

THE ECONOMIC VIABILITY OF HISTORIC PUBS

Planning Guidance

Advice for Local Councils on Planning for & Protecting Historic Public Houses

February 2023



Report to



Funded by



Historic England

Prepared by



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CAMRA Model Planning Policy for Pubs
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1. INTRODUCTION

1.1 Background

- 1.1.1 This Planning Guidance note forms part of the output of two studies commissioned by Historic England in 2021– Inns on the Edge which focused on the Lincolnshire Coast, and Inn Sites which focused on the rural parts of Shropshire. The two studies sought to explore the significance of pubs as heritage assets, in terms of their fabric, their social history and their role at the heart of their communities. As this role has changed over time, pubs have been required to adapt or face closure, reflecting both the economics of their business models but also the pressure they face from development for higher value uses, including residential and retail.
- 1.1.2 Mindful of an array of challenges threatening their future, the historic pubs projects seek to build the knowledge base and understanding of the significance of these heritage assets, as well as to better inform how they might be protected and how the businesses they house might thrive. Ironically, the Covid-19 pandemic, which has put additional stress on what are in many cases already fragile pub businesses, has also, in their absence, brought into sharp focus the importance of pubs to communities. The publicity given to the plight of the pub over the past 2 years has focused the eyes of the nation, as well as the government, on the sector, providing a timely background to re-imagining their future, whilst maximising the value that can be added by their past.
- 1.1.3 In helping to formulate what that future might look like, as well as how it might be delivered and supported, Hotel Solutions was commissioned to deliver a strand of research to inform both the Inns on the Edge and Inn Sites projects that examines the issues around the economic viability of pub businesses. A separate report summarises the headline findings of that research, which this planning guidance note complements.
- 1.1.4 The two studies have been guided by local and national engagement groups that have given access to an array of expertise relating to the pub sector and heritage buildings, and has facilitated access to leading edge industry data, reports and opinion. This has included the British Institute of Innkeeping, the British Beer & Pubs Association, The Plunkett Foundation, and Pub Is The Hub. This work has been

undertaken at a tempestuous time for the pub sector, as recovery from the pandemic meets escalating operating costs, severe staff shortages, a cost of living crisis and a pending recession. All of this looks likely to increase the pressure on an already damaged pub sector faced with on-going instability as the sands on which they have been founded continue to shift.

- 1.1.5 For all these reasons there has probably never been a more significant time to protect pubs from loss for short term gain, and to enable them to diversify in an attempt to broaden their markets, generate new income streams, and secure their long-term sustainability. Planning has a key role to play in this, and the conclusion of these Historic England studies presents an opportunity to disseminate the knowledge gained to a wider audience for the benefit of all.

1.2 Purpose and Coverage

- 1.2.1 The purpose of this guidance note is to generate a better understanding across local authorities of the challenges and opportunities facing pubs, and in particular to identify the role that Councils can play as planning authorities to protect pubs under pressure of loss to other uses, and to facilitate pub diversification through redevelopment, re-positioning and expansion. The requirement for planning for both change of use and in most cases new development puts Councils in a strong position to protect pub assets and to enable them to survive and thrive. How Councils can do this is the cornerstone of this guidance, set out in section 3.
- 1.2.2 However, there is also a wider role for Councils and a mix of non-planning interventions and support that tourism, economic development, business support and heritage/conservation teams can offer. We identify some of these in section 4 of this report. Local authorities that can deliver this combined package of support and intervention in a joined-up approach across departments can help pubs overcome some of the key challenges they are currently facing, and hopefully enable them to secure a viable and sustainable future, as community resources, local businesses, tourism facilities and heritage assets.
- 1.2.3 This guidance is aimed first and foremost at local authority planning teams but also at the wider teams identified above. In both cases, the starting point needs to be an informed perspective of the threats and potential to pubs of today and tomorrow, so it begins in section 2 with a summary of the key findings of the Economic Viability of Historic Pubs study which sets the guidance in this context.

1.2.4 There are a number of bodies that have been lobbying for greater support and protection for pubs for many years, several of whom have focused on the role of planning. The work of CAMRA (Campaign for Real Ale) is of particular note, and the Appendix to this document provides links to several of their documents that touch on planning issues, produced between 2017 and 2022, as well as to reports from other organisations including the LGiU (Local Government Information Unit). It is not our intention to duplicate this effort, rather to draw out key messages, up-date where relevant, for example in response to changes in national planning policy, direct the reader to more detail where required, add to this the learnings from our more recent research, and to package this in one over-arching report.

