Petrockstowe Parish Council

Response to the application for change of use at The Laurels Pub

Planning Application 1/1118/2021/FUL – The Laurels, Petrockstowe

We note the application to obtain planning consent for change of use from Public House to residential for The Laurels pub in the village.

This matter was discussed at the parish council meeting on 16/11/2021 which was attended by more parishioners than any other meeting in recent times. There have been a very high number of objection comments posted on the TDC planning portal and the parishioners had selected one person to express those views at the meeting. Nobody in the meeting was in favour of the proposal.

As a result of views expressed at this meeting and of other research undertaken by the parish council, we wish to express our objection to this application on a number of grounds set out below, of which further details are provided later in this response.

- 1. The pub represents a vital social and community asset within the village and its loss would be a severe loss to the village. Many village activities were centred around the pub and these are currently lost to the village.
- 2. It is our view that the pub has not been run optimally for some time, notwithstanding the inevitable impact of the Covid 19 pandemic. There remains great potential for improved performance with the right approach by a licensee as was the case with earlier licensees. No attempt has been made to bring in additional local services which would help to boost income and no discussions have been held with stake holders in the village as to how the pub could generate additional income.
- 3. The level of trade has undoubtedly fallen over the past 2 years, but the licensee has been a significant contributor to this. His attitude has been aggressive to a number of parishioners to the extent of causing great upset and an unwillingness of a number of regular customers to continue to support the pub because of this attitude. In addition, a number of customers have been barred from the pub for what to many appear to be spurious reasons.
- 4. The pub has been marketed for sale for some time, initially by a specialist commercial agent, but latterly by a residential housing agent. All of this time it has been advertised at a price considerably above the going rate for pubs in this area. We are aware of at least one offer that was made for the pub at a price consistent with other recent pub sales, but this was rejected by the licensee. We therefore believe that the licensee is actively blocking the sale of the pub to others at the correct commercial price and we hope that the TDC Valuation Officer will be brought in to take a close look at price placed on the pub when offered for sale.
- 5. The document supporting the application has a number of factual inaccuracies which need to be corrected and these are noted below.
- 6. We have added, as an appendix, a completed CAMRA Public House Viability Assessment. This document is recognised as a valid way to assess the commercial prospects of a public house in any given environment and can be used to assist planners in making decisions on

applications where non viability has been raised as an issue by applicants seeking to close pubs.

1. Vital Social and Community Asset

Petrockstowe is a close knit community with some of the best integration between long standing residents and newer arrivals of any village in the area. Much of this has been fostered through activities centred in the pub such as 2 skittles team (play at the village hall, but socialise at the pub), 2 darts teams based at the pub, 2 pool teams based at the pub. In addition, there was a very popular monthly quiz night where the pub was usually full and a regular group of Wednesday and Friday night drinkers, all of these being spread across locals of differing residency periods. Even when events were held at the village hall, people would meet in the pub for a drink beforehand and go back there after the event, leading to higher takings for previous licensees than on a non village hall event evening. All of this has now been lost to the village. Much has been made during the Covid pandemic of the effect on the mental well being of people resulting from the lack of social mixing and this is only being exacerbated now the pub has closed and will be ramped up again if it cannot be reopened. Those villagers who do still want to visit a pub have to drive 2 to 3 miles to one on the next villages, but there are many (generally older) villagers who do not want to drive to a pub and who no longer have the vital social meeting forum available to them.

There are also a number of self catering holiday accommodation units in the village for whom the loss of the local village pub is important as it means that guests have to drive to get to a pub as opposed to being able to walk.

To support all of this, the Parish Council submitted an application to have The Laurels registered as an Asset of Community Value as soon as the closure was announced. This application is currently being processed by Torridge District Council.

2. The pub has been poorly run for some time, contributing greatly to the losses reported by the applicant

For the 6 years from 2009 to 2014 the pub averaged an annual turnover (net of VAT) of £170k and an annual net profit of £46k. We believe the turnover had dropped a little by the time that the applicant bought the pub in 2017, although it was also operating bed and breakfast at the time which would have helped profitability. We have not had sight of the accounts during the current ownership, but the sale particulars show turnover of between £157k and £135k, some of which may have been affected by the Covid pandemic. As is stated, the majority of the turnover in recent years (up to 90% by admission of the applicant) has been wet trade, whereas in the period from 2009 to 2014 there was a split of around 65% wet to 35% dry. This immediately shows that the applicant has not prepared an appealing food offer to customers.

