

# Purbeck Local Plan Review 2019

## Matter G: Economy

### Further Representations

Thursday 8 August 9.30am

	<b>Consultee ID</b>	<b>Name/Organisation</b>
1	1188328	Wareham Town Council Neighbourhood Plan Steering Group
2	1188470	Moreton Parish Council
3	1190993	The Moreton Estate
4	1190858	Birchmere Ltd
5	1188067	Welbeck Land
6	1186743	Natural England

# Examination of the Purbeck Local Plan

## Further statements based on Inspector’s Matters, Issues and Questions

Submitted by Wareham Neighbourhood Plan Steering Group (ID 1188328)

### MATTER G: Economy

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#### Issue 2: Town and Local Centres (Policy EE3)

##### Q6. Is the change (MM14) to the supporting text of policy EE3 indicated in the schedule of possible modifications [SD14] necessary to ensure that the Plan is sound?

1. The proposed modification is a change to the supporting text (rather than the policy wording) that recognises Wareham Neighbourhood Plan’s intention to amend the town centre boundary. The intention of this change is “to avoid unintended consequences of local plan policy superseding neighbourhood plan policy due to the timing of the respective examinations”.
2. Although the intention is welcomed, as reflected in our further submission to Matter A (Issue 6), by defining Policy EE3 as a strategic policy it still raises the prospect that any change may be considered to conflict and result in the Neighbourhood Plan policies either failing their examination, or being superseded. Simply inserting a statement in the supporting text does not provide this clarity.
3. The proposed town centre boundary shown on the Local Plan policies map appears to be based on the 2012 Local Plan and does not appear to have been amended (presumably because of the mixed support in relation to the earlier Local Plan consultations). As explained in 4.3.3 of the submission draft of the Wareham Neighbourhood Plan, the proposed minor revisions to the Town Centre boundary consulted on as part of the Local Plan Review were considered and discussed with stakeholders. There was general support for the revised boundary (which removes some properties in the vicinity of The Quay and St John’s Hill that are now predominantly in residential use and redraws the remaining boundary to reflect the extent of the existing premises as opposed to plot boundaries), with the exception of the car park to the rear of the Co-op in North Street, which is proposed for inclusion to facilitate the future expansion of the unit if so desired. It is this amended boundary that the Neighbourhood Plan is therefore proposing, based on the most up to date review of the town.
4. It is suggested that either the town centre boundary is amended to reflect that proposed in the submission draft of the Neighbourhood Plan (if the Examiner’s report concludes that this revision meets the basic conditions) and that Policy EE3 should also be revised to allow future changes that can be

informed by the latest available evidence and considered through an appropriate level of independent examination – so a better form of wording might be:

***Policy EE3: Vibrant town and local centres***

...

*Retail development in Purbeck will be managed in accordance with Policy V1: Spatial strategy for sustainable communities. Identified retail centres in the District include:*

*a. town centres of Swanage, Wareham and Upton as shown on the Policies map and as may be updated through Neighbourhood Plans; and*

*b. local centres of Wool, Bere Regis, Lytchett Matravers and Corfe Castle as shown on the Policies map and as may be updated or added to through Neighbourhood Plans.*

*Ground floor changes of use in town...*

5. Dorset Council should also make clear that the policy is not strategic (unlike Policy V1).

Inspector's Matters, Issues and Questions (MIQs)

Matter G: Economy

Issue 1: Need and Supply of Employment Land (Policy EE1 and EE2)

Library documents:

[SD01a-Purbeck Local Plan](#)

[SD25-Economy background paper](#)

[SD26-Bournemouth, Dorset and Poole workspace strategy](#)

**Responses to Pre-Submission Consultation**

1. Four responses relevant: Employment , Automation, Rural Functionality Study. SHLAA

Q1

*Q1.Is the evidence of the type and amount of employment land needed within the plan period robust and up-to-date?*

**Answer to question 1**

2. No.
3. There does not appear to be a library document which specifically covers employment land.
4. The Purbeck Local Plan on page 84, paragraph 196 refers to the fact that:  
  
*In 2017, a new set of employment projections were developed by Dorset County Council in partnership with other Dorset local authorities. These were based on the 2016/17 update of the Cambridge Econometrics model – the Local Economy Forecasting Model for Dorset.*
5. This document does not appear to be in the Library.
6. On page 85 in paragraph 197 the document states that there is a:  
  
*.....District-wide total need for 11.5 hectares of employment land.*
7. I viewed the employment projections developed by Dorset County Council using the Cambridge Econometric model.
8. The projections did not appear to take account of any of the technologies I have referred to in my Automation response to the Pre-Submission and which I have referred to in my answers to the MIQs, in particular to the Sustainability Appraisal (Matter A, Issue 4).
9. I corresponded by e-mail with the lady in DCC who led this subject and worked with Cambridge Econometrics and she said that the Cambridge model did take account of automation.
10. The spreadsheet of jobs produced, referred to as the Local Knowledge Scenario clearly took no account of the automation technologies.

11. Purbeck District Council was unable to confirm whether the DCC projections based upon the Cambridge Econometrics mode took account of automation technologies.
12. My conclusion is that the projections do not take account of the automation technologies.
13. This is very important because as I have indicated in my Automation Response it means that by 2034 automation may well have made up to 40% of Purbeck's workers redundant.
14. This has major implications for the amount of land need for employment , as well as the need for skills training, housing allocation locations, and retail provision.
15. In answer to the question: *Is the evidence of the type and amount of employment land needed within the plan period robust and up-to-date?* the answer must definitely be No.
16. As with much of the Local Plan and its supporting documents, the Local Plan has planned for a world unaffected by the technologies I have discussed in my Automation response.

Inspector's Matters, Issues and Questions (MIQs)

Matter G: Economy

Issue 1: Need and Supply of Employment Land (Policy EE1 and EE2)

Library documents:

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[SD25-Economy background paper](#)

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**Responses to Pre-Submission Consultation**

1. Four responses relevant: Employment , Automation, Rural Functionality Study. SHLAA

**Q2**

*Q2. Is the approach taken in the Plan not to allocate any new employment sites but to retain and safeguard land at two strategic employment sites and a number of other identified employment sites for employment uses (defined as B1, B2 and B8 uses) justified, consistent with the overall spatial strategy and with national policy?*

**Answer to question 2.**

2. No.
3. Superficially the answer is yes. Automation is likely to make up to 40% of the working population of Purbeck redundant and hence it would not make sense to allocate more land.
4. During the period of the Plan up to 2034 it is likely that many of the jobs in the industries on the employment sites in Policy EE will either be automated or lost as companies rationalise using technology and move sites or go out of business.
5. But automation and redundancy is likely to make more people self-employed, either in the developing technology or in artisanal occupations such as furniture repair etc.
6. The self-employed will need work space, either shared or on a dedicated basis, ie a small premise which can be locked.
7. It should be remembered that Amazon, Uber, Dell computers, Microsoft , Hewlett Packard and many other high tech successful companies started in garages and now employ hundreds of thousands of workers.
8. Thus there is strong case for establishing a number of small units around the district for self-employed people to start businesses and to grow them and gradually employ more people.
9. There is, therefore, a strong case for providing employment land in many of the settlements around the District focussed on the needs of self-employed people.

## Inspector's Matters, Issues and Questions (MIQs)

## Matter G: Economy

## Issue 1: Need and Supply of Employment Land (Policy EE1 and EE2)

## Library documents:

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1. Four responses relevant: Employment , Automation, Rural Functionality Study. SHLAA

## Q3

*Q3. Is policy EE1 (Employment land supply) positively prepared?*

**Answer to question 3.**

2. No.

**ES2 Dorset Innovation Park**

3. Policy EE1 devotes the largest sit, EE2, and the only Enterprise Zone in Dorset (not including the Bournemouth, Christchurch and Poole conurbation), to the Dorset Innovation Park.
4. Site EE2 contains the Dorset Innovation Park. The 5 target sectors of the Park are:
  - *Advanced engineering and manufacturing*
  - *Defence ( a declining UK market)*
  - *Marine*
  - *Energy*
  - *Cyber Security*
5. Each of these sectors is very specialised and requires workers with at least a degree level qualification and preferably a sector based MSc. Each sector will require workers who have gained worthwhile practical experience.
6. The international competition in each of these sectors is intense.
7. The *Process for applying to relocate to the Dorset Innovation Park* on page 5 also presents a number of hurdles if the applicant is not focussed specifically on target sectors list.
8. All organisations that have reviewed the likely impact of automation technologies state that in future lifelong learning and training will be vital for people to maintain their value as workers alongside robots and artificial intelligence.

9. But *The Statement of Reasons & Local Development Order 2018* states that only 5% of the floor space in the centre can be used for *social, collaborative, **training and learning** purposes*.
10. The Innovation Park thus represents a major lost opportunity to use Winfrith as a site to provide workers in Purbeck and beyond with a good centre to learn how to work alongside robots and artificial intelligence.
11. The very specialised sectors and the hurdles involved in establishing an organisation on the site mean that the site is not intended for individual or small scale entrepreneurial organisations.
12. A review of the 2011 census results for Purbeck indicates that there extremely few people with the qualifications and skill required by the highly specialised sectors.
13. It is likely that the workers required will have to move to Purbeck or commute from outside Purbeck.
14. In other words the Innovation Park will not provide many employment opportunities for Purbeck residents.

**Policy EE1: Location of employment sites**

15. The diagram below shows the sites in Policy EE1 but ordered terms of whether they are east or west of the Worgret Bridge.
16. I have also added the comments from the Local Plan about Holton Heath and the Dorset Innovation Park.
17. These comments highlight that the majority of workers at these two location are not from Purbeck district.
18. The total therefore reflect the totals for the sites which cater mainly for local Purbeck workers.

<b>Policy EE1: Employment land supply</b>					
			Remaining Availability (Ha)	Total site extent (Ha)	
<b>East of the Worgret Bridge</b> 10 sites	ES1	Holton Heath	5.7	35	<i>Workforce largely resident in the conurbation (p87 para203)</i>
	ES5	Lychett Matravers	0	0.6	
	ES6	Lychett Minster+Upton	0	3.9	
	ES7	Organford	0	0.5	
	ES8	Sandford	0	1.6	
	ES12	Sandford	0	12	
	ES11	Wareham	1	9	
	ES4	Corfe Castle	0.3	0.4	
	ES9	Swanage	0	2.2	
	ES10	Swanage	0	2.4	
<b>Totals east of the Worgret Bridge</b>			<b>1.3</b>	<b>32.6</b>	Lychett Matravers to Swanage, not Holton Heath because
<b>West of the Worgret Bridge</b> 2 sites	ES2	Dorset Innovation Park	40	50	<i>The longer and higher than normal level of in-commuting is partly as a result of the specialist skills required. (page 88 para 202)</i>
	ES3	Bere Regis	0	0.8	
<b>Totals west of the Worgret Bridge</b>			<b>0</b>	<b>0.8</b>	Bere Regis , inot including Innovation Park because

19. The chart shows that there is 32.6 Ha of employment land east of the Worgret Bridge and only 0.8 Ha to the west of the Worgret Bridge
20. The predominance of industry east of the Worgret Bridge matches the fact that approximately 80% of Purbeck's population lives east of the Worgret Bridge.
21. But 61% of the Local Plan's housing allocations are west of the Worgret Bridge and only 39% is east of the Worgret Bridge.
22. The Local Plan comments about the specialist skills needed for the Innovation Centre match those which I made independently to the Purbeck Planning Committee when it was considering a Local Development Order for the Innovation Centre on 28 November 2018.
23. Thus the only real employment site east of the Worgret Bridge is the one at Beer Regis which is only 0.8Ha and had no availability at the time of the submission of the Local Plan.
24. The economically active residents of the 1065 houses allocated west of the Worgret Bridge are very likely, therefore, to commute to work primarily in Dorchester and with a much smaller percentage commuting to Weymouth or to the east, probably to Poole or Bournemouth.
25. This emphasises that the houses allocated west of the Worgret Bridge primarily serve Dorchester and to a lesser extent Weymouth and the conurbation.
26. My chart above shows that more land is required for employment purposes.
27. This discussion and the chart shows that the Policy EE1 is not sound.

## Inspector's Matters, Issues and Questions (MIQs)

## Matter G: Economy

## Issue 1: Need and Supply of Employment Land (Policy EE1 and EE2)

## Library documents:

[SD01a-Purbeck Local Plan](#)[SD25-Economy background paper](#)[SD26-Bournemouth, Dorset and Poole workspace strategy](#)**Responses to Pre-Submission Consultation**

1. Four responses relevant: Employment , Automation, Rural Functionality Study. SHLAA

## Q4

Q4. (a) *Is the scale and distribution of the sites (strategic employment sites and other identified employment sites) to be safeguarded in policy EE1 of the Plan justified?*

(b) *Are the changes (MM9, MM10 and MM11) indicated in the schedule of possible modifications [SD14] necessary to ensure that it is justified?*

**Answer to question 4.a.**

2. Small sites yes.
3. Holton Heath yes because it is unlikely that houses could be built on the site.
4. Dorset Innovation Park is a site which has languished over many years and it is very unlikely that the whole site will be used by industry. A significant proportion of the site could be used for housing with little impact on Wool and in effect the site could become a very good mixed industry and residential site.

**Answer to question 4.b.**

5. The changes in MM9, MM10 and MM11 were proposed by Natural England who stated that:

*....the Council had not demonstrated a need for the land and that redevelopment as part of Dorset.*

6. Purbeck District Council state in their submission Local Plan that:

a. *Half of the District is covered by the Dorset area of outstanding natural beauty (AONB) (page 14 paragraph24).*

b. *Over 23% of the District is covered by national and international nature conservation designations including sites of special scientific interest (SSSIs), special protection areas (SPAs), special areas of conservation (SACs) and Ramsar sites. (page 15 paragraph 25).*

c *Purbeck’s coast forms part of the Jurassic Coast World Heritage Site.* (page 15 paragraph 26)

d. *The District is home to some internationally and nationally important archaeology sites that show settlement right from the Neolithic to the present day. Purbeck has over 250 scheduled ancient monuments - including barrows (burial mounds), hill forts, the Saxon walls of Wareham and the ruins of Corfe Castle – as well as over 1,400 listed buildings, 25 conservation areas and 6 registered parks and gardens.*(page 15 paragraph 27).

e. *In order to protect internationally important heathlands, a 400-metre buffer is in place around protected heaths where no residential development is permitted. This covers 36% of the District.* (page 15 paragraph 29).

f. *Approximately a quarter of the District is green belt where residential development is only allowed in very special circumstances.* (page 15 paragraph 29).

7. In my SHLAA response to the Pre-Submission Local Plan I copied on page 8 in paragraph 15 an extract from a DCLG report titled: *Planning for the Right Homes in the Right Places* dated 14 September 2017 and shown below for ease of reference:



Department for  
Communities and  
Local Government

Planning for the right homes in the right  
places: consultation proposals

**Application of proposed formula for assessing housing need, with contextual data**

*Published 14th September 2017*

*All data is correct to the best of our knowledge as of publication.*

*Figures for authorities marked with \* have not been verified by the authority, and may be subject to correction*

ONS Code	Local Authority	Indicative assessment of housing need based on proposed formula, 2016 to 2026 <i>(dwellings per annum)</i>	Current local assessment of housing need, based on most recent publicly available document <i>(dwellings per annum)</i>	Proportion of Local Authority land area covered by Green Belt, National Parks, Areas of Outstanding Natural Beauty or Sites of Special Scientific Interest
E07000051	Purbeck	168	238	73%
E07000052	West Dorset	see West Dorset, Weymouth & Portland	605	71%

8. The spreadsheet extract shows in the right hand column that the proportion of Local Authority land are covered by designations and special landscapes is 73% in Purbeck and 71% in West Dorset.

