

**Agenda Item No:** 13

**Report To:** Cabinet

**Date of Meeting:** 9<sup>th</sup> November 2017

**Report Title:** Garage Commercialisation Strategy

**Report Author & Job Title:** Maria Hadfield – Senior Accountant  
Philip Bond – Commercial, Development and Regeneration Officer

**Portfolio Holder:** Cllr. Shorter - Finance & IT  
**Portfolio Holder:** Cllr. Galpin – Corporate Property



**Summary:** This report seeks Cabinet approval to implement the Garage Commercialisation Strategy which will improve revenues from existing garages and provide improved parking and landscaping in and adjacent to the Councils estates. The strategy will also identify sites suitable for development or alternative uses.

**Key Decision:** NO

**Significantly Affected Wards:** None specifically, garages can be found across the borough.

**Recommendations:** **The Cabinet is recommended to:-**

- I. Note the development of the Garage Commercialisation Strategy**
- II. Authorise the Head of Corporate Property & Projects, in consultation with the Portfolio Holders for Corporate Property and Finance & IT and following consultation with relevant ward members to approve alternative usage of garage sites to maximise the value of such sites to the council;**
- III. Authorise the Head of Corporate Property & Projects following consultation with the Portfolio Holders for Corporate Property and Finance & IT and the Director of Finance and Economy to approve any revised pricing strategy developed as part of the implementation of the Garage Commercialisation Strategy.**

**Policy Overview:** The commercialisation strategy sets out how the council will approach increasing revenue from and improving visual and environmental amenity of the council's garage stock.

**Financial** Capital budget requirements within the Planned

**Implications:** Maintenance Schedule 2018-20 will need to be allocated following the condition survey discussed in Stage 2 of the Garage Commercialisation Strategy.

**Legal Implications** Whilst there are no legal implications in the short term in the longer term where it is proposed to develop garage sites then both legal and planning requirements will need to be met and dealt with accordingly.

**Equalities Impact Assessment** Not Required – see report clause 14

**Exempt from Publication:** NO

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## Report Title: Garage Commercialisation Strategy

### Introduction and Background

1. In February 2015, as part of the Council's medium term financial plan proposals, it was agreed to transfer the ownership of the majority of the Council's garages from the Council's Housing Revenue Account ("HRA") to the Council's general fund on 1 April 2015. In April 2017 a further 10 garages, which had no development potential for the HRA, were transferred.

### Current Position

2. The Council's general fund now owns 1580 garages, which generate net revenues of £385,000 per annum. Roughly 450 are currently void, with approximately 118 which cannot be occupied because of their state of disrepair. At the end of August 2017 there were 45 people on the waiting list for garages, clearly demonstrating that supply outstrips demand. The Council is not alone in finding that the demand for garages has dropped in recent years as many other Local Authorities are experiencing the same decline in demand.
3. Low demand is usually as a result of a combination of factors including poor security, the condition of the stock, antisocial behaviour (ASB) and in some areas sufficient on and off street parking. Garages vary in size across the borough, with some not being large enough to accommodate certain types of cars on the market. This limits the customer base to some extent.
4. The garages are spread out across the whole of the borough with approximately 830 (53%) located around the town of Ashford and approximately 740 (47%) located outside this area. There are more voids within the Ashford town area (32%) than the outlying areas (22%). Appendix 1
5. There is evidence to suggest that currently a proportion of garages are being used for storage or other purposes. This is evidenced by the location of the garage to the tenant's home address which in some cases is more than 3 miles from the garage. Appendix 2
6. The Corporate Property Performance Annual Report 2015/16, which went to Cabinet in September 2016, recommended that a study be undertaken to analyse the garage income and see whether the profitability could be improved upon. The garages represent a significant asset in their own right and its effective management contributes to the look and feel of the surrounding area. Following this analysis a Garage Commercialisation Strategy has been developed.

# The Garage Commercialisation Strategy

## Aims and Objectives

The aims and objectives of the garage commercialisation strategy are to ensure that garages and surrounding land are managed effectively and efficiently thereby contributing to the built environment, maximising income for the Council and providing a valuable resource for the public.

## Objectives of the Strategy

- To determine which garage sites have development potential
- To determine the garage sites that do not have development potential but have a high demand and the level of investment required to retain and increase income levels
- To determine the future uses of any garage sites that have neither development potential or demand to be let as garages
- To determine the level of staffing required to efficiently managed the existing garage sites, any alternative uses for sites and to introduce a digital infrastructure to support this process
- To determine a suitable rental strategy

The strategy has 4 stages:

### 7. **Stage 1**

To analyse the garage sites taking into account development potential, condition, demand, location and ASB. To determine staffing levels and explore technological/digital solutions to cut down on administrative processes. To test whether and where demand for garages can be increased by means of an advertising campaign.

