

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.

Subject Heading:	Sale of : 14 Riverbank Court, Sunrise Avenue, RM12 4GH
Decision Maker:	Paul Walker Interim Director – Housing & Property Place Directorate.
Cabinet Member:	Councillor Paul McGeary – Cabinet Member for Housing & Property.
ELT Lead:	Neil Stubbings Strategic Director of Place.
Report Author and contact details:	Amanda Sone Business Support RTB Sales & Marketing Housing Management London Borough of Havering Town Hall Main Road Romford RM1 3BB t 01708 434343 01708 433015 e:amanda.sone@havering.gov.uk

Non-key Executive Decision

Policy context:	Housing Asset Management Plan. The Havering Wates Joint Venture Business Plan. The HRA Business Plan Update and Capital Programme.
Financial Summary:	The sale of this shared ownership property will generate a capital receipt of £249,750.00. This is for a 75% equity share in the property, plus a parking space.
Relevant OSC:	Places Overview & Scrutiny.
Is this decision exempt from being called-in?	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

The Park Rise development consists of 54 low-cost Shared Ownership (OPSO) units 41 open market sales and 80 affordable homes.

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.

Shared ownership products are appropriate for those aged 55 and above on low to moderate incomes to support 75% of the value of the property.

Approval of terms for the proposed Open Market/Shared Ownership sale of a recently built 14 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:

14 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 & Hamblins LLP, to complete the Sale Agreement and [Shared Ownership] Lease for 14 Riverbank Court, Sunrise Avenue, RM12 4GH.

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3.3 Scheme of Delegations.

3.3.3 Powers common to all Strategic Directors.

Non-key Executive Decision

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.

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 14 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

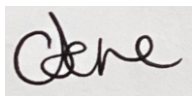
No additional pre-decision consultation has been conducted beyond the usual communications with the Housing Services and Insurance teams.

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

Name: Amanda Sone

Designation: Business Support RTB Sales & Marketing

Signature:



Date: 14 October 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 14 Riverbank Court, Sunrise Avenue, RM12 4GH is its market value.

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 14 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

The sale of this shared ownership property will generate a capital receipt of £262,250.00 This figure comprises of the sale of 75% of the equity share for £249,750.00 and the sale of a parking space for £12,500.00.

The property was independently valued at £333,000.00, details of which can be found in the Exempt Section of the Report, Appendix 1.

There will be some costs incurred in relation to the conveyancing process of this sale, but these will be paid for from existing budgets

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.

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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 and on this occasion this is not 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

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

Non-key Executive Decision

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



Paul Walker
Interim Director of Housing & Property

Date: 31st October 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 _____