9. In other words West Dorset is just as constrained as Purbeck.

10. Purbeck Council states in its Submission Local Plan on page 16 in paragraph 27 that:

*....we need to balance the need to deliver homes for local people with the need to protect our special environment.*

11. The Council has already over balanced by putting its largest allocation of houses and crucially its largest allocation of affordable homes in the Dorchester dormitory of Crossways, essentially for the people of Dorchester and West Dorset, a district as equally constrained as Purbeck District.

12. The allocation would be at least 10 miles from the Worgret Bridge to the east of which lives approximately 80% of Purbeck’s population

13. Purbeck cannot afford to relinquish yet more land for the sake of a heath that does not exist.

14. The Winfrith site is a unique large area of land which does not directly impact on any other community and which could be used as a mixed development site for housing, adult learning and training to cope with the introduction of automation technologies, and for a range of industries, not just the highly specialised and very restrictive sectors of the Innovation Park.
15. Purbeck Council have given no thought to how the changes which the widespread introduction of automation technologies such as artificial intelligence and robots will impact on the employment and housing needs of the district.
16. With an increasing population there will be a need for more houses and these cannot be continually off-loaded outside the district to others who face equal constraints on development.
17. With an ageing population and declining pension support there is a realisation that many people will have to try to continue working through old age.
18. For all the population there will be a need for education and training to enable people to remain in employment.
19. The Winfrith site is an excellent site to house, educate and employ the current and future generations of people in Purbeck and beyond.
20. The council is very wrong to accede to the proposed recommendations from Natural England in MM9, MM10, and MM11.
- 21. I strongly recommend that MM9, MM10 and MM11 are not adopted.**

Inspector's Matters, Issues and Questions (MIQs)

Matter G: Economy

Issue 1: Need and Supply of Employment Land (Policy EE1 and EE2)

Library documents:

[SD01a-Purbeck Local Plan](#)

[SD25-Economy background paper](#)

[SD26-Bournemouth, Dorset and Poole workspace strategy](#)

**Responses to Pre-Submission Consultation**

1. Four responses relevant: Employment , Automation, Rural Functionality Study. SHLAA

**Q5**

*Q5. (a) Are the provisions of policy EE2 (Planning for Employment) justified, effective and consistent with national policy?*

*(b) Are the changes (MM12 and MM13) to policy EE2 indicated in the schedule of possible modifications [SD14] necessary to ensure that the Plan is sound?*

**Answer to question 5.a.**

2. This is clearly illustrated in Crossways where according to the 2011 Census only 1.9% of the population use the train to travel to work and according to DCC only 2% of the village population travel by bus.
3. Paragraph 3 is too restrictive and out dated and should be deleted.
4. The overwhelming majority of Purbeck and of Dorset Council is not served by sustainable transport modes such as the train or bus.
5. And even where there are trains or buses the frequency of service is far too limited and the cost of travel much higher than travel by car.
6. The reference to sustainable transport may be entirely appropriate in the buildings in Victoria, London where the NPPF is produced, but the concept is totally unrealistic in a rural area such as Purbeck or Dorset County where the train and bus services are very limited.
7. Furthermore during the period of the plan it is very likely that electric cars and Uber type services on demand will become far more widespread and more sustainable than almost empty electric trains and buses.

**Answer to question 5.b.**MM12

8. The proposed change MM12 is essentially a repeat of the wording in the NPPF, page 50 paragraph 175 a) and is agreed.

MM13 – Waste Management infrastructure

9. The proposed change MM13, indicated below, is not agreed and should not be adopted.
10. In MM12 Dorset County Council have proposed adding the following after the last sub-paragraph:

*'d. or meets an identified need for waste management infrastructure.'*

11. The term *waste management infrastructure* can cover a very wide range of activities and include for example a very noisy bottle crushing plant as is the case with the waste facility on the Hybris Industrial estate in Crossways.
12. A waste management facility can cause a significant increase in lorry traffic associated with the waste facility.
13. Employment sites can be part of mixed use developments as is the case in Poundberry in Dorchester or on the land next to Oaklands Park in Crossways. Employment sites can also be located adjacent to and in effect within housing developments as the case with the Hybris Site in Crossway and as has been planned on the approved Summer Farm development.
14. Waste management infrastructure can grow. Once one facility has been established others can follow, sometimes simply on the basis that as one facility is in a location it seems logical to locate another totally unrelated facility in the same location.
15. The effect of adopting the proposed addition to Policy EE2 is that it would give any planning application to locate a waste management facility on an employment site the backing of Policy and be difficult to argue against.
16. Proposals to site waste management infrastructure on employment sites should just be treated as straight forward planning application and considered on their merits without the Policy pre-condition that waste management infrastructure is acceptable.

MM13 - ..and,

17. The proposed change MM13, indicated below, is not agreed and should not be adopted.
18. In MM13 Dorset County Council have proposed:

*(Delete and, at the end of clause b and at end of clause c  
replace . with ; )*

19. As currently written in Policy EE2 the conditions in sub-paragraphs b) and c) are linked and both have to be satisfied.
20. MM13 would have the effect of turning sub-paragraphs b) and c) into separate conditions which could weaken the condition in one if the condition in the other is satisfied.
21. It is important that both conditions are satisfied and the word and at the end of each will achieve this objective.

Inspector's Matters, Issues and Questions (MIQs)

Matter G: Economy

Issue 2: Town and Local Centres (Policy EE3)

Library documents:

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[SD25-Economy background paper](#)

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**Responses to Pre-Submission Consultation**

1. Four responses relevant: Employment , Automation, Rural Functionality Study. SHLAA

Q1

**Answer to question 1.a.**

*Is policy EE3 (Vibrant town and local centres) which indicates that the Local Plan supports the provision of an additional 700sq. m (net) convenience retail floorspace justified?*

2. No.
3. Again the Local Plan appears rigidly stuck in the past.
4. The Local Plan appears to totally ignore the growth of on-line shopping and home delivery, including during the Plan period up to 2034 of delivery by drone in the more remote parts of Purbeck, and the consequent major decline in traditional shopping habits and the closure by major chains such as Marks and Spencers of formerly very successful high street shops.
5. On-line banking has also led to a marked decline in the high street branches of the major banks.
6. Providing an additional 700sqm (net) of convenience retail floorspace will not be used.

*If so, is the delivery of that additional floorspace on the housing allocations at Moreton Station/Redbridge Pit (policy H4) ....justified?*

7. There would be scope for adding another top up grocery shop in Crossways-Moreton once a few hundred of the approved and planned 1604 houses in Crossways-Moreton have been built.
8. Two crucial factors must be taken into consideration.
9. Any top-up shop should only be built on Redbridge Pit if the access is directly from the B33390 and not via Redbridge Road since the latter would make the 5 ways junction almost impossible to operate.
10. It is vital that and adequate car park for say 30~40 cars is provided with the shop, otherwise the resultant congestion would make the shop almost impossible to use.

11. Redbridge Pit however would not be a good location for a new top-up shop.
12. The best location would be on land to the west of the Link Road to Dorchester since it would be far easier for car drivers and shoppers to access. The Warmwell Road will almost reach maximum capacity (DCC Traffic Impact Study) once the 1604 additional houses have been built and another major access onto the B3390 road could well cause congestion on the road
13. Thus it is the West Dorset Pre-Submission which should contain a new shop in Crossways proposal and not the Purbeck Local Plan.

*If so, is the delivery of that additional floorspace on the housing allocations at Wool (policy H5) ....justified?*

14. This is really a question for the residents of Wool to answer.

**Answer to question 1.b.**

*(b) For clarity and viability purposes should the policy indicate the extent of convenience floorspace to be provided on each of the allocations at Moreton Station/Redbridge Pit (policy H4)?*

15. No.
16. For Crossways-Moreton this should be left to the potential providers of a top-up shop to decide.
17. The shop should be part of the West Dorset Pre-Submission Local Plan, since as already explained a shop and parking area off the Link Road would be far more practical than a shop on Redbridge Pit

*(b) For clarity and viability purposes should the policy indicate the extent of convenience floorspace to be provided on each of the allocations at Wool (policy H5)?*

18. This is a question for Wool residents to answer.

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### **Responses to Pre-Submission Consultation**

1. Four responses relevant: Employment , Automation, Rural Functionality Study. SHLAA

#### **Q2**

*Q2. Are the retail centres identified in policy EE3 justified and should the primary shopping areas of the town centres be identified?*

#### **Answer to question 2**

2. The town centres of Swanage and Wareham will probably survive in a much depleted form.
3. The retail centres in Upton, Wool, Bere Regis, Lytchett Matravers and Corfe Castle may only survive as locations of top-up grocery stores with some shops appealing to the passing tourist trade surviving in Corfe Castle.
4. It is not worth defining the primary shopping areas in Swanage and Wareham, they will both be lucky that any shops survive.

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### Responses to Pre-Submission Consultation

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#### Q3

- Q3. (a) *Is that part of policy EE3 which relates to ground floor changes of use in town and local centres within Class A of the Use Classes Order justified, effective and consistent with national policy?*
- (b) *Is the wording of this part of the policy sufficiently clear and effective for development management purposes having particular regard to paragraph 16 of the Framework?*

#### Answer to question 3

2. Q3 (a) Agreed.
3. Q3 (b) Yes.
4. The Government is in the process of revising guidance on change of use so it would be better to leave this as a bland statement.

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## Issue 2: Town and Local Centres (Policy EE3)

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**Q6**

Q6. *Is the change (MM14) to the supporting text of policy EE3 indicated in the schedule of possible modifications [SD14] necessary to ensure that the Plan is sound?*

**Answer to question 6**

2. This amendment states:

*Amend paragraph wording to read:  
 'Wareham's town centre is also defined but the Neighbourhood Plan Group is looking to extend revise this boundary through their plan to better reflect recent changes of use and increase the potential for Wareham.  
 The Wareham Neighbourhood Plan Group anticipates completing its plan sometime in 2019.'*

3. This proposed amendment highlights the major flaw in the Purbeck Local Plan: relying on Neighbourhood Plans that have not been made.
4. According to the wording it is entirely conceivable that the Neighbourhood Plan Group may not have completed its plan before the Inspector publishes her Major Modifications on completion of the public examination.
5. The first phase of the Public Hearings of the Examination are now less than a month away. Yet the Local Plan is still not complete and the best that can be offered is *...sometime in 2019*.
6. Purbeck Council have had 7 years to prepare a Local Plan which should and can be completed in less than 5 years. They have still not completed the Plan which according to MM14 will be *...sometime in 2019*.
7. There is a strong case for saying that the existing town centre boundary will suffice and that Wareham will be lucky to just have a few shops left by 2034. The town centre boundary is academic.
8. I recommend that MM14 is not approved.

## Inspector's Matters, Issues and Questions (MIQs)

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Q6. *Is the change (MM14) to the supporting text of policy EE3 indicated in the schedule of possible modifications [SD14] necessary to ensure that the Plan is sound?*

**Answer to question 6**

2. This amendment states:

*Amend paragraph wording to read:  
'Wareham's town centre is also defined but the Neighbourhood Plan Group is looking to extend revise this boundary through their plan to better reflect recent changes of use and increase the potential for Wareham.  
The Wareham Neighbourhood Plan Group anticipates completing its plan sometime in 2019.'*

3. This proposed amendment highlights the major flaw in the Purbeck Local Plan: relying on Neighbourhood Plans that have not been made.
4. According to the wording it is entirely conceivable that the Neighbourhood Plan Group may not have completed its plan before the Inspector publishes her Major Modifications on completion of the public examination.
5. The first phase of the Public Hearings of the Examination are now less than a month away. Yet the Local Plan is still not complete and the best that can be offered is *...sometime in 2019*.
6. Purbeck Council have had 7 years to prepare a Local Plan which should and can be completed in less than 5 years. They have still not completed the Plan which according to MM14 will be *...sometime in 2019*.
7. There is a strong case for saying that the existing town centre boundary will suffice and that Wareham will be lucky to just have a few shops left by 2034. The town centre boundary is academic.
8. I recommend that MM14 is not approved.

Inspector's Matters, Issues and Questions (MIQs)

Matter G: Economy

Issue 3: Tourism (Policy EE4)

Library documents:

[SD01a-Purbeck Local Plan](#)

[SD25-Economy background paper](#)

[SD26-Bournemouth, Dorset and Poole workspace strategy](#)

**Responses to Pre-Submission Consultation**

1. Four responses relevant: Employment , Automation, Rural Functionality Study. SHLAA

Q1

*Q1 (a) Are the provisions of policy EE4 (Supporting vibrant and attractive tourism) justified, effective and consistent with national policy?*

*(b) Is the wording of the policy sufficiently clear and effective for development management purposes having particular regard to paragraph 16 of the Framework?*

**Answer to question 1 a and b**

2. The Policy does not explicitly state or cover AirNB and other similar sites.
3. There is a strong case for specifically covering this type of accommodation.
4. There is also a strong case for including driverless cars, Uber, Lyft and similar services, and electric planes for tourism.
5. This policy appears to be very grounded in the past.
6. There is no indication for example that the Council has considered mass tourism where a hundred or more Chinese tourists descend on Purbeck from cruise ships

**EXAMINATION OF THE PURBECK LOCAL PLAN**  
FURTHER STATEMENTS ON MATTER G - ECONOMY  
MORETON ESTATE  
JUNE 2019



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## 1.0 Issue 2: Town and Local Centres

**Q1. (a) Is policy EE3 (Vibrant town and local centres) which indicates that the Local Plan supports the provision of an additional 700sq. m (net) convenience retail floorspace justified? If so, is the delivery of that additional floorspace on the housing allocations at Moreton Station/Redbridge Pit (policy H4) and Wool (policy H5) justified?**

**(b) For clarity and viability purposes should the policy indicate the extent of convenience floorspace to be provided on each of the allocations at Moreton Station/Redbridge Pit (policy H4) and Wool (policy H5)?**

1.1 The plan states that the evidence for the provision of convenience floorspace is the “Poole and Purbeck Town Centre Retail and Leisure Study” (2014). This document identifies that there is no significant need across Poole and Purbeck for additional convenience provision, apart from a gap in provision in Swanage and Wareham (paragraph 7.5.11- 7.5.12 and 7.6.4). Paragraph 9.2.14 states that:

*“In respect of convenience provision, whilst there is not significant need across the study area due to extant permissions there is clearly a gap in provision in both Swanage and Wareham town centres, therefore what need that has been identified to 2024 should be allocated within Purbeck to address the current deficiencies.*

■ *Swanage and Wareham town centre convenience (net): 1,200 sq.m – 1,800 sq.m”*

1.2 Despite these conclusions, the plan requires additional retail floorspace provision at Moreton Station/Redbridge Pit, and *“identified provision at these locations will be of an appropriate scale and type relative to the allocations”* (Policy EE3). This implies that the role of any additional provision will be primarily to serve the new development.

1.3 Moreton Estate has no objection in principle to an element of retail provision being provided at Moreton Station/Redbridge Pit as this would clearly contribute to placemaking and the delivery of a more sustainable form of development. Should the provision of convenience floorspace be supported, Moreton Estate would welcome clarity on the scale of retail development anticipated for the site to aid the master planning process and to enable the viability of the development to be assessed.

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# **PURBECK LOCAL PLAN EXAMINATION FURTHER STATEMENT**

on behalf of

**BIRCHMERE LTD**

in relation to

**MATTER G - ECONOMY**

**ISSUE 1: NEED AND SUPPLY OF EMPLOYMENT LAND**

---

Prepared by Matt Holmes, BA Hons MA MRTPI

Registered company number: 9402101 Registered in England & Wales  
Registered office: Unit 5 Designer House, Sandford Lane, Wareham

## 1. Introduction

- 1.1 Birchmere Ltd owns land located on the both sides of Blackhill Road in Holton Heath as well as the nearby Admiralty Park. Their land on either side of Blackhill Road covers an area in excess of 10ha. Some of the land owned by Birchmere falls within the Scheduled Monument at Holton Heath, but the land the subject of their representations falls outside of that designation. The land also falls outside the green belt.
- 1.2 Birchmere Ltd has actively engaged with the Local Planning Authority throughout the preparation of the Local Plan in order to bring forward land at Holton Heath to deliver new employment land that can contribute towards meeting needs for employment land over the plan period. They have proposed the allocation of circa 5.8ha of land for this purpose, known as 'Holton Gate'. The land was included within the LPA's 2016 Options Consultation but has subsequently been omitted from the submission plan. Birchmere Ltd considers this to be a serious omission that goes to the heart of the soundness of the Plan.

