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ESTABLISHED 1858

AGRICULTURAL APPRAISAL THE PIGGERIES

June 2010

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AN INDEPENDENT APPRAISAL

WITH REGARD TO

A PLANNING APPEAL
FOR A TEMPORARY AGRICULTURAL
WORKER'S DWELLING

AT
WEST END
THE PIGGERIES
ALLINGTON LANE
WEST END
SOUTHAMPTON
SO30 3HP

APPELLANTS
Mr. and Mrs. J. Colyer

Prepared on the instructions of:
M. Knappett, Esq.,
Bryan Jezeph Consultancy,
The Gallery,
3 South Street,
TITCHFIELD,
Hampshire.
PO14 4DL.

Prepared by:
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Dated: 23rd June, 2010
Our Ref: PWP/dep/14196

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AN INDEPENDENT APPRAISAL WITH REGARD TO A PLANNING APPEAL FOR A TEMPORARY AGRICULTURAL WORKER'S DWELLING AT WEST END, THE PIGGERIES, ALLINGTON LANE, WEST END, SOUTHAMPTON, SO30 3HP

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1. INTRODUCTION

1.1 I am Philip William Pollard, a Chartered Surveyor, in the Rural Practice Division. I am a Partner with the Practice of Symonds & Sampson LLP at 89 Crane Street, Salisbury, Wiltshire. I am a Fellow of the Royal Institution of Chartered Surveyors and I am a Fellow of the Central Association of Agricultural Valuers.

1.2 I have undertaken appraisals for agricultural dwellings for in excess of 15 years working with the criteria set out in PPG7 before PPS7 was published. I am therefore conversant with the criteria that have to be fulfilled in order to establish the requirement for an agricultural or other dwelling in open countryside and in providing appraisals. I have undertaken appraisals for other Local Planning Authorities and am currently instructed by the Isle of Wight Unitary Authority in regard to the preparation of independent appraisals for two applications for agricultural dwellings.

1.3 Therefore I am conversant with the requirements to provide an independent assessment which requires a technical appraisal of the proposal set against the criteria that have to be fulfilled and I am therefore able to approach this appraisal in an independent manner.

2. INSTRUCTIONS

2.1 I received written instructions from Michael Knappett in a letter dated 17th May, 2010 to prepare an independent agricultural appraisal in regard to the Appellants' intention to undertake an agricultural business on the land.

2.2 I attended the farm on 10 June 2010 and met with the Appellants, inspected the site and to obtain the information necessary to prepare this Appraisal.

2.3 I understand that the Appellant is Mr. John Colyer but that he runs the holding in conjunction with his wife and further his wife's father previously owned the site and ran a pig breeding business from this site.

2.4 In my Report I will be considering the fact that the farm will be run by both Mr. and Mrs. Colyer who, for ease of reference, I will refer to as the Appellants.

3. THE CURRENT SITUATION

3.1 I have seen the Grounds of Appeal submitted by Bryan Jezeph Consultancy as Planning Consultants to the Appellants and I do not intend to reiterate what has been said but I am able to confirm that during my inspection I was able to inspect the Holding and could see that there were, towards the rear of the site, some old pig pens that are in need of complete repair and refurbishment, together with some further pig pens that are currently in use but in need of further repair and maintenance which are adjacent to the mobile home.

3.2 There was also an enclosed chicken run with two movable houses and further chicken breeding pens constructed of timber and wire mesh on a hard-standing area where the Appellants are established on site.

3.3 On the day of my inspection there were 3 sows and 3 boars on the farm. I understand it is the Appellants' intention to retain the best of the boars and sell the 2 other ones. The Appellants have a contract for the acquisition of a sow and a litter of 9 piglets of which 7 are gilts and 2 boars to be delivered this month with the intention of keeping the 7 gilts to become part of the breeding herd.

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3.4. In addition, the Appellants have 170 hens and cockerels, 17 chicks at 3 days old, 120 chicks at 3 days old delivered in June and a further pure bred cockerel and 2 bantam hens to be bought to run with this cockerel and there are a further 2 hens and a cockerel which are specialist poultry and will be bred for sale as trios.

3.5 There are approximately 10 ducks on the farm at the present time.

4. PROPOSED FARMING SYSTEM

4.1 The Appellants intend to refurbish the pig pens in order to create a total of 30 pig pens so that they can increase the breeding herd to 25 sows with 2 boars and 3 isolation/treatment pens.

4.2 It is the Appellants' intention to sell the progeny as weaners as they do not have the land nor the pens, at the moment, to rear the weaners to a finished weight.