2. THE ECONOMIC VIABILITY OF HISTORIC PUBS – KEY FINDINGS

2.1 The Problem

- 2.1.1 The long-term and significant contraction of the pub sector has been well-documented and much debated over the past 20 years: 13,600 pubs closed between 2000 and 2019, a 22% decrease from 60,800 pubs to 47,200, representing an average 700 closures per year¹. Whilst not officially documented at the time of writing, BBPA estimates that at least a further 2000 pubs will have been lost during the pandemic².
- 2.1.2 Pubs have faced a range of challenges over this period, from the smoking ban, economic recession, the availability of cheap supermarket alcohol and increased competition from food and drink outlets, to changing customer preferences, a wider range of leisure options, and development pressure from higher value uses. Added to this, historic pubs face high costs relating to their fabric and maintenance, rural pubs are often challenged by small local catchment populations, and coastal pubs are often impacted by seasonality of demand.
- 2.1.3 The catastrophic impacts of the Covid-19 pandemic on the pub and hospitality industry have added pressure to an already fragile sector, only for pub businesses to re-open with huge levels of debt, significant staff shortages, spiralling costs particularly around energy, and a cost of living crisis that is reducing disposable consumer spend. Issues around VAT treatment, levels of beer duty and business rates have further compounded the difficult road to recovery and survival. UK Hospitality has referred to 10,000 pubs and other hospitality businesses currently at risk of closure as a result of this 'perfect storm' of conditions and a continuing unstable operating environment going forward.

¹ Pub Statistics, House of Commons Briefing Paper, April 2021
<https://researchbriefings.files.parliament.uk/documents/CBP-8591/CBP-8591.pdf>)

² <https://www.morningadvertiser.co.uk/Article/2021/03/16/How-has-the-coronavirus-pandemic-impacted-pubs>

2.3 Key Lessons

2.3.1 The full Economic Viability of Historic Pubs Report details 18 case snapshot examples of pubs that have diversified and survived, often re-opening following many years of closure, sometimes in the face of prolonged planning battles against residential developers, being led by a combination of individuals, pub companies, and community benefit societies.

2.3.2 There are some key learnings from these case studies, which together with intelligence from the state of the industry review and the pub company and industry body consultations that were part of the study can help guide pubs going forward.

- First, its clear that beer (or drinks) alone are not enough
- There is a need to diversify to attract a broader range of markets and additional income streams
- And to maximise the use of the space that pubs have both inside and outside
- And to do this at all times across the day, the week and the year – so a need to think about generating off-peak business
- Being relevant to and in touch with what the market wants is paramount – whether that's locals or visitors
- That might well mean offering services not traditionally offered by pubs, so there's a need to think outside the box and listen to the pub's communities in their widest sense
- And be inclusive – offering vegan menus, being dog-friendly, making the property accessible are all examples
- Responding to the 'experience' economy and making use of social media - this is a real opportunity as the market increasingly is looking for experiences and instagrammable moments to share – in effect doing your marketing for you if you get it right
- Re-imagined outdoor spaces can play a critical role in delivering additional covers, but with their firepits and fairy lights can also be part of delivering a sought after experience.

2.3.2 Add to this the fundamentals to success identified by CAMRA – great service and relationship-building; a quality offer across all drinks, food and other services; choice and variety, for families, sports enthusiasts, tourists, encompassing both the traditional and the contemporary; and a community connection.

- 2.3.3 Heritage certainly has a role to play in the success of pubs, both in terms of an historic pub's physical form but also its stories and role in the community over the years. Appeal to tourist markets is also significant with traditional pubs featuring in the top three things that overseas visitors like about Britain. Property agents and pub companies also value heritage and see potential for it to enhance value and 'sale-ability'. But heritage comes at a cost, to develop, maintain and to operate, especially for Listed pubs or those in Conservation Areas, and this needs to be recognised by potential funding sources to compensate for conservation deficits in order to retain important heritage assets as viable businesses.
- 2.3.4 The main obstacles to pub diversification are a combination of funding availability and difficulties securing planning. However there is a potential package of additional actions that local authorities and their partners could put together to support pubs that include; a protective and facilitating planning framework, tailored business support, opportunities to network and collaborate with tourism and other business and service operators, and the development of marketing and social media support and expertise to help increase profile and bookability.
- 2.3.5 There is a clear role for local authorities in this package of support which we discuss in more detail in the following sections of this guidance.