## 2. Birchmere's response to the Inspector's matters, issues and questions

*Q1: Is the evidence of the type and amount of employment land needed within the plan period robust and up-to-date?*

- 2.1 No. As set out in our regulation 19 representation, the district is due to face a net loss in employment provision as a result of the Wareham Neighbourhood Plan (to which Purbeck District Council did not object). This plan, which is currently at examination, proposes the loss of 5ha of B1, B2 and B8 employment land at Westminster Road and St Johns Road in Wareham. There are no proposals for its replacement either through the neighbourhood plan or the local plan. Therefore, we do not feel that the type and amount of employment land proposed in the local plan is robust or up-to-date.

*Q2: Is the approach taken in the Plan not to allocate any new employment sites but to retain and safeguard land at two strategic employment sites and a number of other identified employment sites for employment uses (defined as B1, B2 and B8 uses) justified, consistent with the overall spatial strategy and with national policy?*

- 2.2 Birchmere Ltd considers the approach taken in the plan is not consistent with the proposed spatial strategy. The two strategic employment sites – Holton Heath and Dorset Innovation Park – are situated at the opposite ends of the plan area, with Dorset Innovation Park located in the less populated part of the district and conversely with a significant proportion of the safeguarded land. By contrast, Holton Heath is located in the north-eastern part of the plan area and closer to the main centres of population. Nearby

Wareham, Upton, Lytchett Matravers and Sandford together account for 40% of the population and therefore there is a distinct illogicality and inconsistency with the spatial strategy in directing employment growth away from such a significant population. Whilst there is land available at Dorset Innovation Park, it needs to be recognised that that site is not well located in relation to other parts of the district and for in-commuters from further afield. It is a longstanding employment site that has failed to be delivered for many years.

2.3 Birchmere Ltd notes how paragraph 11 of the Economy Background Paper says:

*'Considering its position, adjacent to a large urban area and predominantly rural in character, Purbeck District Council has a relatively modest net outflow of commuters. The most significant commuting relationship is with the Borough of Poole with 4,000 residents commuting from Purbeck to work in Poole and 2,200 commuting from Poole to work in Purbeck each day. The next closest relationships are with West Dorset District (972 out-commuters and 1,263 in-commuters) and Bournemouth (937 out-commuters and 791 in-commuters). About 3,000 of the people who are economically active and resident in Purbeck are self-employed and 17,000 are employees.'*

2.4 It is therefore clear that north-eastern Purbeck, as may be expected given the distribution of its population and proximity to the Bournemouth/Poole conurbation, is the economic centre of the district.

2.5 Birchmere would also like to draw the inspector's attention towards draft Policy H2 (The Housing Land Supply), which identifies settlement extensions to deliver a housing supply of 300 homes in Wareham; 150 homes at Lytchett Matravers; and 90 at Upton. This represents a total of 540 new homes, not even taking into account windfall and 'small sites next to existing settlements', which will no doubt come forward through draft Policy H8 and thus boost housing supply in central and northeast Purbeck. Demand for employment land will therefore increase, making it all the more apparent that additional employment should be provided if the Council is to avoid unsustainable commuting patterns and additional traffic clogging up the Bakers Arms roundabout as people drive past Holton Gate en route to Poole.

2.6 The above-mentioned loss of employment land proposed in the Wareham Neighbourhood Plan will only serve to compound the problem of unsustainable commuting patterns further. The evidence base for the neighbourhood plan provides an

Employment Needs Review paper<sup>1</sup>, which notes in section 11 concerns in relation to the loss of B1 office uses. It also says:

*'The main reasons as to why existing businesses locate in Wareham relate mainly to convenience (being close to where the business owner lives and/or to its local customer base), generally lower prices than found in the conurbation, and the availability of larger units'.*

- 2.7 The point Birchmere wishes to make is that the above quote reinforces how employment land is locally valued and it is difficult to see what social or economic benefit there would be to this part of Purbeck in having a net loss. In short, the failure to not replace this lost employment land is not justified.
- 2.8 Paragraph 104 of the NPPF makes clear that *'planning policies should: a) support an appropriate mix of uses across an area... to minimise the number and length of journeys needed for employment'*. Birchmere Ltd finds that the plan's failure to adequately marry housing growth with employment land supply presents a serious risk of unsustainable commuting patterns, meaning that residents in central and northeast Purbeck will need to travel further afield to locations such as Dorset Innovation Park for employment opportunities, or alternatively will commute to employment opportunities outside of the district. As is well documented in the Council's evidence base, a key issue for the district is the pressure on the A351 and A352 roads, which form the principle arterial routes through Purbeck. The Council vitally needs to be cognisant of the need to cater for both the loss of employment proposed through the Wareham Neighbourhood Plan and the significant additional new housing proposed in central and north-eastern Purbeck. Otherwise, without significantly increasing the quantum of employment land allocated at Holton Heath, there is a very real risk that congestion on the A351 and A352 will be made worse.
- 2.9 The solution is eminently simple: Birchmere Ltd's 5.8ha site at Holton Gate is deliverable and unconstrained, situated at the gateway of a strategic employment site and within easy reach of a significant proportion of the population. Future employees could easily commute by bus, train, bike or on foot and thereby alleviate congestion on the A351. The alternative to allocating this site is a net loss of employment land in this part of the district and people driving past Holton Gate to get to employment in either Poole or at Dorset Innovation Park. Without the allocation of land at Holton Gate, draft Policy EE1 and the plan's strategy as a whole, are not sound.

<sup>1</sup> <https://www.dorsetcouncil.gov.uk/planning-buildings-land/planning-policy/purbeck/neighbourhood-planning-purbeck/pdfs/in-progress/wareham/employment-needs-review-180712.pdf>

2.10 In addition, given that Admiralty Park is a designated employment site and located immediately adjacent to the designated 'strategic employment site' of Holton Heath Trading Park, Birchmere Ltd sees no justification for not linking the two. There is no logic for treating Admiralty Park as an other identified employment site, when it is physically joined to Holton Heath Trading Park and its lawful use is for the same range of safeguarded uses. It would therefore be eminently sensible to include Admiralty Park within the 'strategic employment sites' designation as well as allocating the additional 5.8 Ha of land at Holton Gate for employment use.

*Q3: Is policy EE1 (Employment land supply) positively prepared?*

2.11 Birchmere Ltd considers that policy EE1 is not positively prepared because it does not meet the needs for employment land in central and north-eastern Purbeck. These needs arise from the existing distribution of development in the district; commitments for future residential development in this part of the district; and the potential loss of employment land in Wareham through the adoption of the Neighbourhood Plan. Holton Heath presents a highly sustainable location for new employment development.

*Q4: (a) Is the scale and distribution of the sites (strategic employment sites and other identified employment sites) to be safeguarded in policy EE1 of the Plan justified?*

2.12 Birchmere Ltd is supportive of the identification of Holton Heath Trading Park (Site ES1) for safeguarding in Policy EE1. It is a sound strategy to retain this regionally important employment site, but as noted in paragraph 2.10, it is considered that Admiralty Park, in being located immediately adjacent to Holton Heath Trading Park should fall within the same strategic employment site designation.

*(b) Are the changes (MM9, MM10 and MM11) indicated in the schedule of possible modifications [SD14] necessary to ensure that it is justified?*

2.13 Birchmere Ltd notes how MM9 reduces the total extent of Dorset Innovation Park by some 6.6ha and the estimated remaining quantum available by 1.6ha. This indicates a previously overambitious and unrealistic portrayal of the deliverability of Dorset Innovation Park. Indeed, the reason behind this is owing to Natural England's concerns, highlighting the sensitivity of development in this location. In contrast, land at Holton Gate is not constrained.

2.14 MM10 and MM11 then propose to delete a reference to Dorset Innovation Park being able to deliver 10ha of land post-2023, again on account of environmental constraints. This begins to paint a picture that questions the deliverability of the site and erodes the headroom portrayed by the Council in terms of its surplus employment land provision.

2.15 Birchmere Ltd recognises that Dorset Innovation Park is a pre-existing facility, but the sheer amount of land available on the site, despite its long-term allocation for employment purposes, clearly points to a lack of demand in that location. It is recognised that there is now a Local Enterprise Partnership in place for the Innovation Park, but nevertheless, it is evidently the case that take up of opportunities on that site over many years has been slow.

*Q5: (a) Are the provisions of policy EE2 (Planning for Employment) justified, effective and consistent with national policy?*

2.16 Birchmere Ltd cautiously supports the strategy to direct new employment towards allocated employment sites insomuch that Holton Heath is one such site. However, as set out above, Birchmere Ltd does not consider the plan's overall employment strategy to be sound because of its disconnection with the principles of delivering sustainable development: depriving central and north-eastern Purbeck of employment opportunities is inherently unsustainable. Additional land should be allocated at Holton Heath in order to balance this.

*(b) Are the changes (MM12 and MM13) to policy EE2 indicated in the schedule of possible modifications [SD14] necessary to ensure that the Plan is sound?*

2.17 MM12 is proposed because it reflects paragraph 175 of the NPPF's in respect of impacts on biodiversity. Birchmere Ltd has no particular issue with the addition, but does question the requirement for the modification, when local plans need not repeat national policy.

2.18 Birchmere Ltd supports the further diversification of uses at employment sites, which could only lead to flexibility and ultimately economic gain. As such, Birchmere Ltd finds MM13 a sound modification.

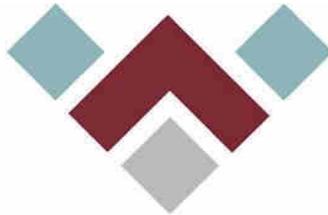
**PURBECK LOCAL PLAN 2018 - 2034**

**EXAMINATION IN PUBLIC**

**RESPONSE TO MATTER G: ECONOMY**

**ON BEHALF OF WELBECK LAND**

**JUNE 2019**



**WELBECK LAND**

**Carter Jonas**



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**Annex A: Vail William report - Westminster Road Industrial Estate, Wareham, Dorset**

## 1.0 INTRODUCTION

- 1.1 This statement is submitted by Welbeck Land (“Welbeck”) in relation to the Examination in Public of the Purbeck Local Plan 2018 - 2034 (“the plan”). Carter Jonas LLP is instructed by Welbeck.
- 1.2 Welbeck is promoting the potential for the development of land at North Wareham and Sandford for residential and associated development acting on behalf of Charborough Estate.
- 1.3 Welbeck has been supportive of the preparation of the plan and the overall principle direction of key elements of the plan. Welbeck supports the overall strategy and the intention of providing a stable policy context for developers such as Welbeck Land to help provide the much needed housing in the District and in Wareham in particular.
- 1.4 Welbeck has specific and important concerns that the plan and its reliance on the Wareham Neighbourhood Plan will not deliver the required housing at Wareham. The evidence supplied by Purbeck District Council does indicate that there is a case for removing some land from the Green Belt, that which has few environmental constraints, in the North Wareham area which would provide for the expansion of the town, commensurate with Wareham’s size and importance to the District. This has not been addressed adequately through policies either within the Neighbourhood Plan or the Local Plan. Moreover, Welbeck is particularly concerned that the Purbeck Local Plan is attempting to contrive a position where this, with no adequate supporting evidence, would result in the loss of a viable and important employment land resource for Wareham and the District as a whole.
- 1.5 Representations were made detailing the views of Welbeck through the informal (Regulation 18) and publication (Regulation 19) consultations for the local plan (Representor ID: 1188067).
- 1.6 In this submission, Welbeck sets out its responses to Matter G: Economy
  - Issue 1: Need and supply of employment land
  - Questions: 1 to 5.

This statement should be read in combination with the Welbeck responses to the inspector’s other Matters.

## 2.0 INSPECTOR'S MATTER G: ECONOMY

### Issue 1: Need and supply of employment land (*Policy EE1 and Policy EE2*)

#### **Q1. Is the evidence of the type and amount of employment land needed within the plan period robust and up-to-date?**

- 2.1 Welbeck's view on this matter is, in short, 'no.' Welbeck commissioned, and then provided to Purbeck District Council in May 2018, a report by Vail Williams on the future of the Westminster Road Industrial Estate (WRIE) (this is included at **Annex A** to this submission). This was a high-level overview of supply and demand of the employment land and property in the Wareham, Poole and Bournemouth areas.
- 2.2 Vail Williams' conclusion is that In terms of the strategic assessments of employment land within the Employment Needs Assessment (ENA), the suggestion is that the supply of employment land exceeds demand. This is surprising given the demand in the region for industrial stock which is the best performing commercial property sector in the market.
- 2.3 The specific focus of the Vail Williams report is the occupiers of Westminster Road, Wareham by the undertaking of an interview process to understand the views and opinions of the occupiers of the Estate to establish the viability of the use of this Estate now and in the future. This was supplemented by providing financial appraisals, using several valuation approaches, to show the viability of this employment land in the Wareham area.
- 2.4 This concluded that the WRIE is seen by occupiers as a key employment area and with owners who wish to occupy the units in the long term. It was established that it is not viable for the site to be purchased and redeveloped for residential use and that the delivery of the site would be difficult due to the fragmented and individual ownerships of the freehold interests.
- 2.5 Welbeck would therefore strongly contest the view that the site is incapable of providing full employment potential and can be lost to beneficial use. Contrary to the Economy Background Paper, the site is not in the ownership of the Council but is occupied by a variety of owner-occupiers and commercial tenants.

#### **Q2. Is the approach taken in the Plan not to allocate any new employment sites but to retain and safeguard land at two strategic employment sites and a number of other identified employment sites for employment uses (defined as B1, B2 and B8 uses) justified, consistent with the overall spatial strategy and with national policy?**

- 2.6 As is suggested above in response to the Inspector's question 1; Vail Williams has expressed 'surprise' that there is no further need for employment land in Purbeck. They are aware of continued need for industrial stock in the commercial market and therefore this points towards continued growth or at least stability.
- 2.7 Welbeck has no strong views about the need to allocate new or additional land for employment, but suggests that if the strategy is to retain the sites that are currently in operation then Westminster Road Industrial Estate in Wareham should be retained as a safeguarded site.

