

## Notice of Non-key Executive Decision

### Notice of Non-key Executive Decision containing exempt information

This Executive Decision Report is part exempt and Appendix 1 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.

<b>Subject Heading:</b>	Sale of 4 Riverbank Court, Sunrise Avenue RM12 4GH.
<b>Decision Maker:</b>	<b>Paul Walker</b> Interim Director – Housing & Property Place Directorate.
<b>Cabinet Member:</b>	Councillor Paul McGeary – Cabinet Member for Housing & Property.
<b>ELT Lead:</b>	<b>Neil Stubbings</b> Strategic Director of Place.
<b>Report Author and contact details:</b>	Amanda Sone Business Support RTB Sales & Marketing Housing Management London Borough of Havering Town Hall Main Road Romford RM1 3BB ☎ 01708 434343   01708 433015 ✉ <a href="mailto:amanda.sone@havering.gov.uk">amanda.sone@havering.gov.uk</a>
<b>Policy context:</b>	Housing Asset Management Plan. The Havering Wates Joint Venture Business Plan. The HRA Business Plan Update and Capital Programme.

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<b>Financial Summary:</b>	<p>The Park Rise development consists of 54 low-cost Shared Ownership (OPSO) units 41 open market sales and 80 affordable homes.</p> <p>44 of the Shared Ownership Units and 41 open market sales are funded through utilisation of Right to Buy receipts and are also funded by the utilisation of 2016-2023 GLA programme funding for affordable housing.</p> <p>Shared ownership products are appropriate for those aged 55 and above on low to moderate incomes to support the value of the property.</p> <p>The sale of 25% of the equity in this property, will generate a capital receipt of £82,875.00</p>
<b>Relevant OSC:</b>	Places Overview & Scrutiny.
<b>Is this decision exempt from being called-in?</b>	Yes - exempt from call-in, as it is a Non-key Executive 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**

Approval of terms for the proposed Open Market/Shared Ownership sale of a recently built 4 Riverbank Court, Sunrise Avenue RM12 4GH.

This property is one of 41 open market and 54 Shared Ownership properties in the development.

#### Recommendation

1. That formal authority is hereby given to complete (a) an Agreement for Sale and (b) The lease means [an Older Person Shared Ownership] lease for the term of 990 years from and including the Commencement Date (which is to be the date of each individual lease) for residential property:

4 Riverbank Court, Sunrise Avenue RM12 4GH.

2. That formal authority is hereby given to Interim Director – Housing & Property Place Directorate to take all steps necessary, with Trowers & Hamlins LLP, to complete the Sale Agreement and [Shared Ownership] Lease for 4 Riverbank Court, Sunrise Avenue, Hornchurch, Essex, RM12 4GH.

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

Part 3.3 Scheme of Delegations.

3.3.3 Powers common to all Strategic Directors.

1. General

1.1 To take any steps, and take any decisions, necessary for the proper management and administration of their allocated directorate, in accordance with applicable Council policies and procedures.

2. Expenditure.

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2.1 To incur expenditure for their allocated directorate within the revenue and capital budgets as approved by the Council, or as otherwise approved, subject to any variation permitted by the Council's contract and financial procedure rules.

#### **STATEMENT OF THE REASONS FOR THE DECISION**

The sale of 4 Riverbank Court, Sunrise Avenue RM12 4GH will have the following benefits for The London Borough of Havering and the Housing Revenue Account (HRA):

- Providing Low Cost Home Ownership
- Provide rental income to the HRA.

#### **OTHER OPTIONS CONSIDERED AND REJECTED**

Option: To not proceed with the sales.

This was rejected because the new property, part of the Park Rise later living development, is now complete and needs to be sold as a shared ownership unit, as initially planned.

#### **PRE-DECISION CONSULTATION**

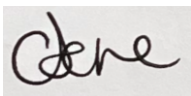
No additional pre-decision consultation has been conducted beyond the usual communications with the Housing Services and Insurance teams.

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

Name: Amanda Sone

Designation: Business Support RTB Sales & Marketing

Signature:



Date: 16 July 2024

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

#### **LEGAL IMPLICATIONS AND RISKS**

This property is held by the Council for the purposes of part 2 of the Housing Act 1985. The property may only be disposed of with the consent of the Secretary of State (section 32 of the 1985 Act). The Secretary of State has issued the General Housing Consents 2013. The Council may rely on the general consent in paragraph A3.1.1 which permits disposals provided the disposal is at market value.

An independent surveyor has confirmed that the disposal value of the property of £331,500 is its market value.

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The Lease has been prepared by Penningtons Manches LLP, in collaboration with The Council, using the GLA/HCA template lease for shared ownership houses;

1. The prepared shared ownership lease is based on the latest Homes and Communities Agency template; and
2. The Lease contains all the required fundamental clauses, complying with Council of Mortgage Lenders requirements.

The engrossment shared ownership lease for **4 Riverbank Court, Sunrise Avenue RM12 4GH** is considered to be GLA compliant and any legal implications and risks that there are, will be mitigated by the usual conveyancing processes.

The Council assume, prior to exchange of contracts and completion of the sale, that all building work is complete to a satisfactory standard, that full planning permission and building regulation approval and an appropriate new build warranty is in place and that these matters have been satisfactorily verified by Housing Services.

## **FINANCIAL IMPLICATIONS AND RISKS**

A copy of the Savills valuation report, dated May 2024 with the same valuation date, commissioned by the Joint Venture, is available in EXEMPT Appendix 1 of this report. This valuation supports the market value figure on which the purchaser's 25% share is based.

No unusual financial implications or risks have been identified. Any legal implications and risks have been mitigated by using an approved template lease. Additionally, the standard conveyancing processes will further mitigate risks associated with the completion of the sale and the transfer of the sale proceeds to the Council.

## **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.

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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. In this case it is not considered relevant. It is not considered necessary to enter into an Equalities Impact Assessment in relation to buying this property. The purchase will be completed after the standard property purchase negotiations using standard a contract format undertaken with the expressed consent of the owner; therefore, an EIA is not considered relevant.

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**

Property is a new build and recently constructed with energy efficient materials producing a high Energy Performance Level (EPC).

### **BACKGROUND PAPERS**

None

### **APPENDICIES**

Exempt Appendix 1:  
Savills Park Rise development, dated  
with Valuation Date of same date May 2024.

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**Part C – Record of decision**

I have made this executive decision in accordance with authority delegated to the Strategic Director of Place by the Leader of the Council and sub-delegated to me by the Director of Place 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: **06.08.24**

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