Initial efforts by the applicant indicated he wanted to offer what the villagers wanted (wine tasting to determine which wines to stock was a good example of this) and the level of business increased compared with under the previous licensees. Since then, there appears to have been a steady loss of passion for running the pub by the applicant. This is evidenced by a reduced choice of beers, by the self inflicted damage of purchasing barrels that are too large for the turnover, unlike other local pubs which purchase smaller barrels and offer a wider choice of beers as a result. This has led to wastage of beer, as well as beer in poor condition.

To go along with this the restaurant is an uninviting place as it is currently set up, with bright fluorescent lighting, and there is simply no cosy feel to it. It is unfortunate for the applicant but a major reason for the reduced levels of turnover is that he is just not very good at offering what customers want. This has been a major factor in declining business levels, but it is not a reason for delicensing, merely a reason for selling at a realistic price (see later) and moving to another occupation.

There has been no consistent effort to improve the food offer, despite one local commercial caterer offering to cook for the pub in order to bring in a better food offer, but that was turned down by the applicant. No other initiatives have been made, such as morning coffee for which we believe there is a ready market in this kind of village, no attempt to add other business lines such as a local shop and finally of course, because of the additional family living in the pub, there has been no bed and breakfast offered, unlike the previous licensees.

3. **Aggressive attitude**

We accept that relationships between people are the result of the actions of both sides, but there has been a trend over the past 3 years of an increasingly aggressive attitude from the licensee with a number of villagers of all ages (including some in their 70s and 80s), leading to significant upset and a desire not to use the pub anymore. In one example the applicant mimicked a speech defect of a villager (in front of him) for some time, leading to a number of villagers refusing to come back again as a result of the behaviour. In turn this has led to friends of those affected also not wishing to patronise the pub. In addition to this several locals have been banned from the pub for a variety of reasons, some of which everyone would consider reasonable (behavioural), while many, such as asking for an additional plate for a takeaway, seem extremely petty.

It is the right of anyone to run a business as they want to. However, when that results in a loss of custom and perhaps to financial losses, that cannot be a reason to seek to change the use from a pub to a house, the result should be accepting that others would do a better job and selling at a commercially acceptable price in the market.

4. Inappropriate price and poor marketing

The applicant claims to have tried to sell the Laurels over a 2 year period, but our view is that there has been no serious attempt because the asking price has always been unrealistically high. In 2015 the villagers were preparing to purchase the pub to be run as a community pub and were well down the road to success when an alternative purchaser came in and completed on the deal at a marginally higher price and in a shorter timescale which suited the vendor selling the pub. Several locals have said that it is highly likely that the villagers would be interested in reviving the community purchase route if the pub were being marketed at a realistic price now.

The Laurels was bought by the applicant in 2017 for £269,000. It had been valued for the community purchase 2 years earlier at £275,000 when the financial results were better than those on which the applicant purchased it. The average turnover in the 6 years leading to the 2015 valuation of £275,000 was just under £170,000 and the average profit over that period was just under £46,000 (after staff wages, but before drawings).

Set against these figures the Laurels has been marketed (apparently over a 2 year period) at prices varying from £395,000 increasing to the current £450,000 based on declared trading turnover of between £135,000 and £157,000 and apparently a loss more recently (we have not been privy to the figures which have apparently been provided to TDC under a confidentiality proviso). We do not know if these figures include Covid Business Support Grants which the licensee has received over the last 18 months.

The text from the listings of the various estate agent which have marketed the pub is shown below.

Webbers Commercial – advertised as a pub/ restaurant at £395,000, (but withdrawn late 2020) –

THE BUSINESS

The business is now available for genuine reasons and is open throughout the year, 7 days a week as a popular village free house. The pub is run by a husband and wife team and one full time as well as two part time staff if required. The revenue is determined from the 90% wet sales and approximately 10% food sales, plus has the potential for an income from the letting of 2 first floor guest bedrooms at a tariff of £80 for the double room per night and £40 for the single room. Turnover is in the region of £157,840 per annum. The pub is well supported by the locals with 2 skittles teams, a Wednesday darts team, 2 pool teams on a Thursday, a Friday Darts team. In addition on the first Tuesday of each month is a quiz night, the third Tuesday a bingo night, as well as the fourth Tuesday a themed food night. A local football team and a cricket team also frequent the pub after matches. Opening hours vary depending on the day and season.

