
Overview and Scrutiny

Preserving Local Pubs

Sustainable Development Select Committee

September 2012

Membership of the Sustainable Development Select Committee in 2012-13:

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Chair’s Introduction



To be inserted.

Liam Curran
Chair of the Sustainable Development Select Committee

Executive summary

A pub can provide a central focus to an area or enhance the vitality of a residential neighbourhood. Pubs can be important hubs for generating social interactions. They can champion sporting activities and host community interest groups. If they are well managed, well run and well supported by patrons they can add to the character and resilience of a local community. Some pubs are housed in buildings of cultural, architectural or historic value, which means their use as pubs may preserve important assets for community use.

Using the detailed work carried out by the Lewisham planning policy team as a starting point, the Committee invited speakers to give evidence about the current challenges facing Lewisham's pubs. As well as receiving information about pub numbers and the distribution of licensed premises in the borough, the Committee heard from pub enthusiasts, publicans and community groups about the importance of preserving Lewisham's heritage, supporting communities and enhancing the protection available for local pubs through the planning process.

Lewisham's pubs are an important community resource. Evidence submitted to the Committee for this review suggests that the historic, cultural and community value of pubs can be enhanced by proactive landlords and responsible pub owners. However, the number of pubs is decreasing. A combination of factors has led to the change of use or redevelopment of many of the boroughs pubs. Following consideration of the evidence, members of the Select Committee have put forward seven recommendations to suggest how pubs might be protected for the benefit of Lewisham's neighbourhoods and communities.

Purpose and structure of review

At the April 2012 meeting of the Sustainable Development Select Committee, members resolved to carry out a short review into the role of pubs in Lewisham. The aim of the review was to examine recent data relating to pubs and to gather evidence about the role of pubs in local communities. The Committee were particularly interested in finding out:

- Whether there had been a decline in the number of pubs and if so, whether the decline had been the result of identifiable factors.
- Which of Lewisham's pubs are located in historic buildings and where this is the case what is done to protect historic buildings.
- What happens when a pub closes.

The Committee also wanted to determine what role the local authority might play in protecting pubs and enhancing the role of pubs in their local areas.

The review was scoped in May 2012 and an evidence session was held in July 2012. The Committee considered comprehensive written information from the planning policy team. Further evidence was received from:

- Brian Regan and Janice Tse from Lewisham council's planning policy team
- Tony Mottram and Cheryl Collins from Lewisham council's licensing team
- Dale Ingram and Neil Pettigrew from the Campaign for Real Ale (CAMRA)
- Mark Dodds from the Fair Pint Campaign
- Max Alderman from the Antic pub group
- John King and Stephen Kenny from the Grove Park community group
- Voluntary Action Lewisham

The structure of this report is based on evidence taken by the Committee. It is presented in 5 sections, which are drawn from the themes arising at the evidence session:

- 1: Lewisham's pubs
- 2: The social and economic role of pubs
- 3: Pubs as historic assets
- 4: Pubs and the planning process
- 5: Pubs and licensing

The Committee concluded its review and agreed its recommendations in September 2012.

Key findings

Key finding 1: there has been a decline in the number of Lewisham pubs.

Pubs are in decline. The number of pubs in Lewisham has dropped significantly in the past 20 years. The picture is similar across the country, where pubs are closing in villages, towns and metropolitan centres. The reasons for the decline of local pubs are multiple. Changing lifestyles and demographics have had an impact. Beer, the traditional pub staple, is under pressure from new more cosmopolitan beverages and pubs find that they must adapt and diversify in order to stay in business. Beer taxes and the price of alcohol in supermarkets have also reduced the profitability of pubs. Furthermore, high residential and retail values often make premises more lucrative to developers and pub companies as flats or convenience stores than as pubs.

Key finding 2: pubs have a social and economic role in their communities.

Pubs often support community groups and local charities. As well as providing an informal space for communities to come together they may also provide more formal activities and entertainment, venues for hire and support for sporting groups. A well run pub has the potential to provide a locus for its neighbourhood and enhance the vitality of its locality.

