

Sustainable Communities Act Proposal

Protecting Community Pubs

1. The proposed central Government action:

That the Government help protect community pubs in England by ensuring that planning permission and community consultation are required before community pubs are allowed to be converted to betting shops, supermarkets and pay-day loan stores or other uses, or are allowed to be demolished.

2. The case for this proposal – how it promotes the sustainability of local communities, as defined in the Sustainable Communities Act:

This proposal seeks to support thriving, vibrant local communities in England and to promote their sustainability by ensuring that community pubs, which are key local facilities, are protected. This is necessary because community pubs can be demolished or converted to other uses including betting shops, pay day loan stores and supermarket metro stores without planning permission or community consultation. Currently many local pubs are in crisis and every week 26 pubs are lost forever with communities and councils in many cases powerless to save them.

Why protect pubs - social and community value

Community pubs represent the very essence of the big society, providing a meeting place where social networks are strengthened and extended, providing a sphere for social interaction, promoting cohesion within a community, and a safe environment for responsible drinkers. Pubs host a wide variety of community-oriented events and activities that add considerably to the sustainability of local civic life.

Where alternative local services such as Post Offices, libraries or other amenities are absent, rural pubs often step into the breach to provide local services. Urban pubs have followed suit with book swaps and by joining the Useyourlocal parcel-to-pub scheme. This allows locals to collect parcels from their pub if they're not at home, rather than having to make the journey to a collection centre.

Pubs are incredibly important to local communities:

- Research from the IPPR¹ highlights that pubs are the most popular location outside of the home for people to meet and get together with others in their neighbourhood.
- 69% of all adults believe that a well-run community pub is as important to community life as a post office, local shop or community centre².

¹ Rick Muir – Pubs and Places (IPPR, 2012)

² TNS CAPI Omnibus Survey June 2010

- 75% of all adults believe that pubs make a valuable contribution to life in Britain³
- 80% of regular pub goers are proud of the contribution pubs make to community life in their area⁴
- 43% of all adults would even be willing to take action to help save a local pub threatened with closure (such as join a campaign group, donate or volunteer to help run the pub)⁵

Pubs are also vital to improving community cohesion with the pub being the most important location where people meet and socialise with those from different backgrounds to themselves. A report found that in the case of the Catford Bridge Tavern which was under threat from closure and conversion to retail until it was saved by a powerful community campaign, “one of the recurring responses... was its clientele bemoaning the loss of their (in many cases relatively new) circle of friends. Despite having only been open for eight months, a powerful sense of belonging to a distinct community unit had been fostered by the pub, as evidenced by the strength of the support group mustered in the face of closure.”⁶

The IPPR has used ‘Social Return on Investment’ methodology to quantify the wider social value which pubs generate for their communities, which cannot be captured in financial terms. These wider community benefits range from the amount of money the pub raises for charity to the reduced risk of social isolation through opportunities for pub-goers to make new friends and strengthen community ties. The IPPR’s research found that each pub generates between £20,000 and £120,000 of wider social value to their communities⁷.

Pubs can play a particular role in supporting older and vulnerable people in the community. Older people rely perhaps more than other members of the community on accessible local services. Pubs are therefore vital for older people to enjoy a sense of wellbeing based on community interaction and opportunities to meet new people. The permanent loss of so many of these services, coupled with difficulties in accessing equivalent services further away is contributing to older peoples’ isolation.

Why protect pubs - economic value

Beer and pubs contribute £19bn to UK GDP and generate £11bn in tax revenue. Beer and pubs also support almost one million UK jobs, 46% of whom are 16 – 24 year olds. These jobs are essential to the UK’s growth and economic development, but they are under threat from gaps in planning law leading to pub closures. Each pub closure

³ TNS CAPI Omnibus Survey June 2012

⁴ Ibid.

⁵ TNS CAPI Omnibus Survey June 2010

⁶ “Keeping Local” GLA Conservatives Report - <http://glaconservatives.co.uk/wp-content/uploads/2013/03/Keeping-Local6.pdf>

⁷ <http://www.ippr.org/publications/55/8519/pubs-and-places-the-social-value-of-community-pubs>

typically results in the loss of just under ten full- and part-time jobs⁸ and the permanent loss of VAT revenue as fewer pubs means a further shift in alcohol consumption from the on trade to the off trade.

As well as injecting an average of £80,000 into their local economy each year⁹, pubs play a key role in raising money for local charities – it is estimated that the average pub raises around £3000 a year for charity. Independent research commissioned by CAMRA has found that 49% of regular pub goers say their local pub fundraises for local charities¹⁰.

