APPRAISAL OF THE NEED FOR A TEMPORARY DWELLING TO SERVICE THE EQUESTRIAN ACTIVITIES AND BOARDING KENNELS AT THE PROPERTY

Known as

Stanmaur Farm
Breach Lane
Earl Shilton
Leicestershire
LE9 7FB

On behalf of:

Mr and Mrs C Klenk
51 Equity Road East
Earl Shilton
Leicestershire
LE9 7FZ

March 2009

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1. INTRODUCTION

1.1 This report has been commissioned by Mr & Mrs C Klenk who resides at 51 Equity Road East, Earl Shilton, Leicestershire.

1.2 The purpose of this report is to provide an objective evaluation of the need for a temporary occupational dwelling in connection with the boarding kennels and equestrian business operated at Stanmaur Farm, Earl Shilton.

1.2.1 This report has been prepared having regard to Planning Policy Statement 7 – *"Sustainable Development in Rural Areas"* dated August 2004. Particular regard has been given to Annex A, which outlines the criteria for agricultural and forestry workers dwellings as well as "occupational dwellings". Whilst equestrian activities and the running of boarding kennels do not fall within the definition of agriculture, as per the Town and Country Planning Act 1990 (s. 336 (1)), it is considered that the principals of the planning policy exemptions for the provision of new/temporary housing in the countryside apply to equestrian development as an occupational dwelling.

1.3 This report has been prepared by Phil Plant. Phil Plant is a Senior Rural Planning Consultant with Acorus Rural Property Services Limited (Formerly ADAS Rural Property Services). He holds a Bachelor of Science with Honours Degree in Rural Enterprise and Land Management, and is a member of the Royal Institution of Chartered Surveyors.

2. SITE VISIT AND INTERVIEW

2.1 A site visit to Stanmaur Farm was undertaken by Phil Plant on 9th September 2008, by appointment, in the company of Mr Chris Klenk, the applicant, and his wife, Mrs Susan Klenk.

2.2 At the site visit, the applicant was interviewed about the current and future operation of the boarding kennels and equestrian business at Stanmaur Farm.

2.3 This report is based on the information provided by the applicant at the site visit, information provided subsequently in preparation of the business plan, with professional observations where appropriate.

3. BUSINESS DESCRIPTION

3.1 The business will trade under the name of Stanmaur Farm, which will be an enterprise comprising of a small livery unit, where four full liveries will be kept, a boarding kennels for up to 20 dogs, a small free range egg unit, and a small fishing lake, where day tickets will be sold.

3.2 The business is run by Mrs Susan Klenk on a part time basis and will be run by both Mr & Mrs Klenk once the businesses are fully established.

3.3 The holding extends to a total of approximately 3.2 hectares (8 acres) of owner-occupied land, which Mr & Mrs Klenk purchased some eleven years ago.

3.4 In addition to the owned land Mr & Mrs Klenk also rent a further 4.8 ha (12 acres) of grassland, where hay is made.

Livery Enterprise

3.5 The business also operates a full livery enterprise. Full care, management and preparation of the horses are undertaken by the applicants on site. The full livery includes mucking out and bedding up stables, feeding and grooming the horses. In addition to these tasks, the applicant needs to ensure all horses and ponies are properly rugged to protect them from the weather. Horses and ponies are rugged in such a way as to protect them from cold and wet weather.

Kennel Enterprise

3.6 The kennels is a proposed use of the site, however the applicant has already obtained planning consent for the change of use of the implement store to a kennels. This consent was granted on 18th December 2008.

3.7 The applicant then approached the Senior Environmental Health Officer at Hinckley and Bosworth Borough Council for a licence under the provisions of the Animal Boarding Establishments Act 1963 to run the kennels. The letter in reply to Mr & Mrs Klenk's inquiry states that it is likely that they would meet the standards required to allow the issue of the licence, however as there is no residential accommodation on the site, the licence could not be granted. A copy of this letter is attached at Appendix One.

4. BUILDINGS AND FIXED EQUIPMENT

4.1 The applicant has stabling for at least six horses together with buildings for feed storage and mess facilities for staff and office.

4.2 Steel portal frame barn 18.3m x 12.14m (60ft x 40ft) previously used for machinery storage, now with the benefit of planning consent for kennels.

4.3 The applicant installed an all weather ménage at the property measuring 42m x 22m with a post and rail fence and silica sand and plastic granule surface.

4.4 Steel portal frame barn 18.3m x 9.14m (60ft x 30ft) for machinery storage and three stables.

4.5 Steel portal frame barn with lean-to 9.14m x 9.14m, 9.14m x 5.2m lean-to used for hay and straw storage.

4.6 New stable block, steel portal frame 15.76m x 9.14m (55ft x 30ft) three stables, washroom/toilet block, mess room and tack and storage areas.

