



KENILWORTH RFC - New Ground Move SGM (21st Sept 26)

Members Read-Ahead of SGM.

As discussed as part of the Club relocation update at the AGM in July, and at the recently held New Ground update meeting, since entering into heads of terms with our new appointed development partner HarperCrewe, we have been working closely with HC to rationalise the scheme and seek to make significant savings without reducing the key requirements for KRFC across all sections of the club. The selected site has some infrastructure challenges, not least with the Network Rail railway line which divides the site into two sections (eastern and western parcels), and the general topography of the site.

Why has the club house location moved from the eastern parcel to the western parcel?

Following the withdrawal of Bloor Homes a major cost review has been ongoing to reduce overall scheme costs due to the inflationary pressures created by the delays. HarperCrewe and Warwick District Council (WDC) have been extremely proactive working with us, helping to seek a solution which will ensure the viability of the relocation of KRFC, and which will release the land under KRFC's control for development in accordance with the WDC Local Plan.

When the relocation site was first allocated for outdoor sports use and the original scheme prepared, WDC planners were keen to minimise any potential noise and light pollution affecting the proposed residential development to the south of Kenilworth Cricket Club. This resulted in a scheme design comprising the Clubhouse and main pitches being located on the eastern portion of the site requiring all mains services to be taken across the railway and pretty much all of the vehicular traffic visiting the club crossing the southern bridge.

Gaining support from WDC and other key stakeholders for this revised approach has been an extremely positive step for the project as it is recognised there are numerous benefits with the new scheme layout, from reducing construction risk to improved biodiversity net gain. WDC are satisfied advancements in LED lighting will ensure any light pollution will be minimal and that KRFC have a proven track record of demonstrating that they can manage club facilities (and major events) with minimal impact on adjacent residential developments.

As can be seen from the revised attached plans, the new scheme reduces the amount of infrastructure required to open up the site with minimal vehicles being required to access the eastern section. It also offers a better environmental solution while meeting the club's requirements. The Clubhouse, reduced in scale is now orientated onto a north/south axis along with the two main pitches, which is the preferred RFU orientation.

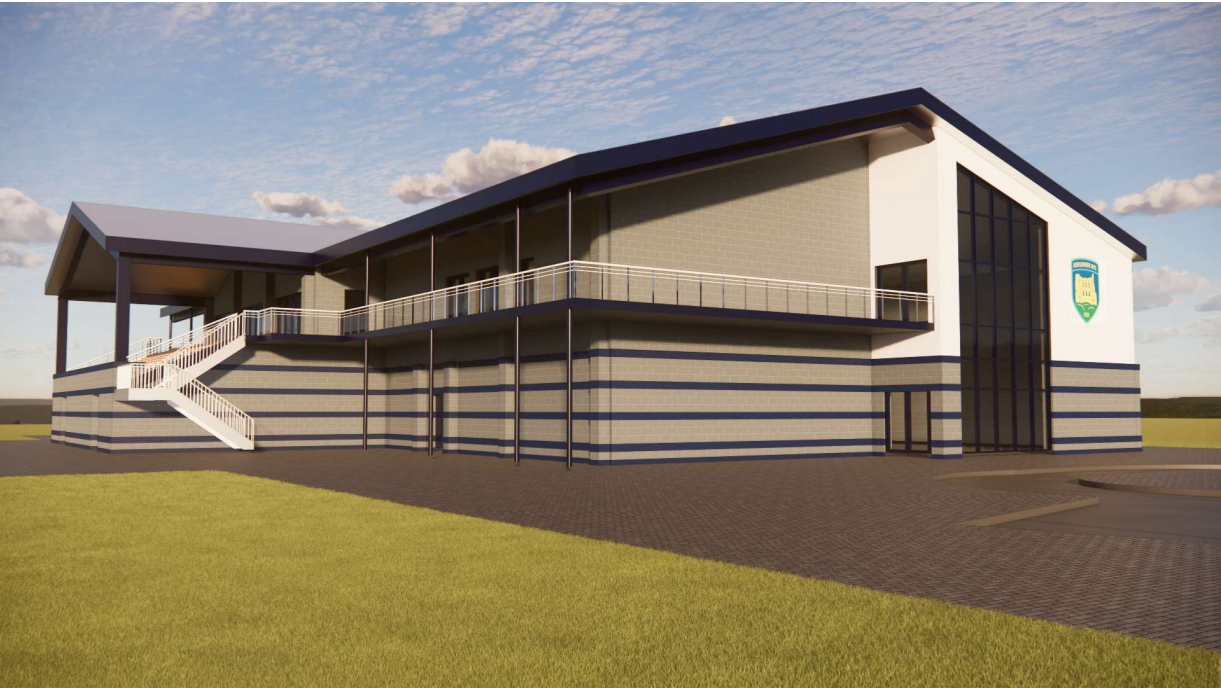
With the opportunity for further cost savings working with Partners not yet exhausted, the current robust Cost Plan and Programme represents a viable scheme to now progress.

