# SEQUENTIAL SITE ANALYSIS

# IN RELATION TO A

# REQUIREMENT FOR A LIVESTOCK BUILDING

# TO SERVE THE

# LIVESTOCK HAULAGE BUSINESS

# OPERATED BY

## MR R CAMPBELL

## C & R LIVESTOCK HAULAGE LTD

## MOUNT PLEASANT FARM

## WINDYCOTE LANE

## DILHORNE

## STOKE-ON-TRENT

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## 1.0 INTRODUCTION

- This Report has been prepared to support a full planning application for the erection of a new building, yard and access in connection with the haulage of livestock at Mount Pleasant Farm, Windycote Lane, Dilhorne.

- The business currently serves the surrounding agricultural community by providing a dedicated livestock haulage service to take livestock from the local farms (namely within Staffordshire, Derbyshire and the Peak District to market or abattoirs.

- This Report accompanies the Planning Statement prepared by Knights plc to provide-
  - ✓ An overview the current operational requirements of the business include current legislation constraints
  - ✓ An overview of the potential property types available
  - ✓ An assessment of the various property types demonstrating that there are no other sequentially preferable sites within the surrounding area which would provide this facility by making use of existing buildings.

## 2.0 CURRENT OPERATIONAL REQUIREMENTS, LEGISLATION CONTRAINTS, LOGISTICS AND ANIMAL WELFARE

### 2.1. Current Operational Requirements of C & R Livestock Haulage Limited

- The applicant established 'C & R Livestock Haulage Limited' in June 2010, having worked for a local haulier for over 17 years. Over this time, the applicant gained considerable experience in the moving and handling of livestock and has extensive contacts in the industry.

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- Primarily, the business provides a service to local farmers in Staffordshire, Derbyshire, the Peak District and surrounding counties collecting livestock from individual farms. Finished livestock are then taken to a range of outlets including livestock markets (at Leek, Bakewell, Market Drayton, Bridgnorth, Ludlow, Beeston Castle & Newark), national and local abattoirs. The business serves approximately 300 farmers in the area and has a substantial and varied agricultural customer base.

- In addition, haulage services are provided at the breeding sales which are across a wide geographical area depending on the type, species and age of the livestock. 'Farm to farm' haulage is also provided for private sales and purchases.

- The business runs a number of livestock lorries which vary in length from 28ft to 50ft and as an 'Assured Haulier', the applicant must operate within the legislation requirements of the farm assurance standards.

- Over 50% of farms in the area cannot be accessed with a larger lorry and therefore it is necessary to collect with a smaller lorry. Further details in relation to the logistical problems and legislation requirements are provided later in this Report.

- When not in use, the lorries are parked and maintained at a local garage.

**2.2. Legislation Changes to Livestock Movements**

- As noted above, it is impossible to access over 50% of farmers with the larger lorries which typically take livestock on the longer journeys to their destination. Therefore, it is necessary to collect livestock from individual farms with a small lorry and then transfer these over to the larger transport.

- Prior to the introduction of the legislation changes and new Assurance standards, this practice was widely used and known as 'tailgating'. A photograph is provided below to illustrate this practice.

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*Photograph illustrating livestock being transferred by 'tailgating'*



- The above practice is now illegal under the Red Tractor Assurance Scheme legislation.

- The Red Tractor Assurance scheme recognizes the problem and have released a Guidance Note for Livestock Farmers and Hauliers. A full copy of this Guidance Note is approved in Appendix I, however relevant extracts have been included below.

*Extract from the Red Tractor Assurance Guidance Note*

**CHALLENGES :**

- Large livestock vehicles can't access many remote livestock farms or some on-farm loading pens
- Livestock journey lengths often need to be minimised to improve efficiency

**ASSURANCE RULES:**

All assured livestock must be transported and handled in accordance with legislation[1] **and** must be transported from an assured farm either:

- in the farmers own trailer/ lorry that has been assessed as part of the farm assurance scheme
- or by a vehicle assured as part of a commercial Livestock Transport Assurance Scheme[2]

**Any site**, (whether a farm, market or hauliers premises) used to bring livestock together for onward consignment must be assured under the Red Tractor Assurance Livestock Market and Collection Centre Scheme.