5. LABOUR

5.1 Labour for the business is currently provided by the applicant's wife, Mrs Susan Klenk, on a part time basis. Mr Chris Klenk is getting increasingly

involved in the planning and development of the kennel and livery businesses as he recovers from his back injury.

5.2 It is envisaged that the applicant and his wife will be employed on a full time basis as the business grows.

5.3 It is considered that the business has a labour requirement of at least one full time worker.

6. DWELLINGS

6.1 The Environmental Health department has stated that if a licence is to be granted there needs to be on-site accommodation at Stanmaur Farm.

7. THE PROPOSED DEVELOPMENT

7.1 The applicant proposes to site the mobile home in order for Mr & Mrs Klenk to reside on the holding, initially for a temporary period of thee years, in order for them to provide the required care and supervision of the horses and dogs in their care outside of normal working hours.

7.2 The applicant states that the nature of the equestrian and kennels enterprise is such that it is essential to provide on site supervision of the horses and dogs for animal welfare reasons.

8. EVALUATION OF THE BUSINESS AGAINST THE REQUIREMENTS OF PPS7

Paragraph 32 - Equine-related activities

"*Horse riding and other equestrian activities are popular forms of recreation in the countryside that can fit in well with farming activities and help to diversify rural economies. In some parts of the country, horse training and breeding businesses play an important economic role. Local planning authorities should set out in their LDD's their policies for supporting equine enterprises that maintain environmental quality and countryside character. These policies should provide for a range of suitably located recreational and leisure facilities and, where appropriate, for the needs of training and breeding businesses. They should also facilitate the re-use of farm buildings for small scale horse enterprises that provide a useful form of farm diversification".*

Annex A Paragraph 15 – Other Occupational dwellings

There may also be instances where special justification exists for new isolated dwellings associated with other rural-based enterprises. In these cases, the enterprise itself, including any development necessary for the operation of the enterprise, must be acceptable in planning terms, and permitted in that rural location, regardless of the consideration of any proposed associated dwelling. Local planning authorities should apply the same stringent levels of assessment to applications for new occupational dwellings as they apply to applications for agricultural and forestry workers'

dwellings. They should therefore apply the same criteria and principles in 3-13 of this Annex, in a manner and to the extent that they are relevant to the nature of the enterprise concerned.

8.1 Annex A Paragraph 12 - Temporary Agricultural Dwellings

"If a new dwelling is essential to support a new farming activity, whether on a newly-created agricultural unit or an established one, it should normally, for the first three years, be provided by a caravan, a wooden structure which can be easily dismantled, or other temporary accommodation. It should satisfy the following criteria:

(i) clear evidence of a firm intention and ability to develop the enterprise concerned (significant investment in new farm buildings is often a good indication of intentions);

(ii) functional need (paragraph 4 of Annex A);

(iii) Clear evidence that the proposed enterprise has been planned on a sound financial basis;

(iv) The functional need could not be fulfilled by another existing dwelling on the unit, or any other existing accommodation in the area which is suitable and available for occupation by the workers concerned; and

(v) Other normal planning requirements, e.g. on siting and access are satisfied.

It would be as well to mention Paragraph 15 and the relevance of "Occupational Dwellings" in the case of equestrian dwellings, and the fact that the criteria in Paragraph 12 will apply.

8.2 Assessment of the applicants business against Paragraph 12 Annexe A of Planning Policy Statement 7.

(1) Clear evidence of a firm intention and ability to develop the enterprise concerned (significant investment in new farm buildings is often a good indication of intentions);

From meeting the applicant it is apparent that Mr & Mrs Klenk have got extensive experience within the equestrian industry and in the keeping of dogs. The business will be developed further mainly through the introduction of four full liveries and 20 kennel places.

Significant investment has been made developing the site in readiness for the enterprises, with financial investment in the horse accommodation, ménage and other buildings which demonstrates that the applicant has a clear intention to develop the business. The applicant's application to the Environmental Health Officer also shows an intention to open the kennels.

(2) Functional Need (paragraph 4 of Annex A)

With regard to functional need, paragraph 4 of Annex A of PPS7 states that a functional test is necessary for the proper functioning of

the enterprise for one or more workers to be readily available at most times. Such a requirement might arise, for example, if workers are needed to be on hand day and night:

(i) in case animals or agricultural processes require essential care at short notice;

(ii) to deal quickly with emergencies that could otherwise cause serious loss of crops or products, for example, by frost damage or the failure of automatic systems.