**Q3. Is policy EE1 (Employment land supply) positively prepared?**

- 2.8 Policy EE1 is unsound, it is not positively prepared as it seek the deletion of an active and viable employment location contrary to the NPPF objective of building a strong economy. There is no justification within the published evidence to omit the Westminster Road Industrial Estate (WRIE) from the list of safeguarded employment sites
- 2.9 The reason for not safeguarding WRIE is given by the council within the *Economy Background Paper* where paragraph 71 states:
- “Westminster Road, Wareham: On the eastern edge of the town. The site is in single Council ownership (as identified in the SELAA 2016) and is a relatively large site benefitting from road access to the north and south with good accessibility to the local road network. The northern part of the site is partially occupied by the Local Waste Recycling Centre and Electricity Substation. The southern part of the site is comprised of mixed mid-20th century office and light industrial units. The latest SELAA indicates usage of the site is below full occupancy.”*
- 2.10 Welbeck would therefore strongly contest the view that the site is incapable of providing full employment potential and can be lost to beneficial use. Contrary to the Economy Background Paper, the site is not in the ownership of the Council but is occupied by a variety of owner-occupiers and commercial tenants.
- 2.11 The justification for the deletion of the WRIE from the list of safeguarded sites is provided later in paragraph 72 of the Economy Background Paper as:
- “Deletion of both the above sites from the overall safeguarded employment land supply in the Purbeck Local Plan pre-submission draft would not significantly impact upon total available employment land available for development in Wareham. Over the short to medium term the sites are likely to continue to provide opportunities for economic development but in the medium to longer term assessments indicate that scope for the introduction of a more flexible approach to future growth and investment, including alternative uses such as residential development, would facilitate the overall improvement in occupation and environmental quality of the sites as well as supporting wider needs for development.”*
- 2.12 This is not supported by the evidence published. The loss of the WRIE would result in a loss of about 35% of the identified safeguarded sites in Wareham. There is no provision for new sites at Wareham. This is a significant loss of employment land at one of the three main towns in Purbeck District and one of the more sustainable locations in the District as evidenced by the town’s size, access to facilities, transport links and proximity to the main employment hubs in the area. It is not clear what assessment supports the view that residential development of the site will improve the “occupation” of the site [assumed to mean occupation by employers] or why the environmental quality of the sites needs to be improved or is in any sense a priority over its current employment contribution to the town and the District.
- 2.13 Vail Williams state that in contrast to the opinions expressed within the Neighbourhood Plan (and repeated in the Local Plan) new owners are entering the WRIE and investing in its future. There is limited supply of development land close to WRIE and any significant increase in the availability of development land in the future is unlikely. Vail Williams disagrees with the view WRIE is now run-down and in their

view is not at the end of its useful life. WRIE has transformed itself over the last 2-3 years as the owners continue to improve the quality of their buildings and the estate's aesthetics.

- 2.14 It is unlikely that any new industrial estates will be developed in the current economic climate that provide the sort of relatively low cost and flexible 'workshop' style space that is currently available at WRIE. This is even more so the case if there are no propose allocation for new employment sites.
- 2.15 The sentiment of most of the new owners that were interviewed is that they are there for the long term and see the prospect of redevelopment of WRIE as a threat to their business rather than an opportunity.
- 2.16 The only conclusion that can be drawn is that neither the Neighbourhood Plan nor the Local Plan provides evidence which singles out the Westminster Road Industrial Estate from any other safeguarded employment site which justifies its loss to the employment capacity of the District, and Wareham in particular.

**Q4. (a) Is the scale and distribution of the sites (strategic employment sites and other identified employment sites) to be safeguarded in policy EE1 of the Plan justified?**

**(b) Are the changes (MM9, MM10 and MM11) indicated in the schedule of possible modifications [SD14] necessary to ensure that it is justified?**

- 2.17 As Welbeck has outlined above the need to safeguard WRIE is critical to the success of the Local Plan in order to provide industrial employment space that is not planned to be re-provided elsewhere and there is in sufficient justification to omit its safe guarding in the first instance.
- 2.18 This chapter of the Plan can only be considered to be unsound. It does not fulfil, in the face of the evidence, the NPPF 2018 objective of building a strong economy, or the objective of the Plan to promote a prosperous and diverse local economy in the District and at Wareham in particular.
- 2.19 Welbeck has no comment to make regarding the proposed modifications to policy EE1, however, it is suggested that a more fundamental change is made to ensure that Policy EE1 is fully justified, compliant with national policy and sound. Welbeck would respectively suggest that the Westminster Road Industrial Estate is returned to the list of safeguarded sites.

**Q5. (a) Are the provisions of policy EE2 (Planning for Employment) justified, effective and consistent with national policy?**

**(b) Are the changes (MM12 and MM13) to policy EE2 indicated in the schedule of possible modifications [SD14] necessary to ensure that the Plan is sound?**

- 2.20 Welbeck supports this policy and in particular the tests it contains for considering alternative uses. It is appropriate that if any safeguarded site is to be lost from employment use, that the proposal is tested for likelihood that it can be retained in employment use throughout the Plan period. If this and the other tests listed in sections a) to c) were applied to the Westminster Road Industrial Estate, we would respectfully suggest that planning permission for alternative uses would be refused.

- 2.21 The suggested modifications appear reasonable and add clarity to the process. It is particularly important to understand potential impacts on biodiversity

**Annex A: Vail William report - Westminster Road Industrial Estate, Wareham, Dorset**

# Report on the long term future of the Westminster Road Industrial Estate

## Westminster Road, Wareham, Dorset

**Report date:** 15<sup>th</sup> May 2018

**Prepared for:**

Welbeck Strategic Land III Limited  
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13 Woodstock Street  
London  
W1C 2AG  
Attention: Andrew Hodgson

**Prepared by:**

Philip Holmes  
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Trusted advice for:

**Welbeck Land Limited**

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## 1 Scope of Instructions

- 1.1. Vail Williams have been appointed to undertake a high-level overview of supply and demand of the employment land and property in the Wareham, Poole and Bournemouth areas. There is specific focus on the occupiers of Westminster Road, Wareham by undertaking an interview process to understand the views and opinions of the occupiers of the Estate to establish the viability of the use of this Estate now and in the future.
- 1.2. The following report addresses the views of the occupiers on the Westminster Road, information on current land supply in the Purbeck and District, Bournemouth and Poole areas, providing financial appraisals by adopting several valuation approaches, ultimately arriving in our conclusions on the viability of employment land in the Wareham area.

## 2 Key Contact Details

- 2.1. The report has been undertaken by Philip Holmes, Partner, Solent region based in the Southampton and Portsmouth offices, Andrew Osborne Partner and LLP member based in the Gatwick region and Thomas Horton, Surveyor based in Vail Williams' Valuation team.

## 3 Setting the Scene

### 3.1. Location

Wareham is a semi-rural market town located in the Purbeck and District area to the south of Poole and Bournemouth. The population of the town in 2016 was 5,827 and 30.1% of the population is over 65 (source: Office for National Statistics) and benefits from a mainline railway station, busy town centre and three main industrial estates.

### 3.2. Industrial Estates

- 3.2.1. The first and largest industrial estate is Holton Heath located on the outskirts of the town on the A351. The second is Sandford Lane Industrial Estate in the town centre and the third is Westminster Road Industrial Estate.
- 3.2.2. The latter two industrial estates are small in comparison to industrial areas in the large conurbations of Bournemouth and Poole. However, for Wareham they are considered as key employment areas in the town centre.
- 3.2.3. The Purbeck and District area is not considered as an established location for industrial/warehousing use and in terms of new development of employment space there has been very few new developments for many years.

### 3.3. Westminster Road Industrial Estate

- 3.3.1. The subject site, Westminster Road is approximately 5.11 ha (12.65 acres) (source Nimbus Maps) totaling approximately 12,400 sq m (133,500 sq ft) (source: VOA) of employment space arranged as 13 buildings consisting of 18 units, plus the local authority recycling centre.

- 3.3.2. The buildings are mainly detached or semi-detached and appear to be built in the 1960's. They mainly have low eaves heights, two storey offices to the front, with generous parking or yard space.
- 3.3.3. In comparison to other estates in more recognised industrial locations, these buildings would be considered as inferior quality. However, in this specific location our report will show that because of a recent change in ownership of many of the units, the areas are being slowly regenerated.
- 3.3.4. Whilst we have not undertaken a detailed investigation into the employment population on the estate from our initial research, we are of the opinion there are approximately 180 people employed on the estate either on a full time or part time basis. However, to be accurate, this will require further investigation.

## 4 Local Supply

### 4.1. The Local Market

- 4.1.1. In terms of the wider area, as the market still recovers from the recessionary times there remains a lack of development of employment space. This is evidenced in our availability report produced by CoStar attached in Appendix 1.
- 4.1.2. In the attached Availability Report, we have listed the vacant units with areas ranging from 4,000 sq ft to 20,000 sq ft currently in the market from Wareham to the west, Wimborne to the north and Ringwood to the east.
- 4.1.3. The Wareham area is considered as an inferior industrial/employment location in comparison to the Bournemouth and Poole areas. The rents are considerably cheaper than the equivalent space in larger towns and our research suggests the affordability of space in Wareham has been a key attraction for the occupiers at Westminster Road.
- 4.1.4. This report shows a reasonable supply of units in the region. However, the majority are modern units at rents more than those being quoted and achieved in Wareham. In terms of Wareham, there is only one unit to let on Sandford Lane Industrial Estate.

### 4.2. Rental and Capital Values – Wareham

- 4.2.1. The most recent evidence of industrial transactions in Wareham have been the sales of the former Daler Rowney buildings on Westminster Road where freehold sales have completed at prices in the region of between £30 to £40 per sq ft. This equates to an estimated rental value in the order of £4.00 - £5.00 per sq ft
- 4.2.2. The listing in Appendix 1 is a general overview of availability, stock in these established industrial locations demand rents greater than those achieved in Wareham. In terms of rental parameters, quoting rents for stock range from approximately £6.00 per sq ft for basic stock up to £10 per sq ft for brand new buildings.
- 4.2.3. It can also be seen that there is a lack of supply of buildings to purchase, rather than lease. Occupiers who have accrued capital and have a pension fund tend to purchase their own building. In the current market, they struggle to identify opportunities to purchase.
- 4.2.4. Our research suggests that the occupiers were attracted to the industrial areas of Wareham where there is stock available for a lower price, available to purchase which their business allows them to be based in Wareham where access and communications are not as good as Bournemouth and Poole. This, however, is a "snapshot in time" as this only occurred when a major occupier decided to vacate the estate and it is likely this will not happen again.
- 4.2.5. Coincidentally, at the time of this report, Vail Williams are acting on behalf of Daler Rowney to dispose of units 16 and 17 Westminster Road. Vail Williams are appointed to sell the freehold

interest on behalf of Daler Rowney and the property was put under offer within a few days of it being released to the market.

## 5 Local Authority Allocations

### Background

- 5.1. Purbeck District Council have adopted two Local Plans covering employment sites. The first is Purbeck Local Plan Part 1, adopted in 2012 with its employment evidence base having been undertaken in 2010. The second is the Swanage Local Plan, adopted in 2017.
- 5.2. Purbeck District Council are currently undertaking a review of their Local Plan Part 1. To date they have released an Issues and Options Document which sets out their broad aims for the district. This document has not been adopted. It should also be noted that Purbeck District Council have stalled work on the Local Plan review until new planning policy has been issued from Central Government.

### Existing Employment Land Supply/Allocations

- 5.3. Purbeck did not allocate new employment sites for development in their Local Plan Part 1 due to the potential for redevelopment and intensifications on existing sites. In addition, with demand for 11.5 hectares of employment land it was anticipated that the current supply of employment land (35.15 hectares) would provide sufficient flexibility and choice of sites to cater for employment growth. Attached in Appendix 2 is a table showing the existing employment supply as detailed in the Purbeck Local Plan Part 1.
- 5.4. The majority of employment land supply is at Holton Heath Industrial Estate (35 hectares) and at Dorset Green Technology Park in Wool (72 hectares). The remainder are relatively small, infill sites in the general area including Westminster Road.

### Potential Allocations in the Future

- 5.5. Purbeck District Council are currently considering several options for future employment allocations in the district through their review into the Purbeck Local Plan Part 1. In Appendix 2 we have provided details of proposed sites which have been identified through the Issues and Options process which have not been allocated and only demonstrate that the Purbeck District Council are currently considering if these sites have the potential to be allocated as employment sites, subject to public consultation.
- 5.6. Several of the sites that have been promoted through the Issues and Options statement are relatively small which are either the re-use of existing employment uses or farm land mainly in rural and semi-rural locations. The prospects of identifying developers to construct new industrial and warehouse buildings for letting to the open market is unlikely. Therefore, a more likely route would be the sale of these sites to owner occupiers.

## 6 Westminster Road – Overview

- 6.1. Westminster Road is situated to the north west of Wareham town centre. Via the A351 from Bournemouth and Poole, Wareham provides access into Corfe Castle, Swanage and the outlying villages.
- 6.2. Westminster Road is situated between Bere Road and Carey Road. This road is used mainly by local traffic and visitors to the estate. It is straight and mainly clear of obstructions, providing ease of access for HGVs and large trucks to turn and load without causing significant obstruction or traffic congestion. However, our research suggests that poor parking enforcement is a concern of some of the occupiers.
- 6.3. **Daler Rowney**
- 6.3.1. In 2014, Daler Rowney announced their intentions to vacate six buildings on the Westminster Road Estate and move their production operation to their HQ facility in Bracknell, Berkshire.
- 6.3.2. Daler Rowney have embarked on a phased process of relocation and their last building will become vacant when their lease expires in 2019. [REDACTED]
- 6.3.3. Apart from the leased unit, Daler Rowney owned the freehold interests of the buildings they occupied on the estate. Therefore, the typical scenario of a lease expiring did not happen; the buildings did not revert to the landlords or pension funds who owned parts or the whole estate, who are reluctant to sell.
- 6.3.4. At lease end, Daler Rowney would be obliged repair the building in accordance with their lease. Should it be required, the landlord may undertake further improvement works with the ultimate objective of having a refurbished building available to lease.

[REDACTED]

### 6.4. Purchasers

- 6.4.1. In this instance, apart from one unit, the freeholds were sold by Daler Rowney and in the case of Unit 1, the building was purchased from the receivers. The buildings needed improvements and had not been refurbished. This created a unique scenario where buildings in need of a refurbishment were launched to the market in the town at a relatively low cost.
- 6.4.2. This generated interest from local occupiers who seized the opportunity to purchase the buildings at a low cost and undertake works to make the building their own for the long term.
- 6.4.3. These owner-occupiers were either already based on the estate or recognised Westminster Road as a location to position their business from elsewhere in the area.

## 7 Westminster Road - Questionnaire

- 7.1. Vail Williams undertook a survey of most of the occupiers which resulted in a clearer understanding of their views and their future intentions.
- 7.2. Vail Williams interviewed the key contacts of the occupiers of Westminster Road who chose to participate, and a copy of the questionnaire is attached in Appendix 3. Three of the occupiers contacted either declined or did not respond to our requests for an interview.
- 7.3. Our research shows that the businesses on the estate have expanded their operation in Wareham and have made a significant investment in the improvement of their buildings on Westminster Road.
- 7.4. They identified Westminster Road as affordable space that is cheaper than its counterparts in more established areas in the Bournemouth and Poole area. The land surrounding the buildings offered the flexibility to extend and create external loading areas. The semi-detached or detached layout was an advantage over the typical terraced estates which mainly suffer from limited loading and car parking.
- 7.5. The configuration of the buildings has allowed these occupiers to expand their business, improve the quality of the buildings and invest in the configuration. Our research shows they have every intention of remaining there for the long term.
- 7.6. Below is a table of the occupiers of the estate.

<b>Unit No Westminster Road</b>	<b>Occupier</b>
1	Purbeck Ice Cream
2 & 3	Daler Rowney, lease exp 2019 and vacating
4 & 5	Polar Holdings
6	Evo Motion Design Ltd
7	National Tube Straightening Service
8 (Land West of Westminster Rd)	Splitz Studios (part)/Sita Waste (offices)
Electricity Substation	Electricity Substation
Wareham Recycling depot	Wareham Recycling depot
9	The Westminster Wire Factory Ltd
12	Chococo Ltd
13 (Land on west side of Westminster Road)	The Westminster Wire Factory Ltd
14	The Westminster Wire Factory Ltd
10	The Westminster Wire Factory Ltd
15	Olympia Triumph Manufacturing Company Ltd
16 & 17	Daler Rowney (under offer)
18	Eaton Stonemasons Ltd

- 7.7. For the purposes of this report, we have not interviewed the following
- Daler Rowney as they are vacating the estate and no longer have a long-term interest in the estate.
  - The occupier of the Purbeck and District refuse centre.
  - Occupiers on Carey Road
  - Unit 8 Westminster Road as this appears to be multi-let to a number of occupiers and we could not obtain the information.
  - The owners of the Electricity Substation
  - The owners of Woodbine Cottage and the attached land.
  - Those who did not respond or declined.

