# DORCHESTER EMPLOYMENT STRATEGY

Vail Williams

June 2025

# EXECUTIVE SUMMARY

This report has been commissioned to provide a market-based recommendation as to the quantum of land that should be allocated for employment uses within the proposed Dorchester North Garden Community.

The Garden Community is likely to include around 3,500 dwellings, a medical centre, new education campus, local centres, a new northern link road and a 200-acre Country Park.

The draft policy for the development site in the January 2021 emerging Dorset Council Local Plan consultation suggested at least 10ha (25 acres) be allocated for the employment land uses and we have been asked to comment on the appropriateness of that and, to support the master planning, how the employment land should be distributed within the development.

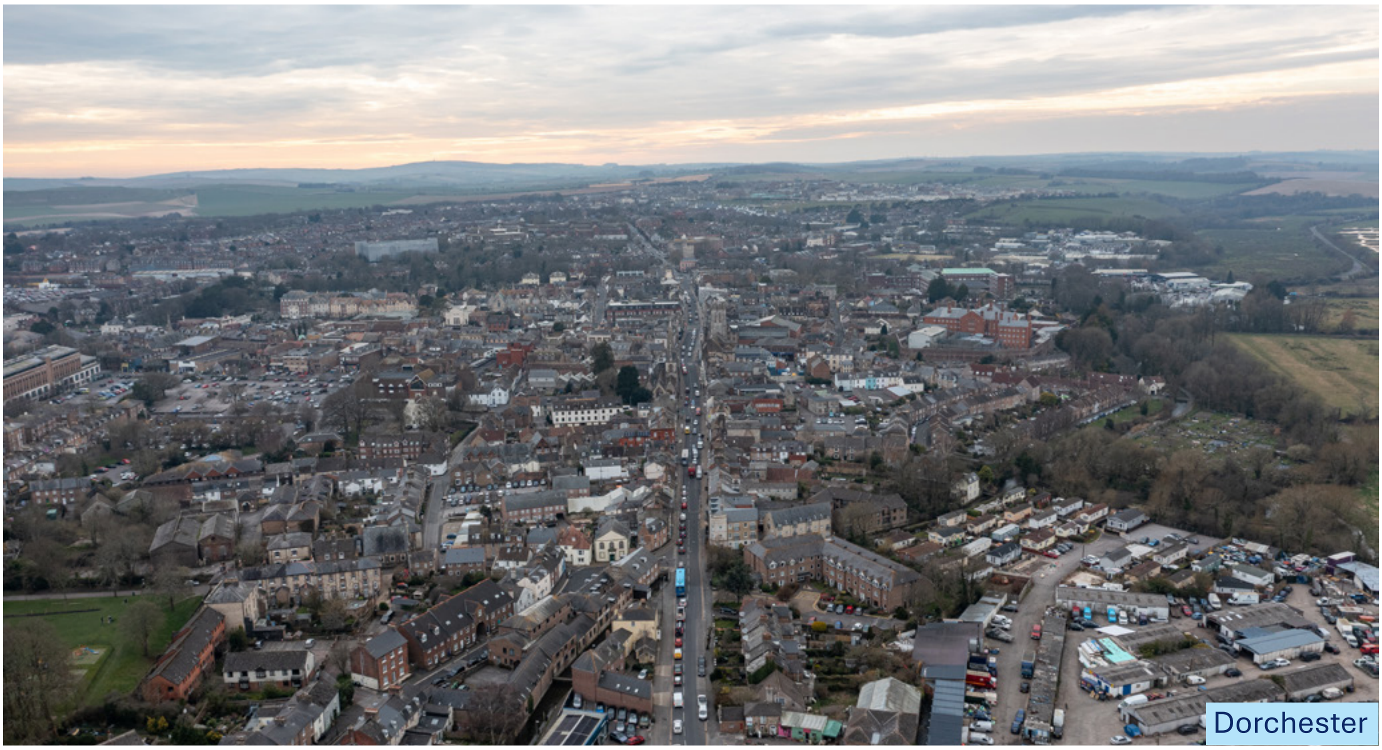
We have considered the potential depth of market for employment uses in Dorchester and the surrounding areas. We have reviewed the current supply of business premises in the context of market requirements and other opportunities for new employment development in the surrounding area.

Our conclusion is that, whilst the west of Dorset is home to many established and high-quality businesses (in particular those defence and advanced engineering) the commercial property market in Dorchester is relatively localised and that the 10ha is likely to be greater than the market would require over the 15-year lifetime of the local plan and that around **8ha (20 acres)** would be more appropriate.

Depending upon market demand, the allocation will be required to serve a range of potential employment uses including manufacturing (both light & general industrial), research & development, storage & distribution (including trade park uses) , medical/health services and general offices.

In our opinion the proposed allocation is important to support the economic resilience of the town since it will enable delivery of a meaningful concentration of high-quality modern business premises that will meet the future demand for both established and emerging employment sectors.

# INTRODUCTION



Dorchester

**1.1**

The historic market town of Dorchester performs an important role both locally and regionally and, as Dorset's County town, serves as a hub for commerce, industry, retailing, local government, leisure and tourism.

**1.2**

Dorset Council are currently planning for the delivery of additional housing to meet the projected future needs of the County through its emerging Dorset Council Local Plan which, once adopted, is intended to cover the 15 year period 2027-2042, albeit subject to the usual periodic review processes.

**1.3**

The emerging plan will provide a framework for additional housing in Dorchester, in part through the allocation of land for a large urban extension to the north of the town, in an area being promoted as the "North Dorchester Garden Community".

**1.4**

Over time this new Garden Community should deliver around 3,500 homes, additional school provision, a local centre, a new road link, significant areas of green infrastructure and additional **employment land.**

**1.5**

It is the proposed employment land, within the Garden Community, that is the subject of this report – in particular we are providing a market facing perspective on:

- The amount of land that the Local plan should allocate for employment uses,
- and how that land should be distributed within the development.
- The type of employment uses likely to be demanded by the market.

# POLICY CONTEXT

**2.1**
The adopted West Dorset, Weymouth and Portland Local Plan (2015) identifies Dorchester as a 'main town' and as such it is a high priority location for new development. The plan identifies a number of development opportunities at the town but acknowledges the sites fall short of meeting the needs for housing and employment towards the end of the plan period (2031).

**2.2**
The inspector for the plan considered it "imperative that an early review is undertaken to identify additional land" highlighting the need to consider options for growth at Dorchester.

**2.3**
Following reviews of the 2015 adopted plan (including consideration of six possible options for growth at Dorchester), a preferred option to develop the land north of the town for a mixed-use urban extension was identified.

**2.4**
This earlier work has been continued by Dorset Council (a new unitary authority formed in 2019) and the current draft Dorset Council Local Plan takes forward proposals for the north of Dorchester in the form of Policy DOR13.

