

PLANNING APPRAISAL

TEMPORARY AGRICULTURAL DWELLING AT BRYN AWEL, CRYNANT, NEATH

Prepared For

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1. INTRODUCTION

■■■■■■ has been instructed to prepare a planning appraisal in accordance with instructions issued by ■■■■■■ Bryn Awel, Crynant, Neath. ■■■■■■ visited the business on the 1st December 2021 and the appraisal is based on information provided by the applicant and an inspection of the land, buildings and working farm enterprise.

2. TERMS OF REFERENCE

This report is prepared for use in connection with a planning application to Neath Port Talbot Council for the erection of a temporary agricultural dwelling at Bryn Awel, Crynant, Neath. Reference is made to Planning Policy Wales (PPW) and Technical Advice Note (Wales) 6: Agricultural and Rural Development. These government papers address the requirement for the justification of rural enterprise dwellings in the countryside. Reference is also made to the need for an assessment of the functional need, full time employee status, other nearby dwellings and financial tests.

3. CURRENT AND FUTURE BUSINESS

■■■■■■ farms a total of 20 acres, which are all owned, is in one block at Bryn Awel and is all permanent pasture. ■■■■■■ purchased this ground 9 years ago and has no plans to increase the area farmed.

Currently the business has two main sources of income and they are a sheep and firewood enterprises. ■■■■■■ purchases between 40 – 45 ewe lambs in the autumn and sell them as yearlings the following summer. The ewe lambs are not fed concentrates and the hay fed is bought in.

The second enterprise is selling firewood that comes from ■■■■■■ tree surgery enterprise. As a tree surgeon the main work that ■■■■■■ carries out is tree felling and tree pruning and at least 25% of his customers are farmers and landowners. ■■■■■■ does not travel more than 30 minutes from the farm and all the equipment that is used for the tree surgery is kept in buildings on the holding. The income from the firewood increases as the number of customers rises and in the last 2 years it was approximately £■■■■■.

There are two main changes planned to farming practice and they are establishing a flock of 50 ewes with replacements home bred and the lambs not kept as ewe lambs sold as either finished or stores by the end of December. The ewes will lamb outside in March and April and the lambs will be finished on grass.

The second change is the establishment of an Alpaca enterprise with the baby alpaca (cria) sold as replacements. Calving takes place primarily in the spring and

summer but the alpacas require constant care throughout the year. The aim is for there to be 30 alpacas on the holding within 3 years with the main income from selling both the male and female cria for breeding. There will also be an income from the cria not sold for breeding being sold as pets instead and wool.

The alpacas are only fed hay or silage except when they are close to calving and are housed in the winter for protection from the natural elements. Even though the alpacas are housed they will also have access to the grassland as they like to have the option of exercise and do not like to be housed 24 hours a day.

When the alpacas are close to calving they require constant attention and this is often at least once every 2 hours to make sure the cria are born safely. Once the cria are born as with other livestock it is crucial to ensure that they are being fed by their mothers and achieving this can be very time consuming. Also the need for there to be constant fresh feed available means that feeding has to take place in the early mornings and evenings as well as during the day.

The stock tasks for alpacas are very similar to sheep and include feeding, bedding down, shearing, foot trimming, pour on to combat fly strike and maggots plus routine vaccinations and drenches. As with all livestock enterprises good welfare standards are as important to healthy stock as the breeding.

Where the alpaca differ to sheep is that they are very good at concealing illness and if they are not checked regularly by the time it is seen it can be too late to treat. To observe the onset of an illness takes experience and regular checking and this is one reason why someone needs to be on the holding at all times.

