

For publication

Demolition of garages at Devonshire Close, Staveley (CC000)

Meeting:	Cabinet
Date:	7 March, 2017
Cabinet portfolio:	Customers and communities
Report by:	Housing manager

For publication

1.0 Purpose of report

- 1.1 The purpose of this report is to recommend action in respect of 16 garages at Devonshire Close, Staveley, that were damaged beyond repair by a fire on 20 November 2016.

2.0 Recommendations

- 2.1 That approval is given for the purpose built block of 16 garages at Devonshire Close, Staveley, to be demolished.
- 2.2 That the Housing Manager is authorised to tender the demolition works and appoint the successful contractor to undertake the works.
- 2.3 That the Housing Manager is also authorised to tender for and appoint a contractor to make the area into a parking area with marked out bays.

3.0 Current Position

- 3.1 Devonshire Close, Staveley, has a purpose built garage site comprising of 32 garages in two blocks of 16. These are let to individuals, either council tenants or private residents, on a weekly basis. The buildings are constructed from prefabricated concrete with an asphalt roof that covers the whole 16 garages within each block.
- 3.2 The location of the properties is shown in **Appendix 1**.

- 3.3 On the night of 20 November 2016 the 16 garages within one of the blocks suffered extensive damage, resulting from a fire which is believed to have been started deliberately in Garage 6. The alleged perpetrators have been charged and a Court hearing is scheduled for 30 March 2017. A copy of the Fire Report from Derbyshire Fire and Rescue Service is attached at **Appendix 2.**
- 3.4 Garage 6, which was the seat of the fire, contained both a car and gas canisters. As a result, the fire spread both to the left and the right of this garage causing the roof to fully collapse across three garages and for the structure of the block to be affected. All of the garages have been affected by fire, smoke and water (used by the DFRS in extinguishing the fire).
- 3.5 At the time of the fire, 15 of the garages were tenanted, 8 by council tenants and 7 by private residents. 6 garage tenants live within the vicinity of the garage site, with 9 residing in other areas.
- 3.6 As the block of garages is currently unsafe for the tenants to continue to occupy, arrangements have been made to cease rental charges from 21 November 2016 and for offers of alternative garages to be made to these
- 3.7 To date one garage tenant has sought to claim from the council for loss of / damage to belongings as a result of the fire. This claim, of a significant nature, is at the time of writing being discussed with the council's Insurer.

4.0 **Options**

- 4.1 **Option 1:** To carry out repairs to the 16 fire and smoke damaged garages in order to make them suitable for re-letting.
- 4.2 **Option 2:** To demolish the 16 fire damaged garages and replace them with an area of marked out car park places for the benefit of residents in the area.
- 4.3 **Option 3:** To demolish the existing 16 fire damaged garages and replace with a new block of garages.

5.0 **Financial considerations**

- 5.1 Garages are currently let at a weekly rent (over 48 weeks) of £6.22 to council tenants and £7.46 to private residents, where VAT is chargeable. Income from the block is therefore currently £101.98 per week or

£4,895.04 per annum, although this could be a minimum income of £4,776.96 (if all of the garages were let to council tenants) and a maximum income of £5,729.28 (if all of the garages were let to private residents).

- 5.2 **Option 1:** A survey of the garages has been carried out to ascertain whether repairs can be carried out in order to make the garages re-lettable. Whilst the garage roof and the doors to the individual garages can be replaced, due to the 'battery nature' structure of the garage block, the walls and structure cannot be significantly repaired.

As the garages are undersized, in terms of modern day cars, it is **not** considered a feasible option to carry out repairs to the garages as the costs involved would be similar to those at Option 3 below.

- 5.3 **Option 2:** The financial considerations with the demolition of the garages and replacing them with a parking area, are a rent loss from the garages of £6.22 per week which in 48 weeks equals £298.56 per garage and a total loss of £4,776.96 per annum, minus the cost of upkeep and maintenance of approximately £1,000 per annum resulting in an ongoing loss of revenue in the region of £3,776.96 per annum. The demolition of the garages without replacement and the marking out of parking bays would cost in the region of £35,000.

The costs associated with this work could be met from the unallocated budget contained within the Housing Capital Programme, agreed by Cabinet on 21 February 2017.

- 5.4 **Option 3:** The financial considerations with the demolition of the existing garages and its re-provision will cost in the region of £66,000. However due to the sizing of modern day vehicles, the garages would be slightly larger and therefore the site would only accommodate 15 new garages as opposed to the existing 16. There would also be ongoing maintenance costs of £1,000 per annum. With a minimum income of £4,478.40 per annum from the rental of the garages, this would result in a payback period of approximately 15 years.

The costs associated with this work could be met from the unallocated budget contained within the Housing Capital Programme, agreed by Cabinet on 21 February 2017.

6.0 **Recommended option**

- 6.1 It is recommended that the council proceeds with Option 2 - the demolition of the garages and the replacement of the area with a marked car park. This will benefit all the residents of Devonshire Close by providing increased parking for visitors and residents. The garages prior to fire damage were only benefiting 8 council tenants, although others could have applied for a garage if required.
- 6.2 **Option 1 and 3** - are not considered viable on the grounds that option 1 is not physically feasible and option 3 on the basis of cost and that it provides no increased benefit to Devonshire Close tenants.

7.0 Risk management

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
If no action is taken, the garage site will continue to deteriorate and is at risk of vandalism.	L	H	Demolish property.	L	L

8.0 Equalities considerations

- 8.1 A preliminary Equalities Impact Assessment has been completed for this report and is attached as **Appendix 3**.

9.0 Recommendations

- 9.1 That approval is given for the purpose built block of 16 garages at Devonshire Close, Staveley, to be demolished.
- 9.2 That the Housing Manager is authorised to tender the demolition works and appoint the successful contractor to undertake the works.
- 9.3 That the Housing Manager is also authorised to tender for and appoint a contractor to make the area into a parking area with marked out bays.

10.0 Reason for recommendation

- 10.1 To meet the councils priority 'to improve the quality of life for local people'

Decision information

Key decision number	715
Wards affected	Lowgates and Woodthorpe.
Links to Council Plan priorities	'To improve the quality of life for local people'

Document information

Report author	Contact number/email
Paul stepo	Tel: 01246 345170 Email: paul.stepo@chesterfield.gov.uk
Background documents These are unpublished works which have been relied on to a material extent when the report was prepared.	
None	
Appendices to the report	
Appendix 1	Location map
Appendix 2	Fire Report
Appendix 3	EIA