**WHAT NOT TO DO:**

X **Do not** tailgate on a public road or in a layby adjacent to a public road. This is illegal and there are serious disease and safety concerns by doing this.

X **Do not** use non licensed collection centres. These sites are operating illegally, they cut corners and do not record and report movements – these practices jeopardise the ability to efficiently deal with a disease outbreak.

- Firstly, this Guidance Note recognizes the problems associated with accessing rural farms and challenges which are faced to minimize journey lengths for livestock.

- There are Industry pressures for hauliers to meet the necessary Assurance standards to ensure that the business is able to serve 'Red Tractor' assured farms and operated an a 'Red Tractor' assured haulier. The majority of the farms in area are assured under this scheme and therefore the applicant would lose a significant and detrimental number of customers, should the business not meet the 'Red Tractor' assurance standards.

- No tailgating is permitted in any public road or layby.

*Extract from the Red Tractor Assurance Guidance Note*

**SOLUTION TO THE CHALLENGES:**

If access to farm facilities by lorries is limited you could either:

- ✓ Tail gate **only within** the farm boundary but this must be done:
  - Using trailers / vehicles cleansed and disinfected since last use
  - Transfer within the farm boundary and when parked on a hard standing surface
  - Drop the trailer tailgate onto the tailgate of the collecting vehicle **–** the animals **must not** run on the ground and the transfer must be done safely; ramp-angles must be legally compliant
  - Make the transfer secure using hurdles/ barriers/ gates
- ✓ Or use assured smaller lorries/trailers to take livestock to an assured **and** AHVLA licensed collection centre, where they are loaded onto a larger vehicle for an onward journey.

- There are two solutions covered in the Guidance Note which have been explored by the Applicant. The first solution states that hauliers should *'Tail gate only within the farm boundary'.* The practical implications of this solution are that the majority of the farmers landownership does not extent sufficiently to a highway with access for larger lorries. In the vast majority of scenarios, the remote and rural farmers have poor access routes which extend much further than their farm drive. Therefore, this solution is not practical to implement in the majority of cases.

- The second solution requires the use of an assured AHVLA licensed collection centre, being a livestock building which meets the statutory assurance requirements. This the solution which the applicant needs to pursue in order to meet the legislation requirements.

- An assured livestock collection centre must meet the highest standards of biosecurity to ensure that disease control measures are in place. In addition, protection against vermin and wildlife is required to meet disease control measures.

## 2.3. Logistics of Moving Livestock

- As noted above, it is impossible to access the majority of remote rural farms with a large livestock lorry. The tailgating provisions on the farm boundary as noted within the Red Tractor Assurance standards are not feasible in the vast majority of cases. Therefore, a livestock collection centre is required.

- The current situation also results in further inefficiencies when moving livestock as the applicant has does not have the ability to house livestock which results in livestock being housed in overnight lairage at livestock markets. On many occasions, the applicant has to drive back to the market to collect livestock the following day which could have been housed in their own livestock building, thus significantly reducing costs and inefficiencies.

- The applicant's move a range of species of livestock from all sectors including dairy, beef, sheep and pig farms. The statutory and practical movement requirements vary considerably and need to be determined on a case by case basis.

- For example, barren (non-breeding) cows are collected from a number of farmers in the area, usually 1-2 in number and then taken a specialist abattoir in Shropshire. Unless the applicant is able to amalgamate these cows together to result in a single journey, collecting and delivering cows individually to Shropshire is wholly unsustainable and would result in a significant increase in the number of HGV vehicle movements on the transport network. This would also have a significant economic impact on the sector as the costs of transport would increase substantially. This is just one example of the logistical needs within the agricultural sector.

- It is widely recognized that efficiency is achieved in the livestock haulage sector by reducing the number of vehicle movements by making a single journey with more livestock, this is particularly important when making longer journeys, for example to national abattoirs and livestock markets all over the Country.