The supervision requirements of the enterprise principally concern the welfare and security of the animals on site.

Horses and dogs are prone to dietary disorders. A knowledgeable person should be readily available and have the ability to see or hear quickly if an animal is in difficulty and for this reason it is considered essential that this person should be resident within sight and sound of buildings and the paddocks closest to them. Colic, if undetected and therefore untreated for any length of time in horses can be fatal. It is one of the most common causes of death in the horse. At this early stage often all that is necessary is to gently exercise the horse. Colic often occurs in the middle of the night. The applicant is responsible for complete care of horses on the farm. Routinely this involves feeding, watering, turning out and exercising.

It also involves being responsible for recognising and dealing swiftly and appropriately with any veterinary emergencies that occur. Twenty-four hour care is vital to the wellbeing of these horses.

Dogs staying at the kennels are sometimes under medication and it is the kennel owners' responsibility to administer the medicine sometimes at unsocial hours. It is also the kennel operators' responsibility to ensure dogs are as comfortable as possible and not distressed by being left in a strange environment. This can also lead to the operator having to attend to the dogs throughout the night.

An injury or death of a horse whilst at the stables, or a dog in the kennels due to lack of adequate supervision could have a serious effect on the enterprise not just in relation to that horse or dog, but also in terms of reputation of the business, and therefore a direct effect on its profitability and sustainability.

The care of the horses and dogs requires someone to work long and invariably unsociable hours. The applicant has to be on hand to administer medicines, change the dressings of sick or injured horses and dogs, and to supervise and care for the animals generally. Given the nature and management needs of the enterprises, close supervision of many aspects of the business at any one time is a common occurrence, thus an on-site dwelling is required for a key worker.

In most agricultural livestock businesses, mortality rates are regarded as part of the operation, such losses in equestrian and kennels businesses dealing with stock of high value are not acceptable.

Horses are often seen as a family pet, as well as an animal used for competition purposes and there is always a high sentimental value attached to horses by their owners. Obviously the dogs in the care of the kennel owners are family pets and such losses will be very difficult to explain whilst in the paid care of the applicant.

Security

The theft of horses is becoming an increasing problem in the UK. Although there are no national figures available, the British Horse Society (BHS) keeps a record of those reported to them. This shows a 17% increase in thefts since 1991, a figure which is collaborated by the Metropolitan Police Force which reports a 20% increase over the same period.

Serious horse attacks have been quite common over the past few years. The strongest form of deterrent is on site accommodation and day and night security.

Certain types of dogs are sought after for dog fighting and for puppy farming. It is the responsibility of the operator to ensure that dogs in their care are kept safe and secure.

There is also the risk from fire. Whether started by accident or deliberately, if no one is on hand to raise the alarm, tackle the fire if possible or evacuate the horses and dogs quickly and efficiently, the buildings and the horses and dogs themselves could be destroyed.

Duties associated with the Livery Yard

The liabilities of the livery yard owner to adjoining landowners and third parties are very extensive. This includes the prevention of trespassing livestock and supervision of animals known to be dangerous (stallions or bad tempered horses). The yard owner is acting in the course of a business and therefore has imposed upon him/her various obligations by statute. The applicant is accepting liability and responsibility for the horse as its keeper under a type of contract called Bailment.

Examples of Duties

1. To carry out services with reasonable care and skill:
   Provision of rugs in winter with full livery
   Supervision of animals
   Checking fields and fences
   Checking equipment

2. To take reasonable care of the horse:
   Veterinary needs
   Report cruelty if seen
   Provide water in fields

3. To ensure the premises are safe and appropriate for use and visits from the public

4. To protect the horse from damage.

Duties associated with the Kennels

The operator of commercial kennels is required to live on site in order to be granted a license under the Animal Boarding Establishments Act 1963 by the Environmental Health Department. This is a stipulation that is imposed on prospective kennel operators because it is recognised that a competent person needs to be on hand night and day to care for the animals at the Kennels. Kennels would not be granted a license in a residential area because of the high likelihood of noise nuisance that could give rise to statutory nuisance disputes between neighbours. Stanmaur farm is an ideal location for establishing a new kennels.

Free Range Egg Production

The seventy hens used for free range egg production will need to be released early in the morning and securely locked inside at dusk. Failure to do this will be likely to result in predation of the livestock by fox, mink and other carnivores.

Fishing Lake - Day Fishing

The main functional need to be on site is if oxygen levels drop in the water leaving the fish vulnerable to suffocation, or predation. On site accommodation will enable the more efficient management of the lake, and will also assist with the security of the fish stocks. Fish theft is a big risk, both from poachers and from the paying anglers who sometimes steal fish legitimately caught on their day ticket. The theft of fish obviously compromises the financial viability of the fishery, but also puts the fish welfare at risk.