3. HOW PLANNING AUTHORITIES CAN HELP

3.1 Why Plan for Pubs?

- 3.1.1 Pubs have an important part to play in the lives of their local and wider communities, providing a focus that helps to promote social cohesion and wellbeing. This was brought into sharp focus by the Covid-19 pandemic, during which many pubs stepped up to provide a whole range of services for their customers and neighbours from takeaway food to grocery shopping. Pubs being ‘more than a pub’ has been an emerging theme for the past 10 years, supported by the activities of organisations such as Pub Is The Hub and The Plunkett Foundation to diversify their activities and income streams. Diversification can help pubs become more sustainable, but also retains valuable services for local communities, particularly in rural areas that have increasingly lost shops, post offices and other services that pubs are helping to replace. So pubs are an important community asset, but they also have a wider role to play, as an employer, a tourism resource, and generator of spend to the wider economy from their customers and through the supply chain.
- 3.1.2 However, as we have seen in the previous section, pubs have come under increasing pressure, with multiple challenges to their viability. But alongside this is the pressure they are under for alternative use development. The value of a pub building and site for residential or commercial usually far outweighs its monetary value as a pub business. Many owners have looked at selling off some of their land or car park for residential use, indeed many of the pub companies have done this very successfully to gain enhanced value from their property portfolio, which is often run separately from their operating company. In other cases, owners claim that the pub isn’t viable and apply for change of use of the entire site and buildings. Whilst in some cases the non-viability case will be genuine, in others pubs have been deliberately run down, under-invested, and not given a fair chance to survive and thrive in the hope of achieving an enhanced development value for an alternative use.
- 3.1.3 The planning system has an important role to play in protecting pubs from this development pressure, and retaining them as valued facilities for their local communities and wider customer base. Whilst this doesn’t mean that no pubs should close or be redeveloped, there should have to be a strong case made for their loss that demonstrates a pub doesn’t have a viable future and that every effort has been

made to help it succeed whether under current or new ownership. There are various tools within the planning framework that can be used to do this that are discussed below.

3.2 The Planning Framework and Pubs

3.2.1 The starting point is the **National Planning Policy Framework** (NPPF) which was put in place in 2012 since when there have been various revisions, the latest being in 2021. This framework guides local authorities and requires them to reflect these national policies in their Local Plans.

3.2.2 There are two sections of the NPPF of relevance to pubs.

- Supporting a Prosperous Rural Economy sets out at paragraph 84d) support for the retention of local services and community facilities including public houses.

Supporting a prosperous rural economy

84. Planning policies and decisions should enable:

- a) the sustainable growth and expansion of all types of business in rural areas, both through conversion of existing buildings and well-designed new buildings;
 - b) the development and diversification of agricultural and other land-based rural businesses;
 - c) sustainable rural tourism and leisure developments which respect the character of the countryside; and
 - d) the retention and development of accessible local services and community facilities, such as local shops, meeting places, sports venues, open space, cultural buildings, public houses and places of worship.
- Promoting Healthy and Safe Communities includes at paragraph 93 to plan positively for community facilities such as public houses (93a) and to guard against unnecessary loss of such facilities where it would reduce the community's ability to meet its day to day needs.

93. To provide the social, recreational and cultural facilities and services the community needs, planning policies and decisions should:
- a) plan positively for the provision and use of shared spaces, community facilities (such as local shops, meeting places, sports venues, open space, cultural buildings, public houses and places of worship) and other local services to enhance the sustainability of communities and residential environments;
 - b) take into account and support the delivery of local strategies to improve health, social and cultural well-being for all sections of the community;
 - c) guard against the unnecessary loss of valued facilities and services, particularly where this would reduce the community's ability to meet its day-to-day needs;
 - d) ensure that established shops, facilities and services are able to develop and modernise, and are retained for the benefit of the community; and
 - e) ensure an integrated approach to considering the location of housing, economic uses and community facilities and services.
- Also of relevance is Paragraph 192 of the NPPF which encourages local authorities to maintain Historic Environment Records that systematically record the area's tangible heritage. The Inns on the Edge and Inn Sites projects are contributing details of the pubs identified and studies to the HER.
192. Local planning authorities should maintain or have access to a historic environment record. This should contain up-to-date evidence about the historic environment in their area and be used to:
- a) assess the significance of heritage assets and the contribution they make to their environment; and
 - b) predict the likelihood that currently unidentified heritage assets, particularly sites of historic and archaeological interest, will be discovered in the future.

3.3 Planning Tools

Local Plans

- 3.3.1 The first thing that local planning authorities can do to protect pubs and help them thrive is to include appropriate policies in their Local Plan. Whilst the NPPF guides local authority planning policies, not all Local Plans contain policies that protect pubs as community facilities. In 2018 CAMRA reviewed an extensive list of local authority Local Plans (https://camra.org.uk/campaign_resources/local-plan-rankings-document/) and found of the 331 it reviewed, only 10% ranked as 'excellent' and a further 16% as 'good' in terms of the protection they provided to pubs, indicating considerable opportunity for improvement. To this end, CAMRA has developed a 'model planning policy' (https://camra.org.uk/campaign_resources/camra-model-planning-policy/) which local authorities are encouraged to adopt. This model policy is reproduced at

the Appendix. The policy sets out a series of criteria against which any change of use from public house should be assessed, around whether an alternative facility is available, the value of the facility to the local community, and demonstration of the facility not being or able to be commercially viable. The key message is that there needs to be reasoned justification for the change of use, and it goes on to set out the required evidence and how this should be assessed.

