



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:	46 Tolbut Court, Lennox Close, Romford, RM1 2DY. Authorisation to extend the lease term in accordance with statutory provisions.
Decision Maker:	Paul Walker Interim Director of Housing and Property.
Cabinet Member:	Cllr Paul McGeary Lead Member for Housing.
SLT Lead:	Paul Walker Interim Director of Housing and Property.
Report Author and contact details:	Claire Grover – Home Ownership and leasehold Officer 01708 433015 Claire.grover@havering.gov.uk
Policy context:	Home Ownership.
Financial summary:	The leaseholder will pay a premium £4,674.00 and the other associated costs in connection with extending the lease term.
Relevant OSC:	Places Overview and Scrutiny Sub Committee OSC.
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

People - Things that matter for residents [X]

Place - A great place to live, work and enjoy [X]

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

Background:

The property is a 2 bedroomed first floor purpose built flat. The property does not benefit from a garden, but does have an external store shed.

The property was originally sold under the Right to Buy on a long lease in January 1987. The lease was originally granted for 125 years. Due to the number of sales which have taken place within the block there is currently 83 years remaining on the lease.

The right provided by the Leasehold Reform Housing and Urban Development Act 1993 (as amended) (hereinafter referred to as “1993 Act”) is for the grant of a new lease for a term of 90 years, plus the present unexpired term, all at a peppercorn rent (that is, rent free).

The legislative requirements for the terms on which the new lease is to be granted:

- To be at a peppercorn rent (i.e. no rent) for the whole of the term (the 90 years plus the present unexpired term);
- To be on the same terms as the existing lease, subject to minor modifications and certain statutory exclusions and additions:
- Modifications – to take account of any alterations to the flat, or the building, since the grant of the existing lease (e.g. reference to gas lighting or coal stores), or to remedy a defect in the lease.
- Exclusions – since the 1993 Act provides a right to perpetual renewal of the lease, any existing clauses relating to renewal pre-emptions or early termination are to be excluded.
- Additions – a requirement not to grant a sub-lease of sufficient length so as to confer on the sub-lessee a right to a new lease under the Act.
- The landlord’s redevelopment right – the new lease must also contain a clause giving the landlord the right to repossession of the flat for the purposes of redevelopment.

Valuation Commentary:

To obtain a valuation of the premium which is attainable following the Statutory route and is in accordance with Schedule 13 of the Leasehold Reform Act 1993.

The Landlord is entitled to compensation for the loss in the value of the present and reversionary interest, together with an equal share of any enhancement to the value of the flat upon extension of the lease, if appropriate (called marriage value). Marriage value is only attributable when leases have an unexpired term of less than 80 years and in this case therefore has not been applied as part of the valuation.

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- The leaseholder has served a notice dated 29th January 2024 in which they have stated that they are prepared to pay a premium of £2,500.00 for the extension to the Lease.
- The Council's Surveyor has valued the premium and the Council's counter notice stipulated a figure of £4,674.00.
- The Council and leaseholder have now reached an agreement on a premium figure of £4,674.00.

The leaseholder will be responsible for the Council's reasonable Legal and Surveyor's fees.

AUTHORITY UNDER WHICH DECISION IS MADE

PART 3.3 SCHEME OF DELEGATIONS FUNCTIONS DELEGATED TO OFFICERS

2. Living Well

2.1 To exercise the powers / functions and to carry out the duties of the Council under all relevant housing legislation including (but not limited to) the Housing Act 1996 and any other applicable legislation as introduced by central government from time to time.

2.2 The delegation above shall apply to all housing requirements, including but not limited to, homelessness, adaptations, relocations, temporary accommodation, right to buy, housing allocation and housing strategy.

2.3 To waive assessed contributions for adaptations to homes or provision of equipment in exceptional circumstances, subject to the agreed criteria and the contribution not exceeding £1,000 or such other sum as may from time to time be fixed by the Council.

2.4 To exercise all the rights and responsibilities of the Council in its role as landlord, such as issuing consents, assessing compensation, etc.

STATEMENT OF THE REASONS FOR THE DECISION

The leaseholder has a statutory entitlement to extend the lease pursuant to the provisions of the Leasehold Reform Housing and Urban Development Act 1993.

OTHER OPTIONS CONSIDERED AND REJECTED

None as statutory requirements apply.

PRE-DECISION CONSULTATION

The following have been consulted over the proposed transfers & easements -
Legal Services and Property Services.

Non-key Executive Decision

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

Name: Claire Grover

Designation: Home Ownership and Leasehold Officer

Signature: *C L Grover*

Date: 12th July 2024

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The leaseholder is entitled to an extension of the lease for a period of 90 years to the unexpired term of the lease peppercorn rent pursuant to the Leasehold Reform Housing and Urban Development Act 1993 The provisions and requirements and timetable are set out in the 1993 Act.

Failure to comply with the statutory provisions and timescales can mean the leaseholder could commence action against the Council in the First Tier Tribunal (Lands Chamber) under the 1993 Act and seek appropriate redress. The Council would in addition be liable for all associated costs in this regard as well.

FINANCIAL IMPLICATIONS AND RISKS

The figure of £4,674.00 has been agreed with and is payable by the Leaseholder, in addition to any other associated costs in connection with extending the lease term.

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, 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 and on this occasion this isn't required.

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

There are not equalities and social inclusion implications and risks associated with this decision.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

None.

BACKGROUND PAPERS

None.

APPENDICIES

Appendix A Exempt Valuation report for 46 Tolbut Court, Lennox Close, Romford, RM1 2DY.

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

A handwritten signature in black ink that reads "P Walker". The letter "P" is large and stylized, with a vertical line extending downwards. The name "Walker" is written in a cursive, lowercase style.

Name: Paul Walker
Interim Director of Housing & Property
Date: 12/07/2024

Lodging this notice

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

Non-key Executive Decision

For use by Committee Administration

This notice was lodged with me on _____

Signed _____

Executive Decision Report Audit Trail

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