Key finding 3: some Lewisham pubs are historic assets.

Pubs may be historic assets for an area and they can be in buildings of merit. Four Lewisham pubs are nationally listed and 12 are locally listed for their historic or architectural interest, age or rarity. Many other pubs in the borough are treasured by their communities regardless of official listing or special classification.

Key finding 4: pubs are only partially protected by recent changes to the planning process.

Communities have few means available to them if they choose to join together to protect their local pubs from development. Permitted development rights allow pubs to be changed in to shops without planning permission. Recent changes in planning policy at the national and regional levels have recognised the importance of pubs and create a platform for local communities, policy makers and planners to preserve community facilities. The Council's planning department recognises the benefit of well-managed pubs and officers are proposing new policy as part of the Development Management Development Plan Document (DMDPD) for cases in which planning permission is required.

Key finding 5: new licensing measures may have an impact on pubs.

Early morning restriction orders and the late night levy are two new licensing measures that Lewisham may look to implement. These measures may have an impact on pubs.

Recommendations

The Committee would like to make the following recommendations:

Recommendation 1:

The Council should ensure that its economic viability test for pubs sets a new benchmark for best practice. The test should ensure that there is a high standard of evidence required to demonstrate the effective marketing of a pub before approval is given for demolition or change of use. The period of marketing to test economic viability should be increased to 36 months.

Recommendation 2:

The Council should update its register of community venues for hire to include available spaces in local pubs.

Recommendation 3:

The Council is reviewing all local pubs to see whether they should be considered for local listing. Local residents and community groups are already entitled to put forward buildings for local listing but may not be aware that this is the case. The review should be widely publicized to make them aware of the process of applying for local listing.

Where pubs do not meet the criteria for listing, the Council should assist communities in protecting local pubs from development. Officers should bring forward a range of further recommendations for enhancing the protection of the borough's landmark buildings through the planning system.

Recommendation 4:

The Development Management Development Plan Document (DMDPD) should include enhanced protection for pubs through its 'pubs policy'. Any new policy relating to pubs should be consulted on widely and brought before the Sustainable Development Select Committee for scrutiny before being approved.

The new planning policy should assume a default protection for pubs both as a building and as a pub business with the onus on developers to prove why a particular building cannot any longer be a pub by using the following key sections from the National Planning Policy Framework 2012:

- Section 8, paragraph 70, which promotes social, recreational and cultural facilities and services, including pubs.
- Section 12, which seeks to conserve and enhance the historic environment.
- Paragraph 152 which seeks a balance to economic, social and environmental dimensions of sustainable development, with mitigations to negative impacts considered.

Recommendation 5:

Local groups should be encouraged to submit their local pub to the list of 'assets of community value' when it becomes available.

Recommendation 6:

The proposed changes to local licensing should be carefully examined to determine their potential impact on businesses in the borough. Where possible, pubs should be protected from additional bureaucracy or excessive financial burdens.

Recommendation 7:

A further report on local pubs, including updated information relating to the recommendations set out in this report should be brought before the Sustainable Development Select Committee in the 2013/14 municipal year.

Findings

1. Lewisham's pubs

Has there been a decline in the number of pubs in Lewisham?

- 1.1 There are approximately 92 pubs in the London Borough of Lewisham. The planning policy team base this figure on the number of premises designated as drinking establishments (A4) under the national use class system. Lewisham's licensing team report the number to be slightly lower at 82, based on their interpretation of what constitutes a 'traditional pub'.
- 1.2 There is an uneven distribution of pubs across the borough. The 'Pubs in Lewisham: an evidence base study'¹ (2012, p30) carried out by the planning policy team illustrates that there is a concentration of pubs across the north of the borough in the Brockley and New Cross wards. Pub numbers are lower in the residential areas in the south of borough. The study shows that the wards of Catford South and Downham have very few pubs and the ward of Whitefoot has none.