3.3.2 So this is the first way that local authorities can help to protect pubs, by incorporating a pub protection policy into the Local Plan. The 'gold standard' policy is available from CAMRA, making this a quick win. It can be used in the knowledge that it is robust, will stand up to scrutiny, and has been developed with a sound understanding of the commercial realities of the pub sector underpinning it.

3.3.3 Beyond the protection of pubs from change of use, it is also important that pubs can develop and expand their businesses to meet changing market needs and expectations. The need to diversify activity and income stream might see pubs wanting to convert outbuildings to overnight accommodation for guests, develop a caravan and camping site on adjacent land, add pods or cabins into their grounds, develop existing space or extend to operate a shop or post office, or a weddings and function space. Most of these developments will require planning permission. In rural areas this can be a challenge to achieve, particularly where new buildings are required, and yet these new lines of business can make the difference to the pub remaining viable and being there for its local community in the long term. Paragraph 84 of the NPPF recognises and supports this (84a), and this should be reflected in Local Plans. In making decisions on planning applications to expand a pub, due weight needs to be given to the associated economic benefits of the scheme and its contribution to the pub's long term sustainability and community role.

Neighbourhood Plans

3.3.4 In an effort to give local people a stronger voice in the way their local areas are developed in line with their community needs, neighbourhood planning was introduced in 2011 under the Localism Act. Once in place as adopted plans they form part of the development plan for the Borough or District with real legal weight to direct and shape development. As such its contents will be a material consideration in decision-making on planning applications. Neighbourhood Plans can contain policies about pubs and other community facilities, and provide an opportunity to strengthen

Local Plan retention policies with more detailed requirements for example around demonstrating non-viability.

- 3.3.5 Whilst local authorities are not responsible for producing Neighbourhood Plans, they do guide and advise the plan-making group, which will often be an offshoot of the Parish Council. So, the second way that local planning authorities can help protect pubs and enable them to diversify and flourish is to highlight in guidance to neighbourhood plan groups the consideration of pubs and their future. The Neighbourhood Plan process, which involves numerous community consultation and engagement sessions, is an opportunity to consult local people about the importance of the pub to them and how to secure its future. Consultation events might also ask local people what facilities they would like to see in the village/area, and some of these such as shops and post offices might be services that a pub could take on. All of this is evidence of the importance of the pub to the community should a challenge come forward in the future such as for change of use.
- 3.3.6 Whilst Neighbourhood Plans have to be in compliance with the Local Plan, and so couldn't introduce a policy that conflicted with it, they can include greater detail around a District/Borough policy. So for example, if the Local Plan policy to protect pubs/community facilities is very generic, a Neighbourhood Plan could strengthen this by listing more detailed requirements to demonstrate non-viability before allowing change of use e.g. how pubs should be marketed for sale as a going concern, and for what length of time, making it more difficult for developers to achieve an alternative use permission and the for the pub to be lost to the community.

Dealing with Planning Applications

- 3.3.7 The Local Plan, including the Neighbourhood Plan, provides the policy framework against which all planning applications will be assessed. Planning permission is required for the majority of developments to pubs that involve significant change to the fabric of the building, or a change of use from public house.
- 3.3.8 Bearing in mind that many pubs are historic buildings with heritage value - whether they are listed, in a conservation area or neither – as well as community facilities providing a social focus, there is clear merit in local authorities prioritising the provision of early **constructive pre-application advice** to pub businesses/owners. As this would take place before a scheme gets to the point of submission for planning, it can usefully guide that submission to best safeguard the property and the use. This would help

avoid the sort of scenario that provided part of the stimulus for the Inns on the Edge project: a planning application to demolish and redevelop the Red Lion at Sturton-by-Stow in Lincolnshire that was approved for the development of a new Co-operative store without any process for consultation with heritage and conservation team. The lack of a heritage designation meant the building had no protection to prevent permission being granted. This lack of a designation also meant no recording of the significance of the building in heritage terms had been undertaken prior to the determination of the planning application. It was not until too late in the day that the historic significance of the building was identified. There are a number of lessons to be learnt from this example that cut across the broad range of planning tools.