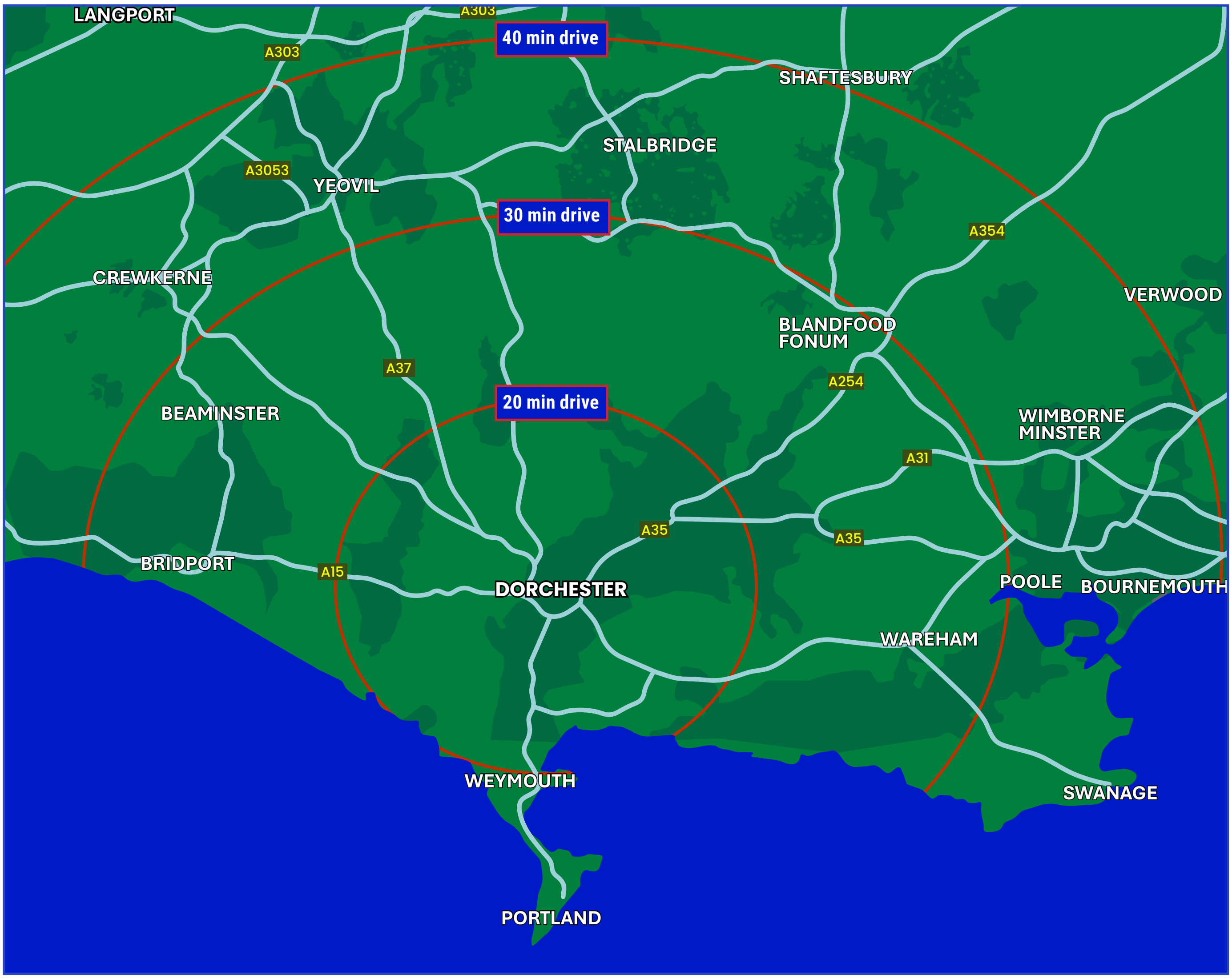
**2.5**
Policy DOR13 was informed by the Council's strategic priorities; consultation responses; and evidence commissioned on a range of issues produced by the council and from a consortium of developers promoting the site.

**2.6**
The proposal is for a significant sized development, intended to meet the needs of the town over the longer term and known as the North Dorchester Garden Community.

**2.7**
Policy DOR13 seeks to develop the site as a new garden community in accordance with a masterplan, prepared to reflect garden community principles.

# LOCATIONAL CONTEXT

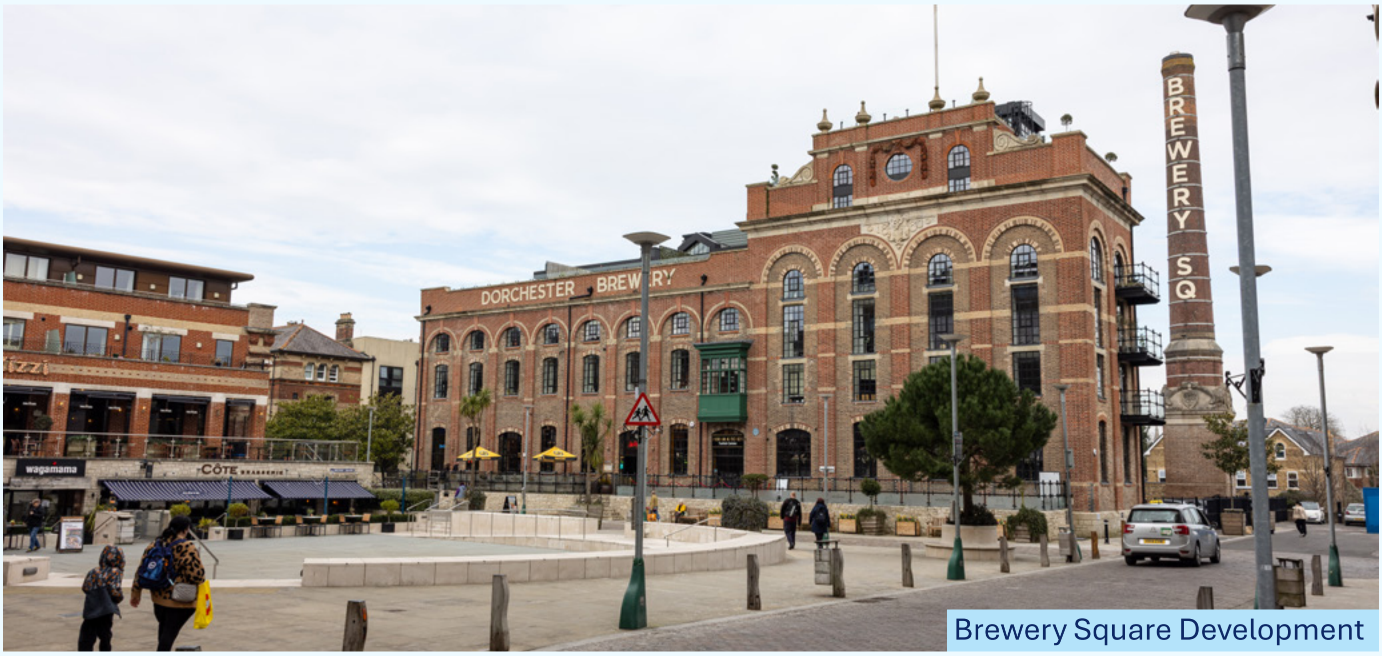
### 3.1
Strategically Dorchester occupies an important location both in terms of its status as the County town but also, sitting at the centre of main roads from several other Dorset towns. In this section we outline the locational context for Dorchester in terms of the proposed new employment land allocation.




