

## Notice of NON KEY Executive Decision containing exempt information

This Executive Decision Report is part exempt and Appendices A, B and C are not available for public inspection as they contain or relate to exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972. They are exempt because they refer to the nature and detail of an incomplete commercial transaction, and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

|                                           |                                                                                                                                               |
|-------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Subject Heading:</b>                   | The acquisition of Property Interests as part of the Rainham and Beam Park Regeneration Housing Zone programme.                               |
| <b>Decision Maker:</b>                    | Paul Walker<br>Interim Director of Housing & Property                                                                                         |
| <b>Cabinet Member:</b>                    | Councillor Graham Williamson<br>Cabinet Member for Development & Regeneration                                                                 |
| <b>ELT Lead:</b>                          | Neil Stubbings<br>Strategic Director of Place                                                                                                 |
| <b>Report Author and contact details:</b> | Harry Scarff<br>Regeneration Manager R&BP<br>Harry.Scarff@haverling.gov.uk                                                                    |
| <b>Policy context:</b>                    | This decision is made in the context of the promotion of the policy to regenerate the area defined by the Rainham and Beam Park Housing Zone. |

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|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                        | <p>The property in question forms part of a key strategic site identified for residential redevelopment as part of the proposed regeneration of Rainham and Beam Park Housing Zone</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Financial summary:</b>                              | <p>This Executive Decision sets out information relating to the funding of the acquisition on by the Council of property interests, including freehold interests, to enable land assembly required to secure regeneration.</p> <p>It is recommended that the Council acquires and holds the land in anticipation of development once the entirety of the strategic site has been assembled. In the meantime, repairs are proposed that will allow the property to be used to mitigate emergency accommodation costs incurred elsewhere.</p> <p>The costs, funding and associated implications are set out in the exempt Financial Implications and Risks sections below.</p> |
| <b>Relevant Overview &amp; Scrutiny Sub Committee:</b> | <p>Places Overview &amp; Scrutiny Sub Committee.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Is this decision exempt from being called-in?</b>   | <p>Yes</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

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**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 X

## Part A – Report seeking decision

### DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

The Council first made a decision to acquire this property on 19<sup>th</sup> January 2022.

Due to a delay in agreeing terms with the Seller, the original recommendations are updated in this paper.

The decision required is for the Council to agree to allocate funding for, and agree to the direct acquisition of Property 4B, located in Rainham, by the Council in exception to the Rainham and Beam Park Regeneration LLP's Land Acquisition Strategy. The recommended actions are:

1. To make a formal offer to the freeholder of Property 4B, Rainham for the direct acquisition and vacant possession of the Property by the Council. (at an amount as recommended and set out in this report and **Exempt Appendix A**).
2. In the event of the offer being accepted, take all necessary steps to agree any claim for disturbance, loss and fees to the freeholder and tenant, subject to the satisfactory conclusion of the acquisition of the Property pursuant to action 1 above.
3. Take all necessary steps to provide sufficient funding and undertake the purchase of the Property, subject to the satisfactory conclusion of the acquisition terms pursuant to action 4 below.
4. Consult with the S151 Officer and the Deputy Director of Legal and Governance, and after undertaking any necessary further legal and property due diligence, prepare and enter into all necessary legal documentation to bring into effect the proposed financial and legal arrangements in action 3 above.
5. Commission a programme of repairs to enable the property to meet standards suitable for temporary accommodation prior to redevelopment.
6. On completion of repairs, to make the property available to house a family currently in emergency temporary accommodation whilst the wider site assembly is concluded.

It is recommended that steps 1 – 6 set out above should be undertaken.

### AUTHORITY UNDER WHICH DECISION IS MADE

Part 3.3.5, para 8

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 (freehold and leasehold), and commercial estate management.

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

The Council has a long-standing strategic aim to secure the comprehensive regeneration of a key area in the south of the borough - the 'Rainham and Beam Park Housing Zone'. In March 2018 the Council established a Limited Liability Partnership (known as Rainham and Beam Park Regeneration LLP – "RBPR") to deliver this vision. R&BP Regeneration LLP is now solely owned by the Council.

