

Protecting Community Pubs: A local government briefing paper

In summer 2014 LGiU and CAMRA published *Public Houses*, a report which argued that local government could have a positive impact on the future of community pubs.

The report recommended that councils engage with their communities about the issue, collect as much information as possible, build a vision for the area and get to grips with issues like viability. There are also a number of practical ways that councils can be proactive and creative with the tools at hand:

- Specifically include pubs in planning documents
- Embrace Assets of Community Value
- Consider the use of Article 4 Directions
- Consider how conservation, heritage, and other forms of local listing can be used creatively in the area.

Updates to Assets of Community Value (ACVs)

The latest figures show that 29 pubs are closing each week, with two being converted each week to supermarkets. To try and stem this flow, as of April 2015 changes have been made to the Town and Country Planning Act that give stronger protection to pubs that are nominated by the local community as Assets of Community Value. These amendments remove permitted development rights from the asset so that it cannot be converted to another use or demolished without planning permission.

This new legislation responds to a real need by local authorities. In a survey of English local authorities in 2013 for the All Party Parliamentary Save the Pub Group, 41 of 49 respondents said they would like planning permission to be required before a pub can be converted.

So far nearly a thousand pubs have been listed as Assets of Community Value. These new powers could have a real impact on saving local pubs for councils, communities, and small business owners up and down the country.

LGiU and CAMRA have been working together to deepen our understanding of the challenges faced by councils that want to protect their community pubs, as well as to look for potential ways to take the agenda forward.

We hosted 3 “Pub Summits” in Worcester, Southampton and Liverpool with council officers and elected members from the region. We also surveyed planning and regeneration officers from local authorities across England.

Opportunities

Pubs have the potential to bring a huge amount of value to local areas, beyond what they contribute economically. This was acknowledged in the discussions we had during the pub summits, with many participants reiterating some of the points made in *Public Houses* that pubs can provide community infrastructure that would otherwise not exist, bring together neighbours and members of the community that may not otherwise come into contact, and play a part in the heritage and culture of an area.

The future of pubs is also closely connected to many of the wider aspirations of local authorities, as they can help to increase individual well being, bring vulnerable, isolated and disparate groups into closer contact, as well as contributing to tourism, regeneration and jobs. In many parts of the country councils are actually directly delivering services in community pubs, as they provide a space that the community is already used to using in the hub of a local area.

With this in mind, working hard to protect pubs could be a win-win for the council.

Another area where pubs could be supported more is with business rate relief. Business rates represent a very significant cost for pubs with the average pub landlord paying £15,000 a year.

Small Business Rate Relief and Retail Relief, which are important for keeping pubs open, are due to expire. CAMRA is currently campaigning for the following support for community pubs:

1. Retaining the current retail rate relief until at least 2017
2. Retain the small business rate relief with the following thresholds:
 - Relief of 100% for properties with a rateable value of £6,000 or less
 - Relief for properties with a rateable value of between £6,0001 and £18,000 gradually decreases from 100% to 0%

Key Challenges

Viability

Viability came across as a strong issue throughout all of the summit discussions. Participants across the summits felt that the viability of a pub has to be driven by demand within the community itself.

Pub companies have a big role here, however, and some attendees felt that they have been guilty of mismanagement, making community assets unviable. We need a way of breaking the link between viability and poor management. This challenge was a key feature of LGiU's research in *Public Houses*.

Cllr Simon Letts, leader of Southampton City Council, discussed the case of the Bitterne Pub, which has now been listed as an ACV, which along with the Bitterne Park Hotel exemplifies the issue of pub ownership.

Cllr Letts said the council wants to encourage the idea of pubs as a hub of community life and, in doing so, engage the community to prevent changes of use. It was argued that pub landlords are not sufficiently incentivised to be community minded at the moment. We can't prevent every pub from changing use, but we could make it more compelling for companies to operate with regard for the community value of their facilities.

Many felt that the role of the pub is not extinct and just because a pub is operating poorly doesn't mean that it should cease to exist.

