1,755,000	Nominal Allowance of £50 per garage p.a.
VAT	£174,840	£202,920	£518,290	£131,185	£157,819	£69,087	£1,254,141	20%
Management Costs	£131,130	£152,190	£388,718	£98,389	£118,364	£51,815	£940,606	15%
	£1,180,170	£1,369,710	£3,498,458	£885,499	£1,065,278	£466,337	£8,465,452	
	2020 to 2024	2025 to 2029	2030 to 2034	2035 to 2039	2040 to 2044	2045 to 2049		
Total Garage Costs	£1,180,170	£2,549,880	£6,048,338	£6,933,836	£7,999,115	£8,465,452		
Rent Income minus 351 voids & zero rent increase	£1,873,872	£3,747,744	£5,621,616	£7,495,488	£9,369,360	£11,243,232		

Rent Income with zero voids & zero rent increase	£2,676,960	£5,353,920	£8,030,880	£10,707,840	£13,384,800	£16,061,760		
Rent Income minus 351 voids + £1.50 rent increase p.w.p.a.	£2,512,692	£6,622,434	£12,329,226	£19,633,068	£28,533,960	£39,031,902		
Rent Income with zero voids + £ 1.50 rent increase p.w. p.a.	£3,589,560	£10,211,994	£17,613,180	£28,047,240	£40,762,800	£55,759,860		

At the bottom of Table 5, two additional lines at the bottom of the table illustrate the significant financial benefits of increasing rents by £1.50 per garage per week every year for the 30 year cycle. All other assumptions remain the same as those in the stock condition survey report for consistency (i.e. weekly rent of £8.80 in 2019/20, no inflation, no rent arrears, no changes in garage stock numbers). The spreadsheet and calculations may be viewed at [📄 Garage rent increase projections 5.11.21](#)

**Chart 3**



The stock condition survey is a useful baseline and source of information, it is proposed to adopt a more localised approach to individual garages and blocks based on the actual condition of the components and to extend the life cycle assumptions for components, which could enable expenditure to be phased more evenly to improve cash flow for the HRA.

**We will:**

- Analyse the data in the garage stock condition combined with local knowledge and on-site inspections to create a detailed planned maintenance programme.
- Extend the planned maintenance programme beyond the proposed 30 year cycle.
- Base the planned maintenance programme on the lifespan of component parts that exceed industry standard component life-cycle assumptions, where supported by condition data.
- Develop a planned maintenance programme that phases expenditure evenly throughout the cycle.
- Optimise expenditure reduction.
- Improve value for money through improved contract specifications, effective procurement and efficient contract management.

**17. Demand for garages**

Vacant garages have not been let for several years. The reason is unclear, but probably relates to the poor condition of some garages and lack of clarity about their future. There has been no marketing of the vacant garage stock or any attempt to attract new licencees in recent years.

There are 163 recorded historical expressions of interest, but some of these may now be out of date. There is anecdotal information, but no hard data, that there are regular enquiries about garages, which are likely to be very location-specific. In truth, the potential level of interest is unknown.

**We will:**

- Reopen waiting lists for garages.
- Prioritise forecourts for repair and reletting based on those requiring least expenditure plus highest demand.
- Publicise the availability of garages in the forecourts that are prioritised for repair and letting.
- Contact members of the public who have previously expressed an interest in renting a garage.
- Update the information about renting garages on the council's website. <https://www.canterbury.gov.uk/housing/apply-rent-garage>

- Review garage licences, offer letters, termination forms and all associated documents to ensure legally compliant
- Create an online process to apply for a garage licence, to give notice to terminate a garage licence and report garage repairs etc.

## 18. Other resource implications

The proposal to recommence letting garages has resource implications, in addition to the cost of repairs. Staff time will have to be spent analysing the stock condition data, undertaking on-site inspections, publicising the availability of garages, dealing with enquiries, preparing licence documents among many other tasks. Some activities, such as applying for a garage or giving notice to remnant a licence may be moved online to the council's website, but there may not be capacity within the Digital Team to do this immediately. These management costs need to be properly assessed and factored into the whole-life costing as an overhead.

### We will:

- Include all reasonable overheads and management costs in the new whole-life costing system to ensure that the management and maintenance of garage assets is financially efficient, accurate and transparent.