| TOWN | POPULATION (2021 CENSUS) |
|---|---|
| Blandford | 10,355 |
| Bournemouth | 196,445 |
| Bridport | 12,287 |
| Dorchester | 21,580 |
| Poole | 140,977 |
| Weymouth | 55,543 |

### 3.2

Dorchester is the Administrative Centre for the County and serves a large and primarily rural, hinterland and historically has seen a high level of in-commuting from other towns and villages across Dorset.



Brewery Square Development

### 3.3

The town is home to Dorset Council which is a unitary authority formed in 2019 from the former Dorset County and East Dorset, North Dorset, Purbeck, West Dorset and Weymouth & Portland District Councils. The Council employees around 4,800 FTE staff although these are dispersed across various locations in the County but primarily based at County hall in Dorchester.

### 3.4

The Dorset County Hospital (Dorset County Hospital NHS Foundation Trust) occupies a 22-acre site in the town centre and is the main provider of acute hospital services to a population of around 300,000, living within Weymouth and Portland, the west and north of Dorset, and Purbeck.  The hospital provides a full range of district general services, including an Emergency Department, and has links with satellite units in five community hospitals. The trust employs around 3,500 people spread across multiple locations[1]. The town is served by two railway stations, Dorchester West and Dorchester South.  It sits on the main Weymouth to Waterloo line (South Western Railway) with 2 direct trains an hour into the capital and a travel time of around 2hr 40m. The town also has direct trains to Bristol with a journey time of just over an hour.


Dorchester County Hall


Dorset County Hospital


Dorchester High Street


Dorchester South Train Station

Sitting around 2 miles east of the town Centre (and close to the A35) is the Kingston Maurward College and University Centre which provides a range of full and part time courses many appropriate to the rural/maritime location. The College teaches around 1,500 students from its 160-acre site.

### Poundbury

**3.5**
Poundbury is an urban extension to the west of Dorchester constructed on 400 acres of land belonging to the Duchy of Cornwall. It has been developed in phases, starting in October 1993, and is scheduled to be completed in 2026. When complete the development is expected to have increased the population of Dorchester by some 5,800. Poundbury has also delivered economic benefits and provides employment for some 2,640 people working in around 250 shops, cafés, offices and factories[2]. We comment further on this, later in the report.


Queen Mother Square, Poundbury

## Jobs versus economically active residents

**3.6**
There has been a historical imbalance in Dorchester between jobs in the town and economically active residents and it currently has around twice as many jobs (18,400) as it has economically active residents (9,800)[3].

**3.7**
Workers commute in from nearby towns (particularly Weymouth) and from the surrounding rural areas. One of the challenges for the local plan is to try to improve the balance between housing and jobs in this area. The number of working aged people in the Dorset Council area has plateaued and the County's population is also ageing more quickly than the national trend [3].

**3.8**
The North Dorchester garden community should provide an opportunity to help address these imbalances through the planned uplift in housing (+3,500 dwellings) of which 30-40% will be affordable tenures.

## Weymouth & Portland

**3.9**
Sitting around 7 miles South of Dorchester is the waterfront town of Weymouth and beyond that, Portland peninsula, with its established port and maritime facilities.

**3.10**
Both Weymouth and Portland are important commercial centres in their own right, with a particular focus on leisure/tourism. That said, they are also well served with estates of industrial/business units, although neither location is a particular draw for office occupiers.

**3.11**
Portland, with its active port and naval heritage, has a concentration of defence and maritime related businesses and there are small modern business units serving those occupiers on the Osprey Quay development, which was constructed around 10 years ago. For some businesses, the proximity to the port facilities and waterfront will be a primary driver for their choice of location, whilst others may be prepared to look further afield for future expansion.

**3.12**
The larger settlement of Weymouth also has a number of established business/trade parks in particular the extensive Granby Industrial Estate (off the Chickerell Road/Chickerell Link Road) and Lynch Lane Industrial Estate although, in common with the existing supply in Dorchester, much of the stock is older and there will be limited opportunities to deliver new larger buildings to occupier specific requirements.

3.13
Given this, it is possible that some additional demand will be generated from the Weymouth/Portland conurbation from companies looking to expand or locate closer to the A35. Whilst this arguably presents a risk to Weymouth/Portland we don't think it should be overstated and is only likely to occur if suitable alternative premises are not available more locally.

3.14
We also note that a consent exists for around 8 ha of employment land (to include hotel, residential care home, car showrooms and other employment uses) as part of Weymouth's Littlemoor urban extension which may come forward if sufficient market demand exists.

Portland Marina

## Weymouth-Dorchester Growth Corridor

3.15
The lifetime of the emerging plan may also see expansion of the existing urban areas and a series of developments of a reasonable scale within the wider Dorchester area.

3.16
These future developments will need to be supported by suitable employment opportunities and the proposed allocation at North Dorchester will be well located to deliver that

# ECONOMIC CONTEXT

**4.1**
Dorset is a predominantly a rural county with an extensive and world-famous coastline. As such both the agricultural and aquacultural sectors generate employment and investment opportunities.

**4.2**
However, sitting alongside these, the County is also home to concentrations of high-tech employment in particular in the defence/security and advanced engineering sectors.

**4.3**
The ability of the region to attract new inward investment and retain the highly skilled jobs in those important sectors will, in part, be dependent on companies being able to have access to modern, good quality business premises suitable for changing operational needs.

**4.4**
The Government's Green Paper 'Invest 2035: the UK modern industrial strategy' identifies 8 growth-driving sectors to be prioritised across services and manufacturing, based on both existing and emerging strengths[4].

**4.5**
The strategy, due to be launched in March 2025, will set out actions to encourage and support businesses to invest in these high growth sectors:

- advanced manufacturing
- clean energy industries
- creative industries
- defence
- digital and technologies
- financial services
- life sciences
- professional and business services

**4.6**
Several of these sectors are already represented in Dorset and central Government's focus on them should be viewed positively in the context of economic prosperity of the County, in particular the Dorchester area.

