CABINET

Report subject	**Asset Disposals**
Meeting date	4 March 2026
Status	Public Report
Executive summary	This report presents a proposal to dispose of the following assets: 1. 12-14 Commercial Road, Poole, BH14 0JW 2. Queensmead Care Home, Bronte Avenue, Christchurch, BH23 2NP 3. Penn Hill Car Park, Canford Cliffs Road, Poole, BH14 9LZ The proposal to dispose of the above assets was considered by the cross-party strategic asset disposal working group on the 12 February 2026. The draft minutes of this meeting are presented as a confidential appendix to this report (Appendix 3). The approved recommendation of the cross-party working group was to endorse the proposal.
Recommendations	**It is RECOMMENDED that Cabinet recommend that Council:** **(a) note the confidential minutes and the recommendations of the Cross-Party Strategic Asset Disposal Working Group meeting held on the 12 February 2026.** **(b) approve the disposal on an open market basis of; 12-14 Commercial Road, Queensmead Care Home and Penn Hill Car Park 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.**
Reason for recommendations	To seek Cabinet approval for the disposal of the identified surplus and under-utilised assets to secure capital receipts in support of the Council's financial strategy.

Portfolio Holder(s):	Cllr Mike Cox, Deputy Leader BCP Council and Portfolio Holder for Finance
Corporate Director	Adam Richens, Director of Finance
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Wards	12 -14 Commercial Road – Parkstone Ward • Cllr Crispin Goodall • Cllr Emily Harman Queensmead – Commons Ward • Cllr Margaret Phipps • Cllr Vanessa Ricketts Penn Hill Car Park – Canford Cliffs Ward • Cllr John Challinor • Cllr Gavin Wright
Classification	For Decision and Recommendation

Background

1. The Cross-Party Strategic Asset Disposal Working Group and it's guiding principles were established at Cabinet on 26 July 2023.
2. Principle 4 states that '*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'.*
3. The Cross-Party Strategic Asset Disposal Working Group considered these assets at its meeting on 12 February 2026 and endorsed the proposal for their disposal.
4. The detailed background for each property now follows:

12-14 Commercial Road, Poole,

5. BCP's interest comprises two Freehold titles.
6. The built property has been constructed spanning across Land Registry titles. The asset comprises a modern office building with attached converted Victorian villa and separate surface car park. The main building and the villa were previously utilised by Children's Services, with Tricuro also occupying part of the main building.
7. The site is currently unoccupied although it is being used by BCP for temporary storage purposes. The building has been the subject of several break ins.

8. Following consideration of long-term strategic options this asset was presented to council officers at the Corporate Property Group (CPG) on 10 November 2025 where it was confirmed as surplus to BCP's operational requirements and recommended that it should be considered for disposal to generate a capital receipt. The Cross-Party Strategic Asset Disposal Working Group agreed to the disposal on the 12 February 2026.
9. The site has been identified as offering development potential and accordingly external advice is required on the potential development value for the highest and best use. This will involve considering whether to dispose as a single or multiple plots.
10. The site is not within a Conservation Area, albeit the eastern boundary is immediately adjacent to the extent of the Ashley Cross conservation area. There are several mature trees on site which are not subject to Tree Preservation Orders.

Queensmead Care Home, Christchurch

11. Queensmead is a former 40-bed care home constructed in the 1970s. The accommodation is now outdated and does not align with contemporary standards or expectations for modern care provision.
12. The property was previously leased to Care South. Following significant storm damage in 2022, residents were relocated to alternative accommodation, after which Care South formally surrendered its lease.
13. While long-term strategic options for the site have been reviewed, a range of interim or 'meanwhile' uses were also explored. However, due to the building's configuration, condition, and associated viability and planning constraints, none of these options proved feasible.
14. As a result, the property remains vacant and unoccupied, incurring ongoing security and holding costs. A clear course of action is therefore required.
15. It has been concluded that there are no viable operational uses for the asset, and it was declared surplus at Corporate Property Group on 12 January 2026. Accordingly, disposal of the property on the open market is recommended, to achieve best consideration.
16. The asset was taken to Corporate Management Board on 19 January 2026 and subsequently the Cross-Party Strategic Asset Disposal Working Group agreed to the disposal on the 12 February 2026.

Penn Hill Car Park, Poole

17. The site comprises a public pay-and-display surface car park providing 47 spaces (plus 2 motorcycle spaces and a disabled car space). It is located within a high-value area and falls within a designated Conservation Area.
18. The total site extends to approximately 1.013 acres (0.410 hectares), of which around 40% consists of natural woodland.
19. The car park is consistently underutilised, generating low levels of income.

20. Housing Delivery has undertaken an assessment of the site and concluded that it is not viable for their development needs. Overall, it has been determined that there are no viable operational uses for this asset.
21. Accordingly, disposal of the property on the open market is recommended to achieve best consideration.
22. The asset was taken to the Corporate Property Group on 10 November 2025 and Corporate Management Board on 19 January 2026. The Cross-Party Strategic Asset Disposal Working Group agreed to the disposal on the 12 February 2026.

Conditions associated with any disposal

23. In considering the disposal of these assets there are several factors which need to be resolved including:

- **Long leasehold or freehold**.

  To maximise market interest and secure the highest possible capital receipt, the recommended approach is to proceed with a freehold disposal. A freehold sale transfers full ownership of the site to the purchaser, which is generally preferred by developers and investors. As an alternative, the freehold could be sold subject to conditions, such as the purchaser obtaining satisfactory planning permission. It is also possible to incorporate an overage agreement, enabling the Council to benefit from any uplift in land value generated through future development.

