

## **ITEM 7 – REFERRALS FROM CABINET**

**15 March 2022**

### **Item 7.1 CA/24/22 GARAGE STRATEGY**

#### **Decision**

#### **RESOLVED TO RECOMMEND**

1. **That Council approve** additional 21/22 supplementary funding of £110k revenue for project costs, to be funded from the Dacorum Development reserve.
2. **That Council approve** a supplementary capital budget for 2022/23 garage investment of £500k. The specific investment decisions to be delegated to the Strategic Director (Corporate and Commercial) in consultation with the Portfolio Holder for Finance and Resources and s.151 Officer.

#### **Corporate Objectives**

A clean, safe and enjoyable environment Ensuring economic growth and prosperity  
Providing good quality affordable homes, in particular for those most in need Ensuring  
efficient, effective and modern service delivery

#### **Deputy Monitoring Officer:**

No comments to add to the report.

#### **S.151 Officer**

Garages represent a significant income stream to the Council. The report sets out proposed oneoff investment in Garages over a three- year period to support and further develop this income stream and the quality of the service provided to customers. Proposed revenue costs would be funded from the Dacorum Development reserve. Capital costs would be funded from a combination of capital receipts arising from garage sales, alongside other sources of capital financing.

#### **Advice**

Cllr Elliot said that they have a lack of data about the condition of the garages, they do need investment and they need to look at how these are to be refurbished going forward. It could be that they put in business units; there are a lack of workshops in the area, so that is one aspect to be considered that could be considered as a result of the condition survey. The survey will be around £150,000 and hopefully that would give them the information that they need on the garages they have and the condition that they are in. They will have to invest more in these garages as they have not invested much over the past decades. They will be ring fencing £500,000 from the sale of some of the garage sites and put that into the general fund rather than a separate fund. The garages will be removed from under the Housing service and moved into the general fund. There will be a focus on letting out these garages.

Cllr Griffiths said that she was delighted to see this report before them and it being moved on. Members will know she had complained for a few years about the fact they were not investing in their Council stock of garages and therefore each site had got slowly worse and

that then means less people were renting them due to the area itself was getting worse. She agreed that they need the investment which would bring more of the garages back into use, it was more of an invest to save in many ways as the more that were in use the more income the council would get. She was more than happy for it to come out of the Housing Scrutiny and into the finance as it has not really been a housing function for a long time; She welcomed and fully supported the report.

Cllr Barratt also welcomes the report; he thought it was a tremendous commercial opportunity. He asked how many garages the £500k would refurbish/repurpose. He also asked where they might be turned into commercial units, would planning permission be required to do that.

NHowcutt said that in relation to the second question, as it would be a change of use there would be planning permission required which they may have a problem with in the 1<sup>st</sup> few quarters of next financial year however they would deal with that when it comes. In terms of the £500k of investment, this all depends on what you would be doing with the garage. Part of the work will look at supply and demand, what the end user wants, making sure that the garages are fit for purpose and for the medium term bring a commercial return. In terms of how they fund that and what they get from the sales, each site is worth very different amounts depending on their location and the quality of the asset that they are selling.

Cllr Douris wanted to confirm that they were only talking about the garages within the housing stock and not the commercial stock.

Cllr Griffiths confirmed that the ex-council stock was transferred to the general fund some time ago.

Cllr Tindall asked that where commercial use was considered the closeness of residents be taken into account in the type of business that is let too. He asks that they try to avoid nuisance such as fumes or noise. So perhaps the use of which the garages are put is a factor when determining their future use.

Cllr Elliot confirmed that he could confirm that. The residents would be paramount and they are there to ensure the residents have a reasonable way of life.

Cllr Williams said that the majority of garages are in residential areas and industrial type businesses would not be encouraged. They would be looking at more of lock up and storage type businesses.