



Appeal Decision

by Helen Smith BA(Hons) BTP MRTPI

an Inspector appointed by the Welsh Ministers

Decision date: 08/06/2026

Appeal reference: CAS-04598-K2Z4V4

Site address: Talfryn Cottage, Lane from A539 to Kiln Cottages, Erbistock, Wrexham, LL13 0DF

- 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 Mr John Derosa against the decision of Wrexham County Borough Council.
 - The application Ref P/2024/0035, dated 9 January 2024, was refused by notice dated 1 July 2025.
 - The development proposed is described as 'outline application for the erection of rural enterprise dwelling and associated works.'
 - A site visit was made on 10 April 2026.
-

Decision

1. The appeal is dismissed.

Procedural Matters

2. The appeal relates to an application for outline planning permission with all matters reserved. The submitted drawings are illustrative but show the minimum and maximum scale and parameters of the proposed development. I have considered the appeal on this basis.
3. In the interest of completeness, I have taken the description of development from the appeal form and the decision notice.
4. Following a Direction from Welsh Ministers the Council has withdrawn the LDP. The development plan for Wrexham comprises Future Wales (FW) and the Wrexham Unitary Development Plan 1996-2011(UDP), adopted in 2005. I shall determine this appeal on that basis.

Main Issues

5. The main issues are:
 - whether the proposal satisfies local and national planning policy requirements in relation to the provision of rural enterprise dwellings; and
 - the effect of the proposed development on the integrity of the River Dee and Bala Lake Special Area of Conservation.

Reasons

Rural Enterprise Dwelling

6. The appeal site comprises an existing agricultural holding which extends some 56 hectares and the enterprise predominantly comprises the breeding of high-quality pedigree Limousine cattle and some sheep. The appellant's Rural Enterprise Dwelling Appraisal (REDA) states that on average the enterprise holds between 155 to 175 head of Limousin cattle but that it currently holds 122 with the aim to build the number of cattle back up to 175. The appeal site is located on part of a larger field sited between the recently constructed large cattle shed and the remaining farm buildings, including a lambing shed/haybarn, a farm workshop, chicken coup/log shed and storage building, and the existing modest farmhouse and its garage.
7. The proposed development comprises the construction of a second dwelling on the farm to accommodate the appellant's son and his child which the appellant states would facilitate the handover of management and responsibilities of the business from the appellant to his son. The appellant currently works full time at the farm and both the appellant's son and wife work on a part time basis. The intention is that the appellant's son would take over the full-time role and the appellant and his wife would remain working at the farm on a part time basis.
8. In planning policy terms, the site lies in open countryside. Policy H5 of the UDP explains that one of the few instances where new dwellings outside the defined settlement limits will be permitted is where an essential need to house a full time agricultural or forestry key worker can be established. In such cases it sets out the criteria which proposals would be considered against. These include proven financial viability and functional need, the need to live on the site, that there are no other suitable buildings for conversion to a dwelling, that the new dwelling is sited adjacent to an existing building and that its design reflects the locality's rural character. This is consistent with Planning Policy Wales Edition 12, (PPW) and Technical Advice Note (TAN) 6: Planning for Sustainable Rural Communities (July 2010). Additional guidance on applying the principles of TAN 6 is contained in the Practice Guidance – Rural Enterprise Dwellings (December 2011).
9. The Welsh Government wish to encourage younger people to manage farm businesses and promote the diversification of established farms. To this end, where the tests in paragraph 4.4.1 of TAN 6 cannot be met, exceptions may be made where arrangements are in place to affect the transfer of the business or where there is a functional need for a further 0.5 or more of a full-time worker.
10. The appellant confirms that the intention of the proposal is to allow him to reduce his workload to allow his son to take on the ownership and management of the farm. However, no secure and legally binding arrangements have been submitted to demonstrate the farm business has been transferred, or transfer of management is only conditional upon grant of planning permission for the dwelling. Nor is it demonstrated that the appellant's son would have the majority control over the farm business and be the decision maker for the farm business. It therefore fails to meet this exception.
11. Although the first reason for refusal on the Council's decision notice states that insufficient justification has been put forward to demonstrate an essential need for the erection of a new dwelling, its Delegated Report clarifies that they consider that the functional and time tests as set out in TAN 6 are met and that the need for the minimum of 1.5 workers for an additional dwelling has been demonstrated. The financial evidence shows that the appellant's son would obtain at least 50% of a Grade 2 Standard Worker salary. The second exception is therefore met. Nevertheless, in both circumstances

criteria c, d and e of paragraph 4.4.1 of TAN 6 need to be met, i.e. the financial test, other dwelling test and other normal planning requirements test.