(3) Clear evidence that the proposed enterprise has been planned on a sound financial basis;

The gross margin data prepared by Matt How of Acorus on behalf of the applicant at Appendix Two shows that the business can be financially viable with realistic returns and costings. The gross margin data for the livestock enterprises demonstrates that the enterprise at Stanmaur Farm can meet the financial test once the operation is running in accordance with the proposals.

The business plan at Appendix Two demonstrates that the business can grow to meet the financial test for a permanent dwelling over the three year period. Profit levels are forecast at £10,863 for year one, £27,123 for year two and £38,403 for year three.

(4) The functional need could not be fulfilled by another existing dwelling on the unit, or any other existing accommodation in the area which is suitable and available for occupation by the workers concerned; and

There are no other dwellings in the immediate locality which are either available to the business or would satisfy the functional requirements of the business.

The letter from the Environmental Health Officer clearly states that a license will not be granted unless there is on-site accommodation available at Stanmaur Farm. Nothing short of on-site accommodation will enable the applicant to progress these proposals.

(5) Other normal planning requirements are satisfied.

The site of the temporary dwelling is within sight and sound of the equestrian and kennel buildings and is ideally located to meet the functional and security needs of all enterprises at Stanmaur Farm.

9. CONCLUSIONS

9.1 Having assessed the proposed livestock enterprises run from Stanmaur Farm, it is considered that there is an essential functional requirement for the provision of temporary accommodation on the holding. The accommodation will enable a full time skilled worker to reside on the holding and deal quickly with emergencies, which could otherwise cause serious loss in the form of injury or fatality to valuable livestock.

9.2 Security issues, which could have an adverse affect on the welfare livestock, include fire, theft, malicious damage or vandalism to equipment or livestock accommodation, any of which would potentially result in injury or death of livestock. The protection of livestock from theft or injury by intruders in this instance will contribute on animal welfare grounds to the need for accommodation at Stanmaur Farm.

9.3 It is considered that the siting of the mobile home, adjacent to the buildings satisfies the functional requirements of the holding because it will be within sight and sound of the housed livestock.

9.4 It is considered that if the business continues to develop as planned in the attached business plan the financial test for an eventual permanent dwelling will be met, therefore the business is planned on a sound financial basis.

9.7 I consider that the business proposed by the applicant satisfies the requirements for the provision of a mobile home as set out in Paragraphs 12, 13 and 15 of Annex A of PPS7.

Phil Plant MRICS BSC (Hons)
Rural Surveyor

March 2009

APPENDIX 1

LETTER FROM COUNCIL REGARDING BOARDING KENNEL LICENCE

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Steve Atkinson MA(Oxon) • MBA • MIoD • FRSA
Chief Executive

Please Ask For: Mr S Smith
Direct Dial/Ext: 01455 255769
Our Ref: CS/H/SS/AMB/09/0111/MISC
Date: 22 January 2009

Hinckley & Bosworth
Borough Council

A Borough to be proud of

Mr and Mrs Klenk
51 Equity Road East
Earl Shilton
Leicester
LE9 7FZ

Dear Mr and Mrs Klenk,

Animal Boarding Establishments Act 1963
Stanmaur Farm, Breach Lane, Earl Shilton

I refer to my visit to the above site on 20 January 2009 regarding your plans to set up a Dog Boarding Establishment at the premises.

From an initial review of your proposals, it is likely that they would meet the standards required to allow the issue of the licence. However, at present there is no residence on the site and without such, a licence could not be granted.

Please note that this letter relates in no way to any matter under Town and Country Planning legislation.

Should you wish to discuss this matter further, please do not hesitate to contact me.

Yours sincerely

Simon Smith
Senior Environmental Health Officer

Visit our website at: www.hinckley-bosworth.gov.uk

APPENDIX 2

BUSINESS PLAN PREPARED BY MATT HOW OF ACORUS

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BUSINESS PLAN
FOR
DOG BOARDING KENNELS AND EQUINE LIVERY ENTERPRISES
AT
STANMAUR FARM, BREACH LANE, EARL SHILTON LEICESTERSHIRE, LE9 7FB

REPORT PREPARED FOR

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March 2009

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1 INTRODUCTION

This report has been prepared at the request of Mr Chris Klenk, 51 Equity Road East, Earl Shilton, Leicestershire, LE9 7FZ.

It has been written on an impartial basis, with the intention of outlining the facts considered relevant to an application for a temporary dwelling to be sited at Stanmaur Farm, Breach Lane, Earl Shilton.

