The Planning Inspectorate

Appeal Decision

Inquiry Held on 12, 13 and 14 July 2022

Site visit made on 14 July 2022

by Peter Mark Sturgess BSc (Hons), MBA, MRTPI

an Inspector appointed by the Secretary of State

Decision date: 8th August 2022

Appeal Ref: APP/C3620/W/21/3268657
Church Lane Nursery, Church Lane, Headley, Surrey, KT18 6ND

- The appeal is made under section 78 of the Town and Country Planning Act 1990 against a refusal to grant outline planning permission.
- The appeal is made by Darton Limited against the decision of Mole Valley District Council.
- The application Ref MO/2020/0441/OUTMAJ, dated 28 February 2020, was refused by notice dated 3 September 2020.
- The development proposed is Outline planning permission for up to 13 dwellings (including affordable housing) on Site including access (with details relating to layout, appearance, landscaping and scale all reserved).

Decision

1. The appeal is dismissed.

Procedural Matters

2. The application is in outline with all matters reserved except for access. I have therefore treated plans that relate to the layout, appearance, landscaping and scale of the proposal which were submitted with the planning application for illustrative purposes only.

Background and Main Issues

3. I held a Case Management Conference (CMC) on 16 May 2022 to discuss Inquiry procedural matters. At the CMC the main issues were agreed by the main parties and it was confirmed at the opening of the Inquiry that the main issues at this appeal are:

    - whether the proposal is in an appropriate location for new housing development having regard to the policies of the development plan;

    - whether the proposal contains a sufficient amount of affordable housing so as to comply with the rural exceptions sites' policies having regard to viability;

    - whether the proposal constitutes inappropriate development in the Green Belt having regard to the Framework and the policies of the development plan. The consideration of this issue includes any effect the proposal might have on the openness of the Green Belt and whether, should the development be found to be inappropriate development in the Green Belt, any very special circumstances justify the proposal.

Reasons

Location of the proposed development

4. Headley is a village with few facilities and residents would rely on the facilities in the surrounding larger villages and small towns for their everyday needs. The proposal is to develop the site with 13 houses, 7 of them affordable (either shared ownership or affordable rent) and 6 market houses.

5. The development plan for the area is comprised of the Mole Valley Local Plan adopted in October 2000 (LP) and the Mole Valley Local Development Framework Core Strategy (CS) adopted in October 2009. Policies CS1 and CS2 set out where new development should be located. Policies RUD1 and RUD5 of the LP also direct development to certain locations within the District and prescribe the locations which the Council considers to be suitable for affordable housing.

6. Headley is not one of the locations listed in these policies for new development, neither is the site adjoining the boundary of Headley. Moreover the appeal site does not lie in any of the locations identified in the policies as suitable for new housing development and low cost rural housing. As a consequence I find that the proposal is in conflict with the locational policies described in the development plan as set out above.

7. However, these policies were adopted some time ago and certainly before the current version of the Framework. Furthermore, all the current locational policies of the development plan (RUD1, RUD5, CS1 and CS2) are inconsistent with the Framework as they are more restrictive in prescribing where rural exception sites can be located and do not recognise that allowing some market housing on exception sites can be considered where it would help in facilitating the delivery of affordable housing. I therefore give limited weight to the conflict the proposal has with these policies.

8. Moreover the Council has indicated that whilst it objects to the proposal it does not have an in principle objection to the siting of affordable housing in this location as 'an exception to the rural exception site' policy. However, it does consider that the inclusion of 6 market houses is unacceptable as it has not, in their opinion, been demonstrated that these are essential in order to make the proposal viable.

9. Consequently whilst I have had regard to this policy conflict I give it limited weight due to the inconsistency of the policies with the Framework and the Council's position on a rural exception site in this location.

Affordable housing and viability

Need for affordable housing

10. In terms of housing need various surveys have been carried out in Headley since around 2007. All the surveys have pointed towards a need for affordable housing of around 7 units. I am therefore satisfied that there is a need for at least 7 affordable homes in the village.

