

Notice of Non-key Executive Decision

Subject Heading:	Approval to sell Havering's equity share in 15 Robinson Close, Hornchurch, RM12 5AR a 3 bedroom semi detached House
Cabinet Member:	Cllr Joshua Chapman Cabinet Member for Housing
SLT Lead:	Patrick Odling-Smee –Director of Housing
Report Author and contact details:	Claire Bailey – Home Ownership and leasehold Officer claire.bailey@havering.gov.uk
Policy context:	Home Ownership
Financial summary:	A capital receipt of £86,240.00 will be received on the sale of the remaining 38.5% equity share.
Relevant OSC:	Town and Communities
Is this decision exempt from being called-in?	It is a non-key decision by a member of staff

Non-key Executive Decision

The subject matter of this report deals with the following Council Objectives

Communities making Havering	[X]
Places making Havering	[X]
Opportunities making Havering	[X]
Connections making Havering	[X]

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

This report proposes the sale of the remaining equity share in the property 15 Robinson Close, Hornchurch, RM12 5AR

15 Robinson Close, Hornchurch, RM12 5AR is a 3 bedroom semi detached house.

Under the Shared Ownership scheme the purchaser bought a 61.5% share of the property and then paid rent on the unbought equity share element. and under the terms of the Lease had an option to purchase the remaining equity share of 38.5%

In May 1986 the council sold 61.5% of 15 Robinson Close RM12 5AR for £32,250.00 and the owner has now requested to purchase the balance of 38.5% retained by the council.

The property has been revalued by a RIC qualified surveyor, the report has been received and the property is valued at £320,000.00

The equity share that the council is selling is $£320,000 \times 38.5\% = £123,200.00$. Joint venture owners are eligible for a 30% discount and therefore the amount payable to the Council is £86,240.00.

The Leaseholder is also responsible for the Council's Surveyor's fees for dealing with the additional equity share sale and the transfer of the freehold interest in the property.

AUTHORITY UNDER WHICH DECISION IS MADE

3.8.2 Director of Housing

(dd) To carry out the following functions:

(i) To undertake management responsibility for the Council's freehold interest where property has been disposed of on a leasehold basis under the right to buy legislation. This includes:

- enforcing covenants
- carrying out repairs
- recharging liabilities
- consulting with and involving leaseholders and their management organisations as necessary.

(ii) To manage the Council's housing stock and authorise action to obtain possession of council housing accommodation and recover rent arrears, including the service of all necessary notices and action (including applying for injunctions) to enforce or vary the Council's tenancy agreement

STATEMENT OF THE REASONS FOR THE DECISION

To sell the remaining equity share of 38.5% for the property known as 15 Robinson Close, Hornchurch, RM12 5AR

OTHER OPTIONS CONSIDERED AND REJECTED

None.

PRE-DECISION CONSULTATION

Leaseholder has made a request to purchase the remaining 38.5% equity share from the Council.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Claire Bailey

Designation: Home Ownership & Leasehold Officer

Signature:



Date: 07.11.19

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council are legally contractually bound by the terms of the original equity share sale in respect of this property. The procedure for effecting further shares is set out in the equity share lease previously granted to the leaseholder. The leaseholder having triggered a request to purchase the outstanding 38.5% share in accordance with the terms of the lease and appropriate procedures as set out in the lease having been complied with the Council have no alternative but to transfer the remaining share of equity which will enable the Freehold to be transferred to the current Leaseholder for payment of £86,240.00 and the Council's surveyors fees.

Legal Services will deal with the legal transfer of the Freehold to the current Leaseholder.

FINANCIAL IMPLICATIONS AND RISKS

There is no financial risk to the council as we are receiving funds of £86,240.00 for the remaining equity share of 38.5% in the property. The leaseholder will also pay for any costs and fees associated with the transaction.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

The recommendations made in this report do not give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

There are no immediate equalities risks arising from this report.

BACKGROUND PAPERS

None.

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

~~Proposal NOT agreed because~~

Details of decision maker



Signed:

Name: Patrick Odling-Smee

Cabinet Portfolio held:

CMT Member title: Director of Housing

Head of Service title

Other manager title:

Date: 14 November 2019

Lodging this notice

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Democratic Services Officer in Democratic Services, in the Town Hall.

For use by Committee Administration

Non-key Executive Decision

This notice was lodged with me on 16/1/17

Signed A. N. M.

