

Re MSDC Ref DC/17/03424 The Brundish Crown, Brundish, Suffolk

Response to the independent report commissioned by the planning office written by Jonathan Reubin, a surveyor from Colchester, Essex.

The surveyor was on the premises of the Crown Public house for at least 2 hours on the morning of Friday 2nd February. He spoke only to the owners of the pub and no one from the village. Through the report he makes many observations of which many have no obvious base in evidence.

His first claim is that the village is isolated, this is clearly not correct as the road from Dennington to Stradbroke passing through Brundish has housing on both sides of the road all the way. The next village to Brundish is Wilby and has a larger population than Brundish. The road is the main route to Diss going north and Framlingham going south, it is reasonably busy during the week. Mr Reubin states that after a 'perusal' of the planning authority website that there is little growth in the area. Over the last 18 months around 2000 houses have been under construction in Framlingham, 4.5 miles away and new houses have been built at neighbouring Wilby and Worlingworth.

In order to meet the required 5-year housing land supply, the District is likely to be required to plan for approximately 5,820 new homes by 2036. The Babergh and Mid-Suffolk Joint Local Plan consultation document proposes that 'hamlets and the countryside' will take 5% of the housing growth of the Districts. Brundish is defined as a hamlet and a draft settlement boundary is proposed, centred on the pub. Whilst current planning policy directs new housing to larger settlements, in proposing the new spatial policy, the District Council clearly considers that some development in smaller villages should be possible.

It appears the population is set to grow in rural areas such as Brundish and surrounding areas. Mr Reubin suggests that there has been a decline in the population of Brundish over the last 3-4 years has contributed to the pubs decline. Both villages Brundish and Wilby have grown rather than declined over the past 6 years.

The current owners bought the business for around £248,000 several years ago as a going concern. Mr Reubin describes the owners as experienced business people which seems to be proved by the fact that for the first few years they made a living even though they have always run the pub on a part time basis. The pub is open for 4 evening sessions from 5.00pm to 11.00pm and 2

lunchtime sessions from 12.00pm to 2.00pm each week. This is equivalent to 28 hours per week. Most pubs in the surrounding area are open for 6 lunchtime sessions and 6 evening sessions each week, equivalent to 54 hours per week.

Mr Reubin suggests that the owners of the pub should look for a profit based on the hours they work (after tax) of £45000 a year. This is remarkable as they are only open for 6 sessions a week, half the number of sessions other local pubs are open for. Mr Reubin states that the pub would need a turnover of £300,000.00 annually to produce this return.

It seems likely that Mr Reubins has used the BBPA benchmark for the costings of a small rural pub based anywhere in the country. They suggest that the turnover of a full time pub (7 days a week, 52 weeks a year) would be £308,000 per year. With an almost half and half between wet and dry sales. They put aside £69000.00, 22.5% for wages out of the turnover, rent at £28400, 9.5% and trading profit of £34,550, 11%. The current owners run the bar and kitchen themselves so would reasonably pay a waiter/ress, a cleaner and part time bar person around £25000.00 a year leaving a salary of £45000.0 between them, they pay no rent as they own the premises however they may pay a mortgage so this should be put aside, if the profit and salary are added together it gives a very healthy (before tax) income of approximately £95000.0 per year. Given the owners open the pub on a part time basis this would be spectacular.

If you take a second example of a small pub open 7 days a week, 52 weeks a year, with 98% wet and 2% dry sales (which is the profile of the pub previously) the turnover is estimated to be £220000.0 per year. In this example £30000.0, 14% is for salaries, rent £18500.0, 8.5% and a trading profit of £23000.0 a year. No chef or waiter/ess is required, relief for the owners to have time off (2 days a week) would be around £15500.0 a year. This gives a total income of £37000.0 before tax, rent is put aside as a mortgage may be in place. In both examples if there is no mortgage the profits are higher still.

All living costs are covered as they are part of the costs which is normal practice in this trade.

This shows what to expect if at the business is at a healthy level of success and working full time. There are no statistics available for the success of businesses run on a part time basis but it would seem reasonable to expect a part time

pub to be make a part time profit and be very vulnerable to losing custom as full time establishments offer is 7 days a week.

