

Notice of NON KEY Executive Decision containing exempt information

This Executive Decision Report is part exempt and Appendix A is not available for public inspection as it contain) or relates to exempt information within the meaning of paragraph 1 & 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: The Kiosk, Harrow Lodge Park, Hornchurch, RM12 4QU</p> <p>Event: Lease Renewal and Licence for Alterations</p>
Decision Maker:	Mark Butler - Assistant Director of Regeneration & 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) Luke Kubik Estates Surveyor Property Services Town Hall Main Road Romford RM1 3BD</p> <p>Tel: 01708 434 176 E: luke.kubik@havering.gov.uk</p>
Policy context:	Asset Management Plan

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Financial summary:	The financial aspects for the transaction are detailed in the <u>EXEMPT Appendix A</u> 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

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 (x)

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

Background

The above property is leased to the tenant on a 10 year lease that is protected by the Landlord & Tenant Act 1954 commencing on 10 November 2014. The lease was assigned to on 16 June 2017. The lease ended on 31 October 2024 and the tenant has been holding over since. The property is used as a hot and cold food and drink concession to cater for the visitors to Harrow Lodge Park - for the avoidance of doubt no alcohol will be sold from the concession.

The Council as landlord served a non-opposing Section 25 Notice to end the lease on 11 July 2025 and in the notice stipulated the terms for the new lease.

Terms have now been agreed as detailed in Appendix A which demonstrates the best consideration for the property under section 123 of the Local Government Act 1972 has been achieved. The terms reflect current council practices and prevailing market conditions.

A retrospective licence for alterations is also required as the tenant has carried out works to the property. They have erected a ground floor rear extension to create a new kitchen area, constructed a stair case and constructed a first floor loft extension to gain additional sitting area to the existing café inclusive of terrace on first floor level and new external staircase.

Recommendations

It is recommended that the Council agrees that Property Services instructs the Council's legal team to draw up a new lease and a licence for alterations as per the details in Appendix A.

Decisions

Formal authority is hereby given to instruct Property Services to instruct the Council's legal team to draw up a new lease and a licence for alterations as per the details in Appendix A.

AUTHORITY UNDER WHICH DECISION IS MADE

Havering Council's Constitution Part 3.3 scheme 3.3.5 (2nd April 2024 - current)

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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.

8.6 To dispose of any property or 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
- e) 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

Terms have been agreed for a new lease between parties.

OTHER OPTIONS CONSIDERED AND REJECTED

Option: Not to renew the lease
Rejected: There is no good reason not to renew the lease as the tenant wishes to renew and has agreed terms.

PRE-DECISION CONSULTATION

None

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

Name: Luke Kubik
Designation: Estates Surveyor

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Signature:

A handwritten signature in black ink, consisting of several fluid, overlapping strokes that are difficult to decipher as specific letters.

Date: 2 April 2025

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The recommendation of this report requires the council to grant a retrospective licence for alterations and a new lease in accordance with the terms stipulated in appendix A.

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.

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

The new lease will generate additional rental income for the Council during the lease term. VAT is not chargeable on the rent.

The costs associated with drawing up the new lease will be paid for from existing budgets. The tenant will be responsible for the costs associated with drawing up the licence for alterations.

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.

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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 isn't required.

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

No Environmental and Climate Change implications identified.

BACKGROUND PAPERS

None

APPENDICES

Appendix A Landlord's Proposals for Lease Renewal Terms - Exempt

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

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Signed 

Name: Mark Butler

Position: Assistant Director of Regeneration & Place Shaping

Date: 2 April 2025

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 _____