

## 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>	<b>Subject Property:</b> 25 Gobions Avenue, Collier Row. RM5 3SS  <b>Event:</b> Lease Renewal
<b>Decision Maker:</b>	Mark Butler – Assistant Director of Regeneration & Place Shaping
<b>Cabinet Member:</b>	Councillor Paul McGeary – Cabinet Member for Property & Housing
<b>SLT Lead:</b>	Neil Stubbings - Strategic Director of Place
<b>Report Author and contact details:</b>	London Borough of Havering (LBH) Helen Gardner Senior Estates Surveyor Property Services Town Hall Main Road Romford RM1 3BD  Tel: 01708 434123 <a href="mailto:helen.gardner@havering.gov.uk">helen.gardner@havering.gov.uk</a>
<b>Policy context:</b>	Asset Management Plan

### Non-key Executive Decision

<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>	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 ( )

## Part A – Report seeking decision

### DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

To note the exercising of delegated authority by the appropriate Property Officer to instruct the Council's legal team to prepare a new lease as per the details in Appendix A.

### AUTHORITY UNDER WHICH DECISION IS MADE

Havering Council's Constitution Part 3.3 Scheme 3.3.5 (2<sup>nd</sup> 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.

**8.6** 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

#### Background

The above property is leased to Gurdev Singh Sangha on a 10 year lease commencing 25th March 2015 and expiring 24<sup>th</sup> March 2025 that is protected by the Landlord & Tenant Act 1954. The tenant has been holding over. The premises is an end of terrace lock up shop which forms part of a parade with ancillary rear yard. The

### **Non-key Executive Decision**

property is used as a builders and hardware merchants with ancillary yard for storage of building materials.

A Valuation Report dated 28<sup>th</sup> October 2024 from property consultants Hilbery Chaplin provides comparable evidence to suggest an uplift in rent and a non-opposing Section 25 Notice was served. The Council's agent, Hilbery Chaplin has now agreed terms with the tenant in line with the valuation report as detailed in Appendix A.

### **Recommendations**

It is recommended that the Senior Estates Surveyor, London Borough of Havering - Property Services, instructs the Legal Department to prepare and complete the new lease on the terms detailed in Appendix A.

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

Option: To not agree new lease terms with the existing tenant.

Rejected: There is no good reason not to agree the new lease terms with the existing tenant as there will be an uplift in rental income and continuity of occupation

### **PRE-DECISION CONSULTATION**

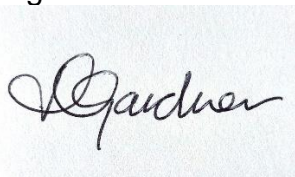
None

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

Name: Helen Gardner

Designation: Senior Estates Surveyor

Signature:

A handwritten signature in black ink, appearing to read 'H Gardner', is written over a light blue rectangular background.

Date: 07.05.25

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

### **LEGAL IMPLICATIONS AND RISKS**

The recommendation of this report requires the Council to grant a renewal lease in accordance with the terms stipulated in Appendix A. The lease has a contractual term of 5 years and is afforded security of tenure.

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 recommendation in this report is in keeping with the aforementioned powers.

### **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.

### **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

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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**

No Environmental and Climate Change implications identified.

### **BACKGROUND PAPERS**

None

### **APPENDICES**

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

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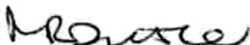
**Part C – Record of decision**

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**

Agreed

**Details of decision maker**

Signed 

Name: Mark Butler

Position: Assistant Director of Regeneration & Place Shaping

Date: 07.05.2025

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