

Cabinet

Report Title	Whiteheath Community Centre – Proposed Community Asset Transfer	
Date of Meeting	Wednesday, 14 January 2026	
Report Author	Luke Dove Service Director – Property and Assets	
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+ 2. Significant impact on 2 or more wards	No No
Wards Affected	Langley	
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 – Whiteheath Community Centre	

1. Executive Summary

1.1 This report seeks approval to progress a Community Asset Transfer (CAT) of the council owned property Whiteheath Community Centre, Oldbury Road, Oldbury B65 0QJ subject to a marketing exercise. The report also seeks approval to undertake an open market exercise for letting the property on commercial terms should no viable expression of interest for a CAT be received.

2. Recommendations

The Cabinet is recommended to: -

- 2.1 Approve the marketing of Whiteheath Community Centre, Oldbury as detailed in the site plan at Appendix 1 to this report, to accept expressions of interest in relation to the potential for Community Asset Transfer (CAT).
- 2.2 Subject to suitable expressions of interest being received and receipt of a suitable business plan:
 - 2.2.1 Delegate authority to the Monitoring Officer and Service Director - Governance to take all actions necessary 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 Subject to no suitable expression of interest or subsequent business plan being received following a defined advertising period, approval be granted for the open market disposal (leasehold) of Whiteheath Community Centre, Oldbury via the most appropriate mechanism.
- 2.4 Subject to recommendation 2.3 being agreed:
 - 2.4.1 approval be given to negotiate and agree a disposal of the leasehold to the preferred bidder from those bids received.
 - 2.4.2 Delegate authority to the Monitoring Officer and Service Director - Governance to take all actions necessary 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

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 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.
- 3.6 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.
 - 4.1.1 **Option 1 – not to progress the CAT.** However, this would not be considered viable, as no operational use has been identified and would result in this facility remaining vacant. It would also not support delivery of the MTFS due to ongoing liability of repairs and maintenance, security, and other holding costs required to manage the site. This option was therefore dismissed.
 - 4.1.2 **Option 2 – let the property on commercial terms for market rent without seeking expression of interest for a CAT first.** However, this would not be in keeping with a previous Cabinet decision to market community properties for community uses in the first instance. This option was therefore dismissed.

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 £12,000 per annum. The current market capital valuation is estimated at £120,000.
- 6.3 In accordance with section 3 of the Council's 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 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. A CAT will usually be granted for an initial term of 25-35 years as detailed in section 3 of the Council's 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 granted from Cabinet as the Council's Executive in accordance with the Sale of Land and Buildings Protocol and for authority to be given the Monitoring Officer and Service Director - Governance to take such actions as necessary to give effect to the disposal. Such actions will include but not be limited to entering into or executing under seal where necessary any legal documentation in connection to the granting of a lease or undertaking of a freehold disposal.

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 follow 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 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, to fulfil the terms of the lease.

8.3 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 of the property as a community 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
- 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 community facility enabling residents more opportunities for community-based social activities.