Viability

11. The appellant argued that 6 market houses are the minimum necessary to make the proposal viable. At the Inquiry the Council accepted that the proposal

was not viable without some market housing to subsidise the delivery of the affordable housing.

12. The Framework at paragraph 78 states, amongst other things, that in rural areas planning policies and decisions should be responsive to local circumstances and support housing developments that reflect local needs. The paragraph also states that local planning authorities should support opportunities to bring forward rural exception sites that will provide affordable housing to meet identified local needs, and consider whether allowing some market housing on these sites would help to facilitate this.

13. The Glossary to the Framework, when defining rural exception sites, refers to market housing on exception sites as needing to be essential to enable the delivery of affordable units without grant funding. I take the totality of paragraph 78 and the definition in the Glossary to mean that only the minimum number of market housing necessary to make the site viable will be acceptable in terms of the Framework.

14. The Planning Policy Guidance (PPG) offers further advice on the delivery of affordable housing and viability. In particular it states, amongst other things, that rural exception sites can come forward in any rural location and in designated rural areas and areas designated Green Belt. In these areas rural exception sites are the only sort of exception site that can come forward. Furthermore it also explains that it is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage.

15. Consequently, the proposal needs to be shown not to be viable without the inclusion of some market housing to make it acceptable in terms of the Framework and PPG. Moreover that element of market housing needs to be the minimum necessary in order to make the site viable. I therefore need to be satisfied that the evidence demonstrates that the site would be unviable without a minimum 6 market houses.

16. At the inquiry both parties presented extensive evidence related to the viability of the scheme. In order to better understand the evidence an approach was adopted which broke the viability matters into what were described as *'5 moving parts'*, these were defined as: Market Revenues; House Build Costs; Cost Plan; Developer Profit/Return; Benchmark Land Value (BLV)(land value) and Gross Development Value (GDV). These factors correspond to the standardised inputs set out in the PPG and I am satisfied that they provide a sound basis for assessing the viability of the proposal.

Market revenues

17. The market revenues for the scheme have been provided by the appellant through an assessment by Trilogy (an estate agent operating in the area) and through the offer made by Mount Green (a registered provider (RP) of affordable housing). The assessment also acknowledged that in terms of comparables there has been little market activity in Headley so the agent had to compare property transactions in other parts of the area albeit in the 'second hand' housing market. It was accepted by both parties that new builds attract a premium over the values of existing houses offered for sale.

18. I have had regard to the information supplied by the appellant in terms of market revenues and the information supplied by the Council. The appellant has used an agent with knowledge of the local property market who has supplied his assessment of the trends in the market recently and the likely values of the completed units. The Council has offered a critique of the completed values, but has not offered any substantial evidence to support that critique other than the offer for the site from Mount Green. Moreover the values of the houses once completed are not significantly different between the Council and the appellant. Additionally whilst the market is said to be 'cooling' I note values are still rising and there is no indication of this going into reverse.

19. I have also noted that some of the difference in values comes from the housing mix that will ultimately be adopted should the site be completed. As this is an outline proposal the final mix of house types on the site is yet to be decided.

20. Overall and for these reasons, I find the appellants assessment of market revenues to be reasonable as they are based on the evidence of an estate agent operating in the area and have taken into account the value of comparable properties recently for sale in the area, albeit in the 'second hand' market.

House Build Costs

21. The evidence revealed rising build costs, but these need to be assessed in the context of other things, such as the continuing rise in house prices which could offset the rise in build costs and therefore might not have a net effect on the overall viability of the proposal. Therefore whilst updated build costs were available on 2 July, latest house price figures would not be available from the Land Registry for a number of weeks.

22. Therefore whilst I have taken account of the latest increase in build costs in this decision I cannot be confident that the rise in build costs presented will not be offset by the continuing rise in house prices. In these circumstances, whilst I accept build costs are rising the effect of this on the overall viability of the proposal is unlikely to be as the appellant suggests.