There was disagreement in this area. Some participants felt that when we think about viability we have to think about what “could be” and not just “what is”. It may not be a community asset, but it could be. Others at the Worcester summit, however, discussed the challenging issue of trying to save pubs out of nostalgia, or an idea of what it “could be” rather than “what it is”. “We could be trying to save something that isn’t there”, said one.

All groups discussed viability tests. It was felt that councils should be cautious about getting into viability arguments as developers often have the upper hand. Local plans require viability, which can be used and manipulated by developers and landlords.

There is potential for a shared and agreed standard (CAMRA’s would be a case in point). This would add to the credibility of the tests. Though the time at which viability tests are taken can also have an enormous bearing on the outcome, it was noted. At the moment it was felt that we lack objectivity, a track record and common agreements across the sector and across local government.

Community

Another big topic for discussion was the role of communities: understanding who they are, where they are and what they want to see happen in their areas.

Many participants felt we need greater clarity in individual areas. There can only be pubs where there is a group need, but community awareness is a big issue in many parts of the country, as well as the willingness and capability to take on and run an asset. If you don’t have a committed group with knowledge, know how and motivation then it is hard to even get started.

However, it was noted that communities don’t like being told how many pubs they “need”. This knowledge and understanding should emerge from the community if possible. More affluent towns and parished areas tend to do well in this agenda.

In many areas, the challenge is reaching the pubs where there are no active campaign groups, where local people need the knowledge and the motivation to get engaged. Communities are conditioned to think there's been a market failure and many in poorer areas do not feel that the council is on their side, so engagement at any level is tricky. In some circumstances putting pressure on the owners to do the right thing by their communities is a good approach, but we need to find the mechanisms to do so.

The key challenge around engagement is to do so early, to reach out to people before there is a threat to the assets, to build up an idea in the community of "what we've got" "what we value" and "what we need".

Some councils have been working well with stakeholder and community groups (including CAMRA) to carry out mapping exercises on the local pub stock. Cambridge City Council is a notable example. This is a starting point for identifying what is especially valued in the area, what is under threat and where there are significant gaps in provision.

Another challenge raised was how to build awareness and understanding of different types of community. There may be tensions when managing non-geographical communities in a geographically defined area, and trying to ensure that there is provision for as wide a range of people as possible.

Councils are concerned that they may be setting people up for a fall if they engage and fight to save a pub that is lost after all. In these cases the council, rather than the developer, tends to get the blame.

The mapping exercises mentioned above can help to start the process of engagement with the community in a way that encourages a greater sense of ownership and control. One survey respondent from the North West argued that "The information needs to be got out into the community, not just given to the local authorities, as people don't know what they don't know, while putting the obligation onto LA's to promote is probably a step too far given our dwindling resources."

Another key challenge, which governs how councils tackle this issue to a greater or lesser extent, is the issue of capacity within local government.

It was felt at some of the discussions that councils have to put a lot of time into working with the community, getting pubs listed as ACVs, and putting together planning policies that protect pubs. Participants in Worcester argued that neighbourhood plans and ACVs are not on the public's radar, making the council's task more challenging.

Authorities have many conflicting pressures and demands on their resources, making it tricky to prioritise and work to address this deficit in engagement and understanding.

What tools are there to protect pubs?

Assets of Community Value

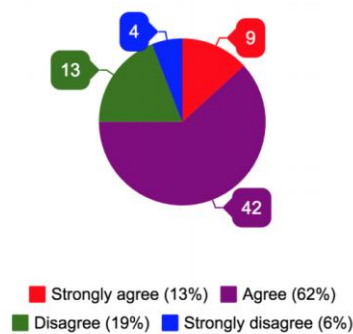
There was an issue raised around improving the guidance for ACV listing. "Could we be clearer about what a community asset is and why it is important?" asked one participant, "and can we break this down and offer better guidance to communities?" Pubs sold as a going concern can bypass ACV restrictions, for example, and there is no clear guidance on how long restriction lasts. We need to know what other loopholes there are and get some detail from government about how to mitigate them.

Of 73 respondents to our survey of planning and regeneration officers from local authorities across the UK, 17 felt that the recent changes to Assets of Community Value would make their authority more likely to publicise and promote the listing process to their communities, while 55 felt that there would be no change.