Number of pubs in Lewisham, 2001-11

| Ward | Existing | Closed | Pubs loss |
|------------------|----------|--------|-----------|
| Whitefoot | 0 | 2 | 100% |
| Evelyn | 5 | 16 | 76% |
| Telegraph Hill | 2 | 5 | 71.4% |
| Downham | 1 | 2 | 66.7% |
| Rushey Green | 4 | 5 | 55% |
| Lewisham Central | 7 | 5 | 41.6% |

¹ In spring 2012, the planning policy team carried out a review of the data relating to Lewisham's pubs. In April (2012) the team published an evidence base study, as part of work on the Development Management Development Plan Document (DMDPD). The study presents detailed analysis of the data and provides commentary on the issues facing the borough's pubs.

| | | | |
|---------------|----|----|-------|
| Grove Park | 2 | 1 | 33.3% |
| Sydenham | 5 | 2 | 28.5% |
| New Cross | 15 | 6 | 28.% |
| Brockley | 11 | 4 | 26.7% |
| Ladywell | 3 | 1 | 25% |
| Bellingham | 3 | 1 | 25% |
| Crofton Park | 6 | 1 | 14.3% |
| Forest Hill | 7 | 1 | 12.5% |
| Blackheath | 12 | 1 | 7.7% |
| Catford South | 1 | 0 | 0% |
| Lee Green | 3 | 0 | 0% |
| Perry Vale | 5 | 0 | 0% |
| Total | 92 | 53 | 36.6 |

(From Pubs in Lewisham: an evidence base study)

- 1.3 In the last 10 years Lewisham has lost at least 53 pubs, which represents more than half of the current total. This follows the national trend in the decline of pubs, which indicates that pub numbers have been falling for many decades. Research² on pub closures commissioned by CAMRA suggests that 12 pubs a week are closing nationally with very few areas maintaining their levels of provision or opening new pubs.
- 1.4 The evidence base study indicates that there are 34 approved developments in the borough which will, if carried forward for development, lead to the loss of a local pub. The main reason for demolition or redevelopment is for residential use, followed by mixed residential and retail development.

Is the decline in the number of pubs the result of identifiable factors?

- 1.5 The decline in the number of local pubs is the result of several key factors. Section 2 of the 'Pubs in Lewisham: evidence base study' (p6) draws on work carried out for the Institute of Public Policy Research (IPPR), which suggests that the following factors have had a significant impact on pub numbers:

'The economic recession

Not surprisingly the health of the pub trade is linked to the health of the wider economy. The reduction in spending that goes with an economic recession is statistically linked with the decline in beer drinking.

CAMRA maintain that, particularly in areas of high land values, pub closure is not always the result of commercial failure of the pub but the attractiveness of the site for redevelopment, often for residential use.

Changes to communities

² Campaign for Real Ale (2012)

Despite a national rise in alcohol consumption over the past decade the pub has continued to decline. The IPPR report attributes the decline in part to changes in the composition of local communities over the past 50 years. In rural areas many villages no longer sustain local employment but have become commuter villages. In urban areas the decline of manufacturing employment and the break up of more traditional working class neighbourhoods is given as a reason.

Changes to taste and lifestyles

Beer consumption is an important component of pub sales and this has been in decline for at least the past 30 years as more people chose wine. The pub has also faced competition from other leisure pursuits such as eating out or the cinema and most importantly the shift towards drinking at home.

The ban on smoking in pubs is also suggested as a contributory factor in the recent decline. Although the IPPR report only found a weak positive correlation between rates of smoking and pub closure.

Prices and cost

One of the key factors lying behind the industry's economic problems was the predominant business model adopted by the large pub companies.

The 'tied lease' model means that a publican who leases their pub from a pub company, generally has to buy all of their beer from that company, rather than directly from the brewery. This pushes up cost and makes it harder to make a profit. Tax on beer is also considered an issue, as every government for the past 20 years has put up the tax on beer.'