Cost plan

23. The cost plan produced by the appellant includes costs associated with the development of the site, from facilitating works (including site clearance, demolition of existing structures and making good the site), external works (including removal of trees, installation of paths and parking areas, soft landscaping, external drainage, boundary treatments, installation of external services), main contractors' costs (preliminaries and overheads), design fees and a risk contingency.

24. The cost plan represents a desk top study of the likely costs coupled with a site visit. I note from the exclusions set out that it does not include surveys and site investigations or an assessment of any abnormal ground conditions. Therefore in terms of the costs associated with the removal of the glass houses and poly-tunnels the costs associated with any works below ground level are at best estimates.

25. The cost plan has been subject to a review by Martin Warren Associates (MWA) who have estimated that overall the costs associated with the elements in appellant's report should be around £344,340 lower than the appellant's

estimates. This difference includes elements other than site clearance, although the difference between the estimates related to site clearance is substantial.

26. It is clear that the site has been used as a nursery with glass houses and poly-tunnels. These are not in themselves substantial buildings, with only a light weight super-structure. In these circumstances it is unlikely that these structures will have been built to a standard that required substantial floor slabs or foundations. I therefore favour an estimate for site clearance which is closer to that of MWA than to that of Mr Skinner. Consequently I consider that the costs of developing the site would be lower than those supplied by the appellant.

Developer profit

27. The developer is seeking a profit of 20% on the GDV of the scheme. The PPG sets profit at a range from 15% to 20% on GDV for plan making. However it was accepted by the parties that the same range could apply to development proposals and hence it was relevant to this appeal. Other measures of profit have been referred to such as a percentage of costs or return on capital employed. In order to set a common standard that can be used for comparative purposes the PPG defines profit as a percentage of GDV. I see no reason to depart from the PPG's definition of profit in this decision.

28. The assessment of developer profit is related to the risk of developing the site. The appellant has placed the required profit at the top of the range set out in the PPG. This would indicate to me that the developer considers the proposal to be amongst the riskiest to develop.

29. A risk of this magnitude would mean that the site was either contaminated or was in a marginal location or that the market in the area was especially volatile or unknown or that there was some other abnormal factor that would adversely affect the viability of the site or location. The appellant has cited in evidence that the slowdown in the current market, a potential fall in house prices, escalating build costs, increasing interest rates, the complexity of the site to develop and a potential recession as factors which justify a profit of 20% of GDV.

30. The majority of these are general factors and not specifically related to this site. Furthermore, some are best guesses on the part of the appellant about what might happen in the future, for example fall in house prices and potential recession. The evidence that I heard at the Inquiry showed that whilst the increase in house prices might be slowing, house prices in the area were still rising. Additionally whilst interest rates have begun to rise from their historically low levels this is happening slowly and there is nothing in the evidence to show how these rises would specifically impact on the appeal proposal.

31. In terms of factors that apply to this particular site the appellant has described it as *'complex'* to develop. This assessment appears to relate to the need to remove structures, vegetation and infrastructure associated with its previous use as a plant nursery. However there is no suggestion that the site is contaminated or the structures themselves would be difficult to remove or involve unusual techniques or practices. I have referred to above that I consider the structures to be light weight and therefore unlikely to have substantial foundations.

32. Other site specific factors are related to the site being located in an affluent area, the Green Belt status of the location which means new houses are in relatively short supply, the short build period associated with a small site and the abnormals associated with the development of the site not being that great. All of these factors would be likely to reduce the risk of developing the site and further reinforce my view that the site would not be amongst the riskiest to develop.

33. The PPG expresses developer profit as a range from 15% to 20%. The main risks associated with this proposal are set out above. I have balanced any risk associated with this against the benefits of the location in terms of its affluent nature, the inclusion of affordable housing and the limited supply of new houses in the Green Belt.

34. Consequently, I do not consider that the site should be treated as having no risk so that the application of 15% of GDV for developer profit is not appropriate. However, given the other favourable factors referred to, it is not appropriate that the site should be considered as one of the riskiest to develop. Therefore 20% of GDV for developer profit is equally not appropriate in this case. I therefore consider that a developer profit somewhere between 15% and 20% of GDV is reasonable for this proposal.

