

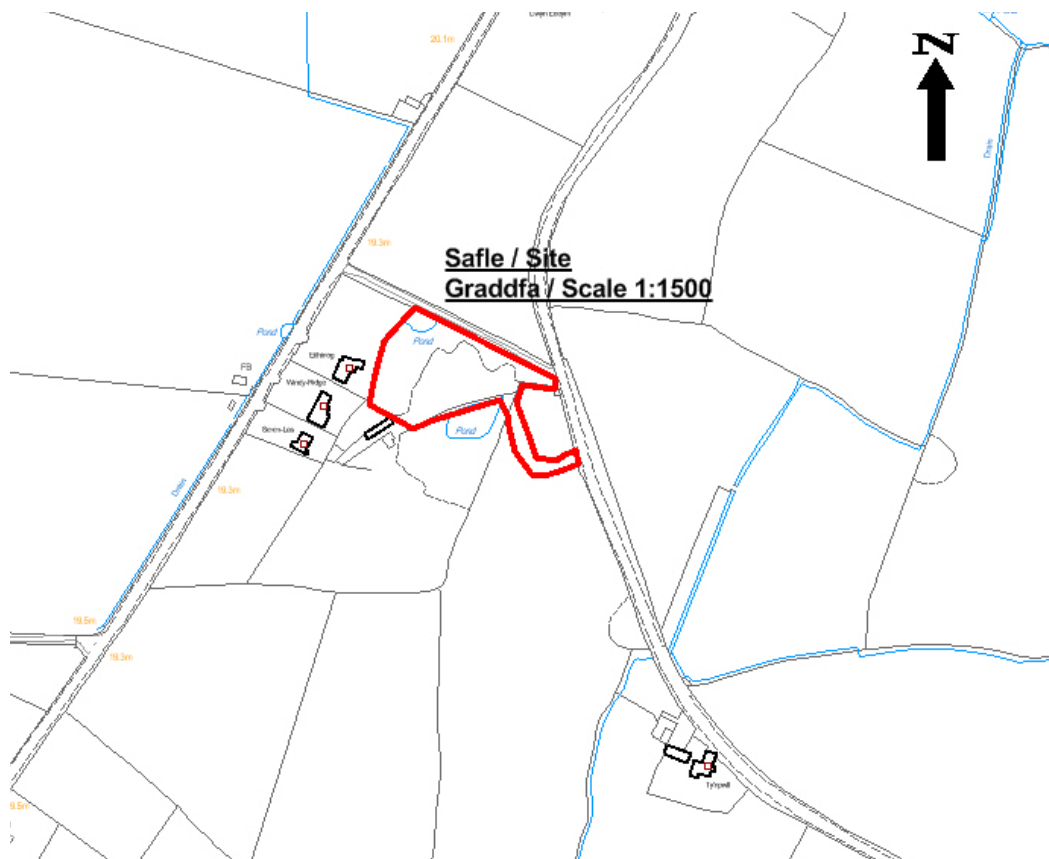
Rhif y Cais: **13C183B/RUR** Application Number

Ymgeisydd Applicant

Mrs Elin Rowlands

Cais llawn ar gyfer codi annedd mentrau gwledig, gosod system trin carthffosiaeth ynghyd a chreu mynedfa i gerbydau ar dir ger / Full application for the erection of a rural enterprise dwelling, installation of a package treatment plant together with the construction of a vehicular access on land adjacent to

Seren Las, Bodedern



Planning Committee: 01/07/2015

Report of Head of Planning Service (NJ)

Recommendation:

Refuse

Reason for Reporting to Committee:

The application is reported to the committee as the applicant is related to a relevant staff member as set out in the Council's Constitution. The Monitoring Officer has reviewed the file and raises no concerns.

1. Proposal and Site

The application is a full application for the erection of a dwelling to house a rural enterprise worker on a 6.8ha (16.8 acre) holding, together with the installation of a package treatment plant and creation of a new vehicular access. The site is located to the south of Bodedern and a public footpath crosses the land.

