

CONVERSION OF COMMON ROOMS INTO LETTABLE UNITS

Cabinet Member: Cllr Ray Stanley

Responsible Officer: Head of Housing and Property Services – Nick Sanderson

Reason for Report: To advise members of the proposed 'change of use' of Common Rooms.

RECOMMENDATION(S): That the Cabinet recommends to Council the proposed 'change of use' of our Common Rooms.

Relationship to Corporate Plan: Housing - The 'change of use' of these common rooms will allow us to increase the number of lettable units within the council stock.

Community – The formation of a Community Centre will help encourage communities to support themselves

Financial Implications: The financial implications will be contained within the Housing Revenue Account. It is important to prioritise financial management of the HRA to ensure the all available funds are used to the best effect.

Legal Implications: It will be necessary to ensure that any work carried out address all the legal obligations the Council has as a Landlord for the housing estate.

Risk Assessment: The management of 3058 homes for some of our most vulnerable tenants contains many risks. These risks are managed at a service level through various risk assessment.

1.0 Introduction

- 1.1 The Authority currently has four commons rooms, three of these are within the Westexe area of Tiverton that are only a few hundred metres apart, and one in Cullompton.
- 1.2 The Tenants Together group were asked if they would like to undertake a full review of their use as it was felt that the rooms were underutilised and that better use could be made of these assets.
- 1.3 Surveys have identified that three of the four Common Rooms could easily be converted into lettable units, pending 'change of use' permission being granted.

2.0 **Tenant Consultation / Review**

- 2.1 The recommendations contained within this policy are fully supported by the Tenants Together Scrutiny Group.
- 2.2 Their review identified that room usage had strayed from the original intent, that they were underutilised in many cases, and also used by non-tenant organisations.
- 2.3 Due to the proximity of the three rooms in the Westexe area of Tiverton it was felt by the scrutiny group that the organisations using these rooms could easily be relocated into one central location freeing up the properties for conversion to lettable units.
- 2.4
- 2.5 The Common Room at Brewin Road Flats has a communal washing/drying room which is available for the tenants to use free of charge. They felt that although this facility is required due to the fact that there is no room in the flats for this sort of appliance, it should not be free and the tenants should be expected to cover the running costs.
- 2.6 The Common Room at Woolcott Way, Cullompton was rarely used and the site was unsuitable for this type of usage due to its location and lack of parking.
- 2.7 The Tenants Together scrutiny group have proposed the following changes to the way in which we currently manage our Common Rooms.
 - 2.7.1 Close three of the four common rooms and convert to flats.
 - 2.7.2 Keep the washing /drying room at Brewin Road but charge for the use of the facility in order to cover the running costs.
 - 2.7.3 Rebrand the Westfield Road, Tiverton Common Room as Westfield Road Community Centre.

3.0 **Proposals**

- 3.1 Close Brewin Road, Tiverton Common Room and convert it into a one bedroom flat.
- 3.2 Relocate the washing/drying room at Brewin Road, Tiverton to the rear of the building and install a chargeable meter system to ensure costs are recouped.
- 3.3 Close Woolcott Way, Cullompton Common Room and convert into a one bedroom flat with wet room facility
- 3.4 Close Broad lane Flats, Tiverton Common Room and convert to a one bedroom flat.
- 3.5 Refurbish and 'rebadge' Westfield Road Flats, Tiverton Common Room to become a new Community Centre.

3.6 Include the new Community Centre on the cyclical schedule for maintenance and repairs.

4.0 Implementation of the Common Room conversion

4.1 There are no additional resource implications as a direct result of this report.

5.0 Financial Context

5.1 Current Common Room Costings based upon Tenants Together review

	Broad Lane	Westfield Road	Brewin Road	Woolcott Way	Total
Electricity	489.50	152.80	457.49	411.28	1511.07
Gas	55.34	39.34	171.77	259.16	525.61
Water			577.62	48.91	626.53
Insurance	125.00	125.00	125.00	125.00	500
Cleaning	1284.92	1578.62	1578.62	376.12	4818.28
Gas Inspections	132.28	132.28	132.28	132.28	529.12
Maintenance	183.95	96.49	63.46	240.96	584.86
Health and Safety Inspections					0
Materials	90.87	90.87	90.87	90.87	363.48
Total Expenditure	2270.99	2124.53	3106.24	1593.71	9095.47
Income	120.00				120.00
Net Cost	2150.99	2124.53	3106.24	1593.71	8975.47

5.2 By closing the three underutilised Common Rooms and converting them to lettable units we are able to increase our rental income and reduce our cost accordingly.

5.3 By correctly managing and charging for the use of the remaining room, rebadging it as a Community Centre and launching it correctly we should be able to generate an income from its use to offset the running costs.

5.4 By charging for the use of the washing machine and tumble dryer facility, what is currently a free facility, we will be able to generate an income to cover the running costs.

5.5 Based on 100% occupancy it is envisaged that the following annual rent can be achieved from the new units:

- 5.5.1 1 Bed Flat at Brewin Road, Tiverton = £4,132
- 5.5.2 1 Bed Flat at Broadlane, Tiverton = £3,844
- 5.5.3 1 Bed Flat at Woolcott Way, Cullompton = £3,844
- 5.6 The refurbishment costs to create new lettable units has been estimated at:
 - 5.6.1 1 Bed Flat at Brewin Road, Tiverton = £11,500
 - 5.6.2 1 Bed Flat at Broadlane, Tiverton = £7,500
 - 5.6.3 1 Bed Flat at Woolcott Way, Cullompton = £9,500
- 5.7 The refurbishment cost to update the Westfield Road, Tiverton Common Room and create a Community Centre has been estimated at £3,500

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Circulation of the Report: Management Team, Councillor Ray Stanley, Cabinet Member for Housing