### 8. **Stage 2**

Under take a condition survey and develop a planned maintenance programme for the garages with no development potential, but high demand, prioritising garages that are experiencing ASB. This stage will give due consideration to the long term liability of the garages that have asbestos roofs. This work will reduce complaints from tenants in relation to maintenance and repairs.

### 9. **Stage 3**

Explore innovative uses for the garages sites with no development potential and no demand. The alternative uses either will benefit the community or be commercially driven; the location and size of the site will determine the most appropriate use.

Alternative uses could include:

- Demolition and creation of secured parking bays for vehicles or caravans
- Provision of communal gardens/seating to improve the area
- Storage facilities
- Allotments
- Facilities for young people such as youth shelters and/or play areas

- Small office space

This stage will include consultation with ward members, parish council's and relevant local residents.

#### **10. Stage 4**

Development plan for garages that have been identified as having development potential.

### **Management proposals - staffing**

11. As mentioned previously the HRA have managed the garages with responsibility switching to the General Fund from April 2015. Since that date there have been temporary arrangements in place, with a member of staff on secondment from the HRA and some reliance from Customer Services dealing with administration, telephone and initial point of contact communications
12. However due to pressures within Customer Services this arrangement has become unviable and a member of staff has been engaged on a 12 month contract to take on the work previously supported by the HRA and Customer Services and to start work on implementing various parts of the Garage Commercialisation Strategy.
13. It is anticipated that during this 12 month period the staffing requirements for the management of the garages as well as developing and delivering the Garage Commercialisation Strategy will become clearer as detailed plans are developed for the various sites.

### **Equalities Impact Assessment**

14. At this stage an Equalities Impact Assessment has not been undertaken as this report only considers how the council could manage garages going forward. However, should a garage management team be created it is likely that as part of the team's work a review of the council's current garage policy would need to be undertaken. The review of this policy would require an equalities impact assessment to ensure that any revised garage policy promoted equality and did not prejudice any existing groups.

### **Consultation Planned**

15. Should the recommendations contained within this report be approved then work would be undertaken with finance to develop appropriate budgets and business plans for the development of the garages.
16. This will include consultation with ward members when considering introducing improvements or changes to garage sites within a ward member's area as well as discussions with local Parish Councils to gauge their views on any proposed change to use of garages within their area.

## **Other Options Considered –**

17. With the changes to the proposed HRA structure having being implemented then it is essential that new management arrangements are introduced to manage the garages on behalf of the council. If the recommended new management proposals are not introduced then there will be no direct control or management of the garages threatening a substantial source of income for the council.

## **Next Steps in Process**

18. It is proposed to continue with and complete stages 1 and 2 of the proposed commercialisation strategy as detailed above. Once this is completed work on stages 3 & 4 can commence including consultation with ward members and Parish Councils.
19. Once stages 3 and 4 of the strategy are completed for each garage site it is proposed that the Head of Corporate Property & Projects, subject to approval of the recommendations contained within this report, implements any suggested change in usage of the garage sites.

## **Conclusion**

20. For a number of years the council has recognised the importance of generating sufficient income to replace the formula grant that the council receives and that is being phased out by central government. The council's garages represent an undervalued asset that could be utilised to provide additional income.
21. This strategy outlines how the council proposes to increase income from our garages as well as improving the amenity of garage areas and reduce antisocial behaviour that is sometimes associated with garages.

## **Portfolio Holder's Views**

22. Portfolio Holder for Corporate Property: It is the responsibility of the Council to maximise the financial return from the garage assets purchased from the HRA. These were moved into the General Fund. The financial return contributes significantly to relieving the pressure of loss of Formula Grant. This Strategy document shows that the Council is discharging this duty in a balanced and inclusive way. It will ensure that the structures, if in demand either locally, or from far afield are in the appropriate condition. If there is no demand then other uses will be found for the space. Officers have carried out exhaustive work in preparing this strategy and I commend it to Cabinet
- 23.