Money spent in local pubs is twice as likely as money spent in supermarkets to be retained locally. The New Economics Foundation estimated that 10.2% of money spent in supermarkets is retained locally compared to 20.6% of money spent in managed pubs¹¹. Where pubs are owned independently the amount of money retained locally is much greater.

Pubs that sell real ale support local and regional breweries to a far greater extent than the supermarket trade, with regional breweries selling 76% of their products to pubs¹². There are now over 1000 breweries in the UK, but their access to market is diminishing as pubs close.

The problem – planning loopholes

The current planning system fails to give sufficient protection to valued community pubs, many of which have been established for hundreds of years and are fully integrated into the local area thus minimising negative land impacts.

The flexibility for a pub to be converted into a wide range of uses without planning permission has created a market distortion and has artificially inflated the land value of pubs on sites especially attractive to other uses, particularly betting shops, pay day loan stores and supermarket metro style stores seeking to secure sites where an extensive battle over planning permission is not required.

Pubs can also be converted to restaurants and cafés without planning permission or community consultation. While in some cases restaurants or cafés could be considered to provide a similar community space to a pub, conversion to a restaurant (open only to diners) is a significant change from a pub where any adult can meet friends and enjoy a drink without ordering food.

⁸ 548,000 people are directly employed in 57,000 pubs and bars

⁹ Rick Muir – Pubs and Places (IPPR, 2012)

¹⁰ TNS CAPI Omnibus Survey January 2013

¹¹ Justin Sacks – The Money Trail (New Economics Foundation, London, 2002), p115

¹² IPPR report p30

These gaps in the planning system mean local communities and the councils that represent them are denied a say in what's happening in their neighbourhoods, and are unable to protect the services that matter to them. CAMRA's research indicates that around 1/3 of pubs which are permanently lost are converted to another use that does not require planning permission. In London, for instance:

*"The high number of demolitions and conversions to other uses renders a great many pub sites lost to the community as drinking establishments. Between 2003 and 2012 Capital Pubcheck recorded 897 changes of use for former pub sites. Approximately a third of these were conversions to cafes and restaurants."*¹³

CAMRA conducted a survey a couple of years ago of Local Authority Planning Officers. Surveys were sent out to 358 Authorities, with a response rate of just over 50%. The survey found that:

- 65% were not satisfied that existing planning regulations give sufficient protection to public houses from change of use or demolition.
- 65% would support a change in planning regulations to require planning permission to be in place before a public house can be demolished.
- 67% would support a change in planning regulations to ensure that the conversion of a public house to any other use requires planning permission.

Betting shops

Independent research commissioned by CAMRA has found that 77% of all adults agree that planning permission should have to be sought, and local people consulted, before a valued community pub is changed into a betting shop¹⁴. However, this is not currently the case. Below are just some of the pubs that have been converted to betting shops:

- **The Railway Tavern**, Mare Street Hackney – former Charles Wells pub, converted by Paddy Power to a betting shop
- **The Hope**, Rye Lane, Peckham –this pub has been converted to a Paddy Power betting shop, despite strong objections from local residents
- **Finnigan's Wake**, Neasdon Lane, London NW10 1QG - turned into a William Hill betting shop
- **Havelock Arms**, Southall - Ladbrokes converted this pub to a betting shop
- **Bakers Arms**, Leyton High Road/ Lea Bridge Road junction, Waltham Forest – changed to a Paddy Power betting shop in February 2010
- **Deptford Arms**, Deptford High Street, Lewisham - converted to a Paddy Power betting shop

¹³ "Keeping Local" GLA Conservatives Report - <http://glaconservatives.co.uk/wp-content/uploads/2013/03/Keeping-Local6.pdf>

¹⁴ TNS CAPI Omnibus Survey January 2012

- **Old Globe**, Mile End Road, London – converted to Ladbrokes
- **The Queens**, Richmond Street, Liverpool – converted to a Paddy Power in 2010
- **The Swan**, Lake Road, Portsmouth – converted to a Ladbrokes
- **The Bell**, Wigston, Leicestershire – converted to a Ladbrokes
- **The Nags Head**, Vicar Lane, Leeds – converted to a Betfred betting shop

David Lammy, MP for Tottenham is among the MPs calling for greater planning controls on the proliferation of betting shops:

“There are far too few powers for councils to reject applications for gambling licences. It is surely wrong that they cannot deny an application for a betting shop on the basis of the number of betting shops that are already open in the area. In Tottenham there are 39 bookmakers but no bookshops. That must change. We must give communities new powers to ensure our high streets are thriving environments and not dominated by betting shops.”¹⁵

Supermarkets

Supermarkets are targeting pubs for conversion because of the legal loophole that means they do not need to submit a planning application. CAMRA conducted a survey in November 2012 of our 200 local branches. From the 136 branches who responded, our findings indicate that 207 pubs were converted to supermarkets between January 2010 and November 2012.

