

Redditch Borough Council

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CONFIDENTIAL

Mr. C. Swan
Chairman
Redditch United FC

Please contact: Sue Hanley
Direct Line: (01527) 534118

26th September 2013

Dear Chris

RUFC - Relocation/Club Proposals

It was good to meet with you and colleagues on the 16th September 2013. As agreed, I am writing to provide you with the detailed overview of Member and Officer views, following consideration of your proposals in greater depth.

Councillors are very grateful to you and your team for meeting and providing the level of detail in your presentation of proposed plans which has enabled them to consider the proposals comprehensively.

Councillors, who you and your team met with, have now had the opportunity to meet with Officers from a range of disciplines including Leisure, Planning, Financial and Property Services to receive detailed advice and information.

Whilst your ambitions and plans for the Club are to be given the greatest credit, having considered all aspects of the proposals there are significant risks to the Council which we consider could not be mitigated to the degree the Council would require to proceed to a next stage.

As advised the principle issues are as follows:-

- The land parcels proposed for the relocation of the club/stadium are designated as primarily green space or public open space and would need to be changed to leisure and residential use in order to progress the scheme.
- Arrow Valley Park site has restrictive covenants placed upon it, that would potentially need to be breached to progress the project.
- There are a number of costs associated with the scheme that need to be incurred upfront to progress the scheme, all of which would fall to the Council. There are risks associated with the external funding figures from a finance cost model perspective but also an on-going risk to RBC as a third party would be delivering outcomes on the Council's behalf.

- RBC will take all the risk within this project and should expenditure rise, or resale not be achieved, RBC would be placed in the position of financial difficulty.
- RBC may have to fund all preliminary work and surveys from balances until the capital receipt is received and should the scheme not go ahead such funding could be lost.
- The proposed size of the scheme raises concerns to Officers.
- Planning implications would need to be addressed including providing leisure use outside of the Town Centre area and meeting the sequential test.
- The club development plan, whilst ambitious, has some limitations and requires additional work to be regarded as one which supports the wider community.
- Maintenance is not factored and would need to be agreed to ensure RBC's investment is maintained.
- Land values are vastly different from that advised by the District Valuer and the value placed on the land by the developer. The variance in financial terms is significant.

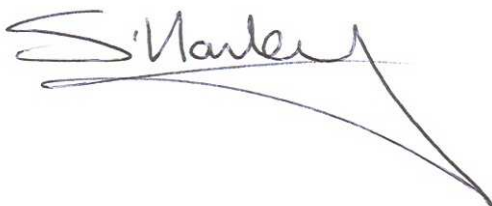
The Leadership of the Council acknowledges the substantial benefits which could be realised from a relocation, all of which have been considered in great detail, however consider the risks with the proposed scheme unfortunately do outweigh the benefits to the borough and its communities.

The Council wishes to continue to have a close working relationship with yourself and RUFC and have asked Officers to continue to provide support and on-going dialogue with the Club. Councillors have asked to be regularly appraised of any developments in the future.

I have shared this letter with Councillors and the Senior Management team and will provide further feedback once we have had the further opportunity to meet and discuss the issues in respect of the existing site and stadium.

I hope this is helpful to you and will be in contact in the near future.

Yours sincerely



Sue Hanley
**Deputy Chief Executive & Executive Director for
 Leisure, Environment & Community Services**

c.c. K. Dicks, J. Godwin, Cllr. B. Hartnett, Cllr. G. Chance, Cllr. P. Mould