## 8 Responses from the Questionnaire

### 8.1. Methodology

- 8.1.1. After the brief was taken from the client, a questionnaire document was prepared and approved.
- 8.1.2. The questionnaire requested information on the tenure arrangements of the occupiers, how long they occupied the building(s) and then requested more in-depth information on their business, their staffing, their views on the employment base in the town and their future aspirations in terms of their growth and future investment in their property. A copy of the questionnaire can be found in Appendix 4.

### 8.2. Ownership

- 8.2.1. Of those interviewed, the table below provides the tenure of the respective occupiers:

██████████	██████████	██████	██████████
██████████	██████	██████████	██████████
██████████	█	██████████	██████
████████████████████	██████████	██████████████████	██████
██████████	█	██████████	██████
██████████████████	█	██████████	██████████

### 8.3. **Questions and Responses**

#### 8.4. **Question 1 – I have an aspiration to expand my business in the future**

- 8.4.1. All parties agreed. The occupiers interviewed on the Estate have growing businesses and need staff and buildings to satisfy this expansion. This also suggests the businesses have not grown to a point where further expansion will not be profitable or their business has matured to such a point that the owners do not see a need to expand any further.
- 8.4.2. One occupier, who has only recently moved onto the estate has moved from a 3,500 sq ft unit to 10,000 sq ft to take account of their future growth plans.

#### 8.5. **Question 2 – Westminster Road suits my long-term property requirements**

- 8.5.1. All parties agreed. This reinforces the view of occupiers on the estate that own their freehold to take the opportunity to purchase their building for the long term.
- 8.5.2. Many occupiers on industrial estates typically lease their buildings and therefore there is a regular turnover of occupiers as they expand their business and move to larger premises elsewhere.
- 8.5.3. These occupiers have chosen to purchase a building on this estate as the physical layout of the building allows expansion and adaptation. It appears the growth plans of their business can be accommodated at Westminster Road.

#### 8.6. **Question 3 - If I had to move (for whatever reason), there are viable alternative options for my business in the area?**

- 8.6.1. The responders disagreed with this statement. The reasons given was that the other estates in the area were “cramped and expensive” and there is limited choice.
- 8.6.2. The main piece of feedback was affordability. The values of the buildings and the prices paid are much lower than the equivalent property in larger, more established areas such as Bournemouth or Poole.
- 8.6.3. Whilst the new developments at Horton Heath could be considered as alternatives they are significantly more expensive than an equivalent property in Wareham.
- 8.6.4. The low base value of the estate reflects the view that Wareham is a less established industrial location and the inferior quality of the buildings that required investment from the new owners to refurbish and upgrade.
- 8.6.5. In addition to the feedback from the occupiers, in our experience, an occupier, when they own a building will be reluctant to relocate to a leasehold building.

#### 8.7. **Question 4 - My business is Wareham based and I intend to keep my business in the town**

- 8.7.1. The occupiers agreed to this statement. One comment was that the occupiers have now established a strong network of casual labour that is drawn from the town in peak times as it is cheaper than the use of agency staff. This has taken several years to establish. Another occupier has invested heavily in the building to suit their needs and have no intention to move again.
- 8.7.2. In addition, in terms of the value of the buildings, the lower value of employment space in the area will impact the occupier’s ability to relocate to more expensive locations in the area.

#### 8.8. **Question 5 - My business employs the following number of staff: (1-20; 20-40; 40-80; 80+)**

- 8.8.1. The occupiers (apart from Daler Rowney) are local businesses. The occupier’s staff levels mainly range from 1 to 20 with additional casual staff or those based in other locations in the region. However, one occupier has stated that their proposed relocation to Westminster Road will allow them to double their staff levels within the next 2 years.

8.9. **Question 6 - What percentage of my employees live in Wareham: (None; 10% - 20%; 30%-50%; 50%-75%; 75%- 100%)**

- 8.9.1. The responses range between 10% to 50%. This will depend on the type of work. However, additional comments from the occupiers stated that advertisements on local employment websites generated very few applications from Wareham residents.
- 8.9.2. Another occupier stated they advertised only in Wareham for two members of staff, but they only had one application from a local person, who was employed.
- 8.9.3. The remainder of the staff reside in outlying rural villages in the Purbeck area where there are limited local employment opportunities or commuting from the larger towns, mainly Bournemouth and Poole.

8.10. **Question 7 - My staff commute to work using public transport**

- 8.10.1. There are mixed opinions here, but the overall aspiration is that the train network is to be used by staff. There is an aspiration to increase the number of staff cycling to the unit through the growing cycle network.
- 8.10.2. Comments were made on the convenient train route to Wareham from Bournemouth and Poole and this is used by the employees on the estate.

8.11. **Question 8 – How far from Westminster Road are your staff based?**

- 8.11.1. The staff not living in Wareham are based up to 20 miles from the Estate but the average 4-10 miles. One business relocated from Swanage and have managed to retain their staff as the staff have chosen to relocate to allow them to have greater choice of affordable rented accommodation.

8.12. **Question 9: I am satisfied with the general presentation of the estate and do not see any need to improve (Agree; Neither agree or disagree; Disagree)**

- 8.12.1. The occupiers gave a positive response and recognised the recent relocation of Daler Rowney has allowed the estate to evolve and improve. The void space created has allowed new investment from the new occupiers and expanding occupiers already on the estate.
- 8.12.2. The occupiers have invested in the units to improve their own buildings and this is having a positive impact on the overall presentation of the estate. This view is that the improvement of the overall aesthetic and regeneration of the estate with new occupiers will increase employment for the local area and improve the local economy.

8.13. **Question 10 - If you disagree (with question 9), what would you like to see improved? (Access; Security; Road Surface; Landscaping)**

- 8.13.1. The occupiers did not identify anything specific and commented that there is still a need for general improvement. One occupier suggested the road surface could be improved and the estate landscaped however the main feedback was parking problems and improved traffic management. One occupier has a showroom with a public access and they suffer from congestion, mainly around the refuse centre.

8.14. **Question 11 – I am planning in investing in my property in Westminster Road in the next 5 years? (Agree; Neither agree or disagree; Disagree)**

- 8.14.1. The occupiers agreed with this statement and the planned investment will be in the purchase of new plant and machinery, improvements to their buildings such as new roofing and building extensions. One commented that this investment will then facilitate the ability to employ more staff.

- 8.15. **Question 12 - We believe there is demand in Wareham for the development of further employment space? (Agree; Neither agree or disagree; Disagree)**
- 8.15.1. Occupiers feedback was that they were able to purchase their building because it was less expensive than a similar property in more established industrial locations. Therefore, local demand in Wareham for new space at rents and prices that would make a new development viable will be low. There appears to be demand for employment space at the values paid at Westminster Road, but nothing more.
- 8.15.2. The other issue is the quality of the access and the view taken that the local road system cannot accommodate a significant increase in commuter traffic.

## 9 Report Appraisals

- 9.1. We attach in Appendix 4 our appraisal of a potential redevelopment of the site to residential use along with appraisals for the current use value of the site. These figures are based on certain assumptions of the existing assets, and the likely value of the estate as an income producing investment.
- 9.2. We have considered appraisals for both the current use of the site for commercial use and the development viability for residential housing.
- 9.3. We have used these scenarios to establish if in comparison with the appraisals undertaken of the existing space the redevelopment of the site is viable.
- 9.4. Assumptions have been made to arrive at these figures and hypothetical scenarios have been created. Therefore, these appraisals should be considered in the context of this report and not in isolation.
- 9.5. Please note that this section of the report should not be considered as a formal valuation. This is a desk top exercise to establish “high-level” appraisals and forms part of the overall comments in this report. Any changes in the development assumptions made will result in a different residual land figure and there are many variables and unknowns at this stage.
- 9.6. **Summary**
- 9.6.1. Our appraisals suggest the following:
- 9.6.2. **Current Use** - assuming a vacant estate - £6,400,000
- 9.6.3. **Appraisal of the Investment Asset** - assuming the estate is fully leased (rather than owner occupied) on identical lease terms – £6,400,000 to £7,900,000
- 9.6.4. **Residual Appraisal** - assuming a redevelopment site with consent for residential development we would anticipate parameters in the order of between £2,600,000 to £4,100,000
- 9.6.5. We can therefore conclude that the financial appraisals indicate, using two approaches, that the potential value of the current use of the estate is more than the estate if redeveloped for housing.
- 9.6.6. The reason for this is that these buildings remain fit-for purpose and are not at the end of their operational lives and redevelopment is not the only option. Whilst the prices paid for the buildings are at a low base, this reflects the quality of the buildings and the location. The works undertaken on the properties by the individual owners will only enhance the values of individual units on the estate.

## 10 Current Use Appraisal

- 10.1. In arriving at our opinion of current use value, we have undertaken the following methodology and utilised the tried and tested valuation techniques and appraisals.
- 10.2. Comparable and Investment Methods of Valuation techniques have been applied to establish high-level appraisals. The first approach assumed vacant buildings available in the open market and the second leased buildings to establish the value as an income producing investment.
- 10.3. To arrive at these figures, assumptions have been made and therefore these are hypothetical and is not an appraisal of the current status of the estate.
- 10.4. We have considered our historic knowledge of comparable transactions, premises currently available for sale and our experience of valuing comparable properties.
- 10.5. It should be noted that we have not inspected any property on the industrial estate for the purposes of this exercise and we are unable to comment on the condition, layout or detailed specification of the properties.
- 10.6. We have conducted an online enquiry via various portals, including the online EPC register and Co-Star to provide an estimate of the Gross Internal Areas of each unit.

### 10.7. Vacant Possession Valuation

- 10.7.1. To prepare our appraisal, we have adopted the Comparable Method of Valuation technique and have considered leasehold rents and freehold prices achieved of comparable properties within the vicinity.

### 10.8. Industrial Accommodation

- 10.8.1. We have considered, amongst others, the comparable transactions contained within Appendix 5. However, we believe that the following comparable evidence is of importance:

Description	Area (sq ft)	Sale Price (£)	Sale Price (£/psf)	Sale Date
Units 4 & 5, Westminster Road, Wareham	19,153	£665,000	£34.72	September, 2017
Unit 18, Westminster Road, Wareham	9,314	£435,000	£46.70	March, 2017

- 10.8.2. We understand that the sale of 18 Westminster Road was distressed and as such we believe that less weight should be attributed to it.
- 10.8.3. Therefore, based on the evidence available and on the basis the age, condition and specification of the buildings are broadly the same, for the purposes of the appraisal we have adopted £35.00 per sq ft as a freehold price to apply to our appraisal.

### 10.9. Residential Accommodation

- 10.9.1. We understand Woodbine Cottage, situated along Carey Road should form part of this appraisal. We have therefore utilised the Comparable Method of Valuation, assuming vacant possession to provide our opinion of the freehold price.

- 10.9.2. We have been unable to inspect the property and as such are unable to comment on the condition, layout or specification of the property. Therefore, we have conducted an online enquiry via various portals, including Rightmove, Zoopla, Google Street View and the online EPC register. We have concluded that the property is likely to be a 4 Bedroom Detached House that benefits from a garden and parking, being in the region of 1,400 sq ft.
- 10.9.3. In addition, we have assumed that the land to the east side of Woodbine Cottage is included within the demise of the property. One could argue that an individual might pay an additional sum for the land. However, due to scarcity of evidence, we are unable to comment on the former and as such have not attributed any extra value to the land.
- 10.9.4. We have had regard to, amongst others, the comparable transactions including the following:
- **33 Ropers Lane, Wareham, Dorset, BH20 4QT** – where a 157 sq m (1,690 sq ft) detached house sold in January 2018 for £450,000, equating to £2,863 psm (£266 psf). The property is not a new build, but presents in a good condition and benefits from a rear garden, a double garage, ample off-street car parking and being 0.4 miles from Wareham train station;
  - **Shore Drive, Wareham, Dorset, BH20 7BT** – where a 132 sq m (1,421 sq ft) 1986 four-bedroom detached house sold in December 2017 for £385,000, equating to £2,916 psm (£270 psf). The property is not a new build, but presents in a good condition although in need of modernisation and benefits from a garage, off street car parking, a garden and being 0.9 miles from Wareham train station;
  - **1 Gore Hill, Sandford, Wareham, Dorset, BH20 7AL** – where a 127 sq m (1,367 sq ft) 1970s four-bedroom detached house sold in January 2018 for £425,000, equating to £3,346 psm (£310 psf). The property is not a new build but presents in a good condition and benefits from a garage, garden and being 1 mile from Wareham train station. The property also benefits from an annex.

Considering the above, the evidence identified and with the above information, for the purposes of this appraisal we have adopted £405,000, which equates to a rate of £289.29 per sq ft.

#### 10.10. Electricity Sub-Station

10.10.1. For the purposes of this report, we have assumed that the Electricity Sub-Station totaling 1.95 acres (7,879 sq m) is to be excluded from the aggregate site area and as such it has been omitted from our calculations.

#### 10.11. Recycling Centre

10.11.1. We understand that the recycling centre totals 2.309 acres (100,580 sq ft).

10.11.2. In our experience and in line with the standard market approach, we have applied an open storage rate to land used by the recycling centre.

#### 10.12. Appraisal of Estate with Vacant Possession

Based on certain assumptions our appraisals suggest a figure of £6,400,000 for the hypothetical scenario of a site available with vacant possession.

We have attached the appraisal in Appendix 6.

## 11 Investment Appraisal

11.1. For this appraisal, we have adopted a term and reversion valuation technique and used the comparable method of valuation to establish a reasonable rent, which is capitalized to calculate the freehold value.

### 11.2. Industrial Accommodation

11.2.1. For the purposes of this appraisal, we have made the following assumptions:

- 10-year term with a 5<sup>th</sup> year break option, reflecting a 5-year term certain;
- Covenant strengths are reflective of the age, specification and location of industrial estate;
- The properties are held on full repairing and insuring leases with schedule of conditions and are assumed to be put in full repair upon vacation of an outgoing tenant. We have, therefore, assumed that the units are being valued in full repair.

### 11.3. Leasehold Rent

11.3.1. For Market Rent, we have considered, amongst others, the comparable transactions contained within Appendix 6. However, we believe that the following comparable evidence is of importance:

Description	Area (sq ft)	Rent Per Annum (£)	Rent (£/psf)	Sale Date
Unit M2, Romany Works Business Park, Holton Heath	17,106	£95,000	£5.55	April, 2017
Units 2 & 3, Westminster Road, Wareham	19,214	£73,500	£3.83	July 2015
Unit 6, Westminster Road, Wareham	9,498	£39,900	£4.20	July 2015

11.3.2. There is not a wealth of direct comparable evidence within the immediate vicinity. Therefore, we have had regard to the above comparable evidence that is approximately 3 years old. However, we understand it to be the most recent evidence on the estate and to be reflective of the age and specification of the estate.

11.3.3. We have also included Unit M2 of Romany Works Business Park, which is the most recent transaction. It is useful to illustrate a ceiling rent per sq ft, as the property of a better specification and location, being close to the A35.

11.3.4. Considering the above, the evidence within Appendix 6 and with the current information to hand, we believe a reason rent could be £4.30 per sq ft.

### 11.4. Net Initial Yield

11.4.1. We have considered our historic knowledge of comparable transactions, premises currently available for sale to establish reasonable Net Initial Yield.

- 11.4.2. When determining the appropriate Net Initial Yield, one should have consideration of the risk to any potential investor and the covenant strength of any likely occupier.
- 11.4.3. The buildings on the estate are of a specification that would most likely suit an investor or developer who may either look to undertake a comprehensive refurbishment of the buildings or redevelop the larger area, as illustrated by the purpose of this report.
- 11.4.4. Therefore, a significant investment could be required by a potential investor and as such this should be reflected in the Net Initial Yield.
- 11.4.5. The industrial estates specification should be considered. It could be inferior compared to modern equivalents and would likely attract occupiers with covenant strengths that reflects the condition.
- 11.4.6. The figure stated above is merely an indication of an appropriate investment yield, based on the stated assumptions under para 11.2.1. For the purpose of this report we have taken considered the investment value of the whole estate assuming a yield range of 12% to 10%.