- If the business does not have a Livestock Collection Centre, this will result in a significant financial impact on the applicant's business and secondly, a wider economic impact on Staffordshire, Derbyshire and Peak District Farmers, as haulage costs for certain livestock services will increase significantly.

## 2.4. Animal Welfare

- In order to maintain high standards of animal welfare, the appropriate facilities must be available to the business.

- Within the proposed livestock building, animals will be housed in pens according to their species, size, sex and origin.

- During the animal's time at the collection centre, animal welfare standards must be maintained. The Farm Animal Welfare Council defines five ideals, known as the 'Five Freedoms', by which animal welfare should be tested. These five freedoms are as follows, and farm animals should have:- freedom from fear and distress; freedom from fear of pain, injury and disease; freedom from hunger and thirst; freedom from discomfort; and freedom to express normal behaviour. Each animal has easy access to both food and water.

- The livestock building will be regulated by the Animal Health and Veterinary Laboratories Agency (AHVLA) and Red Tractor Assurance Inspectors.

## 2.5. Livestock Buildings Available to the Business

- Prior to the introduction of the changes to the legislation in relation to tailgating, the applicant would transfer livestock either at local livestock market or in a layby off a public highway. This practice is now illegal and such practice would result in both the farmer (owner of the livestock) and haulier losing the 'Red Tractor Assurance' status, thus having a financial impact on both businesses.

- There are no suitable livestock buildings of this size within the applicant's land ownership.

## 2.6. Summary of the Site Criteria Requirement to operate a Livestock Collection Centre

- A livestock building is required to house sheep, cattle and pigs which accords with the industry requirement set out by the Animal and Plant Health Agency, AHDB Beef and Lamb and Red Tractor Assurance Standards. The building must –

- ✓ Provide internal pens suitable for both cattle, sheep and pigs (penned separately) with dual purpose capability to make most efficient use of the internal space.
- ✓ A minimum size of 396m2 to be subdivided into 8 individual pens to allow livestock to be suitably grouped.
- ✓ Provide suitable ventilation taking into account seasonal changes and adverse weather
- ✓ Accessible with machinery to muck out and of a suitable construction to clean, disinfect and wash (i.e. concrete and metal).
- ✓ Secure to minimise the risk of livestock theft or trespass.
- ✓ Mains services including water and electricity.

- Adjacent or adjoining paddocks (minimum of 2.5 acres) to allow animals access to grazing. Particularly important with sheep and cattle should movement restrictions result in animals staying for longer periods.

- Access to suitable manure storage area to accord with industry requirements as outlined in The Nitrate Pollution Prevention Regulations 2008 as amended (NVZ Regulations) and The Water Resources (Control of Pollution) (Silage, Slurry and Agricultural Fuel Oil) (England) Regulations 2010, as amended [SSAFO Regulations].

- A location which can accord with the livestock movement restrictions controlled by the Animal Health.

- A site with good access to the local and national road network. Site access suitable for HGV vehicles including space to maneuver a HGV livestock lorry.

- In terms of financial considerations, a budget of between £70-100,000 to provide a suitable Livestock Collection Centre include livestock building, land, yard and paddocks.

- A planning use class permitting the operation of a Livestock Collection Centre including the housing of livestock, storage of manure and use of land for agricultural grazing purposes.

## 3.0 SEQUENTIAL TEST

### 3.1. Types of Property Available in the Market

- Consideration has been given to the potential types of property that are available in the market place which may be suitable for this use.

- The business has very specific criteria required to facilitate the operation of a Livestock Collection Centre which inevitably results in sourcing a suitable site an extremely difficult task.

- Below is an assessment of the various types of property available to the applicant.

### 3.2. Industrial Estate or Business Park (Typical Use Class B2 and B8)

- Industrial estates or business park located in a city, town and village have been considered to establish the possibility of a Livestock Collection Centre operating from this property type however are unsuitable for a number of reasons.