12. The Council is satisfied that the proposal meets the TAN's 'other planning requirements test', subject to detailed consideration as part of any future reserved matters submissions. Based on the evidence before me, I find nothing that leads me to a different conclusion. As such, my decision will focus on whether the proposal meets the 'financial test' (criterion c) and the 'other dwelling test' (criterion d) as set out in paragraph 4.4.1 of the TAN.
13. The financial test requires the rural enterprise to have been established for at least 3 years, to have been profitable for at least one of them, be financially sound, and has a clear prospect of remaining so. The Council does not dispute that the rural enterprise is well established and that it has been profitable for at least one of the 3 years. Nevertheless, they question the soundness of the financial evidence submitted in support of the proposal.
14. The REDA provides an assessment of the enterprises' accounts from the period between 2020 and 2023 and includes a 5-year forecast of constant profits in excess of £30,000. Unaudited financial statements for these periods have also been submitted. The REDA also shows 2 major purchases of a new tractor and the cattle shed which impacted the profit in those years. No updated financial information has been submitted in support of this appeal.
15. In terms of existing income for the years 2020 to 2023, the REDA states that in addition to farm subsidies and livestock sales, the income of the enterprise includes winter sheep rent which ranged from £4,500 to £6,000. It also includes income from contract work which ranged from £20,000 to £24,000. Figures for these income streams have been included in the REDA's proposed 5-year financial figures. However, the submitted financial statements for the same years, show that the income from grazing rent (wintering) ranged from £1,200 to £3,600, less than that stated in the REDA. Furthermore, the financial statements do not record any income from contract work which forms a significant part of the existing and future income of the enterprise as set out in the REDA. This results in significant differences in the stated profits and losses between those in the REDA and the actual accounts, which in turn raises doubts over the robustness of the REDA and its projected 5-year profits.
16. Furthermore, the financial test not only seeks to establish whether the enterprise is sustainable in the immediate short term but also assesses whether the size and cost of the proposed dwelling is commensurate with the ability of the enterprise to fund and sustain it, without prejudice to its continued viability. The REDA states that the proposed dwelling would have a size of 120m² and that, based on a build cost of £1250/m², it would have a total build cost of £150,000. Nevertheless, this build cost dates back to 2024, and it is likely that current build costs would be greater. Moreover, the proposed dwelling's minimum and maximum scale and parameters, as shown on the indicative drawings, show that the proposed dwelling would be between 7.5m and 8m wide, 10m to 10.5m deep with a height between 7.42m to 7.92m. This would result in a dwelling larger than 120m² which forms the basis of the assessment in the REDA. Furthermore, no details of the cost of the proposed garage have been provided. Consequently, even if current build costs were comparable to those set out in the REDA, it would be likely that the costs of the proposal would be significantly greater than as assessed.
17. Furthermore, the proposed dwelling would be funded by the appellant's savings, and the proposed future financial projection of the business includes a modest return of 4.1% on this investment of personal capital, in line with the advice in the Practice Guidance.

However, this return is based on the conservative build cost of £150,000. Consequently, as the build cost of the proposed dwelling would likely be greater than that estimated in the REDA, it follows that the return on the capital investment required to fund the build cost of the proposal would also likely be greater than that estimated in the REDA. This would further reduce the projected profits of the enterprise. In these circumstances, I am not satisfied that the proposal robustly evidences that the dwelling could be funded and sustained by the enterprise without prejudice to its continued viability.

