

**FARM DIVERSIFICATION AND
THE PLANNING SYSTEM
RESEARCH PROJECT CONTRACT
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**Prepared for
The National Assembly for Wales
By
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in collaboration with
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EXECUTIVE SUMMARY

Purpose

This research study has been undertaken by Land Use Consultants in association with the University of the West of England, Bristol and the Welsh Institute of Rural Studies, Aberystwyth over the three months October to December 2000. It will assist in the review of planning policy for Wales. Its key purpose has been to establish if the planning system affects the attempts of farmers to diversify and to suggest how to enhance the positive effects and ameliorate the negative effects of planning on farm diversification.

Definition

The study has specifically looked at those aspects of farm diversification subject to planning control (ie activities involving a change of use of land or buildings or new development not falling within the definition of agriculture). It has been concerned with diversification developments (including tourism accommodation) occurring on active farms (ie farms involved with the husbandry of land and/or animals) or in buildings or on land previously associated with farming but which are now separated from an active farm unit.

Research method

The study has involved:

- a literature review and interviews with national consultees;
- review of the statutory development plans for all the Local Planning Authorities (LPAs) in Wales, concentrating on those that are most up to-date;
- a review of all appeal decisions relating to farm diversification across Wales between May 1997 – May 2000;
- detailed investigations within six sample LPAs (Ceredigion, Pembrokeshire, Flintshire and Monmouthshire County Councils, and Snowdonia and Pembrokeshire Coast National Park Authorities) involving interviews with officers, a review of the planning register to identify all relevant planning applications for the period May 1997 – May 2000, and more detailed analysis of 20 of these applications in each LPA;
- detailed review of seven case studies involving interviews with both the applicant and the relevant LPA;
- organisation of four farmers' focus groups over December 2000/January 2001.

Context

Farm diversification is not a new phenomenon but it is only in the last two decades that it has been promoted in national policy as a means of maintaining the viability of farm businesses.

This support for rural and farm diversification is reflected in national planning policy guidance set out in *Planning Guidance (Wales): Planning Policy First Revision, April 1999*.

Key findings

Extent of farm diversification: There is little information on the extent and breadth of farm diversification in Wales. Overall it appears that farm diversification is still limited and where it has occurred has focused on farm tourism, especially in the western more isolated parts of Wales. This is confirmed by the findings of this study. Across the six sample LPAs the number of planning applications for farm diversification has not been great, ranging from an average of 19 per year in Pembrokeshire County to only six per year in Flintshire. 50% of these applications related to tourism, followed by recreation (10%), B1 uses (9%) and storage and equestrian activities at 6% each. Geographically there is a particular concentration of tourism activity in National Parks (over 60% of applications) with storage and manufacture more prevalent in the accessible eastern parts of Wales. Over 57% of these planning applications relate to building re-use, followed by change of use of land (24%). New buildings make up 12% of applications.

From the farmers focus groups it is clear that many farmers, especially those who have not diversified to-date, would prefer to diversify into other aspects of farming, including new crops, potentially supplemented by income off the farm, rather than trying to develop a diversification enterprise with which they are not familiar. There is considerable fear of the unknown.

From the farmers' focus groups, aspects which are considered essential for successful farm diversification are a high quality environment (for tourism); access to markets; the availability of funds; a supportive planning framework; a 'good idea'; and interest, commitment and the relevant skills on the part of the farmer. Women are seen as particularly influential in encouraging farm diversification as they are more flexible in their willingness to consider non-agricultural livelihoods. Most farmers see finance and the ability to access grant aid as greater constraints on farm diversification than planning.

Development plan policies: From the review of statutory development plans it appears that the take up of national guidance¹ on rural diversification is variable. The broad support for rural and farm diversification is adequately represented but much of the detail of national guidance is missing. On the whole plan policies for farm diversification, where they exist, strike a more restrictive stance than that set out in national guidance (although this is not carried through in practice).

At their heart development plans are ambivalent as to whether farm diversification is different from other forms of rural development and therefore should be treated as an exception to broader rural policy/settlement strategy. Furthermore plans are unclear on whether this potential exception of farm diversification to rural policy should relate to all small-scale developments in the open countryside or whether it should only apply to (a) diversification enterprises clearly linked to an active farm unit, where *it is assisting in maintaining farm incomes* and/or (b) developments within or adjacent to an existing farmstead where impacts on the surrounding environment are likely to be less.

¹ As set out in *Planning Guidance (Wales) Planning Policy First Revision. April 1999*

Planning in practice: Amongst national consultees there is a common view that it is the impact of development rather than the type of use, which is the key concern.

From review of the planning registers in the six sample LPAs it appears that over the last three years 89% of all farm diversification applications have been approved. This approval rate increases to over 90% in remote rural areas and averages at 80% in more affluent areas under an urban influence. Overall there is no difference in approval rates between National Park Authorities and Unitary Authorities. In the limited cases where diversification applications have been refused, the most common reasons for this refusal relate to design/appearance, landscape, traffic movements and representations from neighbours –with representations being more common in the more accessible parts of the country. Developments with the highest refusal rates (up to 50%) are static caravan sites.

These approval rates indicate that, with the exception of static caravan sites, planning applications for farm diversification are generally viewed favourably by LPAs – often being treated implicitly as an exception to rural planning policies even when this is not explicitly stated in the development plan. Discussions with Development Control Officers have confirmed that they will adopt a flexible approach to individual applications for farm diversification and welcome giving advice at the pre-application stage as a means of ensuring that applications meet the requirements of the LPA. There is a concern though, that the benefits of pre-application advice will be overlooked in the implementation of Best Value. There is also recognition that pre-application advice may not always be recorded, potentially leading to applicants receiving different advice at different stages in the planning process.

Views and perception of the farming community: From the focus groups and the case studies, it is clear that the farming community sees the benefits of the planning system, even if they may have personal frustrations with it. They recognise its value in maintaining environmental quality and in preventing the market being flooded with inappropriate diversification proposals that would create unnecessary competition between farmers, ultimately suiting no-one. Amongst those who have submitted successful planning applications for farm diversification, there was support for the planning process, with planning officers viewed as helpful. There was also a realisation that there has been a change for the better over the last few years, with LPAs adopting a more positive approach to farm diversification. However, it is clear that some applicants perceive that they have had a poor experience, suggesting that the response of LPAs is variable.

The key problems that had been encountered with the planning process and which came in for criticism from farmers were:

- apparent lack of transparency in the process, with the perception being that planning policies are being applied inconsistently (thus flexibility in the treatment of planning policies can have both advantages and disadvantages);
- a perceived lack of co-ordination between different departments of the LPA and between different elements of planning, with sometimes a lack of co-ordination between the promotional activities of Agenda 21 and Economic Development Officers and the regulatory role of Planning Officers, and the giving of conflicting advice by planning and highways authorities;
- a perception that representations by incomers are blocking developments by local people;

- a view that planners may fail to recognise business needs (although there is a counter view held by planners that many applicants fail to take business advice before submitting a planning application); and
- occasionally, a view that over-restrictive conditions are attached to an approval.

These concerns highlight important frustrations with the planning system which need to be addressed, especially in the clarification of policy and in improvements to the delivery of planning advice to farmers and rural entrepreneurs. But the overall results of this study do not suggest that planning is a major barrier to farm diversification or that there needs to be a fundamental overhaul of the planning system – its policies or procedures – to achieve farm diversification. Furthermore, even were all the hurdles associated with the planning system removed, there is little indication that a significantly greater number of farm diversification schemes would be forthcoming, such are the range of other real and perceived hurdles.

Recommendations

It is recommended that:

Changes to primary and secondary legislation

There should be no change to primary or secondary legislation, as suggested by some national consultees:

- 1: Farm developments should NOT be added to the B1 use class (thus removing the requirement for planning permission for a change of use to other business purposes).*
- 2: A Rural Business or Enterprise Use class should NOT be introduced.*
- 3: The use classes order should NOT be changed to include general leisure and recreation uses within the definition of farming.*

Changes to national policy guidance

There should be some specific changes to national guidance to clarify the approach to farm diversification (recommendations 5-8 are linked).

- 4: A national vision/strategy is required for integrated rural development to provide an overarching framework for all policies and actions in this area.*
- 5: National guidance should identify farm diversification as separate from rural diversification.*
- 6: National guidance should clarify the nature of farm diversification in terms of its contribution to farm viability and its location relative to an existing farmstead.*
- 7: National guidance should encourage development plan policies for rural and farm diversification to be based on a clear understanding of local circumstances.*
- 8: National guidance should encourage LPAs to develop criteria-based policies in their development plan in support of farm diversification.*
- 9: There should be no change to the current national guidance which gives preference to economic over residential re-use of rural buildings.*

Best practice in statutory development plans and supplementary planning guidance

The above guidance should be translated into LPA policy:

10: Statutory development plans should contain clear policies on farm diversification.

11: LPAs should give close consideration to the circumstances in which a farm plan/farm appraisal should be requested as part of a planning application for farm diversification.

Improved communications

There needs to be improved communication of planning policy and practice to the farming community so that they are not disadvantaged by lack of familiarity with planning:

At the national level

12: The National Assembly for Wales should produce an updated version of the ‘Farmers’ Guide to the Planning System’.

13. The RTPI/WLGA should hold a series of regional workshops on farm diversification and integrated rural development for the planning community.

14: The FUW, NFU and CLA should work with the RTPI/WLGA to promote the pro-active role of planning in farm diversification to the farming community.

15: The RTPI/WLGA should set up training courses for LPA officers in farm diversification.

16: CCW/ RTPI/WLGA should promote the recommendations in the report ‘Development Control in National Parks: A Guide to Good Practice’ to LPAs.

17: The National Assembly and WLGA should undertake a review of Best Value and its implications for farm diversification.

18: The National Assembly in association with the WLGA should undertake a review of farm plans and integrated farm appraisals and their applicability to the planning process.

At the Local Planning Authority level

19: LPAs should set up Farming Fora where these are not already in place.

20: Where helpful, Supplementary Planning Guidance or other guidance on farm diversification may be prepared by the LPA.

21: LPAs should ensure that there is regular liaison between all those within the authority involved directly or indirectly with farm diversification.

22: LPAs should ensure that there is a standard method for recording pre-application enquiries for farm diversification.

An early response

All the above will take time to implement but action is needed NOW to assist the crisis in farming:

23: LPAs should undertake a local audit of their farm diversification policies and local farm economy.

24: Based on the above, LPAs should prepare early guidance on farm diversification for farmers within their area.

25: A one-stop-shop giving advice to farmers on planning, business development, grant applications, health and hygiene regulations, farm assurance and marketing, should be set up with close links to LPAs, by or in association with Farming Connect.

26: A pre-application form should be produced for the one-stop-shop to ensure that the advice is tailored to individual requirements.

Further research

There are certain areas that are not fully covered by this study that would benefit from further research:

- the wider performance of rural diversification of which farm diversification forms a part;
- the performance of farm diversification in the urban fringe;
- the benefits and disbenefits of Low Impact Development and the policy implications arising;
- the role of women in farm diversification and identification of their support needs;
- review of farm diversification on tenant farms.

There could also be benefit in monitoring the determination record of LPAs with regard to farm diversification.

1. INTRODUCTION

- 1.1. This research study has been undertaken for the National Assembly for Wales over the three months October - December 2000 and will assist in the review of planning policy for Wales.

Aims

- 1.2. As set out in the brief, the key aims of the research have been:
- "To establish if the planning system affects the attempts to diversify of farmers and other rural entrepreneurs
 - To identify the positive and negative impacts of planning on development opportunities; and
 - To suggest how to enhance the positive effects and ameliorate the negative effects."

Objectives

- 1.3. Drawing on the aims, the objectives of the research have been to:
- "identify the positive role of planning in rural diversification projects and suggest ways of enhancing this (eg through Best Practice Guidance);
 - identify negative impacts of the planning system on rural diversification and to suggest ways to combat it (eg through guidance, changes to secondary legislation or promotion of best practice);
 - investigate if the National Assembly's planning guidance is being interpreted appropriately by local planning authorities in their development plan policies and their development control decisions;
 - investigate if farmers and other rural entrepreneurs are inhibited from bringing forward rural diversification projects by real or perceived barriers imposed by the planning system;
 - and if barriers are found to exist, what particular projects are affected and in what way?
 - investigate if current planning guidance is constraining rural development projects (eg outdoor advertisement control; diversification schemes remaining ancillary to the farm enterprise; selling of produce produced on the farm; is the policy of converting farm buildings to housing appropriate?);
 - consider the scope for relaxing planning controls to encourage the more suitable types of diversification project;
 - investigate the issues raised in appeals for diversification projects;
 - investigate if planning application fees for diversification projects act as a disincentive to setting up such projects and, if so, to recommend remedial action;

- to consider if low impact developments are adequately catered for in planning policies at national and local level;
- establish how the planning system, planning guidance, policies, conditions and other devices can be used to accommodate diversification more widely, yet without detriment to the environment and other planning objectives; and
- make recommendations on the need to provide advice to farmers, other entrepreneurs and local planning authorities on how the planning system can be used to encourage the establishment or expansion of new enterprises”.

CONTEXT TO THIS RESEARCH

The basis of this research

- 1.4. The Department of Environment, Transport and the Regions (DETR) has in the past taken the lead in policy development and research. Many of the DETR’s research findings are relevant to Wales and up until now national planning policy in Wales has been informed and guided by DETR-commissioned research. The Wales Planning Research Programme (WPRP) has been set up to complement the DETR research, undertaking research specifically for Wales, such as this.
- 1.5. A key element of the National Assembly’s policy is to assist the rural economy, encourage farm businesses to diversify and make full use of local resources and business opportunities while safeguarding elements of acknowledged environmental importance. This is particularly important at a time when most farm businesses are experiencing falling incomes. The Assembly, many local authorities and other organisations, are concerned about the impact of declining agricultural incomes on local communities and the rural economy and are seeking to identify appropriate measures to reverse this trend.
- 1.6. The economic and practical considerations and the many regulations (both planning and other) involved in establishing a business can be complex and confusing and may inhibit farmers and other rural entrepreneurs from proceeding with diversification activities. By identifying the constraints and opportunities posed by the planning system, this study will contribute to identifying how the National Assembly for Wales’ planning regulations, planning policies and guidance, and local authorities plans and procedures could be further developed to maximise the planning opportunities for rural diversification.

Sustainability and integrated rural development

- 1.7. This study needs to be seen within the broader context of sustainable development. As set out in the UK’s Strategy for Sustainable Development² and the Assembly’s Strategic Plan³ this is driven by the four objectives of:
- *“social progress which recognises the needs of everyone;*
 - *effective protection of the environment;*
 - *prudent use of natural resources; and*

² DETR *A Better Quality of Life: The UK Strategy for Sustainable Development*. May 1999

³ National Assembly for Wales *Learning to Live Differently* 2000.

- *maintenance of high and stable levels of economic growth."*

- 1.8. In *Better Wales*⁴ (the Assembly's Sustainable Development Plan), sustainable development provides the over-arching framework within which the Assembly will develop any new strategies, policies, programmes and grant schemes and will underpin the review of new ones. Within rural areas, sustainable development is more frequently described in terms of integrated rural development (which seeks the integration of economic, social and environmental objectives in rural areas). Much has been written about integrated rural development in Wales, although, as yet, there is not an over-arching vision and strategy for it.

Definitions

- 1.9 As set out in the *Wales Rural Development Plan*⁵, farm diversification involves utilising the resources of land, buildings and machinery in new ways that represent a departure from traditional agricultural practices. It may simply involve introducing different methods of agricultural production, such as the use of novel industrial crops, or it may go much further and involve significant risk and high capital outlay eg in the provision of tourist accommodation; the addition of on farm processing; or the conversion of agricultural buildings for other economic uses such as workshops.
- 1.10 Equally, farm diversification may involve changes in the sources of income of the farming family which have no physical impression on the farm, such as providing agricultural services off the farm (such as sheep scanning or shearing or relief milking) or gaining off-farm non-agricultural employment, or introducing unearned income eg through production quota leasing.
- 1.11 Rural, as opposed to farm, diversification may be concerned with the diversification of the economy of rural towns and villages as they shift away from providing agricultural support services to providing new sources of employment both in tourism and IT. Although not directly related to agriculture, such activities may provide employment for those seeking to supplement their farm incomes. The full interaction of rural diversification with farming is not well understood and requires further research.
- 1.12 Against this background, this study is specifically concerned with those aspects of **farm diversification subject to planning control. It is concerned with economic diversification activities occurring on active farms, or in buildings or on land that was previously associated with farming but which are now separated from an active farm unit.** In this context an active farm unit is one which is still involved with the husbandry of land and/or animals as a means of gaining an income.
- 1.13 The specific types of development, therefore, that have been investigated through this study, have been:

Types of development *

- New building (associated with a farm diversification activity)

⁴ The National Assembly for Wales *Better Wales – the National Assembly for Wales' Strategic Plan* January 1999.

⁵ The National Assembly for Wales *The Wales Rural Development Plan* 2000

- Extension of an existing farm building
- Intensification of an existing use
- Economic building re-use
- Change of use of agricultural land
- Signage in support of a diversification activity
- Residential accommodation in support of farm diversification

1.14 In turn, these may be associated with the following types of diversification activity:

*Types of diversification **

- Tourism
- Recreation
- Retail (farm shop and pick your own)
- Agricultural contracting
- Workshops
- Manufacturing/industry
- Food processing
- Storage/haulage
- Machinery/vehicle repair
- Office/studio
- Livery
- Energy (biofuels and composting. Not wind energy which raises a range of different planning issues)
- Other

(* These lists have been specifically drawn up for the purposes of this research).

RESEARCH METHODOLOGY

1.15 This rapid three month research has involved the following six components:

1. **Context setting: literature review and national consultations:** As part of this research consultations have been held (either by telephone or in person) with:
 - Agricultural Development and Advisory Service (ADAS)
 - Antur Teifi
 - Business Connect
 - Coed Cymru
 - Council of Welsh TECs
 - Country Landowners Association (CLA)
 - Countryside Council for Wales (CCW)
 - Campaign for the Protection of Rural Wales (CPRW)
 - Environment Agency (EA)
 - Farm and Rural Conservation Agency (FRCA)
 - Farmers' Union of Wales (FUW)
 - Federation of Small Businesses
 - National Assembly for Wales Agriculture Department (NAWAD)
 - National Farmers' Union: Wales (NFU Wales)

- Objective 1 and 2 offices
- Royal Institution of Chartered Surveyors (RICS)
- Royal Town Planning Institute (RTPI)
- Wales LEADER Network
- Welsh Local Government Association (WLGA)
- Wales Tourist Board (WTB)
- Welsh Development Agency (WDA)

2. **Review of the statutory development plans of all the Local Planning Authorities (LPAs) within Wales:** A cross-section of statutory development plans in Wales has been reviewed to assess their policy content on rural and farm diversification and the conformity with current national planning guidance on these issues. This national guidance is set out in *Planning Guidance (Wales): Planning Policy 1999. Planning Policy First Revision April 1999, and Technical Advice Note (Wales) 6. Agricultural and Rural Development June 2000*. In total 38 statutory plans have been reviewed with at least one plan from each of the 25 LPAs in Wales. Wherever possible effort has focused on recent Unitary Development Plan (UDP) publications, particularly in authorities where the adopted plan pre-dates 1996. The approach followed and the plans reviewed are considered further in **Chapter 3**.
3. **Review of appeal decisions:** With the assistance of the Planning Inspectorate all Welsh appeals relating to farm diversification have been identified for the three year period May 1997 – May 2000. This has involved a two-stage process: first, the Planning Inspectorate has undertaken a search of their database for any planning appeals with 'change of use' in the title; second, this shortlist has been manually reviewed for those appeals relating to farm diversification. For these, the Inspector's Report and Decision Letter have been reviewed to identify the key issues of each case.
4. **Detailed investigations within six sample Local Planning Authorities (LPAs):** At the outset of the research six LPAs were selected for more detailed study by the National Assembly for Wales, informed by the Steering Group for this research. These LPAs were selected to cover different degrees of remoteness, different types of farming and different types of development pattern and pressure. These LPAs were: Ceredigion County Council; Snowdonia National Park Authority; Flintshire County Council; Pembrokeshire County Council; Pembrokeshire Coast National Park Authority and Monmouthshire County Council.

Within each of these local authorities the following activities have been undertaken:

- Discussions with: the Development Plans Officer; Development Control Officer(s) and the Economic Development Officer, to explore the development plan policies for diversification and how these are implemented through development control;

- Review of the planning register in each LPA for the last three years May 1997 – May 2000, with all farm diversification applications so identified entered onto a summary database;
 - Within each LPA selection of a stratified random sample of 20 applications for rural diversification (total 120) for more detailed consideration and completion of a fuller database on each, based on reference to the case files.
5. **Four farmers' focus groups:** Four farmers' focus groups have been held, three in December 2000 and one in January 2001, to gain a clearer view of the perceptions of the farming community with regard to the planning system and the potential barriers it places on farm diversification. These focus groups have been located to form a subset of the six sample areas identified above and were held at: Aberaeron (Ceredigion); Haverfordwest, (Pembrokeshire); Caernarvon (Snowdonia/Gwynedd); Mold (Flintshire).

Invitees to the focus groups included farmers, landowners and their advisers. The aim was to have six to eight participants per workshop, identified by the local Farmers' Union Branches and the Branch Secretaries of the CLA, selected to represent those who have taken forward a successful diversification activity; those who have failed to gain planning permission for such an activity; and those who have been put off diversification by perceived planning constraints. Each focus group has lasted approximately 90 minutes with the results recorded for subsequent analysis.

6. **Case studies:** From a combination of the review of the planning registers and the results of the Farmer Focus Groups, seven case studies have been selected to represent typical examples of:
- planning applications for farm diversification that have been approved (5 No.)
 - planning applications that have been refused or withdrawn (2 No.)

1.16 The following Chapters set out the findings of the research:

Chapter 2: Provides context to the study, setting out background trends and issues identified primarily through the literature review and national consultations.

Chapter 3: Focuses on the review of the statutory development plans and their support for rural and farm diversification.

Chapter 4: Looks at the development control process adopted by LPAs in determining individual applications for farm diversification.

Chapter 5: Looks at the results of the planning system and numbers of approvals and refusals for farm diversification and the main reasons why such applications are refused.

Chapter 6: Looks at the perceptions of the planning system and its operation from the point of view of the farming community, based on the results of the farmer focus groups and case studies.

Chapter 7: Outlines the issues associated with Low Impact Development.

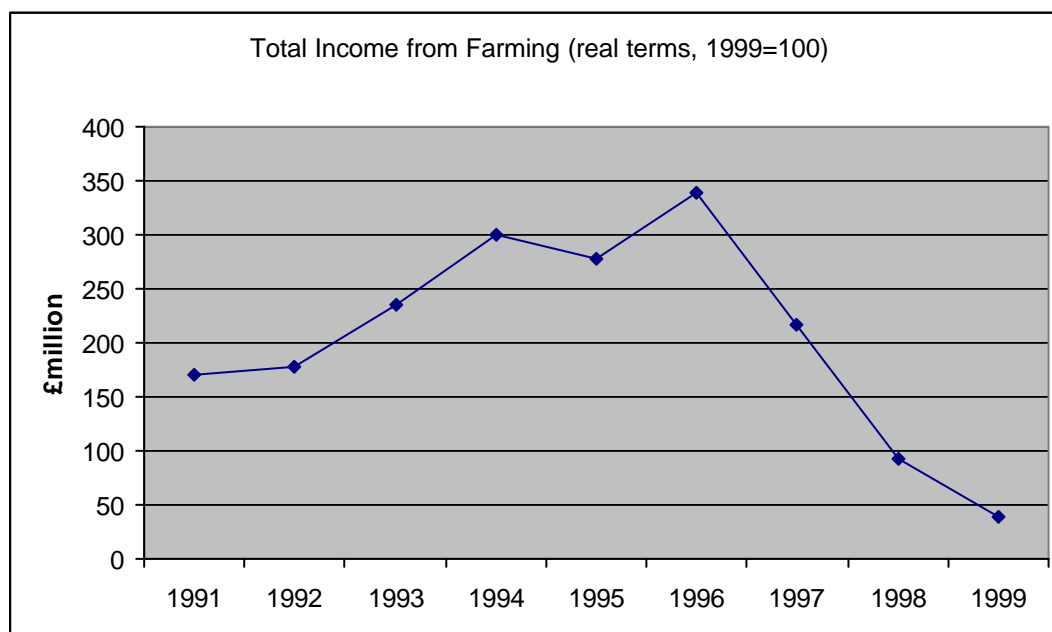
Chapter 8: Sets out the conclusions and recommendations from this research.

2. BACKGROUND AND TRENDS

THE ECONOMIC SITUATION OF FARMING IN WALES

- 2.1. The steadily worsening circumstances of agriculture in Wales, since the mid 1990s, are reflected in the aggregate calculation of farming income shown in **Figure 2.1**. The major elements of the total output of Welsh farming are milk, beef cattle and sheep, and each has been seriously affected by both general economic and commodity-specific difficulties. The relatively high value of sterling has reduced competitiveness, in terms of imports and export opportunities, and the value of agricultural subsidies has also fallen since their level is also tied to the Euro. Dependence on livestock arises from climatic and other limiting conditions on agriculture in Wales: 77% of farmland is designated as Less Favoured Area (LFA) (52% seriously disadvantaged, 26% disadvantaged). Whilst revenues from beef production in Wales are rising due to a revival in domestic demand, residual difficulties arising from BSE in export markets continue to impede overall recovery in the sector. A significant proportion of lambs produced in the hills in Wales are relatively low in weight, in terms of British market preferences, and as a result depend on export to Mediterranean regions. Recent changes in welfare restrictions controlling live exports have added to costs, and by-product revenues from wool and cull ewes have also declined. Finally, due to changes in tariff protection arrangements and expiry of the (relatively generous) initial contracts set up after liberalisation of the milk market, milk prices have fallen substantially. In the medium term, there seems little prospect of significant reversal of any of these influences on the economic performance of Welsh agriculture.

Figure 2.1: Farm incomes in the UK, Economic Trends



Source: *Farm Incomes in the UK, Economic Trends*, various years

- 2.2. Larger, more commercially managed farms are potentially weathering the current crisis. But the squeeze on medium-sized farms is significantly greater, and alternative farm activities are required to prevent economic, social and cultural collapse in the Welsh countryside.
- 2.3 In response, increasing emphasis has been placed on rural and farm diversification. This is strongly supported by the representative organisations for the farming community, although there is a concern that too much emphasis is now being placed on diversification as an instrument of rural economic regeneration (CLA) and that it is wrongly being promoted as the panacea for the current acute financial difficulties of farming. It is felt that diversification must be seen within the overall sustainability of the farm business (ADAS). It is also felt, for example by CPRW, that a broader diversity of farm income sources needs to be encouraged, potentially with supplementary on-farm activities being combined with opportunities for off farm income to provide greater resilience in the rural social structure, as well as improving livelihoods (paras 6.6 – 6.12).

POLICY CONTEXT

- 2.4 Farm diversification is not a new phenomenon and farming has long played an active role in tourism. But it is only within the last two decades that it has been promoted in national policies as a way of maintaining the viability of farm businesses. This is now set out in the Government's *Action Plan for Farming*⁶. This notes that "*The Government set out on 7 th December 1999 its long term strategy for the future development of an agricultural industry that must be competitive, diverse and flexible, that must respond better to consumer demands, that must be more environmentally responsible, and that must play an integral part in the wider rural economy*".
- 2.5 In Wales this UK strategy is being delivered primarily through *The Wales Rural Development Plan/Programme* and *Objective 1*, with an over-arching strategy for agriculture in Wales currently being prepared by NAWAD, with publication in April of 2001. This strategy is anticipated to re-affirm the importance of the small family farm in Wales.
- 2.6 The central focus of the *Wales Rural Development Plan*⁷ is on the continuation of support for Less Favoured Areas (LFA), but under a reformed system of LFA compensatory allowances, matched by significant support for agri-environment schemes with funding also available for afforestation of agricultural land. The latter two apply across the whole of Wales.
- 2.7 These are complemented by the *Non-accompanying measures* under the *Rural Development Plan* outside Objective 1 areas, which favour other forms of farm diversification by providing for:
- Training
 - Processing and Marketing
 - Article 33 Rural Development

⁶ Ministry of Agriculture Fisheries and Food *Action Plan for Farming* (for the UK) 30 March 2000

⁷ National Assembly for Wales *The Wales Rural Development Plan* 2000

- 2.8 These link and complement funding available for similar activities under Objective 1 in West Wales and the Valleys.

Farming schemes and initiatives

- 2.9 In combination these provide support and impetus for farm diversification, now being taken forward through a number of initiatives, in particular:

Agri-environment

- *Tir Gofal* (administered by the Countryside Council for Wales): This is now the central plank of the agri-environment approach in Wales. It is a whole farm all Wales scheme that provides a mechanism for encouraging agricultural practices that will help to protect and enhance aesthetic and cultural landscapes together with their associated wildlife, by improving wildlife habitats on agricultural land; protecting characteristic rural landscapes; protecting the historic environment; and providing for public access to the countryside. At the same time support will continue for agreements under existing agri-environment schemes including Environmentally Sensitive Areas (ESAs) and Tir Cymen. (In addition, the National Parks have their own agri-environment programmes which occupy complementary niches to Tir Gofal).
- *The Organic Farming Scheme* (administered by the National Assembly for Wales: Agriculture Department): This offers payments to farmers to aid conversion to organic farming and to manage their land in environmentally beneficial ways.
- *Afforestation of agricultural land* (administered by the National Assembly for Wales: Forestry Commission): This is provided through the Woodland Grant Scheme which encourages the multi-purpose management of existing woodlands and the creation of new woodlands on farmland to achieve a wide range of objectives. In addition, there are a range of other forestry activities funded under Objective 1.
- *Farming Connect* (overseen by the National Assembly for Wales: Agriculture Department) is being set up to deliver best possible advice, new technologies and production techniques to the Welsh farming industry to aid diversification, improve business viability and help farmers access new markets for their products and services. Farming Connect will provide practical information and advisory services, training, and technology transfer at the local level, linked to demonstration farms and groups.

Under Farming Connect all farmers will be entitled to up to three days free one to one business management advice each year to aid the long term development of the farm business. Consideration is also currently being given to the provision of planning advice to farmers through Farming Connect. This provision will be worked up in detail with the National Assembly for Wales Planning Division and with LPAs. At the same time training needs will be delivered via TECs and other providers.