Design

New Ground – Site layout Plan.



Artist impression of the new club house.



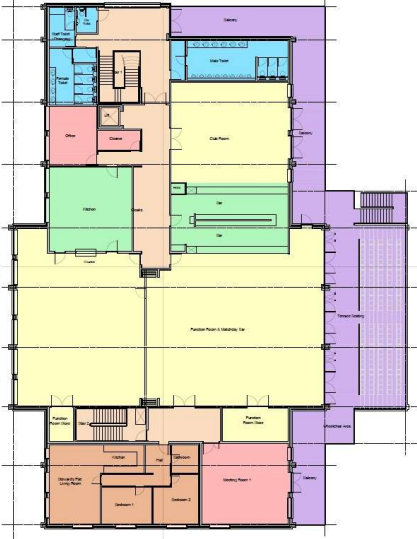
Elevations



Ground floor



First floor





Cost Plan/ Appraisal

How reliable is the cost plan?

Fusion Building Consultants have prepared the cost plan using rates benchmarked against BCIS Industrial Buildings data, published industry costs and Fusion's own project data, with regional adjustments applied at Q3 2026 to reflect the current tender market.

Is there further opportunity for cost savings with the scheme?

Yes, ongoing Value Engineering (VE) will be reviewed during the design, tendering and construction process seeking efficiencies. In addition, through working with Partners there are opportunities for betterment against the Cost Plan, for eg. economies of scale from existing supply chains of our Partners.

HarperCrewe have, to date, been extremely proactive in assisting the team in value engineering the entire facility. Their stated aim is to increase the ring fenced 'retained fund' beyond the current £1m.

Is there a project contingency included within the Cost Plan?

Yes. A £600k contingency has been included within the Cost Plan (slightly exceeding industry norms) which in turn will help meet the club's wider aspirations and support enhancements. This is in addition to the £1m (current minimum) retained fund.

What is the background to the payment to the Mobile Club?

The Mobile Club was formed in 2003 at a time when the Club finances were at an all-time low, and the Club was in danger of going bankrupt. A group of senior members of the Club put forward a proposal to create a fund that would support the Club through those difficult times and fund some much-needed work required to support the ageing facilities of the Club at that time. The basic calculation was simple and was related to the value of the Jack Davies Memorial Ground per acre at that time, related to the value of the ground per acre when sold. The shareholders are legally entitled to the increase in the value of the shares. It will be up to the individual shareholders how they wish to treat their gain.

Has the club completed the process of becoming a CASC?

This remains a work in progress with HMRC who have approved our revised constitution but not yet approved our application, which our accountants are helping us to address.

