

## APPENDIX 1

### **Sustainable Communities Act Proposal**

#### **Proposing Local Authority:**

Norwich City Council

#### **Other Local Authorities, if any, who are joint proposers of this proposal:**

#### **Lead contact(s) in the Local Authority for this proposal:**

Mike Burrell (Planning Policy Team Leader)      01603 212525

Jonathan Bunting (Planner (Policy))              01603 212162

#### **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<sup>1</sup>, supermarkets, pay-day loan stores or other uses, or are allowed to be demolished.*

#### **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 powerless to save them.

Norwich once claimed to have a pub for every day of the year. The past 20 years have seen significant depletion of pubs, especially those in suburban areas and outlying estates where there is often only one pub within walking distance. Since 2004 the city council calculates that 35 pubs out of approximately 170 in the city

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<sup>1</sup> The wording of the proposal reflects the resolution of Norwich city council on 24 September 2013. The council notes that changes signalled in the recent Technical Consultation on Planning include a prospective re-definition of betting shops and payday loan stores within class A2 of the Use Classes Order, and a removal of PD rights to make a change to these uses. However until changes to the General Permitted Development Order come into force, such changes of use remain permitted development and consequently we have retained the reference to these uses in the proposal.

(over 20%) have been demolished or been converted to other uses, with a further three long term vacant.

#### 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. In Norfolk this is being actively pursued in a partnership between Norfolk County Council and not-for-profit organisation Pub is the Hub, offering grants of up to £4000 to local pubs wishing to run additional community services. Urban pubs have followed suit to a certain extent 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 IPPR<sup>2</sup> 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 centre<sup>3</sup>.
- 75% of all adults believe that pubs make a valuable contribution to life in Britain<sup>4</sup>
- 80% of regular pub goers are proud of the contribution pubs make to community life in their area<sup>5</sup>
- 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)<sup>6</sup>

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. The Greater London Authority Conservative Group's "Keeping Local" 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

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<sup>2</sup> Rick Muir – Pubs and Places (IPPR, 2012)

<sup>3</sup> TNS CAPI Omnibus Survey June 2010

<sup>4</sup> TNS CAPI Omnibus Survey June 2012

<sup>5</sup> Ibid.

<sup>6</sup> TNS CAPI Omnibus Survey June 2010

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.”<sup>7</sup>

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 communities<sup>8</sup>.

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.

The recently adopted Joint Core Strategy for Norwich, Broadland and South Norfolk forms part of the local plan for the city. It states (in Policy 7) that *All development will be expected to maintain or enhance the quality of life and the well being of communities and will promote equality and diversity, and protect and strengthen community cohesion*. By allowing such a wide range of material changes of use to community pubs to be made outside of planning control as *permitted* development, the government are acting against this objective, removing the ability of the local authority to implement policies protecting valued community facilities which they are required to do by the NPPF.

### 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 typically results in the loss of just under ten full- and part-time jobs<sup>9</sup> 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.

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<sup>7</sup> “Keeping Local” GLA Conservatives Report - <http://glaconservatives.co.uk/wp-content/uploads/2013/03/Keeping-Local6.pdf>

<sup>8</sup> <http://www.ippr.org/publications/55/8519/pubs-and-places-the-social-value-of-community-pubs>

<sup>9</sup> 548,000 people are directly employed in 57,000 pubs and bars

As well as injecting an average of £80,000 into their local economy each year<sup>10</sup>, 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 charities<sup>11</sup>.

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 pubs<sup>12</sup>. 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 pubs<sup>13</sup>. 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 afforded by the General Permitted Development Order 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 planning permission is not required. 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.

