

REPORT TITLE: BAR END DEPOT

14 OCTOBER 2025

REPORT OF CABINET MEMBER: Cllr Martin Tod (Leader and Cabinet Member for Asset Management)

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WARD(S): ST MICHAEL WARD

PURPOSE

To request that Cabinet approve the immediate re-marketing of Bar End Depot site.

McCarthy & Stone were the previous preferred bidder, but they have withdrawn from the process due to conditions in the retirement living and care home market.

Re-marketing will invite formal bids for a planning policy complaint scheme to include housing, a convenience store, and an element of care. This is the same mix of uses that were included in the previous marketing.

RECOMMENDATIONS:

1. That cabinet approve the re-marketing of the Bar End Depot site to commence in late October 2025.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

1.1 **Greener Faster**

As per the previous marketing exercise, Bidders will be asked to explain their commitment to climate change. This is a land disposal so limited environmental conditions can be imposed upon a purchaser beyond those covered by Statute and Planning Policy. The Site currently comprises a range of industrial and commercial buildings and bare concrete hardstanding with no green space. Landscaping and green buffer zones, in accordance with the Bar End Design Framework, will significantly improve the Site's biodiversity.

1.2 **Thriving Places**

Redevelopment of the site will bring back a vacant site into beneficial use and create new homes, a convenience store, and employment opportunities.

1.3 **Healthy Communities**

The provision of a convenience store will benefit the local community. New residents will be encouraged to use the adjoining WSLP. There will be greater permeability through the Site to the WSLP. The site's natural environment and biodiversity will be significantly enhanced from its current hard surfaced landscape.

1.4 **Good Homes for All**

Development of the site will include an affordable housing provision.

1.5 **Efficient and Effective**

Market conditions have changed negatively over the last 12 months in the retirement living and care home sectors. This means that demand for development sites has been affected. We are responding to this market shift by proposing a re-marketing of the site to secure 'Best Consideration' and to support TC 25.

1.6 **Listening and Learning**

The 2018 Bar End Design Framework and 2016 Highcliffe Community Plan have been comprehensively referenced during the four public engagement events undertaken during 2022 and 2023. Redevelopment of the site will include all key elements of the 2018 Design Framework that will be refined during the planning process.

2 FINANCIAL IMPLICATIONS

- 2.1 The disposal of the site will result in a capital receipt. The Council can use capital receipts to fund capital expenditure either for future projects or to reduce the borrowing requirement for previous unfinanced capital projects. As part of Transformation Challenge 25 (TC25), the capital receipt will be applied to reduce the outstanding unfinanced capital expenditure in relation to the Winchester Sport & Leisure Park which stood at £35.7m as of 31 March 2024.
- 2.2 The consequence of applying a capital receipt to the unfinanced capital expenditure will reduce the ongoing Minimum Revenue Provision (MRP) charge, which is equivalent to the repayment of principal, and to either increase the return on investment that the Council receives due to higher cash balances and/or delay the need to externalise borrowing and therefore reduce interest payable.
- 2.3 In addition to the reduction in the ongoing cost of borrowing, disposal of the site will remove the current business rates liability from the Council (currently circa £100,000) and so provide further revenue savings.
- 2.4 By applying the receipt to prior years unfinanced capital expenditure, the Council's ongoing expenditure is reduced which helps it meet the target to reduce the forecast deficit and ensures it can continue to deliver high quality.
- 2.5 Additional marketing costs will be covered by existing budgets.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 S123(1) of the Local Government Act 1972 provides the Council with the power to dispose of land and property, provided such disposal is for the best consideration reasonably obtainable. This is in addition to the Council's powers under the general power of competence in section 1 of the Localism Act 2011 as well as the Council's powers to dispose of land under Section 123 of the Local Government Act 1972 and Section 233 of the Town and Country Planning Act 1990.
- 3.2 By carrying out a competitive process of inviting bidders to make best bids the Council can demonstrate compliance with the duty to obtain best consideration.
- 3.3 The proposed transaction is a freehold land disposal. The Procurement Act 2023 (PA23) does not oblige the Council to pursue a procurement process. Only where the purchaser is under an obligation to carry out specified works (conferring a pecuniary benefit for the Council) will that obligation arise and therefore is not applicable in the circumstances within the proposal the subject of this report

