

RURAL ENTERPRISE DWELLING APPRAISAL

FOR THE ERECTION OF A DWELLING HOUSE

To

HOUSE A KEY AGRICULTURAL WORKER

At

Blaengwenffrith Farm
Tonna
Neath
SA12 9TA

**PREPARED IN ACCORDANCE WITH INSTRUCTIONS
RECEIVED FROM:**

MR RICHARD HOPKINS

By: Watts & Morgan
55a High Street
Cowbridge
CF71 7AE

Date: July 2021

Instructions

This report has been prepared in accordance with instructions received from Mr Richard Hopkins to prepare an independent rural enterprise dwelling appraisal to support a planning application to erect a rural enterprise dwelling on land at Blaengwenffrith Farm, Tonna, Neath, SA12 9TA.

Inspection

An inspection of land forming Blaengwenffrith Farm and Dyffryn Farm was carried out by Robin L Jones BSc (Hons) MRICS, FAAV of Watts and Morgan in the company of Mr Richard Hopkins on 29th April 2021.

Proposal

We are informed that a planning application is to be made by Richard Hopkins to Neath Port Talbot County Borough Council for the erection of a rural enterprise dwelling on land at Blaengwenffrith Farm to house Mr Richard Hopkins and his family.

The land at Blaengwenffrith Farm is farmed in conjunction with Duffryn farm, Maesteg and in total comprises approximately 338 acres made up of mostly permanent pasture.

The farm business has until the last 2 years been operated solely from Dyffryn Farm which is a 240 acre (97.1 hectares) holding which is occupied by Mr Hopkins under a secure long-term tenancy under the Agricultural Holdings Act 1986. There is no farmhouse at Dyffryn Farm. Mr Hopkins has recently acquired the freehold title to Blaengwenffrith farm as a result of Inheritance having worked on the farm for a number of years helping the previous owner who was Mr Hopkins' uncle. Due to the size of the whole holding comprising approximately 338 acres it is considered a necessity for Mr Hopkins to live on the farm. Dyffryn Farm is tenanted and the only viable option for Mr Hopkins to live on the holding is to construct a rural enterprise workers dwelling at Blaengwenffrith Farm.

The planning application has been submitted in order to allow Richard to be available to the land at Blaengwenffrith Farm at all times which is considered to be necessary particularly during busy periods, notably lambing and calving.

Existing Agricultural Business

Land

The farm business comprises approximately 338 acres (136.7 hectares) of land all of which is either owner occupied or rented on a long term tenancy governed by the Agricultural Holdings Act 1986. The land is further described:-

- Approximately 98 acres (39.6 hectares) of owned land comprising pasture and woodland at Blaengwenffrith Farm as shown on the plans 1a and 1b attached in Appendix A
- Approximately 240 acres (97.1 hectares) of pastureland at Duffryn Farm which is rented under a secure Agricultural Holdings Act tenancy as shown edged in Red on the plans 2a and 2b in Appendix A.

Cropping

The land at both holdings is laid mostly to permanent pasture which is managed to support a flock of 600 sheep and 14 Cattle.

Approximately 105 acres (42.5 hectares) of silage is cut each year on both farms which is consumed as wrapped big bale silage and is fed during the winter months.

Approximately 20 acres of stubble turnips is grown on rotation each year at Blaengwenffrith Farm which is grazed to fatten lambs during the autumn and winter months. The turnip land is subsequently reseeded to permanent pasture enabling approximately 20 acres of land to be reseeded each year.

Livestock

The farm business includes a flock of 450 breeding ewes along with 80 yearling ewes, 60 ewe lambs, 14 rams, 11 cows, 1 Bull 2 Calves along with 2 Horses.

The sheep flock comprises Welsh Mountain, Gritstone crosses and Border Leicester ewes. The ewes are put to Welsh Mountain, Gritstone and Border Leicester rams to produce replacements for the flock and finished lambs for market. The finished lambs are sold in Neath Collection Centre and Monmouthshire Livestock Market in Raglan, between the months of September and December each year.

The cattle herd comprises 11 bulling heifers which have been put to an Aberdeen Angus bull to produce replacements and store cattle. All heifer calves are to be retained with a view to building up the herd to 20 cows with all bull calves to be sold as 12-month-old steers.

The beef herd and sheep flock are managed as a closed enterprise whereby no stock is brought on to the holding other than accredited rams and bulls for breeding purposes.

Agricultural Buildings

Hay Store shed – 33ft x 22ft

Livestock Shed – 20ft x 41ft

General Feed store and Storage shed – 15ft x 34ft

Farm Machinery

The farm business has a comprehensive range of farm machinery to enable all operations including land management and fodder conservation to be carried out on the farm.

The farm machinery is as further described:-

- New Holland 7635
- New Holland T5 115
- New Holland TL 100A
- Claas Rollant 260 Baler
- Tanco Bale Wrapper
- 7ft Drum Mower
- Rotovator
- Fertilizer Spinner
- Chain Harrows
- Kverneland three furrow plough
- Twose Roller
- 17ft Hay Trailer
- 3 Ton Tipping Trailer
- 2 x Transport Boxes
- 2 x Hay Trailers
- 10ft Ifor Williams Flat Bed Trailer
- 10ft Ifor Williams Stock Box
- kubota Mini Excavator
- Kubota RTV 900 Truck
- Quad Trailer
- Weed Wiper
- Pock Knocker
- Creep Feeders
- 3 x Shearing Machines
- Sheep Scales
- ECT Cattle Crush
- Ransom 3 furrow plough
- 2 x Muck spreaders
- Land Rover

A complete list of the Farm machinery and Photographs are shown in Appendix B.

