For the attention of Hayley Clarke

Development Management

3rd of June 2023

Dear Hayley

Re - PL/2023/00880

I refer you your instructions to provide an appraisal of the above public house where an application has been made for change of use to C3 Residential.

LOCATION

Winterbourne Earls is a small isolated and dispersed village of around 300 persons within a very rural setting. It has no recognisable centre such as a grouping of shops or a market square. The access roads to the residential areas are all quite narrow and on the day of inspection were used primarily by farm traffic moving from field to field.



Premises and Accomodation

The premises comprise a traditional public house directly fronting the highway. To one side is a tarmacked surfaced customer car parking area and to the rear are trade and private gardens. The building is formed historically from an amalgamation of 17th Century cottages and the village forge.

Internally the trade area is a traditional single bar layout and a formal dining area (20 covers) and customer toilet facilities leading off from the public bar. There is a conservatory attached to the public bar. The bar servery in the public bar has the beer and drink serving systems. To the rear of the servery is the kitchen and washing up areas.

The first floor owners living accommodation comprises a living room, two bedrooms and an occasional bedroom/office leading off from the second bedroom. There is also a small family bathroom.



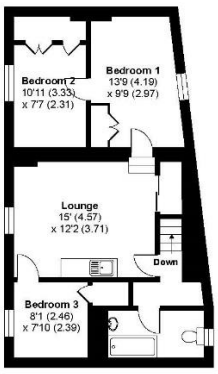
ACCOMMODATION

Ground floor
Cellarage
Lounge Bar with dining area
Conservatory
Kitchen & dry store
W.Cs

First floor
Lounge
3 bedrooms
Bathroom/ w.c

Outside – car parking, beer garden and servicing access for deliveries etc.

Please refer to the floor plans for further detail. Note - Floor plans are provided for identification only, not to scale.



FIRST FLOOR

Certified Property Measurer
Floor plan produced in accordance with RICS Property Measurement Standards incorporating International Property Measurement Standards (IPMS2 Residential). ©nichecom 2021.
Produced for Sibbett Gregory. REF:

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THE BUSINESS

This public house was probably developed as a beer house and located on what was once a drovers' road when the main farming activity was sheep and other livestock. The change in the rural economy and the much reduced rural population has meant the pub has had to rely on car borne custom or heavy use by the remaining residents. The drink drive laws and the non-smoking rules have made rural pubs less attractive destinations for drinkers and this public house being so isolated had a declining drinks trade.

Because of the decline in beer consumption and subsequent wastage the pub has now ceased trading.

There is a well documented list of previous managers and owners with extensive knowledge of the industry who have all failed to make this business work.

PROSPECTS

The problem is the very nature of it being in a small village which has no heart and within easy reach of at least 3 other pubic houses located in more compact attractive villages. In my opinion if these experienced current owners cannot make this pub location work then probably nobody can or if they do take it on then they must be prepared to run it without a reasonable living to be made or continually invest from other sources to avoid financial failure.

I have looked at the margins and they are about average for the trade. I have also looked at the objections to the application but I cannot see that policy can be relied upon to save this public house. The bald fact is that if any couple is to make a joint income to cover their time (77 hours per week) and efforts to achieve a reasonable profit or livelihood of per annum the pub would have to have a turnover of around but with only limited space I estimate that 80% of that enhanced turnover would have to come from equivalent beer sales. As the population of the village is only around 300 they would have to consume over 4.5 equivalent pints of beer per week for each counted person though a proportion of the population will be under 18 years old, infirm, non drinkers or barred due to religious beliefs. If those people are excluded then the turnover would have to be made up by people driving to this location which in turn would reduce trade to the other pubs.

There are of course the health recommendations coming from central Government encouraging reduction in alcohol consumption. Drinking by all classes in local public houses has been in decline due to an increase in home consumption which has been made easier and cheaper with on line ordering and delivery by supermarkets. In addition the discount supermarkets are nationally offering branded bottled conditioned beers at about£ /pint.

Diversification by adding a retail unit has been suggested but I cannot see how that could work. In such a small community it would have to be a "community" enterprise run by voluntary staff and would only make tiny profits. If the public house was to do so it would only add to the losses as they would have to employ somebody to run it. If the community staffed it then what benefit would there be to the pub? Who would be the named responsible person on site during all opening hours and who would deal with hygiene issues in the kitchen?

