



Notice of NON KEY Executive Decision containing exempt information

This Executive Decision Report is part exempt and Appendices [A] 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 financial information/valuation and the public interest in maintaining the exemption outweighs the public interest in disclosing the information

Subject Heading:	Approval to sell Havering's equity share in 264 Rainham Road, Rainham, RM13 7TL. The property is a 3 bedroom semi-detached house.
Decision Maker:	Patrick Odling-Smee Director of Housing
Cabinet Member:	Lead Member for Housing
SLT Lead:	Patrick Odling-Smee Director of Housing
Report Author and contact details:	Claire Bailey – Home Ownership and leasehold Officer 01708 433015 Claire.bailey@havering.gov.uk
Policy context:	Home Ownership
Financial summary:	A capital receipt of £252,000 will be received on the sale of the 60% equity share.
Relevant OSC:	Places OSSC
Is this decision exempt from being called-in?	Yes, this 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

Background:

This report proposes the sale of the remaining equity share in the property Approval to sell Havering's equity share in 264 Rainham Road, Rainham, RM13 7TL.

The property is a 3 bedroom semi-detached house.

Under the Shared Ownership scheme the purchaser bought a 40% 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%. which then allowed them to purchase the Freehold

In September 2016 the Council sold 40% of 264 Rainham Road, RM13 7TL for £128,000.00 and the owner has now requested to purchase the balance of 60% 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 £420,000

The equity share that the council is selling is £420,000 x 60% - £252,000

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

AUTHORITY UNDER WHICH DECISION IS MADE

3.8.2

(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 remaining equity share of 60% for the property known as 264 Rainham Road, Rainham, RM13 7TL

OTHER OPTIONS CONSIDERED AND REJECTED

None as statutory requirements apply.

PRE-DECISION CONSULTATION

Leaseholder has made a request to purchase the remaining 60% equity share from the Council.

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

Name: Claire Bailey

Designation: Home Ownership and Leasehold Officer

Signature: 

Date: 14th July 2022

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

Under the terms of the shared ownership scheme, the Leaseholder can buy a 'share' of the property and pay rent on the remaining shares (which remains in the ownership of the Council). The procedure for effecting further shares is set out in the equity share lease previously granted to the leaseholder. The Council are bound by the terms of the original equity share sale in respect of this property.

The Leaseholder has triggered the option to purchase the outstanding 60% equity share in the property in accordance with the terms of the lease and complied with the procedures therein. The Council has no alternative but to transfer the remaining share of equity which will enable the freehold to be transferred to the current leaseholder in return for the payment of £252,000.00. The leaseholder will also be responsible for the Council's surveyors and legal fees.

FINANCIAL IMPLICATIONS AND RISKS

There is no financial risk to the Council as we are receiving funds of £252,000 for the remaining equity share of 60% 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

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.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

The leaseholder has a statutory entitlement to purchase further shares of the shared ownership property. The recommendations made in this report do not appear to conflict with the Council's policy on Environmental and Climate implications.

BACKGROUND PAPERS

None.

APPENDICIES

Appendix A Exempt

Valuation report for 264 Rainham Road, Rainham, RM13 7TL.

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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

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: 2nd August 2022

Lodging this notice

The signed decision notice must be delivered to Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____

Executive Decision Report Audit Trail

Non-key Executive Decision

Position/Title	Directorate	Date Sent	Date received	Date Cleared
	Cabinet Lead			
	Member			
	SLT Director			
	Legal			
	Finance			
	Human			
	Resources			
	Equalities			
	Health			
	Democratic			
	Services			