Benchmark land values

35. The factors which assist in determining BLV in this case are the lawful use of the site, having regard to its condition, the existing use value (EUV), and any alternative use value (AUV) the site might have. This should include any assessment of how costly it would be to reinstate the lawful uses. The PPG states that the price paid for the site should not be used to calculate BLV. Moreover it states that *'hope value'* should be disregarded.

36. The evidence has established that the lawful use of the site is that of a plant nursery. There is no evidence that this use of the site included sales to the public. However, its use as a plant nursery has long since ceased and is incapable of being restarted without considerable investment. This investment would include site clearance, repair/replacement of the glass houses/poly-tunnels and buildings, re-establishment of vehicular access and parking. The cost of reinstating these features would be considerable.

37. Evidence before me from the appellant values the site at around £25k per acre plus a value for the existing glass houses and buildings. This is based on values of existing nurseries. The overall valuation is £400k minus £100k to reinstate the plant nursery into a state where it can be used again. However it appears that the £25k per acre is based on a plant nursery which is in good condition.

38. The appeal site has variously been described as 'derelict' and 'vacant' with dilapidated buildings[1]. From my own observations at the site visit it appeared both derelict and overgrown and the buildings are in a dilapidated condition. It would therefore not be correct to describe the site as being in good condition and I would question whether the existing buildings have a value in their current condition.

[1] Andrew Black Consulting, Statement of Case, para2.2; Statement of Common Ground para 4.5 referring agreement around the description of development set out in the Officer's Report at paragraph 4.1

39. I note that the appellant has allowed £100k within the valuation to put the business back into good condition. However from the costs plan produced by the appellant *'clearance of trees and soft landscaping'* , albeit in association with the implementation of the appeal proposal, is estimated, on its own to cost £121,420. This is without any costs associated with the repair or replacement of the structures on the site which would be necessary for the re-establishment of the site as a plant nursery. I therefore find that the estimated cost of £100k to re-instate the plant nursey to be unrealistically low in the light of other evidence.

40. However, as far as I can see the figures that the appellant uses indicate that the value of the site in a good condition would be around £92k (3.682 acres at £25k per acre).This valuation is recommended to be doubled to take account of assumed profit from plant sales due to its location alongside a main road in an affluent area giving a total value of £185k. Given the condition of the site this also appears to be high. I have noted earlier that there appears to be no evidence of plant sales to the public having previously taken place at the site.

41. Furthermore, this figure does not take account of what the appellant describes as the value of the existing glass houses and buildings. I can find no figure for this value in the evidence. I can only assume that by subtracting the £185k from the £300k valuation figure the value of the existing glass houses and buildings would be around £115,000. Although that assumption is by no means certain. Given the various descriptions from both parties describing them as vacant, derelict or dilapidated I do not consider that the buildings themselves have any current value.

42. The appellant's valuation of the site also refers to other examples of where plant nurseries have been sold. Both of the examples given do not appear to be directly comparable to the appeal site as they included an element of 'hope value' which is described in the report as 'potential' or 'possibility'. Moreover both sites included either potential for residential development or an existing dwelling. There is no suggestion that the appeal site contains an existing dwelling. I therefore attach very little weight to these examples.

43. Having visited the site and reviewed the evidence I find that the value of the site is likely to be significantly less than the £300k suggested by the appellant as it is not in good condition and therefore would be unlikely to command a value of £25k per acre. Additionally, given the various description of the buildings in is unlikely that these will have any intrinsic value.

44. Furthermore the costs associated with bringing the site back into use as a plant nursery would be significant due to the need to clear a considerable number of trees and other vegetation and the disused and derelict nature of the existing buildings on the site. I therefore find that even with the requirement to provide the landowner with a premium to bring the site forward, its value would be at or below £195k suggested by the Council rather than the £300k suggested by the appellant.

45. In terms of Alternative Use Value (AUV) it appears to be the case that both parties agreed that this should be based on agricultural land values or its value as a paddock. In either case the AUV appears to be zero which is based largely on the work necessary to make the site suitable for agriculture or a paddock. As a result the AUV does not affect my view on the BLV set out above.