- Primarily, industrial or commercial buildings are not design to house livestock and could not be easily adapted for this use and have the ability to store manure and effluent. This use in an industrial or commercial setting would conflict other business uses for various reasons. Depending on the industrial nature of the site, other industrial use may generate noise which causes stress to housed livestock. Similarly, housed livestock may create issues with smell and noise should this use be introduced into a commercial setting. Furthermore, it is highly unlikely that a suitable area of grazing land would be available immediately adjacent to a building with a B2 or B8 use.

- The market conditions in this sector are also restrictive with freehold values of industrial and commercial buildings and land being significantly higher in comparison to agricultural land and buildings. E.g. agricultural land is generally sold between £5,000 -£15,000 per acre in comparison to industrial and commercial land realising £400,000 to £800,000 per acre.

- Similarly, the rental market level for industrial and commercial land and buildings is proportioned at a similar inflated level in comparison to agricultural land use. Taking into account the applicant's budget of £70-100,000 to provide a Livestock Collection Centre, it is uneconomic and not financially viable for the appellant to operate from a location within an industrial or commercial use class.

Such sites command a freehold value or rental value which is in excess of profit margins achievable by this enterprise.

### 3.3. Residential Areas

- Whilst a 'greenfield' site could be sourced on the edge of residential settlement, introducing this use type to a residential area would create amenity, noise and smell issues. Furthermore, access may be required at unsociable hours thus creating a further likely conflict and amenity concerns.

- Whilst agricultural land may be available at a market value achievable within the budget, depending on whether there is significant 'hope value' for residential development, the costs associated with the provision of mains services, access, yard area and erection of the livestock building will most probably take this type of proposal over the applicant's budget.

### 3.4. Existing Farm Holdings

- Introducing a Livestock Collection Centre to a location on an existing farm in third party ownership through a joint venture or rental agreement would be extremely difficult to facilitate.

- Firstly, as each farm is allocated a single Livestock Holding number which is used to record and register livestock movements, it is not possible to introduce a second holding number for an unrelated business on a farm particularly taking into account the source of livestock through the applicant's business as this would cause biosecurity and legislation issues. Livestock kept on that farm (or holding) would need to be registered under a single holding number and as movements are controlled by a '6 day' standstill rule, operating two unrelated businesses under a single holding number would be impossible due to movement restrictions and conflict between two livestock operations.

- Furthermore, it is highly unlikely that a prospective landlord farmer would consider letting a proportion of the buildings, yard and pasture on a long-term rental agreement due to the potential issues should the landlord wish to let the remaining farm. E.g. livestock could not be kept on the remaining farm as this would potentially breach the holding licence.

- Therefore, it is not possible to operate a Livestock Collection Centre from an existing third-party farm holding as physical separation is required.

### 3.5. Farm and Smallholding Market

#### 3.5.1 Rental Option

- The rental demand for farm holdings is particularly high resulting in the tendering process being extremely competitive for prospective farming tenants. Let Farms are particularly scarce mainly due to the long-term nature of agricultural letting. Farm are let in their entirety usually including the farmhouse, agricultural buildings and land. Rents commanded are reflected by the high demand and low market availability.

- Let farms are rarely lotted into smaller rental options due to the high demand as a whole and therefore is unlikely to find a suitable building, yard and paddocks available on the rental market which would be suitable to adapt to the applicant's requirements. Those smaller areas of land are usually let on seasonal Grazing or Mowing Licence, thus not providing any long-term security to the applicants to warrant investment.

#### 3.5.2 Purchase Options

- The applicant had sought to achieve planning permission to convert an agricultural building at Bark House Farm, Hulme Lane, Werrington (3.5 miles to the west of the application site) by submitting planning application SMD/2015/0462, which was refused, before resubmitting a second planning application SMD/2016/0288, which was refused again. The applicants were looking to purchase part of this redundant farm and had a conditional purchase agreed subject to obtaining planning permission. Unfortunately, this site did not achieve permission and thus the purchase fell though.

- Since this Decision, the applicant has been actively searching for suitable sites to purchase across the District however due to the niche requirements of the applicant's business operations and overall demand for land and buildings, the applicant has not been able to purchase a suitable site with planning permission or planning potential to for the operate a Livestock Collection Centre.

