

Our Ref: 6845/AG1
Your Ref: FG/84/2015/PL

20 August 2015

For the attention of Mrs A Gardner

Arun District Council
Planning Department
Arun Civic Centre
Maltravers Road
LITTLEHAMPTON
BN17 5LF

Dear Mrs Gardner

Application No: FG/84/2015/PL

Proposals: Temporary stationing of 1 No. residential caravan for 3 years

Location: Eastlands, Littlehampton Road, Ferring, BN12 6PB

Thank you for your instructions dated 13 July requesting comments on the above application. Your specific instructions are:

“Whether the size of the business and nature of the enterprise is adequate to justify residential accommodation on site;

Whether the unit is sufficiently established and provides adequate income to justify a dwelling;

Whether there is an unmet demand in the locality for equestrian dwellings of this size;

Whether the use requires someone to reside on site or whether an alarm system combined with occasional staff night shifts would meet any supervision demands if combined with a residence in Ferring; and

Whether the dwelling could reasonably be occupied in accordance with a restrictive occupancy condition”

At the outset I note that I am familiar with the site, having commented on a previous application - FG/26/15/OUT - an outline application for the erection of 1 No. four bedroom (equestrian) dwelling. I provided comment in my letter dated 25 March 2015 and the application was subsequently refused on 7 April 2015.

The March appraisal concluded;

- from the information available, it appeared that the applicant chose voluntarily to sell all the facilities at Hangleton Farm Equestrian Centre, including two dwelling houses, knowing that there would be a shortage of residential accommodation at Eastlands Farm;
- the welfare needs of the horses could be met from a dwelling nearby; and
- the financial data submitted did not justify a permanent dwelling and the financial data submitted was not sufficiently robust to warrant temporary accommodation.

Having undertaken a site visit in March 2015, I do not consider it necessary to carry out a further site visit and in preparing this response I have had regard to:

- the Eastlands Equestrian Enterprise Statement by the Mr Ellis (the Applicant), undated;
- financial accounts for years ending 31 March 2009, 2010 and 2011 prepared by Spofforths LLP;
- financial accounts for years ending 31 March 2012, 2013 and 2014 prepared by Carpenter Box LLP;
- letters of support;
- a Statement in relation to Eastlands Equestrian Enterprise prepared by the applicant;
- information submitted in support of application FG/26/15/OUT; and
- historic planning details.

Background

1. A full planning history was included in RAC's appraisal submitted in 25 March 2015 but I repeat it in full here, with updates where appropriate, as it is complex and relevant when assessing the needs of the application holding.
2. The land at Eastlands extends to some 12.1ha (30 acres) and has been owned by the applicant since 2006 when it was purchased to support an existing equestrian enterprise at Hangleton Farm.
3. In 2009, the applicant secured planning permission at Eastlands¹ for a foaling unit to be operated in conjunction with the existing enterprise at Hangleton Farm. At that time Mr Ellis lived in one of the dwellings at Hangleton Farm and the welfare of the foaling mares and stabled horses at Eastlands was to have been serviced from one of the Hangleton dwellings, with support from workers working an eight-hour shift pattern, day and night.
4. A restriction was imposed as part of the Eastlands 2009 permission (as amended) which stated:
"At no time shall a caravan or mobile home be sited on the land."
5. Mr Ellis advised that the construction of the foaling-unit (to be referred to as the stable building in this report) started in March 2014 and the first horses arrived to use the facility in January 2015.
6. The applicant intends to continue with a livery enterprise at Eastlands with most of the horses being competition horses. He also intends to develop a foaling-down service on the holding.

¹ Application FG/84/09 – with subsequent amendments FG/43/11, FG/45/11/NMA and FG/21/12 approved in April 2011, June 2011 and April 2012