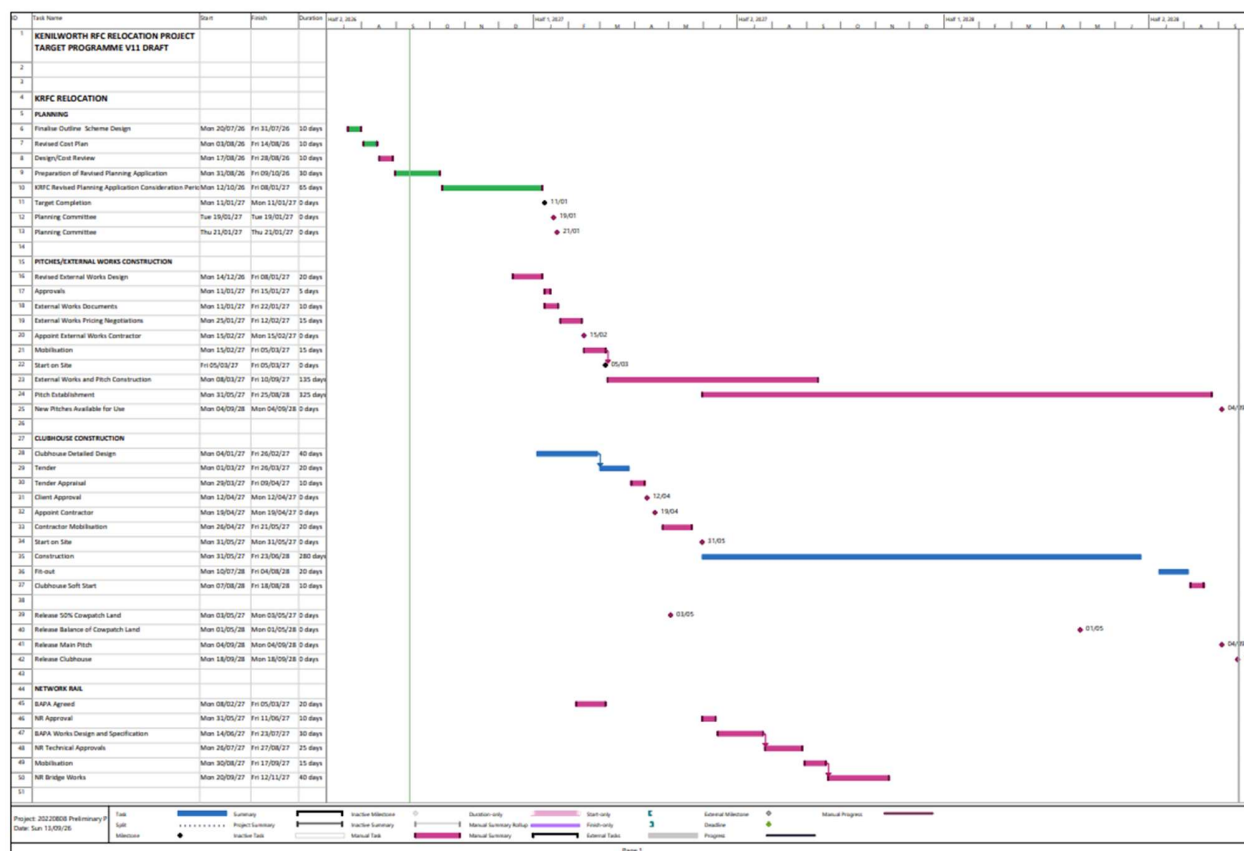


Cost Plan/ Appraisal

	Land consideration		£25,250,00.00		
	Deductions from Land Consideration				
1.1	Section 106 Payment		-£5,400,000		
1.2	CIL Payment		-£540,592		
1.3	Development Abnormal Costs		-£809,408		
	HC Nett Payment		£18,500,000		
2.1	Stoneleigh Estates		-£1,000,000		
2.2	Mobile Club		-£606,000		
2.3	Cowpatch Loan		-£105,000		
2.4	Legal Fees on Sale Agreement		-£50,000		
	Total Land Value		£16,739,000		
3	New Ground Costs.				
3.1	Relocation costs				
	Relocation Site Land Cost	£	2,000,000.00		
	Stamp Duty	£	125,000.00		
	Landowners Agents and Legal Fees	£	60,000.00		
	Agents Fees on Purchase	£	30,000.00		
	Legal Fees on Purchase	£	25,000.00		
	Legal Fees on Consultants Agreements	£	15,000.00		
	Total Relocation costs			£2,255,000	
3.2	Construction Costs				
	Club House		£4,496,886		
	External works and pitches		£5,201,591		
	Construction Fees		£1,983,618		
	FF&E, NW Rail, moving & start up costs, BNG		£436,289		
	Renewable energy systems		£128,250		
	KRFC - contingency		£594,105		
	Total construction costs			£12,840,739	
3.3	Planning application payment to bloor			£343,266	
3.4	WDC forward funding repayment			£300,000	
4	New Ground Total Costs				£15,739,000
5	KRFC - Retained fund (minimum)				£1,000,000



Programme



Summary of key programme milestone dates:

Key Programme milestone	Start date	Finish date	Comments
Exchange of contracts	Oct 26	-	
Target Completion of Contracts	-	15/Mar/27	
Submission of revised KRFC planning application	Oct 26	08/Jan/27	
Target planning consent	-	Jan 27	
Appoint Design & Build contractor	-	Feb 27	
Start on site	Mar 27	-	
Pitch establishment	31 May 27	Aug 28	
Clubhouse construction	31 May 27	June 28	
Clubhouse fit out	July 28	-	
New Clubhouse soft start	07 Aug 28	Sep 28	
Release balance of Cow Patch land	01 May 28	-	
Release main pitch (Jack Davies Memorial Ground)	04 Sep 28	-	
Handover old clubhouse	Sep 28	-	No relinquishing of facilities until the new facilities have gone through full Handover and SE/RFU approvals.



Early release of the Cow Patch: what impact could this have on club operations?

