

# Portfolio Holder for Commissioning and Procurement

---

Meeting Venue

---

Meeting date  
**Thursday, 23 June 2016**

---

Meeting time

---

For further information please contact

Stephen Boyd  
[steve.boyd@powys.gov.uk](mailto:steve.boyd@powys.gov.uk)  
01597 826374



County Hall  
Llandrindod Wells  
Powys  
LD1 5LG

Issue Date

## AGENDA

1.	<b>COMMUNITY ASSET TRANSFER OF THE FREEHOLD OF SPORTS FIELD AT GWERNYFED RUGBY CLUB, TALGARTH</b>
----	---

(Pages 3 - 20)

2.	
3.	

This page is intentionally left blank

**CYNGOR SIR POWYS COUNTY COUNCIL.****PORTFOLIO HOLDER DELEGATED DECISION****By****County Councillor Rosemarie Harris  
(Portfolio Holder for Property, Buildings and Assets)****and****County Councillor Graham Brown  
(Portfolio Holder for Commissioning and Procurement)****June 2016****REPORT AUTHOR: David Pritchard Valuer****SUBJECT: Community Asset Transfer of the freehold of sports field  
at Gwernyfed Rugby Club, Talgarth**

---

**REPORT FOR: Decision**

---

**1.0 Summary**

**1.1** This report deals with the existing sports field which is leased to Gwernyfed Rugby Football Club, the club have submitted an Expression of Interest to acquire the freehold of the land as identified on the Plan at Appendix 1. This Report seeks approval with regard to the freehold transfer of the land to Gwernyfed Rugby Club

**2.0 Proposal**

**2.1** Gwernyfed Rugby Football Club wish to secure the freehold of the site which they currently occupy under a 21 year lease from 1997. The land comprises a sports pitch and training ground, there are no buildings on the land. Having used the site for many years they wish to secure the future of the site as a venue for the provision of sports for future generations and invest.

**2.2** The Policy outlined in the Corporate Asset Policy (CAP) Part 5 Community Asset Transfer (CAT) has been adopted and followed in this case. The Club submitted an Expression of Interests (EOI) see Appendix 2. This was supported by the reviewing Officers Working Group and more recently by the Strategic Asset Board.

**2.3** The proposed CAT outlined that Gwernyfed Rugby Football Club would undertake to retain the site for sports and community use and as an existing and established organisation a Business Case (a formal Council template) was not required in this case. The service lead (Countryside and Recreation) have provided a written undertaking (see

10.3) that the application is deemed sustainable and fits in with the One Plan.

- 2.4 As the request is for a freehold transfer an independent market valuations were commissioned. The District Valuation Service reported the following valuations:- unrestricted market valuation of £75,000 (seventy five thousand pounds) and £65,000 (sixty five thousand pounds) based on the site being sold subject to a covenant that the site would be appropriately maintained and used as a community sports facility.
- 2.5 Following a process of negotiations Gwernyfed Rugby Football Club have formally submitted a final offer for the freehold of the property for £55,000 (Fifty five thousand pounds) which includes an undertaking to enter into a covenant to use the land only for sporting and community use.
- 2.6 Following Cabinet approval (C159-2015) the Portfolio Holder for Property, Buildings and Housing can now agree Community Asset Transfer where the market value of the asset is up to a threshold of £75,000 subject to the Ward Member being supportive of the transfer. Hence Portfolio Holder approvals being sought is this case.
- 2.7 The Capital and Financial Planning Accountant comments in 10.1 refer to current carrying amount as recorded by the statutory asset valuation. The Capital Accountant is required to recognise a loss/gain as appropriate on any capital disposal and this loss is included in the year end Statement of Accounts.
- 2.8 The asset valuation undertaken for the land was undertaken in 2013 and is based on existing Use Value including the presence of tenant's improvements including floodlights. It does not relate to current market values as confirmed by the District Valuation Service's current report.
- 2.11 The Countryside and Recreation Service have confirmed foregoing the annual rental will not have an adverse effect on its remaining service provision.