Another factor that supports the need for a temporary dwelling at Bryn Awel is the help ■■■■■ be as efficient with his time in relation to his tree surgery enterprise. Currently ■■■■■ is constantly at the farm in the evenings and weekends to make sure that the equipment and machinery are ready for work the next day. These repairs to the farm machinery as well as the equipment used for the tree surgery

It is being prepared to maintain and repair the equipment and machines outside of recognised normal working hours that has been fundamental to the success of the business in recent years. Any delay in the working day will have had a significant accumulative impact, as ■■■■■ is always aiming to earn income during the day rather than being delayed for an hour or two whilst machinery and equipment are being prepared or repaired before the day's work can commence. With ■■■■■ living onsite it will enable him to maximise the efficiency of his time. It is this attention to detail and work ethic that is often the difference between a business succeeding or failing.

■■■■■ lives close to Banwen, which is several miles from Bryn Awel travelling to and from the site out of working hours can at times be arduous, but it is a demand on his

time that is likely to continue to increase as the business is expected to continue to expand with the alpaca being established. Therefore, being able to live onsite will provide ■■■■■ with better working conditions as he will not be away from his family and the disruption to his family life will be minimised

With a minimum of 30 alpacas calving and 50 ewes lambing plus the other stock tasks required for a successful business, constant supervision of the livestock will be required, to help ensure the business maximises its income and profit from the area farmed. Calving and lambing often occurs outside of normal working hours, which clearly demonstrates that ■■■■■ will need to be available at all times to assist the alpacas and sheep where necessary.

The necessity for ■■■■■ to be present on the holding at all times will be clearly demonstrated in this appraisal, which shows that a dwelling at Bryn Awel is essential for the successful running of the business. There are no buildings on the holding that are redundant, so there is not the option of converting one into a dwelling.

4. AREA FARMED AND LAND USE

- ❖ The business farms a total of 20 acres, which are all owned and are in one block at Bryn Awel. All the ground is permanent pasture
- ❖ A plan showing the boundaries of the ground that is owned and the location of all farm buildings will be submitted with this planning application.

5. LIVESTOCK NUMBERS and SALES

- ❖ The average number of livestock on the area farmed at any one time is expected to be:
 - 30 female alpacas
 - 30-60 cria up to 12 months of age.
 - 50 ewes, 3 rams and 10 ewe lambs
 - 70 lambs
- ❖ The average number of livestock that are expected to be sold/yr is:
 - 30 cria for both breeding and pets
 - 60 lambs

- 8 culled ewes

6. LABOUR

- ❖ The alpacas and ewes will be looked after by ████████████████████.
- ❖ Contractors are not used on the holding.

7. FARM BUILDINGS

The buildings at Bryn Awel include the following:

Hay shed and workshop 75 x 40ft
Pole Barn 30 x 20ft that is used for the storage of firewood
Pole Barn 25 x 25 that is used for feed and handling the ewes

- ❖ The business also has planning permission for a new building with a floor area of 1,200ft²
- ❖ All FYM will be stored in the buildings until it is spread.

8. MACHINERY

Below is a list of machinery that is owned by the business

Tractor	Chipper
Cherry Picker	Hedge Trimmer
Tree Surgery Equipment	Climbing Equipment

9. EXISTING DWELLING

Dwellings on the farm unit or in the applicants control including details of accommodation and who occupies the property:

- ❖ ██████ currently lives which is approximately 6 miles from Bryn Awel and the house is rented
- ❖ There are no redundant non-residential buildings that could be converted into a dwelling, as they are all used for housing livestock.
- ❖ No dwellings have been sold in the last 5 years and which are no longer occupied by persons connected with the working of the farm.

10. PROPOSED DWELLING

- ❖ The proposed dwelling will be situated behind the existing building and not be visible from the A4109 Dulais Road
- ❖ The nearest house other than the existing farmhouse will be approximately 200m from the proposed dwelling.

11. CURRENT AND FUTURE LABOUR REQUIREMENTS

Below is an eligibility check using standard man-hour figures that clearly show the level of labour current required to run this business. The figures included in the table are taken from the Agricultural Budgeting and Costings book May 2021 edition and the requirements for the grassland are included in the hours/annum for the livestock.