Up to 50% of the Cow Patch may be released early (not before May 27) to support cash flow, although Homes England are working with HarperCrewe and Partners to help mitigate this. The RFU and Sport England require the new facility to be completed before the club vacates the existing clubhouse. The KRFC Committee (Director of Rugby, M&J chair and Operations) are developing contingency plans to minimise any potential impact on club operations. *[It should be noted contingency plans have been developed previously when this was a likely outcome with Bloor Homes].*

Sustainable model and Business Plan

The move to a new ground represents a significant opportunity for Kenilworth Rugby Club, but it also brings additional financial responsibilities. The Committee recognises that one of the key questions for members is whether the Club can generate sufficient income to operate and maintain the new facility successfully.

This read-ahead summarises the evidence contained in the New Ground Business Plan Income Growth presentation, and sets out the commercial strategy being developed ahead of the move.

The Commercial Challenge

The new ground will provide significantly improved facilities and greater opportunities for the Club. However, it will also bring:

- More facilities to maintain
- Increased operating costs
- Greater management overheads
- A requirement for increased recurring income

The Committee agrees that the success of the new ground depends upon the Club continuing to grow and diversify its income. Importantly, this work cannot wait until the new ground opens. The Business Plan principle is clear: We cannot wait for the new ground to open, to start.

The Club therefore needs to demonstrate that it can grow its commercial income before relocation.

The Evidence – Income Is Already Growing

There is evidence that Kenilworth Rugby Club is already increasing and diversifying its income.

Total income has increased:

Financial Year	Total Income
2023/24	£317,578
2024/25	£416,953
2025/26	£495,127

This represents an increase of £177,549 – or 56% – over two years.



The Club has also moved from its historic position of losses, strongly towards break-even. Importantly, this growth has been achieved without the benefit of the new ground, including a modern 3G pitch, improved hospitality facilities, rehab/physio facilities and potential additional sporting activities.

