

Notice of NON KEY Executive Decision containing exempt information

This Executive Decision Report is part exempt and Appendix 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 Tenants and the public interest in maintaining the exemption outweighs the public interest in disclosing the information

Subject Heading:	<p>Subject Properties:</p> <p>Various premises in New Road, Rainham</p> <p>Event: Termination of Tenancies and CPO Compensation Payment</p>
Decision Maker:	Mark Butler – Assistant Director of Regeneration & Place Shaping
Cabinet Member:	Councillor Graham Williamson
SLT Lead:	Neil Stubbings - Strategic Director of Place
Report Author and contact details:	<p>Harry Scarff Regeneration Manager – Rainham & Beam Park</p> <p>harry.scarff@havering.gov.uk</p>
Policy context:	Rainham & Beam Park JV Business Plan
Financial summary:	The financial aspects for the transaction are detailed in the <u>EXEMPT Appendix A</u> to this Report

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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 ()

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 to serve notice to terminate two tenancies, finalise the termination by a tenant of one tenancy and in each case to pay CPO compensation, all as set out in Exempt Appendix A.

AUTHORITY UNDER WHICH DECISION IS MADE

Havering Council's Constitution Part 3.3 (2nd April 2024 - current)

Scheme 3.3.5 Specific Powers of the Strategic Director of Place

8. Property

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.

The above powers are subject to a sub-delegation dated 3rd April 2024, to the Director of Housing & Property and a subsequent delegation to the Assistant Director of Regeneration & Place Shaping

STATEMENT OF THE REASONS FOR THE DECISION

Background

These three properties form part of the portfolio of properties acquired on behalf of the Rainham and Beam Park Regeneration LLP and transferred to the Council in September 2024.

Property A is currently occupied by way of a tenancy. The tenant has not maintained the premises in a suitable condition, exposing the Council, as landlord, to risk and challenge from the local community. The premises are used for car storage and are fenced, including with the use of razor wire on the pavement frontage. Despite notices from the Councils managing agent, the tenant has not rectified the matter.

Property B has been occupied by way of a short-term tenancy allowing either party to terminate the tenancy at any time. The premises are in use for car repairs and storage of vehicle parts in a prominent location immediate adjacent to a residential area. Despite the tenant having agreed to provide screening to improve the visual appearance of the property, no changes have been carried out.

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Properties A and B, as used and maintained by the tenants, do contribute negatively to the council's aims to improve place making ahead of the area wide regeneration programme taking effect.

Property C is currently occupied by way of a tenancy. The tenant has served notice on the Council to bring their tenancy to an end in January 2026.

These properties form part of the proposed scheme for regeneration of parts of New Road and were acquired through private treaty prior to the proposed Rainham and Beam Park Regeneration Compulsory Purchase Order No1.

The acquisitions, including benefit of ancillary compensation agreements, were made by the Council's then development partner acting under instruction from the Rainham and Beam Park Regeneration LLP (the LLP). The acquisitions were made after the Council had agreed to make a CPO but before the anticipated CPO Inquiry, when the CPO might have been confirmed. This being the case, the acquisition of the three subject properties was made following the CPO code, which included the need to observe the need for CPO compensation where this was deemed necessary.

As a consequence, the tenants of each of these properties separately agreed terms for compensation, including that the payment of compensation would be deferred until the respective tenancies were brought to an end. The terms and quantum of compensation in each case were negotiated individually by the council's development partner but under instruction from the LLP. The ownership of these properties transferred to the Council in September 2024. At this time the benefit of each compensation agreement novated to the Council as part of the property transfer and the settlement with the previous owner was calculated accordingly.

As a result of termination, each tenant will be due compensation settlement that is identified in the agreement.

Further details are set out in Appendix A.

Recommendations

It is recommended that:

1. The Council terminates the Tenancy at Will for Property A and discharges its obligations to pay CPO compensation in accordance with the CPO Compensation Agreement.
2. The Council seeks and enters into a lease with a new tenant for Property A, on terms to be finalised with the Assistant Director of Regeneration & Place Shaping and which supports the Council's short term ambition to improve revenue and improve placemaking.

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3. The Council terminates the tenancy for Property B and discharges its obligations to pay CPO compensation in accordance with the CPO Compensation Agreement.
4. The Council seeks and enters into a lease with a new tenant for Property B, on terms to be finalised with the Assistant Director of Regeneration & Place Shaping and which supports the Councils short term ambition to improve revenue and improve placemaking.
5. The Council complies with terms providing for the right of termination exercised by the tenant of Property C, including the Councils obligation to pay CPO compensation in accordance with the CPO Compensation Agreement.
6. The Council seeks and enters into a lease with a new tenant for Property C, on terms to be finalised with the Assistant Director of Regeneration & Place Shaping and which supports the Councils short term ambition to improve revenue and improve placemaking.
7. That the Assistant Director of Regeneration & Place Shaping agrees any further matters necessary to bring into effect recommendations 1-6 including, but not limited to, instructions to legal officers and the appointment of agents.

OTHER OPTIONS CONSIDERED AND REJECTED

Option: Not to pay compensation.

Rejected: In this scenario the Council would be in breach of contract and exposed to litigation and costs as a result. This would mean the council paying additional costs and would be exposed to reputational impact of proceedings that would likely become public.

Option: Not to terminate the tenancies

Rejected: In the case of two tenancies where termination has been proposed, to remain with the status quo would be to forgo the potential to make limited improvements to placemaking and rental receipts.

PRE-DECISION CONSULTATION

None

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

Name: Harry Scarff

Designation: Regeneration Manager, Rainham & Beam Park

Signature:

A handwritten signature in black ink, appearing to be 'H Scarff', written over a horizontal line.

Date: 8th December 2025

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

- 1.1.1 The report confirms that the Council shall exercise its right to terminate the occupancy by serving notices to quit.
- 1.1.2 In accordance with the CPO Compensation Agreements dated 28 May 2020, 19 March 2021, and 14 July 2021, the Council shall pay to the tenants the compensation stipulated in the said Agreements.
- 1.1.3 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 General Power"). The recommendations in this report are in keeping with the General Power.
- 1.1.4 The Council also has powers under section 123(1) of the Local Government Act 1972 to dispose of land in any manner it wishes, subject to subsection 123(2) which provides that land should not be disposed of for less than best consideration on a transfer of the freehold or lease of more than 7 years.

FINANCIAL IMPLICATIONS AND RISKS

These are considered in Exempt appendix A

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;
- (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.

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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 is not required.

The Council seeks to ensure equality, inclusion, and dignity for all in all situations.

There are not any 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 Financial Implications - 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

Agreed

Details of decision maker

Signed 

Name: Mark Butler

Position: Assistant Director of Regeneration & Place Shaping

Date: 11th December 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 _____