The report assesses the application in the light of Annex A of PPS7 and is intended to assist the Local Authority in assessing whether special justification exists for the proposed dwelling on business grounds.

2 BASIS OF ASSESSMENT

Mr C D Klenk has been interviewed regarding his existing business activities and his future plans for Stanmaur Farm.

This report is based on the information as supplied during that interview and personal observations where appropriate.

3 EXISTING RURAL BUSINESS

3.1 Background

The site lies to the south east of Earl Shilton and is accessed via a short lane directly off the new Earl Shilton bypass (A47). Via the A47 there is easy access to Leicester (10 miles), Nuneaton (7 miles) and Hinckley (4 miles). With the A47 and the nearby A5, A447 there are good access routes into and out of the area. Therefore there are some large areas of population within easy reach of the site.

Mr Klenk has owned Stanmaur Farm for 11 years and presently the area is split into two grass fields used for the production of hay and the grazing of livestock. The holding covers approximately 8 acres (3.2 hectares) and a further 12 acres (4.9 hectares) of grassland is rented on an annual basis for making hay. Currently there are 24 sheep, 2 horses and 70 free-range egg laying hens on the site. All of the eggs are sold locally with the majority going to a Council owned bungalow complex for the elderly in Meadow Road, Barwell.

For over 25 years Chris and his wife Susan have owned and bred dogs, both German Shepherd and Springer Spaniels. Susan has also owned and cared for horses for over 20 years. Therefore, between

them they have many years of experience in keeping and caring for dogs and horses as well as dog breeding and the rearing of puppies.

3.2 Buildings and Fixed Equipment

When the site was purchased 11 years ago there were no permanent buildings on the site. Over the years Mr Klenk has obtained planning permission for and erected a number of different buildings. They include:

Steel portal frame barn (60ft x 40ft) - this building now has planning permission to be used as a dog kennels

Steel portal frame barn (60ft x 30ft) - 3 stables and agricultural machinery storage.

Steel portal frame barn with lean-to (30ft x 30ft, 30ft x 17ft lean-to) - this building is used for hay and straw storage.

New Stable block, steel portal frame (55ft x 30ft) - contains 3 stables, washroom/toilet and a tack room.

Manège (42m x 22m), post and rail fenced, silica sand and plastic granule surface - this will be used to exercise the horses and dogs when ground conditions are too wet.

The manège and all of the buildings have been erected by Mr Klenk himself with some of the groundworks being carried out by a contractor.

The business already owns all of the agricultural machinery necessary for the management of the grass and the making of hay. This includes tractors, baler, hay turner, topper, mower, rolls, and a fertiliser spreader.

3.3 Labour

Currently Mr Klenk is a self employed mobile mechanic and also carries out the management of the livestock and grassland on the holding.

Mrs Klenk looks after her own horses kept at Stanmaur Farm.

4 PROPOSED BUSINESS DEVELOPMENT

4.1 Background

Last year Mr Klenk broke his back and although he is now fully recovered he is unable to bend as well as before the accident or lift heavy loads. He is therefore finding it difficult to continue with his mobile mechanic business and has been investigating ways in which he can more fully utilise the buildings at Stanmaur Farm.

Dog Boarding Kennels
After carrying out market research and obtaining the appropriate planning permission it is proposed that one of the current buildings be converted to be used as a Dog Boarding Kennels with 20 dog places. Also a small and exclusive full livery enterprise is to be set up.

The proposal is to convert the building to provide 20 kennel places, built to a high specification and to offer a high quality of service. This should ensure that the potential income level is maximised and a high level of occupancy achieved.

As dog lovers (and lovers of animals and nature in general) Chris and Susan have a love of dogs, even a passion, and are keen to make a living from providing a safe, knowledgeable haven for dogs when their owners are unable to look after them.

One of the goals is that dogs will be walked and played with every day. Not only does this higher level of service mean clients will be more attracted to the kennels, but the most important thing for the dogs themselves is to get out of the kennels and have social contact every day.

It may be possible to create a whole new set of customers who have not previously felt confident enough to use a kennels, people who haven't felt able to take a holiday. There are many potential customers for kennels who just don't take holidays because they do not feel there is anywhere that will provide the level of care and personal attention they feel their dogs deserve. Trusting their dogs to the care of someone else is extremely difficult and some find it impossible.

Having only 20 kennels to fill, it will be easier to keep them fully booked all year round, and the care and attention offered will give customers enough confidence to take more breaks and holidays, knowing they can entrust their dog to Chris and Susan without worry or guilt.