#### 11.5. **Residential Accommodation**

- 11.5.1. In line with common market practice the residential property (detailed in para. 10.7) is likely to be let on an Assured Shorthold Contract and due to the short nature of these contracts have assumed vacant possession for the purposes of this appraisal.
- 11.5.2. Considering the above and in line with figure 11.2.1 we have adopted a figure of £405,000 for the freehold interest.

#### 11.6. **Electricity Substation**

- 11.6.1. For the purposes of this report, we have assumed that the Electricity Sub-Station totaling 1.95 acres (7,879 sq m) is to be excluded from the aggregate site area and as such it has been omitted from our calculations.

#### 11.7. **Recycling Centre**

- 11.7.1. We believe that it is reasonable to apply a value of £0.75 per sq ft for the rent, equating to £75,435 pa.

#### 11.8. **Appraisal of Estate with Vacant Possession**

- 11.8.1. Having regard to the above and based on the evidence that is available as at the date of this report, we are, therefore, of the opinion that the Aggregate Value of the Freehold interest in the subject properties is in the order of £6,400,000 based on a 12% yield and £7,900,000 based on a 10% yield. Clearly a more optimistic yield than 10% would create a higher investment value and we consider our approach to be cautious.
- 11.8.2. Based on certain assumptions our appraisals suggest a range of £6,400,000 to £7,900,000 for the hypothetical scenario of a site available as an income producing investment.
- 11.8.3. The figure stated above is merely an indication of a possible investment value by applying certain valuation techniques, based on the stated assumptions under para. 11.2.1.
- 11.8.4. We have attached the above appraisal based on a yield of 12% in Appendix 7.

## 12 Residual Appraisal

- 12.1. We have undertaken a residual appraisal to assess the development viability of the site for residential housing.
- 12.2. We accept that there is currently a degree of uncertainty surrounding both costs and the market generally in the lead up to Brexit. Subsequently, these factors may impact upon sale prices and in accordance with accepted practice, we have assumed current comparables and costs in undertaking our viability assessment.

### 12.3. Site Value and Associated Costs

#### 12.4. Developers Profit

- 12.4.1. For the proposals to be considered viable, a developer will require a profit or return. The level of profit is a function of the development risk associated with the construction and sales and the developer's required return on capital invested.
- 12.4.2. House builders typically seek a profit of circa 20% on Gross Development Value (GDV) or 25% Profit on Cost for market housing, although some require a higher return for a scheme to be acceptable and hence viable. For this report, we believe that a profit of 20% on cost is reasonable and is in line with our market expectations if the site was to be sold.

#### 12.5. Fees and Other Costs

- 12.5.1. The proposed development will result in a residual site appraisal and usually the appraisal and/or viability methodology assumes the site will be sold with the benefit of planning consent to establish this residual value.
- 12.5.2. There would be costs associated with the sale comprising Stamp Duty Land Tax Commercial (SDLT Commercial), agents and solicitors. Agency and legal fees on a transaction of this size are likely to be in the order of 1.00% and 0.50% respectively.

#### 12.6. Gross Development Value

- 12.6.1. We have assumed a development area of 10.707 acres (43,330 sq m), which was calculated using Nimbus Maps and is the aggregate total of the site, excluding the electricity sub-station. For the purposes of this report, we have assumed that the electricity sub-station is to be excluded from the calculations.
- 12.6.2. In line with general market practice, we have assumed a plot size of 250 sq m for 2 and 3-bedroom houses and 400 sq m for 4 bedroom houses. We have, therefore, calculated the aggregate housing provision to be 160 units. We believe that this assumption affords each house a garden of reasonable size and adequate parking provision. This is equivalent to 36.9 dwellings per hectare (dph), slightly higher than typical edge of town development densities at 35 dph, and is considered a sensible assumption. This is higher than historic density guidance at 30 dph and to refine this exercise an architect's master plan would be required.
- 12.6.3. We believe that the following housing mix could be appropriate:

Description	No. of Units
2 Bedroom House	41
3 Bedroom House	97
4 Bedroom House	22

- 12.6.4. In deciding the above, we have had reference to Purbeck's Local Plan (2012), which in 'Housing Mix', outlines in para. 8.3.4 a higher need for 2 and 3-bedroom properties.
- 12.6.5. It should be noted that the above is subject to the approval of Purbeck District Council and a developer, therefore it is likely to change.
- 12.6.6. We have had reference to the 'Technical Housing Standards – Nationally Described Space Standard (March 2015)' to determine the size of the accommodation for the proposed housing. Table 1 is illustrated below:

**Table 1 - Minimum gross internal floor areas and storage (m<sup>2</sup>)**

Number of bedrooms(b)	Number of bed spaces (persons)	1 storey dwellings	2 storey dwellings	3 storey dwellings	Built-in storage
1b	1p	39 (37) *			1.0
	2p	50	58		1.5
2b	3p	61	70		2.0
	4p	70	79		
3b	4p	74	84	90	2.5
	5p	86	93	99	
	6p	95	102	108	
4b	5p	90	97	103	3.0
	6p	99	106	112	
	7p	108	115	121	
	8p	117	124	130	
5b	6p	103	110	116	3.5
	7p	112	119	125	
	8p	121	128	134	
6b	7p	116	123	129	4.0
	8p	125	132	138	

(Source: Table 1 of the Technical Housing Standards – Nationally Described Space Standard (March 2015))

- 12.6.7. Based on the above, we have assumed the following Gross Internal Areas for Market and Affordable Housing:

Description	Elevation	Sq ft	Sq m
2 Bedroom Terraced House	2 Storey	850	79.00
3 Bedroom Semi-Detached House	2 Storey	1,100	102.00
4 Bedroom Detached House	2 Storey	1,335	124.00

- 12.6.8. For both the Market and Affordable Housing we have assumed that the buildings will be completed to a good standard with high quality fixtures and fittings. This will be necessary to achieve the sale prices set out below.

## 12.7. Gross Development Appraisal – Market Housing

- 12.7.1. To arrive at likely market sales prices, we have predominantly sought new build properties that are part of development schemes and are of a similar specification and design to the proposed housing. However, due to a lack of development projects within the vicinity of Wareham, we have extended our search radius to locate comparable new build properties.

- 12.7.2. We have used a search radius of 12 miles with the focal point being Wareham.
- 12.7.3. Within the given search area, there is a distinctive lack of development schemes that provide 2-bedroom houses. We have, therefore, utilised Rightmove's valuation service to locate existing 2-bedroom houses that are within Wareham. However, to consider the new build nature of the proposed houses, we have adjusted the freehold value of the properties by 10%. We believe that this is in line with standard market practice.
- 12.7.4. Based on the above areas that are illustrated in para. 10.6.3, we consider that the new units could have the following sale rates and gross values of:

Description	No. of Units	£/psf	Aggregate Value
2 Bedroom Terraced House	25	£341	£7,249,319
3 Bedroom Semi-Detached House	58	£295	£18,785,600
4 Bedroom Detached House	13	£330	£5,726,160
			<b>£37,761,079</b>

## 12.8. Gross Development Appraisal – Affordable Housing

- 12.8.1. In accordance with the Affordable Housing Supplementary Planning Document by Purbeck District Council (April, 2013), we have adopted an affordable housing provision of 40%. However, it should be noted that previous residential developments, such as Frenches Green by Wyatt Homes have provided affordable housing at 30%, following a ruling by the Planning Inspectorate.
- 12.8.2. The affordable housing provision of 40% would constitute 90% Affordable Housing Tenure (AHT) and 10% intermediate, as outlined by Purbeck District Council in the Affordable Housing Supplementary Planning Document by Purbeck District Council (April, 2013).
- 12.8.3. Based on Purbeck District Council's 'How to calculate the contribution for affordable housing as part of a planning application (2013)' and figures 12.6.3, we consider that the affordable housing provision could be as follows:

Description	No. of Units	Remainder
2 Bedroom Terraced House	16.40	0.40
3 Bedroom Semi-Detached House	38.80	0.80
4 Bedroom Detached House	8.80	0.80

- 12.8.4. The above table illustrates remainders of 0.40, 0.80 and 0.80 houses for the 2, 3 and 4 Bedroom Houses respectively. Based on Purbeck District Council's How to calculate the contribution for affordable housing as part of a planning application (2013), we understand that a financial affordable housing contribution will be required and could be in the region of £278,000.
- 12.8.5. We have assumed that the affordable housing could be purchased from the developer as a whole and at 55% of the freehold value. This equates to an aggregate total of £11,260,000 for affordable housing.

## 12.9. Development Costs

- 12.9.1. Figures 9.35, 9.36 and 9.37 provide a summary of the aggregate construction cost of £29,967,307.
- 12.9.2. Please note that a variance in the below development costs could adversely affect the appraisal.

## 12.10. Development Units

12.10.1. The below new build costs have been obtained from the construction rates provided by Building Cost Information Service (BCIS) of the RICS.

12.10.2. The BCIS's new build costs are based on figures provided in Q2 of 2018 and include a 'location factor' of 0.99, based upon the development being situated within Purbeck.

12.10.3. Please see the following median values for 2 storey new build houses, which are provided on a Gross Internal Basis:

Description	£/sq ft
Estate Housing Detached Housing	£127.00
Estate Housing Semi-Detached Housing	£106.00
Estate Housing Terraced Housing	£108.00

12.10.4. Preliminary costs have been included within the BCIS indices provide by the RICS.

## 12.11. Extra Construction Costs

12.11.1. We have set out a summary of the development costs that we believe are sensible assumptions and could be payable:

Description	No. of Units	Comment
Demolition Costs	£500,000	None
Land Remediation	£500,000	None
Landscaping, Roads and Externals	£3,716,236	Assumed at 20% of the House Construction Costs
Services	£1,858,118	Assumed at 10% of the House Construction Costs

12.11.2. The proposed residential development is situated on a predominately industrial site and as such there could be adverse ground conditions and potential contamination. As illustrated in the above table, we have made the explicit assumption that land remediation costs are in the region of £500,000.

12.11.3. We do not have the benefit of an Asbestos survey for the existing buildings. However, given the age and specification of the properties, the presence of asbestos is a possibility. We have made the explicit assumption to include the potential cost of removal within the allocated sum of £500,000 for Demolition Costs.

12.11.4. The above table illustrates a total Extra Construction Cost of £6,574,354.

## 12.12. Aggregate Fees

12.12.1. We have considered various professional related costs and a figure of 7.5% to 10% would normally be considered appropriate. We have made an allowance of 7.5% of the total construction cost at £1,980,998 for professional fees and a 5% for contingency at £1,257,777.

12.12.2. We believe that an interest rate of 6% is appropriate and the appraisal software assumes a cash flowed rate of 6% across all development costs, totaling £2,335,042.

12.12.3. We understand that there is a Community Infrastructure Levy (CIL) contribution associated with the planning permission and could be in the region of £950,000 based on £100 per sq m. We have made the explicit assumption to only calculate the CIL on market housing, which is typical.

12.12.4. Regarding Building Regulations and National House Building Council (NHBC) insurance, we have made respective allowances of £195,000 and £150,000. The latter has been assumed at £1,000 per dwelling, taking into consideration a quantum discount which we understand could be obtainable by a developer.

12.12.5. As highlighted above in the affordable housing section of this report, we have attributed £278,000 to a financial affordable housing contribution.

12.12.6. The above figures equate to a total fee of £3,553,998.

### 12.13. **Programme of Construction**

12.13.1. For appraisal purposes, we have assumed a site purchase once full planning consent has been granted.

Construction lead in post purchase/Discharge of Planning Conditions	3 months
Construction of Affordable Housing for 4 Bedroom Houses	12 months
Construction of Market Housing for 4 Bedroom Houses	12 months
Construction of Affordable Housing for 2 and 3 Bedroom Houses	18 months
Construction of Market Housing for 2 and 3 Bedroom Houses	24 months
Sales Period – Affordable Housing	1 month
Sales Period – Market Value Housing	32 months

12.13.2. It should be noted that we have assumed the sale of the affordable housing on practical completion.

12.13.3. The sales period assumed for the market value housing, represents the sale of 3 units per month. Considering the current market uncertainty, this is considered appropriate.

### 12.14. **Sales Fees and Other Costs**

12.14.1. We believe that there would be estate agent fees and legal costs to dispose of the proposed properties once completed. Respectively, we have assumed a blended rate of 1.00% and 0.35%, across both types of housing considering the size and scale of the development.

12.14.2. We have adopted £200,000 of promotion costs, which includes advertising and the cost of fitting out show houses.

### 12.14.3. **SANGS (Suitable Alternative Natural Green Space)**

12.14.4. We understand any residential development in the Wareham area will require land allocated to SANGS. This is a planning matter that has not been considered in this report. However, the cost of land purchase, the setting up and ongoing maintenance of the SANGS will be an additional cost that would have an impact of potentially significantly reducing the land value even further.

### 12.15. Appraisal Results

12.15.1. Please see Appendix 5, which displays the residual appraisal, which considers the above sales figure, aggregate development costs, developer's profit and timeframes, based on providing 40% affordable housing and the CIL contribution.

12.15.2. The appraisal generated a positive residual land value of £2,608,547.

12.15.3. If we were to take a more optimistic assessment of the residual land value, and assume there is no site remediation required, and the site roads, landscaping, externals and services cost 25% of the main House Construction Costs, the residual land figure increases to £4,057,000.

12.15.4. We therefore conclude that the land with planning consent for residential use in line with the above assumptions could have a residual land figure of between £2,600,000 and £4,100,000.

## 13 Conclusion

13.1. Vail Williams were asked to provide an overview of the viability of Westminster Road Industrial Estate by considering the following:

- Supply of alternative buildings in the wider area and local demand
- The current employment land supply emerging through the Local Plan
- Viability to consider the value of the site considering various scenarios
- The views of the occupiers on the estate

13.2. Whilst Westminster Road in comparison to sites in other locations is not a particularly high-quality estate, it is identified and recognised as a key employment area occupied by mainly owners who want to occupy the space in the long term.

13.3. Evidence from the occupier survey shows the enthusiasm to build and maintain their business on the estate and this has been demonstrated by the level of investment these occupiers are making to establish their business in Westminster Road.

13.4. We have established that it is not viable for the site to be purchased and redeveloped for residential use and the deliverability of the site would prove difficult due to the fragmented and individual ownerships of the freehold interests.

13.5. A unique scenario was created by Daler Rowney vacating several units on the estate thus creating a significant void in the local market.

13.6. Unlike the original expectation that this would have a detrimental impact on the town, conversely, new occupiers have purchased the properties and as a result, a regeneration of the estate has started.

13.7. The new occupiers have been able to purchase their building at an affordable price, allowing them to invest in the buildings. This has resulted in ongoing improvements and the overall aesthetics of the estate enhanced. For this reason, as they own their buildings and have invested to improve their buildings, it would be necessary to offer them substantial incentives and most likely expect to be paid a purchase price much higher than the value of the building to allow them to relocate to another building elsewhere on a 'like for like' basis, which will almost certainly be more expensive.

13.8. This is a now an improving and evolving estate that is providing employment for the occupiers of Wareham and the outlying area. The key attraction for the occupiers was affordability and the ability to purchase a building, not lease.

### 13.9. **Occupier's Questionnaire**

13.9.1. In terms of the occupier's future intentions, the evidence from the questionnaire suggests that because of being able to purchase a building at a low cost, they have every intention to remain in their building for the long term. This is not a stepping stone to relocate larger buildings.

13.9.2. In addition, the configuration and large plot areas at Westminster Road, in comparison to other estates, will allow occupiers to extend their buildings, further reducing their need to relocate.

