

Notice of NON KEY Executive Decision containing exempt information

This Executive Appendix A of this report is not available for public inspection as it contains or relates to exempt information within the meaning of paragraph 1 of Schedule 12A to the Local Government Act 1972. It is exempt because it refers to Information relating to any individual and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Subject Heading:	<p>Subject Property: Part of Ground Floor and External Play Area at MyPlace, 343 Dagnam Park Drive, Harold Hill, Romford, RM3 9EN (“the Property”)</p> <p>Event: New Lease</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

Non-key Executive Decision

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

It is recommended that the Council agrees to Property Services instructing the Council's legal team to draft a 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 (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 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

Non-key Executive Decision

The Property was leased to the tenant on a 5 year lease that expired on 27 November 2024. The lease was contracted out of the Landlord & Tenant Act 1954. The Property is used as a high quality private sessional day pre-school, breakfast club, after-school club and holiday club setting providing OFSTED registered childcare.

A tenancy at will was agreed with the tenant to regularise their occupation of the Property while terms were agreed. The agreed terms detailed in Appendix A demonstrate that best consideration for the property under section 123 of the Local Government Act 1972 has been achieved as the terms reflect current prevailing market conditions.

The lease had ended and the tenant is currently occupying the premises on a tenancy at will.

OTHER OPTIONS CONSIDERED AND REJECTED

Option: Not to grant a new lease

Rejected: There is no reason not to grant a new lease as both parties wish to renew the lease and terms have been agreed.

PRE-DECISION CONSULTATION

None

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

Name: Luke Kubik

Designation: Estates Surveyor

Signature:



Date: 19 August 2025

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

Non-key Executive Decision

The recommendation of this report requires the Council to grant a lease in accordance with the terms stipulated in appendix A. The lease will be contracted out of the Landlord and Tenant Act 1954.

The Council has a general power of competence under section 1 of the Localis Act 2011, which gives the power to do anything an individual can do, subject to any statutory constraints in the Council's powers.

Section 123 of the Local Government Act 1972 ("LGA 1972") allows principal Councils to dispose of land as they wish for the best consideration that can reasonably be obtained unless with the consent of the Secretary of State or by way of short-term tenancy. It is noted that the rent was negotiated in keeping with the valuation report to ensure that the Council can comply with the duty to obtain best consideration, pursuant to s123 LGA 1972.

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

FINANCIAL IMPLICATIONS AND RISKS

This Property, which is used to deliver high quality OFSTED registered childcare, was previously leased to the tenant on a 5-year unprotected lease that expired on 27 November 2024.

This ground floor property, which is used to deliver high quality OFSTED registered childcare, was previously leased to the Tenant on a 5-year unprotected lease that expired on 27 November 2024.

Following this, an agreement of a tenancy at will was entered into with the tenant, to regularise their occupation of the premises while terms were agreed.

The heads of terms detailed in Appendix A indicate that best consideration for the property under section 123 of the Local Government Act 1972 has been achieved.

Under this agreement, the service charge increases annually in line with the Retail Price Index (RPI), compounded on the anniversary date.

There are no additional or future loss of revenue anticipated, except where the actual cost of communal services exceeds the tenant's RPI-adjusted contribution.

Details of the proposed annual rent and service charge contribution are set out in the exempt Appendix.

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

No human resources implications and risks have been identified.

Non-key Executive 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.

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

Signed 

Name: Mark Butler

Position: Assistant Director of Regeneration & Place Shaping

Date: 20.08.2025

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 _____