Even if a dog owner is lucky enough to have neighbours, friends and family to help out, sometimes it is not always possible for them to assist (holidays, hospitalisation, illness etc) and other sources of help will need to be found.

With a kennels of high standard, low number of units and obvious care and attention to detail, plus knowledgeable and caring manager/staff it will be possible to tap into an area of the market that is new.

Higher standard kennels and dog hotels will not just appeal to the affluent - they will appeal to dog owners who care deeply about their dogs and who will happily pay more for a better, more personal service, care and level of comfort they feel they can trust.

Traditionally people wouldn't travel far to go to a kennels (just accept the nearest one) but car ownership, the internet and television means a greater awareness of what levels of service are available and accessible. Alongside the 'humanisation' of pets, it can be seen how dog owners wanting 'more' for their pets find current facilities lacking - their willingness to find high-end services is let down by the lack of such availability.

Local market research has identified that most of the facilities in the area are old and do not offer the right first impressions or level of comfort and care that is now being demanded by customers. In addition these kennels are unlikely to be modernised due to the high cost and the age of some of the boarding kennel owners.

There is a recent trend for dog owners travelling in the same country to consider taking their pets with them to board nearby, and are prepared to travel greater distances to find a great kennels.

Customers use kennels for many different reasons, but particularly for holidays. With the proliferation of internet offers such as short breaks, last minute discounts and round-the-world cruises there has been an increase in the times of year that customers are taking holidays and breaks. This will mean a more steady trade for high-end services throughout the year, rather than the old-style kennels' traditional peaks and troughs, and of course - more people booking at short notice.

Customers who are away on business or travelling a great deal will want to have a 'regular' kennels they can rely on, especially at short notice, and may require 'flexible' accommodation if they are unexpectedly delayed or early on their return trip.

Fishing Lake

On the holding is a small lake that has a very good stock of Carp and Roach, with some specimens being 20lbs in weight. With constant on site supervision it will be possible to use the lake for course fishing by issuing day tickets to anglers. Without living on site it would be difficult to be available 'out of office hours' to let the anglers on to the site, collect the money and to ensure that the fish are not stolen. Many fisherman wish to start at 7.00am and some like to fish all night or late into the evening.

Horse Livery

The aim is to provide a small and personal supervised livery service for the local area. It is planned to restrict the enterprise to 4 stables so that a friendly 'family' atmosphere can be achieved and the clients receive a personal service rather than just being a number as sometimes happens within much larger livery yards. The manège will offer all year exercising and training facilities that will further enhance the yards appeal.

The equine enterprise will be established based on the provision of quality livery services.

More and more people are taking up horse riding, making it an increasingly popular sport. The horse industry is a very significant economic force.

Estimates suggest that:

- £4 billion is spent annually on horses and riding;
- It employs up to 250,000 people directly and indirectly;
- 4.3 million people ride;
- 11 million people have some interest in the horse industry, and 5 million an active interest; and
- the horse population is at least 1.35 million.

There are various different forms of livery that can be offered:

Grass Livery – This is the supply of grazing pasture during the summer months. This is the simplest form of livery.

DIY Livery – The horse owner still has full responsibility for the care of their horse, but has the facilities of a stable, grazing, and in this case access to the manège. The horse owner is responsible for mucking out, turning out, grooming, exercising and all veterinary care, as well as the cost of feed and bedding.

Full Livery – includes full care of the horse including feed and exercise, but excludes vet costs and the farrier. The full livery can include a stable or be a grazing full livery where the horse is cared for outside all year round.

There are then a variety of options somewhere between DIY and Full livery, called Part Livery. There is also the option to charge for various services, some of which are included in the table below:

Brushing Off	
• Weekly	£10.00
• Daily	£2.50
Full Groom	
• Weekly	£20.00
• Daily	£4.00

Turn Out & Get In		
• Per occasion		£2.50
Rug Changing		
• Per change		£2.00
Exercise		
• Lunging	Per ½ hr	£8.00
• Hacking	Per ¾ hr	£8.00
• Schooling	Per ½ hr	£8.00
• Walking in Hand	Per ¼ hr	£3.50
Clipping		
• Full		£30.00
• Hunter		£25.00
• Blanket		£20.00
• High/Med Trace		£17.00

The yard will only have 4 stables available for livery and could also have a small number of grass liveries during the summer. The aim is to offer a small and exclusive livery service concentrating on full liveries. This will enable the business to have a regular and reliable income.

All livery customers will have to sign a detailed livery contract covering what is being offered and what is included, payment terms, conduct of horse owners, their horse management and their use of and attitude to the property. This will be based on a model contract provided by the British Horse Society.