### Advanced Engineering & Manufacturing (AEM)

**4.7**
Dorset is home to a thriving and varied advanced engineering & manufacturing sector, which can be further broken down to Aerospace, Defence, Composite and Marine Technologies.

### Defence & Security

**4.8**
Closely aligned to the AEM sector in employment terms, Dorset is anchored by a significant Ministry of Defence (MoD) presence which is engaged in research, development and operations. The geography and secure facilities provide an ideal environment for high-tech development and testing across land, sea, and air.

4.9
There are multiple examples of defence related businesses local to Dorchester/Weymouth and the Dorset Innovation Park at Winfrith Newburgh has established itself as a leading centre for defence related companies.

4.10
The BattleLab at the Innovation Park is an excellent example of how Dorset is nurturing growth in the sector. The BattleLab is a collaborative initiative between the Ministry of Defence and Dorset Council and offers areas for co-working, events, and sector collaboration. Within the BattleLab building is the Defence BattleLab, a dedicated area where the MOD spearheads innovative solutions to defence challenges.

## Clean Energy

4.11
The South Dorset region also has its part to play in the growing green energy sector with potential for carbon capture and storage, hydrogen storage and offshore wind.

4.12
An agreement has been signed to develop a large-scale offshore wind project in the English Channel off Lyme Bay and a grid connection for the project has been secured at the Chickerell 400 kV substation.

4.13
The PortWind project, being developed by Source Galileo and has the potential to deliver enough renewable energy to help power over 3 million households annually (subject to future leasing rounds by The Crown Estate). The project is being developed in conjunction with Portland Port and is associated with enhanced port infrastructure, supply chain and community benefits onshore[5].

4.14
It seems reasonable to assume that employment and demand for business premises will spin out of the clean energy sector during the lifetime of the local plan.

## Other & emerging sectors

4.15
Dorchester is well placed to accommodate other employment sectors such as aqua-tech and agri-tech. Weymouth is home to CEFAS (Centre for Environment Fisheries & Aquaculture Science), a world leader in marine science and technology. The excellent water quality of Dorset's inshore waters has enabled a diversity of aquaculture to develop and there is significant potential for this sector to expand at sea and on land to meet increasing global demand for healthy fish, shellfish and aquatic plants.

4.16
The County has also established itself as an important centre for financial services and whilst the majority of this is focussed on the BCP Council area, there are financial service businesses operating in Dorchester town and potential for the services sector to have greater representation in this part of the county.

### 4.17

Life Sciences is another area where the region could experience some economic investment, although recognising that it sits significantly behind other regions of the UK who are building from a far more established base, such as the Oxford/Cambridge Arc, SC1 London, MedCity etc.

### 4.18

Whilst it would be wrong to assume that life sciences will become a large employer locally, there may be opportunities for 'spin out' activities from the Hospital (in a similar way to the Poundbury Cancer Institute) or potentially from one of the region's universities.

### 4.19

Life Sciences aside, we believe that the opportunity exists for medical/quasi medical uses to be located at North Dorchester and, whilst this will not be a large market, there are examples elsewhere of private clinics, veterinary practices, dentist etc locating onto business parks. Easy access for patients, good parking levels and the ability for new bespoke premises all play a part in making these locations attractive.

# DORCHESTER GARDEN COMMUNITY

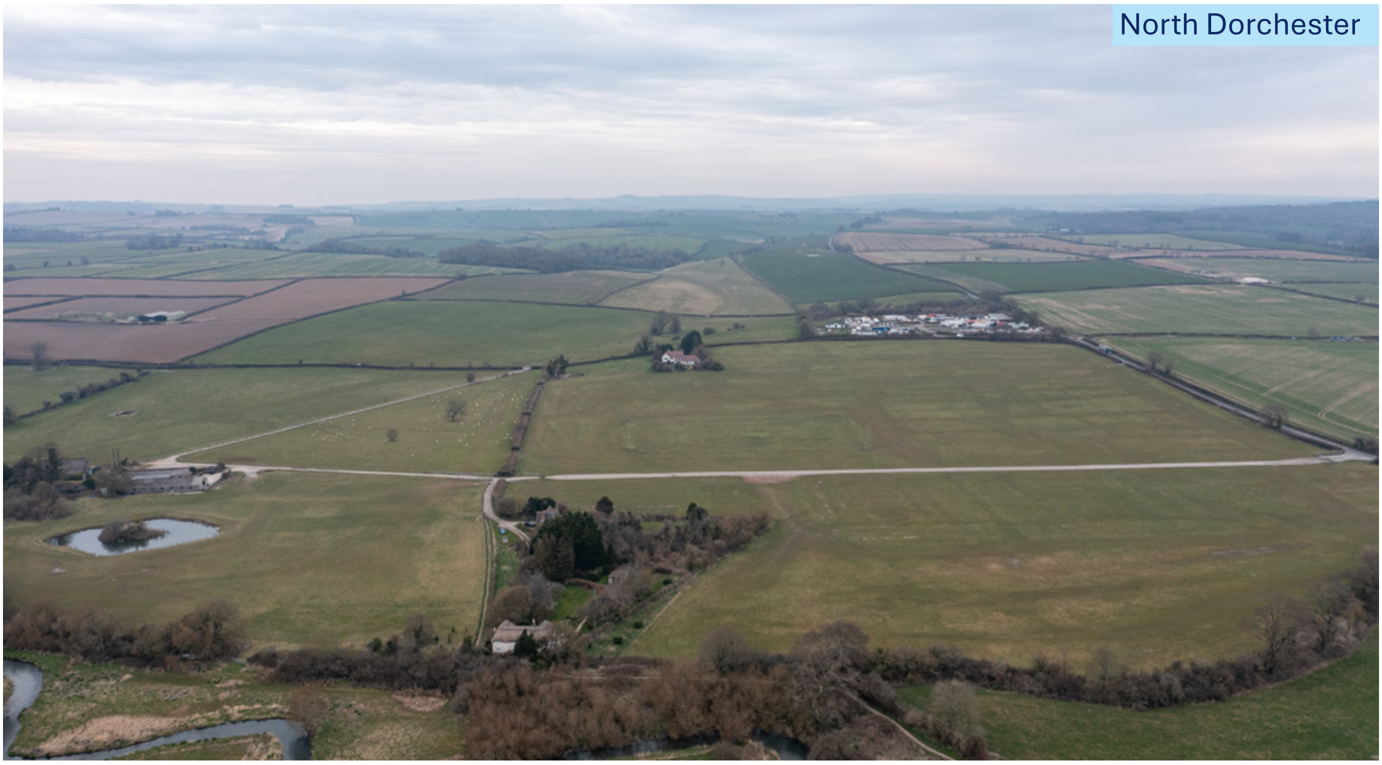
## The Vision

**5.1**
The Garden Communities programme was launched under the previous Conservative Government with an ambition to support 47 locally led Garden Communities (12 Garden Towns and 35 Garden Villages) and deliver over 320,000 homes by 2050.