7. From the information now provided, it would appear that the proposals comprise ten competition liveries and ten foaling mares (although I note that the financial projections contained at Appendix L appear to relate only to 12 horses at livery).
8. There are a number of buildings on the holding comprising:
- the stable building has been built to a high standard and incorporates twenty stables (all incorporating sealed, cushioned floors, auto drinkers, hay feeders and a tack locker); two wash bays (incorporating solariums); kitchens and tack rooms; toilet; changing rooms, storage facilities and a spiral staircase with access to:
 - a first floor at the western end of the building which incorporates a lounge with balcony over-looking the manège (I was unable to access this area at the site visit); and,there is also a first floor at the eastern end of the building which provides additional storage facilities;
 - a mobile home which was moved to the site in December 2013 and has been occupied by Mr and Mrs Ellis since January 2014; and
 - two car ports and a gazebo which were constructed in 2014 though I am unaware of any planning permission for this development as an application² for two car ports and a gazebo was refused in October 2014.
9. (I should note, however, that the first floor 'living accommodation' does not appear to have been included in the original application; and there is a substantial area of hardstanding to the south of the building that may not have formed part of the proposed development.)
10. There is also a manège (55m x 48m) sited to the west of the stable building. I have previously commented that I was unable to identify a planning permission for this element of the development and the applicant has stated (paragraph 29) that the manège formed part of the FG/84/09 planning permission. I have reviewed the documentation associated with that application but have been unable to find any reference or plan to a manège though reference is made in the officer's report to:
- "Outside a grass seeded level exercise area measuring 46m x 47m and a paddock area would be provided."*
11. The manège on the site is not a 'grass seeded level exercise area'; it is a purpose-built manège which comprises a sand (mix) surface. I remain of the opinion that it does not benefit from planning permission.
12. In 2010 the applicant secured permission³ for:
- 'the siting of a temporary security guard caravan and storage container to enable building work to be carried out'.*
- Condition 1 stated:
- 'the development hereby permitted shall be begun before the expiration of 3 years from the date of this permission'.*
13. I understand that this permission expired prior to commencement of the works on the foaling unit and a further planning application was submitted (FG/41/14/PL) for:

² FG/110/14/PL

³ FG/104/10

'Removal of Condition 6 imposed under FG/21/12 relating to a caravan or mobile home on the land'

Planning permission was granted on 31 July 2014. Condition 1 stated:

"The mobile home hereby permitted shall be removed and the land restored to its former condition, or to a condition to be agreed in writing by the Local Planning Authority, within 1 month of the foaling unit, granted permission under FG/21/12, becoming commercially active."

14. The *foaling-unit* [stable building] became commercially active in January 2015. As such, the retention of the mobile home is now unauthorised.

Hangleton Farm Equestrian Centre

15. Mr Ellis operated an equestrian enterprise from Hangleton Farm for more than thirty years. The facilities included 150 stables and four outdoor schools and the equestrian activity generated the need for six full-time staff (including Mr Ellis) and six part-time staff. There were two dwellings on the holding one of which was occupied by Mr Ellis, the other by a member of staff.
16. Mr Ellis advised that he got into financial difficulty in 2008/2009 and was forced to sell the holding.
17. Hangleton Farm was initially offered for sale in 2009/2010 for £1.6m but did not attract a buyer. Subsequently, it was offered for sale in two Lots with each lot having one dwelling, two outdoor schools, stables and land. The two Lots were each offered for approximately £850,000 and Mr Ellis advised that the property was on the market for four years before it was successfully sold in January 2014.

Proposals

18. The application before the Council seeks permission to station a mobile home to provide temporary equestrian worker's accommodation for a period of three years to enable the foaling unit and competition livery to be developed. The mobile home would be occupied by Mr and Mrs Ellis.

Relevant Planning Policy

19. There are no saved policies that deal with rural workers' dwellings in the Arun District Local Plan.
20. Paragraph 28 of the National Planning Policy Framework (the NPPF) states:
- "Planning policies should support economic growth in rural areas in order to create jobs and prosperity by taking a positive approach to sustainable new development. To promote a strong rural economy, local and neighbourhood plans should:*
- support the sustainable growth and expansion of all types of business and enterprise in rural areas, both through conversion of existing buildings and well designed new buildings;*
 - promote the development and diversification of agricultural and other land-based rural businesses;"*
21. In respect of new housing in the countryside, NPPF paragraph 55 advises:
- "To promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities....Local planning authorities should avoid new isolated homes in the countryside unless there are special circumstances such as:*

- *the essential need for a rural worker to live permanently at or near their place of work in the countryside*

Appraisal

22. Planning Policy Statement 7 (PPS7) was revoked following the publication of the NPPF. This document contained useful guidance for assessing the essential need for a rural worker to live on site, set out in Annex A, and it remains a useful guide.
 23. Paragraph 5 of PPS7, Annex A stated:

"In cases where the local planning authority is particularly concerned about possible abuse, it should investigate the history of the holding to establish the recent pattern of use of land and buildings and whether, for example, any dwellings, or buildings suitable for conversion to dwellings, have recently been sold separately from the farmland concerned. Such a sale could constitute evidence of lack of agricultural need."
 24. I previously identified that although the applicant has advised that he had been required to sell Hangleton Farm (due to financial pressures) no corroborative documentary information had been provided to support this.
 25. The applicant has now submitted some additional information to overcome the concerns highlighted in my original assessment. However, the information submitted has no specific relevance to the matters raised as no specific documentation from the bank has been provided to confirm that they were foreclosing on the borrowings; no specific details of the borrowings have been provided, and what exactly they related to. I continue to have concerns why there was a pressing need to sell the land, buildings and two dwellings at Hangleton Farm.
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27. Insofar as this is a highly unusual situation I consider further information is required to confirm that these debts related specifically to the equestrian development at Hangleton Farm - as opposed to some other personal or unrelated business debts - and no information has been provided to confirm this.
 28. Likewise, I previously indicated that I considered there might have been scope to sell only part of the Hangleton unit. Mr Ellis previously advised that his borrowings amounted to £750,000. Thus, it would seem evident that if only one of the Lots had been sold (with each Lot selling for approximately £850,000) the applicant could have been in a position to clear all borrowings and retain a dwelling and all other facilities required to operate an equestrian enterprise at Hangleton Farm.
 29. Mr Ellis has sought to address this point at paragraph 13 of his statement:

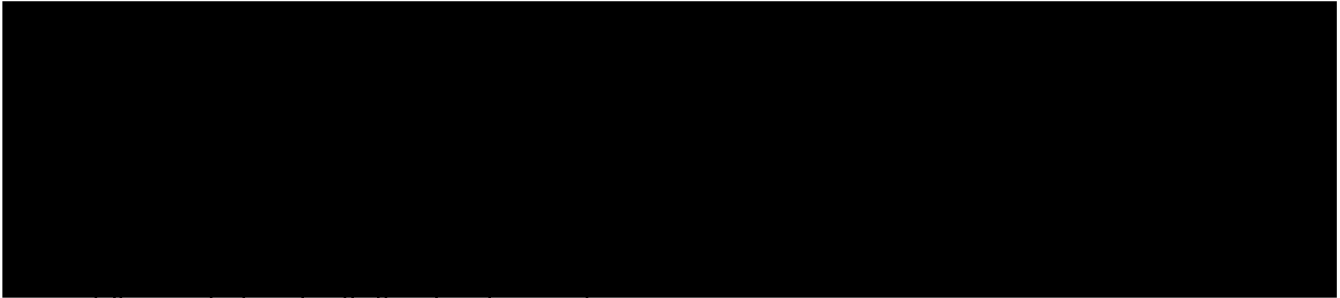
"We looked at the possibility of selling one of the lots to re-pay HSBC and retain the other with a little borrowing. Having looked at this option in depth it did not fit the financial criteria or the new business model."
 30. Further detail is provided at paragraph 18:

"The sale of half of Hangleton Farm did not raise enough to pay off the outstanding loan and to re-develop the retained half to create a unit at Eastlands."

31. From the information provided, it would appear that the motivation to sell both Lots related to the desire of the applicant to remove all borrowings and to be left in a strong financial position; rather than to the demands of the bank.
32. It would therefore appear that there was scope for the applicant to sell only part of the unit and to retain one of the Lots which, it would appear, would have appeased the bank. Although some borrowing would have been required this would have been substantially less than previously in place and it is entirely possible that this solution would have been acceptable to the bank whilst allowing Mr Ellis to continue a reduced equestrian operation at the retained area of Hangleton Farm.
33. I consider Mr Ellis has failed to provide substantive information to alter my original view and I remain of the opinion that there were other opportunities open to the applicant than to sell the whole of Hangleton Farm to service the debts.
34. I have previously advised that I consider there was also scope to sell Eastlands if further funds were required to modernise and develop the retained facilities at Hangleton Farm and Mr Ellis addressed this matter at paragraph 16 of his statement. He states:
- "We looked at the possibility of selling Eastlands land to finance the re-modelling of one of the lots of Hangleton Farm but, with the estimated cost of £300,000 it would not have been viable. Had the Eastlands land been sold, neither lot at Hangleton Farm would have had sufficient grazing for the business we were proposing."*
35. The two Lots at Hangleton Farm were separated into:
- one Lot with 85 stables and 15 acres; and
 - one Lot with 55 stables and 25 acres.
36. Mr Ellis had developed an equestrian enterprise with 140 stables on 40 acres of land (prior to purchasing Eastlands – which was purchased to allow expansion of the existing enterprise). It is difficult to understand the argument now advanced by the applicant that neither of these land parcels would have been suitable to support the 20 horses (now proposed) when historically the ratio of horses to land was significantly higher. The applicant now makes reference to the stocking density guidelines provided by the British Horse Society which indicate one acre of land for each horse. However, this has never formed the base for his equestrian enterprise development in the past and I am not persuaded that Mr Ellis could not have continued to develop an equestrian enterprise at Hangleton without the need for an additional worker's dwelling.
37. Mr Ellis has more than thirty years of equestrian experience and was confident that the welfare requirements of the foaling mares and liveried horses could be met with a worker living nearby supported by CCTV and a night worker.
38. In light of the above, I consider the applicant chose voluntarily to sell all the facilities at Hangleton Farm Equestrian Centre, including two dwelling houses, knowing that there would be a shortage of residential accommodation at Eastlands Farm. The information provided to date indicates that the applicant has shown scant regard to planning policy and has sought to abuse the planning system.
39. In the event that the Council do not agree with my submission I provide an assessment of need and sustainability below.

