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IHBC GUIDANCE NOTES

Marketing of heritage assets

GN2019/6
December 2019

This is one of a series of occasional Guidance Notes published by The Institute of Historic Building Conservation (IHBC) and an updated version of one published in June 2019. IHBC Guidance Notes offer current and recent guidance into topics that we consider crucial to the promotion of good built and historic environment conservation policy and practice. The Notes necessarily reflect knowledge and practice at the time they were developed, while the IHBC always welcomes new case examples, feedback and comment to research@ihbc.org.uk for future revisions and updates.

Introduction

1. This is a short guidance note regarding what should constitute a marketing exercise as a preliminary to considering significant change to listed buildings-at-risk, long vacant, or where a proposed change of use would be likely to lead to unacceptable physical alteration, and where the local planning authority would require evidence of a marketing campaign to demonstrate no viable alternatives.
2. Further information would be welcome to update this note regarding the scope and content of past marketing exercises and the minimum timescales that had been considered to be acceptable, particularly if less than of 12 months duration.

The National Planning Policy Framework

3. The National Planning Policy Framework (NPPF) [\(1\)](#) is not helpful with regard to the marketing of buildings. Paragraph 17 outlining a set of core land-use planning principles states that account should be taken of 'market signals' in both plan-making and decision-taking such as land prices and housing affordability; and paragraph 22 (in relation to employment land) says that 'applications for alternative uses of land or buildings should be treated on their merits having regard to market signals' but these signals are not otherwise defined.
4. The nub of the issue regarding 'marketing' of heritage assets is paragraph 195; the only time the word appears in the NPPF. Where proposals will lead to substantial harm or total loss of significance, local planning authorities should require the testing of viability 'in the medium term through appropriate marketing that will enable its conservation'. Similarly, there is no definition of medium term [\(2\)](#).
5. A mechanism for testing might be indirectly identified through the recommendation in paragraphs 185 and 199 regarding the need for up-to-date

evidence about the historic environment in their area although it is considered unlikely that they will have the resources to test this with any frequency and developers may be required to provide this in the consideration of proposals.

6. Evidence is often entirely anecdotal on the basis that the market finds appropriate solutions for heritage buildings that are at-risk in more economically buoyant areas and attractive environments than is the case elsewhere where there may be a period of long vacancy.

Commercial marketing related to applications for listed building consent

7. Local Plan Policies will usually include a requirement for additional information in order to justify proposals for substantial alteration including those brought about by change to a new use, reversion to the original use, or demolition.

8. As it is desirable that the original use of a historic building should continue wherever possible (and it may be appropriate to revert to the original use or a former use) when changes are likely to arise from a proposed change, it will usually be necessary to demonstrate through the marketing of the building that there is no potential for the existing use to continue, or to reinstate its original use, or to some other use that demands less alteration.

9. Applicants need to be able to demonstrate that all reasonable efforts have been made to sustain the existing use or find a suitable alternative, and usually to demonstrate that the building has been offered for sale.

10. The typical timescale for a marketing campaign (for sale or for rent) is 12 months, (3) during which time the authority also needs to ensure that the fabric does not suffer accelerated deterioration. A period of a full year should enable seasonal marketing factors to be allowed for. Marketing over the ill-defined 'medium term' referred to in paragraph 4 and Endnote 2 would be likely to be considered too long to ensure prompt and appropriate conservation and re-use of the building.

11. A requirement for a longer marketing period than 12 months is likely to be unreasonable where the building in question has already been vacant for an extended period and/or is defined as being at-risk. It is also highly desirable and generally good practice that the authority has an up to date and publicly accessible Buildings at Risk Register to assist in putting the building (and any others) in a local property market context.

12. The following notes represent a sequential approach to marketing likely to be required prior to the determination of an application for substantial change as outlined above.

Marketing Strategy

13. Where fundamental issues concerning the future of the building have been identified requiring evidence of marketing to justify the proposals, it is sensible for an appropriate strategy to be agreed between the applicant and the local planning authority prior to commencement of the marketing campaign. This should enable baseline information requirements and consideration of the appropriate range of uses to be taken into account.

14. Large or complex buildings will inevitably have higher information requirements than small and simple ones and the additional, more extensive details expected by the local authority can be defined at the outset.

