



Neutral Citation Number: [2025] EWHC 251 (Admin)

Case No: AC-2024-CDF-000028

IN THE HIGH COURT OF JUSTICE
KING'S BENCH DIVISION
PLANNING COURT

Cardiff Civil and Family Justice Centre
2 Park Street, Cardiff, CF10 1ET

Date: 7 February 2025

Before :

HIS HONOUR JUDGE JARMAN KC

Sitting as a judge of the High Court

Between :

SPVRG LIMITED

Claimant

- and -

PEMBROKESHIRE COUNTY COUNCIL

Defendant

-and-

**HERITAGE LEISURE DEVELOPMENT (WALES)
LIMITED**

**Interested
Party**

-

Mr Emyr Jones instructed by the **claimant**

Ms Ruchi Parekh instructed by the **defendant**

The interested party did not appear and was not represented

Hearing dates: 27 January 2025

Approved Judgment

This judgment was handed down remotely at 10.30am on [date] by circulation to the parties or their representatives by e-mail and by release to the National Archives.

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HIS HONOUR JUDGE JARMAN KC

HHJ JARMAN KC:

Introduction

1. The claimant (a company formed by local residents) challenges the grant of planning permission dated 4 January 2024 by the defendant as local planning authority to the interested party for the installation of 48 bases for holiday lodges, spa facility, holiday apartments in the former Stepside Inn, café and cycle hire, equestrian stables, manège and associated office, main park office, car and cycle parking, residential garages, landscaping, access, retaining walls, foul and surface water drainage, related infrastructure and engineering works at Heritage Park, Pleasant Valley, Narberth. Such development would create a northward extension of an existing caravan park at Heritage Park, which currently has 112 static caravan plots. The defendant is the freeholder of the existing park, which it leased to the interested party in 2007 on a long lease.
2. It is not in dispute that such development would conflict with important policies in the local development plan adopted in 2013. The most relevant policy relating to the extension of caravan sites, GN 19, permits such extensions only within settlement boundaries. The areas of the proposed development allocated for the holiday lodges are outside the settlement boundary of Stepside and Pleasant Valley. The proposed holiday apartments are predominantly within that settlement boundary, but Stepside is a local village and not a town, service centre or service village as required by policy GN 17, and on that basis the proposed development is also contrary to that policy.

Background

3. Such conflict was at the heart of the defendant's planning officers recommending refusal prior to meetings of the defendant's planning committee in September and October 2024 and of the full council in November 2024. The planning committee, after a site visit, resolved to grant planning permission, and because this did not follow officer recommendation, the application was referred to the full council. The defendant's head of planning produced a further report for the council. That recorded that the planning committee in October 2024 resolved to grant planning permission for the proposed development subject to the conditions outlined in the head of planning's report to the committee, which was against officer recommendation, and that the reason given by the committee was that it considered that greater weight should be afforded to the suggested economic benefits (set out in an economic assessment accompanying the application by the interested party) of the proposal rather than development plan policy.
4. The head of planning's report to the full council contained the following recommendation:

“That the Council does not endorse the resolution of the Planning Committee and refuse the planning application for the following reason:-

By reason of the proposed bases for holiday lodges being outside of a settlement and the holiday apartments not being within or well-related to a town, service centre or service village; the proposed development fails to accord with policies SP 1, SP 5,

SP 16, GN.1, GN.17 and GN.19 of the Local Development Plan for Pembrokeshire (adopted 28 February 2013).”