The dwelling is proposed to be located in the northern corner of the site and some 40m east of the dwelling at Eithinog. The Design and Access statement submitted refers to the application being in outline although a full planning application form has been submitted as well as full details of the dwelling. The dwelling as originally submitted extended to 310sq m floor area. The normal size range for rural enterprise dwellings is between 140-200sq m and the dwelling was subsequently reduced in size in response to comments made to approximately 200sq m of domestic accommodation in addition to office and other space normally required for rural enterprise functions. The application is considered on the basis of the amended plan.

The application is supported by a Business Plan together with a response document, both prepared by the applicant's consultant, and with additional information supplied by the applicant.

2. Key Issue(s)

- Principle of the development of a dwelling at this stage of the business

3. Main Policies

Gwynedd Structure Plan

Policy A6 : Housing in the Countryside

Policy D4 : Location, siting and design

Policy D29: Standard of design

Ynys Mon Local Plan

Policy 1 : General Policy

Policy 31 : Landscape

Policy 42 : Design

Policy 48 : Housing Development Criteria

Policy 53 : Housing in the Countryside

Supplementary Planning Guidance

Policy GP1 : Development Control guidance
Policy GP2 : Design
Policy HP6 : Dwellings in the open countryside

Relevant National or Local Policy

Planning Policy Wales Edition 7
TAN 6 Planning for Sustainable Rural Communities (2010)
TAN 12 Design (2009)

Practice Guidance Rural Enterprise Dwellings

4. Response to Consultation and Publicity

Local Member No response

Community Council No response

Highways No objection subject to conditions

Drainage Details are satisfactory

Footpaths Comments in relation to maintaining footpath link

Dwr Cymru-Welsh Water Comments in relation to proposed method of drainage disposal

Natural Resources Wales Comments in relation to ecology and standard advice for developer

Council's Agricultural Consultants dwelling is considered premature at this stage of the enterprise

Response to Publicity

No representations have been received as a result of the publicity undertaken.

5. Relevant Planning History

13C183 Application to determine whether prior approval is required for an agricultural shed for the storage of animal feed and machinery on land adjacent to Seren Las, Bodedern – permitted development 19-11-13

13C183A Outline application with access included for the erection of a dwelling together with the installation of a package treatment plant on land adjacent to Seren Las, Bodedern – refused 8-1-14

13C183C Application to determine whether prior approval is required for the erection of a polytunnel on land near Eithinog, Bodedern – permitted development 20-4-15

6. Main Planning Considerations

Principle of development

Development Plan policies and national planning policies supported by technical advice allow the development of dwellings where they are required to support rural enterprises such as the horticultural business proposed and where the strict policy tests are met. The application is supported

by a business plan and other supporting information. This was reviewed by the Council's agricultural consultants and concerns were raised regarding, amongst other matters, the need for a dwelling at this stage in the enterprise, together with the size of the dwelling proposed. The size of the dwelling was reduced and additional information was submitted in response to concerns regarding the proposed enterprise itself. The applicant intends to establish a horticultural enterprise based on the production of soft fruit and ornamental plants. Of the 6.8ha holding (currently used for the grazing of sheep and lamb production and run from a location in Llangefni), the Business Plan indicates the intention to produce strawberries from 1.6ha and 0.8 hectares given to other crops as a start; 1.5 acres of raspberries and half an acre of bush fruit following (redcurrants, blackcurrants, raspberries and gooseberries together with pockets of rhubarb). Farm gate sales and pick your own options will be available as well as direct sales to distributors / local businesses.