4 WORKFORCE IMPLICATIONS

- 4.1 None

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 The Depot site has been largely unused for seven years, save for use by Hampshire Cultural Trust and temporary uses by construction contractors delivering key projects for WCC, such as WSLP and Winnall Flats. The site was due for marketing in 2021, but the pandemic caused an 18-month hiatus in demand for development sites, while increased costs of construction meant that many schemes became unviable at the time.
- 5.2 The Council has no ongoing requirement for the site, and the development market has recovered to a satisfactory position. A freehold sale represents good use of an unused Council asset and is consistent with the Council's Asset Management Strategy and legal obligation to achieve best consideration.
- 5.3 Redevelopment of the site will enhance the local area in terms of vibrancy, placemaking, provision of housing and convenience retail. This is a gateway site that currently underperforms as a principal route into the city. A sale and development of the site is intended to elevate the location and make best use of the brownfield site in delivering Council Plan objectives.
- 5.4 Remarketing of the site will request Planning Policy complaint schemes to be proposed.

6 CONSULTATION AND COMMUNICATION

- 6.1 The Highcliffe Community Plan 2016 and The Bar End Design Framework 2018 were the result of extensive consultation with the local community over a period of three years. The documents set out local aspirations and adopted a framework for development of the new Winchester Sports and Leisure Park and surrounding area.
- 6.2 As part of the marketing process for the Bar End Depot site, the Council arranged four Highcliffe community engagement events on the 8th March 2022, 21st November 2022, 24th November 2022, and 4th September 2023. The purpose of these events was to inform the community about the Council's marketing programme and seek feedback on the process and outcomes. Ward councillors were also invited to these events.
- 6.3 The Highcliffe Forum presented a petition to Full Council on the 18th September 2024 containing 353 signatures from the Highcliffe area. Officers and the leader of the Council met with representatives of the forum on the 16th

September 2024 to better understand the request contained in their petition. The Highcliffe forum requested that “Winchester City Council provides space for a community hub to serve Highcliffe and the local area in any redevelopment of the Bar End Depot site”. Cllr Tod confirmed in response at the Full Council meeting that this important issue would be considered by Scrutiny Committee and by Cabinet on the 15th October 2024. This was duly performed.

- 6.4 Cabinet considered the relevant factors including chronology of public engagement from the Highcliffe Community Plan 2016 to the delivery of the Council's new King George V pavilion (KGV). The Council have agreed terms with the Boxing Club for alternative permanent accommodation and are in direct contact with the Chief Executive of Youth Options to review youth provision priorities across the district.
- 6.5 Priorities voiced by Highcliffe residents in the 2016 Highcliffe Community Plan were incorporated into the 2018 Bar End Design Framework. In response to residents' desire for a community facility, the Council has invested £4 million in the recently opened KGV. There were two rounds of consultation for the KGV Pavilion which concluded 'KGV is a central point for Highcliffe residents to gravitate and meet'. Community feedback called for the KGV pavilion to be available for community purposes and for there to be a community room. This has been delivered and is available for the Highcliffe community. Highcliffe residents also have the benefit of a £42 million leisure park immediately next door, a facility that was not fully envisioned in 2016.
- 6.6 It is worth noting that Highcliffe Forum made no representations for community space on the Site in response to the Local Plan Regulation 18 consultation. It is also worth noting that during the March and November 2022 public engagement exercises it was a convenience store that was highlighted as the community's highest priority and not a community facility.
- 6.7 Communications will be agreed to advise Ward members and the public about remarketing.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 The site is contaminated with petrochemicals from its former use and lacks any current environmental diversity. The site will be remediated and presents a significant opportunity for Biodiversity Net Gain.

8 PUBLIC SECTOR EQUALITY DUTY

- 8.1 This a disposal of land and not the procurement of services by the Council. Specific details of design will be the subject of a planning application to be submitted by the purchaser.