**5.2**
As well as new homes, Garden Communities are intended to create job opportunities and green space, along with transport infrastructure and community infrastructure, such as schools and health centres.  Garden Communities are required to have clear identities, be sustainable in scale, and achieve well- designed places that are executed with strong local vision and engagement.

**5.3**
In 2019, North Dorchester was awarded Garden Community status by central Government paving the way for a large scale residential led development on some 840 acres of land.

**5.4**
The site is being promoted by a number of developers with some working as a consortium alongside local landowners. The Consortium’s current master plan for the Garden Community includes affordable and open market housing, a business park, medical centre, new education campus, local centres, a new northern link road and a 200-acre Country Park.


North Dorchester

## Employment uses

**5.5**
The North Dorchester Consortium has a stated aim to create one new job for every house constructed (both permanent and during the construction phases)[6].

**5.6**
A wide range of activities will generate employment in some form.  For example, once completed, the proposed education campus, local centres and medical facilities will all provide employment opportunities.

**5.7**
Therefore, for the purposes of considering the potential demand for employment land at North Dorchester, it was agreed with Dorset Council that this report should be restricted to the likely opportunity for demand being generated by the commercial uses listed below.

**5.8**
We agreed to disregard the likely market demand/potential for employment that might be generated from other uses such as out of town retail, care homes or leisure (such as children's play centres, indoor trampolining parks or padel tennis courts all of which are increasingly found in industrial type premises)

**5.9**
The agreed employment uses considered in this report are restricted to:

- manufacturing, storage & distribution,
- hi-tech research & development,
- medical/quasi medical (such as private clinics)
- traditional offices
- trade counter uses of the type typically found on business parks

# MARKET COMMENTARY

### 6.1
In a regional market such as Dorchester there will be a wide range of commercial property requirements, from start-up businesses looking for small, value premises on flexible terms through to larger established employers that will have specific requirements in terms of micro location, building configuration, power/data requirements, car parking/external space.

### 6.2
In order for a commercial property market to function effectively, there needs to be a supply of premises available that can meet those varying requirements or suitable land on which commercial buildings can be delivered, either speculatively or directly for a specific end user.

### 6.3
The impacts of the pandemic continue to be felt with hybrid working driving a fundamental rethink of space utilisation and the type of premises required. Rather than imposing rigid attendance requirements, many companies are focusing on creating compelling environments that naturally draw employees in.

### 6.4
The focus has shifted from simply providing a place to work to creating an environment that makes the journey worthwhile through enhanced amenities, collaborative spaces, and engaging workplace cultures.

### 6.5
This is clearly more acute in the office market where many functions can be undertaken remotely, but unfortunately a high percentage of existing office stock (nationally, not just Dorset) will fall short in terms of the working environment and with falling demand these office buildings are often lost to residential conversion, provided local values support viability.

### 6.6
Energy costs and increasingly ambitious corporate ESG (Environmental, Social & Governance) targets are also negatively affecting market interest for much of the existing unmodernised commercial property stock. This is being compounded by the introduction of minimum energy efficiency standards for commercial premises (MEES Regulations) and since 1 April 2018, a landlord has been unable to let or re-let commercial property that has an EPC (Energy Performance Certificate) rating lower than “E”. MEES regulations will continue to get more stringent over time.

### 6.7
Overall, the general theme both nationally and in the Dorset market, is one of a move to quality both in terms of the working environment, but also sustainability and the environmental performance of buildings. As such a 2-tier market has emerged, whereby older poorer performing stock is becoming increasingly hard to let or sell.

## Employment Land – Supply Position

**6.8**
In terms of Dorchester's existing supply of employment land for development, this is relatively constrained.

**6.9**
There are several well established industrial/trading estates around the town although much of this existing supply is typified by ageing buildings on estates that have been developed piecemeal over several decades.

| SITE | SIZE* |
|---|---|
| Marabout Industrial Estate | 1.8 ha (4.5 acres) |
| Millers Close/Grove Trading Estate | 7.2 ha (18 acres) |
| Railway Triangle Industrial Estate | 1.4 ha (3.5 acres) |
| Poundbury West Trading Estate | 4.8 ha (12 acres) |
| Casterbridge Industrial Estate | 1.2 ha (3 acres) |
| Louds Mill | 1.8 ha (4.5 acres) |
| The Old Radio Station | 2 ha (5 acres) |

*Approximate site areas

**6.10**
Whilst we understand that many of the established estates are operating at close to full occupancy, the quality of many of these buildings is, in some cases, quite poor and vehicular access to/circulation around some of the estates can also be difficult. Whilst comprehensive redevelopment of existing developments is always possible, because of fragmented ownerships and differing lease end dates, such opportunities are in reality quite limited.

**6.11**
Office supply in Dorchester is typically found in the form of individual buildings distributed around the town rather than on office parks/developments and much of that office space is located above retail units or in converted residential properties, so may be compromised in terms of layout or efficiency as a result. The exception to this is the more modern office accommodation that has been delivered as part of the Poundbury scheme (see below).

**6.12**
As such, many of the town's existing premises will not be able to meet changing occupier requirements in terms of layout, quality or environmental performance and although they will be perfectly acceptable for many businesses, they do not cater for the whole market.

**6.13**
A new employment allocation at North Dorchester will facilitate an increase in the overall supply of business premises in the town and enable existing employers to consider relocating where they may have been reluctant/unable to, due to lack of suitable premises. This would in turn free up some of the existing lower quality stock and facilitate some market 'churn'.


Casterbridge Industrial Estate


Railway Triangle Industrial Estate

## Poundbury

### 6.14
New employment space (offices, retail and manufacturing) has been delivered as part of the Poundbury development and there are understood to be some 200+ businesses operating there.

### 6.15
The design philosophy at Poundbury has been based primarily around the integration of employment and residential uses in order to create a more sustainable community that is less reliant on car travel. As such there is no single 'employment area' and the scale/design of the commercial properties are quite residential in nature with the majority being less than 1,000 $m^2$.

### 6.16
The development does have some larger premises (for example Loop Technology at 2,400 $m^2$) and also a stand-alone business park (the 2ha Parkway Farm Business Park) which provides an alternative for uses that might be less suitable for operating in the residential neighbourhoods.

### 6.17
Our understanding is that occupancy levels at Poundbury are good but that no further employment land is due to be released as part of the development and so its capacity to accommodate new occupier requirements will be limited.