5. No written reasons were formulated before the application was put to the council to vote. The resolution to be voted on was expressed to be whether the council should endorse the resolution of the planning committee. The vote was in favour and the resolution recorded as such.
6. Permission to bring this challenge was granted by this court on two only of the seven grounds on which permission was sought. The first ground (ground 1) is that no or no adequate reasons were given by the council for its decision. The second (ground 3) is that the council dealt with the issue of the economic benefits of the proposed development in a way that was unreasonable and unlawful.
7. Generally, there is no duty on a local planning authority to give reasons for allowing an application for planning permission. Ms Parekh for the defendant properly accepts, however, that such a duty did arise in this case given that the council was going against officer recommendations and that there were conflicts with the development plan, see *R (CPRE Kent) v Dover District Council* [2017] UKSC 79; [2018] 1 WLR 108.
8. However, she submits that members of the council were entitled to use their collective planning judgment to come to a different conclusion to that of the planning officers and to endorse the decision of the planning committee that weighing in the balance the economic benefits of the proposed development on the one hand against the conflicts with the development plan on the other, the former outweigh the latter.
9. Mr Jones, for the claimant, realistically accepts that such would be the position if the decision were a straightforward balancing exercise but submits on the facts of this case that the challenge is far more nuanced than that. He points to issues raised in the head of planning’s report to the council, not previously raised in officer’s reports, which he submits were not grappled with by the council and did not form part of its reasoning.
10. One such issue was the detrimental economic impacts of the proposed development including the creation of unsustainable development at an unsustainable location, overprovision of holiday accommodation leading to negative impacts on existing sites and negative impacts upon the cohesion of communities and local businesses. Another such issue was that the proposed locations for the lodge bases and holiday apartments are outside of any town centre or service village and are therefore not in sustainable locations, which will increase the use and reliance on private vehicles to access the development, which is contrary to local and national planning policy. Third, it was not possible to confirm whether the estimated economic benefits outlined by the interested parties would be realised. Fourth, similar proposals outside settlements or not well-related to a town, service centre or service village could generate comparable benefits, and giving significant weight to the limited benefits of the proposed development would set an undesirable precedent and would make it difficult for the defendant to resist similar proposals.
11. As part of the interested party’s application for planning permission, an economic assessment by Lichfields was submitted. In its introduction, it was stated that the assessment of the impact of the proposed development focussed on levels of investment and construction related employment, direct employment generated by the

development, indirect employment in the area supported by the development, and levels of expenditure attracted to the area. The methodology was said to provide a framework for assessing “economic benefits arising from new development.” The context plan in the assessment showed Heritage Park located near to the southeast boundary of the county. No other similar parks were shown and the impact on them of the proposed development was not assessed as part of the report.

12. In the summary of economic impacts of the proposed development, it was stated that it would involve an investment of around £6.35 million, and then at [8.11] some of the impacts were set out as follows:

“Some of the quantifiable economic impacts of the proposed development are likely to include:

1 Injecting £6.25 million of total private sector investment into the local economy in Pembrokeshire;

2 Creating 58 person-years of temporary construction work, which is equivalent to 19 jobs per year of construction over a build period of approximately 3 years at a range of skill levels;

3 Supporting an additional 29 jobs per annum in services and other businesses from the wage spending of construction workers and supplier sourcing;

4 Generating £2.46 million GVA of direct and indirect GVA per annum from the construction phase of the scheme;

5 Generate additional Business Rates and Income Tax and National Insurance from the new direct jobs created;

6 Creating 44 direct jobs (39 FTE) at Heritage Park, in turn generating £3.1 m of additional direct and indirect GVA each year; and,

7 Once the scheme is complete, net expenditure by new visitors and by Heritage Park will also contribute an additional £930,000 to the local economy (adjusted for inflation). This figure does not include the expenditure of the café, spa and equestrian centre.”

13. At [8.12] this was stated:

“The above economic benefits will help to support economic prosperity throughout Pembrokeshire as a result of investment and the provision of local jobs. This is particularly important, given the context of changes within the local tourism industry and the need to attract and retain a working age population within Pembrokeshire in order to maintain services and amenities for residents.”

The grant of permission

14. The head of planning's report of November 2024 for the full council meeting, set out the history of the application before the planning committee and then dealt with policy context, as follows:

“The Planning and Compulsory Purchase Act 2004 (the Act) requires each local planning authority in Wales to prepare a Local Development Plan (LDP, the Plan), with the objective of contributing to the achievement of sustainable development.