Through Farming Connect it is envisaged that there will be a range of capital grants available for farm diversification and on-farm elements of business development. Farming Connect will access funds from European sources, including Objectives 1, 2, 3, and domestic schemes to ensure that a fully comprehensive range of services is available across Wales to meet farmers' requirements.

- 2.10 In addition, at the more local level, the FRCA has the role of supporting the eight LEADER groups in Wales who are supporting a range of relevant initiatives. For instance, *Antur Teifi* has promoted speciality food manufacture, alternative crops and local timber utilisation while *SPARC* in South Pembrokeshire has developed a whole farm business development review scheme. Such initiatives are also reflected in the activities of individual authorities. For example, all three National Park Authorities are involved in agri-food partnerships, promoting value-added processing of farm produce, and local marketing initiatives. Brecon Beacons, in particular, is developing innovative approaches to these issues.

Planning Policy Wales

- 2.11 This support for rural and farm diversification is reflected in national planning policy guidance set out in *Planning Guidance (Wales): Planning Policy 1999* which, in summary, notes that:
- *Development plans shall contain policies which encourage economic development and diversification in rural areas (10.3.4)*
 - *An efficient and flexible agricultural industry remains essential (10.4.1)*
 - *Local planning authorities should adopt a positive approach to the conversion of new buildings for business use (10.5.1).*

PERCEPTIONS OF PLANNING

- 2.12 Overall it is felt amongst the national consultees contacted as part of this research that the planning system is necessary for effective control of development in the countryside. *Planning Guidance (Wales): Planning Policy 1999* is seen by consultees as supportive of farm diversification and rural building re-use, although there is some concern that this support is undermined by other guidance on transport and environmental protection, with these aspects taking precedence in statutory development plans (CLA, NFU Wales) – reviewed in Chapter 3.. However, amongst consultees a principal strength of the overall system is identified as the production of good landscape outcomes where planning permission is granted. As noted by CCW⁸ *“if in the interests of perhaps limited employment creation and short term benefits, there is a relaxation of regulation resulting in more inappropriate development in rural Wales, with permanent loss or deterioration of environmental assets, this would be akin to selling the family silver and reducing the potential for longer term sustainability”.*
- 2.13 The key strength of the planning system but potentially also its greatest weakness is perceived to be its flexibility. Local flexibility is seen as important by consultees in providing scope for approvals of locally appropriate projects, but also allows refusal

⁸ Countryside Council for Wales *Agriculture and Rural Development Committee. Diversification Review: Planning*

of permission to those that are unsuitable. Yet there are widespread complaints that this flexibility in practice produces arbitrary and inconsistent decisions. It is argued by consultees that too much scope rests with LPA officers and members to influence application outcomes.

- 2.14 Amongst land-based membership organisations there is a perception that planning is standing in the way of rural diversification. The general attitude of LPAs is considered a block, at least in some local authorities; others are praised for the extent of their understanding and empathy with the difficulties of farming. Amongst these organisations, the concern is not only planning policies but also the general bureaucracy, level of fees and costs involved in making applications, time taken to reach decisions, and the cost of conditions imposed which add up to being perceived as either major or minor blocks to diversification. For example, the NFU Wales perceives that imposed conditions "*often make the proposal uneconomic or over burdensome*". In the study of development control in National Parks - 1996 (covering both England and Wales)⁹ it was found that "*the majority of applicants questioned (664 applicants) were satisfied with the result of their application and most of those not satisfied had a refusal or permission with significant conditions*". The findings from this current study on conditions are considered further in Chapter 5.
- 2.15 These concerns have been picked up in a number of recent reports which suggest that planning control is acting as a barrier to farm diversification. The FRCA reports¹⁰ that farmer surveys typically indicate that around 15-20% of farmers point to planning as an impediment to farm diversification. An NFU survey in England (1999)¹¹, indicated that 17% of farmers cited planning restrictions as a reason not to diversify. The CLA in a survey of its members in 2000 across England and Wales¹², found that 52% of respondents who had approached their LPA concerning diversification had been discouraged from pursuing their proposal by the advice they had been given and of these 52%, only 45% had gone on to make a planning application.
- 2.16 On the other hand, the Wales Tourist Board can find little solid evidence that planning is a significant barrier to diversification into tourism. However, it is suggested that planning is a constraint to some of the members of the Regional Tourism Companies¹³ – many rural tourism start-up businesses require ongoing reinvestment to reach profitability, which entails further development proposals requiring planning consent.
- 2.17 It is the validity or otherwise of the above concerns that is addressed through the remainder of this report.

⁹ Oxford Brookes University *Development Control in National Parks: A Guide to Good Practice*. 1996. On behalf of the Countryside Commission, Countryside Council for Wales and the Association of National Park Authorities.

¹⁰ Samuel. P. *National Assembly for Wales: Agriculture and Development Committee – Diversification and Planning. Evidence submitted by FRCA*. 19th June 2000.

¹¹ McLaughlin *Diversification of Agricultural Business: What farmers' expect of the planning system and barriers to delivery*. 1999. National Farmers' Union.

¹² Country Landowners Association *Local Interpretation of Planning Guidance* 2000.

¹³ Wales Tourist Board *Submission to Agriculture and Rural Development Committee*. 29th June 2000.

SUGGESTED CHANGES TO PLANNING

2.18 In response to the suggestion that planning is standing in the way of rural diversification, a number of organisations made recommendations (summer 2000) on planning and rural diversification, to the Assembly's Agriculture and Rural Development Committee. These suggestions can be summarised as:

- To make an order under Section 59 of the Town and Country Planning Act to permit re-use, extensions and modifications of agricultural buildings for uses in Class B1 (offices and light industrial) without need to obtain planning permission, where the building has been in general agricultural use for over five years (suggested by the CLA)¹⁴. This has been suggested in the PIU report *Rural Economies 1999*¹⁵ and was put forward at the National Assembly for Wales plenary session on 17 May 2000, where it was defeated.
- Introduction of a Rural Business or Enterprise Use Class (suggested by the RTPI¹⁶, NFU Wales¹⁷, Coed Cymru¹⁸) that would incorporate within it a wide range of permitted uses appropriate to a rural area but with conditions to ensure that intensification of activity would trigger a threshold requiring planning permission. This would be restricted to uses directly related to rural areas (either by drawing on rural employment or materials or providing local services, not simply by virtue of being located in a rural area).
- Changes to the Use Classes Order to include general leisure and recreation uses as farming, to allow a degree of flexibility for farmers considering diversification enterprises (suggested by FUW)¹⁹.
- Secure amendments to national planning guidance and/or produce other advice and guidance, with suggestions including:
 - for Unitary Development Plans (UDPs) to include a specific policy that treats small-scale farm diversification schemes on farmsteads as an exception to other policies covering the open countryside. This is felt to be justified on the grounds that development linked to existing building complexes tends to have less impact than those that stand alone (suggested by FRCA)²⁰. Such exemption would need to be linked to appropriate environmental and planning criteria to deal with issues related to siting, design, scale, traffic, noise, odour, extent of development, expansion etc.

¹⁴ Country Landowners Association *National Assembly for Wales Agriculture and Rural Development Committee Review of Diversification and Planning*.

¹⁵ Cabinet Office Performance and Innovation Unit *Rural Economies 1999* Stationary Office

¹⁶ The Royal Town Planning Institute *Review of Rural Diversification. Submission to the Agriculture and Rural Development Committee of the National Assembly for Wales on Planning as a Barrier to Diversification*.

¹⁷ National Farmers' Union: Wales *National Assembly for Wales – Agriculture and Rural Development Committee. Developing a More Diverse Rural Economy. Planning a Barrier to Diversification*.

¹⁸ Coed Cymru *Farm and Forest Diversification and the Planning System*.

¹⁹ Farmers' Union of Wales *Agriculture and Rural Development Committee. Review of Rural Diversification. Planning*.

²⁰ Samuel. P. *National Assembly for Wales: Agriculture and Development Committee – Diversification and Planning. Evidence submitted by FRCA. 19th June 2000*

- for UDPs to clearly define what is meant by development 'ancillary to agriculture' (suggested by FRCA)²¹. As identified by FRCA, in some UDPs this term has been used to distinguish between applications made for diversification activities where the application has no relationship to a farm enterprise, and those where the proposed diversification will directly contribute to farm income and thus directly support the agricultural community. In some cases though, the term 'ancillary' has been defined more tightly to restrict enterprises to those ancillary to agricultural production in terms of processing, packaging and sale of farm products – this is felt by consultees to be unnecessarily restrictive
- for each diversification activity to be treated on its merits against specified economic, social and environmental criteria (suggested by the WLGA)²². **It was stressed by a number of those consulted that the key concern is type of impact rather than type of use**
- preparation of a list of activities that might be considered appropriate in rural areas (suggested by FUW)²³ or potentially a clearer definition of 'rural enterprise' (suggested by the RTPI)²⁴ - equally others were concerned that a list could become exclusive
- removal of the bias in favour of economic over residential conversion of rural buildings as a means of providing for housing need in rural areas (suggested by the CLA)²⁵
- preparation of good practice guidance to update *the Farmers Guide to the Planning System* and/or support for demonstration projects (suggested by the CLA)²⁶. In addition, preparation of planning guidance aids by individual LPAs to help rural businesses understand what activities are acceptable in planning terms (suggested by NFU Wales)²⁷
- development of Economic Development Strategies, Local Transport Plans or Rural Strategies to help integrate economic, social and environmental objectives (suggested by CCW)²⁸. Noted that Gwynedd County Council is currently undertaking a sustainability appraisal in support of its emerging UDP and Economic Development Strategy.

²¹ Samuel. P. *National Assembly for Wales: Agriculture and Development Committee – Diversification and Planning. Evidence submitted by FRCA. 19th June 2000*

²² Welsh Local Government Association *National Assembly for Wales – Agriculture and Rural Development Committee.*

²³ Farmers' Union of Wales *Agriculture and Rural Development Committee. Review of Rural Diversification. Planning*

²⁴ The Royal Town Planning Institute *Review of Rural Diversification. Submission to the Agriculture and Rural Development Committee of the National Assembly for Wales on Planning as a Barrier to Diversification*

²⁵ Country Landowners Association *Local Interpretation of Planning Guidance 2000*

²⁶ Country Landowners Association *Local Interpretation of Planning Guidance 2000*

²⁷ National Farmers' Union: Wales *National Assembly for Wales – Agriculture and Rural Development Committee. Developing a More Diverse Rural Economy. Planning a Barrier to Diversification*

²⁸ Countryside Council for Wales *Agriculture and Rural Development Committee. Diversification Review: Planning*

- preparation of a Technical Advice Note on Integrated Rural Development (suggested by CCW²⁹, CLA³⁰, Coed Cymru³¹)
- further guidance on design in rural areas. In this respect CCW makes reference to its 1999 publication *Making Places* and welcomes the design initiative recently announced by the National Assembly's Environment Minister. It is also suggested that emphasis should be placed on design at the time of pre-application discussions, with TAN 12 including advice on the principles and process of design and the encouragement of LPAs to develop design guidance as Supplementary Planning Guidance³².

2.19 It was also suggested by the Federation of Small Businesses in Wales³³ that as policies and programmes attract micro businesses into rural areas, so there will be a need for ready-to-use small factory units. Although many advance factory units have remained empty, there is a need for an 'easy in, easy out' system which does not bind the tenant into a long tenancy.

2.20 The suitability or otherwise of the above recommendations is picked up in the recommendations of this report based on the findings of this research.

DIVERSIFICATION ACTIVITY

2.21 Against this background to farm diversification and planning policy, there is still relatively little data on the extent of farm diversification in Wales. This is an area that requires further research.

2.22 The limited data available on **on-farm** diversification in Wales suggests that there are relatively few farms with significant involvement in other gainful activities. From the Farm Business Survey³⁴, it is possible to infer that, of total occupiers incomes on farms, only a small fraction is derived from non-agricultural activities on farms in Wales. For dairy farms, the proportion is 5%; for LFA cattle and sheep farms, 5%; and for lowland cattle and sheep farms (reflecting the sharp drop in agricultural incomes rather than the extent of earnings from diversified activities), 57%. Other income from **off-farm sources** are shown below, and compared with England and Scotland.

Off-farm sources of income (Source: *Farm Incomes in the UK 1998/99*)

<i>% of holdings</i>	<i>Wales</i>	<i>England</i>	<i>Scotland</i>
Employment	19	15	33
Self-employment	2	9	6
Investment	7	29	40
Pensions	15	7	14
Social payments	17	17	24
Total with any off-farm income	48	54	77

²⁹ Countryside Council for Wales *Agriculture and Rural Development Committee. Diversification Review: Planning*

³⁰ Country Landowners Association *Local Interpretation of Planning Guidance 2000*

³¹ Coed Cymru *Farm and Forest Diversification and the Planning System.*

³² Countryside Council for Wales *Agriculture and Rural Development Committee. Diversification Review: Planning*

³³ Federation of Small Businesses in Wales *Briefing Note for Agriculture and Rural Development Committee*

³⁴ MAFF *Farm Incomes in the UK 1998/99.* 1999 MAFF.

- 2.23 The perceptions of those consulted during this study is that tourism (especially tourism accommodation provision) has so far been the predominant form of farm diversification in Wales. The main focus has been on bed and breakfast, but caravanning and camping space, and self-catering accommodation are also important. In turn this supports other forms of business, such as field sports, interpretative farm trails, and equine-based activities. A number of organisations identified a clear east-west division between types of diversification activity, with a geographical concentration of tourism diversification in the less populated, peripheral western half of Wales; compared to more opportunity for industrial and workshop units, and farm shops in the more accessible and economically buoyant eastern parts of Wales. Several respondents noted higher levels of overall activity in National Park areas, and also in the four areas that had Local Action Groups in the initial phase of the LEADER programme. Some local concentrations of note were the cluster of food manufacturing businesses in the Lampeter/Aeron Valley district, shooting in the Marches area, and trout fishing based on abundant water resources in north Wales.
- 2.24 Views diverged considerably on the sort of characteristics likely to be found in diversifying farms or farmers. Opinion divided into roughly equal groups; some believed that diversification depends on a range of purely contextual influences that can only be identified on a farm by farm basis; others were more confident that some common attributes can be distinguished. Of the latter, an entrepreneurial attitude, relative youth, the need to provide employment for successors to stay on the farm and the interest of farm women in tourism were all mentioned. One respondent was keen to differentiate between an existing cohort of successful diversifiers, with such characteristics, and a new wave of interest impelled by falling incomes from mainstream agriculture.
- 2.25 Attitudes on the emphasis of present and future diversification ventures varied widely between organisations consulted. Many respondents expressed caution in respect of over-saturated tourist niches, although the CPRW would welcome some additional low impact tourism, based on greater integration between leisure activities and the farming base. Many also expressed a need for greater innovation and diversity: ADAS, in particular, was concerned about the need for co-ordinated marketing improvement, especially in tourism. The CLA see a need to promote the re-use of redundant farm buildings, and *Antur Teifi* seek improved value-adding to the basic products of agriculture, possibly through the encouragement of clusters of similar activities.

TRENDS IN PLANNING APPLICATIONS FOR FARM DIVERSIFICATION ACTIVITIES

- 2.26 Turning to numbers of planning applications received for farm diversification, the WLGA³⁵ suggests that applications for genuine rural economic diversification are still relatively infrequent. To date there have been few quantitative studies of planning applications for rural and farm diversification.

³⁵ Welsh Local Government Association *National Assembly for Wales – Agriculture and Rural Development Committee*

2.27 A study for the DoE (1995)³⁶ indicated that in the two-year period January 1992-1994, the percentage breakdown between rural building re-use for residential conversions and economic purposes in three Welsh LPAs was:

- (1) Ceredigion 71% (58) residential 29% (24) economic
- (2) Monmouth 76% (65) 24% (21)
- (3) Brecon Beacons NP 53% (47) 47% (42)

2.28 These figures for economic building re-use broke down into the following types:

Table 2.1: Number of rural building economic re-use applications January 1992 –1994. Ceredigion (1), Monmouth (2), Brecon Beacons (3)

LPA	Re-use								
	Tourism/ Recreation	Retail	Work shops	Industry.	Storage/ haulage	Vehicle repair	Office	Other	Total
(1)	11 (46%)	1 (4%)	1 (4%)	3 (12%)	3 (12%)	1 (4%)		4 (16%)	24 (12 per year)
(2)	12 (57%)	1 (5%)	3 (14%)	2 (10%)	1 (5%)		2 (10%)		21 (10 per year)
(3)	33 (79%)		4 (10%)	2 (5%)	1 (2%)		1 (2%)	1 (2%)	42 (21 per year)

2.29 These figures compare with a more recent appraisal of planning applications for farm diversification (not just building re-use) in the Welsh National Parks undertaken by the WLGA³⁷.

Table 2.2: Farm diversification proposals in the three National Parks 1996-1999

National Park	Camping and caravans	Non residential commercial development(1)	Total
Pembrokeshire Coast	18 (69%)	8 (31%)	26
Brecon Beacons	4 (29%)	10 (71%)	14
Snowdonia	55 (64%)	31 (36%)	86

(1) The definition of farm diversification used in this study is not specified and it is not clear if the same definition and method were used in all three National Parks. In the case of Snowdonia it is known that wind energy and telecommunication masts were included in the definition.

2.30 The above two tables confirm the dominance of tourism in diversification activities to-date, as identified by the national consultees, although the statistics in **Table 2.2.** for Brecon Beacons National Park appear an anomaly. According to the Snowdonia National Park Authority, a significant proportion of farm diversification schemes

³⁶ Land Use Consultants (1995) Planning Controls over Agricultural and Forestry Developments and Rural Building Conversions. HMSO

³⁷ Welsh Local Government Association *National Assembly for Wales – Agriculture and Rural Development Committee*

undertaken in the Park since 1996 have involved caravans and self-catering accommodation.

Results from this study

2.31 In this study, from a detailed appraisal of the planning registers of the six sample LPAs, it appears that the total number of planning applications for farm diversification over the three-year period May 1997 – May 2000 were

	<i>Total for 3 yrs.</i>	<i>Av. per yr</i>
- Pembrokeshire County Council	56	19
- Pembrokeshire Coast National Park	50	17
- Snowdonia National Park	31	10
- Ceredigion	29	10
- Monmouthshire	28	9
- Flintshire	19	6
Total	213	

2.32 These figures differ from those for the National Parks (**Table 2.2** above), as they have been based on different definitions of farm diversification. This study has specifically and only focused on those planning applications directly concerned with farm diversification, as defined in Chapter 1.

2.33 This total of 213 planning applications for farm diversification across the six LPAs surveyed over three years, demonstrates that the number of applications has not been great, ranging from an average of 19 per year in Pembrokeshire (County) to only six per year in Flintshire. These figures are in the same order of magnitude as previous data collected and support the view, as outlined above, that on-farm diversification, with the exception of tourism, is still relatively unusual in Wales.

2.34 **Development type:** In terms of development type, as indicated in **Table 2.3** below, 57% of these planning applications for farm diversification relate to the re-use of an agricultural building, with a further 24% relating to the change of use of agricultural land to non-agricultural purposes. This pattern is fairly constant across all the sample LPAs.

Table 2.3: Diversification applications by type of development

LPA	New building	Building extension	Building re-use	Change of use of land	Residential in support (1)	Signage	Other	Total
Pembrokeshire CC	6 10%	4 7%	33 58%	12 22%	2 3%	-	-	57 100%
Ceredigion	5 14%	3 9%	16 45%	11 32%	-	-	-	35 100%
Pembrokeshire Coast NP	10 19%	-	32 62%	9 17%	-	-	1 2%	52 100%
Snowdonia NP	2 6%	1 3%	18 56%	10 31%	-	-	1 3%	32 100%
Monmouthshire	2 7%	1 4%	19 68%	6 21%	-	-	-	28 100%
Flintshire	2 8%	1 4%	12 48%	7 28%	2 8%	1 4%	-	25 100%
Total	27 12%	10 4%	130 57%	55 24%	4 2%	1 -	2 1%	229 ⁽²⁾

(1) = Residential development in support of a diversification activity

(2) = **NB** Tables 2.3 and 2.4 are based on the same sample of 213 planning applications but as any one application may have a range of different developments and proposed diversification activities, the totals in the two tables are different.

Table 2 4: Applications by diversification activity

LPA	Diversification activity												
	Tourism	Recreation	Retail	Workshops	Manufacturing	Food processing	Storage	Machinery repair	Office	Energy	Equestrian	Other	TOTAL
Pembrokeshire CC	24	4	5	-	1	-	6	2	-	-	4	7	53
Ceredigion	17	7	1	2	-	1	-	1	3	-	-	-	32
Pembrokeshire Coast N P	36	4	1	4	1	1	2	-	1	-	4	6	60
Snowdonia NP	22	3	-	-	-	-	-	-	2	-	1	3	31
Monmouthshire	15	5	-	1	-	1	-	1	1	-	1	7	32
Flintshire	5	-	3	3	6	-	5	2	-	-	3	1	28
Total	119 50%	23 10%	10 4%	10 4%	8 3%	3 1%	13 6%	6 2%	7 2%		13 6%	24 10%	236 ⁽¹⁾ 100%

(1) See comment under Table 2.3

2.35 **Diversification activity:** Looking at diversification activity (**Table 2.4**), tourism is the most common diversification activity overall, accounting for 50% of all diversification proposals for which a planning application has been made in the six sample LPAs. This confirms earlier studies and the views of national consultees. It is particularly important in the National Parks, accounting for 71% and 60% of all

diversification applications in Snowdonia and Pembrokeshire Coast National Parks respectively. Conversely, it only forms 18% of applications in Flintshire, an area less associated with tourism and under heavier urban influence. Across the other forms of diversification there is a fairly even spread with the most common, in order of importance after tourism being: recreation, (10% overall), storage (6% overall), and equestrian (6% overall).

2.36 Comparing the above diversification activities with development type, it appears that:

- *New buildings* are associated with most types of diversification but, in particular, with tourism, recreation and equestrian activities
- *Building extensions* are almost entirely associated with tourism (self-catering accommodation)
- *Building re-use* is also strongly associated with tourism accounting for 56% of all building re-use applications. Apart from this, building re-use is fairly evenly spread across all the activity categories, although 21% is associated with 'other'
- *Change of land use* is predominantly associated with tourism (caravan parks) making up 37% of land use applications, followed by recreation (25%), equestrian (12%) and 'other' (12%)
- *Residential accommodation in support of a diversification enterprise* falls almost entirely into the 'other' category of diversification activity.

2.37 **Location:** As illustrated by **Table 2.5**, roughly 33% of diversification activities in the sample, occur close to or within 5 miles of a town, whereas a further 40% occur in isolated countryside (ie more than 5 miles from a town or A road).

Table 2.5: Location of diversification activities

LPA	Within/edge of settlement	Within 5 miles of town	Within 5 miles of A road	In isolated country	Total
Pembrokeshire CC	-	5	8	8	21
Ceredigion	10	3	-	12	25
Pembrokeshire Coast NP	4	3	2	11	20
Snowdonia NP		4	10	9	23
Monmouthshire	2	2	1	9	14
Flintshire	1	6	11	-	18
Total	17 14%	23 19%	32 26%	49 40%	121 (1) 100%

(1) This represents a subset of the total sample for which this information was available.

2.38 **Relationship to the farm holding:** Finally, in terms of relationship to a farm holding, **Table 2.6** indicates that just over half of diversification activities in the six sample LPAs occur within an active farmstead on an active farm unit (although in some cases this farm unit may be very small, with at least part of the land sold away) and a further 25% occur in redundant farmsteads still attached to an active farm. Within this sample, therefore, the number of diversification activities occurring on land or in buildings which has been sold away from the farm is around 11%.

Table 2.6: Relationship of diversification activities to a farm holding

Location	Type of development					Total
	New	Building extension	Building re-use	Change of use of land	Residential in support	
Active farmstead on active farm	9	3	30	-	-	42
Redundant farmstead on active farm	2	-	17	2	1	22
Land on active farm	-	-	-	9	-	9
Building sold away	-	-	5	-	-	5
Land sold away	1	-	-	3	-	4
Total	12	3	52	14	1	82 (1)

(1) This represents a subset of the total sample for which this information was available

In summary:

- The National Assembly for Wales is now placing strong emphasis on rural and farm diversification and a number of initiatives are being developed in its support.
- National planning guidance (*Planning Guidance (Wales): Planning Policy 1999*) supports rural and farm diversification although there is a strong perception amongst those representing the land-based industries that planning is standing in the way of rural diversification.
- A range of options has been suggested by a number of different organisations to reduce the perceived constraints imposed by the planning system on rural and farm diversification.
- Farm diversification activity is still perceived as low key, with tourism providing the main option in the less accessible western parts of Wales but with increased opportunities for industrial and commercial development in the more accessible and economically buoyant eastern parts of Wales.
- Planning statistics for farm diversification activities confirm this view, and demonstrate a low number of applications for farm diversification overall in the six sample LPAs reviewed, ranging from an average of 19 per year in Pembrokeshire (County) to only six per year in Flintshire over the three-year period May 1997 - May 2000.
- From the six sample LPAs, it appears that tourism is the most popular activity accounting for 50% of all planning applications for farm diversification, followed by recreation (10%), storage (6%), and equestrian (6%). Tourism is particularly important in the National Parks. In addition:
 - 57% of applications for diversification relate to building re-use and a further 24% to the change of use of land
 - 33% of applications occur within 5 miles of a town, while 40% occur in isolated countryside over 5 miles from a town or A road.
 - only 11% of applications from this sample occur on land or in buildings sold away from an active farm, the remainder occurring on active farms.

3. DEVELOPMENT PLAN POLICIES

- 3.1. This Chapter summarises the review of development plans and the extent to which their policies support or constrain farm diversification. This review has been undertaken within the context of national planning guidance as set out in *Planning Guidance (Wales): Planning Policy 1999* and Technical Advice Note (TAN) 6 (2000). The full implications of this guidance for farm diversification are set out in **Appendix 1**.

Status of development plans in Wales

- 3.2. As a result of local government reorganisation in Wales (April 1996) there is now a single tier local government with 22 unitary authorities and three national park authorities, giving a total of 25 local planning authorities (LPAs) in Wales. The size of the individual authorities varies considerably, from Powys County Council, covering approximately one third of Wales to the smaller, more urban authorities of South Wales.
- 3.3. The statutory development plan framework is highly complex, with a great range of Structure and Local Plans gradually being superseded by Unitary Development Plans (UDPs) – none of which have yet been adopted. By October 2000, 14 Welsh LPAs had published some form of UDP or preparatory documents, with two more expected by the end of the year.
- 3.4. Importantly for this research, virtually all of the pre-UDP Plans pre-date the publication of *Planning Guidance (Wales): Planning Policy 1999*, as do some of the emerging UDPs.

Selection of plans for review

- 3.5. As noted in Chapter 1, a total of 38 development plans has been reviewed as part of this research (see **Appendix 2**), focusing on plans adopted since January 1996 and especially emerging UDPs. For all LPAs at least one (the most up-to-date) development plan has been reviewed, even if this does not cover the whole borough/county. In summary the review has covered 20 Local Plans, five Structure Plans, and 13 Draft UDPs or preparatory documents.

PLAN REVIEW

Sustainable development

- 3.6. In accord with the Assembly's Sustainable Development Scheme (para 1.7), *Planning Guidance (Wales): Planning Policy 1999* promotes sustainable development and sets out the Government's four objectives for sustainable development:
- *"Maintenance of high and stable levels of economic growth and employment*
 - *Social progress that recognises the needs of everyone*

- *Effective protection of the environment*
 - *Prudent use of natural resources" (3.2.1)*
- 3.7. All development plans reviewed incorporate the notion of sustainable development, for the most part using it to frame the policies for the whole plan, although the extent to which the Government's four objectives for sustainable development are reflected is variable.
- 3.8. The pre-UDP plans less frequently pick up all four objectives, tending to focus on economic growth and environmental protection, although a significant number do even though they pre-date *Planning Guidance (Wales): Planning Policy 1999*. Nevertheless, the coverage of sustainable development in these plans is not consistent. For example, the Blaenau Gwent Local Plan 1997 does not mention sustainable development while the Brecknockshire Local Plan 1997 and Clywd Structure Plan 1999 have policies concerning separate elements of sustainable development but no overall strategy or policy. In contrast, the Dwyfor Local Plan 1998 sets sustainable development as a fundamental principle of the plan and lays out in considerable detail how all new development should be consistent with the concept of sustainability. Typically, though, the pre-UDP plans cover sustainable development more as a heading than as detailed policy. Also, there is a clear tendency for sustainable development to be represented as a balance between economic development and environmental protection, overlooking the social dimensions and the need to integrate all three concerns.
- 3.9. The emerging UDPs are more comprehensive in their treatment of sustainability, framing their policies with a more detailed definition of sustainable development from the outset. For example, the Isle of Anglesey UDP Consultation Draft approaches sustainable development in terms of the "*footprint of development*" and seeks to promote sustainable growth, reduce inequality and enhance the well-being of the people of Anglesey. Importantly, a key objective and vision of many plans is that long term sustainability is of vital importance. In the light of the economic decline and hardship faced by many rural authorities, an holistic approach to development is viewed as crucial. It should be noted though, that many UDPs are at a relatively early stage of development so these policies have yet to be tested.

Economic development

- 3.10. All plans are strong in their support of economic development. Common themes in both pre-UDP plans and UDPs, are economic growth and diversification of the economic base, although the latter is particularly strong in the emerging UDPs and sometimes absent from earlier Local Plans. Examples where stress is laid on economic diversification are Isle of Anglesey UDP 2000, Blaenau Gwent UDP 2000 and Wrexham UDP 2000.
- 3.11. All Structure Plans effectively pre-date *Planning Guidance (Wales): Planning Policy 1999* yet the majority reflect its broad approach to the distribution of economic development, namely, that:

"Development plans should provide for development to be accommodated within or adjoining the main urban areas and established local centres in rural areas." (10.1.2)

- 3.12. They also favour the development of brownfield sites, as do a number of Local Plans and emerging UDPs, such as the Islwyn Local Plan (1996) and the pre-deposit consultation document *Choices for Pembrokeshire 1999*.
- 3.13. Such an approach may appear to conflict with the needs of rural and farm diversification, but later policies in these plans often set such development apart from this broad strategy. Sometimes economic development policies also directly address particular local circumstances. The Ceredigion Deposit Local Plan 1998 encourages rural enterprise and the support of farm businesses. Similarly the Dwyfor District-wide Local Plan 1998 and the Rhondda Local Plan 1998 both stress the importance of diversifying their existing narrow economic base and in doing so partly set aside the concern to locate new economic development in existing centres, in recognition of this pressing need and the geographic limitations of their two quite different areas.
- 3.14. Most plans produced since 1996 address the need for economic development to be compatible with the Government's environmental and transport objectives and reflect the principles of industrial / commercial development set out in *Planning Guidance (Wales): Planning Policy 1999 10.1.13* including "environmental protection and accessibility by a choice of means of transport". Some plans, mostly UDPs, also address the use of European funding streams for local economic development - the Powys UDP Strategy Report 1999 emphasises the need to attract Objective 2 funding, and Flintshire Pre-Consultation Draft UDP 2000 comments that although the area has lost EU Objective 2 status, there are still opportunities for EU financial assistance. Other plans place emphasis on attracting inward investment from foreign corporations (Wrexham Deposit Draft UDP 2000 and North Pembrokeshire Local Plan 1998).
- 3.15. In general there is clear support for a broad range of economic development, including farm diversification, and some recognition that this approach will vary from location to location.