Comments

40. From all of the information available, I have serious concerns over the proposals contained within this application.



Ellis went ahead with the development.

43. These actions do not demonstrate that this is a well-considered plan with reasonable prospects of success.

Essential Need

44. In order to ascertain the functional needs of the holding it is necessary to establish whether it is essential for the proper functioning of the enterprise for one or more workers to be readily available at most times. Such a requirement might arise, for example, if workers are needed to be on hand day and night in case animals or agricultural processes require essential care at short notice.
45. I have read through the information provided in support of the application in detail and can confirm that, in the normal course of events, I would consider that there was an essential need for a worker to live on site to meet the welfare requirements of an enterprise of the scale and nature proposed.
46. The foaling unit (at Eastlands) was permitted in 2009 and the essential needs of the stabled horses were to be met by workers living at Hangleton Farm and with a staff rota. No specific details of the proposed equestrian activity were provided but information in the Design and Access Statement stated that there would be a requirement for three full-time workers and two part-time staff, which is broadly consistent with current staffing levels.
47. Mr Ellis, a highly experienced horseman, clearly considered at that time that the welfare needs of the horses could be met with the support of a night-shift worker and a worker living nearby. The applicant has now provided further details to attempt to demonstrate that this management practice is not actually possible (paragraphs 5 and 6 of his statement) and states that the cost of securing a night-shift worker was financially significant at £50,000 and, in any event, it was difficult to find people with sufficient experience to cover these shifts. Mr Ellis indicates that this precludes him from managing the enterprise as previously set out.
48. I note that the financial projections submitted in support of this application indicate that the proposed enterprise would generate sufficient profits to cover these high labour costs; an operating profit of £61,800 is anticipated (and this relates only to the income generated by twelve horses at livery).
49. Furthermore, no corroborative information has been provided to demonstrate that Mr Ellis has actively tried to find a worker to meet the overnight welfare requirements of the horses at Eastlands. I also note that the applicant's inference that a highly experienced worker is required to provide the overnight cover appears to contradict an earlier statement which indicates that 'working pupils' were to cover the night-time staffing needs, supported by Mr and

Mrs Ellis. In my experience there is no requirement for the night worker to have considerable equine experience, which is likely to make it easier to find a suitable employee.

50. It would appear that this aspect has not been fully explored by the applicant and I am unable to conclude that there is an essential need for a worker to live on site.
51. I have looked at the *Rightmove* website which indicates there are currently three properties to rent within 0.5 miles of the application holding and five dwellings available to purchase at under £300,000. I consider that any of these dwellings would provide suitable accommodation for Mr and Mrs Ellis to enable them to manage the equestrian enterprise as previously advised, with the support of CCTV and the night worker at Eastlands.
52. From the explanation provided, I am not persuaded that the essential needs of the enterprise could not be met by workers living nearby supported by a 24-hour shift rota, as previously proposed and I am satisfied that, based on the previous proposals, the welfare needs of the horses could be met from a dwelling nearby.

Financial viability and sustainability

53. I have previously raised concerns over the robustness of the financial projections submitted in support of the application for the permanent dwelling.
54. The projections now provided are based on twelve horses at livery with no reference to the foaling mares. These figures include more realistic costs in relation to feed, bedding and hay costs. The labour cost of £50,000 are included, which appear to be on the low side when considered against the anticipated labour requirements (no specific details have been provided by the applicant but RAC previously assumed a labour requirement three full-time and two part-time workers which has not been countered by the applicant), however there is sufficient profit to provide flexibility and cover any increased costs.
55. However, the financial projections do not relate to the enterprise as proposed and therefore carry only limited weight. The lack of financial information to demonstrate the viability and sustainability of the foaling unit is a further weakness in this application.
56. In light of the above, but more importantly the historic management of the Hangleton Farm enterprise, I do not accept that it is likely that the proposed enterprise will achieve financial viability and sustainability during the next three years.

I trust that these comments will assist your deliberations.

Yours sincerely

Jill Scrivener