Section 38(6) of The Planning and Compulsory Purchase Act 2004 requires local planning authorities to determine planning applications “in accordance with the plan unless material considerations indicate otherwise”. Primacy in decision making must be afforded to the adopted LDP for Pembrokeshire (adopted in 2013), unless other material considerations indicate otherwise. Therefore, the starting point for all planning applications is the adopted Local Development Plan. Prior to its adoption the LDP was subject to extensive public consultation and examination by an independent Inspector.

In addition to local planning policy, Welsh Government's key planning principle, as set out in Planning Policy Wales, is the duty placed on public bodies to carry out sustainable development – as set out in the Well-being of Future Generations Act.

The Head of Planning provided a comprehensive evaluation of the scheme in the reports of 5th September 2023 and 3rd October 2023. The reason for the recommendation that planning permission should be refused is set out below:-

By reason of the proposed bases for holiday lodges being outside of a settlement and the holiday apartments not being within or well-related to a town, service centre or service village; the proposed development fails to accord with policies SP 1, SP 5, SP16, GN.1, GN.17 and GN.19 of the Local Development Plan for Pembrokeshire (adopted 28 February 2013).”

15. The report then went on to deal with the economic impacts of the proposed development, and, after summarising the conclusions of the Lichfields assessment, stated:

“Whilst, the proposal would result in some positive economic effects in accordance with policy SP 1 of the LDP and would contribute to wider objectives in relation to the tourism economy...the exact level of positive contribution cannot be confirmed.

In considering this application, Members should be mindful that similar proposals that are similarly located outside of settlements (policy GN.19) or not well-related to a Town, Service Centre or

Service Village (policy GN.17) could generate comparable benefits. Attaching significant weight to the limited benefits of this scheme would therefore set an undesirable precedent and would make it difficult for the Council to resist similar proposals. This approach would therefore seriously undermine the Development Plan policy outlined above.”

16. Transcripts and minutes of the full council meeting which followed, as well as of the previous meetings of the planning committee, were included in the hearing bundle. Both counsel however agreed that the court should be cautious as to what weight if any to attach to the comments of individuals members, who may have changed their minds when it came to the vote. What matters is the collective decision-making process and it is only the tenor of such meetings that may assist in determining that issue.

Legal principles

17. Schiemann J (as he then was) in *Poole Borough Council, ex p Beebee* [1991] 2 PLR 27 referred to the exercise establishing the reasoning process from comments of individuals. He said at 31 :

“...I have grave reservations about the usefulness of this sort of exercise when there is no allegation of bad faith. These reservations in part arise out of the theoretical difficulties of establishing the reasoning process of a corporate body which acts by resolution. All one knows is that at the second that the resolution was passed the majority were prepared to vote for it. Even in the case of an individual who expressly gave his reasons in council half an hour before, he may well have changed them because of what was said subsequently in debate.”

18. This approach has been applied in more recent cases. In *R (Tesco Stores Ltd) v Forest of Dean DC* [2014] EWHC 3348 (Admin) [2015] JPL 288 Patterson J at [73] observed that a court should be extremely cautious in attaching any undue significance to a transcript of proceedings during the debate forming part of the decision making process. Dove J in *R(Village Concerns) v Wealden District Council* [2022] EWHC 2039 (Admin) at [55] observed that, similarly, there is a danger in forensically examining the ex-tempore remarks of persons responding to the discussion doing their best to engage constructively with members' concerns, but not attempting to provide a comprehensive and precise supplementary report in oral form. See also *R (Tesco Stores Limited) v Reigate and Banstead Borough Council* [2024] EWHC 2327 (Admin) at [70].
19. That is the approach I adopt in the present case. The tenor of the meeting, as shown in the minutes, was that some members spoke in favour of applying policy against settlement outside boundaries and avoiding setting a precedent which may be persuasive in favour of such development in the future. Reference was also made to detrimental impacts on existing sites. Others referred to the positive economic benefits of the proposed development and previous approvals against officer recommendation.
20. The importance of the development plan and the appropriate approach to it was described by Lord Reed in *Tesco Stores Ltd v Dundee City Council* [2012] 2 P & CR 9:

“The development plan is a carefully drafted and considered statement of policy, published in order to inform the public of the approach which will be followed by planning authorities in decision-making unless there is good reason to depart from it. It is intended to guide the behaviour of developers and planning authorities. As in other areas of administrative law, the policies which it sets out are designed to secure consistency and direction in the exercise of discretionary powers, while allowing a measure of flexibility to be retained.”