Rural diversification

- 3.16. Most plans give strong support to rural diversification. This is clearly linked with the desire to diversify the economy more generally and is most evident in UDPs, with the majority reflecting *Planning Guidance (Wales): Planning Policy 1999 (10.3.1)* on the need to "enhance the economic success of the countryside, helping businesses to maximise their competitiveness, encourage further economic diversity by helping to stimulate new and varied forms of wealth creation and employment, especially in areas that have participated less fully in economic success." Most also reflect that "development in the countryside should benefit the local economy and maintain / enhance the environment" (5.1.1). Significantly fewer UDPs, however, cover the other two elements of 10.3.1 namely to: "support initiative and avoid placing unnecessary burdens on enterprise" and "promote the exploitation of new technologies which can provide new opportunities".
- 3.17. Overall the UDPs broadly reflect the policy guidance for rural diversification, some offering considerable detail on its application to their circumstances. For example:
"New development in rural areas should be sensitively related to existing settlement patterns and should take account of the natural and historic resources of the area. The absence of allocated

employment sites should not prevent authorities from accommodating appropriate small-scale development in or adjoining small settlements.” Powys UDP Strategy Report 1999

“Previous plans have sought to allocate specific sites for rural development within or adjoining villages with very little success. In rural areas it is difficult to match demand with supply and it is very unlikely that public bodies will stimulate demand in certain locations by building small advanced units. Whilst previous plans, through their policies have also sought to encourage rural diversification, the number of employment proposals coming forward have been few in number. This could be due to lack of demand in Flintshire or over restrictive policies.

“As PGW advises that new employment generated development could be located within or adjoining existing villages, a positive policy in support of such initiatives is more likely to be successful rather than the allocation of specific sites in areas of dubious demand.”

Flintshire Pre-Deposit Consultation Draft UDP 2000

- 3.18. Coverage of rural diversification policies in the pre-UDP plans is less consistent. General support is often expressed but further detail on the anticipated nature of rural diversification is less common. Some plans are relatively strong. The Gwent Structure Plan 1996 sets existing settlements as the focus for rural diversification but notes that some are essentially commuter settlements with little existing employment development and also recognises farm diversification as an exception to this general approach. Similarly the Colwyn Borough Local Plan 1999 sets a clear structure for rural diversification, differentiating between larger and smaller settlements and the open countryside. Other plans are relatively weak in their coverage of rural diversification. The Clwyd Structure Plan 1999 simply sets general economic development within environmental tests, the Rhondda Local Plan 1998 and Torfaen Local Plan 1999 offer little specific encouragement for rural diversification.
- 3.19. Overall, development plans usually contain policies promoting rural diversification. In UDPs this is better articulated than in pre-UDP plans where policies are often considerably less detailed and sometimes fail to substantially address rural diversification at all. Thus the full detail of the national planning guidance is not reflected in the majority of development plans, even though its general support for rural diversification often is. Examples of policies for rural diversification are included in **Appendix 3**.

Expansion, size and cumulative impact

- 3.20. Only one UDP and four Local Plans contain policies either covering the re-use of complexes of buildings with a large aggregate floor area, very large buildings, or the cumulative impact of a series of buildings in close proximity, as raised in TAN 6. This is probably because most plans pre-date TAN 6 (2000).

Farm diversification

- 3.21. Neither *Planning Guidance (Wales): Planning Policy 1999* or TAN 6 make a clear distinction between rural diversification and farm diversification. Paragraph 10.3.4 of *Planning Guidance (Wales): Planning Policy 1999* does state, however, that:

“Development plans should contain policies which encourage economic development and diversification in rural areas. For example, the processing of agricultural products can make a significant contribution to the rural economy.”

TAN 6 then covers some of the detail of farm diversification such as farm shops and workshops.

- 3.22. In the absence of national guidance directly addressing farm diversification, most UDPs and a considerable number of pre-UDP plans, nonetheless, contain policies which promote farm diversification. The UDPs tend to be more supportive and detailed than the pre-UDP plans. For example, the Isle of Anglesey Consultation Draft UDP 2000 states that it does not regard the development of caravan sites as farm diversification but otherwise encourages the conversion of vacant and empty buildings for economic use; it suggests that development of ICT should allow employment opportunities to be more dispersed and also supports the development of cycle trails and footpath networks which may provide further income opportunities. By contrast, pre-UDP plans more often state support for farm diversification but then qualify this by adding, for example, that:
- farm diversification development should not conflict with other policies in the plan (including those for environmental and landscape conservation);
 - the diversification activity should be clearly related to the farm business or that the policy only relates to the re-use of existing buildings and that new buildings will not be permitted.
- 3.23. The requirement that farm diversification policies should accord with other policies in the plan is fairly common and leaves open the possibility that the general support will effectively be undercut by landscape, environmental, transport and other concerns. It is questionable how satisfactory it is to have such potential tensions between policies in plans.
- 3.24. The requirement that the farm diversification activity be clearly linked to the farm business may be justified if this is used as the basis to allow development which would otherwise not be viewed as acceptable. This leaves unanswered, however, the vexed question of how 'farm diversification' development which is either not attached to an active farm or not related to an existing farmstead (where it would normally be more intrusive) should be handled.
- 3.25. Often, then, the headline support for farm diversification in plans (most commonly pre-UDP plans) may be weakened by provisos in the detail of the policy, or at least left ambiguous.
- 3.26. Fewer UDPs and pre-UDP plans set out criteria for farm diversification. Where there are criteria-based policies these can be helpful in clarifying what will be allowed. The Wrexham Deposit Draft UDP provides a good example in policy E6:
- "Small on-farm operations such as food processing and packing, together with services to other farms, such as workshop facilities and equipment hire and maintenance, should be located within existing farm buildings. Where it can be shown that no suitable buildings are available for such operations, the erection of a new building will be permitted provided that:*
- *the building adjoins, and forms a logical extension to the existing farm complex*
 - *the building will not result in detrimental intrusion in the landscape*
 - *the building does not exceed 380 sq metres in area".*

Similarly the Dwyfor District-wide Local Plan 1998 supports small-scale development on working farms provided that the scale, design, materials and impacts on landscape of the development are acceptable. Within existing plans, however, criteria may also be used to set more restrictive tests than suggested by national guidance, as shown by the policy examples in **Appendix 3**.

- 3.27. A significant, if relatively small, number of the pre-UDP plans contain no direct reference to farm diversification and thus farm diversification is left to be picked up by the economic development, rural diversification and general countryside policies of the plan. That some plans are able to offer detailed guidance on such development and identify it as distinctively different from other types of development in rural areas demonstrates the relative weakness of plans which do not directly address farm diversification, even in the absence of the clear promotion of farm diversification in national policy.

Specific farm diversification development

- 3.28. TAN 6 goes on to give specific guidance on **farm shops**, **farm workshops**, the use of **farm plans** and **small farm-based or related operations** such as food processing, agricultural contracting and recreation and sporting activities.
- 3.29. In the plans reviewed, such detailed policies are rare. This may be because most plans pre-date TAN 6. The one aspect that is covered in a few UDPs and pre-UDP plans is farm shops. These policies generally clarify that shops selling only unprocessed goods from the farm will not require planning permission but that planning permission is required for the sale of other goods and may be limited or even withheld where such a shop would threaten the viability of nearby village services.
- 3.30. Overall, though, the opportunity to promote specific types of farm diversification in plans is rarely taken.
- 3.31. Only one plan, Pembrokeshire Coast National Park Local Plan 1999, specifically addresses the use of **farm plans** in supporting farm diversification proposals.
- 3.32. *Planning Guidance (Wales): Planning Policy* 1999 gives specific guidance on **tourism**, **sport** and **recreation** development, **energy generation**, and **outdoor advertisements** and TAN 6 gives guidance on **development involving horses**. All such development might be included in a farm diversification proposal.
- 3.33. All plans contain generally supportive policies for **tourism**, **sport** and **recreation** although very few articulate the potential link with farm diversification. The majority of tourism policies are concerned with caravan and camping sites. The plans generally set out a cautious approach to the provision of new sites, some even drawing an effective moratorium for new static and touring caravan sites and camping sites, reflecting the extensive existing distribution of this type of development in Wales and the concern that considerable landscape damage has already occurred and that the market for sites is probably saturated. In some plans, however, a modest growth or alterations to sites or conversion to chalets is allowed where this will reduce their landscape impact and reflect the changing market for higher quality accommodation.

- 3.34. Other than caravan and camping sites, around a third of plans contain policies for the development of golf courses and three have policies for paintballing. Only the Wrexham Maelor Local Plan Review 1998 and the Monmouth Borough-wide Local Plan 1997 contain policies addressing farm-based tourism.
- 3.35. Equestrian activities and **development involving horses** are covered in around a quarter of the plans. Most plans which include equestrian policies go beyond the guidance in TAN 6 and deal with new commercial equestrian facilities, such as Aberconwy Draft Local Plan 1996 which includes five criteria for such development: *"there is no detrimental environmental impact; no adverse effects on rights of way; a satisfactory access; existing buildings are utilised; and that there is no conflict with other policies in the plan"*. A greater proportion of the emerging UDPs contain policies for development involving horses than their predecessors but the overall coverage is light considering the extent of such developments throughout Wales.
- 3.36. Policies for **outdoor advertisements** are only found in eight pre-UDP plans and one UDP. Where they do occur, policies often restrict signs in the open countryside. The value of such signs to certain types of farm diversification is not addressed.
- 3.37. Policies for **energy generation** are relatively common, but usually relate to wind turbines. Exceptions are the Snowdonia Park-wide Local Plan 1999 which has policies for small scale renewable energy, the Powys UDP Strategy Report 1999 which covers the potential for short rotation coppice for renewable energy production, and the Carmarthenshire Local District Plan 1999 which covers farm-based methane-producing digesters. The Ceredigion Deposit Local Plan 1998 also includes a policy for wind turbines which are only for farm use.
- 3.38. Again, the majority of plans do not contain detailed policies covering tourism, sport and recreation developments, development involving horses, outdoor advertisements and energy generation related to individual farms. Much farm diversification activity is captured by these headings, and the absence of detailed policy is a lost opportunity to frame such development in a local context and promote the sort of development best suited to the locality.

The re-use of rural buildings

- 3.39. Most UDPs and pre-UDP plans, promote the re-use of rural buildings, reflecting that this has been a fairly longstanding principle of rural planning. This is covered in *Planning Guidance (Wales): Planning Policy 1999 (10.5.1)* which outlines the importance of re-using rural buildings and sets criteria for the consideration of such proposals:

"The re-use and adaptation of existing rural buildings has an important role in meeting the needs of rural areas for commercial and industrial development, as well as for tourism, sport and recreation. Local planning authorities should adopt a positive approach to the conversion of rural buildings for business re-use provided that:

- a. they are of permanent and substantial construction;*
- b. conversion does not lead to dispersal of activity on such a scale as to prejudice town and village vitality;*
- c. their form, bulk and general design are in keeping with their surroundings;*

d. imposing conditions on a planning permission overcomes any planning objections, for example, on environmental or traffic grounds which would otherwise outweigh the advantages of re-use; and
e. if the buildings are in the open countryside, they are capable of conversion without major or complete reconstruction".

- 3.40. Although *Planning Guidance (Wales): Planning Policy 1999* is relatively new, this policy builds on the approach of previous guidance and thus many plans reflect at least part of its content. Criteria *a. c.* and *e.* are found in most plans and reflect the longstanding concern that only existing buildings of some substance should be converted and that converted buildings should sit sympathetically in their surroundings. By comparison, criteria *b.* and *d.* are found very infrequently. This may reflect that plans principally judge buildings for re-use on the basis of their state of repair and appearance and rarely go on to consider the spatial impact of re-used buildings in the countryside, or purposefully seek to overcome environmental and traffic problems through the use of conditions.
- 3.41. Other criteria are often found adding further restrictions to rural building re-use. The Islwyn Local Plan 1996 adds that: "*buildings should form part of a group of buildings or be near to others and that the re-use or rehabilitation of post-1911 buildings will only be considered exceptionally as such buildings are not usually built from local materials or of sound structure and so would be unlikely to be in keeping with the character of the area*". The Torfaen Borough Local Plan 1999 sets out nine criteria including that: "*the use should be compatible with a rural location, that there will be no significant increased traffic, that the creation of a new curtilage should not damage the building's setting, that excessive extension should not be required, that surrounding residential amenities should not be harmed, and that a landscaping scheme should be provided*". Such detail clearly goes beyond the guidance in *Planning Policy (Wales) 1999*.
- 3.42. It would be fair to conclude, therefore, that some plans are not straightforwardly supportive of the re-use of rural buildings such is the extent of the restrictive criteria applied to such development. Thus, whilst most plans are supportive of the re-use of rural buildings, and none now require a redundancy test, their approach is often dominated by concern to minimise impact on local amenity and may be more restrictive than that advocated by *Planning Guidance (Wales): Planning Policy 1999*. A number of examples of policies for the re-use of buildings are included in **Appendix 3**.
- 3.43. None of the plans examined contained evidence of the LPA maintaining a register of buildings with unimplemented permissions for business use as advocated in TAN6.

Residential conversions

- 3.44. *Planning Guidance (Wales): Planning Policy 1999* sets a clear preference for the economic re-use of rural buildings in (10.5.2):

"Residential conversion of buildings which have ceased to be used for industrial or commercial purposes, including agriculture, can have a minimal economic impact, and may be detrimental to the fabric and character of historic buildings, while business conversions generally have a more positive economic impact on local employment. Local planning

authorities should consider the needs of their area for business, and residential, conversions. Especially in areas where the creation of local employment is a priority, they may include policies in their development plan which do not allow residential re-use unless either:

- a. the applicant has made every reasonable attempt to secure suitable business re-use, and the application is supported by a statement of the efforts which have been made; or
- b. residential conversion is a subordinate part of a scheme for business re-use".

- 3.45. It is clear that this guidance is not reflected in most Welsh plans which, instead, draw little distinction in policy between residential and commercial re-use³⁸. The single exception to this is the Denbighshire Deposit UDP 1999, which requires applicants for residential re-use to first make every reasonable attempt to secure a suitable business re-use as suggested by *Planning Guidance (Wales): Planning Policy 1999*. Most plans note that conditions might be applied to remove residential permitted development rights (PDRs) or to restrain residential curtilages, and some also note that restricting occupation to holidaymakers might relieve pressure on existing dwellings in the locality, as advocated by TAN 6. The Wrexham Maelor Local Plan 1998 goes further and explicitly links holiday conversions to farm tourism, requiring that in such cases tourist facilities must be a supplementary activity.
- 3.46. Nevertheless, the main finding is that very few Welsh development plans differentiate in any substantial way between residential and commercial re-use of rural buildings. This includes all but one of the UDPs, some of which post-date *Planning Guidance (Wales): Planning Policy 1999*. (*Planning Guidance (Wales): Planning Policy 1996* did not contain such an explicit preference for commercial re-use).
- 3.47. The lack of policies favouring commercial re-use is important, as residential re-use is often more attractive to the building's owner in that there is a strong demand for barn conversions, they are straightforward, and often offer a guaranteed return in excess of that which commercial re-use can generate. *Planning Guidance (Wales): Planning Policy 1999* stresses, however, that commercial re-use usually offers a wider and longer term range of benefits to the locality and a more sympathetic impact on many rural buildings and their surroundings. It is of particular note that the recent UDPs have failed to incorporate this distinction and that few planning officers interviewed intend to make this policy change (para 3.73), thus potentially frustrating opportunities for rural economic development.

Abuse of permitted development rights (PDRs) and fragmentation of farms

- 3.48. *Planning Guidance (Wales): Planning Policy 1999* and TAN 6 set out that, where the abuse of agricultural PDRs is suspected, with the erection of farm buildings with the intention of re-using them for other purposes, the LPA should investigate the background to the case and, where such abuse is discovered, should seek their removal under the amendments to Classes A and B of Part 6 of Schedule 2 to the GPDO. TAN 6 suggests that PDRs for new agricultural buildings might be removed when permitting re-use of existing buildings, to prevent the proliferation of new agricultural buildings. Addressing a separate issue, TAN 6 also suggests that when a

³⁸ Commercial re-use is taken to include tourism accommodation.

building is re-used for farm diversification it might be tied by planning obligation to the land of the farm to discourage the fragmentation of holdings.

- 3.49. Very few plans address such issues. Four UDPs mention the potential abuse of PDRs but none explicitly suggest that this may lead to the removal of the buildings concerned. Three pre-UDP plans suggest that re-used buildings might be tied to the holding and one that the removal of agricultural PDRs might be appropriate.
- 3.50. Again, the advice of *Planning Guidance (Wales): Planning Policy 1999* and TAN 6 post-dates many plans. These issues have, however, been a concern in Wales for some time and if they are not addressed in the emerging UDPs, the policy stance towards diversification may be weakened as abuse of farm diversification policy will be harder to address.
- 3.51. Such policy, however, will need to differentiate between re-used buildings on farms and those which have already been separated from a holding or were never attached to one. Whilst it is obviously important to discourage the fragmentation of farm holdings it would be an unfortunate consequence to restrict an active farmer more than an owner who has already separated the property from the farm unit.

Transport and highways

- 3.52. *Planning Guidance (Wales): Planning Policy 1999* seeks to define a more sustainable approach to transport (8.1.1):

“The Government aims to extend choice in transport and secure mobility in a way which supports sustainable development by encouraging the development of an integrated transport system which is safe, efficient, clean and fair. This will be achieved and the environment protected by:

- *reducing the level of road traffic, or reducing the rate of growth*
- *encouraging alternative means of travel and transport which have less environmental impact, eg public transport, cycling and walking*
- *reducing reliance on the motor car*
- *seeking to ensure the more effective use of the transport network and targeting resources to best effect.*

- 3.53. *Planning Guidance (Wales): Planning Policy 1999* goes on to suggest that development plans should thus:

- *examine the relationship between transport and land use planning*
- *promote the integration and co-ordination of transport and land use planning*
- *promote strategies to reduce the need to travel. (8.1.2)*

- 3.54. All UDPs, with one exception, express a commitment to an integrated approach to transport and most also clearly express an understanding of the relationship between land use planning and transport. These issues are less well covered in pre-UDP plans, although where they are not explicitly mentioned they are often reflected in the broad approach to transport adopted in the plans. Nearly all plans commit to reducing the need to travel, reflecting the scope for planning to influence travel

through the spatial arrangement of developments. Around half of plans contain policies addressing road safety.

- 3.55. Nevertheless, policies that seek to reduce travel and to promote an integrated transport system have important implications for rural areas and, particularly, for farm diversification. The majority of transport needs in rural Wales are met by the private car. Rural public transport is poor and serves the needs of a minority of the rural population. Cycling and walking are less appropriate transport solutions than they are in urban areas. Rural areas, almost by definition, feature a relatively dispersed pattern of development and thus planning policies intending to reduce the need to travel can have only a limited application. The Ceredigion Deposit Local Plan 1998 and the Rhymney Valley District Local Plan 1996 partly address this issue by stressing that in remoter rural areas the road network and private car have to be recognised as the primary means of transport. Farm diversification, also by definition, tends to occur in isolated locations which may be distant from major centres and often served by low standard local roads.
- 3.56. Thus, in principal at least, farm diversification proposals may be at odds with transport policies if they cannot be served by means other than the private car. They may also generate additional traffic on poorly-suited local roads. How this tension might be reconciled is not addressed in the majority of plans. Indeed, as discussed above, policies for farm diversification often include transport stipulations or require compliance with other policies of the plan, including transport policies.
- 3.57. This is potentially unsatisfactory. Farm diversification in remote rural areas may need to be regarded as an exception to the broad thrust of land use planning policy for transport. Clearer guidance on the extent of this exception both in local plans and, indeed, national guidance would be helpful.

Other policies

- 3.58. A number of other detailed areas of policy are likely to have an impact on farm diversification proposals. These were examined in the development plans to establish the extent of this potential conflict.

Best and Most Versatile (BMV) agricultural land

- 3.59. Two thirds of Welsh development plans address the need to protect this land (grades 1, 2 & 3a) from development, with the majority of LPAs with this land having relevant policies.
- 3.60. Policies contain a number of interesting qualifications to this protection. The Ceredigion Deposit Local Plan 1998 and the Dwyfor District Wide Local Plan 1998 both note that exception may only be made where development is for employment or social purposes, the Rhondda Local Plan 1998 notes that in the absence of land in grades 1 to 3a protection will be extended to lower grades of land. The Vale of Glamorgan Draft Deposit UDP 1998 takes a different approach and notes that if development is directed away from Best and Most Versatile land conflicts may arise, with the development of land recognised as important for other reasons such as

landscape or environmental value. This is an important tension to resolve, not just for Welsh planning authorities.

- 3.61 Under a quarter of plans reflect the further detail of the national guidance that so-called 'soft' uses of land, such as golf courses, rarely offer the opportunity for conversion back to Best and Most Versatile land.

Landscape

- 3.62 The protection of landscape is a longstanding principle of planning policy and such strategic environmental resources provide a spatial framework for development planning in Wales. Welsh development plans offer comprehensive and detailed coverage of landscape protection with most emphasising the restriction of development in the open countryside. National landscape designations, such as National Parks, Areas of Outstanding Natural Beauty and Heritage Coasts, are clearly addressed by policies.
- 3.63 Most plans, both UDPs and pre-UDP plans, contain a hierarchy of protection from statutory designations, such as Areas of Outstanding Natural Beauty to local non-statutory designations, such as Areas of Great Landscape Value and green wedges. Not all plans though, clearly define this hierarchy, which may create the potential for inappropriate weighting when individual applications for farm diversification are being considered – especially as these will largely occur in the open countryside. This lack of clarity is not addressed in development plans, even though farm diversification policies sometimes make reference to the need for farm diversification development to conform with other policies in the plan.

Nature conservation and biodiversity

- 3.64 All plans contain policies addressing nature conservation. Policies to protect designated sites of international, national, and local importance are comprehensively covered by both UDPs and pre-UDP plans, as required by *Planning Guidance (Wales): Planning Policy 1999*. Policies for specific habitats and species are less common and fewer plans note the importance of protected species, important habitats, the Biodiversity Action Plan's target species and habitats, and the potential to create new habitats. Nevertheless, this will be the next stage of the process as Local Biodiversity Action Plans (BAPs) are produced to inform UDPs, with their potential adoption as Supplementary Planning Guidance.
- 3.65 Most plans contain a clear hierarchy of protection, giving greatest weight to international and national statutory designations for nature conservation, though in a significant minority of plans such a hierarchy of protection is not clear and, as described above for landscape policies, may lead to confusion.
- 3.66 Fewer than half the plans suggest the use of conditions to prevent damaging impact on wildlife habitats or to encourage the positive management of areas of importance for wildlife as suggested by *Planning Guidance (Wales) Planning Policy 1999*.

The historic environment

- 3.67 Protection of the historic built environment is comprehensively covered in plans. The conservation of listed buildings is covered by all plans, with plans typically stating the criteria for the conservation, demolition, alteration or extension of listed buildings and protection of their setting. Fewer plans seek the continuation of the original use as the first option for the re-use of a listed building, although such policy is more common in UDPs than pre-UDP plans. This issue is of importance for the re-use of rural buildings where it would add weight to the preference for commercial re-use. Some plans also mention the need for flexibility in the re-use of listed buildings to secure their survival as suggested in *Planning Guidance (Wales): Planning Policy 1999*.
- 3.68 All plans address the preservation and enhancement of Conservation Areas but only some UDPs go further and address the desirability of keeping such areas vital and prosperous, avoiding unnecessary controls over business, and ensuring that new development is in accord with the area's special interest.
- 3.69 Around half of the plans address the need to preserve nationally important archaeological remains and their setting.

The design and appearance of buildings

- 3.70 This topic is well covered in all plans. Plans promote the need for good design in all development, including the use of local building styles and materials. Such requirements are frequently specifically applied to the re-use of rural buildings. All policies for the re-use of rural buildings contain the requirement in some form that the completed development should be of good design so as not to harm the character and appearance of the area. Thus policies for the design and appearance of buildings mostly serve to reinforce criteria already applied to building re-use. (para 2.18)

Personal and occupancy restrictions

- 3.71 Although the use of occupancy conditions for tourism accommodation is common, only Blaenau Gwent Draft UDP 2000 specifically suggests that personal or occupancy conditions (restricting occupation to a use or group of uses) might be used to allow the grant of planning permission for other forms of farm diversification which would not otherwise be acceptable. Thus virtually no Welsh development plans explicitly address the use of such a device in the consideration of farm diversification applications.

THE VIEW OF LOCAL PLAN OFFICERS

The reflection of local circumstances

- 3.72 None of the six selected LPAs had undertaken or were planning to undertake an assessment of local economic and social needs to inform their policies. Nevertheless, Development Plan Officers interviewed felt that, in general, policies did reflect local circumstances, either through their emphasis (such as the encouragement of tourist development in Snowdonia) or through their flexibility. As one planning officer commented with regard to residential building re-use " *there is little point in promoting*

commercial re-use of farm buildings if there is low demand and farmers' re-use of barns would be unduly hampered".

Farm diversification policies and other policies

- 3.73 Officers saw little difference between their farm diversification policies and broader policies for the rural economy and rural diversification. They were concerned with the potential mismatch of farm diversification policies with highways and landscape policies but felt that this tension was usually reconciled in the determination of individual applications.

Development plan modifications

- 3.74 Planning officers reported few modifications to farm diversification policies at the last development plan inquiry. Their views on future changes to policy reflected their view that policy was already in broad conformity with national planning guidance and thus only minor amendments were anticipated. Of the six authorities, only Pembrokeshire County Council and Pembrokeshire Coast National Park Authority had considered the insertion of a preference for the commercial re-use of rural buildings, while other factors currently being considered by LPAs were the treatment of modern buildings in farm diversification and the tying of re-use buildings to the farm holding. But amongst the sample LPAs none suggested that the considerable increase in detail of national policy for rural diversification needed to be matched by similarly increased detail in the policies of the development plan.

SUPPLEMENTARY PLANNING GUIDANCE

- 3.75 The six sample LPAs were asked about Supplementary Planning Guidance (SPG) covering farm diversification. Flintshire and Monmouthshire both have SPG for barn conversions although their focus is firmly on residential conversions and thus of limited relevance. Pembrokeshire Coast National Park Authority has produced detailed SPG on the use of farm plans in support of farm diversification proposals, which also explains when planning permission is likely to be required for farm diversification activities. Such SPG is useful, not only in informing farmers about the need for planning permission but also in encouraging the use of farm plans which can help a better understanding of the proposals being put forward. It was also noted though, that SPG can be time consuming to prepare and may not be appropriate where it would not have wide usage or where it is required quickly.

In summary:

- 3.76 Within statutory development plans there is general conformity with the broad thrust of guidance on rural diversification in *Planning Guidance (Wales): Planning Policy 1999*, although much of the detail is missing. *Planning Guidance (Wales): Planning Policy 1999* and TAN 6 (2000) are both relatively new, and so a time lag is to be expected. Thus emerging UDPs more closely follow the current national guidance but a significant proportion of the national guidance remains poorly reflected in development plans:

- Policies for sustainable development, economic development and rural diversification clearly set a supportive context for farm diversification though this support is less consistent across the pre-UDP plans.
- Policies for farm diversification itself are considerably more variable. UDPs more often explicitly support farm diversification whilst the coverage in pre-UDP plans is patchy. Some address farm diversification but with greater restrictions than is proposed by national guidance. Others do not directly address farm diversification. The picture is similar for policies addressing specific elements of farm diversification which only occur sporadically.
- Policies for the re-use of rural buildings are variable. Re-use is usually supported in principle but often in both pre-UDP plans and UDPs the criteria applied for re-use are more restrictive than suggested by national guidance. The lack of a clear preference for commercial re-use over residential re-use in the majority of Welsh plans is significant.
- The potential conflict between policies for farm diversification and transport, and the potential lack of clarity with regard to farm diversification and landscape policies, is not addressed in most plans.
- Criteria are often used in farm diversification and related policies, as demonstrated by the policy examples in **Appendix 3**. Whilst criteria help clarify policy, they may also sometimes create additional restrictions.

3.77 Most Development Plan Officers interviewed felt that their plans had a satisfactory fit with national planning guidance. The failure to give precedence to commercial re-use of rural buildings was sometimes acknowledged as was the difficulty of reconciling farm diversification with transport policies. Most, if anything, felt their policies to be less restrictive rather than more restrictive than national guidance, which may reflect how their policies are applied in practice rather than the detail of the policies themselves (Chapters 4 and 5).

3.78 The scope and detail of policies varies greatly from plan to plan for both pre-UDP plans and UDPs. There appears to be no clear pattern in the types of policy applied to urban fringe, accessible rural and more remote rural areas, although the National Park policies clearly reflect the precedence of this designation. Too few UDPs have emerged in a substantial form to identify any clear differences in approach between different types of area and, in pre-UDP plans, the variability in policies follows no clear pattern, apart from a slight tendency for greater restrictions to be placed on farm diversification and the re-use of rural buildings in urban fringe and accessible rural areas, though this is not always the case.

