

CABINET

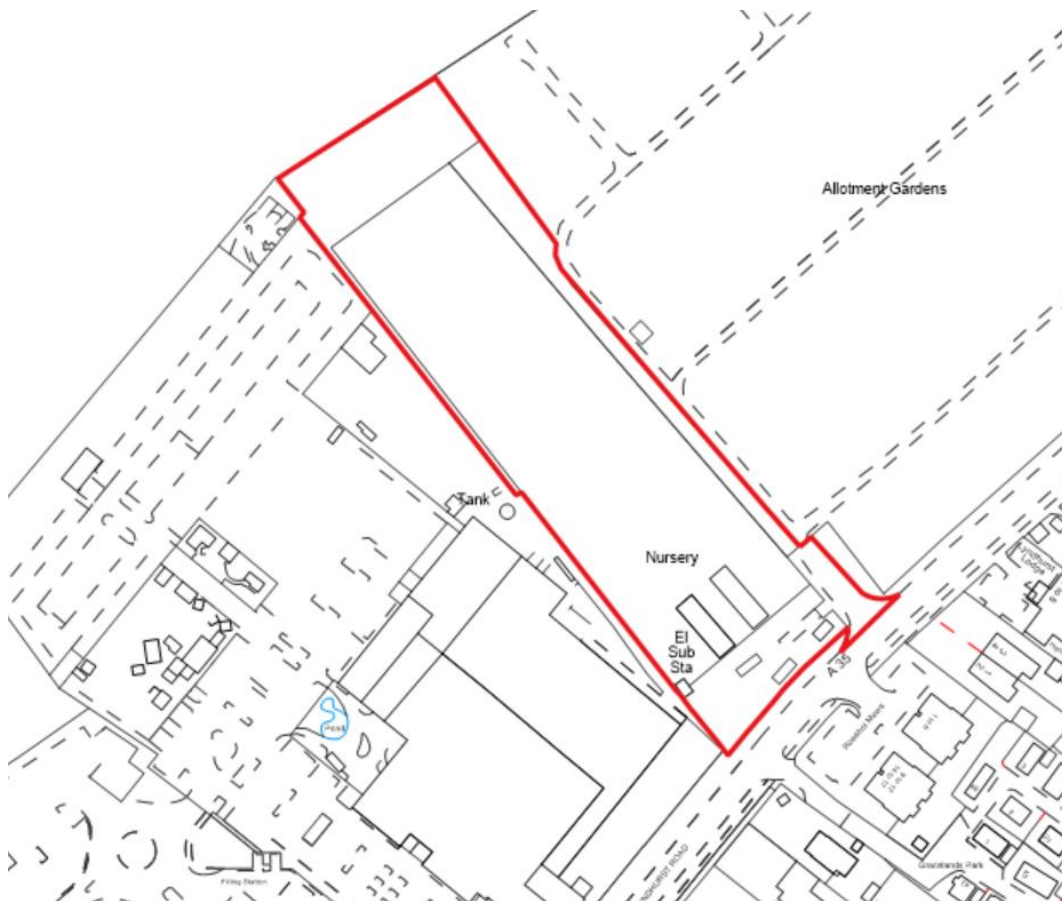


Report subject	Roeshot Nursery, Land Disposal
Meeting date	16 July 2025
Status	Public Report
Executive summary	This report presents the proposal to dispose of the freehold of the former nursery site at Lyndhurst Road to Meyrick Estate for the sum of £850,000.
Recommendations	<p>It is RECOMMENDED that Cabinet recommend that Council:</p> <ul style="list-style-type: none"> a) note the confidential minutes and the recommendations of the Cross-Party Asset Disposal Working Group meeting held on the 13 June 2025. b) Approve the freehold disposal of the whole former nursery site to Meyrick Estate for the sum of £850,000 on an unconditional basis (Option 1) and on such terms to be approved by the Chief Financial Officer, also acting in his capacity as Corporate Property Officer, in consultation with the Portfolio Holder for Finance
Reason for recommendations	To obtain approval for the disposal of the former nursery site at Lyndhurst Road.
Portfolio Holder(s):	Cllr. Mike Cox, Portfolio Holder for Finance
Corporate Director	Adam Richens, Director of Finance
Report Authors	<p>Adam Richens, Director of Finance adam.richens@bcpcouncil.gov.uk Gwilym Jones, Estates Manger gwilym.jones@bcpcouncil.gov.uk Miles Phillips, Head of Estates miles.phillips@bcpcouncil.gov.uk</p>
Wards	Mudford, Stanpit & West Highcliffe
Classification	For Recommendation