(Pubs in Lewisham: an evidence base study 2012, p6)

- 1.6 In combination, these factors have had a demonstrable impact on the viability of pubs. The Committee also heard further evidence that the residential and retail value of the land occupied by pubs often has a greater development value for owners as housing or as a part of a national chain of supermarkets than as a local pub.
- 1.7 Evidence submitted by the Antic pub group, which runs a chain of London pubs, set out the difficult situation facing one of their pubs in Lewisham. The short term nature of the pubs tenancy and the perceived desire of the pub's landlord to increase their short term profits, led the group to believe that the pub would be turned into a supermarket once it had been closed.
- 1.8 Citizens from the Grove Park community group gave evidence relating to their ongoing campaign to save a local pub. They made the case to the Committee that the period of marketing required before a pub is approved for development is too short. They also suggested that more rigorous checks be put in place to ensure that pubs are marketed to

their full potential before a change of use is approved. The group were interested to understand the provisions of the Localism act. Specifically, they were keen to explore how neighbourhood planning and the proposals for community asset registers could be used to protect local heritage and prevent local pubs from being turned into flats or shops.

- 1.9 Mark Dodds from the Fair Pint Campaign agreed with the Grove Park Community Group that the economic viability test for pubs should be enhanced. He attributed the decline in pubs to the practices of pub companies, which are also known as Pubcos.
- 1.10 Pubcos own over half of all pubs nationally. They lease pubs to tenants who run the premises and pay rent. As noted above, a mechanism called a 'beer tie' obliges tenants to buy beer from the Pubcos own supply, which may be more expensive than other options available.
- 1.11 Mark Dodds stressed that disproportionately high rent reviews imposed by Pubcos exacerbate the difficult climate that pubs find themselves in. He maintained that the pressure of increased rents can put formerly profitable pubs out of business. The ease with which a pub can be turned into a supermarket or housing may make the closure of a pub profitable for a large landlord. The social and community benefit of the pub is then lost and replaced by short term financial gain for a pub company.

Recommendation 1:

The Council should ensure that its economic viability test for pubs sets a new benchmark for best practice. The test should ensure that there is a high standard of evidence required to demonstrate the effective marketing of a pub before approval is given for demolition or change of use. The period of marketing to test economic viability should be increased to 36 months.

2. The social and economic role of pubs

What role can the local authority play in enhancing the role of pubs in their local area?

- 2.1 Pubs have a role to play in the social and economic life of their communities. The pubs in Lewisham evidence base study recognises that pubs can provide an important place for communities to meet. As well as bringing people together and creating a neutral place for social interactions, pubs might provide more formal meeting places and venues for hire. Some pubs offer live music, which might offer a platform for local musicians and artists to exhibit their work. However, the Council's register of venues for hire does not widely list local pubs or market them as community spaces.

- 2.2 Evidence submitted by Voluntary Action Lewisham suggests that many pubs support community events as well as fundraising campaigns by individuals and community organisations. It also highlights the links between pubs and community groups. Some groups are constituted specially to support their local pub and campaign for better use of its facilities.
- 2.3 Pubs also have a role to play in reducing social isolation. The support networks created through pubs can enhance the flow of information in a community and provide a point of contact for local businesses. However, research also highlights the negative role of pubs. The health problems and financial impact on health services created by increased alcohol consumption may negate the positive effects created by local pubs. In Lewisham alcohol misuse is the third highest contributor to ill health after smoking and raised blood pressure³.
- 2.4 The Committee heard evidence from a Max Alderman from the Antic group about the positive role that pub landlords can play in their local communities. He suggested to the Committee that pub landlords have a responsibility to reduce harm and boost the community benefits associated with well run establishments. He reported that the difficult situation that some pub landlords find themselves in may exacerbate problems associated with alcohol misuse as they struggle to remain in profit.
- 2.5 Max Alderman presented the case of an Antic pub in the borough which has been taken over from a struggling landlord. The group spent time renovating the premises as well as improving the quality of the food and beverages on offer. He noted that pubs can have a transformative effect on a locality. This is supported by IPPR research, which suggests that the pub is one of the most important places for people to come together outside of their own home.