Technical Advice Note 6 sets out at paragraph 4.3.1 that 'one of the few circumstances in which new isolated residential development in the open countryside may be justified is when accommodation is required to enable rural enterprise workers to live at, or close to, their place of work. Whether this is essential in any particular case will depend on the needs of the rural enterprise concerned and not on the personal preference or circumstances of any of the individuals involved'. The policy advice allows new dwellings on a new rural enterprise where there is a functional need for a full time worker and the criteria in paragraphs 4.6.1 sub-paragraphs a to e are fully evidenced. These are that if it is considered that a new dwelling will be essential to support a new rural enterprise they 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 located at another suitable site where a dwelling is likely to be available;
Clear evidence that the enterprise has been planned on a sound financial basis;
There is a clearly established functional need and that need relates to a full-time worker, and does not relate to a part-time requirement;
The functional need could not be fulfilled by another dwelling or by converting an existing suitable building on the enterprise, or by any other existing accommodation in the locality which is suitable and available for occupation by the worker concerned.

Paragraph 4.6.2 states that 'where the case is not completely proven for a dwelling permission should not be granted for it, but it may be appropriate for the planning authority to test the evidence by granting permission for temporary accommodation for a limited period. Three years will normally be appropriate to ensure that the circumstances are fully assessed'.

The applicant's Business Plan states at the outset that 'the type of business detailed below will require a full time person after the crops are established to be living on the site to manage the crops and to attend to the much more intensive inputs these crops will require'. It states that 'caravan living is not easy with a young family especially when the focus needs to be on the developing business'. It is clear that the business plan author feels the need to persuade the local planning authority that the caravan option is inconvenient for the family, suggesting however that he considers the temporary accommodation route is recognised as being appropriate in this case. The business plan acknowledges that a permanent dwelling will be required when the business, as set out in the business plan, is established, not vice versa. The TAN 6 Practice Guide makes clear that the functional need for a dwelling 'is a need determined by the character and management requirements of the enterprise, and not by any personal preferences or circumstances of any of the individuals involved'.

The Council's consultants raised queries in relation to the ability to run the enterprise and the selected

location, which have been adequately addressed by the applicant. The business plan states that without polytunnels, a gross margin of approximately £53,000 per annum would be achieved from an enterprise as described within it, from which fixed costs would need to be deducted. With 1000sq m of polytunnels, this would rise to around £82,000 per annum which, after subtracting costs, would be a viable business which could support two or more people. The polytunnels are considered a key to the success of the project in the medium and long term.

The planning history paragraph of this report above shows that an application for a polytunnel was recently made. This extends to 18.6m x 6m or approximately 112sq m on plan, just over 10% of what the business plan states is a key to success –the business plan states that 'ideally the polythene tunnels would start as 1000sq m'. Strawberries are described as giving a light crop in year one, as are raspberries if planted as long canes, with both giving full yields in year two onwards. Bush fruit are described as producing a yield in year two with a full crop in years 3 to 4.

In response to the concerns raised by the Council's consultant, the applicant indicated that 'we submitted an application for a 60'x20' Poly tunnel at the same time as this application with intent to start with this to see what results we would get in the first year. This would be with a view for further investment in polytunnels once the business is established and making enough profit to afford their purchase...we have bought the polytunnel and it is currently on site awaiting erection...we have made contact with R W Walpole for the supply of Strawberries and Raspberries. I have agreed a variety to plant and accepted a quote...'.

The business plan states that 'normally fruit is planted between November and March but newer techniques allow for planting outside these times. Similarly the soft fruit season used to be June July but this has now been extended so fruit can be available from early May until October with some protected cropping'. The applicant's correspondence in May 2015 confirmed that the 112sq m polytunnel was yet to be erected and that the strawberry and raspberry plants for which a quote had been accepted appear not to have been delivered to site or planted. The business plan states in relation to strawberries that:

'At 5 rows in an 8m tunnel by 62.5m gives a usable 312m of tables and the cost of tables is £6 per metre and plants and bas / troughs is £4.00 totalling £10.00.

The plants and bags do two seasons and the tables do 10 plus.

Unlike outdoors, frozen plants can be planted and these will produce a crop 60 days from planting (end March to July) and will average 500g/plant year 1 and 750g/plant year two.