3.79 The overwhelming impression of development plan policies is of great variety both in the scope and detail of policies and the level of restriction over farm diversification. Policies range from almost unconditional acceptance of farm diversification to detailed policies, often with restrictive criteria, or policies which are relatively brief but require compliance with some or all of the other policies of the plan. This variety is evident in the UDPs as well as the pre-UDP plans. Policies in UDPs more frequently address farm diversification, but do so in an almost equally variable fashion

to the pre-UDP policies. This is significant as many UDPs were prepared under the influence of *Planning Guidance (Wales): Planning Policy 1999* and thus might be expected to be more consistent and sophisticated in their treatment of farm diversification. Furthermore, this variation does not appear to be based on spatial differences or a clear response to local circumstances.

4. THE PLANNING PROCESS

- 4.1 Having looked at planning policy in the last Chapter, this Chapter introduces the level of liaison between the farming community and LPAs and considers the process adopted by the LPAs in determining individual applications for farm diversification. It is based primarily on discussions with Development Control (DC) Officers in the six sample LPAs, informed by information on the planning register database that has been built up through this study.

GENERAL LIAISON BETWEEN THE FARMING COMMUNITY AND THE LOCAL PLANNING AUTHORITY

- 4.2 The LPAs recognise that historically farmers had little reason to contact the LPA. The introduction of the notification procedure for farm developments under Permitted Development Rights has increased this contact but planning officers recognised that there is still an element of distrust, exacerbated by the increasing regulation and 'form filling' required of farmers under health and safety regulations, pollution control and in the awarding of grants etc.
- 4.3 In the National Parks there has historically been a greater link between the authority and the farming community in the administration of National Park grants and the notification procedure (which has operated since the 1980s in the National Parks). These links are now being extended to address planning and the promotion of farm diversification. In Pembrokeshire a regular Land Management Working Group has been established which involves LPA officers and working farmers. This deals with all issues of mutual interest including grant schemes, the notification procedure, pollution control, land management schemes and planning control – allowing the regular and early resolution of problems as they arise. This replaces an earlier annual meeting with farmers' union representatives which tended to be antagonistic rather than constructive. A similar approach is adopted in Snowdonia National Park where an Agricultural Liaison Panel provides a link between the National Park Authority's Farm Liaison Officers and the farming community.
- 4.4 By comparison, in the other sample LPAs, there are no similar consultative fora. In Flintshire there was an Agricultural Consultative Forum but since re-organisation this has survived in Denbighshire but not in Clwyd – reflecting the greater urban orientation of the latter.
- 4.5 Nevertheless, a key impetus is now coming from other sectors of the LPAs including Economic Development, LA 21 and Environmental Co-ordinators who see the need to assist the economic performance of farming under the banner of Objective 1, LEADER and other measures being taken forward under the *Wales Rural Development Plan/Programme*, as well as emerging Community Plans and Strategies. For example, the Economic Development Officer in Ceredigion has set up a food policy centre focusing advice on food processing and marketing and providing small-scale funding for micro-business start-ups (re-inventing an earlier rural buildings grant scheme). Similarly, in Monmouthshire the Economic Development Team provides advice to farmers on food marketing, while in Flintshire the Environmental Co-ordinator and

LA21 process has been active in working with local farmers to develop a range of initiatives. The most advanced is a Farmers' Market based at the Welsh College of Horticulture which serves producers within a 25 mile radius. The team is similarly looking at initiatives relating to wood (crafts and hardwoods), weekend walking breaks (bunk barns etc) and home delivery for agricultural produce. In the Pembrokeshire Coast National Park, officers are involved in promoting a wide range of agricultural and agricultural-related grant schemes.

- 4.6 These above initiatives are helping build trust with the farming community but do not always involve the planning departments, potentially failing to ensure that the link is made between economic advice and assistance and planning controls.
- 4.7 A general view that has come through these discussions, is that advice to the farming community needs to be widely and readily available and needs to move from fora to a focus on individual farmers, taking account of individual circumstances. Many farmers considering diversification are very short of resources and cannot afford detailed professional advice – often the idea for a diversification proposal comes from what neighbours or friends have done. Many need guidance to explore what they can and cannot do, and to support the planning application. While the LPA can provide advice when requested, farmers may be reluctant to engage with the planning system. At the same time planners must deal equitably with different applicants. There is therefore felt to be a clear role for an independent advisory body to work with farmers: to identify diversification schemes, assist in making a planning application and help with grant applications.

PROCESS ADOPTED BY LOCAL PLANNING AUTHORITIES

Quality of applications

- 4.8 From the database built up from the planning register in each of the six sample LPAs, it is evident that the vast majority of planning applications for farm diversification are made by or on behalf of landowners. Within this study there have been very few examples of applications by small businesses although these were looked for.
- 4.9 The Development Control (DC) Officers interviewed felt that the quality of planning applications received for farm diversification was generally (just) adequate with the majority being made by agents acting on behalf of farmers. Generally information provided on buildings is better than that on schemes relating to the use of land. Nevertheless, the standard is not high (a problem not unique to farm diversification) partly as, for cost reasons, surveyors and land agents are used rather than architects (in the case of buildings). One problem in rural areas is that there is a limited number of qualified and specialist agents.
- 4.10 Many farmers initially develop ideas on their own and only involve agents once they have received some positive feedback on their ideas. This positive feedback is a critical stage in the evolution of a scheme yet there are currently no clear mentors that the farming community can turn to (see para 4.7 above).

Officers involved

4.11 Across all our sample LPAs, planning applications and pre-application enquiries for farm diversification are dealt with by the relevant DC Officer in the planning section. In the National Park Authorities there are Agricultural Liaison Officers who are primarily responsible for promoting agri-environment and other schemes and supervising the notification procedure for farm developments. Although these liaison officers used to advise planning staff on individual applications, this role is now less common as planners, through experience, have an increasing understanding of farming issues.

4.12 As required, DC Officers will seek advice internally or, where this advice is not available, externally (including advice from statutory consultees), as follows:

Internally

- Highways Department
- Local Authority Ecologist
- Archaeologist/Historic Buildings Conservation Officer
- Building Inspector (where a view is required on the structure)
- Environmental Health (where relevant).

Externally

- Environment Agency (to discuss foul water and drainage, storage of polluting substances and where the development is in the floodplain)
- CCW (concerning landscape, nature conservation, and access and enjoyment of the countryside issues)
- Cadw (in the case of listed buildings and Ancient Monuments)
- Community Councils
- The Royal Commission on Ancient and Historic Monuments and regional archaeological trusts (about cultural and historical elements more generally)
- The utilities where service connection is required

4.13 This advice will normally be communicated to the applicant where it necessitates modifications to the proposal.

Taking a pro-active role - pre application enquiries

4.14 **Being pro-active:** The majority of the DC Officers interviewed positively support pre-application enquiries and give them the same level of treatment as an application, potentially including a site visit and/or meeting with the applicant. They will provide preliminary advice about the appropriateness of a proposal and see this liaison as a good opportunity to influence the nature of the application. According to a separate study undertaken in the National Parks of England and Wales³⁹, this advice is useful – out of 664 applicants surveyed, three-quarters found this advice helpful. As this separate study goes on to comment *“in practice over half (53%) of proposals were altered in some way as a result. It appears that in some cases such changes are a genuine*

³⁹ ³⁹ Oxford Brookes University *Development Control in National Parks: A Guide to Good Practice*. 1996. On behalf of the Countryside Commission, Countryside Council for Wales and the Association of National Park Authorities

improvement in the quality of the proposed development, in others they may be only basic improvements to bring the application up to a reasonable standard for processing. Overall, although negotiation takes up a lot of officer time, this appears to be well spent in terms of improvements to schemes, and the general image of approachability of the NPAs". This view is confirmed by the case studies undertaken as part of this study, where successful applicants commented on the helpful nature of pre-application discussions, although there was a concern that there can be a lack of consistency in advice if more than one planning officer is involved over the period of the application (**Appendix 4**).

- 4.15 Currently all LPAs offer a free service for pre-application advice. There is a possibility, however, that the benefits of this early consultation and advice will be overlooked in the implementation of Best Value, where the outreach activities of LPAs may be judged strictly in financial terms, with emphasis on speed and efficiency rather than quality of advice and the suitability of subsequent development. It is also possible that in the future a charge will be made, potentially dissuading applicants from seeking advice at this important stage in the process.
- 4.16 Often the initial enquiries which lead to pre-application advice, come through the Ward Member rather than direct to the DC Officer. This highlights the important role of Members in the planning process but also indicates that farmers may not always feel comfortable approaching planning officers direct.
- 4.17 In the main DC Officers are responding to enquiries that they have received either directly or indirectly, but in some cases they play a pro-active role, positively seeking out enquiries. For example, DC Officers may organise or attend Farmers' Advice Clinics or similar. However, experience demonstrates that such events may not generate many enquiries from farmers. This may be because of the still only limited interest in farm diversification (para 2.22) or may reflect the sheer difficulty of leaving the farm, at a time when most farms are heavily under-resourced.
- 4.18 Those DC Officers interviewed, felt that any farmer who, through pre application consultations, was encouraged to make an application, would go on to do so. Many applicants use this process as a test, modifying or giving up their proposal if it is indicated that it is unlikely to be acceptable (although it is the impression of the DC Officers that the level of fall out is low once the LPA has been approached).
- 4.19 **Recording of pre-application consultations:** Within our six sample LPAs, because of resource constraints, three do not record pre-application enquiries. On the other hand, Flintshire maintains a register of enquiries, particularly noting those requiring planning approval (this information is passed on to Building Control). In addition, the authority is now developing a Windows-based system to allow reference between pre-application discussions and actual applications, thus providing a mechanism to ensure that the authority is giving consistent advice to the applicant. Similarly, Pembrokeshire Coast National Park Authority has recently introduced a system for recording enquiries which, with GIS, will be developed further.

Process adopted once a planning application is submitted

- 4.20 **Site visits and meetings:** DC Officers will make a site visit for all planning applications but will very rarely arrange to meet the applicant (to avoid wasting time in arranging the visit). As noted in the Case Studies (**Appendix 4**) this can cause resentment. Where the application raises a number of issues or, more particularly, where there is insufficient information, a meeting will usually be arranged with the applicant or his/her agent. These meetings may involve the DC Officer and other statutory consultees and advisers, so that the range of problems and opportunities can be explored. In the case of building re-use, no LPA uses a redundancy test, in accordance with current national guidance. In addition, there is rarely an investigation into the abuse of past agricultural Permitted Development Rights (PDRs), as most buildings put forward for re-use are traditional in character where PDRs would not have applied (para 5.11).
- 4.21 **Farm plans:** Farm plans (which relate the proposed development to the broader farm business and its future income sources and diversification) are rarely requested in support of an application. Pembrokeshire Coast National Park Authority has produced Supplementary Planning Guidance on farm plans but virtually none have been received in the last four years (para 3.31). In Flintshire farm plans are usually only requested where an additional dwelling is required as part of a diversification scheme. In Snowdonia a farm plan will be requested in support of an agricultural worker's dwelling but not usually in support of diversification activities where, in the officer's experience, the land and/or buildings have frequently been sold away from an active farm unit.

Planning fees

- 4.22 Planning fees are set nationally, with £95 for a minor building alteration, £190 for a re-use and thereafter increasing in increments of £190 dependent on floor area / size of site etc. From the planning register database it appears that 75% of applicants for farm diversification within the sample LPAs paid a planning fee of £190 or less. There were only three applications involving a fee of £500 or more.
- 4.23 None of the officers considered that planning fees were a significant obstacle to farm diversification, usually forming a small part of overall costs. Nor were fees raised as a significant issue in the case studies or farmer focus groups (Chapter 6), although in one case a farmer had reduced the size of a proposed fishing lake to keep the cost of the planning fees down.

Determination

- 4.24 **Delegated powers:** For all LPAs interviewed, large schemes and any application for which objections have been received, automatically go to Committee for determination. In more isolated areas objections tend to be few but in areas such as Monmouthshire, objections are more frequently received from interest groups such as CPRW and the Ramblers Association.
- 4.25 From the planning register database, it appears that on average at least 50% of farm diversification proposals are dealt with under delegated powers, although in

Pembrokeshire Coast National Park Authority it is rather less and in Pembrokeshire County Council it is rather more.

- 4.26 Where applications go to Committee, Members will normally follow the advice of their officers. This differs from a few years ago when personalities and the personal circumstances of the applicant were more frequently considered. Today the policies in the development plan are normally regarded as having supremacy. Departures from the development plan would normally be referred to the full Council. The number of farmers who are Members has dropped in recent years but Councillors are still strongly supportive of the rural and farm community.
- 4.27 From the planning register database for farm diversification it appears that in all cases where officers had recommended approval, this was followed by the Committee, but in two cases where the officers recommended refusal the proposal was approved by the Committee.
- 4.28 **Flexibility:** All the sample LPAs seek to take a flexible approach within the general framework established by the development plan policies (para 2.13), recognising the requirements of individual applicants but:
- will rarely compromise on landscape, especially designated landscapes (for example, Monmouthshire will generally steer large developments away from designated areas)
 - will only be flexible where the application is genuine
 - personal economic circumstances are not a material consideration.
- 4.29 A problem raised by Flintshire but typical of many authorities that do not receive many diversification applications a year, is that it is difficult to identify farm diversification as a discrete type of project or application. There are, in fact, a wide range of different types of proposal and applicant, and each application is treated on its merits.
- 4.30 **Use of personal and temporary permissions:** These are not normally used. The exceptions are:
- when a personal permission will allow an otherwise unacceptable proposal to be approved
 - very occasional use of personal permissions to tie a diversification activity to the farm unit
 - occasional use of temporary permissions to test the acceptability of a scheme, or for events.

Time taken

- 4.31 From the case studies and the farmers' focus groups (Chapter 6), it does not appear that time taken in the determination process is a key concern for the applicant although it is a point that was raised by national consultees (para 2,14). From the database of applications it appears that the length of time taken in determining planning applications for farm diversification breaks down as follows:

- 48% determined within 8 weeks
- 20% determined within 8 – 13 weeks
- 32% determined in over 13 weeks.

4.32 As would be expected, it tends to be the least problematic applications that are determined fastest. Thus within the 8-week period, the ratio of approvals to refusals is 19:1 whereas after 8 weeks the ratio drops to 5:1.

Monitoring and enforcement

4.33 Amongst four of the sample LPAs there is generally little monitoring of diversification activities. Pembrokeshire Coast National Park Authority recognise that they are relatively poor at monitoring at the moment due to lack of staff resources. However, they do try to visit all sites pre development, often in conjunction with Building Control. On the other hand, Pembrokeshire County Council try to visit every site during development. This process is time consuming but picks problems up during development allowing early resolution. For example, on one site the developer, rather than converting a building, simply demolished it and was preparing to replace it when an officer visited. As a result a stop notice was serve that was subsequently upheld at appeal. However, enforcement action on a diversification activity is thought to be very rare and none were recorded within the six sample LPAs over the last three years.

What developments cause the most problems?

4.34 Those diversification activities which are thought by DC Officers to create the greatest problems from a planning perspective are:

- Caravan parks, although new applications are now received in relatively small numbers
- Soundness of a building and its suitability for conversion without major or complete rebuilding
- Modern agricultural buildings in sensitive locations (although few applications of this type have been received to-date within the sample LPAs examined).

In summary:

- A more constructive relationship is now being established between LPAs and the farming community, largely through the work of LA21 Officers and Economic Development Officers who are seeking to support a variety of diversification initiatives, including local food projects.
- There is a recognition that farmers require more co-ordinated and one to one advice, with the support of mentors who can encourage them through individual proposals. This advice needs to be cross-linked between business development and planning.
- Development Control Officers welcome the opportunity to give pre-application advice, although there is a concern that this will be curtailed under Best Value.

- Some LPAs are now developing a system for recording pre-application enquiries so assisting in the provision of consistent advice through the life of a proposal – a key complaint made by applicants (see Chapter 6) of the planning system.
- Development Control Officers seek to take a flexible approach to farm diversification applications, responding to individual circumstances, although personal economic circumstances are not a material consideration.
- Planning fees do not normally appear to be excessive for farm diversification applications and the majority of applications (at least within the sample LPAs) are determined within 13 weeks.

5. THE RESULTS OF THE PLANNING SYSTEM

- 5.1 The last two Chapters have looked at planning policies and the process that is followed to determine individual planning applications for farm diversification. This Chapter looks at the results of this process – the number of farm diversification applications that are approved and the conditions that are imposed.
- 5.2 Review of the planning register database indicates that in the six sample LPAs, over the three year period May 1997 – May 2000, the average approval rate for farm diversification applications was 89%, with 5% of applications withdrawn (nine out of a total of 205).
- 5.3 This approval rate varies across the six sample LPAs. As indicated in **Table 5.1**, Pembrokeshire County Council, Pembrokeshire Coast National Park Authority and Ceredigion all have approval rates over 90%. All of these authorities could be classified as deep rural and there appears to be no difference in approval rates between National Parks and other areas. Flintshire and Monmouthshire, which may be classified as economically buoyant areas under urban influence, have slightly lower approval rates at 78% and 81% respectively. Directly comparable figures for England, collected as part of a parallel exercise to this one are: a national average approval rate for farm diversification of 81%, with 84% approved in remote rural areas.

Table 5.1: Approval rates for farm diversification applications

LPA	Approved	Refused	Withdrawn	Total determined
Pembrokeshire CC	54 96%	2 4%	-	56 100%
Ceredigion	23 92%	2 6%	2	25 100%
Pembrokeshire Coast NP	46 96%	2 4%	2	48 100%
Snowdonia NP	19 70%	8 30%	1	27 100%
Monmouthshire	21 81%	5 19%	1	26 100%
Flintshire	11 78%	3 22%	3	14 100%
Total	174	22	9	196
Average	89%	11%		100%

Note: Any discrepancy in the total number of applications between this Table and figures given in para 2.28 relate to applications that had yet to be determined at the time that the data was gathered (October 2000)

- 5.4 The apparent anomaly in these figures is Snowdonia National Park which falls into the deep rural category but has an approval rate of only 70%. The reason for this is the continuing number of applications for touring and static caravan sites which have always and continue to raise problems of environmental impact owing to their scale and often prominent location. As indicated in **Table 5.2**, these have an approval rate of roughly 50% (under the category of change of use of land).

Table 5.2: Approval rate by development type

LPA	% approved within each category of development type							
	New building	Building extension	Building re-use	Change of use of land	Residential in support*	Signage	Other	Average approval
Pembrokeshire CC	100%	75%	97%	80%	100%	-	-	92%
Ceredigion	100%	100%	95%	90%	96%	-	-	92%
Pembrokeshire Coast NP	100%	-	97%	89%	-	-	100%	96%
Snowdonia NP	100%	-	78%	50%	-	-	100%	70%
Monmouthshire	50%	100%	83%	80%	-	-	-	81%
Flintshire	100%	100%	73%	60%	0%	-	-	78%

* Residential use provided in support of a diversification activity

Factors affecting the determination

5.5 **Key planning issues:** Across the full spectrum of planning applications for farm diversification, identified in this study, the most common planning issues raised were; design/appearance and landscape impact, followed by traffic impact and other environmental issues (eg nature conservation or cultural heritage). Where these issues were raised, and they often were not, the ratio of approvals to refusals was as follows:

- Design/appearance: 6:1 approvals to refusals
- Landscape impact: 3:1 approvals to refusals
- Other environmental issues: 3:1 approvals to refusals
- Traffic generation: 3:1 approvals to refusals

5.6 **Representations:** It is also clear that representations are important in the determination of planning applications for diversification, with those applications that are subsequently refused or withdrawn receiving many more representations than those that are approved. For example, the five applications that were refused in Monmouthshire attracted over 100 representations compared to a total of 18 representations received for the 21 applications that were subsequently approved. As might be expected, there are generally fewer representation in the more remote (unpopulated) rural areas when compared to more populated areas such as Monmouthshire and Flintshire (para 4.24).

5.7 **Reasons for refusal:** Amongst the 22 applications for farm diversification refused within the sample LPAs over the last three years, the key reasons given for refusal were as follows:

- Inappropriate development in the countryside (30%)
- Landscape (15%)
- Neighbours (15%)
- Traffic generation (11%)
- Noise (6%)
- Sustainable transport issues (6%)
- Building not structurally suitable (6%)

- Highways safety (3%)
- Located within a designated area (3%)
- Size of building (3%)
- Other environmental issues (2%).

5.8 Interestingly, although statutory designations are often cited as standing in the way of development in the countryside, they were not a key concern within the stratified random sample of planning applications assessed within the six sample local authorities. However, general fit with the countryside is a primary concern, as are landscape, traffic and highways concerns, confirming the key planning issues identified in para 5.5 and the potential tensions within planning policy identified in Chapter 3.

Use of conditions and obligations

5.9 **Tables 5.3 and 5.4** set out the main conditions applied to approvals for farm diversification developments and activities within the sample LPAs over the last three years.

Table 5.3: Conditions applied by type of development

Conditions	Development type (No. of applications with these conditions)				
	New building	Building extension	Building re-use	Change of use of land	Total*
No. of employees	-	-	-	-	-
Parking	8	4	40	12	64
Access/traffic	4	1	15	8	28
Design/materials	9	2	52	9	72
Restriction on future expansion	-	-	-	1	1
Landscaping	7	-	32	10	49
Restrictions on activities/use	2	-	4	5	11
Limits on operating hours	-	-	2	-	2
Limits on use of internal space	-	-	1	-	1
Limits on use of external space	1	-	3	3	7
Noise/sound proofing	1	-	2	-	3
Occupational restrictions	1	1	40	-	42
Removal of part 2 PDRs	1	-	2	-	3
Removal of part 6 PDRs	-	-	-	-	-
Personal permission	1	-	-	1	2
Tying approval to the land of the holding	-	-	-	-	-
Improve the appearance of an existing building	-	-	-	-	8

* NB The totals in Tables 5.3 and 5.4 will not necessarily be the same as a single application may involve more than one development type and more than one diversification activity

5.10 As indicated in **Tables 5.3 and 5.4**, the most common conditions attached to approvals for farm diversification relate to design, car parking, landscaping and occupational restrictions for tourism accommodation. These limit either the length of time an individual occupant can be in the accommodation or restrict occupation to certain times of the year. Other common conditions not listed here relate to drainage and the submission of plans for approval, highlighting that some farm diversification plans will initially be fairly rudimentary, requiring further clarification prior to implementation. In National Parks, a not uncommon condition is for the undergrounding of service cables.

Table 5.4: Conditions applied by diversification activity

Conditions	Tourism	Recreation	Retail	Workshops	Manufacturing	Food processing	Storage	Machinery repair	Energy	Equestrian	Other	TOTAL
No. of employees	-	-	-	-	-	-	-	-	-	-	-	-
Parking	32	6	5	2	-	1	4	2	4	4	5	62
Access/traffic	13	5	2	1	2	-	2	2	-	1	9	37
Design/materials	50	3	1	2	-	-	1	-	3	4	13	77
Restriction on future expansion	3	-	-	-	-	-	-	-	-	-	-	3
Landscaping	27	5	2	3	3	1	3	1	1	3	4	53
Restrictions on activities/use	2	1	-	2	1	-	2	-	1	2	2	13
Limits on operating hours	-	-	-	1	1	-	2	1	-	-	-	5
Limits on use of internal space	-	-	-	-	-	-	-	-	-	-	-	-
Limits on use of external space	3	1	-	2	-	1	1	-	-	-	1	9
Noise/sound proofing	-	-	-	1	1	-	1	1	-	-	2	6
Occupational restrictions	40	1	1	1	-	1	-	-	-	-	2	46
Removal of part 2 PDRs	3	-	-	-	-	-	-	-	-	-	-	3
Removal of part 6 PDRs	-	-	-	-	-	-	-	-	-	-	-	-
Personal permission	-	-	1	-	1	-	1	-	-	1	-	4
Tying approval to the land of the holding	-	-	-	-	-	-	-	-	-	-	-	-
Improve the appearance of an existing building	-	-	-	-	-	-	-	-	-	-	-	-

5.11 Interestingly, other than traffic conditions, none of the specific issues identified in *Planning Guidance (Wales): Planning Policy 1999* as being controllable with the use of conditions (listed within the Tables) are used to any great extent.

- *To remove agricultural (Part 6) Permitted Development Rights (PDRs)* to prevent new buildings being constructed under agricultural PDRs. The original intention within the guidance was to prevent a sequence of events whereby an agricultural building could be put up under agricultural PDRs with the intention of using it for a diversification activity, only to be followed by further buildings constructed under PDRs, with the process repeating itself. Within the sample LPAs, however, the vast majority of applications for building re-use have related to traditional agricultural buildings where this scenario does not apply.
- *To tie the building to the land* to prevent subsequent sale of the diversification activity away from the land of the farm unit. This is strongly resisted by the farming community as it can greatly reduce flexibility and can cause problems with inheritance. It has not been used at all within the sample investigated although it had been used on an earlier application of one of the case study examples. Here the farmer felt he had been put at an unfair disadvantage in that other farmers in the locality who have not diversified have had the freedom to sell parcels of land, whereas with a diversification activity and a restrictive condition, he has not been able to.
- *To control future expansion.* Flintshire will use this condition for industrial or storage uses, often removing Part 2 Permitted Development Rights to control expansion.
- *To improve the appearance of existing buildings:* This was included in *Planning Guidance (Wales): Planning Policy 1999* primarily for the benefit of modern structures that may be developed for an alternative use – some LPAs felt that this point is adequately covered by design and landscape conditions.
- *To ensure that residential accommodation linked to a diversification activity is not inhabited before the diversification materialises* (ie to ensure that the accommodation relates to a genuine diversification project). This has very rarely been used.

In addition, Monmouthshire has used conditions to remove an existing unattractive building as a condition of a diversification activity.

5.12 Over the last three years only three Section 106 Agreements have been used across the six sample LPAs out of the 174 farm diversification proposals that have been approved.

The applicants' view

5.13 The sample LPAs interviewed have received little feedback from applicants on the conditions imposed. In the case of Flintshire the conditions are usually discussed with

the applicant prior to determination. As part of these discussions the LPA seek to ensure that the costs are not onerous, although they would be very reluctant to relax conditions on the grounds of cost – in these circumstances they would seek alternative ways of achieving the same ends. From the case studies and the farmers' focus groups (Chapter 6) there is no very strong indication that conditions are considered unreasonable, although it is often a factor mentioned in passing.

APPEALS

- 5.14 In Wales the total number of appeals relating to farm diversification is VERY small – a total of five appeals across the whole of Wales for the three year period May 1997 – May 2000. A description of these appeals is set out in **Appendix 5**. This very small number of appeals tends to reinforce the conclusion that the number of refusals for farm diversification activities is low in Wales, although the lack of appeals may also relate to the deep financial crisis faced by farmers and an unwillingness to incur any additional expenditure.
- 5.15 This sample of appeals is too small to allow any statistical analysis of the issues raised. Nevertheless, out of this number, four were dismissed, suggesting that the original grounds for refusal were strong, and one was approved. These developments and the key issues that the Inspector felt needed to be taken into account were:
- Use of land for equestrian purposes: key issues – whether the access was suitable to serve the proposals and the effect of the proposals (in the urban fringe) on the character and appearance of the area. Appeal dismissed.
 - Retention of an autocross race track with associated crash barriers and portable buildings: key issues - within a designated Special Landscape Area – noise and dust. Appeal dismissed.
 - Use of agricultural buildings in the urban fringe for storage: key issues – highway safety and the free flow of traffic in an area where a narrow country lane already serves residential properties and a range of other diversified small-holdings. Appeal dismissed.
 - Change of use of a farm building on a small-holding no longer attached to a viable farm unit, to a reflexology centre: key issues - whether the application amounted to a total rebuild and impact on the character and appearance of the rural area. Appeal upheld.
 - Provision of a mobile farm shop/butchers providing the main outlet and primary source of income for a working livestock farm: key issues – the potential impact on town centre shopping facilities (ie shops in the nearest town) and the implications for road safety. Appeal dismissed.
- 5.16 What these appeals do serve to reinforce is the role of landscape and traffic concerns in the determination of individual applications. It is also instructive that two out of five of these appeals (for the whole of Wales) are in the urban fringe - an aspect that has **not** been well covered in this current study.

In summary:

- The view of LPAs that they adopt a flexible approach in the application of their development control policies (para 2.13, Chapter 3, para 4.28) is borne out by the overall high approval rates for farm diversification, with 89% approved across the six sample LPAs in the last three years.
- These approval rates range from over 90% in remote rural areas and average 80% in more affluent areas under an urban influence, where development pressures are likely to be higher. In these latter locations there are fewer tourism applications and more relating to storage and manufacture.
- Overall there is no difference in approval rates between National Park Authorities and Unitary Authorities.
- Landscape, design, traffic and other environmental factors are the key planning issues that most frequently influence a planning decision (including appeals), although if these issues are raised it does not mean that the application will necessarily be refused.
- Similarly the most common conditions relate to design, parking, landscaping and occupational restrictions.
- Across all six LPAs only three Section 106 Agreements had been used in the last three years for farm diversification proposals.
- The above confirms the potential tensions between traffic and landscape policies and farm diversification policies (Chapter 3). But it must be emphasised that only 11% of applications for farm diversification are refused, demonstrating that in the majority of cases these tensions are overcome. These statistics do not suggest that planning is a major factor standing in the way of farm diversification.

6 PERCEPTIONS OF THE FARMING COMMUNITY

- 6.1 It has been a longstanding and well-voiced concern of the farming community that planning control might be frustrating farm diversification (paras 2.14 - 2.15). This is not borne out by the development control process and planning statistics set out in Chapters 4 and 5, although there will inevitably be frustrations associated with certain applications.
- 6.2 This Chapter, by drawing on the results of the farmers' focus groups and the case studies, provides a snapshot of the opinion and perceptions of the farming community to diversification and the planning system. This small number of farmers in the sample cannot be described as representative of Welsh farmers in general but nevertheless provides important illumination of current perceptions. Some of the points raised are countered by other findings in this report. Others are important in informing the need for future action. All highlight that perceptions can be highly influential in guiding the actions of the farming community.
- 6.3 **Farmers' focus groups:** Three focus groups were held in December 2000, with the fourth in early January (The meetings were as described in Chapter 1 with an average of seven landowners, farmers and their representatives attending each meeting, as outlined in Box 6.1).
- 6.4 **Case studies:** The seven case studies described in **Appendix 4**, explore the progression of individual planning applications for farm diversification, based on discussions with the applicant and the DC Officer responsible. It should be noted that these case studies are **not** statistically representative of the applications received within the sample LPAs.
- 6.5 The farms forming the case studies ranged between 287 and 3.2 hectares but the majority were under 30 hectares. Five were working farms (one part-time). Four of the case studies have diversified into leisure and tourism-related activities. One is a farm-shop and the remaining two are an engineering unit and a proposed alternative therapy centre. Most of the diversification schemes that have been taken forward are small-scale, employing on average one to two full-time employees, most of whom are family members and most of whom still work part-time on the farm. One full-time job had been created for a non-family member, three diversification enterprises were employing one part-time non-family member, and the largest scheme employs 15 seasonal workers.