4.3 The chicken enterprise will develop until there is a maximum of 750 egg laying birds in the breeding flock with 5 hens and 1 cockerel in each breed so that they have 100 breeding hens that are going to produce approximately 30,000 eggs per year.

4.4 There is currently a small incubator but it is the intention to acquire larger 500 egg incubators with the ultimate intention of rearing 1,000 eggs per month with the breeding birds being sold as trios and other birds being retained as replacements for the egg-laying flock and an element of the breeding birds being sold as individuals.

4.5 The surplus eggs would either be sold as fertile eggs or as part of the egg business and I have, for the purpose of this Appraisal, assumed that they will be sold as part of the egg laying business.

4.6 It is anticipated that approximately 1,650 trios per year would be sold with a further 5,000 birds sold individually.

4.7 The duck enterprise is going to remain as a modest side line and therefore I have not incorporated any income for the duck enterprise in the Budget because it is not material to the agricultural enterprises that are being undertaken by the Appellants.

4.8 Clearly the farm will need to dispose of the manure and whilst in the initial start up days the Appellants may be able to dispose of the manure on the holdings, due to the regulations in regard to the amount of manure that can be spread on agricultural land, manure will need to be disposed of. One avenue being investigated is to start up a wormery using Blue Nose worms from Wonder Worms and if this does become established then it is anticipated that an income of approximately £800 pcm can be gained. For the purpose of this Appraisal I have not assumed any income from the manure through setting up a wormery nor have I taken into account any costs for the setting up of such a wormery. I have, within the cashflow figures, assumed that there will be an annual charge for the disposal of the manure.

5. CONSIDERATION OF THE PROPOSAL

5.1 From my meeting with the Appellants, they are clearly intent on commencing their business. They have registered with DEFRA and the Holding No. is 15/122/0910 and the Rural Payments Agency Single Business Identifier No. is 114822072 and the Chicken Breeders Reference No. is COL165412. The Appellants have therefore taken the correct steps in establishing their business.

5.2 In regard to the livestock, the Appellants have clearly made a start by acquiring a number of chickens and other breeding birds together with some pigs and they have set up the embryonic enterprises that will be established if they have a 3 year temporary consent for an agricultural workers dwelling but clearly it is not possible for them to do very much more in the establishment of their business until they know whether they are allowed to remain on site or not

5.3 The site is a relatively small site but has an historic use of agricultural use through the fact that Mr. Colyer's father occupied the land and used it for an agricultural business. Therefore the Appellants are seeking to re-establish the agricultural business previously run by Mrs. Colyer's father and from my meeting with the Appellants they clearly have an ability to undertake agricultural work and by the very fact that they have commenced managing the business is a very good sign of their intent.

5.4 In addition, I have made two visits to the site and there has clearly been a significant improvement in the tidiness of the site through the work that they have done in establishing the business and I believe that as the business does become more established and generate more income, there will be additional benefits to the site generally through the implementation of the agricultural enterprises.

6. CONSIDERATION OF THE PROPOSAL IN RELATION TO GOVERNMENT GUIDANCE IN PPS7

6.1.1 Therefore having reached the conclusion that the site is suitable for such an agricultural business to be established it is now important to consider the tests set out in PPS7 and to determine whether the proposal meets those criteria. The primary document that controls development in the countryside is PPS7. This recognises that in certain circumstances dwellings should be allowed but that they should be strictly controlled and in particular Paragraph 10 states that "*isolated new houses in the countryside will require special justification for planning permission to be granted*" and advises planning authorities to follow the advice in Annex A to PPS7.

6.1.2 Annex A to PPS7 recognises the need on new agricultural units and in particular Paragraph 12 of Annex A states that *if a new dwelling is essential to support a new farming activity whether on a newly created agricultural unit or an established one it should for the first 3 years be by way of temporary agricultural dwelling that can be easily removed from site.* There is no question here that this site has been historically been used for agriculture, however because there has been a relatively long period of time when agricultural activity on this site has ceased, this has to be regarded as a newly created agricultural activity and quite clearly the Appellants' business has not been established for 3 years and therefore this proposals falls to be considered against Paragraph 12 of Annex A to PPS7 which sets out 5 criteria that have to be fulfilled and I take each criteria in turn:

6.2 Paragraph 12(i)
clear evidence of a firm intention and ability to develop the enterprise concerned (significant investment in new farm buildings is often a good indication of intentions)

6.2.1 The Appellants, since moving to the site, have clearly shown a firm intention of developing the enterprise concerned by constructing various movable chicken pens and runs, acquiring chicken stock and commencing an agricultural business on the site. Indeed, I have as part of my investigation, enquired of the Appellants how much they have invested in the site and they have invested £710 in acquiring pigs, £1,420 acquiring chickens and a further £3,230 in acquiring machinery, equipment and materials which gives an investment of over £5,000 in commencing the enterprises.

