

5: Meaningful Marketing

Many Local Plan policies on safeguarding community facilities include requirements around marketing. Typically, the Council will want evidence that a site has been prominently marketed at a realistic price for a suitable length of time, often 12 or 24 months. Assessing whether those obligations have been met in particular cases can, though, be a challenge.

A recent appeal decision (Queens Hotel, Selborne – [3229374](#)) raised some interesting points around this. The LPA policy states that applications will be resisted unless a robust marketing exercise of at least 24 months demonstrates that there is no market demand for an existing or equivalent community use. The application had been for conversion to residential and development of further dwellings on the site. The premises were acquired by the appellant in 2015 for £800k. The submitted evidence to the appeal indicated that this figure, which included undeveloped land at the back of the pub, implicitly included ‘hope value’ and did not necessarily reflect the value as a pub.

The property was put back on the market in early 2016 for sale/rent for commercial uses. No guide price/rent was shown, justified by the appellant as likely to encourage maximum interest in the property and to be no deterrent to prospective purchasers. No trading or

SPOTLIGHT ON:

The Big Cheese, Southampton

In connection with a planning application to redevelop this pub, the Council commissioned a viability study from the District Valuer. His report established a current use value of £400-500k but deducted £300k for necessary repair costs, leaving a Residual Land Value (RLV) of £200k.

He commented that what a developer pays for a site (£651k in this case) is immaterial and that developer claims that purchase prices should be regarded as the RLV have always been dismissed by MHCLG.

accounting information was made available. The appellant argued that the lack of interest arising from the marketing campaign, which met the 24 month obligation, showed that the business was unable to provide an operator with a viable and sustainable return. In the meantime, all fittings, fixtures and some internal walls had been stripped out. Despite this, two offers to buy the freehold were made but declined as being ‘not reflective of market value’.

The Inspector stated *‘It cannot be concluded that the use of the appeal premises as a public house is no longer viable, simply because the appellant has been unable to sell the site for a price which does not appear to reflect the condition of the building...the marketing process was therefore ‘somewhat flawed’ and having regard to the*

requirements of LP Policies SD43 and SD23, cannot be considered as robust.’

On the associated issues of viability and loss of community facility, the appellants pointed to another pub close by. The Inspector commented *‘public houses do not necessarily have to be restricted in number to enhance their viability, as this would otherwise prevent competition and complementarity. Spatial proximity should not be regarded in itself as a reliable indicator of the value placed on public houses by local communities...The presented evidence and my own observations therefore lead me to conclude that the facilities offered by the Selborne Arms are not of an equivalent or better quality to those that would be lost as a result of the proposal.’*

Please get in touch if you have any questions about meaningful marketing - paul.ainsworth@camra.org.uk



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