Impact of the Covid 19 pandemic on viability

46. I heard evidence that the Covid 19 pandemic had not been taken into account by the Council in assessing the viability evidence provided by the appellant. However, it was clear to me, that whilst the Council did not use the paragraphs suggested by the Royal Institution of Chartered Surveyors (RICS) to qualify its evidence in the light of the pandemic, there was no substantial evidence presented to demonstrate that the pandemic has or will significantly affect the viability of the proposal.

Conclusion on viability

47. The key to understanding viability in this case and coming to a conclusion on its relevance to this decision is to assess whether or not 6 market housing are the minimum necessary in order to make the 7 affordable houses viable. In accordance with the PPG it is for the appellant to supply the evidence to demonstrate that this is the case. I note appellant has questioned the approach of the Council and suggested that it made errors in this. However in assessing the evidence I have focused on that presented by the appellant as it is for them to supply reasons why the site is not viable without the proposed number of market houses.

48. I have examined the viability of the proposal in terms of the *'5 moving parts'* discussed at the Inquiry. In terms of house build costs I am not convinced that these, taken together, would demonstrate that the site is unviable at less than 6 market houses. Moreover, the elements of the cost plan related to removing the existing structure and vegetation appear to be high relative to the extent and nature of the existing structures on the site.

49. In terms of developer return/profit, the appellant has placed this at the top of the range in the PPG, meaning that it would be amongst the riskiest of sites to develop. I do not consider that the current state of the site and the area within which it is located merit this level of risk. I have made some allowance for the clearance of the site, however even then I find a return somewhere between the top and bottom of the range specified in the PPG to be appropriate.

50. Finally and in terms of the BLV I find that the site and buildings could not be described as being in good condition. Therefore the costs of reinstating its former use would be considerable. Moreover the instatement of an alternative use as agricultural land or as a paddock would also have a cost associated with it which would affect its value. I do not disagree with the conclusion that this could be zero. I therefore find that even when a landowner premium is taken into account the value of the site would be considerably less than the £300k suggested by the appellant.

51. I therefore conclude that the costs associated with developing the site, a reasonable developer profit, and the BLV are all significantly lower than the appellant contends and therefore 6 market houses are not essential to make the affordable homes viable.

Green belt

Is the development inappropriate?

52. The site is located in the Metropolitan Green Belt and as such an important consideration is whether the proposal is inappropriate development in the Green Belt, having regard to the policies of the development plan.

53. The development plan in this case does not contain a Green Belt specific policy and simply refers to the now superseded PPG2. PPG2 has been replaced by the Framework.

54. The Framework explains at paragraph 11 that where there are no relevant development plan policies, or the policies which are most important for determining the application are out of date, planning permission should be granted unless the application of policies in the Framework that protect areas or assets of particular importance provide a clear reason for refusing the development proposed. These assets are referred to in footnote 7 of paragraph 11 and include Green Belt. It is therefore necessary for me to assess the proposal against the Green Belt policies set out in the Framework.

55. The Framework states that the Government attaches great importance to Green Belts and that, amongst other things, an essential characteristic of Green Belts are their openness. Moreover, it also states that inappropriate development is, by definition, harmful to the Green Belt and should not be approved except in very special circumstances. It advises that the construction of new buildings should be regarded as inappropriate development unless certain exceptions exist. One of the identified exceptions (paragraph 149f) is limited affordable housing for local community needs.

56. Paragraph 78 of the Framework states amongst other things planning decisions should be responsive to local circumstances, support housing developments that reflect local needs, support opportunities to bring forward rural exception sites to meet an identified local need and consider whether allowing some market housing on these sites would help to facilitate this. I have found above that the development of 6 market houses is not necessary in order to make the site viable as an affordable housing site.