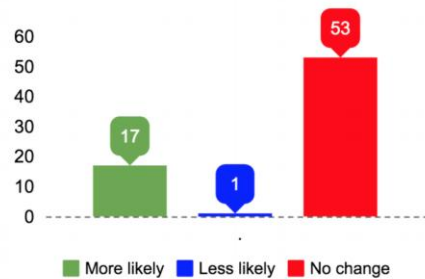
The majority of respondents felt that it is easy for a member of the public to list an Asset of Community Value, and it is still seen as one tool among many that councils should deploy in order to protect pubs. In response to the question "Do you feel that, with

the additional power, Assets of Community Value listing is adequate to protect pubs?" 13 replied "Yes", 31 replied "Don't know" and 21 replied "No".

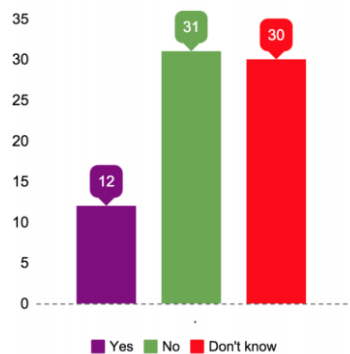
To what extent do you agree with the following statement: "It is easy for a member of the public to list an Asset of Community Value"?



Do the recent changes to remove permitted development rights from building listed as Assets of Community Value make your authority more or less likely to actively promote and publicise them?



Do you feel that, with the additional power, Assets of Community Value listing is adequate to protect pubs?

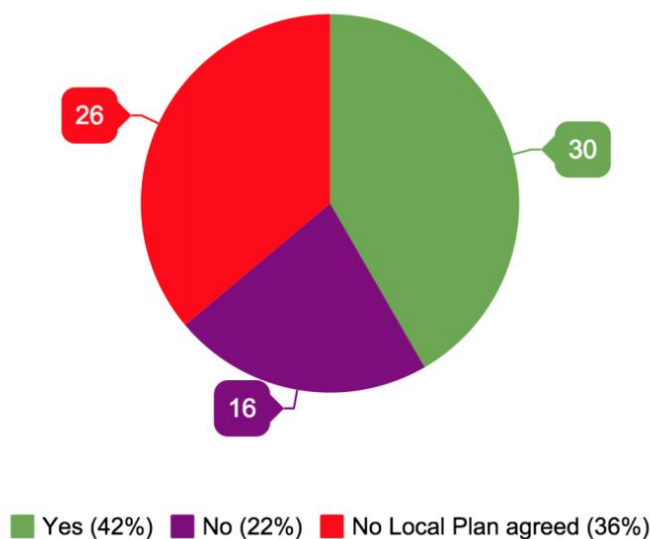


Plans

Planning was seen as one of the areas where councils can exercise real power and authority around community pubs if they play their cards right and ensure they are using the tools effectively. To do so, they need to be proactive and adopt policies in local plans that connect with the National Planning Policy Framework. Once these are in place it becomes more

straightforward to decide in favour of retaining a pub. In response to the question “Has your authority included pub protection policies in its Local Plan?” 36 out of 88 said they had, 22 said they had not, while 30 said that their council had not agreed a local plan.

Has your authority included pub protection policies in its Local Plan?



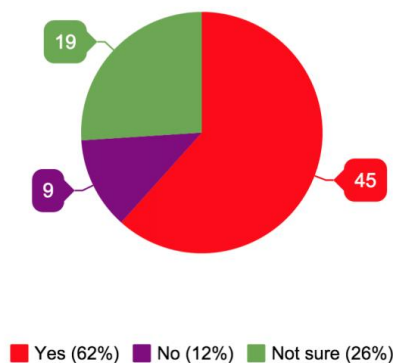
Many survey respondents said that they would like to see more detailed guidance from the government on the National Planning Policy Framework and its relationships to community pubs. Several participants mentioned that it would be particularly useful to have more knowledge and experiences shared throughout local government, especially between councils in similar contexts facing similar challenges. Organisations like LGiU and CAMRA are particularly well placed to provide this.

