

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 contains or relates to exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972. It is exempt because it refers to information relating to the financial or business affairs of any particular person (including the authority holding that information) and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Subject Heading:	Subject Property: New Windmill Hall, St Marys Lane, Upminster, RM14 2QH (the "Property") Event: New lease
Decision Maker:	Paul Walker – Interim Director of Housing & Property
Cabinet Member:	Cllr Robert Whitton - Cabinet Member for Regeneration
SLT Lead:	Neil Stubbings - Strategic Director of Place
Report Author and contact details:	London Borough of Havering (LBH) Luke Kubik Estates Surveyor Property Services Town Hall Main Road Romford RM1 3BD Tel: 01708 434 176 E: luke.kubik@havering.gov.uk
Policy context:	Asset Management Plan

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Financial summary:	The financial aspects for the transaction are detailed in the EXEMPT Appendix A 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

Recommendations

It is recommended that the Council agrees that Property Services instructs the Council's Legal Department to draw up a new lease as per the details in Appendix A.

Decisions

Formal authority is hereby given to instruct Property Services to instruct the Council's Legal Department 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.

The above powers are the subject of a sub-delegation from the Strategic Director of Place to the Interim Director of Housing and Property, as notified to the Monitoring Officer on 3 April 2024.

STATEMENT OF THE REASONS FOR THE DECISION

The lessee previously held the premises on a lease from 30.07.12 to 29.07.22.

On expiry, a Tenancy at Will was granted to regularise their occupation with a new lease terms being agreed and completed which included a Landlords break clause effective on the 3rd anniversary of the term start date with a minimum of 3 months' notice i.e. 30.07.25.

The Council owns land adjoining the Community Association premises and as a preliminary to a lease renewal a review of possible broader redevelopment options was undertaken. However, this did not identify beneficial development potential and a renewal of the existing lease is therefore recommended.

The Community Association is run entirely by volunteers which is used by local residents, local community groups and businesses who host various activities and community events such as a community café, lunch clubs, quiz nights, Pilates, yoga, and various dance classes and so on.

In recognition of the above the tenants rent is discounted in accordance with the Council's prevailing Equitable Rent Policy as set out in the Notice of executive by Individual Cabinet Member dated 22 November 2004 and detailed further in the appendices.

The policy reflects the community benefits that arise from such lettings and as a means of encouraging and supporting residents and community organisations.

The Council's Community Development Resilience Officer works closely with the lessee predominantly to assist them with various matters that include grant funding applications, governance, assisting volunteers in areas of compliance, directing external enquiries as appropriate and to generally ensure that their occupation still complies with the requirement of the Equitable Rent Policy.

Additional clauses relating to the Equitable Rent Policy have been included in the heads of terms which provides for the discount rate to be varied should the Council wish to do so that is detailed in exempt Appendix A.

A valuation report has confirmed there is scope for an uplift in rent which demonstrates that best consideration for the property under section 123 of the Local Government Act 1972 has been achieved in the context of applying the Council's equitable rent policy on community facilities.

OTHER OPTIONS CONSIDERED AND REJECTED

Option:	To grant a new lease with a break clause
Rejected:	Councillors have instructed officers to not include a break option in the new lease.

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Option: Not to renew the lease
Rejected: There is no reason not to grant a new lease as the lessee has agreed terms.

PRE-DECISION CONSULTATION

None.

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

Name: Luke Kubik
Designation: Estates Surveyor
Signature:

A handwritten signature in black ink, appearing to be 'LK' or similar initials, written over a light blue grid background.

Date: 19 May 2026

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The recommendation of this report requires the Council to grant a lease in accordance with the terms stipulated in Appendix A. The lease has a contractual term of 15 years and is not afforded security of tenure.

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.

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 a short-term tenancy. It is noted that the rent was negotiated to best value given the circumstances to ensure that the Council can comply with the duty to obtain best consideration, pursuant s.123 LGA 1972 in the context of applying the Council's equitable rent policy on community facilities.

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

FINANCIAL IMPLICATIONS AND RISKS

The new lease will generate additional rental income for the Council during the lease term. This will help to alleviate the pressure on the commercial rent income budget. VAT is not chargeable on the rent.

The increased rent will be backdated to the start of the tenancy at will term, which will further help with the commercial rent income pressure.

The lessee will be paying the council's legal fees for the transaction.

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;

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(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

Exempt Appendix A Landlord's Proposals for a New Lease

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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 black ink, appearing to read 'P Walker'.

Paul Walker
Interim Director of Housing & Property

Date: 31st July 2026

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 _____