Recommendation 2:

The Council should update its register of community venues for hire to include available spaces in local pubs.

3. Pubs as historic assets

Which of Lewisham's pubs are located in historic buildings and where this is the case what is done to protect historic buildings?

- 3.1 Four Lewisham pubs are nationally listed and 12 are locally listed for their historic interest, architectural interest, age or rarity. Many other pubs in the borough are treasured by their communities regardless of official listing or special classification.

³ Lewisham Annual Public Health Report (2011-2012) p55.

Nationally listed pubs

1. The Royal Albert Public House, New Cross
2. The Five Bells Public House, New Cross Road
3. Capitol Cinema, Forest Hill
4. The White Hart, New Cross Road

Source: LB Lewisham

Locally listed pubs in Lewisham

1. Lord Northbrook
2. The Bird's Nest
3. Bricklayers Arms
4. Dartmouth Arms
5. Fox & Hounds
6. The Greyhound
7. Skehans
8. The Princess of Wales
9. Goose on the Green
10. Railway Telegraph
11. The Crown Hotel
12. The Baring Hall Hotel

Source: LB Lewisham

- 3.2 Local listing in itself does not provide protection to a pub business. Development may take place which is in keeping with the architectural heritage of a building but which changes its use. However, listing does protect buildings from demolition in conservation areas, as does the use of article four directions, which rescind permitted development rights. When an article four directions are in place, owners must apply for permission before change of use will be permitted.
- 3.3 The Committee heard that there are pubs in the borough which were designed by notable architects of their day. In a residential area, the local pub may be the building of the most historic and architectural significance. An appeal was made by CAMRA for pubs to be protected outside of the official listing process, due to their social historic value as well as merely for their aesthetic or architectural value.

Recommendation 3:

The Council is reviewing all local pubs to see whether they should be considered for local listing. Local residents and community groups are already entitled to put forward buildings for local listing but may not be aware that this is the case. The review should be widely publicized to make them aware of the process of applying for local listing.

Where pubs do not meet the criteria for listing, the Council should assist communities in protecting local pubs from development. Officers should bring forward a range of further recommendations for enhancing

the protection of the borough's landmark buildings through the planning system.

4. Pubs and planning

What role can the local authority play in protecting pubs? What happens when a pub closes?

- 4.1 The Council's planning department recognises the benefits of well managed pubs and it is proposing a new policy as part of the Development Management Development Plan Document (DMDPD), for cases in which planning permission is required. However, as outlined above, permitted development rights mean that a pub can be changed into a shop without planning permission.
- 4.2 The current planning policy framework at national, regional and local levels can offer pubs some form of protection with the London Plan and NPPF providing a stronger framework for pubs within planning policy:
- Town and Country Planning (Use Classes) Order 2010 sets out provisions for Use Classes, as noted, pubs do not need planning consent to change use from A4 to A1, A2 or A3 classes.
 - Article 4 Directions – applied by local planning authority to remove permitted development rights.
 - Nationally listed buildings have restricted development, local listing has no restrictions but it may influence local development management control processes.
 - Localism Act 2011 includes Community Right to Bid.
 - NPPF 2012 sets out government planning policies and includes sections related to pubs:
 - Section 8, paragraph 70 promotes social, recreational and cultural facilities and services, including pubs
 - Section 12 seeks to conserve the historic environment, which can include pubs
 - Paragraph 152 seeks a balance to economic, social and environmental dimensions of sustainable development, with mitigations to negative impacts considered.
 - The London Plan cites the protection and enhancement of social infrastructure which can include pubs.
 - Lewisham Core Strategy strategic objectives 4 (economic activity and local businesses), 10 (protecting and enhancing Lewisham's character), 11 (community well-being) and 19 (community and recreation facilities) can be applied to pubs.