Box 6.1: Attendance at the Farmers' Focus Groups

Aberaeron, (Ceredigion): Ten people attended, representing seven farms, two of which had husband and wife present. The other individual was an officer of the Farmers Union of Wales (FUW) who was not a landholder. Four of the farms represented had some form of diversification activity contributing to farm income. Of the remaining three, one had not taken forward a planning permission for farm diversification, another had moved back into full-time farming because the diversification activity had proved uneconomic whilst another couple were now supplementing farm income with off-farm employment.

Caernarvon (Gwynedd): Three people attended: two farmers plus a surveyor with responsibility for managing a number of properties in the region. The two farmers saw scope for diversification on their farms. The surveyor suggested that it was easier for farmers than large landowners to diversify because the latter would probably need to employ a manager for any diversified business.

Haverforwest (Pembrokeshire): Eight people participated covering a mix of advisers, organisational representatives, landowners, farmers and tenants. There was an economic adviser whose clients increasingly were farmers; a CLA representative (woman); the FUW secretary (woman); a tenant farmer (whose perception of diversification was seriously constrained by his tenancy agreement); and two farmers and one landowner who all had significant experience of diversification covering tourism, aquaculture and rural development.

Mold (Flintshire): Six individuals participated consisting of an estate owner who had virtually withdrawn entirely from farming, letting land on farm business tenancies and concentrating on a tourism enterprise; a farmer on the peri-urban fringe with rationalised agricultural enterprises and serviced accommodation; a share farmer wishing to develop a new leisure activity in partnership with his landlord; two members of a family partnership managing two farms, one with a touring caravan site, looking to expand; and a FUW representative.

THE GENERAL PERCEPTIONS OF FARM DIVERSIFICATION

Attitudes to diversification

- 6.6 The focus groups saw diversification as a necessity if they wanted to stay in farming and pass the farm on to their children. But it was noted that many farmers are not diversifying despite the potential increase in income "*because there is still an income in farming*" and "*It's easier farming than to farm tourists*".
- 6.7 Following this theme, the majority of those at the focus groups were more positive about diversification into alternative agricultural activities (e.g. crops such as flax and hemp) compared to non-agricultural businesses, and felt that more money should be put in to support farming in these areas – "*Our expertise is in agriculture. It's not in managing people*". This questioning of types of diversification reflects the views of national consultees (para 2.3). Farmers found it difficult to see why money was being diverted from agriculture into other sectors. There was resentment that a cut in sheep subsidy by 2.5% in 2001 and a further 4.5 % in 2005 was forcing them into businesses where their skills and experiences were less appropriate. They were uncertain what was happening to these funds and felt that there was a lack of information about how they could access them for other purposes.

- 6.8 Because of the strong drive to stay in agriculture, a number of farmers stressed a preference to seek off-farm employment to supplement their income, and a number had already done so. *" We dropped down to the fourth division and are comfortable with that and the farm is safe". " A lot of farmers would be very happy if a BMW factory were to set up in Mid-Wales and they could do three night shifts a week"*. This indicates that many farmers might prefer a more European model of part-time farming and off-farm employment as practiced in parts of Germany, as opposed to an emphasis on on-farm diversification.
- 6.9 Interestingly, representatives of the farming community were generally more positive about farm diversification. While acknowledging that it is often started out of necessity, they recognised that this might then become an opportunity to realise the hidden potential of the farm business. It was suggested that some of those farm businesses that had diversified into cheese production in the mid 1980s had probably been forced into diversification, but had now become established and well attuned to the new business.

General factors influencing farm diversification

- 6.10 Strong views were expressed about the need to have a strong agricultural sector - *"If farming is not there initially, where does the start up capital come from?"*
- 6.11 There is some evidence of inconsistency here, as on the one hand landowners claim that they would not have diversified had their farms been successful, but on the other hand argue that without a strong viable farm sector, no diversification would be able to take place. However, it is certainly the case that with the dramatic fall in farm incomes, landholders may have to become more indebted to fund new enterprises.
- 6.12 At the focus groups, small-scale farm diversification developments were generally considered to be more appropriate than large-scale developments. There was clear acknowledgment that whilst diversification has become much more important as a consequence of the decline in agricultural incomes, landholders did not wish there to be a 'free-for-all' in the countryside – *" if everybody diversifies nobody will be successful"*. – again emphasising the importance of maintaining a strong farm economy. Developing this theme, there was concern that if farm diversification enterprises were not restricted in some way (for example through the planning process), then given the small potential market, particularly in farm-based tourism, this would simply lead to oversupply.
- 6.13 Amongst the three focus groups in western Wales, tourism was seen as the main outlet for diversification activities. In the Flintshire group the potential for tourism was thought to be limited other than potentially for low cost self-catering accommodation. But one participant identified the opportunity for commercial letting of residential farm accommodation, exploiting the demand for residential property as a result of increased demand for an industrial workforce (paras 2.23 – 2.25).

The economic benefits of farm diversification

- 6.14 The potential benefits of farm diversification were demonstrated by the case studies. Five of these claimed to derive 70-100% of their income from the diversified activities

and all five full-time working farms now depend on these activities to remain in farming. Thus in these cases farm diversification is enabling the farm to survive, although the income levels remain small.

- 6.15 Of the five diversified businesses that had already started, all were doing better than their owners had expected even though most of the businesses had been trading for less than three years. However, all respondents were aware that markets are relatively limited, possibly fickle and that simply increasing the supply of a product will not spontaneously lead to an increase in demand.

FACTORS THAT ENABLE SUCCESSFUL FARM DIVERSIFICATION

- 6.16 Amongst the focus groups and case studies positive factors contributing to farm diversification were identified as:

- **Location:** As noted above, tourism is seen to offer the main opportunities for diversification, with western Wales identified as offering the better opportunities for tourism. Location was also seen as important in terms of accessibility to markets.
- **Capital or other availability of funds:** A number of farmers present had managed to raise the necessary capital for farm diversification from the sale of milk quota. Some farmers were highly complementary of their local bank manager.
- **Interest and skills:** These are perceived as essential to a successful diversification enterprise. For tourism schemes farmers must be able to get on with people. Marketing is essential as is the ability to produce a top quality product for a reasonable price.
- **A good idea:** Rachael's Dairy was used as illustration. Although this had initially set up because of milk quotas, the business has thrived because of its concentration on organic milk products. It also illustrates that what may start as a small-scale business can expand if the management and business decisions are correct.
- **Women as a catalyst:** At the focus groups the role of women as the brains and risk takers behind diversification activities was identified, often reflecting the lack of vision of partners. There was a perception that women are more likely to consider possibilities outside farming and are therefore less rigid and more positive than men in their willingness to consider non-agricultural livelihoods. They are also generally much more tuned in to 'food sales' and adding value at source. The role of women significantly increases the amount and range of human capital within rural communities. But they may have different constraints than men that may need different solutions and support mechanisms. The same may also be true of incomers who bring with them experiences in a wide range of occupations.

- **Availability of good advice:** The agencies that provide free advice for farmers. e.g. Business Connect, *Antur Teifi*. CWSI (The Welsh Language Business Agency) were all considered to be very approachable and helpful.
- **A supportive policy framework:** Farmers were undecided on their views of the National Assembly for Wales but representatives of farmers' organisations felt that the Assembly is asking the right questions and that it should be able to provide a better platform for rural entrepreneurship in the future.
- **The planning process:** Whilst planning is often perceived as a constraint to diversification (explored further below), there is a growing perception of planners as enablers "*on the whole the planners are there to help us if we go to them with our diversification ideas*" (FUW representative). There was also a generally positive feeling about individual planners. This was supported by the case studies where there was a strong approval rating for planning amongst those who had gained planning permission – "*the planning process was consistent and transparent. The time and costs involved were reasonable*"; "*had a good experience by having regular informal meetings with the same planning officer*"; "*the process was transparent and was encouraging of diversification*". A number of farmers' interviewed had also noted a change for the better in the approach of LPAs to farm diversification over the last few years.
- **Conservation of the countryside:** At the focus groups there was a general appreciation of the importance of planning in encouraging development that is sympathetic to the environment (preserving the backdrop to other diversification activities – para 2.12). And, amongst the case studies there was no substantial support for the widespread relaxation of planning to allow easier rural development of non-farm activities.

FACTORS THAT STAND IN THE WAY OF SUCCESSFUL DIVERSIFICATION

- 6.17 Nevertheless, amongst focus group participants, there was a perception that there are a range of complex hurdles currently in place which act as significant barriers to farm diversification.

Geography

- 6.18 Although geography and location can aid diversification, it can equally be a major block, influencing:
- Size of local markets
 - Length of tourist season
 - Location relative to main roads and centres of population
 - Lack of tourism appeal
 - Aging population

Although the focus groups recognised that there is potential for further diversification, they believe that this is limited by geography and the relatively small potential market in Wales.

The planning system

6.19 The Caernarvon focus group identified the planning system as a much more significant barrier to rural diversification than the other groups (although there may be some bias in this view as there were only three attendees) This view may reflect the greater range of environmentally sensitive landscapes in the region and the strong emphasis on caravan developments as the main diversification activity (para 5.4). In contrast, in Ceredigion and the other focus groups, financial constraints were given equal if not greater prominence. The extent to which planning was highlighted appeared to be linked to the experiences of individuals. Such a balance of concerns was also shown in the case studies.

6.20 Perceived problems with planning were identified as:

- *Perceived rigidity in applying planning policies:* For example, on one attendee's farm there was a redundant building that was seen as ideal for a workshop. A possible tenant lived within 150 yards of the building. He was approached and "was thrilled to bits with the idea of renting the building". Many problems then seemed to arise and the farmer had the impression that because there were empty factory units in nearby Cardigan and elsewhere in the County, there was a reluctance to grant planning permission for business space in the countryside although the prospective tenant could not afford the higher rents in Cardigan. Eventually the change of use was allowed and the business subsequently had four employees and has now moved on to a new building.
- *Perceived inconsistency and a lack of transparency in the application of planning policy:* At the workshops and in the case studies that had been refused, there was a concern that planning policies were applied in an inconsistent and non-transparent fashion (presenting a counter view to those applicants whose planning applications had been approved para 6.16). It was also suggested that incomers and other businesses are treated more leniently than local people and farmers in planning decisions. Supermarkets were seen as prime examples of favoured organisations that had "run roughshod" over the planning system⁴⁰.
- *The perception that incomers were blocking development by the local population as a means of preventing further change:* It was felt that second home owners had too much influence in blocking developments that were necessary to enable local economic development to continue (paras 4.24 & 5.6).
- In Gwynedd, *the large number of environmental bodies* were considered to have too great an influence in the planning process. The high cost of meeting requirements for environmental information (£3000 in one case) prior to planning consent was also viewed as a major disincentive to larger diversification schemes.
- *A lack of understanding of the economic dimension of diversification proposals:* For example, in Gwynedd farmers claimed that it was difficult to gain permission for

⁴⁰ it should be noted that national planning guidance now strongly discourages the development of out of town superstores.

caravan sites with more than 20 caravans. However, this was the minimum economic size to justify installing site services which were expected by the clients. Economic Development Officers interviewed during this study also felt that planners sometimes failed to understand business needs. On the other hand it was the view of planners consulted that some farmers do not seek sufficient business advice before making a planning application.

- *A perceived lack of coordination between different elements of the planning system:* For example, one applicant had received encouragement for a diversification proposal from DC Officers, only to find that it was unworkable because of access conditions required by the Highways Authority. It was suggested by other members of the focus group with local knowledge, that there was a ready solution to this problem if the Highways Authority had adopted a more facilitative ethos.
- *Some planning officers were seen as unhelpful:* In the past this occasionally encouraged applicants to go ahead with an illegal developments and then apply for retrospective planning permission. It was suggested that planning officers sometimes focused on the viability of a proposal rather than its fit with planning policy or that they appeared to reach different decisions on similar proposals at different times without providing an explanation.
- *Conditions attached to some diversification schemes are sometimes considered too restrictive and narrow in their intentions:* For example, an Anglesey farm shop is allowed to sell only produce from the farm and so is unable to sell other locally produced products and thus deprives local rural businesses of a convenient outlet. Farmers were also concerned about requirements that the farm remain agriculturally active or that the holding should not be broken up. In one case study the farmer felt that they were compelled to continue farming, even at a loss, and even if this actually undermined the viability of the non-farm activity.

6.21 These comments demonstrate a frustration with planning and a perception that in some cases planning officers can be unhelpful. They also, in some cases, indicate a lack of understanding of the planning process and how policies evolve over time. From the case studies it appears that concerns about the planning process may relate to past experience rather than current practice. Thus farmers wishing to diversify may be disadvantaged by their limited understanding of the current emphasis of planning policy, sometimes exacerbated by a reluctance to engage with planners early on in the process (para 4.2).

Financial barriers

6.22 Financial barriers were identified as:

- *Lack of capital, related to the decline in farm incomes and the value of farm assets:* This reduces the collateral available to landholders, which in turn makes it more difficult to borrow from banks and increases the risks involved. This makes farmers much more cautious.
- *Funding is difficult to access and has too many conditions attached:* As a consequence, many participants had funded their developments privately and had saved money compared to the outlay that would have been necessary had they complied with

the conditions of the grant scheme. It was suggested that Wales Tourist Board (WTB) grant application standards are too high, requiring an unacceptable outlay for the farmer. One farmer mentioned the 'Catch 22' position where he was unable to obtain a grant before getting a bank loan, but could not obtain a bank loan before obtaining a grant. This was eventually overcome by abandoning the proposed development and substituting a smaller scheme.

- *A perception that the WTB has an unsympathetic attitude towards smaller business proposals:* Consultants employed by WTB to scrutinise business plans submitted as part of grant applications, were perceived as specifically there to "tear them apart". There was a sense that applicants are put in a no-win situation - for example, if a potential loss is revealed in the business plan, but the applicant claims this can be covered, this is then used to deny the applicant access to grant because they have demonstrated that the plan can be self-financing. This can lead to feelings of frustration and isolation.
- It was suggested that, unlike England, *Wales does not have a redundant building grant*. This is not true, but this misconception amongst the Welsh rural community indicates the need for much clearer guidelines to potential diversifiers.
- *Lack of efficiency in delivering EU funds to the grassroots level:* Farmers believed that large sums (of Objective 5b) had been returned to Brussels because funds were not spent and are concerned that the same thing will happen under Objective 1. Farmers suggested that the process by which organisations and individuals can access funds is too complex and suggested that the system of allocating EU funding in Ireland may be better suited to small-scale rural development than the systems previously adopted in Wales.
- *Too short a time scale is given for submission of grant applications:* For example, the WTB were thought to only allow three months, with only a 13% success rate for applicants. It was suggested that there should be earlier and better publicity of such grants.
- *High business rates on non-agricultural enterprises.* The level of business rates was considered inequitable and damaging to economically marginal businesses when compared to large companies, and there was a suggestion that separate businesses owned by one individual on one property should not be charged separately. A farmer at one of the focus groups had diversified his farm into a museum but had subsequently reverted to full-time farming as the high business rates had made it uneconomic.

Overcomplicated network of supporting organisations

- 6.23 At the focus groups there was a perception that there is too much generalist advice and not enough specific and informed help. The advice also tends to be uncoordinated and so can be contradictory (para 4.6). This is a particular problem as most of the innovative farmers have now diversified – the remainder are less able and harder to reach and thus need more help, yet are also more easily put off. There was considerable support for 'one stop shops' where all financial, planning and business aspects of a proposal could be dealt with in a simpler and more cohesive fashion, especially with regard to funding applications (paras 4.7 & 4.10),

Other constraints

6.24 Other key factors seen as standing in the way of farm diversification were:

- the closure of small abattoirs coupled, in some cases, with the planning interpretation of livestock slaughtered off the farm (as required by EU regulations) as no longer a product of the farm when sold in the farm shop.
- Although not covered by this study, it is clear that tenant farmers may be greatly restricted in their ability to diversify by their tenancy agreement. As a tenant at one of the focus groups commented *"the potential for diversification is minimal because of the landowner and there is no incentive for him to do it at all"*

In summary:

- Many farmers who have not diversified are wary of diversification and would prefer to diversify within farming or seek supplementary off farm income, as in Germany, rather than develop diversification businesses on the farm. There is a concern that the scope to diversify is limited by isolation and other geographical factors.
- From the focus groups and the case studies, it is clear that the farming community sees the benefits of the planning system, even if they may have personal frustrations with it. They recognise its value in maintaining environmental quality and recognise the need to prevent the market being flooded with inappropriate diversification proposals which would create unnecessary competition between farmers, ultimately suiting no-one.
- Factors that have enabled diversification include skills, enthusiasm and a 'good idea'. The role of women was considered particularly important in initiating and sustaining diversification activities. But they may also have different constraints than men which may need different solutions and support mechanisms. The same may be true of incomers.
- There is a perception that a range of complex hurdles stand in the way of diversification. With the exception of the Caernarvon focus group, it was felt that financial constraints were of equal or greater concern than planning, with WTB grants coming in for particularly strong criticism. Other constraints included geographical isolation, high business rates, and lack of expertise.
- Some individuals have, without doubt, been frustrated by the planning system and have felt that planning officers have been unhelpful. In some cases these frustrations relate to past experience rather than current practice. Where proposals have been approved (the majority of cases) applicants have usually seen the LPA as supportive and helpful. Overall, farmers wishing to diversify may be disadvantaged by their limited understanding of current planning policy and practice.
- Farmers would like to see greater clarity and transparency in the planning process and also greater flexibility - it is thought that such flexibility could be achieved without risk of major environmental impact (para 3.13).

- There is a desire for simple, straightforward and co-ordinated one to one advice on business development, planning and grant applications which avoids the frustration of applicants receiving different advice at different times from different people.
- Although not covered by this study, it is clear that tenant farmers may be greatly restricted in their ability to diversify by their tenancy agreement. This requires separate investigation.

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7 LOW IMPACT DEVELOPMENT

- 7.1 This Chapter outlines some of the specific issues associated with Low Impact Development to reflect one of the objectives in the brief "to consider if low impact developments are adequately catered for in planning policies at national and local level". This is only an introduction to this subject which requires separate and more detailed investigation.

What is Low Impact Development?

- 7.2 The term 'Low Impact Development' was coined by Simon Fairlie⁴¹ in 1996 in his book of the same name: *Low Impact Development: Planning and People in a Sustainable Countryside*⁴². He defined Low Impact Development as follows:

"A low impact development is one that, through its low negative environmental impact, either enhances or does not significantly diminish environmental quality" (p. xiii)

and goes on to define nine criteria for such development. That it:

- *"is temporary*
- *is small-scale*
- *is unobtrusive*
- *is made predominantly from local materials*
- *protects wildlife and enhances biodiversity*
- *consumes low levels of non-renewable resources*
- *generates little traffic*
- *is used for a low impact or sustainable purpose*
- *is linked to positive environmental benefit."* (p. 55)

Thus he was seeking to define a type of development which is sustainable by virtue of its light touch on its local environment.

- 7.3 It is important to understand the context for this definition. Although development with such attributes might have equal benefit in an urban location, its application is intended to be primarily in rural areas. Even in rural areas development with such qualities might be regarded as unusually innocuous were it not for the fact that Low Impact Development usually involves human residence on the development site.

- 7.4 Low Impact Development is often closely linked with the notion of Permaculture, a word created by Bill Molison, an Australian scientist, in the 1970s through the contraction of **permanent agriculture** to form the new word.

*"Permaculture is a system by which we can exist on the earth by using the energy that is in flux and relatively harmless, and by using the food and natural resources that are abundant in such a way that we don't continually destroy life on earth". (p. 1)*⁴³

⁴¹ Former editor of The Ecologist and a founder and resident of the low impact settlement Tinker's Bubble in Somerset

⁴² John Carpenter, Charlbury

- 7.5 Low Impact Development is intended to be more than the utilisation of more sustainable building technologies and land management techniques. Although subject to many permutations, it essentially defines a form of subsistence-based development made up of a combination of a dwelling and the land to support it, which are managed together in such a way as to give high self-sufficiency in food and other naturally-occurring resources, and to maximise the wider environmental benefits of habitation on the site. As such, Low Impact Development describes a lifestyle as much as physical forms of development. Aspects of sustainability supported are enhancement of local biodiversity and intrinsically low needs to travel.

The extent of Low Impact Development

- 7.6 Activities which could be classed as Low Impact Development have a history of being informal and inconspicuous, with notable exceptions such as Tepee Valley. Hence the extent of Low Impact Development in Wales is hard to discern. Discussions with various individuals and organisations involved in the promotion of Low Impact Development suggest that such development, whilst not numerous, might be quite widespread in Wales. The number of those wishing to undertake Low Impact Development may also be significant. Relatively few cases of Low Impact Development are involved with the planning system. The two most notable cases, Tir Penrhos Isaf and Brithdir Mawr, are examined as case studies below.

Low Impact Development and planning

- 7.7 The development of the notion of Low Impact Development sprang directly from Fairlie's experiences at Tinker's Bubble, a low impact settlement near Yeovil in Somerset which he helped found and still lives at. Tinker's Bubble fell foul of the planning system leading to appeals against enforcement notices and the refusal of a planning application for the development in 1995. The Inspector concerned was minded to allow a temporary permission for three years for the development but the case was called in by the then Secretary of State for the Environment, John Gummer, and dismissed. Subsequently, a further application was submitted to South Somerset District Council in 1998 and allowed in January 1999 on a temporary consent until 2003.
- 7.8 Much of the activity falling within Low Impact Development might be regarded as agriculture or forestry and thus lies outside the planning system. Furthermore, barns and other associated developments may be covered by agricultural Permitted Development Rights (PDRs). However, dwellings require planning permission and it is at this point that Low Impact Development normally interfaces with the planning system.
- 7.9 It is a longstanding principle of Welsh planning policy that new dwellings should not be permitted in the open countryside except in exceptional circumstances. One such exception is the erection of a new house for an agricultural worker who cannot be housed locally or who has to be present on the site. As set out in *TAN 6 Agriculture and Rural Development*, such applications are judged against strict functional and

⁴³ Bill Mollison, *Introduction to Permaculture*, 1991, Tagari, Australia

financial tests devised to try and prevent abuse of this exception to planning policy. As Low Impact Development can be construed as a combination of residence and subsistence agriculture, these functional and financial tests for a new agricultural worker's dwelling are often applied to the residential aspects of Low Impact Development.

Low Impact Development and farm diversification

- 7.10 On first examination Low Impact Development may seem to have little to do with farm diversification as it is essentially concerned with subsistence-based living in the countryside rather than the diversification of existing farm incomes. Thus the only way in which a farmer might become involved would be to sell or rent land to Low Impact Developers. However, it could be that in limited circumstances it can offer an alternative form of farm diversification, the full economic, social and environmental benefits and disbenefits of which are, as yet, not well understood.

Case studies

Brithdir Mawr

- 7.11 Brithdir Mawr is a community currently of 12 adults, seven teenagers and four children under 10. They have a 67 hectare holding and live in the farmhouse, converted barns in the farmstead and an annex and freestanding geodesic dome house. The farmyard also contains a hostel for visitors. There are Permaculture gardens close to the house and the remaining fields and woods are farmed and managed in an ecologically sustainable fashion under a management plan for the whole holding.
- 7.12 In the summer of 1998 an aerial survey organised by Pembrokeshire Coast National Park Authority recorded a range of unauthorised developments at Brithdir Mawr, including a roundhouse dwelling. All contraventions were resolved with the exception of the roundhouse which became the subject of a planning appeal, heard at Inquiry in November 2000. Pembrokeshire Coast National Park Authority regarded the roundhouse as an unauthorised agricultural worker's dwelling which could not be justified by either the functional or financial tests set out in TAN 6, informed by the broader perspective that there were already 10 adults living on site. The appellants argued that the tests were not appropriate to a case such as Brithdir Mawr as the lifestyle conducted on the site required their residence there despite not offering them an agricultural minimum wage. Pembrokeshire County Council's Principal Surveyor commented that the character of the development made it difficult to evaluate it simply as if it were an agricultural worker's dwelling and that it might be regarded instead as an experiment in 'alternative living' in a sustainable and largely self-sufficient fashion. The roundhouse is constructed of local and recycled materials, is designed to biodegrade and cost £2500 to complete. This case has now been determined by the Inspectorate, in favour of Pembrokeshire Coast National Park Authority.

Tir Penrhos Isaf

- 7.13 Tir Penrhos Isaf is a three hectare holding in Snowdonia which has been worked since 1986 by a family of three, according to Permaculture principles. These have

brought about a great increase in biodiversity and productivity of the land. An agricultural worker's dwelling was applied for in 1986 and refused. In 1991 temporary consent for a caravan on the site was allowed. This permission was renewed in 1995 and again in 1998. This third temporary consent has now expired and applications have been received for a further extension of one year and for a low impact dwelling.

- 7.14 Throughout this case Snowdonia National Park Authority has viewed the applications to live on the site as applications for agricultural workers' dwellings. The Authority's Agricultural Liaison Officer has not been convinced of the functional or financial justification for such a dwelling or of the appropriateness of Permaculture to the landscape of Snowdonia. Nevertheless, the agricultural, ecological and environmental benefits of the development are recognised. The current planning applications are likely to be determined in January 2001.

Tinker's Bubble

- 7.15 Although not in Wales, the case of Tinker's Bubble in Somerset is included as its planning position has currently been resolved and it is a longstanding and detailed example of Low Impact Development from which much can be learned.
- 7.16 There are currently nine adults and three children living on the 16 hectare site occupying a variety of temporary dwellings. Its planning history is recounted above. The grant of permission in 1999 was not based simply on assessing the application as a number of agricultural worker's dwellings. Instead the application was judged as a mixed use, involving residential occupation in connection with an alternative and sustainable lifestyle. Thus the residential occupation of the site was viewed in the context of the other features of the mixed use such as the management of the holding relying on residents on site and the temporary nature of the dwellings which could be easily removed from the site when no longer required. Accordingly the development was allowed on a temporary basis until 2003 subject to conditions and a legal agreement incorporating a management agreement for the site and annual reporting on the progress of the development.
- 7.17 ***Views of planning officers:*** In all three case studies the LPA officers concerned were interviewed as well as the residents of the site. The view of all of the officers was that, although the policies for an agricultural worker's dwelling are often the only policy test they have readily available for Low Impact Development, this may not be the right test recognising the subsistence nature of these developments.

Issues raised by Low Impact Development for planning guidance

- 7.18 Currently there is no mention of Low Impact Development in *Planning Guidance (Wales): Planning Policy 1999* and no guidance on how it should be treated in TAN 6. In consequence, as outlined above, policy guidance on agricultural workers' dwellings is used as 'the nearest fit' in determining such planning applications.
- 7.19 Other than the experience at Tinkers Bubble, little consideration has been given in the UK to the interface between Low Impact Development and the planning system

and its potential interrelationship with policies for farm diversification. Key exceptions are references to Low Impact Development in:

- the Scottish Assembly's *National Planning Policy Guidance Note 15: Rural Development*
- the Adopted *Carmathenshire District Local Plan*,
- the *Milton Keynes Deposit Local Plan 2000*
- the *South Somerset Deposit Local Plan*
- the *Torridge District Local Plan First Deposit 1999*.

These are included as **Appendix 6**.

- 7.20 In terms of future planning guidance for Wales, the key debate is whether the tests applied to agricultural workers' dwellings are appropriate for Low Impact Development and, if not, what alternative tests or criteria should be used? The current tests for agricultural workers' dwellings were not formulated with Low Impact Development in mind and are based on the functional and financial justification for a new dwelling in support of traditional agriculture. These tests were devised to prevent abuse of the system in the face of high demand for houses in the countryside unrelated to a genuine agricultural enterprise. As a subsistence-based lifestyle, Low Impact Development does not fit these tests well – it is usually not necessary or possible to generate the equivalent of a full-time agricultural wage. Equally more labour is required than in traditional agriculture.
- 7.21 In response to this potential miss match of objectives, some LPAs as named above, have developed alternative tests or criteria by which Low Impact Development can be judged as an exception to policies resisting development in the open countryside. In addition, Simon Fairlie in *The Land is Ours*⁴⁴ has set out *Fifteen Criteria for Sustainable Development*, also included in **Appendix 6**.
- 7.22 Before a decision can be reached on the need for new planning guidance on Low Impact Development and the potential for an alternative test or criteria, further research is required to assess its suitability in the Welsh countryside. Consideration needs to be given to its potential economic, social and environmental benefits and disbenefits, its relationship to traditional agriculture, and its potential implications for Welsh culture and ways of life. Furthermore, if this leads on to consideration of alternative tests or criteria by which it is judged as an exception to normal policies for development in the countryside, detailed thought will need to be given to:
- The definition of Low Impact Development (as outlined above, a number of definitions are already available)
 - How the planning criteria for Low Impact Development should be seen alongside those for agricultural workers' dwellings, ensuring that the farming community is treated in an equitable way

⁴⁴ John Carpenter, Charlbury

- The safeguards that would need to be put in place to ensure that Low Impact Development can be properly controlled and guaranteed to remain as Low Impact Development. This is not covered by current policy for agricultural workers' dwellings but has been demonstrated by the Section 106 Agreement and conditions applied to Tinker's Bubble and the recent decision by the Secretary of State for the Environment, Transport and the Regions to allow planning permission for the Kings Hill community in Somerset⁴⁵

In summary: The extent of Low Impact Development in Wales is not known. Currently this type of development is not addressed at all in *Planning Guidance (Wales): Planning Policy 1999* or TAN 6 and, for the purposes of development control, is usually assessed according to the functional and financial tests applied to agricultural workers' dwellings. Further research is required to assess the suitability of Low Impact Development in Wales and its relationship to traditional agriculture and farm diversification. In turn, consideration should be given to the applicability of current guidance and whether Low Impact Development should be judged as an exception to normal policy on development in the countryside, according to criteria specifically devised for Low Impact Development.