Parkway Farm Business Park


Loop Technology Centre

Poundbury aside, there two other employment land sites that serve the area and are worthy of comment:

## Dorset Innovation Park

**6.18**
The 125-acre Dorset Innovation Park which is also home to BattleLab at Winfrith Newburgh (around 10.5 miles southeast of Dorchester), is owned by Dorset Council, and has a substantial amount of undeveloped land, with serviced plots available for employment uses.

**6.19**
The park has enterprise Zone status and is home to a number of businesses in the advanced engineering, marine, defence, energy and cyber-security sectors. Dorset Police also have their HQ adjacent to the entrance of the Innovation Park.

**6.20**
As well as development land, the Park offers offices/laboratory spaces within flexible shared workspaces. There has also been some recent speculative development of around 26 small business units (from $68m^2$/$731\ ft^2$ upwards).

**6.21**
Access onto the Innovation Park is only available with a pass and there is 24/7 gated security – as such it retains a quasi-government/military feel partly arising from its origins as the Winfrith Atomic Energy Establishment.

**6.22**
While there are some limited facilities on site and in nearby Wool, the Innovation Park is relatively remote, and the majority of employees will rely upon car travel given the limited housing, shopping and other facilities within the immediate area. This is despite the presence of Wool railway station.

**6.23**
The focus of the occupancy policy at the Innovation Park is the advanced engineering/defence sectors and it has been very successful in achieving this, building a cluster of similar occupiers with the resultant benefits of knowledge transfer and sector specific collaboration.

**6.24**
It is our view that the Innovation Park is likely to appeal to a particular type of occupier and, whilst there could be some crossover with North Dorchester in terms of demand, they will serve slightly different markets.

## Piddlehinton Enterprise Park

**6.25**
The other employment site of note is the Enterprise Park at Piddlehinton (10.5 ha/26 acres) approximately 5 miles from Dorchester. The Park occupies a rural location with relatively poor road access. It evolved from a former military camp and has a mixture of buildings of varying ages/quality and whilst there has been some recent small scale speculative industrial development, the Park does not appear to have the capacity to support any large-scale new development. We would question whether this would be the right location anyway both in terms of occupier demand and developer appetite.

## Demand Position

**6.26**
Vail Williams are commercial property consultants and cover the entire County from our Bournemouth office. As such we are in direct and regular contact with occupiers, landowners, investors, funders and developers active across in the region, as well as nationally via our network of 11 regional offices.

**6.27**
Although serving a large hinterland, in common with many rural towns, the Dorchester market is quite localised. Much of the surrounding road network is single carriageway and suffers from congestion which can be quite severe, especially during holiday periods.

**6.28**
Operators of large-scale logistics units tend to seek locations that are on the main strategic road network (trunk road/motorways). These national and regional distribution centres see goods come from ports and are loaded into HGVs for regional distribution.

**6.29**
As noted earlier, there are examples of highly successful employment sectors local to Dorchester and a critical mass of existing employers in AEM and defence for whom the ability to have access to suitable premises locally will be important but, in commercial property terms Dorchester sits in the shadow of the neighbouring Bournemouth, Poole & Christchurch conurbation which, in our experience, attract greater interest from employers across all sectors.

**6.30**
The fact that demand for business premises of all types tends to be stronger in the east of the County is not a great surprise given the superior road network and proximity to the larger customer/ employee base that is available along the M27/Solent Corridor and beyond. Any new development at Dorchester will therefore be in competition with the wider Dorset region, in particular provision in the BCP Council area.

**6.31**
At the time of writing, we are aware of employment land available at :

- **Bournemouth Airport** (c.60 ha)
- **Axis 31, Woolsbridge Industrial Park** (total site c.8 ha),
- **COTY Site, Wallisdown** (total 3.2 ha),
- **Sopers Lane, Poole** ( c.4ha),
- **Plot C Cobham Gate, Ferndown Industrial Estate** (1.8 ha),
- **Magna Park, Poole** (0.8 ha).
- **Yarmouth Road, Poole** (3.84 ha)

**6.32**
The long-term demand position in Dorchester is more challenging to quantify and will inevitably change over the course of the plan period. Past performance helps to give some indication as to the depth of demand in a market and, in the table below, we have provided some statistics on take-up rates for office, industrial and storage/distribution from 2020-2024.

6.33
The data in the table below is for Dorchester (DT1) and has been collated for Vail Williams by CoStar which is a recognised commercial property data platform.  CoStar uses multiple sources to identify market transactions including contact with active commercial agents, interrogating HMLR (His Majesty's Land Registry) data and reviewing published articles relating to property transactions.

6.34
It does not capture all transactions for example off market sales/lettings or where the parties are sensitive about information being released but is nonetheless a useful indicator. Neither will these take-up rates identify instances where, for example, businesses have chosen to relocate outside of the Dorchester area because they were unable to identifying suitable premises or land on which to build.

| YEAR | TAKE UP ($m^2$) | Take up ($ft^2$) |
|---|---|---|
| 2024 | 2,078 | 22,369 |
| 2023 | 2,041 | 21,973 |
| 2022 | 1,054 | 11,343 |
| 2021 | 5,073 | 54,610 |
| 2020 | 682 | 7,340 |

**Dorchester Business Premises Take-Up (Source CoStar)**

6.35
The majority of the transactions in this data set are relatively small (averaging around 273$m^2$).  It is worth noting that for 2021 there was a single office transaction of 3,900$m^2$ which accounted for most of the uptake that year.

6.36
An important consideration for the town's future economic prosperity will be its ability to deliver sufficient and suitable employment space capable of accommodating the expansion of existing businesses as well as attracting inward investment from new companies. From our research, the existing stock of buildings is unlikely to achieve this and the towns' ability to respond to changes in the wider economy is currently limited.

6.37
Dorchester is lacking a modern business/industrial park environment that could accommodate a range of uses such as high-quality offices, research and development, light industrial, storage and distribution (including Trade Park) or high-tech manufacturing.  We believe that North Dorchester provides an opportunity to complement rather than dilute the existing supply. In particular there is limited opportunity within the existing supply to accommodate 'larger' space requirements of over 3,000$m^2$.

6.38
Whilst sectors such as agri-tech and green technology offer potential areas of growth for the region although we wouldn't want to overstate the appetite for businesses looking to relocate into Dorchester – our assessment is that the market is driven more by existing employers looking to expand, relocate or consolidate on to a single site.  As noted above, the town is central to several main roads and serves a large hinterland.

6.39
In particular Dorchester's proximity to Weymouth appears to present an opportunity to satisfy potential demand from businesses in Weymouth where employment land supply is also relatively constrained and the road network adds to travel times, especially during peak periods.