James Doble Commercial- advertised as a pub at £399,950 (but subsequently withdrawn) —

THE BUSINESS

Having been operated by our clients since 2017 the business is run as a family concern by a husband and wife team with 2 daughters, one of which operates the kitchen. Average turnover for 2018 and 2019 yearends show approximately £135,000 with current operating hours being closed Monday and Tuesday evenings in the winter, Wednesday and Thursday open am and pm, Friday - Sunday open all day. Given its proximity to the Tarka Trail the business attracts many walkers and cyclists as well as additional trade derived from team events and an increasing take-away trade.

More recently the Laurels has been marketed by **Bond Oxborough Phillips** in the private house section (it is shown in the houses section of Rightmove too), although mention is made of the fact it has been a public house and restaurant. It has been taken off the trade listings and a Google search for pubs for sale in Devon does not bring it up at all. It was advertised as a house (subject to planning permission) from January 2021 to 15th October 2021 at a price of £400,000 and then on 21st October, despite no sale having been agreed, the price was increased to £450,000 with the business details shown here.

THE BUSINESS:

Understandably the business has been affected due to multiple lockdowns throughout 2020 and beginning of 2021. However, since 2017, the business has been run as a family concern by a husband and wife team with their two daughters previously providing further assistance in different roles. Previously the average turnover for 2018 and 2019 year ends show approximately £135,000 with current operating hours being closed Monday and Tuesday evenings in the winter, Wednesday and Thursday open am and pm, Friday - Sunday open all day. Given its proximity to the Tarka Trail the

business attracts many walkers and cyclists as well as additional trade derived from team events and an increasing take-away trade.

Comparison pubs for sale

There are several pubs in the North Devon area currently for sale currently and below are 3 currently listed showing price, turnover and profit as well as number of available covers.

James Doble Commercial is advertising the **Buckland Brewer pub** at £325,000 with the following details –

THE BUSINESS

Having been within the same family ownership for the past 32 years, the business is owner operated by a husband and wife partnership, with one of the partnership front of house and the other operating the kitchen. In addition there is a pool of approximately 10 members of staff, dependent on the time of year. Operating hours are $5.30 \, \text{pm}$ till close 7 days per week, with lunchtime opening Wednesday - Saturday noon - $4.00 \, \text{pm}$. Net turnover for the past three years has been in excess of £300,000 with 2019 yearend turnover being £315,000 with an estimated net profit of £75,000 / £80,000. It is estimated the wet dry split is approximately 55:45. The premises is host to a number of teams, 6 winter skittles teams, $1 \times 10^{-10} \, \text{km}$ x summer skittles team, $1 \times 10^{-10} \, \text{km}$ and $1 \times 10^{-10} \, \text{km}$ and $1 \times 10^{-10} \, \text{km}$ are skittles teams, $1 \times 10^{-10} \, \text{km}$ and $1 \times 10^{-10} \, \text{km}$ are skittles teams, $1 \times 10^{-10} \, \text{km}$ and $1 \times 10^{-10} \, \text{km}$ are skittles teams, $1 \times 10^{-10} \, \text{km}$ and $1 \times 10^{-10} \, \text{km}$ are skittles teams, $1 \times 10^{-10} \, \text{km}$ and $1 \times 10^{-10} \, \text{km}$ are skittles teams, $1 \times 10^{-10} \, \text{km}$ and $1 \times 10^{-10} \, \text{km}$ are skittles teams, $1 \times 10^{-10} \, \text{km}$ and $1 \times 10^{-10} \, \text{km}$ are skittles teams, $1 \times 10^{-10} \, \text{km}$ and $1 \times 10^{-10} \, \text{km}$ are skittles teams, $1 \times 10^{-10} \, \text{km}$ and $1 \times 10^{-10} \, \text{km}$ are skittles teams, $1 \times 10^{-10} \, \text{km}$ and $1 \times 10^{-10} \, \text{km}$ are skittles teams, $1 \times 10^{-10} \, \text{km}$ and $1 \times 10^{-10} \, \text{km}$ are skittles teams, $1 \times 10^{-10} \, \text{km}$ and $1 \times 10^{-10} \, \text{km}$ are skittles teams, $1 \times 10^{-10} \, \text{km}$ and $1 \times 10^{-10} \, \text{km}$ are skittles teams, $1 \times 10^{-10} \, \text{km}$ and $1 \times 10^{-10} \, \text{km}$ are skittles teams, $1 \times 10^{-10} \, \text{km}$ are skittles teams.

