

## 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

<b>Subject Heading:</b>	<p><b>Subject Property: 45-47 White Hart Lane, Collier Row, Romford, Essex RM7 8JB</b></p> <p><b>Event:</b> Simultaneous Lease Surrender &amp; New Lease &amp; rent deposit deed</p>
<b>Decision Maker:</b>	Mark Butler - Assistant Director of Regeneration & Place Shaping
<b>Cabinet Member:</b>	Councillor Paul McGeary – Cabinet Member for Housing & Property
<b>SLT Lead:</b>	Neil Stubbings - Strategic Director of Place
<b>Report Author and contact details:</b>	<p>London Borough of Havering (LBH) Helen Gardner Senior Estates Surveyor Property Services Town Hall Main Road Romford RM1 3BD</p> <p>Tel: 01708 434 123 E: <a href="mailto:helen.gardner@havering.gov.uk">helen.gardner@havering.gov.uk</a></p>
<b>Policy context:</b>	Asset Management Plan

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<b>Financial summary:</b>	The financial aspects for the transaction are detailed in the <u>EXEMPT Appendix A</u> to this Report
<b>Relevant Overview &amp; Scrutiny Sub Committee:</b>	Place
<b>Is this decision exempt from being called-in?</b>	<b>The decision will be exempt from call in as it is a Non key Decision</b>

**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

To note the exercising of delegated authority by the appropriate Property Officer to agree terms for the surrender of the existing lease and reletting by the new lease in respect of the subject 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.Scheme 3.3.5 (2<sup>nd</sup> April 2024 - current)

8.6 To dispose of any property of 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  
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

The above property is held on a 10 year Landlord & Tenant Act excluded Lease commencing 11<sup>th</sup> March 2022. The Property is currently used as a double glazing showroom. This property consists of a double retail unit in a mid terrace position. The tenant has been marketing the lease for approximately a year and has now obtained a prospective new tenant as detailed in Appendix A. The appropriate ID and financial checks have been undertaken on the proposed tenant and the guarantor and in order to receive the higher rent and longer lease term, it is proposed that the current lease is surrendered and a new lease completed on the more favourable terms.

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Therefore, the current Lease will be surrendered and a new Lease and Rent Deposit Deed completed simultaneously with the Surrender. We are also keeping the outgoing tenant's rent deposit until the expiry of year 1 and year 2 when 50% will be repaid on each of these dates, subject to the new tenant being up to date with rent and adhering to all the lease covenants.

The new Lease will be on the same terms as the current Lease as detailed in Appendix A.

**Recommendations**

It is recommended that the Council agrees that the Senior Estates Surveyor, London Borough of Havering - Property Services instructs the Council's Legal team to draw up a Deed of Surrender and a new Lease as per the details in Appendix A.

**OTHER OPTIONS CONSIDERED AND REJECTED**

Option: Not to agree to a surrender and reletting.

Rejected: Not agreeing to the surrender and reletting would mean the council would not receive the higher rent and longer lease term.

**PRE-DECISION CONSULTATION**

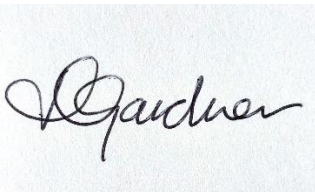
None

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

Name: Helen Gardner

Designation: Senior Estates Surveyor

Signature:



Date: 09/05/24

## Part B - Assessment of implications and risks

### **LEGAL IMPLICATIONS AND RISKS**

1. 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.
2. 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**

No financial risks identified.

### **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.

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

There are not any 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**

<b>Appendix A</b>	Surrender / New Letting	Exempt
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**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**

**Details of decision maker**

Signed 

Name: Mark Butler

Position: Assistant Director of Regeneration & Place Shaping

Date: 08/10/2024

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