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Your Ref: P/22/0218

Our Ref: 9407c

05 January 2023

Mr David Cross
Merthyr Tydfil County Borough Council
Unit 5,
Triangle Business Park,
Pentrebach,
Merthyr Tydfil,
CF48 4TQ

Dear Mr Cross

Site: Pencoedcae Farm, Cwmbblacs, Merthyr Tydfil, CF48 4AJ

Reference: P/22/0218

Proposal: **Siting of rural enterprise dwelling (3 years) with dependent relative's annex and the erection of a general-purpose livestock building and associated works**

1. Thank you for your email dated instruction dated 15th December 2022 requesting Reading Agricultural Consultants Ltd (RAC) comments on the additional information received (doc: Marshalsea8 dec 22, dated 13th December 2022) associated with the above application.
2. My previous comments, dated 28th October 2022, in respect of the original submission and this response are to be read in conjunction as many of the points made are still relevant.
3. My reference to 'outline' in paragraph 8 of my response dated 28 October 2022 was made in error. This correction does not however impact on the outcome of the response.
4. My previous reference to the 50/50 split of the horses was a misinterpretation derived from a statement in the applicant's Business Plan referring to a 50/50 split between the coloured horses. It is not clear to me exactly how many horses are currently kept at Heolgerrig but what is clear is that those requiring most attention are kept there. However, paragraph 31 of my previous response goes on to say that:

"...should livery and stud services be introduced and all animals kept at Pencoedcae as indicated the Business plan then the requirement would exist and, if successful, would eventually increase to 1.7[labour units] as suggested within the submission."

5. It is noted that Mr Harris' involvement in the business has been removed. This does have an impact of the viability of the financial information previously submitted. However, Mr Griffin states that the previous accounts are not relevant in the assessment of the current application and that is also noted. My previous response addressed the figures in the Business Plan. The



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13th December letter from Brian Griffin amends those figures and further comments are provided below.

6. My previous response (28th October) addressed the issue of temporary dwellings on established enterprises. However, in his 13 December 2022 letter, the agent maintains that the proposal is for a 'new business'. I am of the view that the proposals set out in the Business Plan represent a diversification of the existing business through introduction of an element of horse livery B&B at Pencoedcae. This is consistent with the reference to the future growth of and 'changes to' the business made in the Business Plan, as well as comments made in the 'Conclusion' of the document (16i-v). The new claim that the proposal relates to a new business differs to the information upon which my original comments were based. Of course, the test of 'suitable alternative accommodation' remains a relevant part of the assessment.
7. The applicant has stated its intention of her family to sell Heolgerrig within the next two years. However, it currently remains part of the existing holding and provides the location of her home, a residential caravan. I have not visited that site and, although within the settlement boundary, it *may* be a more suitable location for the proposed new elements of the business. The recent correspondence from Brian Griffin suggests it is inappropriate due to its location and size. I believe I have adequately addressed whether a temporary dwelling would be suitable at Pencoedcae in the event of Heolgerrig not being available in my previous response. At present, the business is being run over two sites and could continue to do so until Heolgerrig is no longer available to the applicant i.e. sold or rented out to another party.
8. Of course, it is within the applicant's right to retain ownership/use of Heolgerrig but the current argument put forward in the application is that Pencoedcae is the more suitable location for the enterprise to develop as indicated, which in turn supports the argument for the siting of the proposed temporary dwelling. The fact the applicant has secure accommodation on the holding from which the enterprise is currently run could provide an opportunity to construct any new buildings and adapt existing ones at Pencoedcae in line with the Business Plan prior to Ms Marshallsea occupying the site. If this was the intention, I would expect to see this information provided within the Business Plan. This could show a clear intention to develop the enterprise in line with 4.6.1 a of TAN 6. Should the current application be approved, The Council is presumably able to control the continued occupation of the current residential accommodation at Heolgerrig *via* a suitably worded legal agreement.
9. Notwithstanding the above, the facilities available at Pencoedcae are currently unsuitable for the implementation of the Business Plan. In the letter dated 13th December 2022 from Brian Griffin, it is stated that specialist stabling is not required and the proposed building will be flexible in terms of its internal arrangement. However, it is difficult to understand how the livery and stud facilities can be provided without specialist infrastructure, indeed, the absence of suitable stabling demonstrates a lack of intent to develop the business in the suggested manner. It is notable that there is no reference to new stabling *per se* within the proposed building at all, or indeed how the existing buildings will be adapted to ensure safe and suitable accommodation for stabled livery horses – the applicant would have a Duty of Care for liveried and stabled horses. On that basis, I am still of the view that the proposal does not provide clear evidence of a firm intention and ability to develop the rural enterprise concerned (4.6.1 a of TAN 6).
10. There is no question raised with regard to the applicant's specified qualifications or abilities. My previous response does however raise issue with the submitted information in terms of establishing whether the proposal has been developed on a sound financial basis (4.6.1 c of TAN 6). In the 13th December letter from Brian Griffin, emails from previous clients of Ms Marshallsea obtained during December 2022 have been provided as evidence and suggest there would be some demand for the services proposed. This is useful as it indicates a potential demand for the services. Additional evidence could be provided in the form of identifying similar available services within the area and their capacity to establish sufficient demand. Additional evidence to justify the anticipated sales figures and costs as well as evidence of past stud fees obtained would add to the soundness of the evidence on which the figures in the Business Plan are based.

11. Mr Griffin is correct in that, since the proposal is for a 'temporary dwelling', paragraph 4.10.2 of TAN 6 is not directly applicable in terms of demonstrating acceptability. It is however useful in identifying whether the proposal has been planned on a sound financial basis. The existing business is not able to cover the wage of 1.7 full-time workers at minimum wage or indeed a wage commensurate with Ms Marshallsea's skills and qualifications, particularly when the income contribution of Mr Harris is discounted. This is relevant in terms of assessing the future income where existing parts of the business are to be incorporated into the future enterprise and whether the anticipated profits can be achieved. Despite this, figures (adapted for reduced labour cost) have been provided which show an anticipated profit of £19,627 for the business at full operation. This adapted figure does meet the £19,332 minimum wage for a rural enterprise worker but is not commensurate with Ms Marshallsea's skills and qualifications and does not meet the minimum wage for the full labour requirement specified as being required (although some of this does seem to have been included as a cost). Furthermore, the submitted financial information does not include the cost of any upgrading of existing site and facilities which is likely to be required nor does it suggest the timing of the provision of any new facilities and how this is linked to profit. For example, when is the new building to be provided? Are existing facilities to be upgraded? If so, when? I therefore remain of the view that the Business Plan is insufficiently robust in this respect and does not appear to have been planned on a sound financial basis. Therefore, it does not meet the test in paragraph 4.6.1 c of TAN 6.
12. I hope this clarifies matters in relation to my previous response and the recently submitted information.

Yours sincerely,



Sophie Berry BSc (Hons) MSc