

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 1 and 3 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:	<p>Subject Property: Hornchurch Football Club (2005) Ltd, Hornchurch Stadium, Bridge Avenue, Upminster RM14 2LL</p> <p>Event: Rent Review with effect from 1st June 2023</p>
Decision Maker:	Mark Butler – Assistant Director of Regeneration and Place Shaping
Cabinet Member:	Councillor Paul McGeary – Cabinet Member for Housing and Property
ELT Lead:	Neil Stubbings - Strategic Director of Place
Report Author and contact details:	<p>London Borough of Havering (LBH) Dale Wilkins Commercial Property Manager Property Services Town Hall Main Street Romford RM1 3AR Tel: 01708 433 669 E: dale.wilkins@oneSource.co.uk</p>
Policy context:	Asset Management Plan
Financial summary:	The financial aspects for the transaction are detailed in the EXEMPT Appendix A 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

Non-key Executive 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

Background

The subject property comprises a parcel of land with the buildings erected thereon being the Clubhouse at Hornchurch Stadium at Bridge Avenue, Upminster, RM14 2LX. The tenant, Hornchurch Football Club (2005) Ltd hold the premises on a lease from 1st June 2020 expiring on 31st May 2032. The site is shared with Hornchurch Athletics Club who have their own lease arrangement.

The lease provides for the rent to be reviewed employing the following rent review formula

The qualified indexed rent for a Review Date shall be determined as follows for the following Review Dates:-

- i. **1st June 2023** (representing the commencement of the 2023/2024 Season);
- ii. **1st June 2024** (representing the commencement of the 2024/2025 Season); and
- iii. **1st June 2025** (representing the commencement of the 2025/2026 Season),

by using the following formula:- $A \times \frac{B}{C} = QIR$

Where:-

A = the Base Rent

B = the index value of the RPI for the month of April that immediately precedes the relevant Review Date

C = Base RPI Month

QIR = qualified indexed rent

A review has been undertaken in accordance with the lease terms and therefore this report seeks to implement the review and collect the back dated rent owed.

Recommendations

It is recommended that the Council agrees that the Commercial Property Manager, London Borough of Havering - Property Services to implement the outstanding rent review, instructs Accounts Receivables to issue an invoice for the back dated rent and collect future rent payments.

Decisions

Non-key Executive Decision

Formal authority is hereby given for the Commercial Property Manager, London Borough of Havering - Property Services to implement the outstanding rent review, instructs Accounts Receivables to issue an invoice for the backdated rent, collect future rent payments and issue a completion report.

AUTHORITY UNDER WHICH DECISION IS MADE

Havering Council's Constitution Part 3.3.5 (2nd April 2024 - current)

8.1 To be the Council's designated corporate property officer, responsible for the strategic management of the Council's property portfolio, including corporate strategy and asset management, procurement of property and property services, planned and preventative maintenance programmes, property allocation, security and use, reviews, acquisitions and disposals, and commercial estate management.

STATEMENT OF THE REASONS FOR THE DECISION

This decision is to authorise the rent review and to complete the matter.

OTHER OPTIONS CONSIDERED AND REJECTED

Option: To proceed with the rent review

Rejected: There is no reason not to implement the rent review. The proposal will provide much needed additional income to the Council.

PRE-DECISION CONSULTATION

The Commercial Property Manager has been in dialogue with the tenant in relation to this matter.

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

Name: Dale Wilkins

Designation: Commercial Property Manager

Non-key Executive Decision

A handwritten signature in black ink, appearing to be 'J. H. H.', with a long horizontal flourish extending to the right.

Signature:

Date: 1st August 2024

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council has a general power of competence under Section 1 of the Localism Act 2011, which gives the power to do anything an individual can do, subject to any statutory constraints on the Council's powers ("the General Power"). The recommendations in this report are in keeping with the General Power.

Local Government Act 1972 Section 111 Subsidiary powers of local authorities

Without prejudice to any powers exercisable apart from this section but subject to the provisions of this Act and any other enactment passed before or after this Act, a local authority shall have power to do any thing (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.

FINANCIAL IMPLICATIONS AND RISKS

The proposal will provide much needed additional income to the Council.

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.

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.

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ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

No Environmental and Climate Change implications identified.

BACKGROUND PAPERS

None

APPENDICES

Exempt Appendix A – Financial Information

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

Decision Agreed

Details of decision maker

Signed 

Name: Mark Butler

Position: Assistant Director of Regeneration and Place Shaping

Date: 1st August 2024

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 _____