

Cabinet

Report Title	Community Asset Transfer - Wednesbury Rugby Club	
Date of Meeting	Wednesday, 30 July 2025	
Report Author	Luke Dove	
Lead Officer	Alan Lunt Executive Director - Place	
Lead Cabinet Member(s)	Councillor Suzanne Hartwell Cabinet Member for Neighbourhoods and Community	
Why is this a key decision?	1. Expenditure over £1 Million+	No
	2. Significant impact on 2 or more wards	No
Wards Affected	Wednesbury North	
Identify exempt information and exemption category	Open	
Is the report urgent?	No	
Reasons for urgency (only where applicable)	N/A	
Appendices (if any)	1. Site Plan – Wednesbury Rugby Club 2. Business Development Plan	

1. Executive Summary

- 1.1 This report seeks approval for the Community Asset Transfer (CAT) of the council owned property of Wednesbury Rugby Club, Woden Road, Wednesbury, WS10 0RQ. It provides an overview of the proposed tenant further supported by their full business plan (appended to the report) and provides assurance around ensuring the transaction adheres to best practice and is legally compliant.

2. Recommendations

The Cabinet is recommended to: -

- 2.1 Approve the Community Asset Transfer (CAT) of Wednesbury Rugby Club, Woden Road, Wednesbury, WS10 0RQ, as detailed in the site plan at Appendix 1, to Wednesbury Rugby Union Football Club Ltd for a term of 35 years based on a full repairing lease with a rental of £1 per annum;
- 2.2 Delegate authority to the Monitoring Officer and Service Director Governance to dispose of the property, on terms and conditions to be agreed by the Executive Director - Place in consultation with the Cabinet Member for Neighbourhoods and Community
- 2.3 Delegate authority to the to the Monitoring Officer and Service Director Governance to enter into or execute under seal, if necessary, any other related documentation in connection with the leasehold disposal of Wednesbury Rugby Club.

3. Proposals – Reasons for the recommendations

- 3.1 The proposed asset transfer accords with the council's principle of proactively advertising community properties for potential Community Asset Transfers (CAT) as a priority. Transfers will be undertaken in accordance with the council's policy on CAT's and will only happen if officers are satisfied that a clear, sustainable plan is in place to maintain the asset and that further calls on the council for support are unlikely.
- 3.2 The Corporate Asset Management Strategy (CAMS) was approved by Cabinet in 2022. It acknowledged that the council is committed to maintaining an effective and efficient property portfolio which supports the delivery of services to residents, provides value for money, reduces our environmental impact, and maximises opportunities to generate value.
- 3.3 The recommendations support the delivery of the council's Medium Term Financial Strategy (MTFS) and assists in ensuring that the council has a balanced budget moving forward alongside an efficiently operating estate to deliver council services.
- 3.4 The recommendations presented will contribute to a stronger and more inclusive economy by maximising local asset use and support strong and resilient communities by providing more opportunities for community-based social activities.
- 3.5 The applicant, Wednesbury Rugby Union Football Club Ltd, is registered as a Community Amateur Sports Club (CASC registration Number 089978). They are currently leasing the property from the council having commenced on 15th October 2007 for a term of 25 years. The lease, which is due to expire on 15th October 2032, is an historic voluntary body lease which broadly comprise of

terms of a similar nature to a current CAT with no rental premium currently payable under the terms of the same.

- 3.6 Following evaluation of the initial application, which demonstrated the club's eligibility to be considered for CAT, the council have since requested and received an updated business plan from Wednesbury Rugby Union Football Club Ltd as provided at appendix 2.
- 3.7 The applicant intends to make a significant investment into the asset, building on that provided to date, which includes a new, fit for purpose clubhouse, relaying the astroturf, and implementing proper drainage for the pitches, along with working with the RFU to support grass roots rugby
- 3.8 Alongside the senior rugby setup, the club also host numerous events and user groups at the club, and as part of developing this further will be setting up Wednesbury rugby for young children, introducing walking rugby, supporting development of girls / women's rugby, offering touch rugby to support health and well-being, exercise classes, along with introducing other community groups to the club. This is underpinned by working in partnership with the RFU, Staffs Rugby, Gloucester Rugby, West Midlands Travel, Sandwell Council, SCVO, Public Health England, and the Active Black Country Group to fulfil the club ethos 'Enjoyment and Inclusion for All'. Further details regarding the club's history and future plans can be found in the full business case as provided at appendix 2.
- 3.9 As part of the application process, the applicant has also provided a full set of accounts for the period 2019-2024 which demonstrates a sustainable approach to finances and the future management of the asset. However, to ensure that they can access relevant grants to support the development of the asset and delivery of their business plan a longer lease term demonstrating security of tenure is required. A site plan for the property is provided at appendix 1.
- 3.10 Should the council proceed with the CAT, this will be on a full repairing basis whereby all maintenance and associated financial liability would remain with tenant for the duration of the lease term.
- 3.11 The recommendations align with the responses received from the public budget consultations which supported the disposal or development of Council assets.

4 Alternative Options Considered

- 4.1 The recommendations set out in section 2 of this report is the preferred option. However, Members are advised that the options below were considered as set out below.

Option 1

- 4.2 The Council could choose to not progress the CAT lease with the incumbent tenant and allow the lease to run its term and expire on 15th October 2032 with the vacant property to be returned to the council at this time. However, this would not be considered viable, as no operational use has been identified and would result in the loss of this vital community organisation and facility. It would also not support delivery of the Asset Management Budgets Savings targets 2023-2026, due to ongoing liability of repairs and maintenance, security, and other holding costs, with additional revenue budgets needing to be identified for the council to manage the site.