Nine strategic sites along the A1306 have been identified that will require direct intervention to enable development that accords with the Council's overall Housing Zone objectives and contributes to overall housing delivery targets. Through private treaty the Council, and its delivery partners, has already acquired a number of properties on these strategic sites with a view to delivering schemes in support of the regeneration aims of the LLP. The property subject of this decision would contribute towards that site assembly.

To ensure the full assembly of sites the Council made the Rainham and Beam Park Compulsory Purchase Order No 1 in September 2019.

Due to a combination of unforeseen events, including the Covid 19 pandemic and the unexpected and late stage withholding of support for the proposed Beam Park railway station by the Department for Transport (DfT), it was agreed in consultation with Planning Inspectorate, that safeguarding the Council's potential future interests as an acquiring authority would be best served by withdrawing the CPO pending the Council's continuing negotiations with the DfT and GLA to resolve the situation. The CPO was accordingly withdrawn in December 2021.

The Council remains committed to the strategic regeneration, place making and housebuilding objectives for the Rainham and Beam Park area and intends to continue with the acquisition of property through private treaty. The potential to remake a revised CPO or multiple smaller CPO's in future also remains to conclude strategic land assembly if this is required.

Negotiations for the acquisition of the subject property in New Road commenced after the initial CPO had been made (but not confirmed). This being the case, the process has been conducted in accordance with the Secretary of State's policy concerning the compulsory purchase process.

It is considered appropriate to maintain this position. In order not to prejudice the possible making of future CPO(s) the Council should continue to be able to demonstrate that they have taken all reasonable steps to acquire land by private treaty. At paragraph 2 of the Secretary of State's Guidance on Compulsory Purchase Process and the Critchel Down Rules, he provides that:

*"The confirming authority will be expected to demonstrate that they have taken reasonable steps to acquire all of the land and rights included in the Order by agreement. ... Compulsory purchase is intended as a last resort to secure the assembly of all the land needed for the implementation of projects".*

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Experience confirms that any acquiring authority will be required to demonstrate that such reasonable steps have been taken in respect of each interest for which it seeks confirmation of powers of compulsory acquisition.

Once the land assembly has been completed to a point that would permit the delivery of a scheme of development, the Council would be able to recover the cost of land acquisition through redevelopment.

A firm of property and CPO advisors, Ardent, has acted for the Council and provided advice on value and has been leading on the engagement with the owner of the property with a view to a private treaty sale.

As part of this engagement, and to ensure that they were advised, the owner has been provided with an undertaking that reasonable professional fees incurred in negotiations would be reimbursed by the Council. This is consistent with the CPO code of practice.

Following the earlier decision made by the Council, the parties moved towards a settlement on property values whereby an offer to purchase was made by the Council and accepted by the Seller. A sales contract was prepared but at this point, the negotiations stopped and the Seller failed to respond to any communication.

In late 2024 discussions resumed when the Seller approached the Council's advisors. In the intervening period, the condition of the property had deteriorated considerably.

It is now recommended that the Council concludes the transaction and agrees revised terms including a reduced price reflecting the current condition of the property. This report seeks authority to use financial resources already identified and agreed within the 2025/2026 Council budget, and to progress with the purchase and then a programme of repairs to allow the property to be used for temporary residential accommodation until such time as the redevelopment programme can take place.

Therefore, it is recommended that the Council should:

- Follow the recommendation that funding be made available to complete the acquisition of Property 4B and agreed payments to cover the compensable Interests of the owner.
- To fund acquisition costs from the approved 25/26 Capital budgets,
- Put in hand a programme of repairs to allow the property to be made available for use as residential accommodation and for this use to continue until the comprehensive redevelopment programme can take place.

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

Not to proceed with the purchase of the Property – Rejected.

Not proceeding with the purchase would undermine the commercial credibility of the Rainham and Beam Park Regeneration LLP. Not proceeding would also likely lead to an adverse impact on the general credibility and reputation of the Council as promoter of the regeneration and housebuilding objectives of the Rainham and Beam Park Housing Zone and potentially in its role as the Acquiring Authority for any future CPO(s).

Furthermore, this may materially impact and jeopardise the prospects of future development in the area as a whole, and by extension the Council failing to meet its Housing Targets.