21. The principles governing the appropriate standard of reasons were set out by Lord Brown in *South Bucks DC v Porter (No 2)* [2004] UKHL 33; [2004] 1 WLR 1953:

“36. The reasons for a decision must be intelligible and they must be adequate. They must enable the reader to understand why the matter was decided as it was and what conclusions were reached on the ‘principal important controversial issues’ disclosing how any issue of law or fact was resolved. Reasons can be briefly stated, the degree of particularity required depending entirely on the nature of the issues falling for decision. The reasoning must not give rise to a substantial doubt as to whether the decision-maker erred in law, for example by misunderstanding some relevant policy or some other important matter or by failing to reach a rational decision on relevant grounds. But such adverse inference will not readily be drawn. The reasons need refer only to the main issues in the dispute, not to every material consideration. They should enable disappointed developers to assess their prospects of obtaining some alternative development permission, or, as the case may be, their unsuccessful opponents to understand how the policy or approach underlying the grant of permission may impact upon future such applications.”

22. Lord Brown was there dealing with reasons given in a decision letter of a planning inspector. In *CPRE Kent*, Lord Carnwath referred to Lord Brown in *South Bucks BC* and at [37] observed that, similarly, local planning authorities are able to give relatively short reasons for refusals of planning permission without any suggestion that they are inadequate. He continued at [42] that where an officer recommendation is not accepted, it may normally be enough for the committee’s statement of reasons to be limited to the points of difference. Reasons should be read in the context of the published officer reports. He continued at [59] that decisions which are major departures from the development plan call for public explanation, not just because of their immediate impact, but also because they are likely to have lasting relevance for the question of policy in future cases.
23. Reasons can be shortly stated even where council members disagree with the officers. In such a case where the officer’s report sets out arguments for and against a view on a particular issue, members may lawfully adopt a view on that issue contrary to the recommendation without saying more: see *R (Walsh) v Horsham District Council* [2024] EWHC 2640 (Admin) and *R (Oakley) v South Cambridgeshire District Council* [2017] 1 W.L.R. 3765 at [71].
24. *Cross v Cornwall Council* [2021] EWHC 1323 (Admin) involved the duty to provide reasons when granting planning permission for a single agricultural dwelling in an AONB against officer advice. Tipples J at [57] observed that normally reasons for not accepting the advice should be stated in writing before the resolution was passed,

because normally the reasons can only be ascertained by the terms of the resolution. She went on at [87] to find that the committee in resolving to grant permission on the basis that the social-economic benefits outweighed the harm to the AONB did not state adequately what level of harm the committee found. At [94] she observed that the reason recorded in the minutes that the agricultural justification and need for a workers dwelling was considered to outweigh the harm to the landscape and scenic beauty of the Cornwall AONB was simply a conclusion and gave no explanation of why the proposed development justified damaging the AONB, an area which enjoys the highest level of landscape protection.