James Doble Commercial is advertising the **Blacksmiths in Bideford** is advertised at £375,000 – it is currently closed, but has a 90 seat bar and restaurant plus a 90 seat beer garden.

THE BUSINESS

Having been operated as a mainly wet led public house for many years the business is no longer trading as the owner has decided to concentrate on his other business ventures in Westward Ho! Net turnovers of between £266,000 - £281,000 have been achieved in recent years, having been run under staffing. It is thought there is considerable potential to develop all aspects of the business, particularly a food operator who wishes to take advantage the location adjoining the Tarka Trail which has approaching one million users per year.

James Doble Commercial is advertising **The Hart in Hartland** including 120 covers inside and 90 covers outside advertised at £385,000.

THE BUSINESS

The business is owned by a family who have other business commitments and have therefore employed more staff than a typical owner occupier. Yearend turnover in 2019 was £213,000 (10 months trading) which increased in 2020 to £291,000, which was prior to the opening of the larger kitchen and the restaurant / function extension, allowing 50+ more covers. The business is currently operated as both a wet and dry venue, with a chef currently employed, and it is thought this could be further expanded by owner occupiers or a manager without external business commitments. Further accountancy information available upon request.

The Bull and Dragon pub in Meeth was sold in February 2020 for £270,000 based on a combined wet and dry trade of around £185,000. This is a similar sized pub to the Laurels and is around 3 miles away.

Paragraph 8.10 of the NDTLP states 'Commercially operated facilities must further demonstrate a comprehensive sustained marketing campaign (to be agreed in advance by the Council), has been undertaken for its existing use, offering the facility for sale using an agreed realistic valuation of the premises for a period of at least 12 months before an application is submitted.' We do not believe that anything that the applicant has done satisfies these criteria.

In view of all of the above it is our strong contention that the business has not been seriously marketed for sale at the right price, nor, more recently, in the right channels. We have heard from people ready to make a serious offer at around or just below the £300,000 level, but nowhere near what is being asked for it.

5. <u>Inaccuracies in the Support paper included with the application.</u>

The support paper filed with the application makes reference to the application for change of use meeting the criteria of Part 3 of Policy ST22: 'Community Services and Facilities' of the NDTLP. In particular the tests here are that

- (3) Development that involves the loss of community services and facilities will not be supported unless there is compelling evidence to demonstrate:
- (a) the existing use is no longer commercially viable or could not be made commercially viable; or
- (b) there is alternative local provision that is accessible to the local community by walking or cycling; and in either case
- (c) the premises are no longer required to meet the needs of the local community.

The answers given in the supporting paper to each item of the above are wrong as set out below.

- 1) "The accounts provided in the confidential appendix to this application show a sustained decline in revenue to the point that the pub has had to close, as it cannot afford to continue as a viable enterprise. The pub had to limit its opening hours and has now, as of the 17th September, had to close its doors, as the revenue is simply not sufficient to keep the business running." Parish Council response the pub may well have seen a decline in revenue over the last 2 years. This has been down to the Covid pandemic, the poor food offering, the reduced opening hours and the attitude of the licensee. The inability of the licensee to run a successful public house does not in any way mean that the pub cannot be run successfully by others as it has been in the past.
- 2) "As the relevant appendix also shows, evidence that the applicants have gone to great lengths to try to ensure the viability of the business by offering themed food nights, entertainments and sports, none of this has led to any sustained support from the local customer base and has left the business unable to operate, as a viable concern." Parish Council response planners will note the dates of some of the supporting event "adverts" fall within the period of lockdowns under the Covid pandemic. They may refer to takeaway offers, but certainly not to any themed evenings available for locals to attend. The post from Facebook on 7th August is purporting to show that 9 people went to this event. In fact it was cancelled by the pub on 9th August (as per their Facebook page) because of Covid self isolation requirements, so it is extremely misleading to suggest that this event went ahead and was poorly attended. We suspect other events such as bingo or karaoke nights are simply not what is wanted by the community. On the other hand the pub used to be full to watch rugby matches (either Exeter Chiefs or internationals), but the licensee stopped hosting those and so that revenue disappeared.

