

## Notice of NON KEY Executive Decision containing exempt information

This Executive Decision Report is part exempt and Appendix A is not available for public inspection as it contains or relates to exempt information within the meaning of paragraph 3, Part 1 of Schedule 12A to the Local Government Act 1972. It is exempt because it refers 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

<b>Subject Heading:</b>	150 New Road, Rainham. Settlement of compensation claim.
<b>Decision Maker:</b>	Neil Stubbings – Strategic Director of Place
<b>Cabinet Member:</b>	Councillor Graham Williamson Cabinet Member for Development and Regeneration
<b>SLT Lead:</b>	Neil Stubbings- Strategic Director of Place
<b>Report Author and contact details:</b>	Harry Scarff – Regeneration Manager <a href="mailto:Harry.Scarff@havering.gov.uk">Harry.Scarff@havering.gov.uk</a>
<b>Policy context:</b>	This decision is made in the context of the current policy to comprehensively regenerate the area defined by the Rainham and Beam Park Housing Zone
<b>Financial summary:</b>	The financial compensation agreed is within the budget provision previously made for such settlements arising from the making

### Non-key Executive Decision

	and withdrawal of the Rainham and Beam Park CPO No 1 2019
<b>Relevant OSC:</b>	Place
<b>Is this decision exempt from being called-in?</b>	The decision will be exempt from call in as it is a Non key Decision.

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

People - Things that matter for residents

Place - A great place to live, work and enjoy

Resources - A well run Council that delivers for People and Place. X

### **Part A – Report seeking decision**

#### **DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION**

That the Strategic Director of Place in consultation with the Deputy Director Legal agree the terms of the Compensation Settlement Deed between the Council and the owners of 150 New Road, Rainham RM13 8RS and by affixing the common Seal of the Council conclude the agreement.

#### **AUTHORITY UNDER WHICH DECISION IS MADE**

The KEY Executive Decision (Special Urgency) agreed on the 2nd December 2021 authorised the withdrawal of the London Borough of Havering (Rainham and Beam Park, New Road, Rainham) Compulsory Purchase Order 2019 No. 1 (“the CPO”). It also delegated to the Director of Regeneration the authority to :

- a. make financial provision for the settlement of any Blight Notices and other claims arising and served by Qualifying Landowners as set out in the Financial Implications section below.
- b. take any steps necessary to deal with any incidental issues arising from the withdrawal of the CPO

**Non-key Executive Decision**

**STATEMENT OF THE REASONS FOR THE DECISION**

150 New Road, Rainham is a part residential and commercial property that fell within the red line of the CPO. The owner had been approached with a view to negotiating heads of terms for the acquisition of the property. Negotiations were protracted and eventually inconclusive. The Council was informed that the owner had become incapacitated, and Lasting Power of Attorney was subsequently granted over the property. However, negotiations did not resume.

During the period of negotiations, the residential tenant vacated the property and the residential element remained unlet and vacant.

The Council subsequently withdrew the CPO before a decision was made by the Secretary of State for Levelling-up, Housing and Communities on whether the CPO should be confirmed.

In July 2022 a compensation claim was made by the owners of the property seeking compensation for lost rent and professional fees incurred during the period when negotiations to acquire the property were in progress.

The Council, on advice, refuted the grounds on which the claim was being made and the amount of compensation being claimed. Subsequent communications from the owners became fractious. The Council, mindful of the circumstances of the owner and not wishing to engage the property owners in protracted legal proceedings proposed an ex-gratia offer of compensation and to pay professional fees in settlement of all potential claims arising out of the making of the CPO order and negotiations with the owner. This has been accepted by the owners.

Following advice the Council has drawn up a Deed of Settlement the terms of which the owners have agreed and they have signed the Deed. The affixing of the Common Seal of the Council to the document will conclude the matter.

**OTHER OPTIONS CONSIDERED AND REJECTED**

Not to make an ex-gratia settlement – Rejected.

To continue to dispute the compensation claim may result in protracted legal proceedings and incur unnecessary costs for both parties. There is a risk of reputational damage to the Council should the owners seek to gain publicity in support of their claim irrespective of its merits.

**PRE-DECISION CONSULTATION**

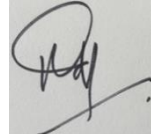
N/A

**Non-key Executive Decision**

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

Name: Harry Scarff

Designation: Regeneration Manager



Signature:

Date:28/09/23

**Part B - Assessment of implications and risks**

**LEGAL IMPLICATIONS AND RISKS**

The Deed of Settlement is entered into in full and final settlement of the disputed matters and is not and shall not be represented or construed by the parties as an admission of liability or wrongdoing on the part of any party to the agreement.

No further legal implications.

**FINANCIAL IMPLICATIONS AND RISKS**

The financial compensation agreed is within the budget provision previously made for such settlements arising from the making and withdrawal of the Rainham and Beam Park CPO No 1 2019

No further financial implications

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

No Human Resources implications arise from this decision.

**EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS**

No Equalities or Social Inclusion implications arise from this decision.

**ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

No Environmental or Climate Change implications arise from this decision.

**Non-key Executive Decision**

**BACKGROUND PAPERS**

None

**APPENDICIES**

**Appendix A. 150 New Road, Rainham - Deed of Final Settlement of  
Payment of Compensation. EXEMPT**

**Non-key Executive Decision**

**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



Neil Stubbings  
Strategic Director of Place

Date: 26/10/23

**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 \_\_\_\_\_