

Notice of NON KEY Executive Decision containing exempt information

This Executive Decision Report is part exempt and Appendix A are 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

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|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Subject Heading: | <p>Subject Property: Ingrebourne Neighbourhood Nursery, Ashbourne Road, Harold Hill, Romford, RM3 7YT</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> |

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| Policy context: | Asset Management Plan |
| 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)

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Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

To agree that Property Services instruct the Council's legal team to draw up a new 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.

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STATEMENT OF THE REASONS FOR THE DECISION

Background

The Ingrebourne Neighbourhood Nursery (“the Property”) is located in the Ingrebourne Children’s Centre building. The tenant is on a tenancy at will as the Council (as landlord) is in negotiations with the tenant to grant a new lease, the tenancy at will expires on 30 June 2026.

Terms for a new lease have been agreed as detailed in Appendix A. The terms reflect prevailing market conditions which demonstrates that best consideration for the property under section 123 of the Local Government Act 1972 has been achieved

OTHER OPTIONS CONSIDERED AND REJECTED

Option: Not to agree to a new lease
Rejected: There is no good reason not to grant a new lease to the tenant as terms have been agreed as detailed in Appendix A.

PRE-DECISION CONSULTATION

None

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

Name: Luke Kubik
Designation: Estates Surveyor
Signature:



Date: 24 September 2025

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The recommendation of this report requires the Council to grant a new lease in accordance with the terms stipulated in Appendix A.

The lease has a contractual term of 10 years and is not afforded security of tenure. Therefore, the tenant will not have an automatic right to renew when the lease expires and must vacate the premises unless a new lease is negotiated.

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. s123 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 a short-term tenancy. It is noted that the rent negotiated is the best rent achievable for the unit and therefore the Council can comply with the duty to obtain best consideration, pursuant to s.123 LGA 1972.

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

FINANCIAL IMPLICATIONS AND RISKS

The new lease will generate additional rental income per annum for the Council during the new lease term. VAT is not chargeable on the rent, which is a landlord decision, as nurseries cannot charge VAT for their services.

In addition to the rent, an annual service charge and recovery of the landlord's costs of buildings insurance, shall be applied.

The costs associated with drawing up the new lease will be born by the respective parties to the lease and from the Council perspective, funded from existing budget.

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;

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(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 New Lease Terms - 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 *Mark Butler*

Name: Mark Butler

Position: Assistant Director of Regeneration & Place Shaping

Date: 04/11/2025

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 _____