15. A marketing strategy for the building should normally be expected to include the offer of the unrestricted freehold or long leasehold (typically 99 or 125 years) at a realistic price reflecting its condition at that point and, as far as ownership will allow, with an appropriate curtilage - depending on the scale and type of building and the extent of the site. (4)

Sales Particulars and Appointing an Agent

16. The scale, complexity and significance of the building should guide the commissioning process, but where one or more changes of use have already taken place, a further consideration may be whether a return to a past use, or the original use, is appropriate.

17. One or more firms of local chartered surveyors or estate agents may best know the local market and have a good knowledge of the property and the heritage considerations that will apply to it.

18. Large and complex buildings and sites, and buildings of national interest or importance may require agents with a regional or national presence. Unless the building is small and will only appeal to a niche market it may be necessary to appoint more than one agent.

19. As part of the marketing submission a copy of the letter instructing the agent should be supplied to the local planning authority, and before sale particulars appropriate for the type of property are produced the agent[s] should be made aware of any restrictive covenants, rights of way, easements etc. and the nature of the title available.

20. Local planning authorities will normally expect to see, at the very minimum, a printed brochure usually comprising two sides of A4 and including at least one representative current photograph. It is generally helpful that there are simple floor plans of all the floors and, if necessary, an indication of the location and extent of outbuildings.

21. The sale particulars should state the grade of the listed building, whether it lies within a conservation area, or is within the curtilage of another listed building and also if it is isolated or, for example, within a defined settlement boundary.

22. Some local planning authorities produce planning or development briefs as part of their heritage-at-risk strategies, and where this is the case that document should be appended to the sale particulars.

Valuation

23. The asking price will normally be the market value as defined by the RICS Appraisal and Valuation Standards. (5) This must take into account the structural condition of the property and the heritage and/or any planning constraints affecting it.

24. For the purposes of testing the market, the asking price may reflect alternative future uses that would be in accordance with the authority's planning policies, but must not be based on potential uses for which consent would be required but has not yet been obtained - particularly where such a use would be contrary to established heritage or planning policy.

25. In arriving at a valuation, the surveyor's methodology will need to be clearly identified and demonstrated to the local planning authority. It must also show what figure, if any, has been allowed for any fixtures of heritage significance as well as for the building itself, bearing in mind that the removal of fixtures may require listed building consent.

26. For non-residential proposals in particular, the floor area should also be identified so that a value per square foot [\(6\)](#) can be established for comparison with other properties on the local market.

27. Local planning authorities need to be cognisant of situations where, under pressure from the owner, the property appears to have been inappropriately valued (and therefore incorrectly marketed). Where there are good grounds for believing this to be the case, in appropriate circumstances, the neutral opinion of the District Valuer should be sought.

Advertising and marketing

28. While marketing needs to be considered proportionately in relation to the grade, scale, condition, length of vacancy etc, once the particulars have been agreed and the valuation set, proper and extensive marketing of the building should take place.

29. Advertisements should therefore appear in all the relevant newspapers, magazines and journals circulating locally and regionally and via the Web. Where appropriate, advertising should be undertaken nationally. Professional advice from the selling agent[s] in this regard is essential but note should be taken of the potential of niche marketing as outlined below.

30. The local planning authority should expect to see emphasis on active marketing, rather than, for example, an agency merely placing the building on its website.

31. The size of advertisements and regularity of insertions in local newspapers, magazines and journals will be important, as well as the timing of the marketing campaign. The employment of appropriate phraseology is essential. The use of terms such as, for example, 'development opportunity' should be avoided so as not to create the wrong perception of the changes that might be suitable and for which the relevant consents will subsequently need to be obtained.

32. In the majority of cases, a signboard should be erected on the site but it is essential that the building and/or the site if vacant is made secure beforehand so that there is no risk of heritage crime and, depending on location, this will require a carefully balanced judgment to be made.

33. Some enquiries may be made direct to the local authority but customarily these will be through the agent[s]. It is expected that all such enquiries should

be logged together with a full record of any viewings and the reasons for a lack of interest, or no progress towards sale. A list of enquirers and their contact details (7) will enable if necessary, a random 'follow up' to be made by the authority to determine the accuracy and efficacy of the information provided.

34. A proper audit trail must be able to demonstrate to officers and the relevant committee of the council that every reasonable effort has been made to find a purchaser for the building.

35. As noted in paragraph 10 above, a period of twelve months' active marketing immediately prior to making a listed building consent application is considered good practice assuming normal market conditions are operative but if a longer period is specified by the local planning authority a reasoned justification should be stated. Depending on the scale, location and last use of the property, the period of marketing may need to take into account the need or desirability to 'rest' the property, in for example mid-winter, before recommencing marketing.