9 DATA PROTECTION IMPACT ASSESSMENT

9.1 None

10 RISK MANAGEMENT

Risk	Mitigation	Opportunities
Financial Exposure	Selling the site avoids ongoing maintenance and rates liabilities and produces a capital receipt.	The capital receipt can be used to reduce previously unfinanced expenditure which would reduce the ongoing associated revenue costs.
Exposure to challenge Challenge to achieving best consideration	Comprehensive consultation and full marketing undertaken independently by commercial agents	
Innovation	N/A	
Reputation The council's reputation could be harmed if it is not possible to demonstrate consultation leading to the recommended decisions and the ability to achieve best consideration	Significant consultation has taken place to inform the marketing of the site. Independent support employed in the marketing exercise to ensure best consideration obtained. Independent support was employed for public engagement events.	
Achievement of outcome	Full marketing and selection of a preferred purchaser.	
Property	Local vandalism has been an issue that has cost the Council in repairs and security. A disposal limits future liabilities.	
Community Support Community will object to the winning proposal	Series of meetings held with local community. Proposals will be subject to statutory planning process where local community will be consulted and will have	Provision of affordable housing as part of the proposals Provision of a convenience store as part of the proposals.

	ability to comment on proposals.	
Timescales The developer could delay progressing the scheme when contracts have been exchanged	The sale contract will include long stop dates by which the developer should achieve certain milestone events	
Project capacity That the developer does not have sufficient capacity to bring development forward	Developer capacity and historical performance to deliver scheme will be assessed via the marketing and selection process.	
Other	N/A	

11 SUPPORTING INFORMATION:

- 11.1 The Site (See plan at Appendix 1) extends to 2.84 acres and is bounded by Bar End Road, Milland Road, WSLP, and Winchester University Sports ground.
- 11.2 On 15th October 2024, Cabinet approved the selection of McCarthy & Stone as preferred bidder for the purchase of Bar End Depot. Market conditions affecting the retirement living and care home sector have impacted on the proposed scheme. Having reviewed under bidder proposals, Legal advice and Agent advice is to re-market to secure best consideration.
- 11.3 The recommendation is to re-market the site for development of a mixed-use scheme that is Planning policy compliant including housing, a convenience store and an element of care.
- 11.4 Local Plan Policy: In recognition that the Site is previously developed land (pdl) and the need to make the best use of vacant pdl, Policy W9 in the emerging Local Plan allocates the site for a mixed-use development including 30 residential dwellings, specialised facilities which include an element of care and a local convenience store. The emerging Local Plan Policy wording does not define (in terms of use class) the specific type of care that would need to be provided. This flexibility in the Policy wording will enable different proposals to be assessed on their merits during the planning application process.
- 11.5 The Local Plan examination hearing sessions concluded in June 2025. The [Local Plan Inspector](#) has recently confirmed that subject to a six week Proposed Main Modification public consultation, the Plan is capable of being 'sound'. There is one minor [Proposed Main Modification](#) in relation to the Bar End site (MM58) which includes a new criterion about the need to provide a footway link and cycle link across the western boundary of the site.

- 11.6 In addition to the four public engagement events held in 2022 and 2023, the future redevelopment of the Site has been the subject to earlier public engagement and consultation events including:

The Highcliffe Community Plan 2016: Defined the community aspirations for the local area which included:

- A local convenience store
- Permeability from Highcliffe to the new WSLP
- Buffer zones of green space
- Height restrictions on new buildings
- Community space
- Mixed uses

The Bar End Design Framework 2018: Adopted a design framework for the WSLP and the surrounding area including the Site. Theme 4 on pages 22 and 23 of this document makes reference to:

- Appropriate separation distances with existing adjoining residential properties
- Uses that take account of the new WSLP
- A buffer of natural vegetation along the northern boundary of the depot site
- Low vehicular traffic generation
- Vehicle access from within the WSLP site
- Improved pedestrian access across the western side of the depot site
- Scale and massing of buildings to be limited to a maximum height of 12m (3 or 4 stories) towards the north of the site and no more than the height of the new WSLP building on the south side.
- Noisy and polluting uses to be avoided.

12 OTHER OPTIONS CONSIDERED AND REJECTED

- 12.1 Although contact was made with previous under bidders from the marketing process the advice from the Council's agents was that remarketing the site held better prospects for the Council to achieve best consideration. Thus, negotiation with under bidders was not pursued.
- 12.2 Do Nothing: Discounted due to ongoing financial liabilities and not a good use of Council assets.
- 12.3 Leisure: Discounted due to the significant investment already made by the Council in the adjoining WSLP and KGV Pavilion.
- 12.4 Light Industrial: The least compatible use for the location due to potential noise and traffic generation.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

[CAB3447 Bar End depot disposal](#)

Other Background Documents:-

[Bar End Design Framework, 2018](#)

None

APPENDICES:

Appendix 1: Site Plan