⁴⁵ Appeal references APP/Q3305/A/95/248044, A/99/1028348

8 CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

8.1 The key conclusions of this study are:

Overall conclusions

- Integrated rural development (which seeks the integration of social, economic and environmental objectives in rural areas) provides the expression of sustainable development in rural areas. Much has been written about integrated rural development in Wales but as yet there is no over-arching vision for the countryside of Wales which clearly articulates how the Assembly's Strategic Plan for Sustainability should be taken forward in the countryside. Such a vision is needed to provide the framework for more detailed policies and actions in support of integrated rural development, including those specifically relating to farm diversification and planning, which forms the subject of this research (paras 1.7 – 1.8).
- There are no findings from this study that suggest that planning is a major barrier to farm diversification or that there needs to be a fundamental overhaul of the planning system - its policies or procedures – to achieve farm diversification as part of broader actions in support of integrated rural development. Planning exists for good reason – to encourage beneficial development and to ensure that social, economic and environmental capital are conserved and enhanced to the advantage of all. This role appears to be generally understood by the farming community (paras 6.12 & 6.16). Some farm diversification applications will be refused, and for good reason, because their disbenefits very strongly outweigh their benefits. There is, however, need for clarification of policy and for improvements in how the planning system is delivered to farmers and rural entrepreneurs. This is picked up in the recommendations that follow.
- From national consultations on farm diversification there is a common view that it is the impact of development rather than the type of use, which is the key concern. This highlights the importance of avoiding generalisations about types of use in planning policy, while focusing on the fit of development into its local social, economic and environmental context (para 2.18).

Number of planning applications for farm diversification enterprises

- From detailed review of the planning registers of six LPAs in Wales (including Snowdonia National Park Authority and Pembrokeshire Coast National Park Authority) over the three-year period May 1997 – May 2000, it is evident that the number of planning applications for farm diversification has not been great, ranging from an average of 19 per year in Pembrokeshire (County) to only six per year in Flintshire (paras 2.31 & 2.33).
- Across all the six sample LPAs, building re-use was the most common form of farm diversification development (57% of applications) followed by change of use

of land (24% of applications). New buildings made up 12% of applications (para 2.34).

- Tourism was the most common form of diversification activity for which a planning application was made (50% of applications) followed by recreation (10%). B1 uses made up 9% of all applications in the sample local authorities, followed by storage and equestrian activities at 6% each (para 2.35).
- Geographically, there is a particular concentration of tourism activity in the National Parks (over 60% of applications) with other activities broadly spread across all areas, although storage and manufacturing are more prevalent in the accessible eastern parts of Wales (para 2.35).
- Most applications within the sample LPAs related to buildings or land attached to a working farm (89% of applications), although the farm unit may be very small (para 2.38). 40% of all farm diversification applications were for developments in isolated countryside ie in excess of 5 miles from a town or A road (para 3.37).
- Although the findings from this study give an indication of the extent of farm diversification activity requiring planning permission, it is clear that there is a general lack of data on those aspects of farm and rural diversification which are not subject to planning controls and yet form an essential part of the overall picture of farm diversification activity and the winning of income by farmers from sources other than farming (paras 2.21 – 2.25).

Development plan policies on farm diversification

- The take up of *Planning Guidance (Wales): Planning Policy 1999* and TAN 6 (2000) guidance on rural diversification within the statutory development plans of LPAs is variable. The broad thrust of guidance is adequately represented, other than the approach to rural building re-use where many plans do not reflect the preference of national guidance for economic rather than residential building conversions (paras 3.44 – 3.47). However, much of the detail of *Planning Guidance (Wales): Planning Policy 1999* is not addressed and, on the whole, plan policies for farm diversification, where they exist, appear to strike a more restrictive stance (paras 3.77 – 3.79) - although this is not carried through in practice, as described below.
- Development plan policies appear to be ambivalent as to whether farm diversification is different to other forms of rural development and therefore should be treated as an exception to broader rural policy/settlement strategy which seeks to:
 - focus economic development in settlements
 - protect the open countryside from development
 - prevent the generation of traffic in inaccessible locations (paras 3.21 – 3.27).
- Thus, within plans, there is frequently an unresolved tension between farm diversification and transport policies (paras 3.52 – 3.57) and sometimes a lack of

clarity as to the relationship between farm diversification and landscape policies (paras 3.62 – 3.63).

- It is also unclear whether the potential exception of farm diversification from broader rural policy/settlement strategy, should be made simply for small-scale economic development in the open countryside, usually on a farm, or whether it should only apply to (a) diversification enterprises clearly linked to an active farm unit *where it is assisting in maintaining farm income* and/or (b) a development within or directly adjacent to an existing farmstead where it is likely to be less intrusive than in the open countryside (paras 3.22 – 3.24).
- The above three points are not helped by *Planning Guidance (Wales): Planning Policy 1999* which makes no clear distinction between farm, as opposed to rural, diversification (para 3.21).

Approval rates for farm diversification

- Planning approval rates for farm diversification activities are high. Within the six sample LPAs, over the last three years, 89% of all farm diversification applications were approved. This approval rate increases to over 90% in remote rural areas and averages 80% in more affluent areas under an urban influence, where development pressures are likely to be higher (para 5.2 – 5.3).
- Overall there is no difference in approval rates between National Park Authorities and Unitary Authorities (para 5.3).
- The main factors that appear to influence planning decisions are, not surprisingly, design/appearance, landscape, and traffic movements. These too are the main considerations to appear as conditions, along with occupancy conditions on tourist accommodation. Within the sample, practically no farm plans have been submitted in support of farm diversification planning applications (para 5.5).
- Developments with the highest refusal rates are static caravan sites (para 5.4).
- Planning fees have not been excessive - with 75% of applicants in the sample paying £190 or less (paras 4.21 – 4.22) and the majority of applications (at least within the sample local authorities) have been determined within 13 weeks (paras 4.30 – 4.31).
- Across the whole of Wales there have only been five appeals relating to farm diversification over the three years May 1997 – 2000. This is an indication of the overall low refusal rate and is too small a sample from which to identify specific issues (para 5.14).

The development control process

- The above approval rates indicate that planning applications for farm diversification are usually viewed favourably by LPAs - often being treated implicitly as an exception to rural planning policies, even where this is not explicitly stated in the development plan. However, this very flexibility is also

seen as a disadvantage by some national consultees in that it reduces the clarity (paras 2.13 & 4.28).

- Discussions with Development Control (DC) Officers has indicated their willingness to advise applicants at the pre-application stage. These enquiries are usually given the same level of treatment as a full planning application, including a site visit and/or meeting with the applicant. Indeed, this early consultation is welcomed as a means of ensuring proposals meet the requirements of the LPA from the outset. The value of these discussions has been endorsed by the applicants interviewed as part of the case studies (para 4.14).
- There is concern that the benefits of consultation and advice will be overlooked in the implementation of Best Value, where the outreach activities of LPAs may be judged strictly in financial terms, with emphasis on speed and efficiency rather than quality of advice and suitability of subsequent development. It is possible that in the future a charge will be made for pre-application advice (para 4.15).
- Resource constraints mean that pre-application discussions may not be recorded. This significantly reduces their value as it hinders continuity and runs the risk of applicants receiving contradictory advice – one of the main concerns of applicants interviewed through the case studies. In a number of authorities this is now being overcome through the use of IT, including GIS (para 4.19).
- Better links between LPAs and the farming community are being forged by farming fora and other mechanisms. Traditionally these links were best established in the National Parks but now the work of LA21 Officers and Economic Development Officers in promoting local food and other farm-based economic activities, and emerging community strategies, are helping forge a new pro-active relationship with the farming community. But the link between these initiatives and the planning department are often poor (paras 4.5 – 4.6).

Views and perceptions of the farming community

- Many farmers, especially those who have not diversified to date, are wary of diversification. They would prefer to stay in farming, potentially supplemented by income off the farm, rather than trying to develop a diversification enterprise with which they are not familiar (paras 2.3 & 6.7 – 6.8).
- From the focus groups and the case studies, it is clear that the farming community sees the benefits of the planning system and, while they may have personal frustrations with it, recognise its value and importance in maintaining environmental quality (paras 2.12 & 6.16) and preventing the market from being flooded with inappropriate diversification proposals which would create unnecessary competition between farmers, ultimately suiting no-one (para 6.12).
- Factors that have enabled diversification include skills, enthusiasm and a 'good idea'. The role of women was considered particularly important in initiating and sustaining diversification activities. But they may also have different constraints than men which may need different solutions and support mechanisms. The same may be true of incomers (para 6.16).

- From the focus group discussions it is apparent that there are things other than planning which are standing in the way of farm diversification, such as the lack of personal capital, poor access to other capital, lack of a market, lack of ideas and the determination to make a diversification proposal work, high business rates, lack of expertise and uncoordinated information not tailored to the needs of individual farmers (paras 6.18, 6.20 & 6.22 – 6.24).
- Most farmers see finances and the ability to access grant aid as greater constraints on farm diversification than planning – WTB grants came in for particularly strong criticism in this respect (para 6.19). Indeed, in the case studies, where the planning application had been approved by the LPA, the planning process was generally seen as fair and transparent, with DC Officers seen as helpful and supportive (para 6.16). But some applicants remain concerned that they have been poorly treated by planning officers, suggesting variability between LPAs (para 6.20).
- From this research there are no strong indications that planning is putting off applicants from coming forward with diversification proposals. Indeed, it appears that much of the bad press for planning relates to past experiences rather than the current situation. A number of farmers interviewed had noted a change (for the better) in the attitude of the LPA over the last few years (para 6.16), although there remains a frustration that applicants may receive different advice from different officers and between different local authority departments and consultees, with sometimes a failure to communicate between departments (para 4.6). The requirements of highways departments were seen as particularly restrictive.
- Although not covered by this study, it is clear that tenant farmers may be greatly restricted in their ability to diversify by their tenancy agreement. This requires separate investigation (para 6.24)
- In response to the above, farmers identified the need for a one stop shop for **non-conflicting advice**, with advice tailored to individual needs. . It was felt that this might be best provided by an independent body (paras 4.7 & 4.10)

RECOMMENDATIONS

8.2 Based on the findings of this study, a range of recommendations are made reflecting the findings of this study, to assist in the delivery of farm diversification for the benefit of the farming community and in keeping with the objectives of sustainable development and integrated rural development. These are considered under the following heads:

- Changes to primary and secondary legislation
- Changes to national policy guidance (PG Wales/Planning Policy Wales and TAN 6)
- Best practice in statutory development plans and supplementary planning guidance (SPG)
- Improved communications

- An early response
- Further research

- 8.3 As already noted, there are no findings in this study to suggest that there needs to be a fundamental overhaul of the planning system. Furthermore, even were all the hurdles associated with the planning system removed, there is little indication that a significantly greater number of farm diversification schemes would be forthcoming. Many other factors are arguably more influential in holding back farm diversification.
- 8.4 Nevertheless, there are specific elements of planning policy and procedure that could be improved to provide better support for farm diversification.

Changes to primary and secondary legislation

- 8.5 A range of proposals have been put forward **by others**, involving a change to primary or secondary legislation (para 2.18). Our response to these proposals, based on the findings of this research, are:

RECOMMENDATION 1: Farm developments should NOT be added to the B1 use class (thus removing the requirement for planning permission for a change of use to other business purposes): This is not recommended for a number of important reasons. First, there is insufficient development in the B1 use class to justify such a change in planning legislation (9% of all applications within this study). However, should such a relaxation occur it may encourage a pattern of outward movement of small economic activities from towns into the surrounding countryside, as businesses seek out cheaper rents. This could significantly affect policies for town and village centre regeneration while doing little to provide rural employment opportunities either in accessible rural areas (as existing employees would be drawn out from surrounding towns), or in remoter rural areas where there is low demand for this type of development. Second, where there is demand for B1, farmers' creditors are likely to want to 'asset strip' the farm by re-using the buildings in order to recover their investment, in so doing crippling the long term viability of the farm. Third, through such deregulation the important ability to make problematic B1 activities acceptable through the use of conditions would be lost. Where B1 uses are acceptable in terms of impact they will receive approval under the current system.

RECOMMENDATION 2: A Rural Business or Enterprise Use class should NOT be introduced: Such a blanket approach would not allow the identification of farm diversification best suited to the locality. The scope of acceptable uses is likely to be very difficult to define and therefore is likely to end up being both relatively broad and restrictive. The idea assumes that there would be general and geographic agreement on the definition of an acceptable rural business use; this is unlikely to be the case. How, for example, can timber processing be put into the same category as goats cheese manufacture? This suggests that there would need to be different thresholds for different uses within the use class (resulting in a similar level of complexity that currently besets Part 6 Permitted Development Rights in the GDPO). This would be a poor surrogate for clear criteria-based policies in development plans, reflecting local circumstances.

RECOMMENDATION 3: The use classes order should not be changed to include general leisure and recreation uses within the definition of farming. This is not recommended for the reasons outline above and the long established concerns about noisy sports and caravan sites in the countryside.

Changes to national policy guidance

- 8.6 National guidance does provide support for rural diversification – the problem appears to be ensuring that this guidance is adequately reflected in development plan policies. Nonetheless, there are some areas that would benefit from further clarification in national guidance (recommendations 5-8 are linked). These are:

RECOMMENDATION 4: A national vision/strategy is required for integrated rural development. This is required to provide an over-arching framework for all policies and actions in this area, including those driven by European funding. This is partly provided by the *Wales Rural Development Plan* and the *Objective 1 Single Programming Document* and the forthcoming *Strategy for Agriculture in Wales*. But in combination these do not provide a vision of future land use in rural areas. In the context of this study, this is needed to identify where and how new development should occur in rural areas and for whose benefit, and how this relates to broader sustainability objectives.

RECOMMENDATION 5: National guidance should identify farm diversification as separate from rural diversification: In *Planning Guidance (Wales): Planning Policy 1999* no clear distinction is drawn between rural and farm diversification. This is unhelpful. In practice, planning for farm diversification is being operated on a different basis to planning for rural diversification, in that as part of farm diversification, economic development is often allowed in relatively isolated locations in the open countryside, whereas the broad thrust of policy is to focus economic development on larger settlements. Thus farm diversification is a *de facto* exception to settlement strategy and policies relating to development in the open countryside, and there would be benefit in recognising this in national guidance.

RECOMMENDATION 6: National guidance should clarify the nature of farm diversification: If farm diversification is identified as an exception to settlement strategy, the term '*farm diversification*' requires clearer definition. There are essentially two types of farm diversification:

- that which concerns farm land or buildings which are attached to an actively farmed unit; and
- that which still concerns farm land or buildings but which is no longer attached to an actively farmed unit.

The key benefits of farm diversification (and why it may be treated as an exception) are: first, that it allows the creation of commercial opportunities providing rural employment that utilises existing resources (usually farm buildings); and second, (and of equal if not greater importance) because it offers an alternative income thereby helping maintain the viability of individual farm units.

If farm diversification is not attached to an active farm unit, only one of these benefits is realised and, for this reason, it may be regarded as less of a justified exception. National guidance should make clear these distinctions.

National guidance should also make a distinction between diversification activities that occur within or adjacent to an existing farmstead and those which occur in the open countryside and thus are more likely to be intrusive.

RECOMMENDATION 7: National guidance should encourage development plan policies for rural and farm diversification to be based on a clear understanding of local circumstances: Rural areas are diverse in character and settlement patterns differ. In consequence, if integrated rural development is to bring lasting benefits and is to be sustainable, it must be tailored to the locality. This requires a sound understanding of local social, economic, agricultural and environmental characteristics to inform local objectives, and to ensure that rural projects, initiatives and developments bring clear social, economic and environmental **benefits** – reflecting the spatial characteristics of the locality. The objectives so derived should also form the bond between planning policies and the targeting of European and other rural initiatives and sources of funding, ensuring that there is clear co-ordination between planning and other integrated rural development initiatives.

The importance of such an approach is easily illustrated. In remote rural areas with a scattered pattern of settlement, all aspects of farm diversification are likely to be welcomed, whether attached to an active farm or not, as a means of providing rural employment. On the other hand, close to larger towns, there may well be an urban-based demand for commercial premises with cheaper rents in the immediately accessible countryside. Such urban-based pressure often leads to the disposal of farm buildings, the fragmentation of farms and the loss of viable farm holdings. If allowed to proceed unchecked, such pressures could undermine attempts at urban regeneration. In these circumstances policies might justifiably take a more cautious approach to farm diversification and see the attachment to an active farm unit as an important pre-requisite. Between these two extremes, will be many other variations, underlining the importance of policies being clearly rooted in their local geography. As noted by *Antur Teifi* another important consideration will be whether to encourage clusters of similar diversification activities (para 2.25).

RECOMMENDATION 8: National guidance should encourage Local Planning Authorities to develop criteria-based policies in their development plan in support of farm diversification: These should set out:

- The exceptional nature of farm diversification
- The objectives that farm diversification is expected to meet, informed by local circumstances
- The aspects of the individual holding or enterprise that will need to be considered and in what circumstances (eg evidence that the proposal will contribute to the income of an active farm holding, and the location of the development relative to the farmstead)

- How the development should be reconciled with landscape, transport and other policies in the plan
- The specific aspects that will be taken into account when assessing new buildings and potential expansions⁴⁶ for farm diversification.

In this way policies can develop a clear local focus and provide transparency to both applicants and planners, as to the issues that will be taken into account in determining an application for farm diversification. Furthermore, applications can be evaluated in terms of their local social, economic and environmental benefits and disbenefits, not simply in terms of the type or size of the development (*Recommendation 10*).

RECOMMENDATION 9: There should be no change to the current national guidance which gives preference to economic over residential re-use of rural buildings: It is clear that many development plans currently make no distinction between residential and economic conversions⁴⁷. This is almost certainly to the long term detriment of the wider rural economy which is denied the opportunity of creating local workplaces. Residential, compared to economic, conversions are also less well suited to retaining the character and attraction of traditional rural buildings. It may be though, that there will be circumstances in which a residential re-use is preferable to a commercial re-use. Policies based on a clear understanding of local circumstances should identify and justify such cases.

Best practice in statutory development plans and supplementary planning guidance

8.7 The above guidance should be translated into local planning authority policy.

RECOMMENDATION 10: Statutory development plans should contain clear policies on farm diversification. Recommendations 6 – 9 above concerning national guidance, will need to be reflected in the drafting of statutory development plans to ensure that there is clarity with regard to the acceptability of farm diversification proposals. Reflecting the above recommendations, these policies should:

- be based on a sound understanding of local social, economic, agricultural and environmental characteristics, allowing tailoring of policies to local needs. The collection of this information could form part of broader sustainability strategies of which integrated rural development would form a part
- identify farm diversification as an exception to rural policy/settlement strategy
- identify what aspects of farm diversification will be treated as an exception to rural policy/settlement strategy

⁴⁶ Within development plans a variety of approaches have been adopted for dealing with business expansion in the countryside and the potential intensification of use, and in many cases this is not addressed in policy. However, if informed by an understanding of local circumstances the situations in which new buildings and expansions of existing diversification enterprises would be allowed, should be better informed.

⁴⁷ Economic re-use, in this instance is taken to include conversion to tourism accommodation (eg holiday lets) which can bring economic benefits to an area and can allow greater control over the development of a residential curtilage when compared to residential conversions where they can detract from the character of the building and its setting.

- identify that developments within or adjacent to existing farm complexes are likely to be more favourable received compared to those in the open countryside.
- develop clear criteria-based policy(s) reflecting local circumstances against which farm diversification proposals will be judged (including the points as set out in *Recommendation 8*)
- include a clear policy on the abuse of agricultural Permitted Development Rights (PDRs) (paras 3.47 – 3.51)
- identify the circumstances in which residential re-use (ie for permanent habitation) of farm buildings will be considered appropriate, bearing in mind the preference in national guidance for economic re-use
- encourage the use of farm plans/appraisals in specific circumstances (see below).

Where appropriate, these issues may be expanded in supplementary planning guidance which, for the purposes of **illustration only**, could include a list of those types of activity that would be considered as farm diversification. Again this list is likely to be influenced by local circumstances.

RECOMMENDATION 11: Local Planning Authorities should give close consideration to the circumstances in which a farm plan/farm appraisal should be requested as part of a planning application for farm diversification: Farm plans can be time and resource intensive to prepare, and therefore would be inappropriate to request in all cases. Nevertheless, they can be very helpful in demonstrating the link between the proposed diversification activity and the farm business, and the broader benefits that may arise from the development. Specific circumstances in which farm plans/ appraisals might be requested are:

- where additional information is required to ensure the proposal conforms with the LPA policies for farm diversification
 - where the proposal represents a significant expansion or intensification of an existing diversification use.
- (see also *Recommendation 18*).

Improved communications

- 8.8 It is evident from this research that there has been an improvement in communications between planners and the farming community over the last few years. Nevertheless, there is still a perception amongst the farming community that planning is a factor standing in the way of farm diversification. Furthermore, it is clear that there could be better liaison within LPAs between development control and initiatives in support of farm diversification, and between the internal and external consultees who advise on planning applications. In particular, highways departments come in for criticism. In consequence, there are a number of areas that would benefit from improved communications and better systems.

At the national level

RECOMMENDATION 12: The National Assembly for Wales should produce an updated version of the 'Farmers' Guide to the Planning System'. In addition to explaining the planning process in simple language this should:

- set out the Assembly's key objectives for integrated rural development and how farming can deliver social, economic and environmental benefits (see *Recommendation 1*)
- identify the key funding programmes relevant to farming under the Wales Rural Development Programme, Objectives 1-3, and LEADER +, and other national funding initiatives, and relevant closing dates for applications for funding under the key programmes (this may need to be a fold in section so that it can be regularly updated)
- include a suggested sequence of activity for taking forward a 'typical' diversification activity involving a planning application, highlighting how the planning process should dovetail with applications for grant aid, and including a checklist of information that may inform both a planning application and certain grant applications (eg structural surveys of a building in the case of building re-use)
- include best practice examples of farm diversification and the planning process followed.

RECOMMENDATION 13: The RTPI/WLGA should hold a series of regional workshops on farm diversification and integrated rural development for the planning community: Through a series of facilitated sessions the aim would be to raise awareness of farm diversification in the context of integrated rural development, debate the potential spatial issues and implications for planning policy, and explore the pro-active role that planning can take. It will be important for the FUW, NFU and CLA to be closely involved.

RECOMMENDATION 14: The FUW, NFU and CLA should work with the RTPI/WLGA to promote the pro-active role of planning in farm diversification to the farming community. This could be through activities such as articles in farming publications; mail shots to members; and the identification of best practice examples.

RECOMMENDATION 15: The RTPI/WLGA should set up training courses for Local Planning Authority officers in farm diversification: The purpose of these courses would be to help development control officers understand the issues relevant to farm diversification, within the context of integrated rural development.

RECOMMENDATION 16: CCW/ RTPI/WLGA should promote the recommendations in the report 'Development Control in National Parks: A

Guide to Good Practice⁴⁸: This sets out a series of recommendations on good practice in development control, including the role of consultees. These recommendations are directly relevant to farm diversification and all planning authorities not just national parks.

RECOMMENDATION 17: The National Assembly and WLGA should undertake a review of Best Value and its implications for farm diversification: Under the UK *Action Plan for Farming*, the emphasis is on providing better and more co-ordinated advice to farmers. It would be unfortunate therefore if the implementation of Best Value curtailed the valuable pre-application planning advice given by LPAs to potential applicants. How this advice will link to the work of Farming Connect should be explored with FRCA.

RECOMMENDATION 18: The National Assembly in association with the WLGA should undertake a review of farm plans and integrated farm appraisals: Farm plans have been promoted, although not widely used, in support of planning applications for farm diversification for a number of years. As part of other integrated rural development initiatives, a number of other farm appraisal and sustainability appraisal methodologies are being developed. This could potentially lead to duplication of effort and, at worst, could result in a farmer having to undertake different forms of appraisal in support of different types of application (eg grant applications). As far as possible these different approaches should be rationalised to avoid confusion. Good practice guidance should be provided for LPAs on this.

At the local authority level

RECOMMENDATION 19: Local planning authorities should set up Farming Fora where these are not already in place: The key purpose of these fora would be to help break down the barriers between planners and the farming community; address relevant issues as they arise; audit the performance of the planning authority with regard to farm diversification; and assist in the preparation of any guidance/SPG, where relevant.

RECOMMENDATION 20: Where helpful, Supplementary Planning Guidance or other guidance on farm diversification may be prepared by the Local Planning Authority. This guidance would expand on the development plan policies for farm diversification, and might:

- Set out the objectives for integrated rural development and farm diversification for the area
- List the issues that should be considered when preparing an application for farm diversification
- Summarise design issues

⁴⁸ Oxford Brookes University (October 1996) *Development Control in National Parks: A Guide to Good Practice*. Prepared on behalf of the Countryside Commission, the Countryside Council for Wales and the Association of National Park Authorities.

- Link this guidance to initiatives that are being taken in support of integrated rural development within the area
- Provide examples of best practice.

RECOMMENDATION 21: Local Planning Authorities should ensure that there is regular liaison between all those within the authority involved directly or indirectly with farm diversification: It is particularly important that there is close liaison between those promoting farm diversification initiatives (eg economic development officers, LA 21 officers) and development control officers, ensuring that all are aware of each other's activities and are working to the same objectives. It is equally important that there is close liaison between development control officers and the highways department to ensure that highways issues are addressed from the outset of any planning application for farm diversification.

RECOMMENDATION 22: Local Planning Authorities should ensure that there is a standard method for recording pre-application enquiries: This is needed to ensure continuity of advice to the applicant.

An early response

8.9 Many of the above recommendations will take time to put in place. Yet action is needed **now** to assist with the crisis in farming. It is recommended therefore that the following actions are undertaken as soon as possible.

RECOMMENDATION 23: Local Planning Authorities should undertake a local audit of farm diversification: LPAs, with the assistance of representatives of the farming community (potentially forming the start of Farming Fora - *Recommendation 19*) should undertake a rapid audit of their plan policies and the local farm economy to clarify:

- what objectives farm diversification is seeking to achieve in the LPA area and for whom
- how the local plan policies have and should be interpreted to meet these objectives
- the LPA's recent development control record on farm diversification

This is seen as a round table exercise rather than a detailed desk exercise.

RECOMMENDATION 24: Local Planning Authorities should prepare early guidance on farm diversification: Short guidance is needed to clarify to applicants how farm diversification applications are viewed by the planning authority and what criteria they would be expected to meet (if not already explicitly stated in the development plan). This should build on the data collected through the audit suggested above and could subsequently be used to inform the revision of development plan policy and supplementary planning guidance. This guidance could also clearly explain the advice that the LPA and others are able to offer (see below)

RECOMMENDATION 25: A one-stop-shop for farmers should be set up with close links to Local Planning Authorities: A repeated call through this study is for farmers to be able to receive coordinated (joined-up) one to one advice on

diversification. It is suggested that LPAs and/or Farming Connect, should be the focus of this advice, able to provide in one location and at the same time (when appropriate) advice on planning, business development, grants, health and hygiene regulations, farm assurance and marketing, to farmers thinking about diversification. It will be important to ensure that if planning and highway advice is given by those other than the LPA, that this advice is clearly linked to an understanding of what is likely to be approved.

RECOMMENDATION 26: A pre-application form should be produced for the one-stop-shop: So that farmers and others can get the best out of the proposed one-stop-shop, it is suggested that those seeking advice complete a VERY SIMPLE pre-application form setting out the kind of ideas that they have had and the types of advice that they require, covering planning, business advice, grant-aid etc. The aim would be to ensure that the advice they receive is tailored to their needs.

Further research

8.10 This has only been a short research study and there are some areas that require further research. These are:

RECOMMENDATION 27: There should be further research into:

- The wider performance of rural diversification of which farm diversification forms a part (paras 1.11, 2.21 – 2.25).
- The performance of farm diversification in the urban fringe and the potential benefits and disbenefits of such activities (para 5.16).
- The benefits and disbenefits of Low Impact Development and the potential policy implications arising (Chapter 7).
- Review of the role of women in farm diversification and identification of their support needs (para 6.16).
- Review of farm diversification on tenant farms (para 6.24).
- Monitoring of the performance of LPAs with regard to farm diversification.

APPENDICES

APPENDIX 1

PLANNING GUIDANCE (WALES)

PLANNING GUIDANCE (WALES): PLANNING POLICY 1999

National planning policy is set out in *Planning Guidance (Wales): Planning Policy*. First Revision. April 1999. This covers rural and farm diversification but Technical Advisory Note 6 June 2000 (TAN 6) *Agricultural and Rural Development* is also relevant.

The key aspects of this guidance relevant to rural and farm diversification are summarised below.

Sustainable development

Planning Guidance (Wales): Planning Policy 1999 incorporates (para 3.2.1) four broad objectives with regard to sustainable development which correspond to the Brundtland definition (1987) of meeting economic and social needs, protecting the environment and ensuring the prudent use of resources. In addition application of the 'precautionary principle' towards the environment is seen as a key role of the planning system, and promotion of biodiversity is strongly emphasised as a key requirement for development plans (para 3.2.3.).

Economic development

While *Planning Guidance (Wales): Planning Policy 1999* favours economic development within existing urban locations (para 10.1.3), in particular the heavily populated coastal strips in south Wales and north east Wales, it acknowledges the emphasis that Government has given to creating a fairer distribution of jobs and investment throughout all parts of Wales. The south Wales valleys and rural areas are two target areas defined. In addition, support is encouraged for the identification of sites for Industrial Villages that could accommodate small and medium-sized technology companies.

Rural diversification

Planning Guidance (Wales): Planning Policy 1999 (para 10.3.1) draws on the DoE (1995) Good Practice Guide (*Planning for Rural Diversification*) which emphasises the Government's economic objectives for rural areas, and within the Countryside chapter (para 5.1.1) the Welsh policy guidance places a requirement on local authorities that development in the countryside "should benefit the rural economy and maintain or enhance the environment".

Farm diversification policies and developments

Planning Guidance (Wales): Planning Policy 1999 (para 10.3.4) explicitly emphasises that development plans should "contain policies which **encourage** economic development and diversification in rural areas". Some commercial and light industrial activities are seen as acceptable alternative uses in rural areas, and the processing of agricultural products is seen as a potential farm diversification activity that can contribute to the rural economy. The guidance highlights that the economic and social needs of the area, and environmental and traffic considerations will all be relevant factors for consideration.

TAN 6 encourages the use of farm plans (para 24) relating to diversification proposals. TAN 6 (para 14) also provides guidance on size and cumulative impact for proposals relating to the re-use of complexes of farm buildings.