57. Furthermore the Glossary of the Framework at page 71 sets out when it might be appropriate to allow some market housing to facilitate the delivery of affordable homes on rural exception sites. It is clear that the judgement around this lies with the decision taker and the decision taker is advised that market housing should be permitted on rural exception sites where essential to enable the delivery of affordable housing without grant funding. Again I refer to my conclusions on viability above that a total of 6 market housing are not 'essential' to enable the delivery of 7 affordable homes.

58. Therefore the proposal does not meet the test for an exception to inappropriate development set out in paragraph 149 f) of the Framework. Consequently, I find that the proposal is inappropriate development in the Green Belt. As inappropriate development is, by definition, harmful to the Green Belt I give this harm substantial weight in this decision.

Effect on the openness of the Green Belt

59. The site is currently occupied by low dilapidated buildings that comprise of glass houses, poly-tunnels, a caravan, other ancillary buildings and structures and overgrown vegetation. None of the structures are higher than single storey which limits their visibility in the immediate and wider area. These structures are also set into the site and away from Church Lane which further limits their prominence locally. The site also slopes down from Church Lane, making the structures even less visible when viewed from outside the site. Therefore whilst there are structures and buildings on the site their impact on the openness of the Green Belt in this location is minimal.

60. The appeal proposal would lead to significant clearance of the existing trees and other vegetation. It would also require a new access to be formed on to Church Lane. The act of forming the access would by necessity make the site more visible in order to facilitate safe access to and egress from the site and therefore harm the openness of the Green Belt.

61. Whilst I accept that in numerical terms the proposed dwellings would have a smaller footprint and volume than the existing structures they would be 2-storys in height and be constructed of brick and tile, giving them a solid permanent appearance which the existing structures do not have. I have already established that the existing buildings are no higher than single storey and constructed predominantly of lightweight materials. Therefore the introduction of two storey buildings constructed of substantial materials would harm the openness of the Green Belt in this location.

62. External works such as car parking, garden buildings and street lighting would further harm the openness of the Green Belt in this location by making the site more prominent throughout the day and night. Moreover I also consider the effect of the greater number of movements associated with the use of the site for housing over and above that of a plant nursery would also harm the openness of the Green Belt in this location by increasing the prominence of development on the site, especially as openness has a spatial as well as a visual element.

63. Consequently and notwithstanding the current structures on the site, the proposal, for the reasons given above would substantially harm the openness of the Green Belt in this location. I give substantial weight to the harm that the proposal would cause to the openness of the Green Belt.

Other considerations

Housing need

64. It was clear at the Inquiry that both parties agreed that there was a significant shortfall in the provision of market and affordable housing in the area. The appellant's advocate described the lack of delivery of affordable housing as *'dire'* and it appeared to me that the Council did not disagree with this description. Therefore I attach substantial weight to the contribution the proposal would make to the delivery of affordable housing to meet local need and the contribution it would make to the delivery of housing in the District in general.

Environmental improvement

65. The appellant cited environmental improvement as a benefit of the proposal. Whilst the site is overgrown and contains dilapidated buildings it does not detract significantly from the overall quality of the area as the site boundaries are well vegetated with some mature trees. This gives the impression of simply a well wooded and vegetated site with the dilapidated structures being well hidden within the site when it is viewed from public vantage points. Therefore whilst I can see that the proposals would bring benefit in tidying up the site and ensure that it was better managed I do not see that this is an imperative. I therefore give this other matter limited weight in this decision.

Other matters

Was the Planning Committee misled?

66. There were suggestions at the Inquiry that the Planning Committee was misled as the Committee report suggested that the appeal proposal would only be Policy compliant if it provided 100% affordable housing. I have had regard to the points raised by the appellant on this issue. However, I find the evidence on this point inconclusive. Moreover even if I were to find that the Committee had been misled this would not justify the proposal, which I have found to be harmful.

Letters of support

67. I note the letters of support which have been submitted in relation to the original planning application and the relative lack of specific letters of objection. I have had regard to these letters in this decision. However the system is plan led and the Government places great importance on the protection of the Green Belt. Therefore I do not consider that these letters are sufficient in themselves to override the harm the development causes to the Green Belt.

