

## 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>	<p><b>Subject Property:</b> 114-116 Hilldene Avenue, Harold Hill Romford RM3 8DT</p> <p><b>Event:</b> Surrender and new lease</p>
<b>Decision Maker:</b>	<b>Mark Butler- Assistant Director of Regeneration and Place Shaping</b>
<b>Cabinet Member:</b>	Councillor Paul McGeary – Cabinet Member for Housing &Property
<b>SLT Lead:</b>	Neil Stubbings - Strategic Director of Place
<b>Report Author and contact details:</b>	<p>London Borough of Havering (LBH) Helen Gardner Senior Estates Surveyor Property Services Town Hall Main Road Romford RM1 3BD</p> <p>Tel: 01708 434 123 E: <a href="mailto:helen.gardner@havering.gov.uk">helen.gardner@havering.gov.uk</a></p>
<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 Legal services to prepare and complete a new lease as per the details in Appendix 1.

### **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

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

**Background**

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

The above property is leased on a 10 year lease that is protected by the Landlord & Tenant Act 1954 commencing on 3 October 2014 and expiring on 2 October 2024. The tenant has been holding over since the expiry of the lease. The above property is a double fronted ground floor shop unit. The property is used as a charity shop.

This property is within phase 2 of the redevelopment plans for the area and as such the tenant has been keen to establish the future plans for their occupation of the unit. Following discussions with the regeneration team and consultant MAPP, it has now been agreed to surrender the existing protected lease and grant simultaneously a new lease outside the Landlord and Tenant Act 1954. The proposed lease is in line with the objectives to enable the phase 2 redevelopment of Hildene/ Farnham Road. Our retained consultant from MAPP has now agreed the terms are detailed in Appendix A.

### **Recommendations**

It is recommended that the Council agrees that the Estates Surveyor, London Borough of Havering - Property Services instructs the Council's Legal team to draw up the surrender and new Lease as per the details in Appendix A.

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

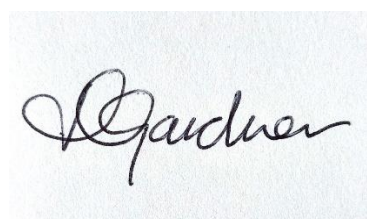
Option:	Not to surrender the existing lease and grant a new lease.
Rejected:	There is no reason not to grant the new Lease as the Tenant wishes to remain and has agreed terms.

### **PRE-DECISION CONSULTATION**

None

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

Name: Helen Gardner  
Designation: Senior Estates Surveyor  
Signature:



Date: 27/05/25

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

### **LEGAL IMPLICATIONS AND RISKS**

The recommendation of this report requires the Council to enter into a deed of surrender of lease and grant of a new lease to the same tenant in accordance with the terms stipulated in Appendix A.

The lease has a contractual term of 5 years and is contracted out of the Landlord and Tenant Act 1954.

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**

By agreeing and completing a new lease the rental income is secured for the benefit of the Council's General Fund. VAT will not be chargeable on the rent.

This is not an additional income stream for the Council because this contributes to income targets already budgeted within Property Services.

Costs associated with getting the lease in place can be contained within existing resources/budgets.

If the Council were to action a break clause on or after 1<sup>st</sup> April 2026 up until the lease expires, the tenant would be entitled to compensation under the Landlord & Tenant Act 1954. This is equivalent to either one times the rateable value of the property if occupation is under 14 years or two times RV if more than 14 years. The RV is currently £29,000. This would be paid for from Regeneration 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;

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

- (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**

No Environmental and Climate Change implications identified.

### **BACKGROUND PAPERS**

None

### **APPENDICES**

**Appendix A** Landlord's Proposals for Surrender / New Lease - 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 – Regeneration & Place Shaping

Date: 28/05/2025

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

**Exempt Appendix A**