Background

1. The former nursery site in Lyndhurst Road is a legacy Christchurch asset with a site area of 3.01 acres.
2. This site was agricultural land acquired by compulsory purchase from the Meyrick Estate in 1941 by the local authority for the development of a sewage works and a burial ground. The sewage works were built at Stony Lane in the late 1950's but the burial ground was not developed.
3. The burial land was appropriated for planning purposes to create allotments with the remaining land built out as a plant nursery.
4. The former nursery site, the subject of this report is outlined in red on location plan 1 below. The site is flat in terrain and rectangular in shape. There is shared access with the allotments to the east, off Lyndhurst Road.

Location Plan 1. Not to scale, illustration only.



5. The nursery was used by the authority until September 2005 when it was leased to the neighbouring garden centre, Stewarts.
6. The lease to Stewarts ran for 11 years and was not renewed upon expiry.

7. Short term licences between 2012 and 2018 were granted to a local beekeeper for use of part of the site.
8. The site is allocated in the Christchurch Local Plan for residential development. It has been anticipated that the site will form part of the urban expansion of Christchurch.
9. Christchurch Council considered reallocating the allotments so the whole site could be developed for housing.
10. Currently the site is largely vacant, with the front portion of land used by Bournemouth, Christchurch and Poole Council (BCP) for storage purposes.
11. The Meyrick Estate has been interested in acquiring the site for several years, namely through the application of the Crichel Down rules.
12. The Crichel Down rules (the Rules) apply to land acquired by local authorities under compulsory purchase, or the threat of, compulsory purchase. They give the former owner the first opportunity to repurchase the land.
13. There are several factors to consider that affect the application of the rules:
 - i. Advisory, not mandatory but it is considered best practice to follow them.
 - ii. The former owner is not the only purchaser. If appropriate terms cannot be agreed, then the authority can dispose of the asset to another party.
 - iii. Material changes to the land can exempt the site. In this case the land was agricultural and has been developed to create a plant nursery.
 - iv. There is a general obligation to offer the land back to Meyrick Estate.
 - v. The rules state that the disposal is to be at current market value.
14. The initial offer made by Meyrick Estate was significantly below the independent RICS Red Book valuation received by Estates at BCP Council.
15. After protected negotiations Meyrick Estate offered an increased price of £850,000 (Eight Hundred and Fifty Thousand Pounds). This value exceeds the independent RICS Red Book valuation and meets S123 of the Local Government Act 1972 'best consideration'. See confidential **Appendix A**.

Principles developed by the Cross-Party Strategic Asset Disposal Working Group

16. Through a series of meetings across March, April, and June 2023 the cross-party strategic asset disposal working group developed a series of principles to be applied to determine future asset disposals. These principles, which were subsequently endorsed by Cabinet on the 26 July 2023, can be set out as follows:

Principle 1: We will ensure sufficient asset disposals are secured to enable the councils Transformation Programme costs to be fully funded by the Flexible Use of Capital Receipts. This will require disposal of assets where completion can be guaranteed by the 31 March of the relevant financial year and to the required amount.

Principle 2: Pursuant with S123 of the Local Government Act 1972, we will ensure Best Value is achieved in respect of any asset disposal by ensuring the value

achieves the Red Book valuation as a minimum. We will also consider the use of overage clauses, where appropriate, to benefit from any future uplift in value.

Principle 3: We will constantly challenge ourselves as to the basis for holding any asset to ensure our portfolio is managed in an efficient and effective way. Holding costs and ability to reduce carbon footprint will be salient factors.

Principle 4: We will look to dispose of surplus, under-used, vacant land & buildings unless there is a strong strategic rationale for holding them for example - support future service delivery, regeneration, housing, or place making.

Principle 5: Provided consistent with other principles, we will support the acquisition of assets by community organisations and other public sector bodies such as Town and Parish Councils.