Livestock and Hours/Annum	Current	Future
Yearling Ewes at 4hrs/hd	180	200
Machinery Maintenance and Repairs at 4hrs/day	1460	1460
Total	1,640	1,660

Assuming that one man works 2,200 hours/annum (after holidays) the current total of hours worked on the farm would equate to 0.75 standard man days or close to one full time job. What is not accounted in these calculations is the man hours for the alpacas as there are no standard man hours for this enterprise. However, as planning permission for temporary dwellings have been granted there is no doubt that there are enough hours to meet fulfil the Full Time Test.

The hours spent with the alpacas can legitimately be included in the man hours as can as a percentage of the tree surgery work because they are recognised enterprises in TAN6 for which an agricultural dwelling can be justified. Paragraph 4.3.2 of TAN6 states that a qualifying land based enterprise including support services such as agricultural contracting. As 25% of the tree surgery customers are either farmers or landowners this work is related to farming enterprises and justifies the tree surgery enterprise being referred to as a support service

12. INFORMATION ON FARMING PRACTICES AND SYSTEMS

- ❖ The husbandry practices that require supervision are calving and lambing the alpacas and ewes, feeding and bedding down all livestock throughout the year and other stock tasks.
- ❖ With the establishment of the alpaca herd there are expected to be at least 30 calvings each year as well as 50 ewes lambing.
- ❖ The alpacas and ewes are both likely to require supervision whilst giving birth to ensure that it is as smooth as possible. Calving/lambing takes place throughout the year and due to its very nature can occur at any time of day and night.
- ❖ Young stock in particular can need essential care at short notice and this would be more difficult to administer and increases the potential losses if there is not a stockperson available on the site at all times
- ❖ All the alpacas will be housed for at least 6 months of the year during the winter months. This increases the labour requirements, as they need bedding down and cleaning out on a regular basis. They will also need feeding at least twice a day. There will be a fairly constant number of both alpacas and ewes on the holding at all times, with the number expected to be at least 80 in total. This means there will always be a relatively high level of labour required throughout the year.

13. OTHER ENTERPRISES/DIVERSIFICATION ON THE FARM

There is a tree surgery enterprise that based on the holding and this also generates an income from firewood

14. JUSTIFICATION

This appraisal makes it apparent that planning permission is required for a temporary dwelling at Bryn Awel. As part of the planning application a functional test is required to prove the necessity to live close or at the place of work.

The main question that needs addressing is whether the labour requirements are sufficient to justify the temporary dwelling on the holding. To help determine this, Technical Advice Note 6 TAN 6 is the principal document followed. It states in paragraph 4.3 that one of the few circumstances in which isolated residential development in the countryside may be justified is when accommodation is required to enable farm or forestry workers to live at or close to their place of work. Further to this paragraph 4.6 states:

If it is considered that a new dwelling will be essential to support a new rural enterprise, it should satisfy the following criteria:

- ❖ Clear evidence of a firm intention and ability to develop the rural enterprise concerned (significant investment in new buildings and equipment is often a good indication of intentions);
- ❖ Clear evidence that the new enterprise needs to be established at the proposed location and that it cannot be accommodated at another suitable site where a dwelling is likely to be available;
- ❖ Clear evidence that the proposed enterprise has been planned on a sound financial basis;
- ❖ There is a clearly established functional need and that relates to a full time worker and does not relate to a part-time requirement
- ❖ Other normal planning requirements, for example, on siting and access, are satisfied

14.1 Evidence of a Firm Intention

Since ■■■■■ has owned Bryn Awel he has invested in a new building that is used to store hay and other inputs for the ewe enterprise plus machinery and equipment for the tree surgery enterprise. The cost of this building was approximately £■■■■■, which is evidence of a firm intention

The business also has planning permission for a second building that will be used for the livestock. This is expected to cost £■■■■■ and ■■■■■ is also expecting to spend up to £■■■■■ on 30 alpacas and cria. This would give an overall investment of between £■■■■■ which can only be described as demonstrating as evidence of a firm intention.

