

Report subject	Update on the disposal of Land at Wessex Fields, Riverside Avenue
Meeting date	16 July 2025
Status	Public Report
Executive summary	<p>Acknowledging the length of time that has expired since the Council decision, this report requests Cabinet to reaffirm the disposal of council owned land at Wessex Fields, Riverside Avenue Bournemouth, BH7 7EE based on the confidential Heads of Terms as set out in confidential Appendix B.</p> <p>Cabinet should note that UHD would not be under an obligation to provide a link road connecting to Deansleigh Road</p> <p>PROVIDED THAT decisions under this Cabinet Report are made strictly in the council's capacity as landowner and nothing in this Cabinet Report (nor any decision thereunder) shall prejudice or affect any statutory right, power, obligation or duty vested in the council in its capacity as local planning authority, rating authority or local highway authority or any other capacity.</p>
Recommendations	<p>It is RECOMMENDED that Cabinet:</p> <p>a) Authorise the Director of Finance acting in his capacity as Corporate Property Officer, in consultation with the Portfolio Holder for Finance, to implement the previous decision of Council to dispose of council owned land at Wessex Fields to the University Hospitals Dorset NHS Foundation Trust ("UHD") on the terms set out in this report subject to any final amendments.</p>
Reason for recommendations	<p>To authorise the Director of Finance and Finance Portfolio Holder to implement the previous decision of Council to disposal of land at the Wessex Fields site located at Riverside Avenue to:</p> <ol style="list-style-type: none"> 1. Achieve the socio-economic benefits as the purchase by the hospital would unlock substantial health benefits for the residents of Bournemouth, Christchurch, and Poole and the wider area. 2. Disposal of the site to University Hospitals Dorset NHS Foundation Trust in line with its best value duties as determined in accordance with a RICS Red Book Valuation.

	<p>3. Generate a capital receipt to support the funding of the Council's various transformation programmes.</p> <p>To ensure the terms of the disposal are set out in an open and transparent manner for member consideration.</p> <p>Please note that UHD would not be under an obligation to provide a link road connecting to Deansleigh Road PROVIDED THAT decisions under this Cabinet Report are made strictly in the council's capacity as landowner and nothing in this Cabinet Report (nor any decision thereunder) shall prejudice or affect any statutory right, power, obligation or duty vested in the council in its capacity as local planning authority, rating authority or local highway authority or any other capacity.</p>
Portfolio Holder(s):	Cllr. Mike Cox, Portfolio Holder for Finance
Corporate Director	Graham Farrant, Chief Executive
Report Authors	<p>Adam Richens, Director of Finance adam.richens@bcpcouncil.gov.uk</p> <p>Miles Phillips, Head of Estates miles.phillips@bcpcouncil.gov.uk</p>
Wards	Littledown and Iford
Classification	For Update

Background

- On 23 April 2024 Council considered a report from Cabinet dated 10 April 2024 which recommended the disposal of council owned land at Wessex Fields, Riverside Avenue Bournemouth, BH7 7EE. After debate Council reconsidered a proposal to the sell the land by way of an open market process and instead resolved, by a vote of 58 For and 6 Against, the following.

that Council approve the disposal of the council owned land at Wessex Fields to the University Hospitals Dorset NHS Foundation Trust on such terms to be approved by the Director of Finance acting in his capacity as Corporate Property Officer, in consultation with the Portfolio Holder for Finance.
- In addition, Council approved the sale of the whole site, on an as seen basis, and for the disposal to be on a freehold basis.
- Disposal to University Hospital Dorset NHS Foundation Trust acknowledged their indication that they wish to develop the site for medical, health, technology, and research development with hospital keyworker housing.
- Please note that UHD would not be under an obligation to provide a link road connecting to Deansleigh Road (provided that decisions under this Cabinet Report are made strictly in the council's capacity as landowner and nothing in this Cabinet

Report (nor any decision thereunder) shall prejudice or affect any statutory right, power, obligation or duty vested in the council in its capacity as local planning authority, rating authority or local highway authority or any other capacity).

5. These plans are in accordance with the previous stakeholder feedback and the previous draft Local Plan which stated under Policy E5 that the wider Wessex Fields Land remains an important strategic employment site that must deliver health, and employment uses and can also help address local area transport and movement issues. Keyworker housing will be considered but only where it does not result in the loss of any existing employment floorspace and does not compromise the delivery of the quantum of employment uses set out in the policy.

