Proposed Decision to be taken by the Portfolio Holder for Customers on or after 28th June 2013

South Lodge Farm, Lawford Heath

Recommendation

That the Portfolio Holder for Customers approves a virement of £161,131 from the Smallholdings capital maintenance allocation in 2013/14 for the development of a cattle building to replace a smaller redundant building at South Lodge Farm, Lawford Heath.

1.0 Background

- 1.1 South Lodge Farm is a dairy holding let to the current tenant on a 15-year Farm Business Tenancy. He took over the farm in April 2008 and has increased the size of his herd from 90 to 120 cows.
- 1.2 The current milking parlour has been condemned by farm assurance inspectors, but they have permitted the tenant to continue to milk with the understanding that a new parlour will be in place by the end of 2013. The replacement of the milking parlour is Phase 1 of the planned work at South Lodge Farm and has already commenced using funding from the Smallholdings capital maintenance allocation.
- 1.3 To make efficient use of the space and to achieve better management of livestock, the tenant also requires a new larger cattle building to replace a redundant building and accommodate the additional livestock. This element represents Phase 2 of the planned work.

2.0 Supporting Information

- 2.1 The Council, on commencement of the lease, committed to upgrade the buildings to be suitable for dairy operations as some of the existing buildings were in a poor state of repair and have since deteriorated further. Phase 2 of the scheme forms part of this commitment.
- 2.2 The proposal is to replace the existing 30 x 120ft redundant cattle building, which does not comply with BS5502, with a new 55 x 120ft steel portal frame building which is compliant and will connect to the existing cattle shed. The new building will cover the 25ft passage between the existing buildings. The increased capacity will enable the tenant to house his additional milking cows, reduce dirty water runoff and better utilise the space. See **Appendix A** for

- plan showing the proposal. The hatched area shows the building to be demolished and replaced by a building shown by the dashed line.
- 2.3 £116,131 represents the cost of the new, larger 55 x 120ft building. Just over half of the cost is attributable to maintenance/replacement of the existing building.
- 2.4 By combining the maintenance of the milking parlour (Phase 1) and the construction of the new cattle building (Phase 2) the Council realises economies of scale in terms of site set up, minimising scheme costs and disruption to the tenant.
- 2.5 There would be no financial impact to the Council if Phase 2 is not approved, save for design fees already incurred of £12,000. The most favourable financial solution would be to run both phases sequentially.

3.0 Proposal

- 3.1 The work has been split into two phases. Phase 1 commenced on 28th May 2013 and Phase 2 will start following receipt of Portfolio Holder approval, with an estimated completion date of 26 November 2013.
- 3.2 As the second phase consists of the construction of a new, larger 55 x 120ft steel portal frame building, it is technically classified as a development scheme; therefore, Portfolio Holder approval is required to allocate £116,131 of existing Smallholdings capital maintenance allocation to fund Phase 2.

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