Norwich's emerging local plan policy DM22 (which has been supported through examination) seeks to guard against the loss of identified historic and community pubs and other community facilities. It requires evidence from prospective developers that genuine efforts have been made to market historic and community pubs for a meaningful period for continued A4 use and retain them in that use. However, even if a pub appears on the safeguarded list, this policy remains wholly ineffective against changes of use that can be made without planning permission and cannot prevent the total demolition of a pub outside a conservation area. The

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<sup>10</sup> Rick Muir – Pubs and Places (IPPR, 2012)

<sup>11</sup> TNS CAPI Omnibus Survey January 2013

<sup>12</sup> Justin Sacks – The Money Trail (New Economics Foundation, London, 2002), p115

<sup>13</sup> IPPR report p30

city council considers that, unless and until these loopholes in the General Permitted Development Order are closed, the council and the local community will have only limited powers to intervene through the planning process to prevent the continued depletion of local community pubs. Pubs are community facilities, which the NPPF is absolutely clear should be protected, but the General Permitted Development Order often takes away any effective planning mechanism to do so. We consider that the alternative of registration of public houses as Assets of Community Value is largely ineffective; ACV registration might give the community some say in the future of some local pubs but may only delay their disposal and cannot prevent a permitted change of use of a pub either before or after that sale.

Article 4 directions removing permitted development rights for the change of use of locally identified pubs have also been suggested by the Secretary of State as a potential means of protecting them. The city council takes the view that Article 4 directions are extremely resource intensive and legally complex to implement, as well as producing no income to the council from the additional planning applications that result, and potentially having significant cost implications for compensating disadvantaged owners/developers. Thus, unless the government makes it significantly easier to bring in Article 4 directions specifically to protect identified community assets, we would pursue this option only as a last resort.

CAMRA's research indicates that around one third of pubs which are permanently lost are converted to one of these uses without planning permission. The Greater London Authority Conservative Group's "Keeping Local" Report also found that:

*"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."*<sup>14</sup>

CAMRA's recent survey of 358 local planning authorities (with a response rate of just over 50%) found that:

- 65% of local authority planning officers responding 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.

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<sup>14</sup> "Keeping Local" GLA Conservatives Report - <http://glaconservatives.co.uk/wp-content/uploads/2013/03/Keeping-Local6.pdf>

The viability of many pubs depends absolutely on the prosperity and footfall generated by other local businesses: people visiting an area to shop or use other local services are likely to incorporate a visit to the pub. However, the diversity of our town centres is currently under threat from the prevalence of big companies, which affects the viability of small independent businesses. This was demonstrated in the New Economics Foundation's "Clone Town Britain" Report, which states:

*"Real local shops have been replaced by swathes of identikit chain stores that seem to spread like economic weeds, making high streets up and down the country virtually indistinguishable from one another. Retail spaces once filled with a thriving mix of independent butchers, newsagents, tobacconists, pubs, bookshops, greengrocers and family-owned general stores are becoming filled with faceless supermarket retailers, fast-food chains, and global fashion outlets."*<sup>15</sup>

In Norwich there have been numerous examples of pubs which are on the city council's list of historic and community public houses that policy DM22 and its predecessor local plan policies have sought to protect, but where these policies have been unable to prevent closure and conversion to other uses under permitted development. Of the 35 pubs logged as lost in Norwich since 2004, many have been converted to restaurants and other commercial uses without the need for formal planning permission for the change of use. Five were on the list of historic and community pubs identified for protection in the City of Norwich Replacement Local Plan.

Even where public house premises remain, the economic downturn has discouraged investment in them and pub closures have sometimes been followed by an extended period of neglect. Three pubs in Norwich are known to have been closed for more than three years with no impetus for them to be reused or beneficially developed despite in two cases schemes being approved.

### **Case study in Norwich: Neglect: The Kings Arms, 100 Mile Cross Road**



<sup>15</sup> New Economic Foundation, "Clone Town Britain", 2004, p1, available online at: <http://www.neweconomics.org/publications/clone-town-britain>

This 1930s estate pub served the oldest local authority housing estate in Norwich for over sixty years. Closed since 1999 the building has become an eyesore, remaining vacant and near derelict, attracting crime and antisocial behaviour. Approved proposals to retain and convert the building and redevelop the site for housing have failed to materialise.

