

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 2 & 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: Former Ingrebourne School, Taunton Road, Harold Hill, Essex, RM3 7YT</p> <p>Event: Rent Review – March 2025</p>
Decision Maker:	Mark Butler - Assistant Director of Regeneration & Place Shaping
Cabinet Member:	Councillor Paul McGeary – Cabinet Member for Housing and Property
SLT 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 an 18 year 6 month lease commencing on 6 September 2011 that is not protected by the Landlord & Tenant Act 1954. The property consists of part of the old Ingrebourne Junior School. The property is used as a community centre for providing facilities for recreation and social purposes or education and physical training only.

The Council (“landlord”) and the tenant have agreed to surrender their lease so a new lease can be granted to the sub-tenant. The rent review from March 2025 needs to be completed before the lease can be surrendered.

The lease allows for the rents to be reviewed every 5 years upwards only to the higher of the open market rent or RPI compounded increases. The 31 March 2025 review of rent as described in appendix A is the subject of this delegated authority.

A valuation report confirms that the open market rent produces the higher rent as per appendix A which demonstrates that best consideration for the property under section 123 of the Local Government Act 1972 has been achieved. The tenant has signed a rent review memorandum to document the uplift in rent.

Recommendations

It is recommended that in order to complete the 31 March 2025 rent review, the Assistant Director of Regeneration & Place Shaping, London Borough of Havering is to countersign the rent review memorandum. Property Services is to then issue a completion statement to instruct the collection of the increased rents.

Decisions

Formal authority is hereby given to complete the 31 March 2025 rent review, the Assistant Director of Regeneration & Place Shaping, London Borough of Havering is to countersign the rent review memorandum. Property Services is to then issue a completion statement to instruct the collection of the increased rents.

AUTHORITY UNDER WHICH DECISION IS MADE

Havering Council's Constitution Part 3.3 scheme 3.3.5 (2nd 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

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preventative maintenance programmes, property allocation, security and use, reviews, acquisitions and disposals, and commercial estate management.

STATEMENT OF THE REASONS FOR THE DECISION

The leases allow for the rent to be increased to the higher of the open market rent or RPI compounded increases. The tenant has signed the rent review memorandum which needs to be countersigned by the landlord to document the increase.

OTHER OPTIONS CONSIDERED AND REJECTED

Option: Not to review the rent.
Rejected: There is no reason to not review the rent as the lease allows the rent to be increased and the tenant has agreed the rent increase

PRE-DECISION CONSULTATION

None

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

Name: Luke Kubik
Designation: Estates Surveyor
Signature:



Date: 18 June 2025

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

Clause 7 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.

The costs associated with conducting the rent review 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 Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

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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 Review of Rent	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

Proposal agreed

Details of decision maker

Signed 

Name: Mark Butler

Position: Assistant Director of Regeneration & Place Shaping

Date: 26.06.2025

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 _____