18. For these reasons, I cannot reach a conclusion with any certainty that the enterprise would have a clear prospect of remaining financially sound in the immediate short term. It therefore fails to demonstrate that the financial test can be met.
19. TAN 6 also requires the proposal to demonstrate that there is no other dwelling or other buildings suitable for conversion which are available to meet the identified need. The Council accepts that the dwellings on the open market within the vicinity of the site were found to be unacceptable as a result of price or location. I have no reason to reach a different view.
20. In terms of the potential for existing buildings to be converted, consistent with my observations during my site visit, I concur that the agricultural buildings at the appeal site, other than the brick built building, are modern farm buildings and appear to be fully utilised for the farm business and are therefore not available, nor suitable, for conversion. Whilst the construction of the brick-built workshop may lend itself to a conversion to a dwelling, from my observations and based on the evidence before me, I am satisfied that this building is used as a workshop facility and secure storage area essential for the operation of the enterprise. It is therefore not available for conversion.
21. I accept that the appellant's son currently lives with his parents at Talfryn Cottage. However, this appears to be as a consequence of a change in circumstances of the appellant's son. The Council contends that as he currently lives there, the existing dwelling can be considered to be reasonably available to him and that a second dwelling is a personal/preferential reason which is not supported by the TAN. I disagree. Given that the functional need for an additional rural enterprise dwelling has been established and as he would be working at the farm on a full-time basis, it would not be unreasonable for the appellant's son to require a separate family home for him to live in and co-parent his child in. Neither would it be unreasonable for the appellant and his wife to continue to reside in the family home in the run up to retirement. The existing dwelling is therefore not reasonably suitable or available to accommodate the additional need.
22. The appellant has considered whether an extension to the existing dwelling would be feasible to provide an additional family home. This has been discounted based on the likely costs of such an extension together with the required internal alterations of the existing dwelling to facilitate it. Indeed, given the modest size and cottage style of the existing dwelling, any extension would likely be substantial and it is unclear whether any such planning permission would be forthcoming.
23. Consequently, I am satisfied that there is no other suitable or available accommodation that could fulfil the functional need. The 'other dwelling test' is therefore met. Nonetheless, this does not outweigh the failure to satisfy the financial test.
24. To conclude, despite the accepted functional need for an additional dwelling, which I have found could not be reasonably accommodated in alternative accommodation, and although the other planning requirements test could be met, the proposal fails to meet the financial test. The proposal therefore does not satisfy local and national planning policy requirements in relation to the provision of a rural enterprise dwelling, specifically UDP Policy H5 and TAN 6.

River Dee and Bala Special Area of Conservation

21. The appeal site is within the catchment of the River Dee and Bala Lake Special Area of Conservation (SAC) and in an area not served by mains drainage. The proposed foul water drainage arrangements comprise a private sewerage treatment system discharging into a drainage field, which would be shared by the existing dwelling. NRW have confirmed that this would meet the screening criteria as set out in their standing advice and therefore they are satisfied that the proposed development would unlikely be a source of additional nutrients and/or a pathway for impacts. They therefore consider that it would be reasonable to screen out this proposal as not likely to have a significant effect on the SAC in relation to nutrient inputs. Although the Council's Ecologist has some concerns relating to the level of detail submitted in relation to the proposed foul drainage arrangements, full details could be secured through a condition. Having regard to NRW's comments, to which I attach significant weight to as the Statutory Nature Conservation Body, I am satisfied that the proposal would have no likely significant effect on the SAC and that no further assessment under the provisions of the 'Habitats Regulations' would have been required had I allowed the appeal.
22. I conclude that the proposed development would not affect the integrity of the River Dee and Bala Lake Special Area of Conservation and complies with the objectives of Policy EC14 of the UDP, PPW and TAN 5, which seek to, amongst other things, protect controlled waters and designated sites.

Conclusion

23. Although I have found that the proposal would not affect the integrity of the SAC, this does not outweigh the conflict with national and local planning policies relating to the provision of rural enterprise dwellings. For the reasons set out above, and having regard to all matters raised, I conclude that the appeal should be dismissed.
24. In reaching my decision, I have taken into account the requirements of sections 3 and 5 of the Well-Being of Future Generations (Wales) Act 2015. I consider that this decision is in accordance with the Act's sustainable development principle through its contribution towards one or more of the Welsh Ministers' well-being objectives.

H Smith

INSPECTOR