

## 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 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>	<b>Subject Property:</b> Cranham Social Centre, 103 Front Lane, Cranham, Essex, RM14 1XN  Event: Rent Review – 17.12.24
<b>Decision Maker:</b>	Mark Butler – Assistant Director of Regeneration and Place Shaping
<b>Cabinet Member:</b>	Councillor Paul McGeary – Cabinet Member for Housing & Property
<b>ELT Lead:</b>	Neil Stubbings - Strategic Director of Place
<b>Report Author and contact details:</b>	London Borough of Havering (LBH) Dale Wilkins Commercial Property Manager Property Services Town Hall Main Street Romford RM1 3AR Tel: 01708 433 669 E: <a href="mailto:dale.wilkins@havering.gov.uk">dale.wilkins@havering.gov.uk</a>
<b>Policy context:</b>	Asset Management Plan
<b>Financial summary:</b>	The financial aspects for the transaction are detailed in the EXEMPT Appendix A to this Report
<b>Relevant Overview &amp; Scrutiny Sub Committee:</b>	Place
<b>Is this decision exempt from being called-in?</b>	The decision will be exempt from call in as it is a Non Key Decision
<b>Decision Maker:</b>	Mark Butler – Assistant Director of Regeneration and Place Shaping

### The subject matter of this report deals with the following Council Objectives

People - Supporting our residents to stay safe and well

Place - A great place to live, work and enjoy

Resources - Enabling a resident-focused and resilient Council

(X)

## **Non-key Executive Decision**

### **Part A – Report seeking decision**

#### **DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION**

##### **Background**

This authority seeks to complete the outstanding rent review to facilitate the collection of the increased rent with effect from 17 December 2024 as described in the appendices below.

The premises comprises a 2<sup>nd</sup> floor social hall with retail units located under. The property is held under a lease from 17 December 2009 for a term of 20 years, thus expiring on 18 December 2029

The lease provides the rent to be reviewed on the 5<sup>th</sup>, 10<sup>th</sup> and 15<sup>th</sup> anniversaries. This is the third rent review.

Specifically the rent review clause provides the following

- i) the passing open market rent at the relevant review date revised using the following formula:-

$$A \times \frac{B}{C}$$

Where A = the passing Open Market Rent

B = the figure of the Retail Price index for the month immediately preceding the relevant review date; and

C = the figure of the later date of (a) the Retail Price Index for the month immediately preceding The Rent Commencement Date and (b) the month preceding the previous rent review date

##### **Recommendations**

It is recommended that the Council agrees that the Commercial Property Manager at Property Service can formerly complete this matter and issue a completion report.

##### **Decisions**

Formal authority is hereby given to complete the outstanding rent review and for the Commercial Property Manager at Property Services to issue a completion report.

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

Havering Council's Constitution Part 3.3, Scheme 3.3.5 (2 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.

**8.4** To conduct preliminary negotiations, negotiate, agree and conclude all property matters including the making and settling of rating appeals on Council property and property valuations for all purposes.

## **Non-key Executive Decision**

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

The lease provides for the rent to be reviewed every 5 years. The rent has been calculated in accordance with the rent review clause outlined and detailed further in the appendices.

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

Option: Not to implement the rent review.

Rejected: There is no reason not to implement rent review.

### **PRE-DECISION CONSULTATION**

The Commercial Property Manager has been consultation with the tenant directly to settle this matter.

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

Name: Dale Wilkins

Designation: Commercial Property Manager



Signature:

Date: Thursday 24<sup>th</sup> April 2025

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

### **LEGAL IMPLICATIONS AND RISKS**

Clause 5(2) of the lease permits the council to uplift the rent in accordance with the terms as stipulated in Appendix A.

The rent review uplift will be implemented internally by the council's property services team and recorded by way of a rent review memorandum and a completion statement.

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 recommendation in this report is in keeping with the General Power.

### **FINANCIAL IMPLICATIONS AND RISKS**

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

## **Non-key Executive Decision**

### **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**

There are no 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.

### **ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

None

### **BACKGROUND PAPERS**

None

## **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



Name: Mark Butler

Position: Assistant Director of Regeneration and Place Shaping

Date: 24.04.2025

#### **Lodging this notice**

The signed decision notice must be delivered to Committee Services in the Town Hall.

#### **For use by Committee Administration**

This notice was lodged with me on \_\_\_\_\_

Signed \_\_\_\_\_