## Contact and Email

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## Appendix 1 – Garage occupancy, voids and income

Garage Address	No of Garages	No of Voids
<b>Appledore</b>		
Elm Tree	5	0
Heathside	24	16
<b>Ashford</b>		
Beaver Lane A 1-16	6	1
Beaver Lane B 1-13	13	1
Beaver Lane C 28-36	9	1
Bond Road 1 -32	29	1
Boxley 1-9	5	1
Boxley 14-19	6	2
Boxley 20-43	24	17
Cleves Way A 1-10	10	5
Cleves Way B 1-22	22	9
Crownfield Road 1-9	9	0
Cryol Road 1-9	9	0
Elm Place	19	6
Essetford Road 1-10	10	1
Godfrey Walk	19	6
Harper Road A	24	10
Harper Road B	29	26
Hillbrow A 1-8	8	2
Hillbrow B 1-7	7	4
Jemmett Road 1-12	12	5
Maypits	13	3
Musgrove	11	4
Noakes Meadow A	16	1
Noakes Meadow B	12	2
Oak Tree Road A	14	4
Oak Tree Road B	7	4
Pollard Close	10	3
River View 1-8	8	5
River View 9-21	13	2
River View 22-46	10	2
Stour Close 47-54	8	0
Stour Close 56-68	13	1
Stour Close 69-84	16	1
Stour Close 85-97	13	0
Watercress Lane 1-10	10	1
Watercress House 3-23	21	4
<b>Bethersden</b>		
Bailey Field 1-8	8	2
Chester Avenue 1-6	6	0
The Dene 1-6	6	0
<b>Biddenden</b>		
Chulkhurst 1-17	13	4
Cheeselands 1-4	4	0
The Meadows 1-19	22	6



<b>Garage Address</b>	<b>No of Garages</b>	<b>No of Voids</b>
<b>Charing</b>		
Clearmount Drive 1-6	6	2
Wheler Road 1-20	20	6
<b>Chilham</b>		
Felborough Close 1-8 +1	9	0
<b>Egerton</b>		
New Road 1-12	12	0
<b>Great Chart</b>		
Coronation Drive	8	0
Hillcrest 1-6	6	0
Singleton Road A	2	0
Singleton Road B	10	4
The Paddocks 1-11	11	3
<b>Hamstreet</b>		
Carters Wood	12	0
Cotton Hill House	1	1
Fairfield Terrace	4	1
<b>High Halden</b>		
The Chennells 1-4	4	1
The Chennells 5-24	20	7
Tilden Close 1-6	6	4
Tilden Close 7-15	9	3
<b>Hothfield</b>		
Beech Drive 1-6	6	1
Coach Drive 1-2	2	2
Plantation Close 1-22	22	3
Sackville Close 1-7	7	3
Thanet Terrace 1-12	12	8
<b>Kenardington</b>		
The Wish 1-6	6	0
<b>Kennington</b>		
Beecholme Drive 24-43	20	5
Beecholme Drive 44-60	17	2
Bockhanger 1&2, Belmont Road	2	0
Bockhanger E Block 1-13, Bybrook Road	13	0
Bockhanger H Block 1-9, Bybrook Road	9	6
Bockhanger J Block 1-24, Bybrook Road	24	15
Bockhanger K Block 1-22, Nine Acres	22	5
Bockhanger L Block 1-15, Nine Acres	15	5
Great Burton House 1-14, Dudley Road	14	1
Hurst Road 18-29	12	5
Hurst Road 30-38	9	0
Kenbrook 1-18	18	9
Nettlefield 1-17	17	4
Rothbrook Drive 1-12, Dale Walk	12	3
Rothbrook Drive 13-17	5	0
Towers View 53-62	10	6
Towes View 63-72	10	7

<b>Garage Address</b>	<b>No of Garages</b>	<b>No of Voids</b>
<b>Kingsnorth</b>		
Church Hill 1-8	8	1
Riverside Close 1-21 (1-5, 6-13, 17-21)	18	1
<b>Newenden</b>		
Lossenham Lane 1-6	6	1
<b>Pluckley</b>		
Station Road 1-4	4	1
Thorne Estate 1-18	18	10
<b>Rolvenden</b>		
Gatefield 1-12	12	2
Maythan Road 1-8	8	1
Money Penny	12	1
Sparkswood Avenue 1-12	12	4
Sparkswood Avenue 13-22	10	4
Sparkswood Avenue 23-32	10	2
<b>Shadoxhurst</b>		
Moreton Terrace 1-3	3	2
Nairne Close 1-8	8	2
Nairne close 13-20	8	2
<b>Smarden</b>		
Glebe Close 1-6	6	4
Green Alne 1-8	8	2
The Oaks 1-12	12	2
<b>Smeeth</b>		
Calland 1-30 (1-5 & 9-30)	30	0
Caroland 1-3	3	0
<b>Stone</b>		
Oxney Cottage 1-8	8	3
Stone Green 1-4	4	4
Stone Green 5-7	3	1
<b>Tenterden</b>		
Chalk Avenue 1-42	42	6
Coombe Lane 1-12	12	1
Crisfield Court 1-8	8	3
Marshalls Land 1-10	10	0
Pittlesden 1-11	11	0
Priory Way 1-8	8	3
Priory Way 9-17	9	2
Priory Way 18-26	9	3
Priory Way 27-34	8	1
Priory Way 40-41	2	0
Station Road Cottages 4-9	6	0
The Pavement 1-6	6	2
<b>Town Centre</b>		
Repton Manor 1-15	15	11
Repton Manor 16-28	13	8
Repton Manor 29-33	5	1
<b>Westwell</b>		
Gold Hill 1-6	6	0