- 3.3.9 Whilst the Development Management Team within the Council's planning department lead, process and assess these applications, there is potential for **widespread consultation** and input from both statutory and non-statutory consultees. The latter can vary considerably from one Council to another. Being conscious of the wide-ranging roles that pubs play, we would recommend casting the net widely in terms of consultees. Internally, this should include: Tourism Officers, Economic Development Managers, Heritage and Conservation Officers, and it is important that these departments are made aware of the Inns on the Edge and Inn Sites studies and the potential of the sector for development in order that they can respond fully. Externally, we would suggest Destination Management Organisations such as Destination Lincolnshire and Visit Shropshire, special interest groups such as CAMRA (Campaign for Real Ale), Historic England and any local heritage special interest groups like Heritage Lincolnshire, who have wider experience on the challenges pubs are facing and their potential as tourism, heritage and business assets.
- 3.3.10 The above consultations will give a wider than local community perspective on the pub-related planning application, but there are other tools at the disposal of the planning authority in terms of examining the details of any case for change of use and loss of the pub use. These focus on **pub viability tests**, including marketing for sale criteria. Ideally these will be embedded in planning policy via supporting text or even an SPD (Supplementary Planning Document), whether this is specifically for pubs or for wider community uses. CAMRA have a well-developed pub viability test that can be accessed at https://camra.org.uk/campaign_resources/public-house-viability-test/. The principles identified have been widely applied to other sectors, for example retention policy pertaining to hotels. Whilst it is not the intent to try to prevent every pub from exiting the market, in the interests of the community and/or wider customer

base that would like to retain the use and in support of the wider protection policy, it is not unreasonable for a developer seeking to change use to have to make a clear case that the business isn't and can't be made viable, and that it has been put to the open market at a realistic price to try to find an alternative buyer/operator as a pub. There have been plenty of examples of pubs being run down physically and poorly managed to try to make the case of non-viability. But as numerous pub companies and individual pub operators have demonstrated, pubs can often be repositioned and made to work in the right hands, and every pub deserves the opportunity to exploit all avenues before exiting the market. The cornerstones of the pub viability test are:

- To assess trade potential
 - Location, setting, catchment, demand drivers now and in the future
 - Customer potential from locals, visitors, businesses, a drive-to market,
 - Competition in a 1 mile and 5 mile radius, plus local alternative provision
 - Access by public transport and availability of parking
 - Opportunities to develop the wider site, to extend, convert outbuildings, make use of adjacent land
- To assess how the pub has been managed and operated
 - Engagement with the local community
 - Quality of management
 - Nature of offering including opening and whether this has changed
 - Levels of investment in the physical building and infrastructure of the pub
 - Efforts to diversify the offer and generate new income streams
 - Efforts to advertise the pub and bring in new customers
- To assess whether the pub has been adequately marketed for sale
 - Use of a specialist agent
 - Marketing for at least 12 months as a going concern
 - At a realistic price (independent valuation in agreement with the Council) that reflects its recent trading

3.3.11 The potential for a community to acquire a pub should always be fully explored as part of any planning assessment involving the possible loss of a pub. What determines whether a pub will be viable or not to some degree depends upon the business model under which the pub is being operated, the objectives of the owner, and the returns

sought. A community run pub would need to make some profit to enable it to invest in its future, but will not be seeking the sort of returns that a large pub company would require. It may also be able to cut costs through a mix of volunteer inputs and paid staff. Specialist organisations such as Pub Is The Hub and The Plunkett Foundation provide advice, support and funding to communities seeking to acquire their local pubs, and are also useful contacts for local councils to signpost Parish Councils and other community groups to.

Assets of Community Value

3.3.12 Another off-shoot of the Localism Act was the ability for anyone – community groups or Parish Councils for example – to nominate a pub to their local authority for registration as an Asset of Community Value. If accepted, then if and when the pub is put up for sale, community groups have the right to bid with a window of 6 months to enable them to do this. The owner isn't obliged to accept the bid. ACV status gives a higher level of protection to pubs as the listing is a 'material consideration' in determining planning applications, demonstrating that the community values the pub. The role of the local authority in this is to create awareness of the opportunity to nominate a pub as an ACV, and to be receptive to and supportive of these applications so giving additional protection and an opportunity for the pub to become community owned.

Permitted Development Rights

3.3.13 Permitted Development Rights are rights to make changes to a building without needing to apply for planning permission. They are rights granted by government rather than the local planning authority, though in some cases 'prior approval' must be sought from the planning authority. The Town and Country Planning (General Permitted Development) (England) Order 2015 included pubs and presented a loophole for pubs to be demolished or have their use changed without planning permission. In 2017, an amendment to the Order removed pubs from the list of PDR use classes, and in 2020 more sweeping changes to the use classes saw pubs become a 'sui generis' use, so there is now no permitted development allowing the automatic change of use or demolition of a pub. However, there has been concern about a lack of clarity around this status, and also food-led pubs trying to classify themselves as restaurants, which are use class E (commercial, business and service) to which PDR does apply. So, the way that local planning authorities can help protect pubs from change of use or demolition in the case of PDR is to rigorously apply the sui generis use

class and be aware of and challenge the restaurant loophole that the 2020 use classes still presents.