Update

6. The main reason why Cabinet are being re-asked to implement the previous decision and why it was not sold to UHD immediately following the April 2024 Council decision is around the sites value and the need to ensure best value was being secured. From the start this has been a difficult site to value with numerous different approaches proposed and differing opinions as to its value. The April 2024 Council decision required officers in consultation with the Portfolio Holder for Finance to continue to work on the terms of the sale and these negotiations have been protracted.
7. This extensive due diligence has been brought to a head by both the Council and UHD separately appointing independent valuers working to the same council drafted brief, with BCP Council appointing Eightfold and UHD appointing Cushman & Wakeman.
8. Following receipt of their valuation, UHD on Friday 11 July 2025, made the following best and final offer which remains subject to their Board approval and is valid only until 31 July 2025.
9. £6m for the freehold title conditional upon the land being unincumbered.
10. No overage clause.
11. No requirement to construct a road through the site
(Officers note to Cabinet is that this is assumed to only be in the context of the spine road connecting to Deansleigh Road and strictly in BCP Council's capacity as landowner of the site and not in any capacity as local planning authority, highway authority nor any other capacity).
12. A target date of completion of 30 September 2025, with a longstop date of 31 December 2025.
13. This value is marginally below the **£6.160m** latest valuation undertaken by the council's valuers for the site. However, as the **£6m** value is only 2.6% lower Eightfold consider this within the margin of error on their valuation and they are therefore satisfied that it represents a Red Book best consideration value. It is also recognised that any planning application for the site would in all likelihood require a road of some form or other to be built.
14. The Heads of Terms presented to Council in April 2024 set out that at the time the purchase price was **£2.163m** based on a joint valuation by the council and UHD of Savills and this was calculated as.

- £6.104m value based on storage land under an employment use class.
Less
- £3.941m sell deduction for its contribution to a spine road construction.
Equals
- **£2.163m**

15. In line with a recommendation from Overview & Scrutiny Board the Council then arranged for an independent red book valuation from the valuation company Eightfold. This produced three further valuations as set out in the below table.

Valuer	Valuation Use	Base Value	Road Deductions	Valuation after Road Deductions
Eightfold	Open Storage use only	£600,000 per acre (£5.232m)	<ul style="list-style-type: none"> • £3,086,511 for Spine Road 	£1.415m
Eightfold	Open Storage with hope value for alternative use	£667,000 per acre (£5.82m)	<ul style="list-style-type: none"> • £3,086,511 for Spine Road construction • £814K for road land take of 1.22 acres at £667K per acre 	£1.91m
Eightfold	Market Value based on residual valuation of a 40,000 sqm office development assuming a 6–9-month marketing period and no power issues	£750,000 per acre (£6.54m)	<ul style="list-style-type: none"> • No deductions 	£6.54m

16. Clearly these valuations ranged from **£1.415m** to **£6.54m** depending on the assumptions of use and if any deduction were made.
17. The valuation was then updated in May 2025 with the £6.54m being reduced to **£6.160m** to reflect the slight fall in the value of such land since April 2024. The proposed **£6m** sales value is clearly in line with the latest valuation with no deductions and clearly significantly higher than that assumed in April 2024.

Options Appraisal

18. The April 2024 report to Full Council set out the various options for the site. These included doing nothing, BCP Council taking the risk of directly developing the site, and an open market sale.

Summary of financial implications

19. The current estimated sales value is included in the updated Head of Terms set out in **confidential Appendix B**. The updated market value has been determined by an independent RICS Red Book Valuation for the purposes of disposal as set out in

confidential Appendix C. The Council will offset any costs associated with the disposal from this capital receipt.

Summary of legal considerations

20. The legal advice has been provided in **Part A** of the **confidential and legally privileged appendix A**.
21. Decisions under this Cabinet Report are made strictly in the council's capacity as landowner and nothing in this Cabinet Report (nor any decision thereunder) shall prejudice or affect any statutory right, power, obligation or duty vested in the council in its capacity as local planning authority, rating authority or local highway authority or any other capacity.

Summary of human resources implications

22. There are no direct human resources implications of this decision.

Summary of sustainability impact

23. The Asset Management Plan recognises the estate should be sustainable and carbon neutral. As there are currently no buildings on site there will be no direct carbon impact from this decision.

Summary of public health implications

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

Summary of equality implications

25. An EIA screening tool was completed and was reviewed by an EIA Panel in support of the 2024 process with details set out in the relevant Council report.

Summary of risk assessment

26. The site itself has several specific risks as set out on the report to Council in April 2024. This includes its shape with the Retired Nurses National Home located in the middle of the site, lack of services, the river Stour is located 500m to the east of the site, it has never previously been developed therefore there are no contamination studies, and access to the site.
27. The legal risks associated with any challenge of the decision contained in this Cabinet Report are set out within **Part A** of the **confidential and legally privileged appendix A**.

Background papers

28. Cabinet 18 March 2020

Wessex Fields Site Development Strategy Cabinet Report

<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?CId=285&MId=3727&Ver=4>

29. Cabinet 16 December 2020

Wessex Fields Site Development Update Cabinet Report

<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?CId=285&MId=4258&Ver=4>

30. Council 23 April 2024

Disposal of Land at Wessex Fields, Riverside Avenue

<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?CId=284&MId=5387&Ver=4>

Appendices

Appendix A: **Confidential & Legally Privileged** – Legal, valuation and commercial advice

Appendix B: **Confidential** - Proposed Heads of Terms

Appendix C: **Confidential** - Valuation Report and letter dated 14 July 2025