The long-term objective for the business is to develop the equine enterprise as a top quality full livery centre offering a friendly and professional service.

4.2 The Market

In 2008 there were more than 7.3 million dogs within the UK. This is broken down into:

Dog Size	***% of total dogs***
Giant	3.7
Large	21.4
Medium	41.2
Small	23.6
Toy	10.0

Approximately 1 in 2 households own a pet of some sort with 1 in 5 (21.1%) of all of the UK households owning a dog. Within the Midlands this increases to 26% of all households owing a dog in 2008.

Ref: PFMA/TNS 2008

Within the Hinckley and Bosworth District Council area there are 41,000 households, which, by extrapolation of the above data, translates to approximately 10,700 dog owning households. If the neighbouring areas of Blaby, Nuneaton and Bedworth, North West Leicestershire, and Leicester are added the total number of households number 274,000 with over 71,000 of them owning at least one dog.

The demographics of the immediate area surrounding the kennels show a current low rate of unemployment, of ABC1 social grade (higher than average social grade) with many Professionals, office and manual/industrial workers, and self employed people. These types of people are those that are more likely to have a higher level of disposable income and therefore are more likely to take holidays. This indicates that there is a ready market and demand in the area for dog boarding kennels.

A licence for a 20 place boarding kennel has been applied for from the Environmental Heath Department and in principal they are happy with the proposed site, however they have said in writing that they would not issue a licence without someone living on site full time. Therefore onsite accommodation is crucial if this enterprise is going to be set up.

Angling is the UK's most popular recreational sport, with 13% of the population (over 12 years old) having been fishing within the last 2 years. Within the UK the annual spend on fishing tackle is over £515 million, with a further £100 million being spent on bait alone. With this type of interest in the sport Anglers are always looking for new and attractive places to fish, especially well stoked fisheries with some large specimen fish. The fishing lake at Stanmaur Farm is a sought after facility as it is easily accessed, it is in an attractive location, and it is well stocked and contains some large specimen fish. The limited number of fishermen that have used the lake in recent months have been very positive about the facility and are sure that demand for it would be strong if it was 'open' for more of the day and properly advertised. For this to happen constant on site supervision is required.

4.3 Assumptions and Budgets

It is anticipated that it will take at 2 to 3 years to build up to the occupancy levels stated. However with the proposed marketing activities (website, local advertising, road side signs, leaflet drops in vets, pet stores etc.) this level of occupancy may be achieved a lot quick than budgeted.

The following is a summary of the predicted overall business annual trading figures:

	Year 1	*Year 2*	*Year 3*
Holding Total Gross Margin	**£37,113**	**£55,673**	**£74,253**
Less			
Overheads	£25,700	£28,000	£35,300
Land Rent	£150	£150	£150
Notional rent	£400	£400	£400
'PROFIT'	**£10,863**	**£27,123**	**£38,403**

A full breakdown of the enterprise assumptions and gross margins are contained within Appendix 1.

This projection shows that once the business is fully established it will be able to sustain its on-going needs. The fruition of this business plan assumes that all of the buildings are complete and in place and that there is a constant on site presence.

4.4 Labour Requirements

It is proposed that the day to day running and management of the kennel and equine enterprises will be the responsibility of Mr and Mrs Klenk. Part time labour will be employed during busy periods and to cover for holidays taken by Mr & Mrs Klenk.

There is the possibility that the kennel could also offer Dog Grooming or obedience training services. This would generate additional income over and above that predicted within the business plan and also lead to the generation of additional employment, probably for Mr & Mrs Klenk's daughter.

5 CONCLUSION

It would appear that the business proposal will create a viable and sustainable business.

Given the experience and expertise of Mr and Mrs Klenk, their interest and expertise with dogs, and their local contacts within the Equine world the business should be capable of achieving the targets set-out within this business plan.

APPENDIX 1 – GROSS MARGIN ASSUMPTIONS AND BUDGET

Free Range Egg Production

Physical assumptions	
Total egg yield	275
(Dozens)	22.92
Average price (p per dozen)	140
Feed used (kg)	50
Feed cost (£ per tonne)	£245
Laying period (weeks)	50
Production cycle including de-stock	52
Cycles per year	1.000
Point of lay pullet cost (17 weeks old) (£)	£3.50
Cost of disposal of old hen (£)	£0.10
Pullet mortality	8%
Overall stocking rate (birds per Ha)	2,500
Housing (hens per sq. m)	6

Gross Margin Calculation (per hen)