Basic Payment Scheme

The farm business has the benefit of 122.89 Basic Payment Scheme entitlements and is part of the Glastir Advanced management scheme, details of the scheme are included in Appendix C.

Time/Functional Test

With maintenance and management, there is a theoretical labour demand of 4528 standard man hours per year on the farm based on the ABC Costings Book. The standard man hours as per the ABC Costings Book are as shown below:-

Livestock

Cattle 12 - 24 months	12 @ 10	120
Sheep	604 @ 4	2416

Cropping

Silage 42.5 hectares @ 20	850
Grazing 86.2 hectares @ 10	862
Turnips 8 hectares @ 35	280

Total	4528
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Based on a total labour unit of 2200 standard man hours per agricultural worker there is a clear functional requirement for 2.06 agricultural workers on the holding.

Appraisal

Richard Hopkins runs a substantial business at Blaengwenffrith Farm and Duffryn Farm in terms of the area farmed and livestock managed.

The farm is run as a closed unit to minimise the risk of disease with only accredited rams and bulls being brought onto the holding. Everyday demands on the workforce includes livestock husbandry as well as seasonal demands including lambing, calving and veterinary care. In addition to the manual labour listed, there are increasing administration works for the farming business which include animal movement records, Farm Assurance standards and Basic Payment records.

The requirement in this instance is for an agricultural dwelling at Blaengwenffrith Farm and in considering the need for a key agricultural worker to be resident on the holding the following points need to be taken into account:-

- A farmer would normally provide the overall management and control of a farm business. A farmer would also provide labour input particularly to cover “out of hours” requirements which for a livestock farm is every day including bank holidays and weekends. It is essential, therefore, for a farmer managing his holding to live “within sight and sound” of the holding at all times.
- The farm holding comprises approximately 338 acres of pasture land. This is a substantial holding which requires on site management particularly during the shorter daylight hours when it is necessary to check stock during night hours and during lambing. Should veterinary care be required a farmer needs to be on hand to inform the vet and supervise.
- The farm holding is situated close to the urban fringe with the associated risk of arson and theft. It is necessary for the farmer to be on the holding at all times to ensure security and the welfare of livestock and machinery.

In view of the above points, it is considered that there is a functional necessity for a minimum of two full time workers within the farm business of which one should be resident within sight and sound of the farm buildings to ensure that a worker is available to the holding at all times therefore satisfying the functional and time tests as set out in TAN 6.

Financial Test

We have attached to this report under Appendix D copies of Profit and Loss Accounts for the farm business which trades as Richard Hopkins. We have also attached under Appendix D copies of projected accounts for the years 2021, 2022 and 2023.

The accounts for the years 2011 until 2020 are as listed:-

<u>Year End</u>	<u>Gross Profit</u>	<u>Net Profit</u>	<u>Adjusted Net Profit</u>
2011	14867	6168	8008
2012	19789	11559	13460
2013	15247	4962	7430
2014	14735	5483	8364
2015	19755	12095	16040
2016	23680	11701	15861
2017	37447	21255	27371
2018	28985	14827	18834
2019	34183	16056	24654
2020	40768	20102	28915

The Profit and Loss figures as shown clearly outline that the farm business has been profitable over the last 10 financial years. There has been a clear improvement in profitability from 2015 onwards.

During the years 2015 – 2020 the average net profit (NP) has been £16,006 the adjusted net profit which excludes financial costs and depreciation shows an average of £21,945 during the same years. The ANP provides a clear indication of the underlying profitability of the farm business which we consider satisfies the financial test under TAN 6.

It should be noted that the farm business achieved a net profit in excess of £20,000 during the last financial year. The projected accounts show a net profit in excess of £20,000 for each of the next three years.

Other Dwelling Test

There is no farmhouse available to the farm business at Blaengwenffrith Farm. The farmstead is located approximately 1.5 miles to the north of the nearest village which is Tonmawr.

During a Rightmove search carried out on 2nd July 2021 it showed that there was no available properties for sale within 1 mile of the farmstead.

Other Normal Planning Requirements Test

The proposed location of the dwelling on the site of the existing farmstead. It is not visible to surrounding properties and, in our opinion, satisfies the relevant test.

Conclusion

We consider that in accordance with the information supplied to us by Richard Hopkins and listed in this report the farm business at Blaengwenffrith farm and Duffryn Farms as operated by Mr Richard Hopkins has a proven functional requirement for two full time workers therefore satisfying the Functional and Time tests as outlined in paragraphs 4.8 and 4.9 of TAN 6. In accordance with the financial statements provided, the farm business is financially sound and has been profitable for each of the last 8 years. It is thereby economically sustainable and satisfies the financial test as outlined in paragraph 4.10 of TAN 6.

In addition to the tests as set out in TAN 6 the farm business as an intensively run business on two holdings has a proven functional requirement for a farm worker to be available to one of the holdings at any one time to ensure proper welfare and management of livestock and security of the holdings.

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