## 19. Suitability of the garages for parking

The primary purpose of the garages is to remove parked vehicles from residential roads that were not designed for modern levels of car ownership. However, there is anecdotal evidence that many garages are rented for storage because the garages are too small to comfortably accommodate modern vehicles, which have been growing in size. The AA has published a comparison of the dimensions of today's models compared to the originals (see Table 6):

**Table 6: The increasing size of modern vehicles**

Car	First model (m)	Latest model (m)	% Bigger (area)
Mini One	1.4 x 3.0	1.9 x 3.8	53%
Fiat 500	1.3 x 3.0	1.6 x 3.6	48%
Toyota Corolla	1.5 x 3.6	1.8 x 4.3	36%
VW Golf	1.6 x 3.8	2.0 x 4.3	34%
Ford Fiesta	1.6 x 3.6	1.9 x 4.0	28%
Porsche 911	1.7 x 4.3	1.9 x 4.5	16%

Source: <https://www.theaa.com/breakdown-cover/advice/parking-space-size>

The approximate size of a medium garage is 5400mm long x 2700 millimetres wide (18ft x 9ft) compared to the dimensions of the average car in the UK, which is around 4399mm long x 1821mm wide x 1534mm high.

**Table 7: Useable space: comparison of the dimensions of average car types and the average garage**

Vehicle category	Average width	Average length	Remaining space based on 2700mm x 5400mm	Remaining spacing in feet and inches
City Car	1645mm	3580mm	1055mm x 1820mm	3'5" x 5'11"
Estate	1830mm	4710mm	870mm x 690mm	2'10" x 2'3"
Hatchback	1780mm	4270mm	920mm x 1130mm	3' x 3'8"
MPV/People Carrier	1940mm	4700mm	760mm x 700mm	2'5" x 2'3"
Saloon	1835mm	4700mm	865mm x 700mm	2'10" x 2'3"
SUV	1965mm	4790mm	735mm x 610mm	2'5" x 2'

Source: <https://www.nimblefins.co.uk/cheap-car-insurance/average-car-dimensions>

At first glance the garages are large enough for modern vehicles, however, garage door openings are narrower than the width of the structure, and drivers have very little room to enter or exit their vehicle once inside. As the Housing Service does not have the capacity to survey garage usage, it is reasonable to assume that many garages are likely to be rented for storage rather than parking. In that case, the benefits to the neighbourhood of relieving parking congestion are modest. Table 2 shows that the cost of private self-storage can be much higher than the cost of renting a garage for storage, which begs the question whether the provision of cheap storage is a reasonable function of the HRA.

## 20. Improved estate management and reduction in anti-social behaviour

Efficient and effective management of garage assets is an important outcome of this strategy, providing more regular staff presence, inspection and surveillance of garage areas with a resulting reduction in anti-social behaviour.

### We will:

- Inspect every garage area once per month.
- Respond promptly to all reports of anti-social behaviour in garage areas.

- **Arrange for fly-tipping and graffiti to be removed within 4 working days of being reported.**

## 21. Recommendations for each garage site

The stock condition survey contains recommendations about the future of each garage block in the Appendix E, final tab entitled “Viability Summary”. These are based on a matrix of void levels, maintenance costs and development potential. In nearly all cases retention of the garages is the recommended solution.

[x T1-5779 Appendix E - Cost Summary and Viability.xlsx](#)

However, the HRA Business Plan takes a more strategic view of the need for HRA non-residential assets to be used in more financially efficient and productive ways. It proposes a programme of reviews that will appraise all options, including retention, development, investment, intensification, disposal or change of purpose. Capital receipts would be reinvested in the HRA to help fund the delivery of the Business Plan.

Disposal is an option, but this should apply only to whole blocks or forecourt areas to avoid the risk of pepperpotting derelict private garages among the HRA stock.

### **We will:**

- **Establish a system of regular asset reviews, using the principles set out in the HRA Acquisitions and Disposals Policy, to determine the future of individual garage blocks.**
- **Actively seek alternative uses, such as sale or redevelopment, for garage blocks that offer development opportunities, are difficult to let or require excessive investment.**
- **Develop a financial model that measures all expenditure, income and a cost/benefit analysis of alternative uses.**

## 22. Development opportunities on garage sites

The garage stock condition survey includes a basic assessment of the development potential for every HRA garage site, based on a set of 10 criteria (see Table 8). Size of the site and ease of access are the greatest influencing factors for assessing development potential. 159 of the 170 blocks (94%) contain fewer than 13 garages: therefore, the potential for redevelopment is generally low, unless garage sites form part of a wider group of development plots or estate regeneration projects.