  An alternative disposal route is the grant of a development lease, which allows the Council to retain a degree of control over the site. Under this structure, the lessee would be required to obtain the Council's consent for planning applications and comply with restrictions on the proposed use. A development lease also provides greater assurance that the purchaser will implement the development within an agreed timeframe.

  However, a freehold sale is likely to attract significantly stronger market interest than a leasehold disposal. Leasehold arrangements can affect marketability due to factors such as lease length, lease terms, restrictions, and the need for freeholder consent, whereas a freehold interest provides purchasers with full autonomy.

  It should also be noted that while overage can protect the Council's financial position, such provisions can deter some potential bidders, and their use therefore requires careful consideration. The due diligence undertaken as part of the valuation and marketing process will inform the appropriate structure and detail of any overage provisions, including an assessment of their potential impact on marketability and value.

  Greater market demand typically results in increased competition and may lead to enhanced bid levels. For these reasons, a freehold sale—potentially with conditions or overage where appropriate—offers the strongest prospect of maximising both interest and value.

Recommended option: Freehold disposal, potentially with an overage agreement.

- **Conditional or Unconditional Sale**

  Two disposal routes are available for consideration: sale on an unconditional ‘sold as seen’ basis or sale subject to the purchaser obtaining planning permission.

  A ‘sold as seen’ disposal represents the quickest means of securing a capital receipt and brings an immediate end to the Council’s ongoing holding costs and associated ownership risks. This approach enables rapid completion and removes the uncertainties inherent in the planning process.

  Conversely, a sale subject to planning may achieve a higher overall capital receipt; however, it places the planning risk with the Council. Experience from complex and protracted transactions, such as the Southbourne Crossroads and Cambridge Road sites, demonstrates the potential challenges, delays and resource implications associated with conditional sales. Under this route, the capital receipt is deferred until an acceptable planning permission is granted, meaning the balance of the purchase price may be delayed for a prolonged period or, in some cases, may not materialise if planning proves unattainable.

  Recommended option: Proceed with an unconditional ‘sold as seen’ sale to expedite the transaction, secure an early receipt, and minimise ongoing financial and operational risks to the Council.

Options Appraisal

24. Options considered include:

    a) Do nothing. Not consistent with principles agreed by Council for holding assets.

    b) Alternative use. It has been confirmed that the Council has no viable alternative service proposals or uses for the sites, via the Corporate Property Group.

    c) Disposal but on alternative terms e.g. leasehold or subject to planning. We have set out the recommended options in each of these scenarios in paragraph 23.

    d) Disposal as recommended in this report.

Summary of financial implications

25. The financial implications are detailed in confidential Appendix 2 of this report.

26. The current estimated value of the assets is included in confidential Appendix 2. The values will be subject to independent RICS Red Book valuations to determine updated Market Values for the purposes of disposal. The Council will also look to offset any costs associated with the disposals from these capital receipts.

Summary of legal implications

27. The Council has the necessary statutory powers to dispose of these properties under Section 123 of the Local Government Act 1972, which gives a general power of disposal provided it is for the best consideration that can be reasonably obtained.
28. It is advised that Reports on Title are commissioned prior to the commencement of marketing to ensure that all legal, ownership, and title matters are fully understood and addressed in advance of bringing the assets to market.
29. The sites will require further legal investigation prior to marketing.
30. The legal implications for each site are as follows.

12-14 Commercial Road, Poole,

31. The property is freehold.
32. There are potential legal rights over the site which will require further investigation prior to marketing.

Queensmead Care Home, Christchurch

33. The property is freehold.
34. The site will require further legal investigation prior to marketing.

Penn Hill Car Park, Poole

35. The property is freehold but subject to restrictive covenants (see confidential Appendix 2 for further information).
36. The site will require further legal investigation prior to marketing.

Summary of human resources implications

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

Summary of sustainability impact

38. 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. Disposal of surplus assets will reduce the council's carbon emissions.

Summary of public health implications

39. There are no public health implications arising from the recommendations within this report.

Summary of equality implications

40. Since 12–14 Commercial Road and Queensmead are both vacant and unoccupied, their disposal is not anticipated to give rise to any direct equality implications.
41. The disposal of Penn Hill Car Park will result in the loss of one disabled parking space. The Equality Impact Assessment (EIA) is provided in Appendix 4.

Summary of valuation implications

42. A valuation has already been provided by an external RICS Registered Valuer to provide an opinion of the market value of the asset (see confidential Appendix 2).

Summary of risk assessment

43. The disposal of these assets is considered low risk. A review of the Council's future operational requirements has confirmed that 12–14 Commercial Road and Queensmead are no longer required for service delivery by Housing or Children's Services, and that Penn Hill Car Park is significantly underutilised. As such, all three sites are deemed suitable for disposal.

44. If prevailing economic conditions deteriorate, demand for development sites may decline, which could reduce market interest and negatively impact achievable capital receipts.

45. Retaining the vacant and surplus buildings at 12-14 Commercial Road and Queensmead presents the following risks:

- Public liability risk: Holding a vacant site with potential hazards increases the risk of injury and associated liabilities.
- Financial risk: Ongoing security and holding costs for vacant buildings continue to rise, placing unnecessary financial pressure on the Council.
- Reputational risk: Failure to progress the agreed strategy for a surplus asset could reflect negatively on the Council's asset management approach.
- Opportunity cost: Delaying disposal limits the Council's ability to realise a capital receipt that could otherwise support strategic priorities.

Appendices

Appendix 1	**Public**	Asset Information
Appendix 2	**Confidential**	Financial and Legal Information
Appendix 3	**Confidential**	Cross-Party Strategic Asset Disposal Working Group (To follow)
Appendix 4	**Public**	Equality Impact Assessment