Mention has been made of wider marketing of the pub as a destination for diners and drinkers. The issue with this is where would these customers come from? Would they be local say within 10 miles? If so then they are likely to be customers that use other establishments in the locale and not new business so other public houses would lose custom and their viability would be put in jeopardy. Any marketing has to be aimed at getting new business from outside a IO mile or so radius which in my opinion bearing in mind the route to the village is very debateable any trade gained would certainly not be regular.

Loss of valued community assets

Policy 49 of the Wiltshire Core Strategy seeks to protect the rural services and community facilities of Wiltshire's smaller settlements including Winterbourne Earls. This policy is generally aimed at preventing the total loss of all examples of a specific community asset. In this instance the focus of the application is The Black Horse, one of two pubs in the village.

The problem with Winterbourne Earls is that it is no longer able to sustain The Black Horse Inn in competition with others, in this case The Winterbourne Arms, a larger and far more popular pub 0.5 miles north in the centre of the village.
It is clear from the trading history that despite the best efforts in terms of advertising and the diversification to offer good quality food the financial performance of the business over the last 5 years has been terrible. On 5th September, prior to the purchase of the property, the current owner spoke with the (then current) tenant and offered a renewed tenancy with the removal of all ties and with renegotiated terms. The tenant stated that trading was unprofitable and she was not interested in continuing as landlord of the pub. Enterprise Inns' sale of the pub came as a result of a nationwide trend in customer decline and the negative performance of The Black Horse specifically. There is simply not enough interest in the village to justify any commercial investment in the property. Local residents have not adequately supported the pub, favouring The Winterbourne Arms in the centre of the village.

Unprofitability

In the end the success of any business is seen in the financial figures. Unfortunately whilst the previous tenant was doing everything right in terms of diversifying the pub's offering and was going beyond what many businesses achieve in terms of marketing, the customers, including local residents, were simply not interested and the pub was unprofitable.
Detailed financial records demonstrating that the pub was not profit making have been promised to the current owner. Unfortunately due to personal matters these have not yet been supplied by the previous tenant.

Lack of local custom

The inescapable fact is that the majority of customers should be coming from the local community and yet due to the impossible location of the pub and the presence of a popular competitor based in the heart of the neighbouring village they were not. Local residents on the whole were not supporting the pub.

Conclusion

I conclude that the prospects for this public house are very poor and the small population within easy reach is insufficient for it to make a reasonable living for an owner. The population of Winterbourne Earls is unlikely to increase to a level which sufficiently increases turnover to support this public house and there would in any event be local objections to development of a scale that would introduce a further 400 or so regular drinkers needed for this local. A perusal of the planning authority website shows that over the last 5 years there have been very few consents granted to significantly increase to local population and I have been unable to find any evidence of sufficiently large developments under construction.

I have looked at the attempt to sell the business and see that it has been for sale now for almost 2 years with Sibbett Gregory when the current owners purchased the property. It has been advertised in the property and trade press. I have spoken to the agents and they have confirmed the asking price but after only 3 recorded viewings no offers had been made. The pub has been extensively marketed and if a potential buyer wanted a rural pub in a very small village then at least an offer, no matter how low, would have been made. A potential buyer would look at the building, the business and also the location and population that gives a pub its regular almost guaranteed income. In the case of Winterbourne Earls it is just not there.

The previous owners' accounts show that the surrounding population cannot or are not prepared eat or drink out often enough to support this enterprise.

Nationally this situation is not uncommon and whilst one can sympathise with the community of any village faced with the loss of its public house it has to be stated in each case it is a matter of use it or lose it so any member of the community that buys his or her alcoholic or even soft drinks at discounted supermarket prices to consume at home and only use their local occasionally on a hot day or holiday have only themselves to blame for its loss. Even if the local population did decide to frequent The Black Horse more often I am of the opinion it would not be sufficient to produce a viable business.

Continued commercial use of the property would leave it prone to further neglect that could easily result in the total loss of the building. The Black Horse Inn has fallen victim to a commercial owner who was unwilling to maintain the structure of the property in a bid to increase rental profits. It has also suffered at the hands of tenants who understandably were unable to spend money maintaining a property they did not own whilst unsuccessfully struggling to make their own pub business profitable.
The best chance of preserving the building for generations to come is to allow a change of use to residential, giving a private homeowner reason to protect their personally held asset through maintenance and restoration which would in turn benefit the village.

My final conclusion is that this small public house in an isolated dispersed community is non-viable and that an exception to the Council's planning policy should be seriously considered in this case.