**Table 8: Potential development assessment criteria**

1.	Size of site
2.	Access Routes to Site
3.	Current Parking Arrangements to existing properties
4.	Presence of Adjacent Land to increase size of site
5.	Locality to amenities
6.	Void Rate
7.	Residences of more than 2 storeys adjacent site
8.	Condition of garages
9.	Proximity of Mature Trees
10.	Presence of Plant/Overhead Cables

These criteria are similar but not exactly the same as those already in use by the small sites project team. The scoring matrix, weighting and scoring notes may be accessed via: [x Copy of T1-5779 Appendix B - PD Matrix Garages.xls](#)

According to the study, only 8 blocks, located in 3 garage forecourts, offer significant potential. Most blocks were assessed as unsuitable due to their relatively small size. There have been previous assessments of the potential for housing development on some garage sites and Table 9 draws together and summarises the current position of all these activities.

**Table 9: Summary of all garage blocks identified by different work streams as possessing some potential for housing development**

Reason for inclusion	Location	Block	No. of garages	Estimated maintenance saving over 30 years	Estimated rent loss over 30 years @ £9.18 p.w.	Current position
Garage blocks with highest potential development assessment scores in the garage stock condition survey	Brymore Road	Garages 41-56	16	£34,272	£229,132	Blocks have been packaged & forwarded to Regeneration Team for a feasibility study by architects
	Brymore Road	Garages 57-64	8	£23,728	£114,566	
	Jesuit Close	Garages 37-46	10	£29,580	£143,208	
	Jesuit Close	Garages 47-56	10	£28,280	£143,208	
	Jesuit Close	Garages 57-66	10	£26,980	£143,208	

Reason for inclusion	Location	Block	No. of garages	Estimated maintenance saving over 30 years	Estimated rent loss over 30 years @ £9.18 p.w.	Current position
	Jesuit Close	Garages 67-76	10	£24,130	£143,208	
	Whitehall Close	Garages 1-3	3	£7,251	£42,962	
	Whitehall Close	Garages 4-14	11	£35,948	£157,528	
Garage blocks disused because deemed unsafe. Not assessed in stock condition survey.	Knight Avenue	Garages 291-310	20	Not assessed	£286,416	HRA Small Sites Project to undertake a development potential assessment for all 55 garages as a single site.
	Knight Avenue	Garages 311-322	12	Not assessed	£171,849	
Need to be assessed for development potential as form part of a contiguous forecourt with Garages 291-322 Knight Avenue	Knight Avenue	Garages 277-290	14	£46,032	£200,491	Depending upon outcome of assessment, will be forwarded to Regeneration Team for a feasibility study by architects
	Knight Avenue	Garages 323-330	9	£38,754	£128,887	
Previously assessed by HRA Small Sites projects part of the "Downs Road Cluster".  Assessed by stock condition survey as "Intervention required - high levels of voids, low income".	Downs Road	Garages 1-6	6	£29,976	£85,924	Already assessed by HRA Small Sites Project. Packaged as part of a larger group of plots and parking areas for feasibility study by architects
	Downs Road	Garages 7-15	9	£36,828	£128,887	
	Downs Road	Garages 45-55	11	£40,029	£157,528	

Reason for inclusion	Location	Block	No. of garages	Estimated maintenance saving over 30 years	Estimated rent loss over 30 years @ £9.18 p.w.	Current position
required - high costs, high levels of voids, low income".						
Block disused because considered unsafe	Warwick Road	Garages 43-54	12	£44,196	£171,849	Planning permission granted twice to build 8 council flats. Forwarded to Regeneration Team to intensify use of site, value engineering & reapply for planning permission by architects
<b>Total number of garages that might be removed from stock for redevelopment</b>			<b>171</b>	<b>£445,284</b>	<b>£2,448,851</b>	

Table 9 shows that if all these sites were redeveloped for housing, the maintenance liability would reduce by £445,284 (plus an unquantified amount for the derelict garages in Knight Avenue), but that the HRA might lose rental income of £2,448,851 over 30 years (assuming a constant rent of £9.18 per week, 100% occupancy and no arrears). This should still mean that total garage income would exceed expenditure. The HRA would also gain weekly rent for every new dwelling built in excess of £100 per week.

All of these potential development sites are subject to a test of financial viability and planning permission.

**We will:**

- Complete the development viability appraisals of the 16 sites identified in Table 9 as having the greatest potential for redevelopment.

**23. Keeping the garages in the HRA**

Some local authorities have transferred their garages from the HRA to the General Fund. The HRA would benefit from a capital receipt from the General Fund, and would no longer have to budget for the garages to be upgraded but would lose the revenue income. The General Fund would gain the revenue stream, but would have to pick up the cost of rent collection, management and maintenance. This course of

action is usually a response to particular financial drivers or to facilitate multi-tenure redevelopment.

The council's Deputy Chief Executive has assessed the advantages and disadvantages of moving the garages from the HRA to the General Fund and considers that there is no obvious advantage to the council from such a move at present. However, if there is a specific reason or benefit, then it will be considered on its merits at the appropriate time.