Farm shops: Specific references are made to farm shops in *Planning Guidance (Wales): Planning Policy 1999* in relation to the availability of services in urban and rural areas (para 10.2.1) and as ancillary uses to help meet demand for local produce throughout the year (para 10.2.21) while considering impacts on village shops and related traffic generation. TAN 6 highlights the differences between farm shops selling unprocessed farm goods and those requiring planning permission selling produce from outside (para 21). In addition it suggests that conditions can be imposed on produce available at farm shops likely to have adverse effects on nearby village shops.

Farm workshops: TAN6 states (para 23) that use of a building on a holding as a workshop for the central maintenance of agricultural equipment does not require planning permission where it serves the needs of that farm business.

Small farm-based operations: Such operations are encouraged by TAN 6 and examples suggested are for food and timber processing, food packing, workshop facilities, equipment hire and maintenance especially for other farms, and recreation services, together with the production of non-food crops and renewable energy. Woodland-based enterprises that add to rural diversification are also encouraged (para 25).

Tourism and recreation: Tourism is primarily encouraged in existing urban areas and in locations well served by public transport (*Planning Guidance (Wales): Planning Policy 1999*, para 12.1.1; 12.1.2). The scale and nature of developments in rural areas must be sensitive to local environments. With regard to sport and recreation in rural areas the dual use of school facilities and the provision of village halls and conversion of farm buildings is encouraged (para 12.2.4). Specific policies for keeping horses and equestrian activities requiring planning permission are explained in TAN 6 (para 59/60) With regard to holiday accommodation (para 20) emphasises that residential conversions for holiday use have more to contribute to the rural economy.

Re-use and adaptation of rural buildings

Planning Guidance (Wales): Planning Policy (para 10.5.1; 10.5.2) encourages LPAs to adopt a positive approach to the conversion of rural buildings for business use and lists five objectives to consider. Business conversions are favoured over residential re-use in relation to the conversion of buildings, and specific guidance allows those authorities where local employment is a priority to include policies within the plan to this effect. TAN 6 (para 16) sets out that planning conditions may be attached for the grant of planning permission for agricultural buildings for non-agricultural purposes. Additionally, a condition withdrawing permitted development rights for new farm buildings in respect of that holding or farm may be applied.

With regard to the re-use of agricultural buildings for farm diversification it is suggested (TAN 6, para 17) that local planning authorities may wish to seek a planning obligation to tie the building to the land, so as to discourage fragmentation of the agricultural unit through separate sale of the building. Para 12 emphasises that when assessing applications for re-use the primary consideration is whether the nature and extent of the new use proposed is acceptable in planning terms, not whether the building is no longer required for agricultural

use. In addition, authorities are encouraged to compile and promote registers of rural buildings with unimplemented planning permissions for business re-use (para 18).

Transport and highway safety

Planning Guidance (Wales): Planning Policy 1999 makes reference to the Transport White Paper (1998) 'A New Deal for Transport' which incorporates the objectives of achieving an integrated transport system as well as reducing the need to travel, and encouraging a better mix between transport and land use planning. TAN 6 refers to transport (para 14) under size and cumulative impacts of large farm complexes, but not in relation to farm diversification.

Best and Most Versatile Land

Planning Guidance (Wales): Planning Policy 1999 refers to agricultural land classifications (para 5.2) and while it does not relate this to farm diversification activities it gives considerable weight to protection of grades 1, 2 and 3a BMV land. TAN 6 reiterates *Planning Guidance Wales* and notes (para 4) that land that is built upon, for example, for 'soft' uses such as golf courses, is seldom suitable for return to BMV land.

Environment and nature conservation

Planning Guidance (Wales): Planning Policy 1999 contains full explanatory background policy towards agricultural land, landscape and nature conservation designations. It emphasises the statutory role of the Countryside Council for Wales in development control decisions. There is also specific emphasis in relation to development control decisions within National Parks and guidance for AONBs, stressing that these should favour the conservation of natural beauty but have regard to the economic and social well-being of communities. (para 5.3.15). There is a clear hierarchy of policy guidance between international, national and sites of local importance. Currently there are no green belts in Wales but policy is set out separately for consideration by authorities subject to significant pressures for development (para 7.1.1) which are similar to those for PPG2 (England).

The historic environment

Planning Guidance (Wales): Planning Policy 1999 highlights that protection and enhancement of the environment is a key aspect for local authorities with responsibility for both planning policy and development control. With regard to historic buildings (para 5.5.3) it acknowledges that not all original uses will be viable or appropriate for listed buildings and policies "should recognise the need for flexibility where new uses have to be considered to secure a building's survival".

Design/appearance

Good design is seen as a way of promoting sustainable development *Planning Guidance (Wales): Planning Policy* (para 4.2.1) and developing a sense of place. Local authorities are encouraged to promote local distinctiveness through plan policies and supplementary guidance. Sensitive areas of landscape and townscape should be given particular weight in policy making. Annex B of TAN 6 sets out full details on design and appearance and para 13 highlights the importance of visual amenity.

Personal conditions

Planning Guidance (Wales): Planning Policy 1999 (para 4.61) allows for exceptions due to personal circumstances, personal hardship or business difficulties where the business is of value to the local community. Occupancy conditions (para 10.1.14) are only to be permitted by local authorities where they can be justified on planning grounds, and where the alternative would be refusal. TAN 6 (para 55) expands on the scope for imposing occupancy conditions not only on the dwelling concerned, but also on any existing dwellings on the unit which are under the control of the applicant. This allows for farmhouses to be tied to adjacent farm buildings, and avoids pressure for new houses.

PLANNING GUIDANCE (WALES) 1996

Comparison with the earlier planning policy guidance for Wales, produced by the Welsh Office in May 1996 reveals that the 1996 guidance contained a briefer summary of the principles of sustainable development, whereas the 1999 guidance gives greater prominence to biodiversity and the precautionary principle.

Separate statements for social and economic development have now been replaced by broader statements within the section on economic development, closely reflecting the English Guidance PPG7 (1997) from which much of the 1999 seems to have been derived.

With regard to Best and Most Versatile Land, the 1999 guidance is more detailed and provides greater advice in relation to Grade 3a land. Policies for listed buildings and the historic environment generally remain similar, and contain the same advice on flexibility for building re-use. In relation to economic development, the 1999 guidance refers to industrial villages, whereas these were previously called urban villages in 1996.

The most major changes in the new guidance are in relation to farm diversification developments: these were barely addressed in the 1996 policy document except in relation to the re-use and adaptation of farm buildings. The 1999 guidance now covers these issues in much greater detail. However, not all types of farm diversification development have been identified to help authorities in formulating policy guidance within their development plans. A notable omission from the 1999 guidance when compared to PPG7 1997 is the suggestion that policies for rural diversification should be informed by assessments of local economic and social needs and thus tailored to reflect local circumstances.

APPENDIX 2

DEVELOPMENT PLANS REVIEWED DURING THIS STUDY

DEVELOPMENT PLANS REVIEWED DURING THIS STUDY

Local Authority	Development Plan	Date of Adoption / Publication	Included in study review?
Isle of Anglesey CC	1. Isle of Anglesey Local Plan	20 Dec 1996	✓
	2. Consultation Draft UDP	May 2000	✓
	3. Deposit Draft UDP	Due to be published Spring 2001	✗
Blaenau Gwent CBC	1. Blaenau Gwent Local Plan	1 Jul 1997	✓
	2. Deposit Draft UDP	Jul 2000	✓
Brecon Beacons National Park	1. Brecon Beacons National Park Local Plan (Also 2 of 11 supporting management plans)	May 1999	✓
	2. Brecon Beacons UDP Pre-deposit (Deposit due Jun/Jul 2001)	Part 1 forthcoming; Deposit Jun 2001	✗
Bridgend CBC	1. Bridgend CBC Pre-deposit UDP	Jul 2000	✓
	2. Ogwr Borough Council Local Plan	12 Apr 1995	✗
Caerphilly CBC	1. UDP Deposit Plan	Sep 1999	✓
	2. Rhymney Valley District Local Plan (Approved)	Nov 1996	✓
	3. Islwyn Local Plan (Adopted)	Jan 1996	✓
City and County of Cardiff	1. City of Cardiff Local Adopted Plan	Jan 1996	✓
Carmarthenshire CC	1. Dinefwr Local Plan	29 Apr 1998	✗
	2. Carmarthen District Local Plan	11 Aug 1999	✓
	3. Llanelli Area Local Plan Statement	Jun 1998 (adopted as Council statement)	✗
	4. Dyfed Structure Plan (including Alterations No. 1)	Nov 1990	✗
	5. Deposit Draft UDP	Due to be published Spring 2001	✗

Ceredigion CC	1. Ceredigion Deposit Local Plan	1998	✓
	2. Pre-deposit Ceredigion UDP	Due in 2001	✗
Conwy CBC	1. Clwyd Structure Plan, (2 nd alteration Conwy area)	Mar 1999	✓
	2. Colwyn Borough Local Plan	Mar 1999	✓
	3. Aberconwy Draft Local Plan	1996	✓
	4. Conwy Pre-deposit UDP	Apr 2000 (approved by end 2000)	✗
Denbighshire CC	1. Colwyn Borough Local Plan (Deposit and Modifications)	Notice of intention to adopt published 1997 – Plan used for DC purposes	✗
	2. Clywd Structure Plan (2 nd Alteration) 1996-2011	Used for DC purposes	✗
	3. Denbighshire Deposit UDP (May 2000? proposed changes)	May 1999	✓
	4. Rhuddlan Borough Local Plan	20 Sep 1993	✗
	5. Glyndwr District Local Plan	Feb 1994	✗
Flintshire CC	1. Pre-Deposit Consultation Draft UDP	May 2000	✓
	2. Clywd Structure Plan (2 nd Alteration)	Approved for DC purposes 1997	✓
	3. Delyn Local Plan	Oct 1993	✗
	4. Alyn and Deeside Local Plan	Approved for DC purposes 1992	✗
	5. Draft North Flintshire Local Plan	Approved for DC purposes 1998	✗
Gwynedd C	1. Dwyfor District Wide Local Plan	1 Dec 1998	✓
	2. Gwnedd Structure Plan	1993	✗
	3. Menai Straits Local Plan	1982	✗
	4. Predeposit UDP (officers draft 08/09/. 99, + topic papers 09.00)	Predeposit expected early 2001	✗

Merthyr Tydfil CBC	1. Merthyr Tydfil Borough Wide Plan	8 May 1999	✓
	2. Mid Glamorgan (Merthyr Tydfil CB) Replacement Structure Plan	10 Aug 1996	✗
Monmouthshire CC	1. Gwent Structure Plan (Replacement)	29 Feb 1996	✓
	2. Monmouth Borough Wide Plan	1 May 1997	✓
	3. Pre-deposit UDP (deposit expected 8.01.01)	Mar 1999	✓
Neath & Port Talbot CBC	1. Local Plan		
	2. Local Plan		
	3. Local Plan		
Newport CBC	1. UDP Deposit plan	Nov 1999	✓
	2. Gwent Structure Plan	29 Feb 1996	✓
Pembrokeshire CC	1. South Pembrokeshire Local Plan	16 Jul 1998	✗
	2. North Pembrokeshire Local Plan	26 Feb 1998	✓
	3. Dyfed Structure Plan (including Alterations No. 1)	Oct 1989	✗
	4. 'Choices for Pembrokeshire' Pre-deposit consultations on UDP (undertaken jointly with Pembrokeshire Coast National Park)	Dec 1999	✓
	5. Deposit UDP (with Pembrokeshire Coast National Park) to be published at end of 2000.	Not published	✗
Pembrokeshire Coast National Park	1. Pembrokeshire Coast National Park Local Plan (Deposit Version)	22 Apr 1999 (Adopted version not yet published, but formed by Nos 1 and 2)	✓
	2. Proposed modifications to the Pembrokeshire Coast National Park Local Plan		
	3. 'Choices for Pembrokeshire' Pre-deposit consultations on UDP (undertaken jointly with Pembrokeshire Coast National Park)	Dec 1999	See Pembrokesh ire CC
	4. Deposit UDP (with Pembrokeshire CC) to be published at end of 2000.	Not published	✗

Powys CC	1. Brecknockshire Local Plan	Oct 1997	✓
	2. Radnorshire Local Plan	Apr 1999 (not published)	✗
	3. Montgomeryshire Local Plan	Welsh Office holding objection. Likely to be adopted Dec 2000	✗
	4. Powys County Structure Plan (Replacement)	Feb 1996	✗
	5. Proposed UDP Strategy Report, Key Issues Consultation Paper and Topic Papers	Oct 1999	✓
Rhondda Cynon Taff CBC	1. Mid Glamorgan (Rhondda Cynon Taff CBC) Replacement Structure Plan	1999	✗
	2. Rhondda Local Plan	1998	✓
	3. Taff Ely Local Plan	Not yet adopted (Inquiry held 1999)	✗
	4. Cynon Valley Local Plan	Not yet adopted (Inquiry held 1999)	✗
Snowdonia National Park	1. Eryri Part I Strategy Draft UDP.	Aug 2000	✓
	2. Eryri Park Wide Local Plan	10 Nov 1999	✓
	3. Park Management plan	1977	✗
City and County of Swansea	1. Swansea Local Plan Review	12 Jan 1999	✓
	2. Draft UDP to be published Christmas 2000	Due Christmas 2000	✗
Torfaen CBC	1. Torfaen Borough Wide Local Plan	In print Nov 2000	✓
	2. Torfaen Structure Plan	May 2000	✓
	3. Pre deposit UDP -issues & strategy paper (deposit expected 11/12.00)		✗
Vale of Glamorgan C	1. Deposit Draft UDP	1998	✓
Wrexham CBC	1. Deposit Draft UDP	Mar 2000	✓
	2. Glyndwr Local Plan	Feb 1994	✗
	3. Wrexham Maelor Local Plan Review	Feb 1998	✓

APPENDIX 3

EXAMPLES OF POLICIES INCLUDED IN WELSH DEVELOPMENT PLANS

DEVELOPMENT PLAN POLICY EXAMPLES

Extracts are provided below of development plan policies relating to rural diversification, farm diversification and rural building re-use as these are most directly concerned with farm diversification. They have been chosen because they illustrate particular features of policy or because they are good examples of policies in general.

RURAL DIVERSIFICATION

The following is illustrative of a general policy for rural diversification.

Isle of Anglesey Consultation Draft UDP

Policy EP4 Employment Policy - Rural Diversification

"Proposals which diversify employment opportunities in the agricultural sector and general rural economy will be supported where they cause no harm to other recognised interests".

FARM DIVERSIFICATION

The following are again illustrative of general policies for farm diversification which, in some cases, make reference to conformity with other policies in the plan, but do not provide criteria against which individual applications can be assessed.

Ceredigion Local Plan 1998

Policy E07 Farm diversification

"Proposals for farm diversification which contribute to the continued existence of the farm business and which help to sustain the rural economy will be permitted."

Carmarthen District Local Plan 1999

Policy CE12 - Agricultural Diversification

"Proposals for agricultural diversification which require planning permission will be permitted in appropriate locations."

Aberconwy Draft Local Plan 1996

Policy AE6 Farm Diversification

"Development associated with farm diversification will be permitted if it does not conflict with other policies of the plan."

The policies below, are some of the most comprehensive examples to-date of criteria-based policies for farm diversification in current Welsh development plans. In some cases reference is made to the development being supplementary to the main farm enterprise, and in some cases the policy relates specifically to agriculturally-related activities or to tourism activities rather than diversification enterprises more generally.

Denbighshire deposit UDP 1999

Policy TSM 6 - Farm Diversification

"Farm tourism development, including the conversion of rural buildings, which diversifies farm viability by way of attractions and accommodation will be permitted provided that:

- i. *the tourism use is secondary or supplementary to the main use of the farm enterprise in terms of land use / planning considerations;*
- ii. *the tourism use does not unacceptably harm the permanent long-term workings and efficiency of the farm unit;*
- iii. *there is no significant loss of the best and most versatile agricultural land, or unacceptable harm to landscape or nature conservation interests;*
- iv. *conversion proposals use genuinely under-used buildings which will not lead to proposals to replace them with buildings elsewhere which may have an unacceptable impact on the locality (traffic, noise, fumes, activity);*
- v. *the scheme of conversion retains, with any adaptations, the inherent characteristics of buildings or groups of buildings;*
- vi. *there is no loss of buildings of historic/ architectural merit.*

Farm retailing will be permitted provided that it: meets the above criteria; is compatible with and ancillary to either the farming operations or the farm diversification activity; is small scale; takes place within an existing farm building; does not unacceptably harm the viability and vitality of existing centres, including any harm to the retail / service function of nearby villages."

Wrexham Deposit Draft UDP 2000

Policy E6 Small Farm-Based or Related Employment Operations

"Small on-farm operations such as food processing and packing, together with services to other farms, such as workshop facilities and equipment hire and maintenance, should be located within existing farm buildings. Where it can be shown that no suitable buildings are available for such operations, the erection of a new building will be permitted, provided that:-

- *the building adjoins, and forms a logical extension to the existing farm complex;*
- *the building will not result in a detrimental intrusion in the landscape;*
- *the building does not exceed 300 square metres in area."*

Colwyn Borough Local Plan 1999

Policy CE12

"The Borough Council will permit the development of small-scale on-farm enterprises for diversification purposes provided the proposal:-

1. *is on a working farm and will be supplementary to the agricultural operations of the farm;*
2. *does not involve a new building when there is a suitable vacant building on the farm which could be used for this purpose;*
3. *does not conflict with other policies of the plan, particularly in relation to its impact on the locality."*

RE-USE OF RURAL BUILDINGS

The following policies illustrate the fuller criteria-based policies for building re-use within current Welsh development plans. Some of these criteria are more restrictive than the guidance in *Planning Guidance (Wales): Planning Policy 1999*, for example, in terms of the restrictions placed on the use of modern buildings – the Brecknockshire Local Plan is useful in that it gives considerable detail on the re-use of modern buildings. The importance of traffic generation is also highlighted.

Newport Deposit UDP 1999

Policy ED11

"Proposals for the conversion or rehabilitation of buildings beyond the urban boundary for commercial, business or industrial use will be considered against the following criteria:

- i. the proposal should not involve the re-use or adaptation of a recently constructed agricultural building;*
- ii. a detailed structural survey has been carried out and shows the building to be structurally sound and capable of conversion without adversely affecting the structure or requiring the substantial reconstruction of the external walls or significant extensions to the building;*
- iii. any alterations should not have an adverse effect in terms of the integrity of the original structure, including external cladding, external openings, skyline, silhouette, roof planes and the immediate landscape of the building.*
- iv. the proposed use is not detrimental to the character or appearance of the surrounding area or group value of adjoining buildings;*
- v. the development does not require the provision of unsightly infrastructure and services can be readily and economically provided;*
- vi. the proposed use should not generate traffic of a magnitude or type that might cause additional traffic hazards and/or damage to minor roads;*
- vii. there is strict control over the curtilage and setting of the buildings in terms of amenity space, vehicular access and parking;*
- viii. archaeological interests should be safeguarded according to the policies of this plan;*
- ix. the interests of protected wildlife species inhabiting the structure are safeguarded;*
- x. the proposed use does not conflict with agricultural interests in the area."*

Vale of Glamorgan Deposit Draft UDP 1998

ENV7 Small Scale Rural Conversions

"Proposals which involve small scale rural development including conversions of rural buildings to new uses will be permitted if:

- i. where a conversion to residential use is proposed, the building forms part of a rural settlement, for the purposes of this policy only, a rural settlement is defined as a significant group of buildings in residential use;*
- ii. where the building is of architectural or historic value, the proposed conversion retains those architectural or historic features present in the building;*
- iii. the building in terms of form, bulk and general design is in keeping with its surroundings;*

- iv. *where the conversion of a rural building in current agricultural use requires modern replacement elsewhere on the farm holding, the siting of the replacement building will form a material consideration, in terms of its effect on the proposed conversion itself and its impact on the rural landscape;*
- v. *the building is structurally sound and the conversion can be achieved without substantial reconstruction of the external walls, or extension to the building. However, each proposal will be assessed as a matter of fact and degree, depending on the particular circumstances of the case;*
- vi. *conversion work can be undertaken without unacceptably altering the appearance and rural character of the building;*
- vii. *where residential use is considered acceptable, amenity space can be provided within the curtilage of the site without undue incursion into the rural landscape;*
- viii. *vehicular access is available or can be provided from the public highway without any unacceptable effect upon the appearance of the countryside;*
- ix. *satisfactory parking provision can be made within the curtilage of the site;*
- x. *in the case of conversions for small scale commercial, industrial, recreational or tourism use the proposal should not create unacceptable traffic or other environmental problems;*
- xi. *in the case of conversions for small scale commercial or industrial uses, any retail sale of products should be ancillary to the main use;*
- xii. *the proposal is not incompatible with activities carried out on adjoining land. Applicants may be requested to enter into a legal agreement to control the activities of other land in their ownership;*
- xiii. *Utility and infrastructure services can be provided without unacceptable visual intrusion and without detriment to the environment;*
- xiv. *the proposed new use would preserve or enhance the setting or character of any conservation area;*
- xv. *the proposal would preserve or enhance the architectural or historic quality of a listed building or its setting."*

Monmouth Pre Deposit Draft UDP 1999

E9 Employment within the Countryside

"Detailed proposals for the conversion or rehabilitation of buildings in the open countryside to employment use will be permitted provided that all the following conditions are met:

- a) *the form, bulk and general design of the proposal including any extensions respect the design of the existing building;*
- b) *the proposal is in scale and sympathy with the surrounding landscape and does not require the provision of unsightly infrastructure or ancillary buildings;*
- c) *the additional traffic can be accommodated on the existing road network without harm to the safety and convenience of road users;*
- d) *rebuilding work necessitated by poor structural condition and/or the need for new openings in walls, should not involve substantial reconstruction, with a structural survey being required for marginal cases;*

- e) *for isolated buildings stringent design requirements with regard to new door and window openings, extensions, means of access, service provision and curtilage, will be applied especially within the Wye Valley Area of Outstanding Natural Beauty;*
- f) *conversion of modern buildings will not be favourably considered; and*
- g) *the proposal is compatible with surrounding land uses and does not prejudice the amenity of nearby residents, rights of way and people's enjoyment of them.*

Merthyr Tydfil Local Plan 1997

Policy NH2

"Policy NH2 Proposals for the conversion of existing farm and other rural buildings for appropriate new uses in the countryside outside identified settlement boundaries will be permitted subject to consideration against the following criteria:-

- 1) *whether the proposal has an acceptable impact on the character, amenity and landscape quality of the area.*
- 2) *whether the building is structurally sound and its condition makes it worthy of conversion and maintenance without the need for substantial reconstruction; and is large enough to accommodate the proposed use without the need for extensions which would adversely affect the form, quality or appearance of the building proposed for conversion, and its setting*
- 3) *the siting of the development is acceptable in relation to the design, scale, materials and setting of the proposal.*
- 4) *the development does not pose an unacceptable risk to sites of nature conservation interests, which include habitat, species and sites of geological and geomorphological interest.*
- 5) *the proposal does not conflict with transportation considerations including parking, traffic generation, access and accessibility to public transport.*
- 6) *the proposal does not compromise the enjoyment of public rights of way and other forms of public access to the countryside.*
- 7) *the proposal has regard to the provisions of policy NH7 regarding the water environment"*

Brecknockshire LP 1997

Policy B41: Re-use of modern buildings in the open countryside for industrial or commercial uses

"The conversion or renovation of existing modern buildings in the open countryside to create industrial or commercial premises will only be permitted where the proposed development complies with the following criteria:

- 1. *both the existing building and the proposed alterations to that building shall be of a scale, form and design and be sited in such a way that it does not and shall not have an unacceptable adverse effect on the surrounding landscape and environment.*
- 2. *if the existing building is an agricultural building it shall have been in agricultural use for at least five years prior to the application for change of use.*
- 3. *the development shall not lead to increased pressure for replacement buildings.*
- 4. *the development shall incorporate adequate facilities for the storage of materials or equipment and these facilities shall not have an unacceptable adverse visual impact on either the building or the landscape.*

5. *wherever appropriate conversions shall retain or incorporate structures attractive to and suitable for use by species protected by law and regarded as in need of shelter or protection (e.g. bats, owls).*
6. *suitable access for vehicles shall be provided without unacceptable adverse impact on the landscape, particularly where no road/ track currently exists. where hedgerows and trees are removed to achieve the required visibility splays, the local planning authority will, in accordance with policy B5, require their replacement with native species behind the visibility splay.*
7. *the proposed development shall comply with policy b43 "general development control criteria for all industrial and commercial developments"*

Gwent Structure Plan 1996

Policy H8 is a good example of policies for the residential re-use of rural buildings found in many Welsh plans.

H8 Re-use and Adaptation of Rural Buildings

"Proposals for the re-use or adaptation of buildings in the open countryside to residential use will be favourably considered provided that all the following conditions are met:-

- i. the form, bulk and general design of the proposal, including any extensions, respect the character and design of the building;*
- ii. the proposal is in scale and sympathy with the surrounding landscape and does not require the provision of unsightly infrastructure;*
- iii. the additional traffic can be accommodated on the existing road network and suitable access can be provided without unacceptable consequences;*
- iv. the proposal does not involve the re-use or adaptation of a modern agricultural building or involve the complete or substantial reconstruction of an existing building."*

APPENDIX 4

CASE STUDIES

WELSH CASE STUDIES

CASE STUDY 1

Approved by the Local Planning Authority.



Farm size and status: 24 hectares working farm in west Wales

Main enterprise: 30 single suckle Welsh Black cattle.

Length of occupation: 2 years

Tenure: Owner-occupier

Type of diversification: Change of use of a former cowshed to a farm shop.

Reasons for diversification: The applicant required an alternative income to compensate for the collapse in agricultural income. He felt the location was good as the farm fronts an A road and is within a few miles of a number of major tourist attractions.

The planning process: This application was submitted by the applicant and was approved with conditions that: visibility at the farm entrance was improved and environmental health requirements were adhered to. From submission of the plans to approval took two months. The applicant was very pleased with the attitude of the planners. The planning process was considered consistent and transparent and the time and costs reasonable. The applicant did not lobby local councillors but "*jumped in feet first*".

At the outset the applicant approached the Highways Department who provided a positive response. Contact was also made with the Environmental Health Officer who visited the farm before any work took place.

Subsequent difficulty has been experienced in gaining planning permission for architect-designed signs for the shop on the farm. Currently this has been circumvented by the erection of movable signs on farm trailers in fields adjoining the main road.

Other factors: The applicant did not apply for grants from the Development Board for Rural Wales because of the conditions attached. Borrowing from the bank has therefore financed the development. Rather than purchasing new equipment, he has bought second hand and has saved money compared to the outlay that would have been necessary had the grant been taken up.

The applicant is concerned that the proposed license for butchers' premises will be a flat rate. This would give unfair competition to large premises and supermarkets.

Effects of the diversification: The shop now contributes 80% of farm income, and three full-time jobs (all held by family members), including continuing farm work. The shop sells Welsh Black beef produced on the farm and provides a market for other Welsh Black producers. It also sells milk and vegetables sourced from other local farms and provides an outlet for local specialist food producers. It now also sells papers, therefore, creating a village amenity in an area where many village shops have closed. The shop attracts customers from a 10 – 15 mile radius and, because of the demand from further afield in Wales and England for specialist beef, consideration is now being given to installing a vacuum packer to enable long distance deliveries.

The business has done better than anticipated in the first twelve months of trading. However, the business is extremely time consuming. The market for other farmers contemplating farm-shops is limited within the region and the critical factor for the success of this business is its location with a large amount of passing traffic.

The applicant mentioned that the sustainability of local abattoirs was a significant problem. The nearest is now near Llanybydder that involves a round trip of 116 miles, increasing the stress level to livestock as well as time and costs.

CASE STUDY 2

Approved by the Local Planning Authority.



Farm size and status: 28 hectare working farm in west Wales

Main enterprise: Beef production (having switched from dairy farming three years previously). However, the farm already has a static caravan park which provides the main source of income.

Length of occupation: 24 years

Tenure: Owner-occupier

Type of diversification: The creation of a 0.45 hectare coarse fishing pond.

Reasons for diversification: To increase the length of the tourist season on the farm into the spring and early summer and autumn. A market exists because there is a lack of coarse fishing in the region.

The planning process: The application was approved with the primary condition to provide adequate car parking. From submission of the plans to approval took three months. The process was considered straightforward although the size of the pond was reduced to reduce the planning fees (these being linked to the volume of soil removed).

The planning officer visited the site before the application was made.

The applicant's view of planning was coloured by his previous experience of waiting 20 years to gain planning permission for a site to accommodate touring caravans. Nevertheless it was felt that the LPA is now trying to encourage rural diversification and is seeking to make the process easier.

Other factors: The development was funded privately. A local fisheries expert has provided other advice. The fishing lake is on a piece of land that was too wet to farm and therefore has had no effect on the farming activities.

Effects of the diversification: The pond is not yet ready for fishing as the young stock will take two years before they reach a suitable size. Once this occurs, they hope that visitors will increase by 25%. At this stage they are uncertain of the income or employment effects.

At present the income from tourism is between 150 to 200 percent greater than that derived from farming. In contrast, it is estimated that farming and tourism represent a 50-50 percent split in terms of employment hours.

CASE STUDY 3

Approved by the Local Planning Authority.



Farm size and status: 69 hectares working farm in mid Wales

Main enterprise: Stock rearing, having switched from dairy production, although the main source of income is now from the farm park

Length of occupation: Fourth generation farmers on this farm. The present owner purchased the farm from his father eleven years ago.

Type of diversification: A farm park with nature trail plus a soft play area in

a converted farm building. Attractions include a go-kart track and boating lake. The farm also provides demonstrations of agricultural activities and trailer rides. The farm park occupies two hectares.

Reasons for diversification: The applicant wished to reduce dependence on the dairy sector. Part of the milk quota attached to the farm was sold. This had to be reinvested otherwise the applicant would have been liable for capital gains tax. Because the farm had already begun to diversify into tourism with bed and breakfast and other activities, it was decided to expand this side of the business. The farm is in a good location with three large

caravan parks near the farm and close to an A road. The family enjoys having visitors on the farm.

The planning process: One application was refused before the subsequent application was approved. A specialist was employed to submit the plans. The proposal was approved with the primary condition that the farm be maintained as a working farm. Overall the process took two years from the initial approach to grant of approval. The planners were considered to be helpful and fair although at the pre-planning stage there was considerable negotiation and "*give and take*". The applicant felt they had had a good experience as they had regular informal meetings with the same planning officer – the process can lack consistency if different planning officers are involved. However, it was felt that the planners had not appreciated the full employment potential of the enterprise. Also some conditions applied were felt to be superfluous. One condition was the installation of an oil filter (costing £2000) in the car park. Yet, as the car park is gravel, it is naturally free draining and does not drain to a central point. It has also taken too long to install a tourist direction sign on the main road.