There is a big challenge, however in capturing cultural value in planning policy, which is largely a technocratic exercise. It is challenging to find a word or a category to hang cultural and community value on to within the planning process. The National Trust Tranquillity Index was seen as a potential guide here.

Many felt that national government policy favours residential development, often in conflict with local and community choice, but that local plans could potentially be used to good effect, with the right powers and understanding.

Potential changes to the planning system were discussed. Could we change use classes for pubs? If there were a special consideration for community assets, or a “zonal” type of planning system, local government would have a great deal more power. Forty five out of seventy three (62%) respondents to the question “Would you support changes to planning regulation that puts pubs in their own use class, requiring planning permission before they are demolished or converted?” said that they would support such a change. Nine (12%) said that they would not.

Would you support changes to planning regulation that puts pubs in their own use class, requiring planning permission before they are demolished or converted?



Business Rates

Another area where pubs could be supported more is with business rate relief. Business rates represent a very significant cost for pubs with the average pub landlord paying £15,000 a year.

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A More Holistic Approach

It was felt that there is a real need for a corporate approach to community pubs, providing consistency across the council and the geographical region. Once an application goes to committee or

opens up for engagement then it is too late, so we need active collaboration between councils and communities early on in the process. To make this work we will need to look beyond pubs and focus on all assets that are important to a community. One participant raised the issue of making *places* viable, not just the pubs that sit in these places.

Councillors should be seen as an important resource taking this agenda forward in specific areas. There is far more that government and officers could be doing to support and advise councillors to get more assets listed, as well as using networks and that are already there through local government and within communities.

Guidance notes on council website should be better than they are, and we could provide support and feedback on application and submission

Conclusions and recommendations

The positive role that pubs can play in communities up and down the country was clearly recognised in these Community Pub Summits. It was widely acknowledged that they are important assets that local government should be seeking to protect as far as

possible. This would also open up opportunities for councils themselves to achieve many of their wider goals, enhancing community cohesion, improving individual well being, and reaching out to vulnerable people.

There are a number of ways that councils could approach the issue, using the planning and community engagement tools they have available.

The Pub Summit discussions had a practical focus, and participants spent time discussing the potential tools and approaches that could be used to protect pubs in the future.

Recommendations for local authorities include:

- **Find ways to use planning policy more effectively**
- **Be more proactive in the approach to ACVs**
- **Engage with communities earlier to spread awareness and to be prepared before assets come under threat**
- **Build up better dialogue and sharing best-practice in order to make the most of the opportunities afforded by local plans**
- **Build up understanding and confidence around viability**

Greater engagement, dialogue and mutual understanding between councils and local people will be crucial to future success in this area. This should broaden the discussion so that it encompasses all community assets, including pubs.

Certainly local plans also hold a great deal of potential, and there are plenty of examples of strong local planning policies adopted across local government that have been shown to work in certain circumstances. This should be replicated in more parts of the country, making the process work to protect the things that communities treasure in their areas.

Resources for councils

Find *Public Houses*, a report published by LGiU and CAMRA, here: www.lgiu.org.uk/public-houses

CAMRA has a range of tools and resources available to assist councils in protecting community pubs. Find out more here:

<http://www.camra.org.uk/local-councils>

Model Planning

policies: <http://www.camra.org.uk/documents/10180/36197/Model+Planning+Policy/db216790-ffd5-441c-8e54-4a8474270129>

Public House Viability

Test: <http://www.camra.org.uk/documents/10180/36197/Public+House+Viability+Test/d7beb2d9-a5ed-4bf5-9f74-5e4e141574b1>

Toolkit on local

plans: <http://www.camra.org.uk/documents/10180/36197/Toolkit/e2c95601-4a9b-40cb-a6cc-6f6a15e17e7e>

Appeals matrix:

<http://www.camra.org.uk/documents/10180/36197/Flow+Charit/537857d5-1682-4e79-b220-fa3d12e11355>

Guidance on the Community Right to Bid:

<http://www.camra.org.uk/documents/10180/18996/Government+advice+note.pdf/4231dc3a-5bab-4e27-bdd4-a3c01152a1c4>