Income Growth Is Coming From Multiple Sources

The Club is deliberately developing a more diverse income model rather than relying on one particular revenue stream.

Examples of growth between 2023/24 and 2025/26 include:

- KenFest: £52k → £89.9k
- Bar Sales: £146k → £174k
- Other Income: £1.6k → £25.7k
- Grants: £19k → £38k
- Rental Lettings: £15k → £30k
- Membership: £48k → £56k

Facility lettings have more than doubled, grants have nearly doubled and bar sales have increased by almost 20%. The significance of this is that growth is not dependent upon one source of income.

The new ground will be designed around an energy-sustainable model, significantly reducing ongoing utility costs while generating renewable energy, with surplus power exported back to the grid to create an additional revenue stream for the club.

Building the Commercial Engine Before We Move

The Club is already undertaking a number of activities designed to increase income and build the organisation's commercial capability.

These include:

- Commercial partnership growth
- School partnerships
- Community rugby programmes
- Rugby camps and holiday provision
- Grant funding applications
- Membership growth initiatives
- Expanded facility hire
- Development of the Director of Rugby & Community model

The objective is to establish these income-generating activities before the move, giving the Club a stronger commercial foundation when it takes on the new facility. The new ground creates opportunities that cannot be fully exploited at the current facility.

These include:

- 3G Pitch
Potential for significant additional facility rental and community usage.



- Hospitality
Larger and more modern facilities providing opportunities to grow food, beverage, hospitality and event income.
- Rehab Gym / Physio
Potential for additional commercial services.
- Potential other Sports & Activities
Opportunities including netball, padel and pickleball.

These activities are intended to diversify the Club's income and support the sustainability of Kenilworth Rugby Club.

The Income Growth Plan

The current financial plan identifies the following income targets:

Year	Income
2025/26 – Actual	£495k
2026/27 – Budget	£565k
2027/28 – Transition Year	£548k
2028/29 – New Ground Year 1	£666k
2029/30 – New Ground Year 2	£740k

The target is therefore to build towards approximately £740,000 of annual income by the second year of operating from the new ground. These figures are targets, not guarantees, and their achievement will require continued commercial growth and disciplined management.

Q&A around a sustainable model and Business Plan

Addressing the key questions around the Club's future

1. Can Kenilworth Rugby Club realistically generate enough income to operate the new ground?

Yes, but it will require continued growth and diversification of income.

The Committee recognises that the new ground will bring increased maintenance costs, larger operating costs and greater management overheads. The Business Strategy therefore identifies increased recurring income as essential.

However, the club has already demonstrated that it can grow its income significantly. Total annual income has increased from £317,578 in 2023/24 to £495,127 in 2025/26 – an increase of 56% over two years. This growth has been achieved without the benefit of the new ground's additional facilities.

2. Is the income growth simply a result of one-off events, or is it coming from sustainable sources?



The growth is coming from a number of different income streams.

Kenilworth Rugby has been deliberately moving towards a more diversified commercial model. Examples include:

- KenFest income
- Bar sales
- Facility lettings
- Grants
- Membership
- Community programmes
- Rugby camps and holiday provision
- Commercial partnerships
- New activities such as UR7s

3. What evidence do we have that the club can grow income further once we move?

There are significant opportunities that don't currently exist, or cannot be fully exploited, at the existing ground.

The new ground is expected to provide opportunities including:

- A modern 3G pitch capable of generating rental income
- Improved hospitality facilities
- Rehab gym/physio income
- Additional sports offerings (potentially Netball, Padel, Pickleball)
- Improved playing and community facilities
- Clubs interviewed who had recently moved, all reported significant membership growth on moving, in one instance 'by a factor of 3' in 3 years.

Importantly, the club has already increased income by 56% without any of these new-ground income opportunities.