Ground 1

25. Mr Jones submits that the reasoning in *Cross* applies to the present case. In his skeleton argument he sets out several issues in the head of planning's report which he submits the council did not grapple with or give reasons in relation thereto. He focuses on two in particular. The first is the officer's view that because of the overprovision of static caravans, the economic benefits of the proposed developed would result in disbenefits at other sites. The second is that development in the countryside would be unsustainable and lead to a dangerous precedent.
26. Ms Parekh submits that the head of planning accepted that there would be economic benefits of the proposed development, and although uncertainty about those were expressed, there often is uncertainty about such assessments. The council was entitled to accept the economic benefits set out in the report without having to say what particular weight was attached to such benefits. Moreover, it is clear from the minutes that the issues of development in the countryside, sustainability and precedent were debated and taken into account. Those do not amount to principal issues in dispute. The only principal issue in dispute was whether the policy issues outweighed the economic benefits, as the officers considered, or it was the other way around, as the council considered. That was a matter of planning judgment.
27. I have come to the conclusion that on the facts of this case, the reason given by the council did not deal adequately with the important principal issues of development in the countryside, sustainability and precedent. Nor did it deal adequately with the important principal issue of the extent to which detrimental impact on existing sites was or should be taken into account when weighing the economic benefit of the proposed development. The economic assessment of the interested party expressly dealt with the latter, but not the former.
28. It is not apparent why the council came to the conclusion it did. This major departure from countryside and sustainability policies is likely to have a lasting relevance for the question of policy in future cases. The reason does not enable opponents to understand how the policy or approach to the grant of permission may impact upon future applications. It does not enable developers or opponents to know the relevance or importance of any detrimental economic impacts on existing sites. Accordingly, in my judgment each of these failures gives rise to substantial prejudice. This is not helped by the fact that the council's resolution is simply to endorse the resolution of the planning committee, which predated the fuller report of the head of planning to the council.
29. In my judgment ground 1 is made out.

Ground 3

30. Mr Jones submits that a planning authority considering economic benefit must have regard to the overall net economic benefit to an appropriate geographical area which will depend on the context and the decision-making body, and which in this case may be the county or southwest Wales. It is the net economic benefit which is the material planning consideration. Developers will often be able to show economic benefits associated with proposed development. It is clear that the later officers' reports, at least, made the point that a narrow claim of economic benefit could be made in respect of any proposed development in the countryside. This is not a question of whether the council preferred the economic assessment of the interested party over the views of the officers.
31. Ms Parekh submits that this ground is a reformulation of ground 1. The interested party's economic assessment dealt with wider implications. Potential detriments were dealt with in the officer's reports.
32. I accept that the economic assessment concluded that the economic benefits of the proposed development, particularly the investment and the provision of local jobs, would help to support economic prosperity throughout the county and that that was important given changes in the local tourism industry and the need to attract and retain a working age population. I accept that the officers' reports recognised that, at least to some extent. But in my judgment the tenor of the meeting of the council was to focus on the economic benefits of the proposed development but not upon the detriment to existing sites dealt with in the reports. The latter was mentioned in the meeting, but the tenor was very much upon the former. In my judgment that was too narrow an approach.
33. In my judgment ground 3 is also made out.

Relief

34. Ms Parekh submits that even if that is the case, it is highly likely that notwithstanding any defects in the decision-making process, the outcome for the claimant would not be substantially different. Planning approval was granted twice by the planning committee and again by the full council. On each occasion further information on the economic benefits was set out in the officer reports and by oral updates on behalf of the interested party and the claimant. The court is therefore invited to refuse relief pursuant to section 31(2A) of the Senior Courts Act 1981. Ms Parekh submits that such approach was taken by me in *R (Jones) v Cornwall CC* [2024] EWHC 2198 (Admin) at [33] where the committee had decided to grant permission on two occasions contrary to the view of officers.
35. However, that was in the context where the reasons given by the committee, although short, dealt properly adequately and intelligibly with the main issues, so it was possible to come to that conclusion. In my judgment, such a conclusion is not appropriate on the facts of the present case.
36. In conclusion, in my judgment ground 1 is sufficient on its own to justify the quashing of the council's decision and to remit the matter to the council for determination. If additional justification for that course is needed, it arises on my finding that ground 3 is also made out. The decision on remission is for the council, and not for this court, and whilst appropriate regard should be had to the findings in this judgment, nothing in

it should be taken as an indication as to the merits one way or the other of the decision which remains to be made.

37. I am grateful to counsel for their focused yet thorough submissions. They helpfully indicated that any consequential matters which cannot be agreed can be dealt with on written submissions. A draft order agreed as far as possible, together with any necessary written submissions, should be filed within 14 days of hand down of this judgment,