**We will:**

- Retain the garage stock in the HRA unless or until there is a particular benefit to adopting alternative arrangements.

**24. Measures of success**

The success of this strategy will be judged on the following measures:

No.	Outcome	Measure	Target	Reporting frequency	Responsible post
1.	Manage garage assets efficiently and effectively.				
1.1		Let x number and y % of garages that have been vacant for more than 8 (?) weeks within a specified period of time		Monthly	BSU/Tenancy
1.2		Let x number and y % of garages that become vacant within 2 (?) weeks			BSU/Tenancy
1.3		Increase by x number and y % the number of garages that are fit/ready to let			BSU/Tenancy
1.4		Inspection of all garage forecourts		Monthly	Estates/ Locality teams - Locality Manager
1.5		Removal of all reported incidences of fly tipping in garage forecourts within 72 hours of the report.		Monthly	Estates/ Locality teams - Locality Manager

No.	Outcome	Measure	Target	Reporting frequency	Responsible post
<b>2.</b>	<b>Maintain garages to an appropriate standard.</b>				
2.1		Review the data from the stock condition surveys to inform 30 year investment plans.		Updated annually	Asset Manager
2.2		Y % of garages that become vacant during the financial year (date) are ready for letting within x days		Monthly	Business Support Unit (BSU) /Tenancy
2.3		Target times for repairing faults to tenanted garages by element		As required	Works delivery teams & contracts managers
<b>3.</b>	<b>Control costs and expenditure.</b>				
3.1		Procurement of contracts to enable the full implementation of the garage stock condition survey maintenance programme 2020-2049		During the period to reflect reactive and 30 year investment planning	Works delivery teams & contracts managers
3.2		Amount spent per garage to prepare for reletting.	£x during 2022/23		
3.3		Amount spent per garage on responsive repairs.	£y during 2022/23		
3.4		Amount spent on planned maintenance.	£z during 2022/23		
<b>4.</b>	<b>Increase income to exceed expenditure.</b>				
4.1		Increase the rent collected for garage assets by £x and y % in the financial year (date)		Monthly	BSU/Tenancy

No.	Outcome	Measure	Target	Reporting frequency	Responsible post
4.2		Garage rent arrears/income collection rate.	% of annual expected income		
5.	<b>Appraise alternative uses to maximise the financial and strategic contribution of all garage sites.</b>				
5.1		Review a % HRA garage assets every year.	10% per annum	Annually	

## 25. Operational management

This document provides strategic direction for the management of the HRA garage assets rather than dealing with operational management. However, the following operational processes are available for information:

The lettings process:

[Garages & Scooter Pods Procedures - 1/10/2021](#)

The licence agreements differ slightly between council housing tenants and non-council housing tenants and may be viewed via the following links.

[New Council Garage Licence Agreement \(april 2017\)- Canterbury.docx](#)

[New Private Garage Licence Agreement \(april 2017\)- Canterbury.docx](#)

The process for terminating garage licences:

[Garage Termination Process](#)

Any queries regarding the operational management of the garages should be directed to the Business Support Unit at [generaltenancyenquiries@canterbury.gov.uk](mailto:generaltenancyenquiries@canterbury.gov.uk)

## 26. Health and safety

Staff and licencees need to understand the potential health and safety issues associated with the management and maintenance of the garage stock. In particular:

- Some garages have asbestos roofing, which is safe until damaged or disturbed.
- There are risks if licencees store oil or noxious or flammable substances, which is prohibited under the licence agreement.
- Ground or water contamination from oil or chemical spillages.

Relevant legislation and regulation are:

[Control of Asbestos Regulations 2012](#)

[Control of Substances Hazardous to Health Regulations 2002](#)  
[Dangerous Substances and Explosive Atmospheres Regulations 2002](#)

If staff require advice or have concerns, they should contact the council's Compliance and Building Safety Manager on Mobile 07779 306861.

**27. Review**

This Strategy was adopted by the council on 9 February 2022. It will be reviewed as changes in legislation, regulation or guidance may dictate, or as the circumstances of the HRA may require.


Minor changes which do not make a significant difference to service provision will be made to the document by delegated authority to the Deputy Director People.

Significant changes will be taken through the council's committee process.

**28. Equality and diversity**

We are committed to ensure that this strategy does not impact disproportionately on different equality groups. This strategy has been subject to an Equalities Impact Assessment (EIA). We expect all Registered Providers to undertake and publish an EIA of their own tenancy policies.

**29. Action plan**

 HRA Garage Management Strategy Action Plan October 2021