### **3.0 One Plan**

- 3.1 A priority of the One Plan is to "remodel Council services to respond to reduced funding" which this proposal supports. It also helps to "support people within the community to live fulfilled lives" through the provision of leisure services.
- 3.2 The proposed transfers would retain the properties for community use and the freehold transfers will allow the Club to seek sources of external funding to further develop facilities on the site.

#### **4.0 Options Considered/Available**

##### 4.1 Option 1

Proceed with the Freehold sale Gwernyfed Rugby Football Club at a consideration of £55,000 (Fifty five thousand pounds) allowing them to secure the provision of sports on the site and develop facilities further.

##### 4.2 Option 2

Proceed with the request but refuse to transfer the freehold at less than the reported unencumbered market value of £75,000.

##### 4.3 Option 3

Refuse the request for a freehold CAT which will result in the continuation of the use of the site under the existing lease arrangements. If this is the chosen option to satisfy the requirements of the Welsh Rugby Unions the Club plan to become a Limited Liability Partnership (LLP) and are seeking an undertaking that a new Lease is entered into with the LLP.

#### **5.0 Preferred Choice and Reasons**

5.1 The preferred choice is as detailed in Option 1 a transfer of the freehold ownership which offers the best opportunity for the sustainability of the site and secures their long terms future as community assets.

5.2 Members should note that this will result in a capital receipt of £55,000 being achieved with the loss of the annual rental receipt of £900 per annum.

#### **6.0 Sustainability and Environmental Issues/Equalities/Crime and Disorder,/Welsh Language/Other Policies etc**

6.1 The preferred option is considered to be the best option to sustain the future of the site in their existing use as community assets. The Club have demonstrated through their existing management and in the EOI that they are an established and competent constituted group.

#### **7.0 Children and Young People's Impact Statement - Safeguarding and Wellbeing**

7.1 Not considered relevant.

#### **8.0 Local Member(s)**

8.1 Cllr William Powell Member for Talgarth supports the proposal.

## **9.0 Other Front Line Services**

- 9.1 It is not considered that the proposal has implication for other frontline services.

## **10.0 Support Services (Legal, Finance, Corporate Property, HR, ICT, BPU)**

- 10.1 The Capital and Financial Planning Accountant comments that the carrying value of the land is currently £85,000. This asset may record a £30,000 loss to the authority.
- 10.2 The Legal Services notes the proposal for the sale of this land below the market valuation. It is noted that the land has been leased to the Club for many years (not just under the terms of the current lease) and that it is and has been used by the community and not just the Club. This community use should be sustained and I see a sale in line with the proposal as a means of ensuring that continued future use. Accordingly, I would support the proposal.
- 10.3 The Senior Manager Regeneration and Corporate Property support this proposal which provides a good capital receipt for the authority.
- 10.3 The Senior Manager Leisure and Recreation fully endorses the proposed sale of the land, to Gwernyfed RFC, as this will secure the future of the rugby club and associated playing fields. This will enable the club to plan for their future and to continue and grow and flourish as an important established sports club for not only for Talgarth, but for the wider community as a whole.

## **11.0 Local Service Board/Partnerships/Stakeholders etc**

- 11.1 It is not considered that the proposal has implications.

## **12.0 Corporate Communications**

- 12.1 Communications Comment: No proactive communications action required.

## **13.0 Statutory Officers**

- 13.1 The Strategic Director Resources (S151 Officer) notes the comments made by finance. It is also noted that this is in line with the CAT policy.

13.2 The Solicitor to the Council (Monitoring Officer) has commented as follows: “ I note the legal comment and have nothing to add to the report.

**14.0 Members’ Interests**

The Monitoring Officer is not aware of any specific interests that may arise in relation to this report. If either of the portfolio holders has an interest he should declare it, complete the relevant notification form and refer the matter to Cabinet for decision.