- 3) "The appendix evidence also shows that the property has been marketed as a public house for over two years by a number of commercial estate agents, in order to seek to find anybody else who would be willing to run the business and no offer or sale has been achieved, with the accounts clearly demonstrating that a public house in this location does not appear to be a viable option for any potential investor." Parish Council response as shown above the pub has at times been marketed by commercial agents and at times by residential agents. At no time has it been marketed at a realistic price vis a vis other pubs in the area and it has not shown up under any Google search for pubs for sale since the start of 2021.
- 4) "There is alternative local provision and in fact, the popularity of this local provision may well be one of the reasons the public house is no longer used or effectively needed by the local community. The local village hall and its grounds are a short distance across the road from the application site and due to the work of a committee that has been running events at the village hall, it now offers regular events with a licensed bar and many various food options, as well as social events with entertainment. This allows the village hall to function without the burden of the same overheads as the public house, is able to offer a vibrant and easy to change option in terms of food offering and has become a very popular venue for the local community to gather socially, as well as for food and drink. The popularity of it this venue and its provision of alternative drinking, eating and social offering, can be seen as one of the reasons why use of the public house has become significantly reduced and the applicants fully understand the attraction and flexibility of what this venue is able to offer." Parish Council response this is a complete misrepresentation of reality. Over the past years the village hall has held events as set out below:

2017 - 7 events with bar takings of £1,259

2018 - 19 events with bar takings of £5,141

2019 – 19 events (including 4 private events) with bar takings of £6,579 including 2 Friday nights when the Laurels was closed)

2020 - 2 events with bar takings of £437.

As stated in an earlier section, previous licensees used to say that takings rose when there was a village hall event because people would go in before and after the event. Village hall events are generally for matters that could not be accommodated in the pub such as dance evenings, ferret racing, brass and silver bands. There is simply no competition between the 2 venues and the village hall does not offer a licensed food and drink option, other than for a limited number of specific events. The hall is used mostly during the day for village groups.

5) "A local sports club is also a short distance from the application site and it too offers a licensed bar and social facilities. This too offers a popular local alternative and may again explain why local use and interest in the public house has declined." — Parish Council response — the sports ground is actually right on the outskirts of the village and holds one or two events per annum (such as the annual fete), other than cricket matches during the season. There is absolutely no interplay between the sports club and the pub, except that the cricket team regards the pub as its home and keeps memorabilia in the pub in common with most other villages around the country (and as recognised in the sale particulars from one of the agents above). The "bar" itself is an open building with no solid floor and is only suitable for use in good weather on warm days.

- 6) "Policy ST22 does not require the existing or future viability of the facility to be demonstrated if there is alternative provision that is accessible to the local community by walking or cycling (criteria B). As we have set out above, there is alternative provision and thus this application can be seen in the context of Petrockstow itself not being left without alternative, and in fact very popular, local provision. As such, the alternative facilities are also able to sell alcohol in direct competition and at a discount to the existing public house, thus affecting revenue." Parish Council response as set out above, there is no competition between other village facilities and the pub; in fact they should be seen as complementary. The closure of the pub has meant that villagers have to drive between 2 and 3 miles to get to the next nearest pubs which are in Merton and Meeth. There is no alternative to the pub in the village.
- 7) "Paragraph 8.10 of the NDTLP states 'Commercially operated facilities must further demonstrate a comprehensive sustained marketing campaign (to be agreed in advance by the Council), has been undertaken for its existing use, offering the facility for sale using an agreed realistic valuation of the premises for a period of at least 12 months before an application is submitted.' This premises has been offered for sale for over 2 years with a range of local commercial estate agents at their advised price, with no offer having been forthcoming." Parish Council response we do not know if the marketing campaign was agreed in advance with the Council, but we do know and have demonstrated above that the pub has never been marketed at a realistic price in comparison to its previous sale and purchase prices, or in comparison to other similar pubs on the market (and sold) in the area. Similarly for the last 10 months it has not been marketed as a commercial premises and has not shown up in searches for pubs for sale in Devon. It has been marketed as a house with only the description showing it to be a pub.

