

## **Document E1**

### **Rural Development Programme 2014-2020 European Maritime and Fisheries Fund 2014-2020**

#### **TECHNICAL APPRAISAL REPORT (CAPITAL APPLICATIONS)**

##### **For RDP Applications**

<b>Scheme:</b>	RCDF
<b>Measure:</b>	7
<b>Sub Measure:</b>	7.7
<b>Applicant:</b>	Mrs Lisa Fearn
<b>Project Title:</b>	Pumpkin Patch
<b>PPIMS Case ID Number:</b>	81123

Following initial technical assessment of the application the following questions need to be raised with the applicant.

Question	Response	Is the response satisfactory YES/NO

#### **DELIVERY**

##### **THE COMPANY**

The Pumpkin Patch is an existing cookery and gardening school that is currently being run from the family home in the Tywi Valley by owner, and qualified teacher Lisa Fearn.

Pumpkin Patch is a **Exempt under Section 43**. The turnover for this company for year ending **Exempt under Section 43**. The company is not currently VAT registered, but are going through the process of becoming VAT registered.

The Pumpkin Patch kitchen and garden school, links the growing and cooking of food, bringing a real understanding of where the food comes from. They grow most of their own fruit and vegetables.

The business has now grown to a point whereby the current facility is too small and is unable to meet the demands of its client base or develop further. The investment in a

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purpose built cookery school and life skills centre will enable the business to expand & further develop its activities.

## PROJECT FEATURES AND DETAILS

- **Project Aim & Need**

The project will include:

Renovation of a redundant cowshed into:

- 1) A purpose built cookery school, to house the existing Pumpkin Patch Cookery and Gardening School, which has outgrown its existing premises within the family home
- 2) Accommodation for a Rural Skills Centre and other training courses
- 3) An internet coffee house to serve the community

The Pumpkin Patch wishes to invest in a purpose built facility, with the development and conversion of the redundant cowshed located just 20 metres from the farmhouse. The investment in a purpose built cookery school and life skills centre will enable the business to expand & further develop its activities. Offering gardening (grow your own) and cookery workshops and linking into other related topics including information about food, diet, composting, recycling and the wider global issues relating to food, nutrition and health.

The new facility will run rural skills courses in specialist areas such as:

Pig Keeping & Butchery

Keeping healthy chickens, and poultry

Charcuterie

Beekeeping

In addition, the new facility will offer additional skill building courses, run by local experts for the local community.

**The coffee shop** will be able to accommodate 50 people on the ground floor alone and a further 50 on the 1st floor.

**The cookery school** will accommodate up to 18 children or 10 adults per workshop. The facility will be multi functional and flexible, enabling other workshops or training days to take place.

**Increased marketing** will keep the business moving forward, increasing sales and offering new and improved services and workshops to meet the demand of an increasing customer base.

- **Application Details:**

<b>Total Project Cost</b>		
<b>Total Eligible Project Capital Expenditure</b>		
<b>Grant Sought</b>		

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<b>Loans</b>	<b><u>Exempt under Section 43</u></b>	<b><u>Exempt under Section 43</u></b>
<b>Overdraft</b>		
<b>Own Funds</b>		

\*Evidence of Funds available are on PPIMS

**VAT** - As they anticipate turning over in excess of **Exempt under Section 43**, Pumpkin Patch will need to become VAT registered and are in the process of becoming VAT registered to ensure that they are compliant with current legislation regarding finances and employment.

- **Displacement**

Displacement is unlikely to be an issue for this project as this is the only cookery school in Carmarthenshire, and the work carried out within the community for local and county councils and private organisations is not offered by any other business in the area.

- **Eligibility**

The applicant meets:

Sub-Measure 7.7 – support for investments targeting the re-location of activities and conversion of buildings or other facilities located inside or close to rural settlements with a view to improving the quality of life or increasing the environmental performance of the settlement

The applicant is a **Exempt under Section 43**.

The applicant is not VAT registered

The applicant has provided the farm holding no – 55/004/0266

The business reported **Exempt under Section 43** in the last financial year

The applicant expects job creation of up to **Exempt under Section 43** jobs as a result of this investment.

According to the RCDF guidance, the costs for conversion of the redundant cowshed are eligible under 7.7

\*Confirmation from Lisa is included below – copy of email is on PPIMS

The barn is owned jointly by myself Lisa Fearn and my husband Jonathan Fearn, & we have consented for the barn to be used for the proposed use.