14.2 Evidence that the Enterprise has to be at Bryn Awel

As the business owns the 20 acres that are essential to all enterprises, it is clear that the site for these enterprises has to be at Bryn Awel

14.1 Functional Need

The functional need must demonstrate that it is essential for the business to function properly, one worker needs to be readily available at most times. This availability should relate to unexpected situations that might arise for which a worker is needed to be available outside of normal working hours.

Paragraph 4.8.1 states that a requirement of the Functional Test could be for a worker to be on hand night and day to deal with an emergency that would threaten the continued viability and existence of the enterprise without immediate attention. How this application fulfils this test is because without ██████ being available the loss of income would threaten the viability and existence of this business

There is also the necessity to live on site to meet the functioned need of the cattle and this can be justified in the following ways:

- ❖ It is crucial that ██████ is present during calving/lambing, as difficulties can occur in a very short space of time. It is at these times that a decision has to be taken whether to aid in the skilled task of assisting the alpaca/ewe or to contact the vet because in extreme instances, these situations can be life or death for both mother and offspring. It is not only during a difficult calving/lambing that assistance is required, as it is important to keep the distress to both mother and offspring to a minimum during labour. This can be done through a variety of methods, but it would require someone to be present. It must also be remembered that calving/lambing often occurs outside of normal working hours so this and the other reasons mentioned are why it is essential that someone needs to be living on site at all times.
- ❖ The need for ██████ to be present on site during calving is supported by Animal Welfare Leaflets issued by the Government and other industry bodies such as the AHDB. In these leaflets the following guidance is detailed in relation to when assistance is required at these events
 - When an alpaca/ewe has been straining for an hour or more and there is no sign of the cria/lamb.
 - When part of the offspring is visible and the mother has been straining for some considerable time or has given up
 - When part of the cria/lamb is showing and indicates an abnormal presentation
 - When a alpaca/ewe has given birth but is still agitated
 - When the mother has been agitated for a prolonged period but is not straining or the cleansing is showing
 - If the mother has a uterine or anal prolapse
- ❖ When assistance has been given during calving/lambing the mother should always be injected with an antibiotic immediately and kept under frequent observation
- ❖ There are other stock tasks that could be required at or just after calving/lambing and they include:

- Dipping the navels of the cria/lambs in iodine as soon as possible
 - Ensuring that the cria/lamb receives colostrum from the mother or artificially within 3 hours of birth
 - Isolating sick or mothers in poor condition with their offspring
 - Ensuring that all offspring from a multiple birth are receiving adequate milk.
- ❖ Very young stock can require essential care at very short notice and out of normal working hours. This is particularly true in relation to diseases such as pneumonia and scouring, e-coli infections and clostridial diseases. In all these cases they need round the clock treatment in the early stages to get the disease under control and restrict the infection to as few animals as possible. If the diseases become established, they can cause death and in the case of pneumonia and scouring become endemic, which means they are a constant drain on the financial resources. Administering the treatment and keeping the disease under control will be more difficult if someone is not living on site at all times.
- ❖ It is essential that ██████ is present at all times to deal with emergencies such as the stock escaping. The nature of the countryside around the farm also means the stock could be some distance from the farm in a very short space of time, which means they could be lost or be very difficult to return to the holdings.
- ❖ Besides the livestock ██████ needs to be on site in the evening and weekends to maintain and repair the machinery to be as efficient as he can be with his time. Any delay in working off farm even for an hour or two would have an accumulative effect over time on the income and therefore the profitability of the business. It is essential to the viability of the business for ██████ to minimise the number of non-earning working hours and this will be minimised if he is living on site
- ❖ ██████ also living on site will provide him with better working conditions as he will not be away from his family. This will enhance family life, have a positive effect on ██████ mental health and that is likely to mean that he will continue to give the hours needed to maintain the profitability of the business.
- ❖ Paragraph 4.8.1 states that a requirement of the Functional Test could be for a worker to be on hand night and day to deal with an emergency that would threaten the continued viability and existence of the enterprise without immediate attention. How this application fulfils this test is because without ██████ preparing the machinery and equipment for the next day, the loss of income would threaten the viability and existence of his business