Output	*£ per hen*	*p per Doz*
Egg Sales	32.08	140.0
Variable Costs		
Hen Depreciation	3.89	17.0
Food	12.25	53.5
Packaging	2.80	12.2
Miscellaneous	1.70	7.4
Gross Margin per hen place	**11.45**	**49.9**
Annual GM per hen place	**11.45**	**49.9**

Dog Boarding Kennels

Physical assumptions	
Average charge per kennel per day	£10.00
Occupancy rate	85%
Days occupied per year	310
Food cost	£30.00 per 15kg
Average food consumed per dog per day	300 g

Gross Margin Calculation (per kennel space)

	£ per kennel space
Output	
Annual kennel income	3,103
Variable Costs	
Food	186
Disinfection	35
Gross Margin per kennel place	**2,881**

Horses - Full Livery

Physical assumptions	
Occupancy rate	80%
Livery charge per week (£ per week)	£100
Hard feed usage (kg per horse per year)	1,000
Hard feed cost (£ per tonne)	£250
Purchased hay (t per horse per year)	1.3t
Hay cost (£ per tonne)	£130
Bedding straw (t per horse per year)	4.0t
Straw cost (£ per tonne)	£45
Stocking rate (horses per hectare)	1.3

Gross Margin Calculation (per Horse Place)

	£ per Place
Output	
Livery income	4,160
Sundry income - extras etc.	25
Variable Costs	
Hard feeds	200
Hay	135
Bedding	144
Advertising	25
Sundries (including insurance)	70
Gross Margin per horse place	**3,611**

Fishing Lake - Day Tickets

Physical assumptions		
Utilisation rate	20%	
Number of pegs	6	
Number of days open in the fishing season	260	
Charge for day ticket	£5	per rod per day
Season Tickets	£150	per annum
# of season tickets sold per year		

Gross Margin Calculation

Output	*£*
Day ticket revenue	1,560
Variable Costs	
Maintenance	250
Fish food	350
Advertising	200
Gross Margin	**760**

Forage Production

Grass establishment costs

		£/Ha
Ploughing		60
Cultivation		37
Drilling		27
Rolling		25
Seed costs		85
Total establishment costs		234
Life of Ley (Years)	6	
Annual cost of establishment		39

Annual grazing costs

Topping	27
Fertilisers	100
Others	3
Reseeding	39
Annual Grazing Costs	**169**

Hay making gross margin

		£/Ha
Mowing		28
Tedding		20
Bales per hectare	123	
Baling (£ per bale)	0.26	
Bale wrapping (£ per bale)		
Baling & wrapping		32
Fertilisers		150
Other costs		3
Reseeding		39
Hay making cost per Ha		**272**
Sale of conventional small bales @	£2.86	each
Revenue from hay sales (£/ha)		352
Hay making gross margin		**80**

Proportion of forage area conserved **82%**

ANNUAL GROSS MARGIN PROFIT PROJECTIONS

Gross Margins	Year 1 # or Ha	Year 1 Totals	Year 2 # or Ha	Year 2 Gross Margin	Year 3 # or Ha	Year 3 Gross Margin
Free range hens (egg production)	70	£801	85	£973	100	£1,145
Dog Boarding Kennels	10	£28,814	15	£43,220	20	£57,627
Horses - Full Livery	2	£7,222	3	£10,834	4	£14,445
Fishing Lake		£0		£370		£760
Forage costs / output	7.89	£276	7.89	£276	7.89	£276
Holding Total Gross Margin		**£37,113**		**£55,673**		**£74,253**
Less						
Wages		£8,000		£10,000		£17,000
Electricity		£600		£700		£800
Heating Oil		£900		£1,000		£1,100
Insurance		£1,500		£1,500		£1,500
Office expenses		£1,800		£1,800		£1,800
Advertising / Website maintenance		£1,500		£1,500		£1,500
General Overheads		£1,500		£1,500		£1,500
Licence		£800		£800		£800
Water/rates		£900		£900		£900
Business rates		£2,000		£2,000		£2,000
Prperty Repairs/maintenance		£500		£600		£700
Depreciation		£5,400		£5,400		£5,400
Working Capital (say £5,000 @ 6%)		£300		£300		£300
Land Rent		£150		£150		£150
Notional rent		£400		£400		£400
"PROFIT"		**£10,863**		**£27,123**		**£38,403**

Annual Capital Investment

	Dep. Rate	Cap. Ex.	Dep.	Cap. Ex.	Dep.	Cap. Ex.	Dep.
Kennel construction	10%	30,000	£3,000		£3,000		£3,000
Stable block	7%	20,000	£1,400		£1,400		£1,400
General improvements	10%	10,000	£1,000		£1,000		£1,000
		£60,000	£5,400	£0	£5,400	£0	£5,400