1st year production 312m of tables at 10 plants per m 3120 plants at £300 per '000. Plants cost £916, bags/troughs £312, total £1248 annual cost £624.

Gross output 3120 plants at 500g/plant yields 1560kg, early and late fruit worth £4.00 per kg total output £6240.00.

Costs picking at 20p per kg £312.00, pack at 30p per kg £468, tending £280 total £1060.00.

Gross margin £5180.00. The annual charge back for the tables is £187.20 over ten years of life so the annual gross margin adjusted for this is £5000.00'.

For raspberries, which are normally planted in the dormant season from November to March, the business plan states:

'1500m of row 3000 canes yield in year2, 1kg per station total 3000kg and this should be maintained for at least 5 seasons. Again, if long canes are planted there would be some first year yield to gain some marketing experience'.

It is not clear from the applicant's correspondence whether she has accepted a quote for long canes which may produce a yield in the first year but given the time of year and the planting season, these are perhaps unlikely to produce a significant crop. The applicant does not confirm the number of plants for which she has accepted a quote. The business plan is predicated on 1500m of row 3000 canes with an establishment cost of £4754.00 but with a total gross margin in years 2-5 and beyond of £11750.00. The business plan does not anticipate an output in year one.

The polytunnel for which approval has been given is stated to be on site but has not been erected to date. A quote has been accepted for the strawberry plants. A 500sq m polytunnel environment (8m tunnel by 62.5m quoted in the business plan) is anticipated to give 312sq m usable space and to provide a full season yield with an annual gross margin of £5000. The approved polytunnel is 112sq m. Based on the formula given of 10 plants per m with an output of 500g per plant at £4.00 per kg, the use of the entire floor area of the approved polytunnel could at most produce an output of £2,240 from which costs would need to be deducted. The usable space is likely to be less than the entire floorspace of the polytunnel.

As stated above, the applicant has confirmed that 'we submitted an application for a 60'x20' Polyntunnel at the same time as this application with intent to start with this to see what results we would get in the first year. This would be with a view for further investment in polytunnels once the business is established and making enough profit to afford their purchase...'

Again as stated above, the applicant's business plan states that the type of business described within it, at a gross margin of almost £53,000, or with 1000sq m of polytunnels as well as open land growing, £82,000, 'will require a full time person after the crops are established'. The gross margin from strawberries at this point in time (they were yet to be planted in May 2015 and the polytunnel was not erected as confirmed by the applicant) is a maximum of £2,240 before costs. The actual anticipated gross margin from raspberries is unclear – the business plan gives £11,750 from year two onwards. No details of the actual numbers of plants for which a quote has been accepted is given but the applicant has confirmed that she is awaiting first year results before investing further.

The applicant argues that the cost of acquiring the site has demonstrated a significant investment in the proposal, but has exhausted her financial resources. The cost confirmed is £14,000 more than given in the financial details presented in relation to the anticipated cost of site acquisition and build costs for the dwelling. She states that the 'profit' obtained of £82,000 (the Council's consultant points out that the figure given in the business plan is an anticipated output not a profit figure) is an average figure per year over the three year period and which takes account of no income in the first year. It is stated that an agricultural mortgage company will fund most of the enterprise as much of the applicant's savings have been exhausted in the purchase of the site, some equipment and in improvements already made including 'improvements to the large field'. The anticipated £82,000 output is based on 1000sq m of polytunnel planting as well as open ground planting. The output without polytunnels is less. The Council's consultant has queried whether the mortgage company or other funding body has endorsed the business plan but no confirmation has been received.

The applicant states in response to the comments made by the Council's agricultural consultant that:

'As you can see from the business plan, Mr Creed clearly states that it is essential for someone to be on site to supervise this type of produce on a full time basis. I have been reluctant to spend thousands of pounds on planting strawberries and raspberries with the risk of the planning approval

not being obtained. This would mean that the plants would be with no purpose and couldn't be managed correctly which would kill any investment and hope of this business's profitability".