### 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 shop<sup>16</sup>. However, this is not currently the case. Below are just some of the pubs in London alone 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 – subject to an application to turn this pub into a Paddy Power betting shop, despite strong objections from local residents
- **Finnigan's Wake**, 251-253 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**, 52 Deptford High Street, Lewisham - converted to a Paddy Power betting shop
- **Old Globe**, Mile End Road – converted to Ladbrokes
- **John Evelyn**, Evelyn Street, Deptford - sold by Admiral Taverns to Paddy Power
- **The Globe**, Evelyn Street, Deptford – converted to a betting shop with residential above

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.*

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<sup>16</sup> TNS CAPI Omnibus Survey January 2012

*That must change. We must give communities new powers to ensure our high streets are thriving environments and not dominated by betting shops.*<sup>17</sup>

### Case Study in Norwich: The Romany Rye, 131 Colman Road



Although Norwich has not experienced as significant an upturn in the number of betting shops as evident in the London area, there are nevertheless instances where betting shops have been introduced into former pubs under permitted development. One case where a former pub has been occupied by a betting shop *and* a pay day loan store is the Romany Rye (later the Romany Beer House), a purpose built estate pub within a parade of shops serving the South Earlham Estate built in the late 1920s. The pub closed in 2008 and has since been sold and converted to accommodation for Coral bookmakers and a “Cashmaker” payday loan store.

### 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 stores<sup>18</sup>. 150 of those were Tesco Express. Our survey (which will not be comprehensive) shows that 58 pubs were converted to Tesco during this period - so over a third of these new Tesco Express stores were former pubs.

The freedoms afforded by the General Permitted Development Order mean that despite the wishes of local communities to retain a pub, neither councils nor local people can object to the principle of a change of use from a pub to a local foodstore – which is granted automatically without an application – and the local planning authority can only exercise limited controls over proposals for external works, parking and signage. The economic climate has been as tough for the pub industry as for other small businesses but this should not mean that pubs, even currently closed pubs, should disappear when 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

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<sup>18</sup> 2010-2011 Tesco Annual Report

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.

### **Case study in Norwich area – The Firs, 164 Cromer Road, Hellesdon**

The long established Firs public house on a prominent main roadside site in Hellesdon (Broadland District) dates from 1933 and adjoins the city boundary. Closed and boarded up in October 2010, the freehold was subsequently sold by Enterprise Inns to Tesco who converted the pub to a Tesco Express. Planning permission was not required for the change. Commenting on the sale, agents Roche state that *“the letting confirmed the strong demand there is amongst retailers, particularly food retailers, for certain public houses which are located in prominent locations and benefit from good sized car parks”* (Source: *Rochesurveyors.co.uk*).



### **Demolition**

The demolition of pubs is also permitted development and planning permission is not required for the total demolition of a pub unless it is a listed building or in a conservation area (or rights to demolish are removed locally through Article 4 directions). Between 2003 and 2012, 414 former pubs were demolished in London alone<sup>19</sup>. Lewisham has lost 36% of its pubs in the last decade.

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 circumvent any objection (or prospective listing) 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 and the

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<sup>19</sup> “Keeping Local” GLA Conservatives Report - <http://glaconservatives.co.uk/wp-content/uploads/2013/03/Keeping-Local6.pdf>

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. 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.<sup>20</sup>

### **Case study in Norwich: The Earl of Leicester, 238a Dereham Road**



This distinctive Edwardian pub on a prominent corner site in a busy residential area in the west of the city was a local landmark and had replaced earlier licensed premises dating from 1840. The pub ceased trading in 2004, having been acquired for development. It was demolished in July 2005 before any proposals for redevelopment had been submitted to the city council. As a pub that was neither in a conservation area nor statutorily listed, the city council had no planning powers to prevent its loss despite strenuous local opposition. Subsequently proposals to redevelop the site for housing have never come to fruition and nine years on the site remains vacant and semi derelict.

#### Impact of this proposal

This proposal does not seek to block change by preventing local services being converted to other uses where objective evidence shows that they are no longer needed or are financially unviable. That is made clear in the city's own adopted planning policies seeking to protect pubs. It is simply about ensuring that local people and democratically elected councillors can have a say and that there is an objective and transparent process which prospective developers must go through to justify the loss of that local service and ensure that there is effective scrutiny. As things stand with the General Permitted Development Order, none of these safeguards are in place.

Where a local service is genuinely unviable or no longer of community value developers could expect to secure planning permission within eight weeks. In many

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<sup>20</sup> TNS CAPI Omnibus Survey June 2010

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.

Norwich City Council  
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