<b>Recommendation:</b>	<b>Reason for Recommendation:</b>
<p><b>1.The Portfolio Holder agrees to transfer the freehold of the sports field to Gwernyfed Rugby Football Club for £55,000 as shown edged red on the attached Plan provided that:-</b></p> <ul style="list-style-type: none"> <li><b>i. A covenant be contained in the transfer ensuring that the site is maintained and used for community use.</b></li> <li><b>ii. A clause be inserted in the transfer protecting the County Council that in the event that at some future date Gwernyfed Rugby Football Club wish to dispose of the site then the Club must first offer the County Council the opportunity to transfer the site back for the original consideration of £55,000 but subject to an allowance to reflect the value of any significant capital improvement undertaken by Gwernyfed Rugby Football Club during their ownership.</b></li> <li><b>iii. In the event that the Club gains planning consent for a more beneficial use the County Council will receives a 50% share of any uplift value.</b></li> </ul>	<p><b>In the interests of good Asset Management and to sustain the future use of a community asset.</b></p>

<b>Relevant Policy (ies):</b>	CAP		
<b>Within Policy:</b>	Y	<b>Within Budget:</b>	Y

<b>Relevant Local Member(s):</b>	<b>Cllr Williams Powell</b>
----------------------------------	-----------------------------

<b>Person(s) To Implement Decision:</b>	<b>David Pritchard</b>
<b>Date By When Decision To Be Implemented:</b>	<b>asap</b>

<b>Contact Officer Name:</b>	<b>Tel:</b>	<b>Fax:</b>	<b>Email:</b>
David Pritchard	01597826602		davidpritchard@powys.gov.uk

**Background Papers used to prepare Report:**



© Crown copyright and database rights 2015 Ordnance Survey 100025371  
© Hawlfraint y Goron a hawliau cronfa ddata 2015 Arolwg Ordans 100025371  
Additional information © Environment Agency 2015  
Gwybodaeth ychwanegol © Asiantaeth yr Amgylchedd 2015  
Additional information © Powys County Council 2015 No additional copies should be made without the permission of the Council.  
Gwybodaeth ychwanegol © Cyngor Sir Powys 2015 Ni ddylid gwneud unrhyw gopïau ychwanegol heb ganiatâd y Cyngor.

Page 9



This page is intentionally left blank

**GWERNYFED R F C**

The Old Malthouse, Trefecca Road, Talgarth TEL: 01874 711975

4 March 2015

Mr D Pritchard  
Property Services  
Powys County Council  
County Hall  
Spa Road  
Llandrindod Wells  
Powys LD1 5LG

COPY

Dear Mr Pritchard

**EXPRESSION OF INTEREST – PROSPECTIVE PURCHASE OF LAND  
ADJACENT TO KING GEORGE V FIELD, TALGARTH**

I have entered discussions with Mr Stephen Butcher in respect of the possibility of the Club purchasing the freehold title to the land currently the subject of a lease from the Authority and upon which our two pitches are sited.

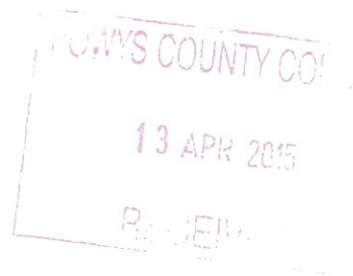
Mr Butcher has recognised that the Club plays a significant part in the community and sporting life of Talgarth and environs and that the area hosting our pitches is an intrinsic part of that role. In short, Mr Butcher felt that the Authority was supportive of our efforts and may consider a request that looks to secure the Club's location in the medium and long term, enabling us to plan for that future.

I enclose our completed Expression of Interest form which I understand is considered by members of the Authority prior to, if members are so minded, an independent value being appointed to address any monetary exchange.

I would confirm that we would be only too pleased to respond to any questions or requests for clarification and to meet with officers and/or members at your request. In the meantime, we trust that the Authority will see this as a positive and natural extension to the relationship that has seen the Club prosper through to what is now our fiftieth season.

Yours in sport

PETER WEAVERS  
VICE CHAIRMAN



**EXPRESSION OF INTEREST FORM (EOI)**  
**for a Community Asset Transfer (CAT)**  
**from Powys County Council to a Third-Sector Organisation**

Reference Number		Date Received	
------------------	--	---------------	--

**Guidance Notes**

This "Expression of Interest" form is an important document. The information within it will help the Council to identify good community based proposals for sustainable uses of public buildings owned by Powys County Council.