Option 2

- 4.3 The Council could choose to not progress the CAT lease with the incumbent tenant and allow the lease to run its term and expire on 15th October 2032 with the vacant property to be returned to the council at this time. The council could then look to let the property on commercial terms for market rent. However, this would not be considered viable, as this would result in the loss of this vital voluntary organisation and the extensive range of community-based activities and initiatives they provide for local residents.

5. Consultation

- 5.1 The project is subject to ongoing internal consultation with key stakeholders from finance, legal, property, and community partnerships services alongside lead Cabinet Members. Decision-making governance gateways that require consultation or delegated authority will be obtained in accordance with the relevant policies and procedures.

6. Financial Implications

- 6.1 The Council needs to deliver £2.5m of recurring savings by 2025/2026 from its Asset base and to transform the way it uses its assets. The recommendations in this report will ensure that the Council can continue to support effective delivery of community-based services without incurring additional expenditure.
- 6.2 The current market rental is estimated at £12,500 per annum. The current market capital valuation is estimated at £200,000.
- 6.3 In accordance with section 3 of the Community Asset Transfer Strategy, each party will be responsible for paying their own legal and surveyor's fees as necessary.

7. Legal and Governance Implications

- 7.1 S.123 of the Local Government Act 1972 permits a principal Council such as Sandwell to dispose of land in any way it wishes, except that it shall not (without the Secretary of State's consent) dispose of land for a consideration less than the best that can reasonably be obtained.
- 7.2 The Secretary of State issued a General Disposal Consent in 2003 (Circular 06/03) which states that specific consent is not required for the disposal of any interest in land which the authority considers will help it to secure the promotion or improvement of the economic, social, or environmental well-being of its area. Where applicable, authorities should also have regard to their community strategy. Any disposal must not have an undervalue of more than £2m.
- 7.3 The Council's Community Asset Transfer Strategy sets out the Council's approach, with section 4.1 of this report detailing the required application criteria that is required to be met. A CAT will usually be granted for an initial term of 25-35 years as detailed in section 3 of the Community Asset Transfer Strategy and at a reduced rental rate.
- 7.4 The grant of a 35-year lease at an annual £1 rent means the Council is foregoing the market rent that would be payable for the property during that period. This is mitigated by (i) the effective transfer of responsibility for the repair, maintenance and insuring of the property to the proposed tenant; and (ii) the broader community benefits to the area.
- 7.5 The Council will require appropriate authority to be obtained in line with the Sale of Land and Buildings Protocol alongside the Assistant Director – Legal and Assurance being authorised to enter or execute under seal where necessary any legal documentation in connection to the granting of a lease or undertaking of a freehold disposal as required.

8. Risks

- 8.1 The council recognises that with any asset transfer there is an element of risk both to the Local Authority and to the voluntary sector organisation taking on the asset. As such the Council has followed a stringent selection and assessment process. This will be supplemented by a regular monitoring to ensure that all objectives under which the CAT was granted are still being met.
- 8.2 The recommendation for the organisation stated was based on agreed criteria that include governance arrangements, the organisation's previous track record, and the viability of their future plans, including current and projected financial positions.
- 8.3 Ongoing monitoring of the lease is managed under the terms of the CAT which sets out criteria, including up to date accounts, business plan, governance, and usage details, which the management organisation must adhere to, in order to fulfil the terms of the lease.

- 8.4 To mitigate risk to the management organisation the Local Authority will ensure a rolling tenant only break is included in the lease, following the initial 12-month period after commencement. This will ensure that the organisation has an exit opportunity should they encounter financial difficulty at any time in the future, and to allow for the appropriate continued management of the public asset.

9. Equality and Diversity Implications (including the public sector equality duty)

- 9.1 The continued review of the council's asset portfolio, and any associated CAT, will ensure all vulnerable groups are considered, and that appropriate facilities continue to be provided across the borough in a more targeted manner.

10. Other Relevant Implications

- 10.1 The disposal and continued use of the property as a sports and social facility will offer a range of health and wellbeing benefits alongside supporting the regeneration of the borough through improving and developing assets and places for people to go.

11. Background Documents

- 11.1 Community Asset Transfer Strategy
- 11.2 Corporate Asset Management Strategy

12. How does this deliver the objectives of the Strategic Themes?

- 12.1 This report will support the delivery of the following Strategic Themes: -
- Living in Sandwell
 - Healthy in Sandwell
 - Thriving Economy in Sandwell
- 12.2 The recommendations identified will contribute to a stronger and more inclusive economy by maximising local asset use. It will also contribute to ensuring strong, healthy and resilient communities by providing a modern, well-equipped sports and community facility enabling residents more opportunities for community-based social activities.
- 12.3 The recommendation supports a local voluntary organisation to support the community within which it operates and ensure the long-term sustainability of a vital green space asset.

Relevance Check

Budget Reduction/Service Area:

Service Lead

Date:

In what ways does this Budget reduction have an impact on an outward facing service? How will the service feel different to your customers or potential customers?

N/A

If not, how does it impact on staff e.g. redundancies, pay grades, working conditions? Why are you confident that these staff changes will not affect the service that you provide?

N/A

Is a Customer Impact Assessment needed? No