The breakdown by company is as follows:

Tesco (130)
 OneStop (4)
 Sainsbury (22)
 Co-op (14)
 Asda (5)
 Costcutter (4)
 Aldi (4)
 Independents (24)

In addition to the 207 reported conversions, a further 51 were reported as being currently under threat from conversion, of which 43 were under threat from Tesco. In 2010/2011 Tesco opened 200 new stores¹⁶. 150 of those were Tesco Express. Our survey (which will not be comprehensive) shows that 58 pubs were converted to Tesco

¹⁵

http://www.haringeyindependent.co.uk/news/8381914.Livingstone_and_Lammy_take_stand_on_Haringey_s_prolific_betting_shops/

¹⁶ 2010-2011 Tesco Annual Report

during this period - so over a third of these new Tesco Express stores were former pubs.

The current economic climate is as tough for the pub industry as for other small businesses but this should not present an opportunity for pubs, even currently closed pubs, to be erased when if given support and placed in the right hands they can become thriving hubs for our communities. Most people would clearly see the conversion of a pub to a supermarket as a fundamental change of purpose and should therefore have the power to comment on this change.

CASE STUDIES:

Archers (Bishops Stortford)

A busy Greene King pub in a residential area near an existing Tesco and a large Sainsbury. The tenants were evicted with two weeks' notice. Greene King sought and was granted planning permission to erect 'illuminated sign' outside and extend the premises. Greene King were contacted by the local CAMRA branch which was informed that investment was being made to create a pub/restaurant business. Two months later (November) the Freehold was sold and Tesco signed a 20-year lease. Local Councillors and 20 local residents only then received a letter saying that Tesco Express would be open by Christmas. Further works needed for the conversion were deemed too minor for planning permission.

Prince of Wales (Tooting)

This pub ceased trading on 3rd March 2012 and was swiftly sold by Young's & Co to Tesco. The pub's tenants were moved to a new business and the pub has been stripped and left vacant, squatted in and deteriorating

A successful campaign which led to the pub being reopened – the Bristol House Inn (Weston-super-Mare)

Enterprise Inns submitted a planning application to extend the pub to create a new dining area. It was rightly suspected by the Council and local residents that negotiations were underway for the pub to be purchased by Tesco. The planning application was rejected on grounds of traffic and safety and Tesco withdrew from negotiations. The pub reopened and is successfully trading on 1st December 2012.

Demolition

The demolition of pubs is classed as "permitted development" meaning planning permission is not required. Between 2003 and 2012, 414 former pubs were demolished in London alone¹⁷. Lewisham has lost 36% of its pubs in the last decade.

¹⁷ "Keeping Local" GLA Conservatives Report - <http://glaconservatives.co.uk/wp-content/uploads/2013/03/Keeping-Local6.pdf>

Once a pub is demolished any local planning policies aimed at protecting pubs are irrelevant as there is no longer a pub to protect. This situation can be exploited by developers who can delay applying for planning permission until after a pub has been demolished. Developers can also react to a refusal of planning permission or the possibility of a historic listing (as Grade I/II etc) by simply demolishing the building and therefore extinguishing the previous use of the premises.

This is not fair on local communities and is diminishing consumer choice, driving prices up in the remaining pubs and forcing people to travel further to access services. Demolition can cause particular problems in rural communities where pubs are often the only remaining community meeting place. Local communities want more power to influence their neighbourhoods: 81% of people agree that local authorities and local people should be consulted before a developer is given permission to demolish a valued community pub, community centre or other local service.¹⁸

Impact of this proposal

This proposal does not seek to block change by preventing local services being converted to other uses where they are no longer needed or are financially unviable. It is simply about ensuring local people and democratically elected councils can have a say.

Where a local service is genuinely unviable or no longer of community value developers could expect to secure planning permission within 8 weeks. In many cases the planning process could be completed before the purchaser is even able to complete the purchase of the premises. Planning fees are a very modest cost compared to the cost of purchasing and converting premises.

In relation to demolition there would be no additional cost, the only change is that planning permission for the new use would need to be applied for before rather than after the demolition of the local service.

¹⁸ TNS CAPI Omnibus Survey June 2010