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6.2.2 In addition, the Appellants will also be investing further in refurbishing the pig pens and also investing in the acquisition of further stock, further equipment in order to be able to construct more chicken houses.

6.2.3 From my inspection of the site, it appears that the livestock are being well cared for and they are also in consultation with other local farmers who are able to provide assistance and advice where necessary.

6.2.4 Therefore I am satisfied that this criteria has been fulfilled.

6.3 Paragraph 12(ii)
functional need (see paragraph 4 of Annex 1)

6.3.1 The functional need is an important test and needs to be considered carefully because PPS7 makes clear that there has to be an essential requirement for a worker to live at or close to their place of work and sets out various examples of the type of event that could lead to the requirement for a worker to be on hand. I am therefore required to consider whether it is essential for the proper function of the enterprise for the worker responsible for the management of the enterprise to be on site and in this regard I need to consider each enterprise in turn.

6.3.2 Pig enterprise - once established there will be 25 sows farrowing twice a year and there is no doubt that when sows are farrowing they do require attention because if they are not careful at farrowing then firstly you get a loss of piglets during the birthing process and secondly, after farrowing sows have a tendency to lie on their young and therefore it is important that the stockman is able to ensure through attention to the sows that they do not lose a significant number of young piglets through problems at birth or indeed the sow lying on them after birth. Therefore, in my opinion the breeding sow does create a functional need.

6.3.3 Breeding birds enterprise - The Appellants have an intention of increasing the number of incubators so that they can hatch 1,000 eggs per month. This will require a significant amount of attention and in particular the young birds, once hatched, need to be put under heat lamps and will need close supervision to ensure that they do not suffer when there are large variations in temperature such as during winter when extended cold snaps can cause problems particularly if there is a failure of a heat lamp or a heater which could easily lead to the young chicks, which are dependent upon heat for their wellbeing, dying or suffering through the lack of temperature and similarly in summer if temperatures rise too high then the chicks will need to have adequate water and ventilation to ensure that they do not suffer through becoming too hot. Therefore with the throughput anticipated in the breeding bird business, and particular through the young chicks that will be under heat throughout the year, I consider that the breeding bird business does create a functional requirement.

6.3.4 Egg laying enterprise - The 750 chickens in the egg laying enterprise do not directly contribute to the functional requirement but the good management of the birds and their protection from predators is an important aspect of the business and there is no doubt that predators could, if the person responsible for the management of the holding did not live on site, cause distress to the egg laying flock which could affect the production of eggs and thereby affect the profitability of the enterprise.

6.3.5 Whilst the security alone could not create a functional need there is no doubt that security can play a part in establishing the functional need and I consider this site would be very vulnerable to incursion by vandals and would also be susceptible to theft because of its relatively close proximity to Southampton and the primary road networks.

6.3.6 I therefore consider that the functional test has been fulfilled.

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6.4 Paragraph 12(iii)
clear evidence that the proposed enterprise has been planned on a sound financial basis

6.4.1 The Appellants have undertaken a significant amount of research in regard to the value of their livestock. They have established that there is a monthly sale for specialist poultry at Salisbury Livestock Market when the trios will sell for between and £25-£80 per trio. I have, for the purpose of my Budget, taken a modest approach to the value of these birds in order that are Budget is prepared on a realistic basis.

6.4.2 In addition, the Appellants have looked at securing other markets through advertising and internet based enquiries but until they have birds ready for sale they do not want to set up the necessary WebSite because they want to ensure that they have sufficient stock available to meet the demand before they start an extensive marketing programme. However, having interviewed the Appellants and having prepared a cashflow forecast for the enterprise once established, I believe that there is clear evidence that the proposed enterprise has been established on a sound financial basis.

6.5 Paragraph 12(iv)
the functional need could not be fulfilled by another existing dwelling on the unit, or any other existing accommodation in the area which is suitable and available for occupation by the workers concerned.

6.5.1 The agricultural unit is based in Allington Lane and whilst it is close to both Eastleigh and Southampton it is not sufficiently close to enable the person responsible for the management of the unit to live away from the site. There is no doubt that when predators are close to the unit the first sign of trouble will be audible as the chickens become panicked and that audible sound can only be picked up if the person responsible for the management of the unit is within sight and sound.