Planning Balance and Very Special Circumstances

68. I have found, for the reasons set out above, that it is not essential to provide 6 market houses to make the site viable. Therefore the proposal does not fall into the exception to inappropriate development in the Green Belt set out at paragraph 149 f) of the Framework. As a result the development constitutes inappropriate development in the Green Belt. Consequently, and in accordance with paragraph 147 of the Framework, I find that the proposal is harmful to the Green Belt. I give substantial weight to this harm.

69. Furthermore I have found that the proposal would harm the openness of the Green Belt which is an essential characteristic of these areas. I have set out my reasoning on this matter above. The Framework sets out that an essential characteristic of Green Belts is their openness. I therefore give substantial weight to this harm

70. I accept that the proposal would deliver 6 market houses and 7 affordable houses in a District which has a significant deficit in its 5-year supply of deliverable housing sites. Furthermore it is not delivering the number of affordable homes to address its needs. However, the number of houses which would be delivered should this appeal be allowed is a relatively small number given the overall deficit in deliverable housing sites in the District and the need for affordable homes. Moreover, the evidence suggests that more affordable

housing could be viable on the site. Nonetheless I give substantial weight to the contribution the proposal would make to the supply of market and affordable housing in the District.

71. Reference has also been made to the environmental improvement the proposal would make to the site. As I have stated above I do not consider that the current state of the site significantly harms the environment of the area. I therefore give this matter limited weight in this decision.

72. In addition to the Framework and those development plan policies mentioned above, the Council has referred to a number of other policies of the adopted development plan and the emerging Mole Valley Local Plan 2020-2037. However I consider these to be of limited applicability to the main issues of this appeal. Nonetheless, there is nothing in these policies which, in the light of my conclusions above, would indicate that the proposal should be permitted.

73. I therefore find that, notwithstanding the substantial weight I have given to the contribution the proposal would make to the supply of affordable and market housing in the District and for the reasons given above, the other considerations in this case do not clearly outweigh the harm that I have identified to the Green Belt through inappropriate development and harm to its openness. Consequently the very special circumstances necessary to justify the development do not exist.

Conclusion

74. For the reasons given above the appeal is dismissed.

Peter Mark Sturgess

INSPECTOR

ANNEX A: APPEARANCES

FOR THE LOCAL PLANNING AUTHORITY

Robin Green of Counsel	Instructed by the Solicitor to the Council
He called:	
Nick Molyneux BA(Hons) MCIH	Senior Consultant - Dixon Searle Partnership
Alison Wilks BA(Hons) MCIH	Strategic Housing Manager, MVDC
Katrina Sullivan – Watkins BSc(Hons) MSc	Senior Planning Officer, MVDC

FOR THE APPELLANT

Richard Wald QC	Instructed by Andrew Black
He called:	
Ramsay Evans BA(Hons) MRICS	Associated Partner, Turner Morum LLP
Andrew Black BSc(Hons) ARTPI	Andrew Black Consultancy (owner)

INTERESTED PERSON:

Cllr David Preedy MA MSc	Chair Headley Parish Council

ANNEX B: INQUIRY DOCUMENTS

ID1: BCIS Build costs, 02 July 2022.
ID2: GDV assumptions, comparisons DSP and TM.
ID3: RICS, 'Financial viability in planning: conduct and reporting', 1st edition, May 2019 (Extract, pages 10 -13) and RICS, 'Assessing viability in planning under the National Planning Policy Framework 2019 for England', England, 1st edition, March 2021.
ID4 Biography Martin Warren, Martin Warren & Associates (source unknown).
ID5a Table Market Profit, Cost Plan, BLV – annotated in red.
ID5b BCIS, Indices – detail, 3Q 2020 to 1Q 2027.
ID6a Mole Valley Local Plan 2020 – 2037, extract from submission draft, 'Policy H4: Rural Exception Housing'.
ID6b Mole Valley Local Plan 2020 -2037, extract from Main Modifications schedule, Viability Assessments.
ID7 Weight to be afforded development plan policies – the view of each party