14.2 Security

There are a couple of security and safety issues as well and they include:

- ❖ Even though there are no footpaths that run through the land and farmyard at Bryn Awel the close proximity of the road means that access to the livestock and would be easy. This could tempt members of the public to trespass onto the ground and let the livestock out.
- ❖ There is also the risk of the public injuring themselves or livestock as access to them is easy and there have been cases cited in the media. Livestock do need protection from such acts outside of normal working hours on welfare grounds.
- ❖ The close proximity of the road also makes the business vulnerable to having machinery and equipment stolen. ■■■■■ living on site will help minimise this risk.

14.3 Full Time Test

This has been covered in detail in section 11 of this appraisal and the need for at least 1 full time member of staff is clearly demonstrated.

14.4 Financial Test

Paragraph 4. 10.1 of TAN6 states that for a temporary dwelling the rural enterprise should be financially sound and should have good prospects of remaining economically sustainable for a reasonable period of time, which is usually 5 years. It also states that there must be clear evidence that the proposed enterprise has been planned on a sound financial basis

To show that the business has good prospects of remaining economically sustainable, 5-year budget has been submitted with this application. The budget must show that the business can generate a high enough net profit to pay ■■■■■ a full time salary and meet the mortgage repayments of the proposed dwelling. The Practice Guidance for TAN6 gives further details on what the budget should demonstrate and these are:

- ❖ **Profitable** – Income must exceed expenditure on a regular basis.
- ❖ **Feasible** – Have sufficient funds to support ongoing operations.
- ❖ **Worthwhile** – Provide a reasonable return on the resources used in it.

The table below summarises the budget in the 3rd year as 3 years is the required length of time for a temporary dwelling.

Gross Output	■■■■■
Variable Costs	■■■■■
Gross Margin	■■■■■
Overhead Costs	■■■■■
Finance Charges	■■■■■
Net Profit Before Depreciation	■■■■■
Less Loan Repayments	■■■■■
Less Private Drawings	■■■■■
Cash Surplus/Deficit	■■■■■

- ❖ The budget projects that from the second year there will be a net profit and there is forecast to be a cash surplus from year 3. The main reason for the increase in both the net profit and cash surplus is the alpaca enterprise being fully established
- ❖ 15 in calf alpacas and 15 cria will be bought in the first year at £■■■■■/hd and £■■■■■/hd respectively with another 15 in calf alpacas purchased in year 2. The purchase of 15 alpacas in the second year out of working capital is the main reason for the marginal net profit and cash deficit.
- ❖ The income is projected to rise by £■■■■■ and that is primarily due to the sale of alpacas with 8 females and 4 males for breeding at £■■■■■/hd and £■■■■■/hd respectively. The remaining alpacas are sold as pets at an average of £■■■■■/hd
- ❖ The net income from the tree surgery is forecast to rise by £■■■■■/yr as ■■■■■ continues to develop this enterprise and there will also be revenue from the sale of 60 fat lambs plus culled ewes
- ❖ The variable costs are expected to be significantly lower in the third year as there will not be the purchase of female alpacas. Excluding the purchase of livestock the other variable costs are projected to rise by £■■■■■ (100%) as the numbers of livestock increases
- ❖ The overhead costs are forecast to rise by £■■■■■ (12%) during this period and this is due to inflation. The small increase in the finance charges is because of overdraft interest incurred.

- ❖ There are expected to be two loans required for the temporary dwelling and the farm investment. These loans will total £■■■■■ and will be repaid over 10 years with a fixed interest rate of 4%. The capital and interest repayments are calculated to be £■■■■■/yr
- ❖ By the third year ■■■■■ will be paid a salary that is equivalent to the National Living Wage of £■■■■■/wk.
- ❖ By the end of the third year the cash surplus is forecast to be high enough to meet the repayments of a mortgage for £■■■■■ for a permanent dwelling if it is repaid over 25 years and has an interest rate of 4%.

