

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 contain) or relates to exempt information within the meaning of paragraph 7 of Schedule 12A to the Local Government Act 1972. It is exempt because it refers to financial and business affairs of the Tenant and the public interest in maintaining the exemption outweighs the public interest in disclosing the information

Subject Heading:	Subject Property: 40 High Street, Romford, Essex, RM1 1HR Event: New Letting
Decision Maker:	Paul Walker - Interim Director – Housing & Property Place Directorate
Cabinet Member:	Councillor Paul McGeary – Cabinet Member for Housing & Property
SLT Lead:	Neil Stubbings - Strategic Director of Place
Report Author and contact details:	London Borough of Havering (LBH) Helen Gardner Senior Estates Surveyor Property Services Town Hall Main Road Romford RM1 3BD Tel: 01708 434 123 E: helen.gardner@havering.gov.uk
Policy context:	Asset Management Plan

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Financial summary:	The financial aspects for the transaction are detailed in the <u>EXEMPT Appendix A</u> to this Report
Relevant Overview & Scrutiny Sub Committee:	Place
Is this decision exempt from being called-in?	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 (x)
- Resources - A well run Council that delivers for People and Place ()

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

To note the exercising of delegated authority by the appropriate Property Officer to agree to the new letting of the property and to instruct the Council's legal team to prepare the documentation as per the details in Appendix 1.

AUTHORITY UNDER WHICH DECISION IS MADE

Havering Council's Constitution Part 3.3 (2 April 2024 - current)

8.6 To dispose of any property or asset of the Council provided that the value of the property or asset is less than £1,000,000. The delegation is subject to the following requirements:

- a) complying with the Code of Practice on the Disposal of Surplus Property
- b) in cases where the Cabinet has already approved the principle but not the terms of a property disposal without the invitation of competitive bids, the provisionally agreed terms of any disposal exceeding £1,000,000 shall be reported to Cabinet for approval before the transaction is concluded
- c) in cases that have not been the subject of competitive bids but are below £1,000,000 in value, the provisionally agreed terms of disposal shall be reported to the Strategic Director of Resources, before the transaction is concluded
- d) complying with relevant Council policy on property transactions (e) referring a matter for Member decision where it is proposed to recommend other than the best financial bid

STATEMENT OF THE REASONS FOR THE DECISION

Background

New Letting

The property is a ground floor retail unit which was previously used as a Covid testing centre until 1st April 2022. There were then discussions with Cocoon, who occupy a unit nearby, but this never came to fruition and the property was then let as a convenience store in December 2023 by way of a Tenancy at Will but the tenant has left following disagreements on the lease form. The property has now been vacant since February 2024. Following another rat infestation, we were about to start marketing the property when we were approached by the proposed

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tenant as they are suddenly losing their current premises in Romford town centre. We have now reached agreement for a new lease with S.M.I.L.E charity on the terms detailed in Appendix 1.

Tenancy at Will

Due to losing their current premises on 9th May and in order to accelerate occupation it is proposed that the tenant takes occupation of the premises on a Tenancy at Will whilst the lease is drafted and completed, on the proviso that the Council are put in funds to cover the first quarters rent prior to the commencement of the Tenancy at Will as detailed in Appendix 1. Property Services will lead on the granting of the Tenancy at Will agreement.

Recommendations

It is recommended that formal authority is hereby given to instruct the Estates Surveyor, London Borough of Havering - Property Services to instruct the Council's Legal team to draw up a new Lease as per the details in Appendix A.

In the meantime, the Estates surveyor will prepare and complete the Tenancy at Will and prepare the Completion statement.

OTHER OPTIONS CONSIDERED AND REJECTED

Option: Not to proceed with the new letting

Rejected: This letting will provide an income stream and will end the Council's rates and utilities liability.

PRE-DECISION CONSULTATION

None

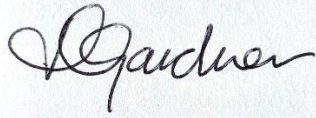
NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Helen Gardner

Designation: Senior Estates Surveyor

Signature:

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A handwritten signature in black ink on a light blue background. The signature is cursive and appears to read "Gardner".

Date: 22/04/2024

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council also has powers under Section 123(1) of the Local Government Act 1972 to dispose of land in any manner it wishes, subject to subsection 123(2) which provides that land should not be disposed of for less than best consideration on a transfer of the freehold or lease of more than 7 years

FINANCIAL IMPLICATIONS AND RISKS

By agreeing and completing a new lease the rental income is secured for the benefit of the Council's General Fund. VAT will not be chargeable on the rent.

This is not an additional income stream for the Council because this contributes to income targets already budgeted within Property Services.

Costs associated with getting the lease in place can be contained within existing resources/budgets.

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

No human resources implications and risks have been identified.

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

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An EqHIA (Equality and Health Impact Assessment) is usually carried out when a proposed or planned activity is likely to affect staff, service users, or other residents.

The Council seeks to ensure equality, inclusion, and dignity for all in all situations.

There are no equalities and social inclusion implications and risks associated with this decision.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

No Environmental and Climate Change implications identified.

BACKGROUND PAPERS

None

APPENDICES

Appendix A Landlord's Proposals for New Letting - Exempt

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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: **Paul Walker**

Cabinet Portfolio held:

CMT Member title:

Head of Service title: Interim Director – Housing & Property Place Directorate

Other manager title:

Date: **20.05.24**

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 _____