Carmarthenshire County Council's Planning Committee approved Planning Application number W/34462 on 10th November 2016. The Planning Committee Report confirmed that the development was in accordance with the County Council's adopted Local Development Plan and included the following comments in relation to LDP policy compliance (my underlining):  
"Policy TSM4 and H5 allow for the re-use and adaption of redundant buildings in the open countryside; the said policies are aimed at allowing the re-adaption of buildings where appropriate, which in turn reduces the need/demand for new development in the open countryside. It is acknowledged in this instance that this proposal is

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somewhat unique in that it involves the adaption of one of the buildings into a cookery school/food skills centre. However as already highlighted, Alltbygog has an established kitchen and garden school operating from this location, hence this proposal is seen as an extension/intensification of the established cookery school, known as The Pumpkin Patch. With regard to policy consideration, the application falls to be considered against the general criteria of policies TSM4 and H5 of the LDP. The authority deems the form, bulk and general design of the buildings as altered to be in keeping with their surroundings; the buildings are structurally sound and large enough to accommodate the proposed uses without extensive rebuilding or alteration. It is not envisaged that the proposed use would not give rise to unacceptable problems relating to access, amenity, nature conservation or the provision of services."

"The LDP is supportive of proposals for small scale tourist facilities outside the development limits where the proposals involve conversions of existing and/or redundant building in the open countryside. In this instance the utilisation of traditional and under-used farm buildings at Alltbygog is deemed acceptable in that the buildings are physically capable of accommodating the new uses without extensive alteration or extensions. The overall proposal retains the character of the group of buildings and will not result in the loss of the building's historic or architectural merit or traditional character and appearance."

"The authority is satisfied that the proposal to utilise the buildings for" ... "a cookery school demonstrates that the commercial/business re-use of the building is viable and appropriate at this location. In view of the above, it is considered the proposal complies with the general criteria as set out in the aforementioned LDP policies, the application is therefore put forward with a favourable recommendation."

"The development accords with Policy H5 & TSM4 of the LDP in that the buildings are suitable for conversion without substantial alterations. The alterations / modifications have been carefully designed to integrate with the buildings architectural integrity and do not detract from the character of the buildings. It is considered the buildings are substantially intact and capable of conversion; the buildings are of a traditional rural character and their future can best be secured through appropriate conversion."

In LNFD's opinion, the applicant meets the eligibility of the RCDF guidance, under measure 7.7

- **Market**

The Pumpkin Patch have identified markets including school children, adults, children with special educational needs, emotional and behavioural difficulties. The Pumpkin Patch will also work with local colleges and groups to offer traineeships and apprenticeships.

- **Key Customers:**

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The following target trade customers have been identified:

The Pumpkin Patch has specialised in providing local children the opportunity of growing their own food and learning how to cook it with a huge emphasis on diet and nutrition. Demand for places, and for accommodating larger visiting groups

- **Risks**

The applicant has identified the following risks to the project:

- Inclement weather throughout early spring could delay building work – medium
- Complication with the build due to unforeseen problems with cowshed – medium
- Failures to achieve deliveries on time

**Score:** Medium

## PROJECT MANAGEMENT

The overall responsibility to deliver the project will be shared between a team of qualified individuals and teams that are more highly skilled than the project manager. Each part of the project will engage different personnel offering different speciality.

**Architect & Building Surveyor:** A local architect has already been instructed to produce the outline drawings for the planning application for the redevelopment. He has also provided building regulation plans for the project.

**Project Manager:** The role of project manager will be undertaken by the architect who has worked on the project from the beginning.

The day to day running and management, especially the control aspect, will be carried out by Lisa Fearn, who lives on site and will have a massive involvement in the overall project. Lisa will maintain a close involvement on a day to day basis, while all compliance issues will be cleared and signed off by a qualified professional at all necessary stages of the build.

**Quantity Surveyor-** To provide a full schedule of works in addition to plans and drawings provided by the architect. This will give potential builders full knowledge of the work required and will therefore enable a more accurate costing for the build. This will minimise additional unforeseen costs arising during the build.

**Operational skills – Builders.** To carry out and manage the build / renovation right through to completion. The building firm instructed to carry out the work will in turn use plumbers, electricians, flooring experts, carpenters, to carry out work requiring technical skills.

**Financial skills –** Lisa Fearn, a former bank manager and owner of the cookery school, will manage the day to day monitoring of the account with additional assistance from the Pumpkin Patch accountant and Bank Manager as necessary.