The owners of the pub have shown Mr Reubin the last 2 years of accounts that they sent with their application. Mr Reubin says it shows the pub is losing money, this cannot be disputed as no one else has seen the accounts. It would be agreed that this must be as a result of a drop in customers. However the reasons given for this put forward by Mr Reubin's are broad and not specific to the pub.

Mr Reubins suggests that the onus is on the local villagers to keep the pub financially buoyant. He is clear that he supports the view of the present owners of, 'if the villagers don't use it they lose it'. This is a very seductive theory as it compels villagers to take responsibility for a business they have no say in and are clearly not currently supportive of. The success of the business is firmly on the shoulders of the owners as they need to meet the needs of the customer not the other way round. At no time in the report does he question their business plan or offer firm evidence of their attempts to actively find new custom and/or attract old custom back to the pub since its decline over the last 2 years.

Mr Reubin suggests that drink drive and non-smoking laws have impacted on The Crowns decline over the last 2 years. Both of these laws have been in place for more than 15 years. Health recommendations re alcohol have been around for 20 years or more and supermarkets have not suddenly sold cheap alcohol in the past 2 years. The pub itself is a free house and may well have been able to take advantage of this. The pub actually claims that 60% of its trade is food.

Mr Reubin suggests that the owners have tried to improve the business. There is no evidence put forward to support this. The owners up graded the kitchen to 5* on arrival as this is necessary to be able to produce food for sale to the public. There has been no other obvious investment in the premises or business over their tenure. Mr Reubin refers to suggestions given by the general public but these have no bearing on whether the pub is viable or not as they have not been pursued.

The owners do not have a website and have only advertised in the Brundish and Wilby Parish magazine, recently on the 28/1/2018 it has listed on 'WhatPub' CAMRA site, it could be agreed that this is certainly not a proactive business plan for promoting the pub.

The local area has a thriving B&B community, tourism is a significant part of the local economy, surely the owners would have benefitted from advertising more widely and may also consider using their ½ acre site to accommodate 'Glamping', an example of successful glamping is the isolated pub in Sweffling, The White Horse, who only open at the weekend and run a glamping business in their back garden.

Many comments have been made by residents to suggest or query why the pub has not tried ideas as above to increase footfall. Their point is that the owners have changed little since the first few weeks of trading, eg no regular events such as quiz nights, darts team, crib team, themed food nights, etc. The list can go on. These are not the actions of people who are trying to make the business thrive.

Mr Reubin suggests that the lack of firm offers on the business is evidence of the pub's viability. This is a tenuous suggestion as currently there are 19 pubs for sale or lease in Suffolk of which 4 are similar in size and have rural locations. The range of price for the Freehold for the 4 properties is £225000.0, £260000.0, £275000.0 to £325000.0 the latter is The Crown pub, and the most expensive. All 4 pubs claim to make money and have been for sale for some while. Since last August it would have been more difficult to sell the pub as they have applied for 'Change of use' on the basis of the business is not viable, hardly a selling point. The value of a business is what someone will pay for it, if people do not make an offer it is possible that the business is over-valued. 6 people have shown an interest in the pub before its application for change of use. Mr Reubin gives no comparison to other public houses for sale so it is difficult to know if this is a negative or positive.

There is a small group of investors who wish to purchase the pub and have sufficient funds to make a sensible offer.

Mr Reubin suggests several times through the report that if the present owners attracted customers from anywhere other than the village they would be taking business from other businesses. Whilst it may be true it is certainly no reason to close the pub. Successful businesses attract customers by offering

something they can't get elsewhere, by default they take customers away from other businesses.

Research has shown (2014, Dr Cabras) that a well run village pub can bring up to £120000.0 to the local economy. The research continues to show that the impact of closure has significant impact on local communities.

The pub in Brundish is an essential part of the village, which is currently underused. Dr Cabras makes this observation from his research of what a well run pub can achieve

"The English rural pub is not simply a place for drink, it has become a hub for the community's infrastructure offering events, support and friendship. Pubs function as physical hubs which foster engagement and involvement amongst the community, as well as creating jobs for locals and local suppliers," said Dr Cabras.