4.3 Dale Ingram from CAMRA submitted the cases of three pubs to the Committee:

- The Unicorn, Cambridge
- The Carpenters Arms, Cambridge
- The Queens Hotel, Lytham St Anne's

All three of have been saved from development using the National Planning Policy Framework. Paragraph 70 and paragraph 69 contain wording which may be of particular use to campaigners.

4.4 The pub policies of Lambeth and Merton borough councils were commended by CAMRA for meeting the organisation's best practice standards. Speakers from CAMRA asked the Committee to build on the new planning policy framework and their examples of best practice in the region to make Lewisham a 'beacon' authority for the protection of pubs.

4.5 Lewisham's Core Strategy strategic objectives recognise the importance of community facilities. Objective 19, which can apply to pubs, supports the provision, retention and maintenance of community facilities.

Recommendation 4:

The Development Management Development Plan Document (DMDPD) should include enhanced protection for pubs through its 'pubs policy'. Any new policy relating to pubs should be consulted on widely and brought before the Sustainable Development Select Committee for scrutiny before being approved.

The new planning policy should assume a default protection for pubs both as a building and as a pub business with the onus on developers to prove why a particular building cannot any longer be a pub by using the following key sections from the National Planning Policy Framework 2012:

- Section 8, paragraph 70, which promotes social, recreational and cultural facilities and services, including pubs.
- Section 12, which seeks to conserve and enhance the historic environment.
- Paragraph 152 which seeks a balance to economic, social and environmental dimensions of sustainable development, with mitigations to negative impacts considered.

Recommendation 5:

Local groups should be encouraged to submit their local pub to the list of 'assets of community value' when this register becomes available.

5. Pubs and licensing

5.1 Lewisham's licensing team is controlled by the Licensing Act 2003, which passed responsibility for licensing to local authorities. The work of the team is based on the four licensing objectives set out by the act:

- Prevention of crime and disorder
- Public safety
- Prevention of public nuisance
- Protection of children from harm

5.2 The licensing team deals with both applications and enforcement of licenses, with monitoring visits carried out at least 3 times a year. Mandatory conditions are applied on the granting of a licence, though other conditions can be imposed in addition if necessary.

5.3 There are 897 licensed premises in the borough, with 174 licensed to sell alcohol for consumption on the premises. The licensing team has to deal with very few unlicensed premises in Lewisham and enforcement action through the review process is rare.

5.4 Early morning restriction orders and the Late Night levy are two new licensing measures which Lewisham may look to implement. Both would have an impact on local business, but it would be up to the Council to decide whether or not to implement these measures.

Recommendation 6:

The proposed changes to local licensing should be carefully examined to determine their potential impact on businesses in the borough. Where possible, pubs should be protected from additional bureaucracy or excessive financial burdens.

Monitoring and ongoing scrutiny

Recommendation 7:

A further report on local pubs, including updated information relating to the recommendations set out in this report should be brought before the Sustainable Development Select Committee in the 2013/14 municipal year.

Sources

1: Lewisham Planning Policy Team (2012) *Local Development Framework: Pubs in Lewisham: an evidence base study*

(<https://www.lewisham.gov.uk/myservices/planning/policy/Documents/Pubs%20Report%20Final%2031%20May%202012.pdf>)

2: Institute of Public Policy Research (2012) *Pubs and places: the social value of community pubs* (2nd ed) (<http://www.ippr.org/publications/55/8519/pubs-and-places-the-social-value-of-community-pubs>)

3: NHS Lewisham (2012) *Lewisham annual public health report 2011-2012 Assessing the Impact of the Financial Crisis on Health and Wellbeing in Lewisham*

([http://www.lewisham.gov.uk/mayorandcouncil/aboutthecouncil/strategies/Documents/Public%20Health%20Annual%20Report-2011\(v.4\).pdf](http://www.lewisham.gov.uk/mayorandcouncil/aboutthecouncil/strategies/Documents/Public%20Health%20Annual%20Report-2011(v.4).pdf))

4: Campaign for Real Ale (2012) *County pub closures*

(<http://www.camra.org.uk/countypubclosures>)