Principle 6: Estates Team capacity will be focused on the delivery of the required asset disposals.

17. The application of these principles, particularly Principle 4, means the council should now be looking to dispose of the subject asset. This is also supported by the council's Asset Management Strategy which emphasises that the council should constantly challenge itself as to the basis for holding any asset to ensure its portfolio is managed in an efficient and effective way. It should reflect on the cost to the public purse of holding assets and should dispose of surplus, under-used, vacant land, and buildings.
18. In addition, as part of the responses to the public consultation supporting the 2024/25 Budget process, the public told us they would be supportive of the council selling assets we no longer need.

Options Appraisal

19. Options considered include:
 - a. Sell the asset as set out in this report. (Option 1).
 - b. Do nothing. Not consistent with principles agreed by Council for holding assets. (Option 2).
 - c. Find an alternative use via Corporate Property Group Strategic (CPG). It has been confirmed that the Council has no viable alternative service proposals or uses for the site. (Option 3).
 - d. Disposal but on alternative terms to those described in the report. For example, take to the marketplace. (Option 4).

Cross-Party Strategic Asset Disposal Working Group

20. The Cross-Party Strategic Asset Disposal Working Group met to discuss the disposal of the former nursery site in Lyndhurst Road, Christchurch on the 13 June 2025. The working group endorsed the disposal. However, before doing so, they recommended that Cabinet assure themselves that the site is not needed for either additional allotment space or alternatively could be used to support a viable Social Housing Development.

21. Estates followed up with Housing Delivery in relation to Social Housing Development and were informed that the site was not financially viable for them to develop.
22. Estates followed up with Highcliffe & Walkford Parish Council and the Roeshot Hill Allotment Committee to ascertain the current tenant demand for allotments at the Roeshot allotments. Cabinet will be advised once the position has been confirmed.

Summary of financial Implications

23. The current estimated value is included in confidential **Appendix A**.
24. £850,000 for the proposed disposal exceeds the independent RICS Red Book valuation to determine Market Value.
25. Each party will cover its own costs.
26. Part of the site is currently being used by BCP Council as storage. Vacant possession will be required prior to the sale and Chewton Bunny yard has been identified as a suitable alternative site but a fencing upgrade is required. The cost to provide adequate fencing to this site is circa £15,000.

Summary of legal implications

27. The Council is empowered to sell land that it holds, and it may do so in any manner that it wishes. The Council is aware that the Secretary of State's consent is needed for any disposal which is considered not to be best value or is to be at an undervalue.
28. The Council may therefore choose to sell the property freehold (unconditionally or subject to conditions) or may offer to grant a long leasehold (of sufficient duration to enable development). We have chosen to sell the freehold interest on an unconditional basis.
29. The offer for sale of a leasehold interest or a freehold conditional on the grant of planning permission may enable greater control over the development if, for example, mechanisms are included to ensure approval of planning applications prior to submission to the council as Local Planning Authority.
30. Steps will need to be taken to prepare the legal title for disposal.
31. The legal work can take at least 12 weeks from acceptance of an offer to reach contractual completion.
32. Meyrick Estate verbally informed officers that if BCP Council do not follow the Crichel Down rules then they will take legal action.

Summary of human resources implications

33. There are no direct human resources implications of this decision beyond officer time working on the case.
34. Where specific professional services are required (valuation, legal etc) these will be outsourced.

Summary of sustainability impact

35. The Asset Management Plan recognises the estate should be sustainable and carbon neutral and will play a key role in the council achieving these targets.

Summary of public health implications

36. There are no direct public health implications associated with this decision.

Summary of equality implications

37. This decision will not have any direct equality implications.

Summary of risk assessment

38. The key risk associated with the recommendation of this report is that prevailing economic conditions dampen demand for such sites, and a disposal is not achieved.

SWOT Analysis

Strengths	Capital receipt for the freehold land at Market Value Well located within an established location Good communications
Weaknesses	Market is not tested
Opportunities	Disposal of underused, surplus land
Threats	Litigation from Meyrick Estate centred around Crichel Down Rules and BCP Council's failure to follow the rules

Background papers

39. None

Appendices

Appendix A Confidential summary

Appendix B Confidential minutes of the 13 June 2025 Cross Party Strategic Asset Disposal Working Group