



### **3.0 BACKGROUND**

3.1 In September 2012 Members considered a report regarding the future of the community rooms managed by the Housing Service and approved that a further report is brought to Members regarding the plans and proposals in relation to Grange Court.

### **4.0 CURRENT POSITION**

#### **4.1 Grange Court**

4.1.1 Grange Court is a large property and currently consists of a community room with toilets, kitchen and laundry on the ground floor, and a long term vacant three bedroom flat and a bedsit (previously occupied by site Wardens) on the first floor.

4.1.2 Grange Court has been considered alongside all the other Communal Rooms owned by Housing Services. Proposals to convert it into either a children's nursery or into new homes were considered in 2013. Initially the preference for Members was for the building to be converted into a nursery. However after the prospective nursery – Families First Childcare Co-operative – carried out a feasibility study of the conversion they could not make their plans cost effective.

4.1.3 The Housing Service successfully bid to the Homes and Communities Agency for grant monies towards the cost of converting empty commercial property into residential dwellings.

4.1.4 When the future use of Grange Court has been previously considered we have spoken to the tenants who live close by to see who actually uses the laundry, and identified only two or three tenants. Further consultation has taken place in December 2014 and has again only identified a small number of users with whom alternative provision for washing and/or drying is being discussed on an individual basis.

#### **4.2 Conversion into three one bedroom houses**

4.2.1 It is proposed that Grange Court is converted into 3 one bedroom affordable rent houses with home office space subject to planning consent.

4.2.2 The work to convert Grange Court would add three properties to the Council's Housing Stock of much needed units of one bedroom general purpose accommodation. The development of these property types is designed to offer a suitable, attractive property type to encourage those affected by welfare reform changes to downsize – freeing up larger units of

stock for families on the waiting list.

4.2.3 Plans for this Option are attached at **Appendix A**.

4.2.4 This proposal includes the closure of the laundry. Consultation has taken place with the tenants who use the facility and other options to meet their individual needs are being discussed, for example purchasing them individual washing machines and/or dryers.

4.2.5 The contract to carry out the conversion work both at Grange Court (and a further property at Paisley Close) has recently been tendered to five contractors and two tenders have been received. The two tenders received are as follows;

Tender A	£154,245.67
Tender B	£234,921.02

Subject to tender evaluation, it is normal practice to award to the lowest contractor that also fulfils all other tender criteria, including programme and quality assessment. It is therefore recommended that Tender A be accepted and a contract be entered into.

4.2.6 The construction work required to convert the Grange Court to residential accommodation will be completed by 31<sup>st</sup> March 2015.

## **5.0 FINANCIAL CONSIDERATIONS**

5.1 The necessary building work, including the addition of an external staircase for one of the units, will cost in the region of £150,000 (£50,000 per unit). £60,000 of the cost of this cost will be provided in the form of grant from the Homes and Communities Agency.

5.2 The costs associated would be met by the HRA Capital Programme of which a budget of £150,000 has been included for 2014/15.

5.3 The three additional properties would generate in the region of £14,000 rental income per annum, £3,000 in Council Tax and an additional New Homes Bonus payment to the General Fund. As a result of this additional income to the Housing Revenue Account, the scheme will pay for itself within the first 7 years of the Business Plan.

## 6.0 RISK MANAGEMENT

Description of Risk	Current Likelihood	Impact	Mitigating Action	Future Likelihood	Future Impact
Criticism regarding a building standing empty	Medium	Medium	Convert property into flats	Low	Low
Adverse publicity arising from closure of Grange Court	Low	Low	As Grange Court has not been used as a Community Room for some considerable time and a community resource is being retained in the area publicity outlining the reasons for the decision and the benefits of the proposal will be seen as a positive move	Low	Low
Financial loss to Housing Revenue Account and General Fund of room standing empty	High	Medium	Deficit becomes a re-investable surplus as a result of proposal	Medium	Low
Loss of Polling Station	High	Low	Alternative provision will be sought	Low	Low

## 7.0 EQUALITIES

7.1 An Equalities Impact Assessment is attached at **Appendix B**.

## 8.0 RECOMMENDATIONS

8.1 It is recommended that Grange Court is converted into three one bedroom houses and that **Crestra** are appointed to carry out the works for a tendered sum of **£154,245.67**.

**9.0 REASON FOR RECOMMENDATION**

- 9.1 The conversion of Grange Court into flats adds three much needed one bedroom units to the Council's housing stock.

**JULIE MCGROGAN  
HOUSING SERVICE MANAGER – CUSTOMER SERVICES**

**ALISON CRAIG  
HOUSING SERVICE MANAGER – BUSINESS PLANNING AND STRATEGY**

Further information on this matter can be obtained from Julie McGrogan (Extension 5135) or Alison Craig (Extension 5156).

Officer recommendation supported.

A handwritten signature in black ink, appearing to be 'M. J. ...', written in a cursive style.

Signed Executive Member

Date 22.12.2014

Consultee Executive Member/Support Member comments (if applicable)