4. How much additional income is the club expecting to generate?

The current income targets show a progression from **£495k actual income in 2025/26** to:

Year	Income Target
2025/26 – Actual	£495k
2026/27 – Current Budget	£565k
2027/28 – Transition Year	£548k (release of 50% of cow patch)
2028/29 – New Ground Year 1	£666k
2029/30 – New Ground Year 2	£740k

Therefore, the plan is for income to reach approximately £740,000 by the second year of operating from the new ground.



5. What happens if the new income streams don't perform as expected?

This is a legitimate risk, and the Committee recognises it as such.

The important point is that the club is not waiting until the new ground opens to find out whether it can generate additional income.

Commercial partnership growth, school partnerships, community rugby, rugby camps, grant applications, membership initiatives, facility hire and the Director of Rugby & Community model are already being developed.

This gives the club the opportunity to test, develop and refine its commercial model before taking on the full costs of the new facility.

6. How dependent will the club become on the 3G pitch to make the new ground financially viable?

The intention is not to make the club dependent on one income stream.

The strategy is specifically to create a diversified income model.

The 3G pitch could become an important commercial asset because it can potentially be hired by schools, clubs, community organisations and other educational programme users. However, the business plan identifies several other opportunities alongside it, including hospitality, gym/physio small business operation, facility hire, community programmes and events, and the potential for other sports (netball, padel, pickleball).

The underlying principle is therefore multiple income streams rather than reliance on the 3G pitch alone.

7. Has the club actually demonstrated commercial growth, rather than just producing forecasts?

Yes. This is one of the strongest points in the business case.

The club's actual income increased:

£317,578 → £416,953 → £495,127

between 2023/24 and 2025/26.

That's an increase of £177,549, or 56%, over two years.

The accounts also demonstrate the club has moved from historic losses to only narrowly missing break-even position during this period.

That provides evidence that the commercial strategy is already delivering rather than being entirely dependent on future projections.

8. What are the biggest areas of commercial growth before the move?

There are already several areas showing encouraging growth.



For example:

- KenFest: £52k → £89.9k
- Bar sales: £146k → £174k
- Other income: £1.6k → £25.7k
- Grants: £19k → £38k
- Rental lettings: £15k → £30k
- Membership: £48k → £56k

These figures demonstrate that growth is occurring across events, hospitality, grants, lettings and membership rather than coming from a single source.

9. Why should members believe that the commercial strategy will continue after the move?

Because the strategy is to build the commercial engine before moving, rather than assuming that the new building will automatically generate money.

The Business Plan's principle is clear:

“Do not wait for the new ground to open.”

The club is already developing partnerships, school relationships, community programmes, camps, grant funding, membership initiatives and facility hire.

The move should therefore provide additional capacity and assets to accelerate an existing commercial strategy, rather than being the strategy itself.

10. What is the biggest financial/commercial risk associated with the move?

The biggest risk is that the club takes on the additional operating costs of the new facility without growing income quickly enough to match them.

The Committee openly recognises this as one of the key risks facing the project.

However, the evidence presented is encouraging:

- Income has grown 56% in two years
- New revenue streams have been established
- Facility hire, community programmes and events are growing
- The club has a plan to continue increasing income before relocation
- The new ground creates additional commercial opportunities that don't currently exist
- The new facility will be far more energy efficient utilising sustainable systems that whilst incurring capital cost, may provide an income stream to the club.

The key test will therefore be continued execution of the commercial plan, rather than simply the construction of the new facility.

Kenilworth Rugby Club has already demonstrated that it can grow and diversify its income before moving to the new ground. Income has increased by 56% over two years, the club has moved strongly towards break-even, and multiple



new revenue streams are already being developed. The new ground then provides additional commercial assets – particularly the 3G pitch, hospitality, facility hire and wider sporting opportunities – which give the club further capacity to grow.

Conclusion

We trust the SGM information read – ahead provided has given you a full appreciation of the key details before the meeting. If however, you wish to submit a question in advance of the SGM, please email Adam Wiltshire project.support@kenilworthrugby.co.uk and we will plan to answer your question as best as possible during the meeting.