Heritage Designations & Records

3.3.14 Local planning authorities can also help to protect pubs through designations relating to their architectural and historical significance. Many pub buildings are characterful properties, their heritage interest being a big part of their customer appeal. However, a large proportion of them do not have any kind of official heritage designation, making it more difficult to protect their loss. Indeed, a driving force for this study was the paucity of information on historic pubs as reflected on Heritage at Risk Registers and Historic Environment Records, which it seeks to address, and which other local authorities should likewise be encouraged to do.

3.3.15 The main tools for the protection of pubs from a heritage designations perspective are:

- Listed Building status, which involves statutory designation to protect pubs of special architectural or historic interest, both inside and out. The listings are made by the Secretary of State for Culture, Media and Sport, on the advice of Heritage England. There are different categories of listing: Grade I, Grade II* and Grade II, with most falling into the latter category. Whilst Listing doesn't necessarily prevent buildings from being altered or redeveloped, it does give the highest level of protection, requiring consent to alter or demolish.
- Local Listings are heritage designations made by local planning authorities, often developed through engagement with local communities, including as part of the Neighbourhood Planning process. The NPPF recognises Local Listings as 'non-designated heritage assets'. As such the listing carries less weight than statutory listing, but encourages minimising harm to these buildings, and will be taken into account in planning applications affecting the building and its setting³.
- Conservation Areas are locations that have been identified by a local authority as areas of special architectural or historic interest, the character or appearance of which is desirable to preserve or enhance. Their designation provides an extra layer of planning protection, meaning that any development within them will be additionally assessed in terms of its impact on the character of the whole area.

³ NPPF Para 203: The effect of an application on the significance of a non-designated heritage asset should be taken into account in determining the application. In weighing applications that directly or indirectly affect non-designated heritage assets, a balanced judgement will be required having regard to the scale of any harm or loss and the significance of the heritage asset.

Pub uses have been recognised as contributing to the character of conservation areas beyond the building, i.e. the activity and associated history of that use.

- Article 4 Directions – these are a planning tool where local planning authorities can apply planning restrictions to a building, area or type of use, and were used for example to remove PDRs from pubs before the changes that came into place in 2017 and 2020. They are permanent measures. They can increase the public protection of designated and non-designated heritage assets and their settings.

Responsibility & Monitoring

3.3.16 It has been apparent through the Inns on the Edge and Inn Sites projects that there is a real paucity of information on pubs, as businesses, as community facilities, and as heritage assets. These pilot studies have effectively documented the past supply and significant loss of pubs from the landscape. However, research to support the economic viability strand of these studies demonstrated that few local authorities had any real understanding of the supply of pubs in their Council area, or indeed of ambitions for development and diversification or threat of loss. As a use they fall between the interests of multiple departments – planning, licensing, tourism, business/economic development and community facilities, but is the focus and responsibility of none. Closer monitoring of development intent relating to pubs through the planning system would be a good starting point going forward, also presenting an opportunity for intervention as needed. A re-design of the search facility on local authority planning portals would be helpful, so that search by pub/public house could bring up relevant results.

3.4 Planning Issues Relating to Pub Development & Protection

3.4.12 The issues surrounding the development and protection of pubs that local planning authorities should be mindful of in developing local plan policy and development management processes to deal with these are summarised below:

- The differences between urban and rural settings for pubs and what this means in terms of market potential and development opportunity. Pubs in towns and cities have potentially larger catchments and footfall whereas for most rural areas the market is more restricted. Rural pubs also potentially have a bigger community role and focus given the lack of other services and facilities available in rural areas. Yet planning for development in the countryside can

be more of a challenge to achieve, especially where new buildings are involved.

- The need for pubs to diversify to generate additional income streams and customers, to help underpin their viability and securing their future for the community. Many such projects will require planning permission – converting unused space or outbuildings to accommodation, developing pods or camping facilities in the pub grounds, converting or expanding to accommodate a shop, café or post office on site, developing structures on outdoor areas for covered eating and drinking, developing functions space for weddings, events, parties, film screenings are examples. Being able to give due weight to the benefits of a pub development scheme and allow for small scale expansion of appropriate scale even in the countryside should help deliver pub development in rural areas.
- The potential for a partial conversion of a pub to an alternative use, or the development of uses such as residential on car park or other associated land, as enabling development to secure investment in the pub and its long term survival. The challenge here is tying the two schemes together through conditions to ensure that the pub receives the agreed investment resulting from the gain in value/sale of land or completed development. The principle of the viability test should still stand even in the case of partial loss, with the need to demonstrate the amount of development needed to fund the proposed development/up-grading of the pub.
- Where a non-viability case is adequately demonstrated, encouragement should be given to an alternative use scheme that retains the heritage asset as much as possible, and that showcases some of the building's key features and its story. Demolition should be the last port of call only when all other avenues have been explored.