Mr Creed, the applicant's consultant, as stated above, has stated that a dwelling is required when the plants are established, not in order to establish the plants, and the need for the dwelling is based on the operation of the site in accordance with the business plan which would, it is anticipated, produce the outputs of almost £53,000 on open land or £82,000 with 1000sq m of polytunnel planting as well as open land planting. The applicant has confirmed that she is not adhering at present to the business plan as she wishes to see what results she will get in the first year from just over 10% of the business plan suggestion of polytunnel planting and an unspecified amount of open land planting. Nothing appears to have been planted on site by 13th May this year, when the applicant's response was received, and the polytunnel had not been erected as at 12 June. The applicant appears to wish to secure the planning permission for the dwelling first before anything is planted. The Council's consultant raises a 'chicken and egg' concern. The issue is not whether the applicant intends to establish the enterprise, but its current absence, and the lack of certainty as to whether it will reach the levels of sustainability forecast in the business plan. The Council has asked the applicant to accept a three year temporary permission for accommodation in order to allow a presence on the site in order to establish what results are obtained in the first year and to allow the business to develop, with the policy assurance that planning permission will be granted for a permanent dwelling when the case is fully made. The applicant has confirmed that she does not wish to consider temporary accommodation and wishes the application to be considered for a permanent dwelling. The Council's consultants state that it is 'difficult to understand why a permanent dwelling would provide a better start than any other form of on-site accommodation. In either case the relevant worker would be available to deliver the necessary tasks. Why, in the absence his accepted lack of knowledge of how the start-up of the enterprise is to be funded, Mr Creed considers it would be helpful for an embryonic business to have to cover the high cost of a permanent dwelling at the outset is unclear. This is particularly so when the applicant has indicated that she will be unable to provide elements of the productive resources underpinning the Business Plan until profits allow'.

Paragraph 5.8 of the Practice Guide states that 'the business plan will enable applicants and local planning authorities to determine whether the required housing should be provided by a permanent or a temporary dwelling. In cases of entirely new enterprises, it would normally be the case that their functional needs are met initially by temporary accommodation to enable their financial sustainability to be tested'. It is noted that a mobile home and touring caravan are already on site, being used during lambing. There would appear to be no additional investment costs arising to the applicant if this route were followed.

7. Conclusion

TAN 6 allows the development of new dwellings on new enterprises provided strict criteria are met. The Practice Guide accompanying TAN 6 states that 'new rural enterprise dwellings remain exceptions to general policy and require particular justification. The testing of essential functional needs and economic sustainability remains the basis of the exception'. It further states that 'dwellings will only be permitted when a rural enterprise can be shown to be sustainable, and a financial test is applied to consider the financial soundness of an enterprise and its prospects for a reasonable period of time and the ability of the business to fund the proposal'. The applicant has confirmed that she does not want "to spend thousands of pounds on planting strawberries and raspberries with the risk of the planning approval not being obtained", despite the offer of temporary accommodation to assist in the establishment of the business. The need for the dwelling is based on the business plan being implemented in full and after the plants are established. The applicant has confirmed that she wants to see what results are obtained in the first year from limited planting before developing further – the business plan appears not to be adhered to. The applicant's actual undertaking, with nothing planted

to date, does not appear to meet the policy test for a permanent dwelling. In such circumstances, TAN 6 advises that temporary consent for accommodation can be granted but the applicant does not wish to consider this option.

8. Recommendation

That the planning application for a permanent dwelling is **refused** for the following reason:

(01) The applicant has not demonstrated the need for a permanent dwelling on the site at this point in time in accordance with Technical Advice Note 6. The development is therefore contrary to Policy A6 of the Gwynedd Structure Plan, Policy 53 of the Ynys Mon Local Plan, Policy HP6 of the Stopped Anglesey Unitary Development Plan and the advice contained within Planning Policy Wales (Edition 7) and Technical Advice Note 6 'Planning for Sustainable Rural Communities'.