In conclusion we believe that the applicant has failed to demonstrate any grounds on which The Laurels should be delicensed and converted to a private house. On the contrary we remain convinced that the only obstacle to the pub being successful has been the actions of the applicant and that the correct course of action is to recognise the appropriate price for the pub in the current market and to accept an offer at that price and move elsewhere.

Appendix

CAMRA Public House Viability Test

This is submitted to prove the viability of a pub in the village of Petrockstowe and therefore to support the objections submitted to the planning authorities regarding the conversion of The Laurels pub to a private house. The test is designed to assess the continued viability of a pub business the question to address is what the business could achieve if it were run efficiently by management committed to maximising its success.

Assessing Trade Potential

1. Local trade

- What is the location of the pub? Is it in a village, suburban area, town centre or isolated countryside? The pub is located in the centre of a village
- What is the catchment area of the pub? The village in which it sits, some local surrounding villages and scattered rural settlements in the area
- How many adults live within a one mile radius? 490 adults in the parish
- In rural areas, how many adults live within a ten mile radius? estimated to be around 15,000.
- Are there any developments planned for the area? Industrial, residential, strategic projects? there is currently planning permission for an additional approximately 25 new houses in Petrockstowe and at least a further 30 in the nearby village of Merton.
- Is there a daytime working population? there is a working agricultural population, but also a substantial retired population

2. Customer potential

- Does the pub act as a focus for community activities? Sports teams, social groups, local societies, community meetings etc? the pub used to act as the base/ social headquarters for 2 darts teams, 2 pool teams, a skittles team, the cricket team, the bellringers, a monthly pub quiz, as well as a regular social meeting place
- Is the pub in a well visited/popular location? Is it in a picturesque town or village, on a canal/river side, on a long distance footpath, or on a cycle route? the area is a tourist destination, the village has several self catering units in it, the village lies equidistant between Dartmoor and the N Devon coast and the Tarka Trail long distance footpath and cycle route runs through the village.
- Does the pub appeal to those who regularly drive out to pubs? **historically it attracted customers who drove there**
- Is tourism encouraged in the area? Tourism is a major source of earnings for this part of Devon (as it is with all parts of Devon)
- Has the pub ever been included in any visitor or tourist guide? the pub features on the village website and is always mentioned in estate agent comments on the village

3. Competition

- In rural areas, how many pubs are there within a one mile radius and within a five mile radius? there are no pubs within a 1 mile radius and 3 other pubs within a 5 mile radius.
- In urban areas, how many pubs are there within reasonable walking distance? N/A
- Bearing in mind that people like to have choices, does the pub, by its character, location, design, potentially cater for different groups of people from those of its nearest competitor(s)? most of the pubs in the area are rural pubs supporting their local community and encouraging mixing between those communities. Different offerings tend to be limited to styles of food.

• If not, could the pub be developed to cater for different groups? – See above

4. Flexibility of the site

- Does the pub have unused rooms or outbuildings that could be brought into use? Function rooms, store rooms etc. the pub has 2 small former almshouses attached which would make ideal additional rooms and which currently provide some storage
- Is the site large enough to allow for building extensions? there is no real need for an extension.
- Have planning applications ever been submitted to extend/develop the pub building? If yes, when and what was the outcome? **not as far as we are aware**
- If planning consent was not available for building work, is any adjoining land suitable for any other use? Camping facility etc. **no**
- Has the pub been well maintained? the pub has been reasonably well maintained

5. Parking

- Is there access to appropriate numbers of car parking spaces? yes
- If not, is there any scope for expansion? N/A

6. Public Transport

- Is there a bus stop outside or near the pub and/or a rail station within easy walking distance? N/A
- How frequent and reliable is public transport in the area? Not viable
- Has the pub made actual/potential customers aware of any public transport services available to/from it? see above
- Are there taxi firms in the locality? taxi firm in Hatherleigh 6 miles away
- If yes, has the pub entered any favourable agreements with a local taxi firm? no