13.9.3. Nevertheless, we believe demand in the town for future employment space is low. The occupiers who purchased buildings on Westminster Road capitalised on the ability to purchase, rather than lease, the buildings at a low cost.

13.9.4. Many commented in our questionnaire that this was a key reason for purchasing space on the Estate. To make any new development in Wareham viable the rent or the purchase price would have to be significantly higher than the values paid at Westminster Road

13.9.5. This evidence of lack of demand and the desire for occupiers to remain on the estate is supported by the fact that an occupier is expanding by purchasing 16 and 17 Westminster Road, a building that Vail Williams have been marketing on behalf of Daler Rowney. The marketing campaign, albeit brief, generated few enquiries for the building from occupiers outside the estate.

13.9.6. We can understand the concerns of the community about the future of the estate when Daler Rowney announced their relocation. However, the latent demand from owner occupiers in the area has filled that void and the estate is now being regenerated by the new owners.

13.9.7. This is a unique scenario which has been created by a series of current market factors. The available space on the estate created a supply of cheap, affordable stock in need of improvement, available for sale, rather than lease, in a general property market with strong owner occupier demand. In our view it is unlikely history will repeat itself and this situation will once again occur in Wareham.

13.9.8. The limited development opportunities in the area were considered by the occupiers as unaffordable and there is a general lack of supply of alternative buildings in the area.

13.9.9. The demand for these units has been driven by the existing and local occupiers seizing the opportunity to purchase these buildings. In our view it is not an indicator that there is any further demand for employment space in Wareham and further research would be needed to establish if this is the case.

### 13.10. **Financial Appraisals**

13.10.1. We have undertaken a theoretical approach to establish the values of the site by applying several valuation techniques and making a series of assumptions which we consider sensible.

13.10.2. In the first approach we calculated the current use value and we assumed the estate was available with vacant possession and could be purchased. Our calculations suggest a value in the order of £6.4m.

13.10.3. The second approach was a valuation of the investment by making several assumptions. The main assumption was that the buildings were all leased (rather than owned) by the occupiers.

13.10.4. The valuation also assumed a certain level of tenant covenant, or financial status, and on leases that would be expected on buildings of this location and nature. In this instance the investment approach suggests a value range of around £6.4m to £7.9m.

13.10.5. The third approach again is a development valuation to establish the residual land value, assuming residential planning consent was granted.

13.10.6. We have had to make several assumptions in terms of costs for demolition, decontamination, build costs and the likely housing densities. The residential land value for the site is in the order of £2.6m to £4.1m.

13.10.7. These three scenarios are all theoretical. In the first approach we have assumed an empty estate, in the second a fully leased estate and the third assumes a redevelopment for housing. These figures are not a formal valuation and must be considered 'high level' and used as a guide.

### 13.11. How Could the Land Be Developable?

13.11.1. To make these scenarios a reality, it will be necessary to convince the occupiers, who have mainly stated they are reluctant to move out of Wareham, to relocate. However, we have proven there are limited opportunities to purchase (rather than lease) a building at the same price elsewhere.

13.11.2. We assume as part of any planning application to redevelop this site for houses it will be necessary to prove lack of demand for this estate as an employment use. Through our marketing campaign which generated an enquiry for the building quickly, the evidence generated from the questionnaire about the occupier's demand to stay on the estate and the overall need to retain employment in the town, in our view it would be difficult to prove.

13.11.3. There would be the inevitable relocation and fit out costs required by the occupier along with the time and cost involved in negotiating with all the parties on the estate. This would increase the cost of the project and affect its viability.

13.11.4. If this was achieved, the scheme would have to remain viable and our initial high-level appraisal suggests land value for development is lower than the theoretical existing use or investment valuation.

13.11.5. We have proven the prospects of the site being a viable opportunity for redevelopment as unlikely. We have proven demand for buildings of this nature remains in the town but only at this price point. The buildings are mainly owned, not leased by occupiers who have clearly stated they have every intention to remain on the estate in the long term.

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## Update Report

# Westminster Road Industrial Estate, Wareham, Dorset

**Report date:** 28<sup>th</sup> November 2018

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# 1 Scope of Instructions

- 1.1. Vail Williams have been asked to provide a further report following their initial report issued in May 2018. The report provides:
  - an update on the current situation in terms of the occupiers and ownership status at Westminster Road Industrial Estate (WRIE) and;
  - a critique on the Employment Needs Assessment document July 2018 prepared by Dorset Planning for the Wareham Neighbourhood Plan.

# 2 Setting the Scene

- 2.1. In May 2018, Vail Williams produced a document entitled "Report on the Long-Term Future of The Westminster Road Industrial Estate" which provided advice on the longevity of the estate following the recent changes in the ownership structures of the buildings on WRIE after the relocation of Daler Rowney. It is understood that a redacted version of this document was supplied at the time to the Wareham Neighbourhood Plan Steering Group and Purbeck District Council.
- 2.2. In addition, the Vail Williams Solent Business Space team advised Daler Rowney on the disposal of 16/17 WRIE, which was sold to Purbeck Ice Cream in May 2018. At present, Vail Williams are not advising Daler Rowney on their remaining buildings on the estate.
- 2.3. **Summary of Vail Williams Report**
  - 2.3.1. Our report examined the ownership structure on the estate, advised on the local supply in the market, the anticipated rental values and analysed feedback from questionnaires sent to the occupiers of the estate during March to April 2018.
  - 2.3.2. The questionnaire and the findings of the report found that many occupiers now own their freehold interest. Some of the new owners have invested in updating and improving their buildings.
  - 2.3.3. Several occupiers confirmed they wished to remain on the estate and did not have plans to relocate due to their significant investment in the buildings. As the buildings were purchased at a low price, they took the opportunity to purchase a larger building to take account of their anticipated growth plans.
  - 2.3.4. Our report also commented on the current planning situation and commentary on the available employment sites in the Purbeck area.
  - 2.3.5. We undertook a "high-level" financial appraisal which examined the potential redevelopment of the site for residential use. Based on stated assumptions made (see the main report), the appraisal suggested that a future redevelopment of the site for residential purposes was most likely to be unviable.
  - 2.3.6. When Daler Rowney, announced their intentions to withdraw from the estate, releasing several buildings over a period of two years, the market conditions in the commercial property industry at the time could be considered as a "perfect storm", for the following reasons: -

- As we emerged from the global recession, take up of stock increased in the industrial market in the UK. This trend in the Purbeck region specifically was no exception.
- The commercial developers who should have addressed the reducing stock levels by building new industrial buildings to increase stock levels and sustain market activity was delayed. This is due to the availability of deliverable commercial development sites, the prolonged timescales to secure planning consent and their remaining lack of confidence in the market.
- The lack of new development did not address the reducing supply and whilst we are now seeing new industrial developments completing on the market, there remains an overall low level of existing stock available.
- Out of the available space in the immediate area, the majority is for let only with only two large buildings current listed for sale. The low level of buildings for sale is because industrial estates are mainly owned by investment companies and financial institutions who very seldom sell individual buildings.
- Our Business Team reports high demand for freehold industrial stock in the central Southern region. The take up of the freehold buildings at WRIE demonstrates there is demand from occupiers in the Purbeck region.
- Many local occupiers can secure funding to purchase a building and will seize the opportunity to purchase when one becomes available. To secure a freehold interest, in many cases, they will compromise on location and quality of the building.

2.3.7. Because of these market conditions, the estate was purchased by several local businesses who have decided to secure this location as their long-term home.

### 3 Occupier Ownership

3.1. As a result of the recent transactions that have taken place on the estates, mainly as a consequence of the relocation of Daler Rowney, this the following ownership structure:-

Occupier	Unit Occupied	Tenure	Date of Purchase/Occupation
Purbeck Ice Cream	1	Freehold	May 2013
Daler Rowney	2 and 3	Leasehold	Unknown
Polar Holdings	4 and 5	Freehold	November 2017
Evo Design	6	Freehold	Q1 2018
National Tube Straightening Company	7	Freehold	October 2017
Cita Waste	8	Leasehold	Unknown
Westminster Wire Factory Limited	9 &10	Freehold	1999
Chococo	12	Leasehold	2010
Westminster Wire Factory Limited	13 &14	Freehold	1999

DWD Retail Display (occupier of the office space only)	14	Leasehold	2018
Olympia Triumph	15	Leasehold	January 2013
Purbeck Ice Cream	16 and 17	Freehold	May 2018
Eton Stonemasons	18	Freehold	March 2017

### 3.2. **Freehold Ownership**

3.2.1. According to our records 12 units are owned by the occupiers, following the recent purchase of Unit 14 by Westminster Wire from Jade Aden, the former occupiers. As a result, some of these occupiers are now undertaking works to the buildings to improve the aesthetics and secure their long-term future.

### 3.3. **Leasehold Buildings**

3.3.1. In terms of the tenanted buildings, upon expiry of the leases, the buildings may require a refurbishment before they are re-marketed.

3.3.2. The improvements in the overall appearance of the estate and the lack of available stock in the area may convince the landlords to respond to this strong market demand and undertake a refurbishment and re-release the building to the market by way of a new lease.

3.3.3. The landlords may consider a redevelopment of the building due to proven demand for new, modern, smaller units or they may look to assemble the buildings to form a larger site for redevelopment.

3.3.4. The recent sale of Unit 14 would suggest the landlord would prefer to sell the freehold interest and invest their capital elsewhere.

3.3.5. Daler Rowney remain as tenants of Units 2 and 3 until their lease expires in February 2022 but we understand they will be vacating the building during early 2019.

## 4 **Employment Needs Assessment Critique**

4.1. We have read the Employment Needs Assessment (ENA) dated July 2018 and we make the following comments firstly relating to the Executive Summary:-

### 4.2. **Land Supply**

4.2.1. In terms of the strategic assessments of employment land within the ENA, the suggestion is that the supply of employment land exceeds demand. This is surprising given the demand in the region for industrial stock which is the best performing commercial property sector in the market.

### 4.3. **Unit Sizes**

4.3.1. We agree with the view of the ENA that enquiries have shifted to smaller units. This is evidenced by the recent developments on Holton Heath where several new units have been made available for sale or to let, with sizes from 1500 sq ft.

4.3.2. In addition, we note planning consent has recently been granted for a 24-unit scheme with units ranging from 1,085 sq ft to 2,200 sq ft on the former Overhill Engineering site on the Wareham Road.

- 4.3.3. Some industrial buildings that are no longer viable are being redeveloped with new small unit industrial developments. Examples are Cobham Business Centre in Ferndown and Hilsea Industrial Estate in Portsmouth. Ordinarily, we would have expected to see this type of development at WRIE, if any of the buildings were considered as no longer viable.
- 4.4. **Employment Density**
- 4.4.1. The report states, “*that both Westminster Road Industrial Estate and Johns Road are seriously under-occupied in terms of employment density*”. The report suggests this as a negative point, however, we believe WRIE positions itself well in the market and should be considered as a positive.
- 4.4.2. In our view the estate responds to the demand from occupiers looking for low cost buildings with external storage areas and the availability of car parking.
- 4.4.3. When developers appraise a new industrial development site, to create viable and profitable financial model, the modern industrial estates are built to maximise the amount of lettable space. As land supply diminishes and land values increase, the viability of these estates becomes increasingly difficult to achieve.
- 4.4.4. The resultant typical industrial estate is a terrace of units with car parking and a loading door to the front. Due to the design and the high density of the estate, it is not possible to create secure yards as it compromises the ability for vehicles to turn and circulate within the common areas of the estate.
- 4.4.5. Our Business Space agency team regularly receive enquiries from occupiers looking for space with secure open storage yards and additional land for staff parking. Therefore, we believe that the design of the Westminster Road Industrial Estate benefits from having these two selling points.
- 4.4.6. The opportunity at WRIE is that it can accommodate occupiers who need external storage areas. Potential occupiers will gravitate to this estate rather than occupy a higher density estate where their external storage needs will create a nuisance for neighbouring occupiers.
- 4.5. **The View that it is a “Run Down” Estate**
- 4.5.1. We do not agree with the opinion that WRIE has “become run down and requiring modernization”. This may have been the case with the estate occupied by Daler Rowney at the time they decided to vacate the estate, but the new owner-occupiers of the buildings are breathing new life into the estate through improvement and refurbishment works. This has only been made possible by businesses purchasing and owning their buildings.
- 4.5.2. The Westminster Road Industrial Estate is a unique and valuable facility. We are witnessing its regeneration by occupiers now committed to remaining on the estate. This is a positive trend and good for economic activity in Wareham.
- 4.5.3. In different market conditions, the consequences of Daler Rowney vacating the estate could have been very different and we could have seen their former units falling into disrepair and decline.
- 4.6. **Part 2.2**
- 4.6.1. The NPPF seeks to support the economic growth through the planning system and “it makes it clear that planning policies should avoid long term protection of sites allocated for employment where there is no reasonable prospect of a site being used for that purpose”.
- 4.6.2. We believe there is “reasonable prospect” for employment. The estate is now occupied by the owners who are improving the estate by using their own capital. We believe the employment use of these buildings is a reasonable prospect in the long term.
- 4.7. **Part 2.4**

- 4.7.1. Once again paragraph 51 states that planning authorities “should normally approve applications to residential use... from commercial buildings where there is an identified need for additional housing... provided there is not a strong economic reason why such development would be inappropriate”.
- 4.7.2. In our opinion, there are economic reasons why WRIE should remain and not be redeveloped for another use. The owners have made a commitment to the estate and employ locally based staff or those commuting into Wareham, including Bournemouth, Poole, Dorchester and the outlying villages.
- 4.8. **Part 2.4 - Redevelopment**
- 4.8.1. Another *economic reason* is our opinion over the potential viability of residential redevelopment as detailed in our recent report dated May 2018. Although further investigation is required, the viability of residential development is questionable.
- 4.9. **Part 2.4 - Vacant Possession**
- 4.9.1. To facilitate the re-development of the whole estate, it would be necessary to purchase the individual freehold interests and potentially identify alternative buildings for these occupiers.
- 4.9.2. The landlords would need to secure vacant possession of leased buildings. Dependent on the tenant’s lease terms, under the provisions of the Landlord and Tenant Act, the landlord may have to compensate the tenant. If lease expiry is not imminent, to seek vacant possession, the landlord may need to compensate the tenant and potentially offer the tenant a capital sum.
- 4.9.3. We have established there is a lack of supply of similar stock in the market, so we do not know where the occupiers can relocate at comparable freehold or rental values.
- 4.9.4. It will then be necessary to consider the cost of demolition and any ground contamination caused by historical industrial processes on the site.
- 4.10. **Part 2.8**
- 4.10.1. Policy E allows for new employment provision of B Class uses and seeks to safeguard existing employment land, "*subject to certain criteria*". It is important to consider the criteria and whether the Estate satisfies this criteria, considering the current ownership structure and the overall improvements on the estate undertaken by the new owners.
- 4.11. **Holton Heath**
- 4.11.1. Holton Heath is a better strategic location for employment uses, should be safeguarded for employment and would be the obvious choice for new employment space. However, there is limited land supply on that estate which could be used for future development. Although we accept a few of the older buildings on the Estate could be redeveloped.
- 4.12. **Local Planning Evidence**
- 4.13. **Part 3.2**
- 4.13.1. We agree there is no further vacant development land available at Westminster Road although we note the Council Depot building is planned for demolition early next year.
- 4.13.2. We agree that 30% would mostly travel to Wareham from Bournemouth and Poole. This would be expected as this is one of the prime employment areas in the area.
- 4.13.3. In terms of the statistics, we would consider Sandford and Holton Heath as an outlying area of Wareham, which represents 7% of residents travelling between 2km and 5km from home.
- 4.13.4. When combining the two figures (36% and 7%) 43% are remaining and commuting within the town and immediate outlying areas. We believe this is a more accurate reflection of the distances travelled to work by Wareham residents.