**Personnel skills –** Project manager & Lisa Fearn (cookery school owner)

**Communication skills –** Project Manager and Pumpkin Patch Cookery School

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**VALUE FOR MONEY**

**PROJECT EXPENDITURE**

The applicant has listed the below anticipated expenditure costs for the project.

The RCDF grant will provide 80% of the costs, amounting to £128,000 and **Exempt under Section 43** for the remaining amount.

- **Project Expenditure:**

Item Description	Preferred Supplier	Cost (ex VAT)
		<b><u>Exempt under Section 43</u></b>
<b>Buildings</b>		
Demolition, alterations, site clearance	1	
substructures	2	
External Walls	3	
Roof Structure, covering, rainwater goods	4	
Upper Floors	5	
External doors & Window	6	
Internal partitions, wall linings	7	
Internal doors	8	
Stairs & Walkway	9	
Floor Finishes	10	
Wall Finishes	11	
Ceiling Finishes	12	
Contractors Prelim Costs – scaffolding, access platforms etc	13	
<b>Total Buildings</b>		<b><u>Exempt under Section 43</u></b>
<b>Plant &amp; Equipment</b>		<b><u>Exempt</u></b>

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		<u>under Section 43</u>
Mechanical & Electrical installations		
M&E Builders work		
Fixtures, fittings, shelving, sanitary work,		
External work & drainage		
Incoming Services		
<b>Total Plant &amp; Equipment</b>		<u>Exempt under Section 43</u>
<b>Consultancy/Fees</b>		<u>Exempt under Section 43</u>
Professional , building regs, planning & survey fees		
<b>Total Consultancy/Fees</b>		<u>Exempt under Section 43</u>
<b>Total Project Cost</b>		<b>161,260</b>

➤ **BUILDINGS:**

The on-site redundant cowshed, which is located less than 20 metres from the house. It will offer the perfect solution and will enable expansion of the business in a way that will benefit numerous local children, teens, adults and community groups within the area. The existing open-plan interior of the property lends itself quite willingly to the proposed plan to renovate into a cookery school.

The building will require extensive renovation, including new floors, walls, roof, windows, and doors. Installation of electricals, kitchens, plumbing and toilet cubicles. It is anticipated that the built itself will take approximately 6 months. Once the builders are off site it is anticipated needing an additional 6 months to finalise snagging.

The rehousing of the School will enable the Pumpkin Patch to offer these enhanced services:

- Accommodation of children more easily offering more space (without rearranging the work units).
- Ability to offer more workshops at different times of day offering more variety and choice for the customers.

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- Mums and Dads will no longer have to disappear during workshops, they will be able to frequent the coffee shop and enjoy some 'child free time' as they wait for their children.
- Provision of coffee and cake mornings.
- Regular daytime cookery demonstrations for customers.
- Ability to have guest chefs to add to the range of workshops available at the cookery school.
- Local food producers' demonstrations to encourage 'buy local' campaigns and to promote local producers.
- After school cookery clubs, in Welsh and English to cater for the local demand for workshops in both languages.
- Ample car parking outside, with easy access for wheelchair users and buggies.

➤ **PLANT AND EQUIPMENT:**

The new building will include the creation of a purpose built cookery school, including safe out of reach hob facilities - safer for younger chefs, great for use by older children.

The building will have facilities for:

- Sufficient hand washing facilities in the School area.
- Purpose built storage for coats and bags.
- Sufficient toilet facilities for customers (not use of the family bathroom).
- Availability of Wi-Fi will allow parents and other visitors to work or enjoy super-fast broadband.

**Score:** Medium

## INDICATORS & OUTCOMES

### PROJECT BENEFITS AND OUTCOMES

#### Project Level Indicators:

**0.1 Total Expenditure** – The project will not exceed a total expenditure of £160,000

**0.2 Total Investment** – The capital investment made will be £139,768

**0.3 Number of actions supported = 1** - Complete refurbishment of existing Redundant cowshed.

**0.15 People benefitting from improved services** will increase significantly

#### Case Level Indicators:

#### **Jobs accommodated – Exempt under Section 43**

The applicant is estimating that **Exempt under Section 43** jobs will be created during the project; these will consist of full time and part time jobs. They estimate it will increase further during seasonal peaks and when the business becomes more established.

#### **Premises created or refurbished - 1**

There will be one premise refurbished for this project....**Exempt under Section 43...**

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**Enterprise accommodated - 1**

The current business will be rehoused in the agricultural building on site

**Enterprise financially supported - 1**

The applicant has stated that without the funding they would not be able to take the project forward.