The aims of a Community Asset Transfer from Powys County Council are:-

- To encourage people to take part in economic and community life
- To develop capacity in and connections between public, private, voluntary and community sectors in order to support economic and social development
- To safeguard buildings for community use

When initially assessing your completed "Expression of Interest", the Council will consider:-

- Does the project meet at least one of the Council's Community Asset Transfer aims?
- Does the proposal benefit the people of Powys?
- Does the project contribute to the Council's corporate priorities and plan?

**NOTE – You must be realistic about the amount of time it will take to do your proposal and what you can achieve.**

If your EOI meets the Council's criteria, you will be invited to submit a full, costed Business Case, which will then be considered for submission as a Community Asset Transfer application.

For advice on both developing your project and completing this "Business Case" form, email the Regeneration Team at [regeneration@powys.gov.uk](mailto:regeneration@powys.gov.uk).

**This form, once completed, it should be sent to:**

The Valuation Team,  
County Hall,  
Llandrindod Wells  
LD1 5LG

Or emailed to [property.sales@powys.gov.uk](mailto:property.sales@powys.gov.uk)

**EXPRESSION OF INTEREST FORM (EOI)**  
**for a Community Asset Transfer (CAT)**  
**from Powys County Council to a Third-Sector Organisation**

*(This is not an application form for funding)*

PROPOSED PROJECT NAME
PURCHASE OF RUGBY PITCHES AT TREFECCA ROAD, TALGARTH

CONTACT DETAILS	
Name of the LEAD group or organisation	Gwernyfed Rugby Football Club
Address of the LEAD group or organisation	The Old Malthouse Trefecca Road Talgarth Powys LD3 0PL Please address
Name of the main contact person	Peter Weavers
Phone number	
E-mail address	
What year did your organisation start?	1964

YOUR THIRD-SECTOR STATUS		
<input type="radio"/> Registered Charity	<input type="radio"/> Community Group	<input type="radio"/> Consortium
<input checked="" type="radio"/> Voluntary Organisation	<input type="radio"/> Town/Community Council	<input type="radio"/> Statutory Organisation
<input type="radio"/> Other _____		
<b>Does your group or organisation have:</b> You will be asked for these if you progress to a Business Case.		
<b>Item</b>	<b>Yes</b>	<b>No</b>
a constitution	Yes	
terms of reference	Yes	
A work plan	N/A	

WHAT PROPERTY ARE YOU INTERESTED IN?	
Name of identified property	Rugby fields and associated land at Trefecca Road, Talgarth – plan attached
Address	Trefecca Road, Talgarth
Names of Powys County Council <u>Officers</u> that you have spoken to about this property. <i>(This does not mean that the property has been agreed for use by PCC)</i>	Mr Stephan Butcher
Names of Powys County <u>Councillors</u> that you have spoken to about this property. <i>(This does not mean that the property has been agreed for use by PCC)</i>	None

TELL US ABOUT YOUR ORGANISATION ( or GROUP)
<p><b>1. What does your organisation do? (If you are a new organisation, what do you hope to do?). Enclose any brochures / marketing that you currently use to help explain what you do.</b> Gwernyfed RFC has established itself as an integral part of the community and the wider rugby community, offering sport and friendship for men and women, boys and girls from the age of 6 upward. The current playing membership is over 300 with a further 350 social members. Gwernyfed is the only club in Wales to field teams at every age group, including a Ladies XV, under 18 Girls and under 15 Girls.</p>
<p><b>2. List any other organisations with which you are affiliated or work with.</b></p> <p>Full members of The Welsh Rugby Union  Full members of the Mid District Rugby Union  Full members of the Newport and Pontypool District Rugby Union  Full members of the Heart of Wales Youth Rugby Union.  Full members of the Brecknock and District Sports Association</p>
<p><b>3. If you already operate a project or activity, where is it currently based and is it different to the idea for this building?</b></p> <p>We have been based at Trefecca Road, Talgarth, for over 25 years</p>

**TELL US ABOUT YOUR IDEA FOR THE PROPERTY**

**4. What do you want to use the property for and why?**

We currently lease the pitches from the County Council and would like to acquire the freehold in order that we have security of tenure and, importantly, can make application for support from the WRU to develop our facilities with the benefit of that security.