#### 4.14. **Part 6.1**

- 4.14.1. The Demand for Workspace graph shows an overall drop in demand from 2009. The ENA has not provided a reference or source of this data but in our opinion, the suggested trend is accurate, but we need to consider the reasoning behind these statistics.
- 4.14.2. However, this is not relevant in 2018 and our view of the future market activity. The reduction in demand was because of a global recession and is not because of changes in local occupier demand. This should not be a factor that would influence the provision of employment space in the Purbeck region.
- 4.14.3. Our Business Space team experienced a strong market from 2005 to 2006 with a considerable amount of industrial activity and new industrial development. In 2008-9 when the global recession took hold, occupier demand decreased before the market recovered in 2013/14 when there was rapid take up. This take up, coupled with lack of new development has resulted in lack of supply of new and existing stock.
- 4.14.4. This lack of supply, rather than occupier demand and market conditions have affected take up figures in 2015 and 2016.
- 4.14.5. In 2016 to 2017, developer confidence grew, and they speculatively commenced the construction of new industrial schemes in the region, which partially relieved the lack of stock in the market.
- 4.14.6. The 2016 figures are broadly on a par with the more stable market conditions dating back to early 2000's.
- 4.14.7. We agree that small unit schemes have increased over the last few years and our Business Space team report strong levels of enquiries for buildings within this size range.

#### 4.15. **Part 7.3**

- 4.15.1. The feedback from the questionnaire detailed in 7.3 is broadly in line with our research which we undertook for our first report. Another reason why the occupiers relocated to Wareham was the availability of freehold interests, which is the main selling point.

#### 4.16. **Part 7.5**

- 4.16.1. The businesses are “under-occupying” the buildings on WRIE. This is in line with our research which suggested the occupiers saw this as an opportunity to grow their business within their existing facility and accommodate their anticipated long-term growth.
- 4.16.2. This is a reasonable approach to future proofing their business and demonstrates the occupiers are informed of the market conditions. If they could not grow within their building, they would have to consider relocating which would be a difficult task considering the lack of employment space available in the market and the likely higher costs of a building elsewhere.

#### 4.17. **Part 7.6**

- 4.17.1. We accept that the 2017 Survey showed a high local employment base because of Daler Rowney occupying the estate. However, the former Daler Rowney buildings have been replaced with local, growing businesses. We do not have any data on whether the Daler Rowney former employees have secured jobs elsewhere on WRIE or in the town.

## 5 Westminster Road Industrial Estate Detailed Appraisal

### 5.1. Part 8.1

5.1.1. Market conditions supported the purchase of the buildings by local businesses. These market forces have influenced the fortunes of the estate and had a positive result by giving WRIE a new lease of life. We note that units 2 & 3 will most likely become vacant in 2019 but we have no knowledge of the landlord's intentions. We do note, however, that the lease does not expire until 2022.

### 5.2. Part 8.6

5.2.1. As an update to the Employment Needs Assessment document, we can state that units 16 and 17 was released to the market in Q1 2018. In May 2018, the buildings were sold to Purbeck Ice Cream who are also the owner-occupiers of Unit 1.

5.2.2. Unit 14 was sold by Jade Aden to Westminster Wire Factory Ltd who have let the offices at the front of the building to DWD Retail Display.

5.2.3. Overall, the appearance of the estate has improved. New freehold owners of the estate, in particular Polar Holdings, Evomotion and National Tube Straightening Ltd, are in the process of improving the aesthetics of their buildings.

### 5.3. Part 8.8

5.3.1. The appearance of estates looking under-utilised is not necessarily the case and depends on the actual use of the building. The estate attracts occupiers who would struggle to occupy a conventional terraced development and in the absence of WRIE the occupier will either look elsewhere or not be able to grow their business locally and generate further employment.

5.3.2. The facilities on the estate have, and will, attract businesses who require external storage and/or more outside space.

5.3.3. A conventional industrial development is typically a terrace of units with parking and loading to the front. There are limited opportunities for the occupier to build secure external yards or to create additional parking.

5.3.4. In comparison to modern estates with units of a similar size, the layout and configuration of the buildings on Westminster Road is not typical. The units have external loading areas, parking on site and landscaping around the perimeter of the building where additional parking could be created. Although the construction and building materials used are not modern, for owner occupiers, there is market demand for this type and age of estate.

### 5.4. Part 8.9

5.4.1. It is accepted the loss of Daler Rowney has resulted in the loss of 40 positions, but the more important question is what has happened to them.

- Have they secured a new role outside the area?
- Have they joined one of the new businesses on the estate?
- Are they now out of the employment market?
- Have they secured a role with another employer in Wareham?

5.4.2. These are valid reasons and would not cast doubt on the future of WRIE.

5.5. **Part 8.10**

- 5.5.1. It has been suggested that Westminster Wire Factory Limited who own four buildings on Westminster Road would consider relocating to Holton Heath. The results of their questionnaire would suggest the contrary and we would question if that is the case.
- 5.5.2. Holton Heath has limited availability now and there is a limited prospect of purchasing a freehold building. We would suggest that this freehold occupier, or any other occupier of WRIE would not be able to secure a like-for-like building at the same price they paid for their building at WRIE.

5.6. **Part 8.11**

- 5.6.1. We understand that Polar Holdings relocated to Wareham to secure a cheaper building and their staff are based outside the area as they have another facility in Holton Heath. We also understand they are planning to increase their staff based at WRIE.

5.7. **Part 8.12**

- 5.7.1. It is accepted that the buildings are reflective of their age in terms of specification in comparison with modern industrial facilities. As an example, these buildings will not suit a typical warehouse occupier who requires an efficient high bay warehouse to maximise their storage requirements and turning and loading for arctic deliveries.
- 5.7.2. However, the occupiers that have been attracted to this estate are those who are in light manufacturing where they would consider the cost to heat a high bay warehouse as a disadvantage. They have capitalised on the older style by undertaking their own improvement works from their own resources which was possible due to the initial low purchase costs.

5.8. **Part 8.13**

- 5.8.1. We agree that servicing is difficult again mainly because of the older design. The buildings are either detached or semi-detached with the loading bay on the side elevation rather than on the front elevation, which is a standard design on modern buildings.
- 5.8.2. The unloading of large vehicles would have to be undertaken either on the road or outside the building from the side of the vehicle.
- 5.8.3. Our Business Space team market similar buildings and although some occupiers will discount the building, many occupiers will balance this disadvantage with the affordability of the building with this inconvenience against the cost and possibility of installing a more convenient front facing loading door.
- 5.8.4. In terms of lack of parking, when advising Daler Rowney on the disposal of Units 16 and 17, our Business Space team commented on the under-use of areas around the building which could be used for external and storage additional parking.

5.9. **Part 8.17**

- 5.9.1. The table under Part 8.17 requires updating and comment. The schedule states that 15 Westminster Road spent 39 months on the market from October 2009 to January 2013. This unit was eventually leased to Olympia Triumph who remain there as tenants.
- 5.9.2. The property was being marketed during the recession when there was very limited market activity and a marketing period of 39 months for a building of this nature was not unusual.
- 5.9.3. 18 Westminster Road was sold to Eton Stonemasons which completed in March 2017 which was on the market for approximately 10 months. Eton Stonemasons have since invested in improving the building and remain in occupation.

#### 5.10. **Part 8.18**

- 5.10.1. The three bullet points raised by the Economic Development officer is correct and reasonable. We particularly agree with the concerns that the ownership structure and level of capital expenditure that the new owners of the estate have incurred.
- 5.10.2. In addition, the lack of industrial development pipeline in the wider region makes it difficult to identify land where it would be viable to cater for the displaced businesses. This reinforces the view that existing viable employment space, particularly in town centre locations must be safeguarded.
- 5.10.3. We agree job losses would occur because of any relocation as it is unlikely these businesses can be relocated elsewhere in Wareham.

#### 5.11. **Part 8.19**

- 5.11.1. We agree with the feedback from Mr Sibbet of Sibbet Gregory but the term "patch and repair" is not correct. Most of these occupiers are undertaking a considerable amount of works to the property and are making significant investments to secure the long-term future of these buildings.

#### 5.12. **Part 11 (h)**

- 5.12.1. A phased basis has been suggested in the conclusions to "*suit the timescales and future plans of the existing occupants*". Considering the ownership structure of the buildings and the future plans of the owners who have invested heavily in WRIE, their plans are to remain in their buildings for the long term.
- 5.12.2. We struggle to see how practically this will work as piecemeal changes of use will result in a substandard residential scheme, this will conflict with the new residents and the remaining occupiers of WRIE, the process will take a long time to complete and the same issues with relocating the occupiers elsewhere will remain.

## 6 Summary

- 6.1. We are concerned the views and opinions of the owners of the estate as expressed in the ENA document do not match our research and analysis of their views. The correct market conditions have secured the long-term future of WRIE by new owners identifying the opportunity of purchasing run-down buildings. This suits their needs by purchasing at a low cost and then investing to improve the buildings as they see their occupation being at WRIE in the long term.
- 6.2. Most of the buildings are now owned by the occupiers and the most recent leased property (Unit 14) was sold by the landlord to an existing occupier on the estate.
- 6.3. A building that may form a larger residential development may generate a higher value once planning consent is granted. Ordinarily, if the landlord believed there was any prospect of a redevelopment that would deliver a higher return, they would maintain ownership of the building and wait for the opportunity to arise. The sale of this building to an owner occupier may suggest the landlord's lack of confidence of the prospect of residential redevelopment on the estate.
- 6.4. The practical application of securing the freehold interests from the owners of the estate and finding a solution to relocate them elsewhere is going to be very difficult, expensive and time consuming.
- 6.5. Recent market activity has resulted in a significant lack of available alternative stock in the market. There is limited supply of development land close to WRIE and any significant increase in the availability of development land in the future is unlikely. In any event, new build properties and land values for these businesses would most likely be unaffordable for the occupiers of WRIE.

- 6.6. It is accepted the buildings can be considered as outdated. However, they are positioned well in the market to suit occupiers who would struggle to occupy a conventional terraced building as they require open storage areas and on-site parking.
- 6.7. In our opinion, the analysis in this update report and the original report from May 2018 is a better analysis of the future of WRIE.
- 6.8. We disagree with the view WRIE is now run-down and in our view is not at the end of its useful life. WRIE has transformed itself over the last 2-3 years as the owners continue to improve the quality of their buildings and the estate's aesthetics.
- 6.9. The sentiment of most of the new owners that were interviewed is that they are there for the long term and see the prospect of redevelopment of WRIE as a threat to their business rather than an opportunity.

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Dear Ms Doward,

**Purbeck Local Plan (2018 – 2034)**

Natural England is a non-departmental public body. Our statutory purpose is to ensure that the natural environment is conserved, enhanced, and managed for the benefit of present and future generations, thereby contributing to sustainable development.

Natural England submit the following comments/advice concerning the Purbeck Local Plan for consideration at the Examination in Public.

**Matter E, Issue 4**

**Draft Poole Harbour Recreation SPD**

Natural England has been working closely with the authority and the former Borough of Poole to secure a suitable strategic mitigation approach which will allow new housing to come forward within the agreed area where pressures have been shown to arise. This approach is similar to the heathland and nutrient SPDs in as much as it enables small development which would not individually be able to provide mitigation to come forward by making a contribution to a strategy which delivers the necessary avoidance/mitigation measures. The SPD has been consulted on prior to the Local Government Review and Natural England have been advised that both authorities intend to adopt it as and when their own decision making arrangements are established. Interim arrangements are in place for the small number of developments commencing in this period.

The Local Plan should be modified such that suitable references are made within policy and the following site allocations. Natural England has agreed with the promoter and authority the requirement in Statements of Common Ground for the Upton (H7), Lytchett Matravers (H8). The proposed revision to the Green Belt at Wareham to facilitate the Neighbourhood Plan will also lead to allocated developments to which the SOD will apply. It appears that the most suitable place for a modification would be at H3 see below.

Policy H3, the overarching Housing policy, reference is made at c) and d) to heathland and nutrient mitigation requirements. An additional point should be inserted to make reference to the need to secure appropriate mitigation measures to avoid additional recreational pressure on Poole Harbour SPA and Ramsar. This is consistent with the policy approach of ensuring that applicants are fully aware of the scope of requirements and matters requiring to be addressed.

Natural England has advised the applicant in its Pre-submission comments that this policy should make full and clear reference (at point L) to the need to avoid biodiversity losses and to secure biodiversity Net Gain in accordance with NPPF (175 d). Currently as the bridging policy it is not compliant with the NPPF.

Natural England is concerned that Policy 3 – dealing with allocated sites does not therefore have

weight over policies H12-15 which deal with other housing provision and has advised a cross reference on the supporting text to the requirements of Policy E8 and E9 to avoid uncertainty to applicants. This should be addressed in supporting text as these requirements can have significant impacts on these smaller developments and early engagement with the authority can help to avoid or resolve the matters.

Natural England would anticipate reaching an agreement with the authority over suitable wording modification for consideration at the examination.

#### **Matter E issue 4**

Policy H8 Small sites

Natural England concerns are set out in the Pre-submission consultation advice. The authority has proposed the modification below.

Monitor the number and spatial distribution of homes permitted ~~on~~ **through the** small sites **policy** to ascertain whether the cumulative impacts of development are likely to have significant effects on European sites that would require mitigation.

Natural England's concern relates to additional residential developments in the 400m to 5km area where a development (in other respects acceptable) subsequent to a completed development is unable alone to deliver mitigation eg a Heathland Infrastructure Project which could have been delivered were both projects to have come forward in a planned manner. The threshold for requiring a SANG for example is 50 dwellings. This policy could constrain developments in nearby settlements which are both in close proximity to a particular part of the designated sites.

#### **Matter F, Issue 1**

Policy E9 Poole Harbour

This policy required a minor modification as the Borough of Poole is now Bournemouth Christchurch and Poole (BCP) . The policy should be reworded as the authority has now consulted over an SPD and it should be shortly be adopted. Suggested wording adjustments are below:

*The Council and BCP have carried out a consultation on a Recreation in Poole Harbour SPD which will be adopted in time for the Local Plan. Development proposals for any net increase in homes, tourist accommodation or a tourist attraction around the edges of the harbour (as defined in the SPD) will need to avoid or mitigate adverse impacts arising from recreational activity on Poole Harbour.*

Natural England would anticipate reaching an agreement with the authority over suitable wording modification for consideration at the examination

Policy E10 Biodiversity and geodiversity

Natural England has made detailed comments concerning the preceding paragraphs to ensure suitable reference should be made to two protocols established by the Dorset Council. This will assist developers as well as the authority in properly applying the requirements of the NPPF regarding moving from biodiversity loss to an overall net gain. Further the authority is advised to make use of the work funded by the Local Enterprise Partnership and delivered through the Local Nature Partnership which defines and makes publicly available the Dorset Ecological Network and potential Ecological Network plans. These will facilitate applicants in formulating proposals which are consistent with the Governments policy on Biodiversity Net Gain and a Nature Recovery Network. Natural England advise that with suitable modifications to supporting text the plan will be in conformity with government policy advice.

#### **Matter G**

Modifications MM9 and MM10 are welcomed by Natural England as is the assumed adjustment to

the Policy plan for the development area.

**Matter H**

Policy I1,

The authority developed the Local plan prior to Local Government Review and is now part of a larger authority. Natural England is aware of proposed modifications to the CII Regulations and also to other mechanisms such as Unilateral Agreements and the use of S111 agreements to secure mitigation in the case of proposals taking advantage of permitted development adjustments etc. Natural England advise that the Inspector should ask the authority to consider if the list of mechanisms in the policy represents in any way a restriction on enabling developments. For example the insertion of the word "including" would add flexibility to the authority.

I trust this advice will be of assistance.

Yours sincerely

Nick Squirrell  
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