The outcome of this project aims to provide employment and an additional attraction to the area, boost tourism and address the current decline in the Welsh Language. It will aim to promote more food production courses and people skills which will go towards further developing this small enterprise.

Without the relocation and the funding the business state they would be unable to expand and create further jobs, which could affect their competitiveness within the industry.

The timescale for this project is estimated at one year.

- **OUTPUTS**

Outputs highlighted as a result of the implementation of the project, forecasted by the company to include the following:

<b>OUTPUT</b>	<b>BEFORE THE PROJECT</b>		<b>AFTER THE PROJECT</b>
No of Employees	1.5		6
Premises created	0		1
Enterprise Accomodated	0		1

**Score:** Medium

**SUITABILITY OF INTERVENTION**

The Pumpkin Patch Cookery and Gardening school is the only cookery school in Carmarthenshire. The business has been established since 2009, and continues to grow. The current location of the cookery school is in the owner’s farmhouse kitchen. This is no longer adequate, and the proposed conversion of the redundant cowshed to house the new cookery school is the most appropriate option for the Pumpkin Patch.

The new facility will ensure that all children with special educational needs and additional needs will have high quality educational resources.

In LNFD’s opinion, the applicant has the appropriate experience and knowledge of the business to enable the business to grow and expand to the new premises.

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## **CROSS CUTTING THEMES**

Both languages are used in all workshops currently offered. With the opportunity to be open longer and offer more workshops, they will be in a position to offer Welsh / English only workshops. This will be especially true for pre-school workshops such as the 'Little Pumpkins' classes, designed for the under 6 age group. This will be beneficial for the young pre-school learners and for their parents / carers who will gain confidence in the language and offer a Welsh learning environment.

Lisa is a Welsh speaker herself and will encourage children and adults to speak their language of choice. Classes can be bilingual and the Welsh language is promoted and used in most classes and demonstrations. Recipes and signage will be bilingual, and some 'Little Pumpkins' parent and child cookery workshops are already held in Welsh as the children are raised in Welsh homes and attend a Welsh medium Meithrin. The junior workshops offer a choice of language.

The information provided shows that the project will aim to address the following threats and weaknesses in rural Carmarthenshire:

The decline of the Welsh Language

Encourage Carmarthenshire to be a tourism destination - not a gateway to Pembrokeshire.

Prove that a Carmarthenshire micro-business is eager and determined to expand.

To offer an attraction which is not weather dependent.

Encourage people to gain a higher skill level.

Encourage food production courses in FE/HE.

### **Sustainable Development**

The redundant cowsheds at Allt y Gôg Farm will be sympathetically restored to create a cookery school that will sit perfectly and beautifully in the Towy Valley. The frontage will remain exactly as it was built many years ago; openings and windows will remain the same. The Welsh purple slate will remain in the roof and, as far as possible, we will endeavour to create an eco-friendly building and an equally environment friendly business. The building will require low energy for heating, and will be well insulated.

### **Tackling Poverty and Social Exclusion**

The Pumpkin Patch will promote social inclusion and address issues relating to rural poverty by providing a purpose-built facility aimed at improving health and wellbeing through cookery, diet and nutrition classes.

The facility will also act as a community hub providing a meeting place for local groups to reduce isolation within rural areas.

The project will also contribute towards improving the quality of life for local people by enabling access to facilities aimed at educating children and local people about food, diet, and nutrition; a meeting place for local community groups to access to ICT; as well as act as a rural skills resource delivering training in specialist areas such as charcuterie and bee-keeping.

Cooking and gardening are two skills that have been lost somewhere during the past two generations. Offering gardening (grow-your-own) and cookery workshops and linking into other related topics including information about food, diet, composting, recycling and the wider global issues relating to food, nutrition and health (both

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physical and emotional) is important within the community. As The Pumpkin Patch strives to educate people about the benefits of healthy eating, it uses traditional Welsh recipes that have been handed down through the generations.

#### **Statements of special educational needs for social, emotional and behavioural difficulties**

The Pumpkin Patch has already worked with several groups and initiatives which enable those on low incomes and from deprived areas (Communities First Areas) to benefit from the workshops we offer.

Statemented children, the aged and young families with child-parent relationship problems have requested return visits as larger groups, which cannot currently be accommodated. In addition, many have additional learning needs including autism and learning difficulties. Teaching these children is especially rewarding, though considerable planning is needed to ensure the workshop is rewarding for them also.

The children's needs would be better met by a cookery school and life skills centre that would allow the children to learn in a new location, as it is often the school environment that instigated the negative behaviour. Through teaching a non-examined subject in a non-school environment, children learn and develop well.