6.5.2 In addition whilst alarms can warn of a failure of power it has been acknowledged by Inspectors in other cases particularly at Hordle near New Milton in the New Forest that it is not just the time of travelling to the site that is important, it is the time taken to rectify the problem associated with the breakdown and that therefore I believe that by comparing this proposal to other similar farms it is appropriate to conclude that there is no other dwelling that is suitable and available to fulfil the functional need.

6.5.3 In addition, there is no doubt that when the sows are farrowing the person responsible for the management of the sows needs to be on site and not 5-10 minutes down the road because it is only by being on site that the attention that is necessary to ensure a successful farrowing can be given.

6.5.4 I therefore conclude that this criteria has been fulfilled.

6.6 Paragraph 12(v)
other normal planning requirements, eg on siting and access are satisfied

6.6.1 In considering this proposal clearly the agricultural unit has an established access onto Allington Lane and the unit and the dwelling will be served by that access. The siting of the temporary agricultural dwelling is in close proximity to the buildings and the land it serves and therefore I consider that the siting of the mobile home is appropriate and that this criteria is fulfilled.

7. CONCLUSION

7.1 Therefore in drawing a conclusion in regard to this proposal, I have been able to meet with the Appellants, discuss their intentions for the agricultural unit known as The Piggeries.

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7.2 I have been able to undertake a technical appraisal which has led me to conclude that the criteria set out in PPS7 have been fulfilled.

7.3 Therefore in assessing this Appeal the Inspector considers this case should in his assessment of the proposal take into account the fact that on a technical appraisal the criteria set out in government guidance within PPS7 have been fulfilled.

7.4 I confirm that in preparing this Appraisal I have acted as an independent appraiser and that I regard my responsibility to the Inspector in considering this Appeal rather than to the Appellant who have given me permission to undertake this appraisal.

Signed: _____ Dated: 23rd June, 2010

PHILIP W. POLLARD FRICS FAAV

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CASHFLOW FORECASTS
FOR ENTERPRISE ONCE ESTABLISHED

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GROSS MARGIN:

Egg-laying enterprise	£14,475.00	
Breeding enterprise	£44,750.00	
Pig enterprise	£ 9,550.00	
Total Farm Gross Margin:		£68,775.00

FIXED COSTS:

Repairs and maintenance	£3,500.00	
Heat and Light	£2,000.00	
Egg Boxes etc.	£1,500.00	
Machinery running costs	£2,500.00	
Machinery depreciation	£1,750.00	
Building depreciation	£1,250.00	
Bank charges and interest	£3,750.00	
Transport costs	£2,000.00	
Professional fees	£1,500.00	
Sale fees	£2,000.00	
Advertising costs	£1,500.00	
Manure disposal	£7,500.00	
Sundry costs	£4,800.00	
Total Fixed Costs:		£35,550.00
NET FARM INCOME		£33,225.00

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Egg-laying Enterprise:

Gross Margins:

750 egg laying birds with 290 eggs per head
equivalent to 18,125 dozen:

80% @ £1.50 =	14,500.00	£21,750.00	
20% @ £1.00 =	3,625.00	£ 3,625.00	£25,375.00
Feed:			
750 birds @ £10 per head		£ 7,500.00	
Variable Sundry Costs:			
£120 per bird		£ 900.00	
Bird depreciation - 18 months		£ 2,500.00	£10,900.00
		Gross Margin:	£14,475.00

Breeding Enterprise:

Gross Margins:

Bird Sales:			
12,000 eggs incubated per annum			
10,000 successful hatchings:			
5,000 sold as trios (1,650 @ £30 ea		£49,500.00	
5,000 sold as individuals @ £5 ea		£25,000.00	
Surplus eggs 1,400 dozen @ £1doz		£ 1,400.00	£75,900.00
Feed for 200 chickens in the breeding flock @ £10 per head		£ 2,000.00	
Feed for 10,000 rearing chickens @ £2 per head		£20,000.00	
Variable Costs:			
Breeding flock		£ 150.00	
Rearing chickens		£ 9,000.00	£31,150.00
		Gross Margin:	£44,750.00

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Pig Enterprise:

Gross Margins:

30 pens therefore allow for 25 sows, 2 boars and 3 isolation pens
25 sows producing weaners
Gross Margin from the ABC Budgeting &
Costing Book £382 per sow

Total gross margin	£9,550.00

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