

Notice of Non-Key Executive Decision

Subject Heading:	Grant of 99-Year Lease at Peppercorn Rent to Electricity Network Company Limited for Substation at Family Welcome Centre Site
Decision Maker:	Mark Butler – Assistant Director of Regeneration & Place Shaping
Cabinet Member:	Councillor Paul McGeary – Cabinet Member for Housing & Property
ELT Lead:	Neil Stubbings - Strategic Director of Place
Report Author and contact details:	Veronika Lebedeva Regeneration London Borough of Havering Email: veronika.lebedeva@havering.gov.uk
Policy context:	This decision supports the delivery of the Council's housing and homelessness strategy by enabling utility connections to the Family Welcome Centre, a key development within the Council's accommodation and support programme.
Financial summary:	The lease will be granted at a peppercorn rent. There are no additional financial implications arising from this decision.
Relevant Overview & Scrutiny Sub Committee:	Towns and Communities Overview and Scrutiny Sub-Committee
Is this decision exempt from being called-in?	The decision will be exempt from call in as it is a Non key Decision

Non-key Executive Decision

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

People - Supporting our residents to stay safe and well - **X**

Place - A great place to live, work and enjoy - **X**

Resources - Enabling a resident-focused and resilient Council

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

To approve the grant of a 99-year lease at peppercorn rent to Electricity Network Company Limited (company number 05581824) for the siting of an electrical substation within the Family Welcome Centre development site, to enable permanent electricity supply for the building.

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.

8.6 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

The above delegated powers are subject to a sub-delegation to the Assistant Director of Regeneration and Place Making

STATEMENT OF THE REASONS FOR THE DECISION

The substation is required to enable the permanent electrical connection for the Family Welcome Centre. The lease is a standard utility agreement and the rent is nominal, as is customary for utility leases. Timely completion of the lease is essential to ensure electrical supply and occupation of the development.

OTHER OPTIONS CONSIDERED AND REJECTED

No other options were considered, as provision of an electricity substation is a necessary and non-negotiable requirement to enable the functioning of the building. Without the lease, the substation cannot be installed, and the permanent electrical connection would be delayed.

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PRE-DECISION CONSULTATION

Consultation has taken place with Legal Services, Finance Business Partner and Property Services. No objections were raised.

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

Name: Veronika Lebedeva

Designation: Regeneration Project Manager

Signature:

Date: 26 June 2025

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council has the power to grant a lease under Section 123 of the Local Government Act 1972. The lease is for a statutory utility purpose and is being granted at a peppercorn rent, which is customary for such leases. External Legal representatives will prepare and review the lease documentation. The terms of the lease are in the standard form required by electricity providers and contains market standard restrictions on the Council to do anything which could interfere with or damage the electrical apparatus or access to them. The Council's Contractor is aware of the restrictions and has confirmed that they will not impede the related development. There are no other known legal risks associated with this decision.

FINANCIAL IMPLICATIONS AND RISKS

There are no direct financial implications as the lease is granted at a nominal rent. No costs are incurred by the Council as part of the lease arrangement. The transaction ensures infrastructure delivery without financial burden.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

There are no HR or accommodation implications arising from this decision.

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.

There are no negative equality or inclusion impacts identified. The decision supports timely completion and occupation of the Family Welcome Centre, which provides accommodation and support to vulnerable families. An EHIA is not required for this administrative property transaction.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

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The installation of an electrical substation enables the use of modern energy systems within the building. No negative environmental impacts are anticipated.

BACKGROUND PAPERS

None

APPENDICES

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

Signed



Name: Mark Butler

Head of Service title: Assistant Director of Regeneration & Place Shaping

Date: 25/06/2025

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 _____