# RECOMMENDATIONS

7.1
In total, some 172 ha (425 acres) are allocated in the emerging local plan for the North Dorchester Garden development. That total area will accommodate the various uses that will make up the community (housing, community uses, new education, employment) as well as the space required for infrastructure, landscaping and the new country park.

7.2
The 12.4ha (30.6 acre) allocation within the masterplan layout for employment differs from that proposed in draft Policy 13 in part due to the range and type of uses that are considered in the masterplan. The emerging policy states that at least at least 10ha (24.7 acres) of employment land will be allocated, although it is recognised that this is not fixed at this stage and will evolve during the master planning process, in part as a result of the conclusions drawn from this report.

| Neighbourhood | Gross Developable Area | Gross Developable Area | Net Developable (employment) | Education | Approx residential units |
|---|---|---|---|---|---|
| Central Southern A | 33 ha | 16.2 ha | **2.8 ha** | - | 650-800 |
| Central Southern B | 4 0ha | 11.7 ha | **9.6 ha** | 4.1 ha | 450-600 |
| Frome Whitfield | 40 ha | 22.7 ha | - | - | 550-750 |
| Pigeon House Farm | 19 ha | 10.2 ha | - | - | 200-300 |
| Slyers lane | 40 ha | 15.5 ha | - | 9.7 ha | 450-600 |
| - | 172 ha (425 acres) | 76.3 ha | **12.4 ha** | 13.8 ha | 2,300-3,050 |

7.3
It is acknowledged that the quantum of employment space that will be delivered by the North Dorchester allocation is going to be a function of variables which are unknown at this stage. These include proposed uses, building design and layout, requirements around external areas such as yards or vehicle parking, infrastructure needs and circulation/landscaping requirements. These can only really be established at the design stage in response to the final master plan and to any end user/developer requirements. In the absence of this information, we have therefore had to adopt a reasonable assumption as to a suitable plot ratio having regard to the local market and our experiences elsewhere. As a new employment site on the edge of an urban area, we would expect an approach to delivery that would seek to use the land efficiently and maximise the developable area. Therefore, a plot ratio of 0.5 has been adopted as an average, meaning that 1ha of land would provide 5,000m$^2$ of floorspace.

**7.4**
On this basis, the 10ha -12.4 ha would be sufficient to deliver in the order of 50,000m$^2$ (540,000 ft$^2$) – 62,000 m2 (670,000 ft$^2$) of employment space which, in our opinion, would be too much for a town like Dorchester to absorb in a single tranche. Even if viewed annually over the 15-year plan period, 3,300 – 4,100m$^2$ (35,500 – 44,000 ft$^2$) pa whilst easier to digest, still exceeds average historic take up rates.

**7.5**
Market requirements for **3,000-4,000 m$^2$** from a single occupier are not especially common in Western Dorset and in reality, delivery of new employment space would not be linear over the plan period anyway. It would instead be driven by market cycles, specific occupier requirements and the appetite from developers to build speculatively.

**7.6**
Speculative development is directly linked to viability – something which is by no means assured at the date of this report and is often focussed on smaller (up to 200m$^2$) business units where there is generally a ready market from owner occupiers.

**7.7**
We note that the March 2024 Iceni 'Dorset & BCP Employment Land Study' commissioned by BCP/ Dorset Council suggests **13ha (32 acres)** of employment land be allocated for the Dorchester North site stating that "this slightly higher figure may better support the scale of development and existing demand." This size of allocation would deliver around 65,000m2 **(700,000 ft$^2$**) of employment space or around **4,300 m$^2$ (46,700 ft$^2$**) over the life of the plan.

**7.8**
In our opinion this **13ha** would be larger than the Dorchester market would require given the relatively local nature of demand, unless a major space requirement came forward. For information we are aware of just the one active large scale occupier requirement for Dorchester (a 1,400-2,800m$^2$ industrial requirement focussed on Weymouth and a 5 miles radius).

**7.9**
Poundbury has seen some larger development such as the Dorset Cereals building at around 3,900m$^2$ and the Loop Technology premises at around 2,400 m$^2$ but these will be the exception rather than the rule.

**7.10**
There is no set 'metric' for calculating the amount of employment land in a specific area and instead allocations will be a judgement based on location and existing local market supply/demand conditions. In its March 2024 report "Dorset and BCP Employment Land Study" Iceni Projects commented that:

*"In terms of determining an appropriate scale of allocation or total employment land area required, this should typically relate to existing settlement sizes."*

## 7.11

The report went on to say that the existing evidence is limited regarding typical functional relationships between employment floorspace and settlement size, although anecdotally and based on analysis in Bedfordshire 50-60 sqm of employment space (industrial) per dwelling has been reported, although examples of new settlements recommend closer to 15 sqm.

## 7.12

Some limited analysis for Dorset suggests averages well below this, closer to 10 sqm of floorspace per dwelling at present as below. It would be reasonable for Dorset's market towns to be seeking to achieve closer to or above **15 sqm** of employment space per dwelling in the round.

## 7.13

On this basis, for 3,500 dwellings at North Dorchester, the employment land allocation should require around 52,500m$^2$ of employment use, equivalent to around **10.5 ha** (assuming 5,000m$^2$/ha of developable land).

Taking all of the above into account, our assessment is that both the 10ha identified in the local plan and the **10.5 ha** produced by the 15m$^2$/dwelling approach above are also likely to be towards the higher end of what the Dorchester market would support.

Given our knowledge of the Dorset property market and our assessment of the local supply/demand position we would recommend that around **8 ha (20 acres)** is likely to be more reflective of the demand requirements. This could deliver around **40,000 m$^2$ (430,000 ft$^2$)** of employment space or around **2,700m$^2$ (29,000 ft$^2$)** per annum over the plan period.

We do not believe that the allocation should be below 8ha but, depending on the master planning process and the logical allocation of the land, it could sit slightly above.

## Garden Community Allocations

**7.14**
There are other Garden Towns/Garden Villages proposed elsewhere in the Country and we have researched the allocation of employment land within those schemes.

**7.15**
The table below lists 10 Garden Towns/Villages and shows the ratio of employment land being proposed to the number of dwellings.

