

Notice of NON KEY Executive Decision containing exempt information

This Executive Decision Report is part exempt and Appendix 2 is not available for public inspection as it contains or relates to exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972. It is exempt because it refers to information relating to the financial or business affairs of any particular person (including the authority holding that information), and the public interest in maintaining the exemption outweighs the public interest in disclosing the information

Subject Heading:	Sale of land between No.8 & No.9 Bretons Cottages, Rainham Road, Rainham Essex RM13 7LL
Cabinet Member:	Councillor Roger Ramsey – Cabinet Lead Member for Finance and Property
SLT Lead:	Jane West, Chief Operating Officer
Report Author and contact details:	Christopher Pasterfield Principal Asset Surveyor Tel: 01708 433335 chris.pasterfield@onesource.co.uk
Policy context:	Asset Management Plan
Financial summary:	The financial aspects for the transaction are detailed in the <u>EXEMPT Appendix 2</u> to this Report

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	[]

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

That the Head of Property in consultation with the Director of Legal and Governance approves the completion of the sale of land between No.8 & No.9 Bretons Cottages, Rainham Road to Secure Land Developments Ltd on the terms as set out at exempt Appendix 2.

AUTHORITY UNDER WHICH DECISION IS MADE

Cabinet on 18 January 2017 agreed to declare as surplus the freehold interest in the property and authorise its disposal and authorised the Head of Property in consultation with the Director of Legal & Governance, oneSource to deal with all matters arising including the appropriation for planning purposes and thereafter to deal with the disposal of the property.

STATEMENT OF THE REASONS FOR THE DECISION

On 16th December 2015 Cabinet declared a number of sites surplus to requirements, including land between No.8 & No.9 Bretons Cottages, Rainham Road, Rainham Essex RM13 7LL (“the property”). Cabinet authorised their disposal in principle subject to the outcome from the processes for appropriating the sites for planning purposes and disposal of open space (A copy of the report is attached at Appendix 1.

On 18th January 2017, Cabinet agreed to proceed with the appropriation for planning purposes and disposal of the property after consideration of representations made with respect to the appropriation and disposal of the property.

Planning approval was obtained in September 2019 under application no.P0721.18 for four residential houses. Following planning approval, Glenny were instructed to market the property on behalf of the Council.

The site has attracted strong interest from a number of developers who were invited to submit best and final offers. Terms have now been agreed with the preferred bidder.

The consideration negotiated will constitute a (general fund) capital receipt to support the Council’s capital programme.

It is believed that best consideration for the site is being received following an extensive marketing campaign. A total of 80 parties expressed interest in the property following which a total of 14 formal proposals were received.

OTHER OPTIONS CONSIDERED AND REJECTED

Retain the site - the site is non-income producing, located between existing residential development fronting Rainham Road and retention would forego the opportunity to realise a capital receipt.

Transfer to Mercury Land Holdings (MLH) – planning approval is for 4 units only so lacks scale for the MLH portfolio. The Council has an urgent need for capital receipts in order to minimise its borrowing – transfer to MLH would produce little net receipt, if any, as the Council would need to provide the equity to MLH in the first instance to facilitate the transfer, following which there would be a delay in the eventual receipt being realised following the development period.

PRE-DECISION CONSULTATION

The Lead Member Finance and Property has been consulted.

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

Name: Christopher Pasterfield

Designation: Principal Asset Surveyor

Signature:

Date:

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council is disposing of its freehold interest in the property under section 233 Town and Country Planning Act 1990 (1990 Act), the land having been appropriated for planning purposes pursuant to the Cabinet decision dated 18th January 2017.

As the Site comprises land which has been used as public open space then prior to disposal the statutory requirements under s123 Local Government Act 1972 (LGA 1972) must be followed requiring the proposed disposal to be advertised for 2 consecutive weeks in a local publication and for any objections or representations made to be properly considered.

As the appropriation related to land which is open space then s122 (2A) LGA 1972 must also be complied with which similarly requires adverts to be placed in a local publication for 2 consecutive weeks.

These notices were placed in the Romford Recorder for 2 consecutive weeks.

On the basis the necessary advertising of the disposal has therefore been undertaken in compliance with sections 122 and 123 LGA 1972, no formal representations to the proposals were received by the Council and the period for any legal challenge has now passed, any risk of proceeding with the disposal under section 233 of the 1990 Act would be considered low.

Section 233 of the 1990 Act also requires that where land has been appropriated by a local authority for planning purposes and is held by them for the purposes for which it was appropriated then the local authority may dispose of the land subject to such conditions as appear expedient in order to secure the best use of that land and any buildings/works to be constructed or carried out on it as needed for the proper planning of the authority's area.

As the property is being disposed of with the benefit of the planning permission granted in September 2019 (application no. PO721.18), these requirements have been satisfied.

This Report also confirms that the terms agreed for the disposal of the property represent the best consideration reasonably obtainable in compliance with section 233 of the 1990 Act. The Council therefore has the power to dispose of the property on the terms set out in exempt Appendix 2 of this Report.

FINANCIAL IMPLICATIONS AND RISKS

The consideration payable to the Council is detailed in Exempt Appendix 2.

The disposal of land is exempt from VAT.

The purchaser will pay a non-refundable contribution of £2,500 towards the London Borough of Havering's internal surveying and legal costs which will become payable on exchange of contracts. The Purchaser is to exchange contracts with a 10% deposit. Whilst there is the possibility that something may happen to prevent completion, this is considered low risk.

The Capital receipt to be generated will support the Council's ambitious capital programme.

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

None

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

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, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The proposed disposal will not have any impact on persons with protected characteristics

BACKGROUND PAPERS

None

APPENDICIES

Appendix 1	Site Plan	Open
Appendix 2	Agreed Heads of Terms	Exempt

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

Details of decision maker

Signed:



Name:

Mark Butler

Head of Service title

Director of Asset Management

Date:

10th August 2021

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 _____

Signed _____