**5. To achieve this, how much will your idea cost?**

*(Consider development costs, design fees, capital proposals and revenue costs, as examples.)*

Should the Authority be minded to consider a sale in principle the valuation would be established by the Valuation Office. The Club would expect to bear its own costs and the Authority's reasonable legal fees.

No development cost is involved.

**6. How will you make it happen?**

*(Tell us about the stages involved, the experts, (architects, quantity surveyor, etc) formal permissions such as Building Regulations or Planning, as examples).*

Purchase subject to contract

**7. How do you propose to ensure the future of the property?**

*(ie: keeping it in good repair and running it.)*

We have fifty years' experience of running the Club during which we have increased turnover to over £250000 per annum. The Club has no mortgages or loans and there are no charges over its main asset, The Old Malthouse, estimated value £300000, in freehold title.

We are extremely confident that the change from a lease to freehold ownership would not change the manner in which we care for the area involved.

**TELL US ABOUT YOUR COMMUNITY IDEA**

**8. Why do you believe that your idea is needed and what evidence / information justifies your project?**

We are a community Club, one we believe widely recognised as such in Powys and through Wales and beyond. As a successful Club we do need security of tenure in order to be able to plan in the medium to longer term and whilst the current lease has offered that security, there is no doubt that title offers even greater security and confidence.

**9. Have you discussed your idea with other people / groups in your community?**

This is important because, if you complete a Business Case form for a Community Asset Transfer (CAT) by Powys County Council, you will have to demonstrate that you have community support. *(NOTE – As part of its appraisal process, the Council may approach anyone you name below.)*

The idea has been discussed with representatives of Talgarth Town Council and with TADSCA, a new group (of which the Club is a member) formed to look after the area transferred to the Town Council by the County Council. Both are fully supportive and between them represent both community and sporting interests.



**10. If your idea has links to other projects? Describe what these are and the benefits.**

**11. What environmental impact will your idea have as it is delivered – in a positive and / or negative sense? What environmental considerations have you made?**

This proposal will not involve any change in the environmental impact, minimal as it is, arising from our sporting activity.

**12. How will you make it happen?**

*(Who will make it happen, what are your timescales, how will people know about it and how will you keep it going?)*

We look to purchase the land at the earliest opportunity (subject to valuation) and will advise both TADSCA and the Town Council if, as and when it takes place.

**TELL US ABOUT COSTS AND FUNDING?**

**13.** (This is only an EOI and we do not require detailed costing however, you will be required to provide them in a Business Case if your EOI is accepted.)

**A) How much will it cost to set up your project?**

Subject to valuation – reasonable fees will be borne by the Club.

**B) What have you allowed for purchase / lease of the property?**

The Club has ready access to funding for this purpose.

**C) How much will it cost, annually, to run the project? (indicate over 5 years)**

We currently spend around £10000 pa on the pitches and will continue to do so.

**D) Tell us how you will fund the above and the source of the funding?**

From own funds and, if necessary, by way of an interest free loan from the WRU.

CONTACT SIGNATURE	
Signature of main contact person	
Name of main contact person (in BLOCK letters)	PETER WEAVER
Date	4 MARCH 2015

## Data Protection and Information Security

The information submitted in this "Expression of Interest" form will be processed in accordance with the Data Protection Act (1998).

For the administration, appraisal, approval, monitoring and auditing of this project, Powys County Council will hold your proposal information. We may need to share it with the Appraisal Panel, elected Members, Officers from the Council, and the Welsh Audit Commission – and any internal or external auditors required to audit the activities of the Council.

Please sign and date below, to confirm that the information supplied in this "Expression of Interest" form is accurate, and that you accept processing of your information as stated above.

Applicant's Signature		Date	4.3.15
--------------------------	--	------	--------

This "Expression of Interest" form must be submitted electronically to [property.sales@powys.gov.uk](mailto:property.sales@powys.gov.uk) – and at the same time a signed printed copy must be submitted by post to:-

The Valuation Team  
County Hall  
Spa Road East  
Llandrindod Wells  
Powys LD1 5LG

This "Expression of Interest" form will not be reviewed until we have received both:-

- a. the electronic copy
- b. the signed and dated printed copy