

# Marketing Statement Guidance

## Purpose

The Local Plan requires the provision of a Marketing Statement for all applications proposing the loss of existing employment uses where it is claimed that there is a lack of demand for the current or any employment use.

Marketing the site will assist applicants in satisfying the requirements of the relevant Local Plan policies. It should be recognised that this is part of a sequential approach, and all other criteria within relevant policies to the proposal will be considered in the determination of the application.

Criteria on what will be considered an adequate Marketing Strategy is set out below:

## Marketing Strategy

In cases where a policy requires evidence of marketing to justify the proposal, an appropriate marketing strategy should be conducted. A marketing strategy should normally include the offer of the unrestricted freehold or leasehold (at least five years) of the property on the market at a realistic price/rent reflecting the condition of the property, and, so far as ownership allows, with an appropriate curtilage. With historic properties this will vary with the nature and scale of the site. An unrealistic price, restrictive covenants, the offer of a short lease or the offer of a limited curtilage are likely to reduce the chances of finding a new user, and will negate the adequacy of the Marketing Statement.

## Sales Particulars and Appointing an Agent

A suitable firm of chartered surveyors or estate agents, who have a good knowledge of the property, and the appropriate local, national, or niche market, should carry out the marketing. In some cases it may be necessary to appoint more than one marketing agent. A copy of the letter of instruction to the agent should be supplied to the District Council as an appendix to the Marketing Statement. The agent should be made aware of any restrictive covenants, rights of way, easements etc. and the nature of the title available. Sale particulars should be produced which are appropriate for the type of property and the planning situation. The minimum requirement will be for a brochure comprising two sides of A4 paper and including a photograph. The sale particulars should state whether the property is a listed building, and if so what grade, and whether it lies within development limits, a conservation area or the curtilage of a listed building. If a planning brief has been prepared by the District Council this should be appended to the sale particulars. For large or complex properties more extensive details will be expected, and the District Council can advise on the information that should be provided at [business@eastdevon.gov.uk](mailto:business@eastdevon.gov.uk)

## Valuation

The asking price will normally be the market value as defined by the RICS “Appraisal and Valuation Standards” (‘The Red Book’) which must take into account the structural condition of the property and the planning constraints affecting it. For the purposes of testing the market, this figure may reflect alternative uses that are in accordance with development plan policies, but must not be based on potential uses for which consent is required but has not been obtained, particularly where such a use is contrary to established planning and conservation policy. The methodology used by the surveyor in arriving at a valuation must be clearly identified and demonstrated to the District Council. It must show what figure, if any, has been allowed for the goodwill of a business, for any fixtures and fittings and for the building itself. The floor area must also be identified so that a value per unit area can be established for comparison with the local market. Where the District Council believes that the property has been inappropriately valued and therefore marketed, the opinion of the District Valuer will be sought in appropriate circumstances.

## Advertising and Marketing

The property should then be properly and extensively marketed both physically and digitally via the internet, including placing advertisements in all relevant journals, both locally, and, if appropriate, nationally. Use should be made of specialist listings especially for unusual or problematic buildings or sites. The size of advertisements and regularity of insertions in the journals are important, as well as the timing of the marketing campaign. Professional advice from the selling agent is essential. The advertising of property using such terms as development opportunity where none is established is not appropriate. In the majority of cases, a signboard should be erected on the site.

All enquiries and inspections should be fully recorded and reasons for lack of progress identified. A proper audit trail must be provided, so that it can be demonstrated that every reasonable effort has been made to find a purchaser or tenant for the property. A list of enquirers and their contact details must be compiled so that, if necessary, a ‘follow up’ can be made to determine the accuracy of the information provided.

Assuming normal market conditions, a minimum of twelve months’ active marketing, immediately prior to making the planning or listed building consent application, will be required. The emphasis is on active marketing, rather than merely placing the properties on a website.

Any enquiries relating to alternative types of employment use, including those which would require change of use permission, should be recorded and subsequently detailed within the Marketing Statement. If the applicant is seeking permission for change of use to a different type of employment use, this detail will be especially relevant.

Where the proposal relates to the closure of an existing business, additional information will be sought with regard to:

- the steps that have been undertaken to diversify income and prevent the decline of the business, and
- any alternative commercial uses, compatible with the building, which have been considered

It should be recognised that there will be buildings or uses where other information may be required, and this must be agreed, prior to commencing the marketing campaign, as part of the marketing strategy. If the marketing fails, the applicant will need to demonstrate in the Marketing Statement 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 the building(s) or land. The Marketing Statement must explain how the above guidelines have been met, summarising the outcome of the marketing exercise should accompany any planning or listed building applications made to the District Council, and will form an essential part of a justification case for a proposal for alteration, change of use or demolition.

#### Employment Value of Land/Premises

Marketing the site as outlined above will assist the District Council in assessing the employment value of the land/premises in question, allowing them to evaluate whether there is a need for the existing use to be retained or whether the proposed alternative use is of greater benefit. It should not be assumed that any lack of potential market interest in the property for its existing use would automatically result in a favourable consideration of an application for alternative use.

#### Local shops and services

In addition to the above criteria, additional requirements are necessary in cases where the proposed change of use involves a significant or total loss of shops, Post Offices, Public Houses or other services to the community in tier 3 and 4 settlements, villages and neighbourhood centres. In this circumstance, the applicant must also market the existing use to be operated by a not-for-profit organisation, co-operative, social enterprise or other type of voluntary community organisation. This should be conducted in the same manner as detailed above.

#### Summary

In summary the Marketing Statement should include all details and evidence of the steps taken to market the building including:

- A copy of the letter of instruction to the agent
- The methodology used by the surveyor in arriving at a valuation
- Estate agents verifiable record of all enquiries
- Copy of the sales particulars and adverts

- Evidence that the property has not been marketed on the basis of an unrealistic price, restrictive covenants, the offer of a short lease or a too narrow range of potential end uses
- Where appropriate evidence that steps that been undertaken to diversify income and prevent the decline of the business.