**7.16**
The information is drawn from publicly available sources such as planning applications, although we acknowledge its limitations in terms of the specific detail that may sit behind the headline figures and which we do not have access to. It does however provide a check against the 8ha we are recommending (equivalent to **.00229ha/**dwelling):

| Garden Village/Town | Total dwellings | Total Employment Land (ha) | Hectares/dwelling |
|---|---|---|---|
| Welbourne Fareham Hampshire | 6,000 | 20.37 | 0.003395 |
| Long Marston Stratford Upon Avon Warwickshire | 3,500 | 13 | 0.003714 |
| Longcross Garden Village | 1,700 | 11.50 | 0.006765 |
| Berinsfield, South Oxfordshire | 1,500 | 5 | 0.003333 |
| Salt Cross, West Oxfordshire | 2,200 | 5.7 | 0.002591 |
| Harlow & Gilston, Essex and Hertfordshire | 8,500 | 2.9 | 0.000341 |
| North East Chelmsford, Essex | 10,000 | 4.5 | 0.000450 |
| Dunton Hills, Brentwood | 3,700 | 5.5 | 0.001486 |
| Tresham, East Northamptonshire | 1,500 | 1.2 | 0.000800 |
| North Manydown Basingstoke Hampshire | 3.520 | 8.9 | 0.002528 |
| **Average** | | | **0.00254** |

### Distribution of the employment land

**7.17**
We have also been asked to advise on whether the Dorchester North employment land allocation should be distributed throughout the new garden community on multiple plots integrated within the residential areas (in a similar approach to Poundbury) or whether it should be provided on a smaller number of larger employment specific sites.

**7.18**
In our opinion the **8ha** land allocation should be on a separate single employment site (or potentially 2 or 3 sites) and not integrated with the housing, although it should be readily accessible to it and connectivity between the employment and residential areas/local amenities will be important.

**7.19**
There are several reasons behind our recommendation that the allocation should not be combined with the housing:

1. Allocating the employment land on larger sites increases flexibility and the ability to respond to individual occupier requirements of differing sizes.

2. Separating the employment uses from residential areas reduces the likelihood of conflict with residents arising from lorry movements, machinery, extract ventilation etc.

3. Placing all of the employment land in 1-3 locations helps create a critical mass that can, in turn, attract more businesses to an area.

4. A concentration of similar uses can also be attractive to occupiers, for example trade counter uses will often prefer to be located close to one another.

5. Larger employment sites will give local businesses the opportunity to consolidate existing multiple sites into a more efficient single location.

6. A more coherent development can be created on a single (or relatively small number of) sites.

7. There will be development, construction, procurement and estate management efficiencies driven by building in a smaller number of locations which in turn improves viability.

**7.20**
Finally, when employment buildings eventually come to the end of their economic life, the viability of (and the market appetite for) a comprehensive redevelopment will be greater for a larger site or combination of sites.

**7.21**
This would not be possible if the employment space has been 'pepper potted' amongst the residential and in fact could lead to pressure to replace employment uses with higher value residential use.  We have seen multiple examples of this elsewhere.

## Other considerations

**7.22**
Whilst our brief did not include a requirement for commentary on any wider issues related to the allocation, there are some considerations that we think would be helpful for us to highlight and provide some general notes on:

## Viability/deliverability

**7.23**
No employment development will take place at North Dorchester unless it is commercially viable. The commercial property market in the UK is underpinned by returns driven from capital values and development costs (including profit and finance). At the date of writing, there are large numbers of commercial developments across the country that are stalled because the cost of delivering them is currently higher than their end value. Without increases in rents/prices or a reduction in development costs then those schemes are unlikely to come forward. Land values have a part to play in the equation but in reality, they make up a relatively small proportion of a developments total cost.

**7.23**
Owner occupiers will purchase serviced development sites on which to construct their own premises and in these situations viability can be slightly less of a consideration but, as things currently stand, the proposed allocation is unlikely to see any development come forward speculatively and even if occupiers/buyers can be found, embedded rents/capital values will challenge the economics.

**7.24**
However, it is recognised that markets will change over time and any positive shifts in values, construction costs or finance will all help improve the viability position.

**7.25**
The deliverability of new employment space could be further encouraged through the future site developers promoting active marketing of the available opportunities to businesses (locally/regionally), engagement with the local authority to promote the locality and the development opportunities available, by securing outline planning consent/s to reduce risk/delivery lead in and by putting in place the necessary infrastructure in advance such so that ‘serviced plots’ can be sold. Central Government funding can also be available to kick start employment projects in support of specific policy objectives.

## Access to the Road Network

**7.26**
The proposed new link road (that will connect Dorchester North with the A35 at Stinsford) provides an excellent opportunity to ensure that the employment land allocation benefits from direct access to the regional road network.

**7.27**
This accessibility will be important in terms of attracting potential occupiers and helping to make any development commercially successful. At the master planning stage this accessibility should be carefully considered when determining where the employment land should be positioned.

### Visibility/road frontage

**7.28**
Linked to the above is the importance of visibility for many commercial occupiers and where possible, optimising visibility from the A35 will be important and will assist with securing occupiers for the employment land.

### Infrastructure

**7.29**
We recognise that the new Garden Community is only at master planning stage but we would recommend that early consideration is given to the infrastructure requirements of potential occupiers, in particular ensuring access to sufficient electrical power and high capacity data connectivity.

# SUMMARY & CONCLUSIONS

### 8.1
The quality of the existing employment stock in and around Dorchester is mixed with much of it being older style premises that may not meet the latest occupier requirements in terms of environmental performance, connectivity, physical configuration or simply visual 'appeal'.

### 8.2
Dorchester's ability to accommodate new occupier requirements is relatively constrained and, in our opinion, the town and surrounding district could miss out on potential occupier requirements because of a lack of strategic development opportunities.

### 8.3
The proposed allocation is therefore important to safeguard the ability of the area to meet future demand. In summary we would recommend the allocation of around **8ha** of land for employment uses as part of the North Dorchester Garden Community.

### 8.4
That allocation should be in between 1-3 sites and careful consideration should be given to where the land is, both in terms of making it attractive to the market and so that it complements and doesn't conflict with the residential uses. As noted earlier in this report, we anticipate that the North Dorchester land will be attractive for a range of potential employment uses including engineering/manufacturing, research & development, office, distribution and potentially quasi medical type uses.

### 8.5
The eventual mix of those end uses and unit size will be driven by the market, in particular occupier demand and local supply. Typically, we see a core of demand for small (90m$^2$ – 200m$^2$) units which often appeal to owner occupiers and start-up businesses and would expect to see industrial/business units top out at around 3,000m$^2$ given the fairly localised demand. Certainly we would not anticipate seeing the larger (6,000+m$^2$) storage and distribution requirements in Dorchester. Office demand is harder to predict and is often driven by a single occupier.

# SOURCES

**Source 1**: https://www.dchft.nhs.uk/

**Source 2**: https://poundbury.co.uk/

**Source 3**: Dorset Council

**Source 4**: https://www.gov.uk/government/consultations/invest-2035-the-uks-modern-industrial-strategy

**Source 5**: www.portwind.co.uk

**Source 6**: https://www.northdorchester.org.uk/

Vail Williams

Everdene House, Deansleigh Road,
Bournemouth, BH7 7DU
**June 2025**