The enclosed budget clearly demonstrates that the business has every prospect of remaining financially sound, as it is forecast to have a net profit from the third year that is high enough to cover both the mortgage repayments for a permanent dwelling and drawings each year.

The TAN6 Guidance states that the business plan should demonstrate that the business is profitable, feasible and worthwhile. The budget meets these objectives in the following ways:

- ❖ **Profitable** - The projected net profit and cash surplus in the third year demonstrates that the income should exceed expenditure on a regular basis once the enterprises are fully established.
- ❖ **Feasible** – The business currently does not have an overdraft facility but is forecast to require one for the first three years as the enterprises are being established. However, the projected cash surplus from the third year indicates that the overdraft should fall in the subsequent years. These factors clearly indicate that the business will have sufficient funds available to support the ongoing operations once the alpacas are established.
- ❖ **Worthwhile** – Recognised benchmarking indicates that the net profit should be 8% of the turnover and it is forecast that it will be significantly higher in the third year. Therefore, it has been clearly indicated that any investment in this business can be viewed as worthwhile.

There are factors that could affect the profit margin of the business, and these include a fall in the lamb and alpaca prices, rising costs and an increase in the bank base rate while the business has an overdraft facility. There have been allowances for some of these factors included in the budget, which are as follows:

- ❖ The price for the fat lambs and alpacas is projected to be at least £■■■ and £■■■■■ and lower than current average prices. The supporting documents

show that the average lamb price has been at least £■■■■■kg for a lamb of 20 kg deadweight.

- ❖ Over the 3 years the overhead costs are forecast to increase by 12% with all costs projected to rise during this period. This equates to an inflation rate of approximately 6% each year, which is similar to the current rate of inflation
- ❖ The business should be protected from higher interest rates on both the loans as the intention is for them both to have a fixed interest rate. The business would not be vulnerable to rising interest rates in the first three to four years as an overdraft facility is required. However, if the bank base rate rose by 3% the overdraft interest paid would increase by approximately £■■■■■yr, which would not affect the viability of the business whilst it had an overdraft.

Therefore, a reasonable level of sensitivity has already been included in the budget and a cash surplus is still forecast. Therefore, there would have to be a significant fall in income or increase in costs for a sustained period of time for the viability of the business to be under threat. This indicates that the business should remain profitable and the Financial Test has been passed.

14.5 Other Dwellings Test

The guidance for TAN6 states that the applications for new dwellings to serve existing rural enterprises will need to demonstrate:

- ❖ Why any existing dwelling on the land is unsuitable or unavailable to meet the functional need to house a worker.
- ❖ Why there are no alternative options to new development on the land: e.g. the absence of buildings for conversion or the opportunities to meet the functional need through a re-organisation of the management of the enterprise
- ❖ Why existing housing in the area is unavailable or unsuitable to meet the functional need of the enterprise: e.g. through the remoteness of the enterprise base, the high cost of the housing market or general lack of availability of appropriate housing type

Currently there are two properties to buy within a mile of Bryn Awel but the one with the lowest price is £■■■■■ higher than the log cabin. The budget shows that the business would not currently be able to meet the repayments for a mortgage of £■■■■■ as it would not be viable. There are also currently no properties to rent, which means that as there are no suitable alternative dwellings for the business to purchase or rent in the locality this application passes the Other Dwelling Test.

14.6 Other Planning Requirements

These are addressed in the Design and Access statement enclosed with this application.

15. CONCLUSION

This appraisal demonstrates that there is sufficient justification for an agricultural dwelling at Bryn Awel. All the tests required by TAN6 have been satisfied, this appraisal recommends that the planning application for the proposed dwelling is granted.