

## Notice of Non-key Executive Decision

<b>Subject Heading:</b>	Approval to sell a further 50% share of Havering's equity share in Montrose, 3 Gladstone Place, Rainham, RM13 9FN. A 3 bedroom semi-detached house
<b>Cabinet Member:</b>	Cllr Joshua Chapman Cabinet Member for Housing
<b>SLT Lead:</b>	Patrick Odling-Smee –Director of Housing
<b>Report Author and contact details:</b>	Claire Bailey – Home Ownership and leasehold Officer claire.bailey@havering.gov.uk
<b>Policy context:</b>	Home Ownership
<b>Financial summary:</b>	A capital receipt of £157,500.00 will be received on the sale of the 50% equity share.
<b>Relevant OSC:</b>	Town and Communities
<b>Is this decision exempt from being called-in?</b>	It is a non-key decision by a member of staff

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**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 Montrose, 3 Gladstone Place, Rainham, RM13 9FN

Montrose, 3 Gladstone Place RM13 9FN is a 3 bedroom semi-detached house.

Under the Shared Ownership scheme the purchaser bought a 50% share of the property and then paid rent on the unbought equity share element.

The individual sales allowed for purchasers to then “staircase” at a later stage i.e. by increasing the percentages of the property until they have purchased 100%.

In April 2013 the council sold 50% of Montrose, 3 Gladstone Place RM13 9FN for £119,995.00 and the owner has now requested to purchase the remaining 50% of the 50% currently 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 £315,000.00

The equity share that the council is selling is £315,000.00 x 50% - £157,500.00.

The Leaseholder is also responsible for the Council’s Surveyor’s fees for dealing with the further equity share sale 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

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**STATEMENT OF THE REASONS FOR THE DECISION**

To sell the a further equity share of 50% for the property known as Montrose, 3 Gladstone Place RM13 9FN

**OTHER OPTIONS CONSIDERED AND REJECTED**

None.

**PRE-DECISION CONSULTATION**

**Leaseholder has made a request to purchase a further 50% 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: 24th November 2020

## 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 a further 50% 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 further 50% share of equity which will show the Leaseholder will own a total 50% equity share for payment of £157,500.00 and the Council's surveyors fees.

### **FINANCIAL IMPLICATIONS AND RISKS**

There is no financial risk to the council as we are receiving funds of £157,500.00 for the purchase of the remaining 50% equity share 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**

It is not considered necessary to enter into an Equalities and Health Impact Assessment in relation to buying this property. The purchase will be completed after the standard property purchase negotiations using standard a contract format, undertaken with the expressed consent of the owner; therefore an EqHIA is not considered relevant.

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have 'due regard' to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex/gender, and sexual orientation.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the

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Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

**BACKGROUND PAPERS**

None.

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**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: 30<sup>th</sup> November 2020

**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**

This notice was lodged with me on \_\_\_\_\_

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Signed \_\_\_\_\_