#### **Digital Inclusion**

There are key individuals who are more likely to be digitally excluded, including older and disabled people; those living in social housing; the unemployed and working age economically inactive. Latest data from the National Survey for Wales 2014-15 tells us that 19% of individuals in Wales are not online

The internet provision at the café will allow local residents and business to access the fastest internet available in the area. Superfast Broadband has been installed. They will be in a position to maximise on this by offering Wi-fi and computer access to local people who either do not have access to a computer or the skills to enable them to access services on-line.

As the new facility will be a multi-purpose building, being designed primarily to house the existing cookery school, the open space will also be suitable for other workshops and seminars and to house local events. They may consider providing digital inclusion workshops to support local residents.

The out of town internet café / coffee shop and take away will attract visitors to the centre, especially those requiring free parking and easy access such as those with prams and buggies and the elderly. The availability of free Wi-Fi provision will be a significant attraction to those who live in rural areas that do not have access to super-fast broadband or any internet at all.

Score - High

### **LONG TERM SUSTAINABILITY**

Once the project has been 'completed' and the new premises occupied by the Pumpkin Patch Cookery & Gardening School, the work will continue with an

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increased number of workshops, demonstrations and the running of a coffee shop, healthy family meal take away provision and supper club nights. Increased marketing will keep the business moving forward, increasing sales and offering new and improved services and workshops to meet the demand of an increasing customer base.

The re-housing of the cookery school offers a vital opportunity for The Pumpkin Patch to expand and grow the business. They will be able to offer what is currently available, but in a purpose built, safe environment; be able to expand the range of workshops available to groups in all age groups. The out of town coffee shop and take-away will attract visitors to the centre, especially those requiring free parking and easy access such as those with prams and buggies and the elderly.

### **Exempt under Section 43**

The multi-purpose cookery centre will become a skills centre and used for numerous workshops, but always with an educational purpose.

**Score:** Medium

## **SUMMARY & RECOMMENDATIONS**

The Pumpkin Patch Cookery School and Gardening School is owned and managed by Lisa Fearn. This is a home-grown micro business, established in 2009.

The Pumpkin Patch has outgrown the current farmhouse kitchen facility and the applicant wishes to invest in a purpose built cookery school by converting a redundant cowshed that is located just 20 metres away from the farmhouse.

In LNFD's opinion, the applicant is eligible via the sub measure 7.7 - support for investments targeting the re-location of activities and conversion of buildings or other facilities located inside or close to rural settlements with a view to improving the quality of life or increasing the environmental performance of the settlement.

The applicant has confirmed that she has ownership of the redundant cowshed, and that details of the proposed project have been included in Carmarthenshire CC Local Development Strategy.

\*Details held on PPIMS

Plans and Diagrams are all held on PPIMS

The applicant is anticipating creating **Exempt under Section 43** jobs locally as a result of this investment.

The applicant has indicated **Exempt under Section 43** following the conversion of the cowshed.

The new purpose built cookery school will offer a safe environment for the young and vulnerable groups that attend the workshops.

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The Pumpkin Patch is the only cookery school in Carmarthenshire. It offers cookery and gardening skills that are not offered elsewhere. Target audiences include young school children, children with special educational needs, adults and groups.

The applicant has confirmed that they have the necessary food safety qualifications and insurance policy in place. They are also working towards the Environmental Policy.

\*Details on PPIMS

In LNFDF's opinion, the project activity is also eligible via sub-measure 7.7 - support for investments targeting the re-location of activities and conversion of buildings or other facilities located inside or close to rural settlements with a view to improving the quality of life or increasing the environmental performance of the settlement.

In LNFDF's opinion, support for this project is recommended. However, it is recommended to include a SPECIAL CONDITION in the approval letter regarding VAT - As the organisation is not currently VAT registered it is reasonable to include the irrecoverable VAT as part of the eligible project costs. The potential issue is that the organisation registers for VAT in the future (as they forecast turnover at the VAT registration threshold although this may not necessarily be Vatable turnover) and may be able therefore to recover the project cost VAT retrospectively.

The offer letter should specify as a SPECIAL CONDITION:

- To notify us asap if they do become VAT registered
- review the VAT status at claim stage and final inspection stage to ensure they have not claimed VAT on grant

<b>Completed by:</b> (print name)	<b>Welsh Government Official (1)</b>
<b>Signature:</b>	Electronic copy only
<b>Date:</b>	18/5/17