The applicants commented that they did not approach the planners prior to the unsuccessful application and feel that their first application was probably "*naive*". However, more consultation, including with their local councillor, was employed for the second application. They suggested that farmers, like them, are rather intimidated by planners and are embarrassed by seeming to ask "*obvious questions*".

Other factors: Prior to making the planning application much time was spent on research and visiting farm parks in other parts of Britain. A major problem has been accessing grants. The project has been part funded by the capital raised from the sale of the milk quota and part by bank borrowings. The Wales Tourist Board offered a £7,000 grant for the conversion of a farm building to a reception centre, cafe and shop but this was not taken up as the conditions attached would have raised the total cost by too great a figure. On the other hand, the Welsh Language Business Agency was cited as being very helpful and highly professional. Eventually the owners went ahead with a smaller scheme than originally desired which they have funded themselves.

Effects of the diversification: The farm park has an annual turnover of £100,000, which compares to a farm income of £4000. As well as employing the husband and wife full-time, a further 15 people are employed at the height of the season. This diversification is therefore a significant contributor to local employment and income. The farm park is open every day between Easter and the end of September and reopens during the autumn for half-term holidays. The soft play area is open all year. In its third year it has attracted 20,000 visitors, including tourists and school visits, the latter travelling from as far afield as Llandrindod Wells and Barmouth. The farm has therefore created a significant new visitor attraction within a relatively short time.

The applicants commented that the key obstacle they faced with their proposal was access to capital. The most important skills they identified for making their scheme successful were catering and visitor management.

CASE STUDY 4

Approved by the Local Planning Authority

Farm size and status: Eight hectares in north east Wales

Main enterprise: A hobby farm that produces hay and silage combined with general engineering

Tenure: Owner-occupier

Length of occupation: 31 years

Type of diversification: Change of use of cow shed to an agricultural engineering workshop/smithy and general storage for farm machinery.

Reasons for diversification: The applicant has always worked in engineering and has to remain in it because the farm is too small to make a living from agriculture. The applicant has been diversifying away from agricultural engineering because of the downturn in the farming sector.

The planning process: The application was initially rejected and subsequently given a temporary (five-year) consent subject to a number of conditions, mainly related to the minimisation of environmental impact and improvements to the farm access. Objections raised by the LPA related to abuse of agricultural permitted development rights (PDRs), with buildings being put up under PDRs and then subject to early conversion. Thus local objectors believe that over time a light engineering development has arisen in an inappropriate location.

In general the applicant believes that planning restrictions are making it more difficult to diversify, with the LPA biased in favour of some developments rather than others. He felt that the process was neither transparent nor consistent and lacked flexibility. Incomers were perceived as key objectors. Nevertheless he does not wish to see a relaxation of planning to allow large-scale housing developments that are out of character with the local area.

Other factors: As the holding lies close to a number of large urban areas, the applicant believes that there is a great deal of potential for diversification in the locality - a major barrier is lack of initiative and vision on the part of landowners. Innovative but sympathetic pilot schemes are needed combining leisure, tourism, woodland and alternative crops. He advocated Switzerland and Austria as good models.

Effects of diversification: The engineering business employs two full time workers – the applicant and his brother. The diversification enterprises have enabled the business to expand although no extra employment has been generated. He wishes to expand his business further.

CASE STUDY 5

Approved by the Local Planning Authority.



Farm size and status: Eight hectares non-working farm in south east Wales. The majority of the land is let to a neighbouring farmer for grazing

Main enterprise: Self-employed accountant

Tenure: Owner-occupier

Length of occupation: Four years

Type of diversification: Conversion of farm building to two holiday cottages

Reasons for diversification: to provide an income on retirement

The planning process: The application was approved with a condition that the building must not be let to a tenant for more than six weeks in any one year. No advice was sought either before or during the application. Before the application was submitted, informal contact was made with the planners who foresaw no problems. A subsequent site visit was made and the initial positive message was reinforced. Minor modifications needed to be made to the interior of the building once work had started but these did not present a problem to the building inspector. Overall the applicant was very positive about his experience – the planners were “*very positive and helpful*”. The system had been transparent and very supportive of his diversification activity.

The only problem identified related to the condition on tenancy, which was seen as inconsistent. The applicant understood that this had been imposed as the two holiday units created were too small for permanent occupation. However, a neighbouring property that is smaller has no such stipulation. Whilst this condition does not affect him at present, it could be a problem if he decided to move out of tourism at a later date.

Other factors: The applicant had moved into the region from the South East of England and had the financial backing to fund all the improvements without recourse to a grant. The applicant has had significant problems obtaining insurance for the cottages.

Effects of the diversification: The development currently provides 20 % of the household income and when the owner retires will provide 33%. The property is let through an agent for approximately 26 weeks per annum. One part-time worker who lives within three-quarters of a mile of the property is employed for 12 hours per week.

CASE STUDY 6

Refused by the Local Planning Authority

Farm size and status: 20 hectares working farm in north Wales

Main enterprise: Sheep farm with 170 breeding ewes.

Length of occupation: 28 years

Tenure: Owner-occupier

Type of diversification: Conversion of farm building into a holiday cottage for the disabled.

Reasons for diversification: The farm had already successfully diversified into tourism, starting with a bed and breakfast enterprise and then moving into self-catering accommodation with conversion of an old farm building for which planning permission had been received. The intention of this latest conversion was to tap into a new market by creating self-catering accommodation suitable for visitors with disabilities.

The planning process: The application was submitted by the applicant and was refused. Because of their earlier success with the planning system, the applicant was confident that this application would be successful, especially after having had informal talks with a building inspector who visited the site and a local councillor who was a member of the Planning Committee. In consequence they did not appoint an agent to act on their behalf. The Development Control Officer visited the site when they were absent which they felt denied them the opportunity "of putting their case".

As a result of the refusal, the applicant felt that the LPA had been unhelpful and impersonal. Nevertheless, planning had not acted as a barrier to diversification in that the earlier conversion had gone through with no problems in eight months. The applicant did not see the planning system as the main barrier to diversification and does not advocate any easing of the planning process because it might encourage too many competitors. The main conclusion was that the planning process was transparent but inconsistent. The applicant also complained that the process was very slow to react to the submission of revised plans, some of which were subsequently lost.

After the refusal the applicants felt that the reasons for refusal have not been well explained to them but that such feedback would have been very useful.

They also raised that one of the conditions applying to the previous successful planning application was that the farm might not be sold piecemeal at some future date. This is considered to be unfair, especially as a number of neighbouring farms that have not diversified have sold land separately from the main farm.

Other factors: The inability to access finance was perceived to be the major barrier to diversification. This was linked to the problem of obtaining information on where such finance can be accessed. The applicant felt that his farming union was not helpful. The Wales

Tourist Board (WTB) grant application form was considered too intrusive and for this reason an application was not pursued. Had it been, then its conditions would have raised costs to such an extent that a greater financial outlay would have been required than if they had financed it themselves. This had also been the case with the earlier building conversion.

Effects of diversification: None, as the building has subsequently been demolished. However, the earlier conversion provides one part-time domestic job all year and contributes an unspecified amount to the farm income.

CASE STUDY 7

Refused by the Local Planning Authority. Allowed at appeal.

(also considered in Appendix 5 as an appeal decision)



Farm size and status: 3.2 hectare small-holding with a small sheep flock, in south east Wales. In the past the respondent had kept pigs and goats on a commercial scale.

Main enterprise: Son is an agricultural contractor

Length of occupation: 29 years

Tenure: Owner-occupier

Type of diversification: Change of use of a farm building to a reflexology and stress management centre. The building could be converted to a lecture theatre while the grounds would provide a quiet setting for clients who are attending the stress management courses. (For fuller description see **Appendix 5**)

Reasons for diversification: To increase income

The planning process: The original application was rejected but was approved on appeal. The applicant felt that the planning process was very obstructive. The client claims that personal hostility was a factor and that when the planning officer visited the site, " *he refused to shake my hand*".

Prior to the application, no advice was requested from the LPA. After submission problems were raised by the Highways Department and the drainage system had to be checked to ensure that it was adequate. No third party objections were received. The main problem seemed to be that the LPA " *did not think it was a feasible business*".

Based on personal experience the applicant believes that as part of the pre-planning process the applicant should fill in a simple form which is tailor-made for different types of businesses, including housing, tourism and miscellaneous. This, the applicant believes, would

reveal the feasibility of the proposed development with respect to the planning system before too much time and effort (and planning fees) are invested.

Other factors: To-date the proposals have been self-funded but further funds are required to complete the scheme (none obtained to-date). Accessing funds is considered difficult as there is no single organisation or individual to turn to for advice. This is particularly true for schemes such as this which are difficult to categorise. Good advice is available from Business Direct. The applicant suggests that prospective small businesses need to meet together to pool ideas and experiences.

Effects of the diversification: At present, the main effect has been to leave the owner in debt. If the business were to start, it could support four full-time employees who could be recruited locally. The applicant claims that the 10-12 clients would be accommodated in local hotels or bed and breakfast establishments resulting in further income and employment effects in the local rural economy.

APPENDIX 5

APPEALS

WELSH APPEALS

METHODOLOGY

On behalf of the consultants, the Planning Inspectorate undertook a search of their database for **all** planning appeals in Wales for the three-year period February 1997 – February 2000, with 'change of use' in the title (a more specific search for 'farm diversification' was not possible). From this, a total of 32 appeals in Wales were identified, of which summaries were sent to LUC.

Of these 32 appeals, a manual trawl identified that 12 were potentially associated with farm diversification. The Decision Notice and Inspectors Report for each of these were requested. From these it became clear that only 5 directly related to farm diversification. These are outlined below with the text summarising the key points raised in the Inspectors Report and Decision Letter.

Application no. P/97/1033, Neath Port Talbot County Borough Council

Oak Tree Farm, Drymmau Road, Skewen.

Planning permission refused for change of use of agricultural land to the keeping of horses.

Date of appeal decision: 14 July 1998.

Appeal decision: Dismissed

Background

The application was for the grazing and keeping of ten horses for horse owners termed as 'visitors' to the farm on land already used for grazing. No buildings were involved.

Local Planning Authority's view

In their refusal, the LPA referred specifically to policies E55 (development in the open countryside) and E60 (development in green wedges between settlements) of the Neath Local Plan. Access off Drymmau Road was also noted as a constraint - the access is narrow and has very restricted visibility, particularly to the west. Any new development on the applicant's land would generate traffic, additional to that of the adjacent old persons home. The access is so substandard that any increase in vehicles turning in or out of the access would represent an unacceptable danger to other road users.

Applicant's view

The applicant drew attention to the number of horses kept on other land in the area and to the length of time horses have been on the land now in their ownership. Only a limited numbers of visitors would be generated by the 10 horses which are normally on the land. The access to the old persons home nearly opposite is also substandard for the number of visitors created.

Inspector's report - main issues

The Inspector considered that the main issues in this case were

- *The effect of the proposal on the character and appearance of the area:* Even if the applicant was in a position to improve the access, such improvements would result in the removal of a significant length of existing hedge and trees. This would be harmful to the visual character of this part of Drymmy Road which is an important part of the green wedge between Skewen and Birch Grove.
- *Whether the access is adequate to serve the proposal:* It would be difficult for the Council to restrict any permission to a maximum of ten horses (to minimise traffic generation). The substandard access opposite for the old persons home is no justification for the increased use of this access.

Application no. P/99/32/00805, Flintshire County Council.

Pen Llywn Farm Lloc, about one mile west of Lloc and just to the north of the A55 trunk road.

Planning permission refused for change of use from agricultural land to limited use as an Autograss race track.

Date of application: 28 July 1999

Date of refusal: 14 Dec 1999

Date of appeal decision: 22 May 2000.

Appeal decision: Dismissed

Background

The application was for the retention of an existing race track with associated crash barriers, fencing, portable buildings and access track, and for its continued use for autograss racing for 10 days each year. The site lies in open countryside in a designated Special Landscape Area.

Local Planning Authority's view

The LPA's concerns related to potential nuisance from noise, vibration, odour, dust or light pollution, creating an adverse impact on neighbouring occupiers. This was in accordance with the emerging North Flintshire Local Plan (draft Policy EPW 5). Landscape impact, relating to Policy H5 of the Clwyd Country Structure Plan, First Alteration, which aims to keep development in Special Landscape Areas to a minimum, was stated not to be of concern to the LPA. The race track attracts large numbers of spectators and competitors, and so it is inevitable that such a large gathering of people and vehicles will generate considerable noise. This is not only from the races themselves but also from vehicles in the pits, spectators and loudspeaker systems. There is no comment on road safety.

Applicant's view

The Club's activities are regulated by the National Autograss Sport Association. These include limits on noise generated by each participating car. There is little evidence of noise monitoring by the lpa and there are only a small number of dwellings in the area. The site

has a number of perimeter noise bunds. The noise is less than that generated by the motorcycle club which races nearby.

Inspector's report - main issues

The Inspector's primary concern related to the effect of continued use of the race track on the living conditions of nearby residents, particularly in terms of:

- *Noise:* The open nature of the countryside and the type of noise generated would be likely to be heard some distance away, and be a nuisance to residents. Many residents had submitted complaints, and the Council reported high noise levels at the dwelling nearest the track.
- *Dust:* The site is in an elevated location and dust could be carried considerable distances on windy days, despite the use of a water bowser, causing nuisance to local residents.
- This is contrary to the aims of draft Policy epw5 of the emerging Local Plan.

Application no. 98/01197/N, Cardiff County Council.

Began Farm. Began Road, St Mellons, Cardiff

Planning permission refused for the change of use of existing agricultural buildings to use for storage purposes within Class B8 of the Town and Country Planning (Use Classes) Order 1987.

Date of appeal decision: 10 Feb 1999

Appeal decision: Dismissed.

Background

The proposals related to internal and external alterations to a group of two storey buildings with a gross floor space of some 1200 sq m and the provision of 18 parking spaces within the site (although no details are shown on the submitted plans). The buildings are substantially vacant and no longer form part of a recognised agricultural unit. Access to the buildings is from Began Road via a private lane, which also serves Began farmhouse and a nursery business. Began Farm was originally a productive market garden and subsequently, before subdivision, a 'pick your own fruit' enterprise.

Local Planning Authority's view

The LPA does not claim that the proposal would be contrary to any local plan policies. The sole reason for refusal, contained in their decision, was on highways grounds. Began Road is a classified unnumbered County highway, with the section to the north of the lane serving a nursery, scattered farms and pockets of residential development and that south of the lane serving a golf driving range, a caravan storage site and a few dwellings. This part of Began Road is a narrow and substandard rural road with no street lighting. Further down, Began Road has some street lighting but lacks footways or grass verges and serves a number of residential properties with individual access drives along both sides of the road. Many of these drives are substandard with inadequate visibility splays for vehicles emerging onto

Began Road. The Council stated that the proposal would create unacceptable levels of heavy goods vehicle movements along Began Road in its current state.

Applicant's view

The applicant claimed that, although the application described the proposal as being for storage purposes within Class B8, the intended use of the appeal buildings was for the storage of documents – it was highly unlikely that many, if any, heavy goods vehicles would be involved. Until recently numerous large articulated lorries used Began Road in connection with: a tomato production enterprise to the north of the site; Began Farm when it was previously a market garden; while car and van movements had been generated by a former greyhound kennels in the vicinity. The nearby golf driving range was only recently approved, and has created significant traffic movements.

Inspectors report - main issues

The Inspector stated that the main issues were:

- *The free flow of traffic in the area:* The applicant had not provided any details of a prospective occupier of the appeal buildings, and in the inspector's opinion such a use is capable of generating a significant movement of HGVs along Began Road. The road is totally unsuitable and would be likely to cause unacceptable interference with the free flow of traffic along the highway, and significant danger to drivers.
- *Highway safety:* The potential highway objections cannot be overcome by conditions. Current-day highway standards do not justify allowing the proposal despite past traffic history. The golf course does not generate traffic comparable in type with that capable of being generated by the proposal.

Application no. A37714, Monmouthshire County Council (See also CASE STUDY 7).

Land at Cefn Draenog, Llangibby, Usk

Planning permission refused for the change of use of a farm building to a reflexology centre and provision for temporary stables.

Date of appeal decision: 17 Jun 1997

Appeal decision: Approved with conditions

Background

The proposal involves the conversion of an existing building into a centre for reflexology and stress management where the appellant, who lives in the neighbouring farmhouse, intends to run courses teaching people to help themselves. A small number of patients would come for treatment in the small surgery which forms part of the conversion. Oils and creams used for treating patients would be mixed in the building. One or two people would be employed on a part-time basis and the courses would be for a maximum of 10-12 people. The appeal site is located in the Usk Valley Special Landscape Area defined by Policy C3A of the Monmouthshire Borough Local Plan.

Local Planning Authority's view

At issue is criterion D of the Monmouth Borough Local Plan policy E7 which requires that any rebuilding work does not involve substantial reconstruction. This reflects the advice in *Planning Guidance Wales* which states that applications for conversion of buildings that could only be brought back into use by complete or substantial reconstruction should be considered as if the application were for a new building. The Council were concerned about the scale of work that would be needed and were also concerned at the possibility of a future application to convert the building to residential use.

Applicant's view

The applicant disagreed with the Council's objections, stating that the work on the farm building constituted maintenance and improvement, and that this work did not constitute development.

Inspector's report - main issues

In the Inspector's opinion, the two main issues were

- *Whether the proposals amounted to the erection of a new building in the countryside:* The Inspector agreed with the Council that the amount of rebuilding required would probably be greater than that suggested by the applicant's structural engineer. However, the Inspector felt that the scale of necessary work could not reasonably be described as complete or substantial reconstruction and fell far short of the erection of a new building. In consequence the development did not conflict with criterion D of Policy E7.
- *The impact upon the character and appearance of this rural area:* The Inspector felt that the restoration of the stone barn would make a positive contribution to the landscape and was satisfied that the proposed car park would have minimal impact given its unobtrusive position and the surrounding screening. The proposed change of use would therefore not conflict with the objectives of Policy C3A. The Inspector concluded that the proposals accorded with the development plan and the advice in *Planning Guidance Wales* which encourages the conversion of existing buildings to new commercial uses.

He emphasised that the permission was for the change of use of the existing building and not the erection of a replacement building, and that the appeal had been considered on the basis of the proposed commercial use.

The following conditions were recommended with the approval:

- *The development hereby permitted shall be begun before the expiration of 5 years from this date*
- *No development shall take place until a detailed schedule of the works to be carried out to the building in accordance with the recommendations of the structural survey dated 3 August 1995 has been submitted to and approved by the local planning authority. This schedule shall include plans showing the extent of all parts of the building to be taken down and rebuilt, details of all alterations to the roof; details of the materials and the mortar to be used; details of the tie beams and all internal structural restraint works; details of the method of bonding the corners of*

the building; and details of all new windows, including the materials to be used. All works carried out to the building shall be in accordance with the approved schedule.

- *The premises shall be used as a reflexology centre and for no other purpose (including any other purpose in Class D1 of the Schedule to the Town and Country Planning (Use Classes) Order 1987, or any provision equivalent to that Class in any statutory instrument revoking and re-enacting that Order with or without modification).*

Application no. P/98/0071, Caerphilly County Borough Council

Land adjacent to the 'The Rowan Tree', Caerphilly Road, Nelson.

Planning permission refused for a mobile farm shop.

Date of appeal decision: 17 Sep 1998

Appeal decision: Dismissed

Background

This appeal concerns the retention of a mobile farm shop on a tarmac covered area located alongside The Rowan Tree public house on the northern side of the A472 Nelson to Ystrad Mynach road. The site is in an essentially rural area and the mobile farm shop is dependent on passing trade for its viability. The site can be accessed either through the public house car park or via the narrow lane leading to the appellant's farm.

Local Planning Authority's view

The use went against local policy R4 of the Rhymney Valley District Local Plan which allows the establishment of small shops serving local needs outside town and village centres, only when a clear case can be made that there is no suitable property or site available in or adjacent to a shopping centre.

Applicant's view

The applicant maintained that the sales use at the appeal site should be considered to be ancillary to the appellants' agricultural enterprise and that consequently planning permission for the development was not necessary. The Council also approved a farm shop near Trelewis.

Inspector's report- main issues

The Inspector considered that the main issues were

- *The likely effect of the retention of the mobile farm shop on town centre shopping facilities, having regard to relevant planning policies:* In the Inspector's opinion the creation of an out of town shop as envisaged in policy R4 could be justified only where there is a clear case that there is no suitable property or site available in a town centre. It is evident in this case that there are suitable vacant shop premises in Nelson which could be used by clients and concludes that the applicant's proposal directly conflicts with the relevant development plan policy.

- *The likely implications for road safety:* The Inspector believed that any development proposal should be served by a good standard access if an adequate level of road safety is to be sustained. In his opinion the road junction to the site is well below a satisfactory standard, with poor sight range and entailing significant road safety risks. An essential feature of a farm shop is its dependence on vehicle borne clientele and therefore this was a compelling reason for dismissing the appeal. The continued availability of the car park can also not be assured.

With regard to the existing farm shop near Trelewis, this was approved before the emergence of the local plan.

APPENDIX 6

POLICIES FOR LOW IMPACT DEVELOPMENT

EXAMPLES OF POLICY ADDRESSING LOW IMPACT DEVELOPMENT

DEFINING RURAL SUSTAINABILITY: FIFTEEN CRITERIA FOR SUSTAINABLE DEVELOPMENTS IN THE COUNTRYSIDE

Produced by The Land is Ours

Fifteen Criteria for developments associated with sustainable land-based rural activities:

- [1] The project has a management plan which demonstrates:
 - [a] how the site will contribute significantly towards the occupiers' livelihoods;
 - [b] how the objectives cited in items 2 to 14 below will be achieved and maintained.
- [2] The project provides affordable access to land and/or housing to people in need.
- [3] The project provides public access to the countryside, including temporary access such as open-days and educational visits.
- [4] The project can demonstrate how it will be integrated into the local economy and community.
- [5] The project can demonstrate that no activities pursued on the site shall cause undue nuisance to neighbours or the public.
- [6] The project has prepared a strategy for the minimization of motor vehicle use.
- [7] The development and any buildings associated with it are appropriately sited in relation to local landscape, natural resources and settlement patterns.
- [8] New buildings and dwellings are not visually intrusive nor of a scale disproportionate to the site and the scale of the operation; and are constructed from materials with low embodied energy and environmental impact, and preferably from locally sourced materials, unless environmental considerations or the use of reclaimed materials determine otherwise. Reuse and conversion of existing buildings on the site is carried out as far as practicable in conformity with these criteria.
- [9] The project is reversible, insofar as new buildings can be easily dismantled and the land easily restored to its former condition.
- [10] The project plans to minimize the creation of waste and to reuse and recycle as much as possible on site.
- [11] The project has a strategy for energy conservation and the reduction, over time, of dependence on non-renewable energy sources to a practical minimum.
- [12] The project aims over time for the autonomous provision of water, energy and sewage disposal and where it is not already connected to the utilities, shall make no demands upon the existing infrastructure.
- [13] Agricultural, forestry and similar land-based activities are carried out according to sustainable principles. Preference will be given to projects which conform to registered organic standards, sustainable forestry standards or recognized permaculture principles.
- [14] The project has strategies and programmes for the ecological management of the site, including :
 - [a] the sustainable management and improvement of soil structure;
 - [b] the conservation and, where appropriate, the enhancement of semi-natural habitat, taking into account biodiversity, indigenous species, and wildlife corridors;
 - [c] the efficient use and reuse of water, as well as increasing the water holding capacity of the site;

[d] the planting of trees and hedges, particularly in areas where the tree coverage is less than 20 per cent.

[15] The project can show that affordability and sustainability are secured, for example, by the involvement of a housing association, co-operative, trust or other social body whose continuing interest in the property will ensure control over subsequent changes of ownership and occupation.

SCOTTISH NATIONAL POLICY

Extract from NPPG15: Rural Development

February 1999

Low density, low impact housing

29. Low density housing, sometimes referred to as "lowland crofting", is one approach that has been adopted in the ***commuter*** area of West Lothian and could be emulated in other appropriate rural areas characterised by low grade agricultural land and degraded land. The policy promotes the restructuring of farms, with at least one third of the total area planted as native or amenity woodland, one third (the better farmland) retained in agricultural use (tenanted) and the remainder providing the land for about a dozen holdings of 1-10 hectares each. Occupants are encouraged to run businesses from them but there are restrictions on the type of businesses e.g. no heavy goods vehicles are allowed. The tree planting, public access and other planning objectives are usually secured by Section 75 agreements. The Central Scotland Countryside Trust, the body responsible for promoting the Central Scotland Forest (CSF), in conjunction with other bodies, has completed a review of the lowland crofting initiative.

30. Other smaller scale development with a low impact on the countryside environment, including for example craft homes and workshops, can provide both economic and environmental benefits. The regulation of innovative low impact uses through the planning system is best achieved by a plan-led approach to determine their scale and contribution to wider strategic objectives, followed by implementation by means of conditions and Section 75 agreements. In areas where the quality of agricultural land is low and the landscape is degraded, councils should actively consider promoting in their development plans, innovative forms of sustainable low density, low impact housing (along the lines of the West Lothian model) and small-scale economic developments.

LOCAL PLAN POLICIES

Milton Keynes Local Plan Deposit Version 2000

Low Impact Dwellings in the Open Countryside

Objective of policy: to allow only the most innovative and sustainable proposals for low impact dwellings in the open countryside.

9.51 The government has made clear its commitment to sustainability and it is regarded as a material consideration in planning decisions. PPG7 contains advice about the importance of rural sustainability but advises local planning authorities to draw up detailed policies to set out what is regarded as sustainable rural development in the local context.

9.52 Policy H11 has been against this government policy and information in a recent report produced by the Rural Planning Group of 'The Land is Ours'. This report contains guidance to help decision-makers assess the sustainability of rural development projects in the countryside and advise on the means of ensuring schemes stay sustainable over time. The report has received report from a number of national bodies including the Town and Country Planning Association and Action for Sustainable Rural Communities.

9.53 The number of proposals that meet the criteria is expected to be very limited. They will need to be strictly controlled, by legal agreements and / or conditions to avoid projects lapsing into unsustainable or conventional housing development in the open countryside. The involvement of a housing association, co-operative or trust will help to ensure that the project stays true to its original principals over time.

Low Impact Dwellings in the Open Countryside Policy H11

"As an exemption to policy S10, planning permission may be granted for low impact dwellings in the open countryside, where the proposal meets all of the following criteria:

- i. Any structures will largely be self built using renewable or recycled building materials
- ii. Any structures will not be visually intrusive and can be easily dismantled and the land restored to its former condition
- iii. Built development incorporates the highest standard of energy efficiency, to achieve an energy rating of 10 on the NHER scale
- iv. It maximises the potential for energy, water supply, surface water drainage, sewage treatment, and waste disposal to be generated or managed on site
- v. It demonstrates how the number and length of trips by motor vehicles will be minimised
- vi. It will be partly self-sufficient in terms of food production and agricultural, forestry or similar land-based activities comply with sustainable principles
- vii. It will increase woodland cover and other wildlife habitats
- viii. The principal employment of residents will be on the site
- ix. The development will be managed by a housing association, cooperative, trust or other mechanism to ensure control over possible changes of operation
- x. The proposal includes a management plan showing how all of the above criteria will be met."

South Somerset Deposit Local Plan

10.41 Some travelling people and others who wish to have an environmentally friendly low impact lifestyle live in traditional 'benders' or yurts which are temporary structures for which no traditional foundations are required and are made of natural materials. Low impact development in this context combines low visual impact with the use of renewable or local materials for construction of the dwellings and low resource use in everyday living. Facilities will be provided on site and works to connect the site to the utilities, ie drainage, electricity along with road works with metalled surfaces should not be carried out. Structures such as cabins and caravans are not included under this policy as they are the subject of separate and appropriate legislation. On the removal of the permitted structures, regeneration of the site to its former condition usually occurs over three to six months. As this policy covers a departure from the more usual forms of dwelling provision, permissions will only be granted on a temporary basis....

Policy HG11

"Proposals for low impact dwelling sites will not normally be permitted unless:

1. All of the structures are temporary 'bender' or yurt type structures, are not visually intrusive and their removal will allow the regeneration of the site
2. Vehicle movements, noise, fumes or any subsidiary business activities would not harm the residential amenities of the area.
3. The site is reasonably well related to schools and other community facilities
4. No serious highway problems would result
5. The site includes the following facilities:
 - A refuse collection point
 - Access to a drinking water supply
 - A satisfactory means of sewage disposal / management and surface water disposal
6. Landscaping schemes and / or land management plans are provided if appropriate"

Torridge District Local Plan First Deposit Version 1999

Text accompanying policy ECD5, agricultural development:

Small-scale Agriculture

Holding of five hectares or under are not necessarily below the threshold for agricultural viability. It is recognised that legitimate agricultural development may be proposed in connection with:

- a) Small scale horticulture, which involves polytunnels and / or other managed growing environments normally close to markets / edge of town
- b) Small scale intensive farming
- c) Smallholdings, where there may be a requirement to grow crops or rear, raise or keep livestock principally for consumption by the operator; and
- d) Small scale permaculture, where mixed agricultural practices often including organic farming may be combined with a low cost alternative lifestyle.

Where the economic benefit of development is not transparent it needs to be demonstrated by additional information. Applicants may wish to submit an economic impact statement, a business plan containing an economic forecast, or a suitable feasibility study for example.

Adopted Carmarthenshire District Local Plan

Text accompanying policy CH9, exceptional new rural housing and agricultural workers dwellings:

There will be some cases, however, in which the demands of the farming or forestry work concerned may make it essential for one or more of the people engaged in this work to live at or very close to the site of their work. Whether this is essential in any particular case will depend on the needs of the farm or forestry enterprise concerned and not on the personal preferences or circumstances of any of the individuals involved

The onus will be on the applicant to provide sufficient factual information to enable proposals to be scrutinised to establish whether the proposed dwelling is essential for the proper functioning of the enterprise. The aim is to attempt to prevent abuse of the concessions that the planning system makes for such dwellings. Proposals for 'Low Impact Development' must be in accord with the relevant policies and proposals of the plan.