4. WIDER LOCAL COUNCIL SUPPORT FOR PUBS

4.1 A Joined Up Approach

- 4.1.1 Planning is only one route to help pubs survive and thrive. There is a wide range of other interventions and support that local Councils could offer to pubs to help secure their long term future.
- 4.1.2 Our research found that pubs as businesses and facilities can be relatively isolated beyond their local community, and are often not well-connected into local business and other networks. This is particularly the case for freehold/independent pubs, who also lack the support of a brewery owner in the way that tenants would have access to their wider expertise. The experience of the Covid-19 pandemic shone a spotlight on pubs, and with local authorities being used as the mechanism to channel much of the covid recovery funding there was evidence of pub needs being picked up in a way that they often aren't through on-going business to business grant schemes. Outdoor eating and drinking areas, take-away and hot food pop-ups, farm/artisan food shops and other diversification projects that are bringing long term benefits are some examples of pub projects to attract recovery funding, though evidence from Lincolnshire shows that this was variable across different council areas. This success is something that could be usefully built upon by local authorities as well as wider business support networks in the design of their support schemes going forward.
- 4.1.3 A good starting point would be to ensure that the findings of the Inns of the Edge and Inn Sites studies are communicated widely across the local authorities concerned, and that the needs of the pub sector are built into future work programmes and strategies. These studies provide an evidence base to underpin future action, and identify opportunities for the future of pubs that a much wider audience can learn from. Tourism, Economic Development and Business Support are of particular importance, at district and county level, and in a position to weave pub needs into their wider workstreams. Local authority representatives can also be advocates for the pub sector in their dealings with more strategic bodies such as the DMO Destination Lincolnshire, the Local Enterprise Partnership and Historic England and to connect them into their networks of support and funding.
- 4.1.4 Diversification is one of the big messages for pubs in terms of securing their future, but identifying funding pots to help pub bring projects forward is difficult. Many pubs have

emerged from the pandemic with significant levels of debt making equity contributions a challenge alongside a funding landscape that has lost its confidence in the hospitality sector post-Covid and in the face of a cost of living crisis. There may be some opportunities under the UK Prosperity Funding and Levelling Up Funds, depending on the projects that local councils put forward in their bids. The more recent announcement of Rural Prosperity Funding to replace European pots such as LEADER and EAFRD is promising as it makes specific reference to projects like accommodation development, but again will be tied into local authority project bids. Going forward, local authorities need to bear in mind the needs of the pub sector and the opportunities for diversification identified in these pilot studies and ensure they form part of future funding bids. There is also a national Community Ownership Fund that is open to pubs, with up to £250,000 available per scheme.

4.1.5 There are some specialist sources of support for pubs that offer advice and funding. Local councils need to be aware of these, and business support and tourism teams should take the opportunity to signpost pubs to them for help. These are:

- Pub Is The Hub (PITH)
 - PITH was inspired by the former Prince of Wales in 2001 and is a not-for-profit organisation offering support to publicans and their communities in rural areas to re-open or introduce vital services in their local pub, including acquiring it as a community pub. Some funding is available as well as access to sector specialists and a wide network of shared experiences to support pub development projects.
<https://www.pubisthehub.org.uk/>
- The Plunkett Foundation
 - The Plunkett Foundation is a national charity that supports rural communities across the UK to tackle the issues they face and services they need through setting up community businesses. Plunkett have helped numerous communities to acquire their local pub, sometimes from a point of being closed for several years, and often in the face of developer pressure for change of use.
<https://plunkett.co.uk/>

APPENDICES

CAMRA Model Planning Policy

Links to Useful Documents

Model Planning Policy

A robust model planning policy developed by CAMRA which we encourage Local Planning Authorities to adopt.

Model Planning Policy

Any proposal which would result in the loss of a community facility will not be permitted unless:

- an alternative community facility which meets similar local needs to at least the same extent is already available; and
- it can be shown that the proposal does not constitute the loss of a service of particular value to the local community nor detrimentally affect the character and vitality of the area; and
- in the case of commercial community facilities, it has been demonstrated that it is no longer economically viable and cannot be made so.

“Community facility” in this context has the same meaning as in paragraph 92 of the National Planning Policy Framework.

Reasoned Justifications

Regarding alternative community facilities, the Council will require evidence not only that an alternative facility or facilities can be found within easy walking distance but that there is at least one such facility which offers services and an environment comparable to that of the facility subject to the proposal.

This policy applies equally to community facilities which are currently open or have been closed within the past five years.

Regarding local needs, the Council will require evidence that there has been public consultation to ascertain the value of the facility to the local community.

If the facility is registered as an Asset of Community Value then the Council will regard this as a material consideration in the determination of any planning application affecting the facility.