7. Multiple Use

- In light of government guidance through the National Planning Policy Framework (see the Appendix) what is the extent of community facilities in the local area is there a shop, post office, community centre etc? there are none in the village, although the village hall acts as a meeting place for village groups during the day.
- If the pub is the sole remaining facility within the area, is there scope for the pub to combine its function with that of a shop, post office or other community use, bed & breakfast or self-catering especially in tourist areas? it would be ideal if the pub would also use some of its additional space to provide a local shop, post office (the nearest one is now in either Hatherleigh or Gt Torrington) and coffee shop

8. Competition case studies

- Are there any successful pubs in neighbouring areas of similar population density? yes the Bull and Dragon in Meeth and the Half Moon in Sheepwash are both examples of successful local pubs nearby.
- What factors are contributing to their success? a good food offering, regular opening hours, a good atmosphere and friendly staff

9. The business – past and present

Having built up a picture of the business potential of the pub, it may be relevant to question why the pub is not thriving and why the owners are seeking change of use.

- Does the pub management team have local support? Has the team taken steps in the last year or so to try engaging with the local community and has the dialogue affected the way the pub operates? sadly the licensee has alienated the local population through aggressive behaviour and a generally unfriendly attitude. He has consistently rejected offers and advice regarding the food service and has instead instituted his own ideas which have not been what the village wanted in the main.
- Has the pub been managed better in the past? Is there any evidence to support this? Are trading figures available for the last four years and/or from previous management regimes? the pub was far better run by the licensee before the previous one (up to 2015). For the 6 years prior to her departure the pub revenue averaged £170,000 per annum and profits averaged £46,000 per annum.
- Have there been recent efforts to ensure viability? e.g. has the pub opened regularly and at convenient hours? Conversely, have hours/facilities been reduced? the opening hours of the pub have progressively reduced over the years (even allowing for the effects of the Covid related shutdowns).
- Has the focus/theme of the pub changed recently? no
- Is the pub taking advantage of the income opportunities offered by serving food? How many times a day is food served? How many times a week? Are catering facilities being optimised? the food offering is poor, with very basic food served irregularly, generally in the evenings only.
- Has the rent/repair policy of the owner undermined the viability of the pub? **no, the pub is a freehold building**
- Does the pub offer an attractive range of drinks, especially quality real ales? the pub has a limited range of beers on offer and a very poor range of wines.
- Are there any possible unclaimed reliefs? e.g. where rate abatement is not granted automatically but has to be claimed. we believe the pub already receives full business rates relief.

10. The sale

- Where and how often has the pub been advertised for sale? Has it been advertised for at least 12 months? In particular, has the sale been placed with specialist licensed trade and/or local agents? the pub was offered for around 12 months with commercial agents. For the last 10 12 months it has been registered purely with a residential agent as a house (albeit with the description on the site stating that it has operated as a pub for many years). Google searches for pubs for sale in Devon do not find the details as it is not categorised as a "pub for sale" by the agent.
- Has the pub been offered for sale as a going concern? the pub is now closed, but the trading figures are summarised on the agent particulars. The internal fixtures were stated as available by separate valuation, although a limited number of those have since been sold separately.
- Has the pub been offered at a realistic competitive price? (Information to enable this to be analysed can be obtained from The Publican and Morning Advertiser newspapers and from Fleurets, specialist Chartered Surveyors) based on the previous sale price of this pub, on the recent price paid for the Bull and Dragon in Meeth (which had a substantially higher turnover) and on the prices at which other pubs in Torridge are currently being marketed, the pub has been offered for sale at least £100,000 above what seems to be the going rate and the price has recently been increased by a further £50,000, despite it not having sold at the lower price. It is clearly not being offered for sale at a realistic price.
- If yes, how many offers have been received? N/A
- Have any valuations been carried out? the pub was valued for a community pub purchase offer in 2015 (based on significantly better trading figures) at a figure of £275,000. The current owner bough the pub in 2017 for £269,000
- Has the pub been closed for any length of time? Is it currently closed? **the pub closed in mid**October 2021 and remains closed
- Does the sale price of the pub, as a business, reflect its recent trading? no