36. Where the historic building is or has very recently been occupied as a business, such as a public house, or a change of retail use to residential is proposed, it is also customary to seek additional information regarding the future business case, including steps undertaken to diversify income and/or prevent the deterioration of the existing business and any alternative (e.g. commercial) uses compatible with the building that might have prevented the closure.

37. If all marketing fails, the applicant will need to demonstrate that a reasonable attempt has been made without success to continue the present use or (where appropriate) to find suitable new or mixed uses that are compatible with and appropriate to the listed status of the building, taking into account its location and scale.

38. This evidence should be set out in a Marketing Statement explaining to the local planning authority how the agreed guidelines have been met and summarising the outcome of the marketing exercise. It should accompany any application for listed building consent and will form an essential part of a justification case for any proposal for alteration, change of use or, in extremis, demolition.

39. The marketing statement should include all the details and the evidence of the steps taken to market the building including:

- a copy of the letter of instruction to the agent[s];
- the methodology used to arrive at a valuation;
- the estate agents' verifiable record of all enquiries received, viewings made and feedback from prospective purchasers;
- a copy of the sales particulars, adverts and webpage screen-shots etc.;
- evidence that the property has not been marketed on the basis of a too narrow range of potential end uses;
- where appropriate and where a business is involved, commercial evidence that steps have been undertaken to diversify income and prevent the decline of the business.

Niche marketing

40. It is good practice to consider recommending that details of the listed building be supplied to the Society for the Protection of Ancient Buildings (SPAB) for inclusion in its quarterly online Property (for sale) List [\(8\)](#) as this is updated regularly.

41. Details of historic buildings-at-risk could also be considered for inclusion on the annual publications such as Save Britain's Heritage thematic list of properties on the market; or included on the local or county Buildings at Risk Registers. Grade 1 and 2* buildings should automatically appear on Historic England's Heritage at Risk Register but all these publications have the great disadvantage of being updated annually at best or in the case of local government-based registers, very irregularly at worst.

42. There are also other web-based agents who specialise in particular types and periods of property such as Modernist 20th century houses [\(9\)](#) and the Listed Property Owners Club [\(10\)](#). Some of these agents also operate the equivalent of an RSS feed [\(11\)](#).

Summary

43. Properly considered and executed marketing over a sufficiently long period to test market interest will assist in evaluating the possibilities for securing the future of those historic buildings. This may be triggered where continued existence, or current or future use, or reversion to an original use, is in doubt.

44. It should not be assumed that any lack of potential market interest in the building for its existing use would automatically result in a favourable consideration of an application for substantial alteration, or a particular alternative less suitable new use, until all appropriate options have been explored.

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NB (V.2 18/12/19) Includes inter alia further clarification regarding the appropriate length of a marketing period and reference to the return to an original use as well as considering new uses.

Endnotes

1. National Planning Policy Framework Version February 2019
2. In business usually referred to as 2 to 10 years but also (unhelpfully) Collins English Dictionary: "the period of time which lasts a few months or years beyond the present time".
3. The adequacy of the timescales of marketing campaigns from planning appeal decisions are not easily accessible or readily aggregated but it has been noted in several planning appeal dismissals that 4 month campaigns were considered inadequate to prove lack of demand and in a recent case in Westminster (August 2017) marketing was then continued for a further two years resulting in numerous enquiries and building

inspections but still no offers bot leading the Inspector to conclude that the marketing campaign had 'hit the required target'.

4. Conversely, an unrealistic price, restrictive covenants, the offer of a short lease or the offer of a limited or constricted curtilage are likely to reduce the chances of finding a new user.
5. Colloquially know as 'The Red Book'.
6. Historic buildings were usually built to Imperial dimensions and are sometimes measured and described as such. Modern practice is to measure in metric units and care should be take ensure like-for-like comparisons are made.
7. Ensuring conformity with the General Data Protection Regulations where necessary.
8. <https://www.spab.org.uk/publications/the-property-list/>
9. <http://www.themodernhouse.com/sales-list/>
10. <https://www.lpoc.co.uk/prperties-for-sale/>
11. RSS: Rich Site Summary - a format for delivering regularly changing web content. Many news-related sites, weblogs and other online publishers syndicate their content as an RSS Feed to whoever wants it.