Development proposals involving a community facility should not have a detrimental effect on the design, character, significance and setting of buildings or areas of acknowledged heritage value.

On viability, the Council will require evidence demonstrating that:

- the existing or recent business is not financially viable, as evidenced by trading accounts for the last three years in which the business was operating as a full-time business;
- a range of measures were tried during this time to increase trade and diversify use;
- the potential for the property to extend the range of facilities offered at the site has been fully explored;
- for public houses, the CAMRA Public House Viability Test, or a similar objective evaluation method, has been employed to assess the viability of the business and the outcomes show that the public house is no longer economically viable.

Also on viability, the Council will require evidence that all reasonable measures have been taken to market the facility to other potential



Model Planning Policy

operators. The facility must have been marketed for at least 24 months either as the current type of facility or as an alternative community facility, at a price agreed with the Council following an independent professional valuation (paid for by the developer). In turn there must have been no interest in purchasing either the freehold or leasehold as a community facility. The business must have been offered for sale locally, and in the region, in appropriate publications and through relevant specialised agents.



Useful Links

CAMRA Local Plans Ranking Document

https://camra.org.uk/campaign_resources/local-plan-rankings-document/

CAMRA Model Planning Policy

https://camra.org.uk/campaign_resources/camra-model-planning-policy/

Neighbourhood Plans and Pubs (CAMRA, 2020)

https://camra.org.uk/campaign_resources/neighbourhood-plans-and-pubs/

Pub Protection and Planning (CAMRA, 2019)

https://camra.org.uk/campaign_resources/pub-protection-and-planning/

Pubs and Planning: An Overview for Campaigners (2019)

https://camra.org.uk/campaign_resources/pubs-and-planning-an-overview-for-campaigners/

Pubs and Local Plans

https://camra.org.uk/campaign_resources/pubs-and-local-plans/

Pubs and Permitted Development (CAMRA)

https://camra.org.uk/campaign_resources/planning-newsletter-pubs-and-permitted-development/

Public House Viability Test (CAMRA, 2020)

https://camra.org.uk/campaign_resources/public-house-viability-test/

Nominating a Pub as an ACV: a CAMRA Guide (2020)

https://camra.org.uk/campaign_resources/nominating-a-pub-as-acv-a-camra-guide/

Saving Your Local Pub: A Comprehensive Toolkit for Campaigners (CAMRA, 2020)

https://camra.org.uk/campaign_resources/saving-your-local-pub/

Saving Your Local Pub: Success Stories (CAMRA, 2017)

https://camra.org.uk/campaign_resources/pub-success-stories/

Dealing with Planning Applications (CAMRA, 2019)

https://camra.org.uk/campaign_resources/dealing-with-planning-applications/

Pub Protection and Planning (CAMRA, 2019)

https://camra.org.uk/campaign_resources/pub-protection-and-planning/

Toolkit for Local Plan Creation (CAMRA, 2019)

<https://www1-camra.s3.eu-west-1.amazonaws.com/wp-content/uploads/2019/03/18164256/Local-Plan-Toolkit-v.January-2019.pdf>

Planning Appeal Digest (CAMRA, 2022)

https://camra.org.uk/campaign_resources/planning-appeal-digest/

Local Plans Guidance (CAMRA, 2019)

<https://www1-camra.s3.eu-west-1.amazonaws.com/wp-content/uploads/2019/03/08153803/Local-Plans-Guidance-v.January-2019.pdf>

Public Houses: How Councils & Communities Can Save Pubs (LGIU, 2014)

<https://lgiu.org/publication/public-houses-how-councils-and-communities-can-save-pubs/>

Government Briefing Paper: Protecting Community Pubs (LGIU, 2015)

https://camra.org.uk/campaign_resources/lgiu-government-briefing-paper-protecting-community-pubs/

Campaign for Pubs

<https://campaignforpubs.org.uk/>

Protect Pubs

<http://protectpubs.org.uk/planning-system/pub-protection-policies/>

Supporting British Pubs: Protecting Community Assets and Working to Ensure Resilience (Public Policy Exchange, 2022)

<https://www.publicpolicyexchange.co.uk/event.php?eventUID=MD14-PPE>

The Power of Pubs (Localis/BBPA, 2021)

<https://localis.org.uk/research/the-power-of-pubs/>

Pub Is The Hub

<https://www.pubisthehub.org.uk/>

The Plunkett Foundation

<https://plunkett.co.uk/>

BBPA: Property and Planning

<https://beerandpub.com/policies/property-and-planning/>

British Institute of Innkeepers

<https://www.bii.org/>

The Public House in England (Historic England)

<https://historicengland.org.uk/research/current/discover-and-understand/urban-public-realm/the-english-pub/>