- Included within Appendix I is a number of example agricultural properties which are currently available or have recently been sold. Below is a brief assessment of their suitability:

- **Lot 2 – Land and Building at Moorside Farm (29.12 acres) – sold for £270,000 (September 2018)**

- This land and building were formerly part of Moorside Farm has been recently sold. Poor access via a single-track road means that this property is unsuitable of for the applicant's requirements. Furthermore, the final sale price of £270,000 is far in excess of the applicant's budget.

- **Yew Tree House Farm, Saverley Green (2.5 acres with buildings) – For Sale at £699,000**

- This property is located on the edge of residential settlement and is unsuitable for a number of reasons

    - ✓ The guide price is significantly above the applicant's budget and whilst this property includes a residential element, this would not be viable for the applicant.
    - ✓ The property has poor access and connections to the local transport network
    - ✓ The existing buildings are not of suitable size or construction to house livestock.
    - ✓ Proximity to residential properties.

- **Smallholding off Leek Road, Wetley Rocks (7.5 acres with haulage buildings) – For Sale at £499,950**

- Whilst this property has good connections to the local transport network and has a suitable landholding, the existing buildings are not of a suitable size or construction to be used as a Livestock Collection Centre. Therefore, a further livestock building would be required.

- Furthermore, the residential property is in a dilapidated state and taking into account the costs associated with the provision of a new Livestock Building and renovation costs in relation to the existing property, this smallholding would be significantly above what is affordable to the applicant.

### 3.5.3 Property Search Summary

- Therefore, based upon the above research and an assessment of the applicant's business needs, there are no available or suitable alternative properties available to accommodate the applicant's requirements.

## 4.0 ASSESSMENT AND RECOMMENDATIONS

- Having reviewed the applicant's specific requirements, a list of criteria has been identified to seek a suitable existing property which is available to the applicant to meet the niche requirement of their business needs.

- A review of the current, local property market has been carried out covering all types of property which may be potentially suitable to the applicant in various tenure e.g. freehold, leasehold, joint venture etc.

- Due to the very nature of the applicant's operation and specific criteria, the use does not fit into a typical rural, agricultural or business use. Introducing this type of use into various land use types will inevitably create issues with the compatibility between other businesses and therefore it is extremely difficult to seek a suitable alternative site.

- Furthermore, the economics of the agricultural haulage sector limit the level of capital investment available to facilitate the operation of a Livestock Collection Centre. Taking into account the current market value of agricultural and rural business property, find a suitable site within the budget that also meets all of the operational criteria is unfeasible.

- As the applicant already owns agricultural land located around their smallholding which does have the scope and potential to form the site of a Livestock Collection Centre, it is recommend that this option is pursued.

- The capital costs associated with this proposal are viable to the applicant and as the property is already within the applicant's ownership. Should the applicant not own a site, this inevitably increases the risks associated with proposal as the applicant has the added uncertainty as to whether the property transaction would complete. Often a number of commercial or conveyancing constraints can impact whether a potential purchase is completed successfully.

- The applicant has already completed a budget cost for the erection of the new Livestock Collection Centre and provision of a new access at the application site and this has been estimated in region of £60-70,000.

## 5.0 CONCLUSION

- This document provides an overview of the applicant's business requirements in terms of operational requirements, current legislation constraints, logistics relating to the movement of livestock and animal welfare considerations.

- A specific list of criteria has been identified to consider when seeking a suitable site for the operation of a Livestock Collection Centre which is required by the applicant to secure the future of their business.

- A comprehensive assessment has been completed of the various property types available to the applicant and consideration given to specific properties available on the market.

- Due to the niche site criteria and specific requirements of the applicant's business, there are no suitable properties available across the agricultural, business and rural sector which meet the needs of the applicant's business enabling the operation of a Livestock Collection Centre.

- Considering that the applicant already owns a suitable site which meets the operational criteria, adapting the current property with the erection of the livestock building and alterations to the access is feasible and will enable the applicant to secure the further of their business.