<b>Garage Address</b>	<b>No of Garages</b>	<b>No of Voids</b>
<b>Willesborough</b>		
Albion Place 1-8	8	0
Alsops Road 1-8	8	0
Bath Road 1-7	7	2
Bath Road 8-25	18	7
Bath Road 27-35	9	1
Bentley Road 1-12	12	6
Bentley Road 13-14	2	0
Orion Way 1-7	7	2
Orion Way 51-62	12	5
Orion Way 63-78	16	7
Osborne Road 11-17	7	3
Twelve Acres 7-12	6	4
<b>Wittersham</b>		
Forge Meads 1-10	10	3
Forge Meads 11-20	10	3
Lloyds Green 7-12	6	1
Swan Cottages 1-8	8	4
<b>Woodchurch</b>		
Mill View 1-6	6	0
<b>Wye</b>		
Bramble Lane 1-6	6	0
Churchfield Way 1-14	14	0
Little Chequers: 1-17 & 23-50	45	0

## Appendix 2

<b>Locality</b>	<b>Garage Street Name</b>	<b>Distance</b>
Willesborough	Alsops Road	3 miles
Hillbrow Lane	Watercress House	3 miles
Kennington	Beecholme Drive	3.1 miles
Tenterden	Pittlesden	3.1 miles
Wye	Little Chequers	3.1 miles
Shadoxhurst	Nairne Close	3.2 miles
South Ashford	Bond Road	3.2 miles
Kennington	Bockhanger Lane	3.3 miles
Kennington	Bockhanger Lane	3.3 miles
Hothfield	Plantation Close	3.4 miles
Kennington	Beecholme Drive	3.5 mile
Charing	Wheler Road	3.5 miles
Great Chart	Hillcrest	3.5 miles
South Willesborough	Bath Road	3.5 miles
Willesborough	Bentley Road	3.5 miles
Willesborough	Bentley Road	3.5 miles
Bethersden	Bailey Field	3.6 miles
Hothfield	Plantation Close	3.6 miles
Kennington	Nettlefields	3.6 miles
Shadoxhurst	Nairne Close	3.6 miles
Biddenden	The Meadows	3.8 miles
Kennington	Bockhanger Lane	3.8 miles
St Michaels	Chalk Avenue	4 miles
St Michaels	Chalk Avenue	4 miles
Bethersden	Chester Avenue Garages	4.1 miles
Charing	Wheler Road	4.1 miles
High Halden	The Chennells	4.1 miles
High Halden	The Chennells	4.1 miles
High Halden	The Chennells	4.1 miles
Woodchurch	Mill View	4.1 miles
Wye	Bramble Lane	4.1 miles
Willesborough	Twelve Acres	4.4 miles
Hothfield	Beech Drive	4.5 miles
Kingsnorth	Riverside Close	4.6 miles
Kingsnorth	Church Hill	4.8 miles
Great Chart	Singleton Road	4.9 miles
Ashford	Crownfield Road	5 miles
Kennington	Kenbrook	5 miles

<b>Locality</b>	<b>Garage Street Name</b>	<b>Distance</b>
Great Chart	Singleton Road	5.1 miles
Great Chart	Singleton Road	5.1 miles
Tenterden	Coombe Lane	5.3 miles
Ashford	Elm Place	5.8 miles
Shadoxhurst	Nairne Close	6 miles
Wye	Bramble Lane	6 miles
Hamstreet	Fairfield Terrace	6.2 miles
Kennington	Beecholme Drive	7.3 miles
Bethersden	Bailey Field	7.6 miles
Pluckley	Thorne Estate	7.6 miles
Smeeth	Calland	8 miles
Egerton	New Road	8.7 miles
Rolvenden Layne	Maytham Road	8.7 miles
Tenterden	Priory Way	9 miles
Tenterden	Priory Way	13.8 miles
St Michaels	Chalk Avenue	13.9 miles
South Ashford	Cleves Way	15.6 miles
Kennington	Beecholme Drive	16.5 miles
Kennington	Bockhanger Lane	39 miles
Willesborough	Bentley Road	54.3 miles