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Although the owner is not an owner occupier and therefore is not able to compel the Council to purchase the Property by means of serving a Blight notice, not proceeding could further give rise to the Council being served with multiple Blight Notices by other affected owners concerned by the withdrawal of the CPO programme and the perceived precedent of the Council not completing acquisitions in a timely and previously agreed fashion.

Not to proceed to pay for disturbance, loss, and fees for the vendor – Rejected.

This would contravene advice to pay for the freeholder's compensable interest as previously agreed and in accordance with CPO guidance and regulations then in place. Accordingly, it would expose the Council to risk at any future making of a CPO(s) and equally, not confer the benefit of a strengthened case for the ongoing comprehensive regeneration of the area arising from having assisted the relocation of a tenant, previously subject to CPO proceedings from Rainham and Beam Park.

### **PRE-DECISION CONSULTATION**

A decision to progress with this acquisition was made in January 2022. Due to the passing of time, the recommendations in this report revisit the original decision and the analysis that supported it.

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

Name: Harry Scarff

Designation: Regeneration Manager R&BP

Signature: Harry Scarff

Date: 7<sup>th</sup> October 2025

## Part B - Assessment of implications and risks

### LEGAL IMPLICATIONS AND RISKS

The Compulsory Purchase guidance urges acquiring authorities to seek to purchase properties through private treaty negotiations and only use CPO as a last resort. It states that “the confirming authority will expect the acquiring authority to demonstrate that they have taken reasonable steps to acquire all of the land and rights included in the Order by agreement. Where acquiring authorities decide to arrange to acquire land by agreement, they will pay compensation as if it had been compulsorily purchased, unless the land was already on offer on the open market. Compulsory Purchase is intended as a last resort to secure the assembly of all the land needed for the implementation of projects”

In view of above, the Council as the then acquiring authority had an obligation to take reasonable steps to acquire the Property through private treaty negotiations and has clearly been engaging with the owner over a period of time through Ardent. Failure of the Council to see through the acquisition will clearly not accord with the provisions of the CPO guidance then in place and negotiated and agreed by the owner in good faith.

There is also a risk of reputational damage to the Council’s ongoing strategic regeneration policies should the acquisition not proceed.

The Council has the power to acquire property pursuant to s.120 of the Local Government Act 1972. This gives the Council the power to acquire land by agreement (either inside or outside the Council’s area) for the purpose of any of its statutory functions or for the benefit, improvement or development of the Council’s area.

The Council may also rely on its general power of competence under section 1 of the Localism Act 2011 permitting it to do anything that an individual may do subject only to the limitations specified in the Act (which do not apply here). In exercising this power, the Council must ensure that it acts rationally and complies with other relevant public law constraints.

### FINANCIAL IMPLICATIONS AND RISKS

Property 4B is a two bedroom detached house fronting the A1306 New Road, built in the early 20<sup>th</sup> Century.

The property is owned by the freeholder and is currently available with vacant possession.

In January 2022 the acquisition was considered and approved by the Council. Following the approval an offer was made in 2022 and agreement was eventually reached with the seller on terms consistent with that ED.

Financial implications and risks are further considered in **Exempt Appendix A**.

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

This project will require continued involvement of officers from the Regeneration and Housing Directorates, other Council services and external resources. The Rainham and Beam Park Housing Zone and Opportunity Area forms part of the Council's overall regeneration programme and a separate report setting out the Director of Regeneration's proposed arrangements was presented to Cabinet and approved in Oct 2020.

**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.

*Given the nature of the proposed decision, an EqHIA (Equality and Health Impact Assessment) is not required.*

**ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

This report does not give rise to adverse environmental or climate change implications or risks.

The Regeneration plans for the strategic sites, of which this property is a part, will enable the council to build new affordable homes and homeless provision that will be targeted at high levels of energy performance for the entire development as well as for individual units.

**BACKGROUND PAPERS**

None.

**APPENDICES**

**Appendix A** Financial Implications **Exempt**

**Appendix B** Valuation of the Freehold Interest prepared by Ardent **Exempt**

**Appendix C** Purchase report Checklist prepared by the London Borough of Havering  
**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

A handwritten signature in dark ink, appearing to read 'P Walker', is written over a light blue horizontal line.

Paul Walker  
Interim Director of Housing & Property

Date: 8<sup>th</sup> October 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 \_\_\_\_\_