

**T
E
T**

Thomas E. Teague

LICENSED PROPERTY VALUERS, RATING SURVEYORS, AUCTIONEERS, BROKERS AND STOCKTAKERS

70 EASTGATE STREET
GLOUCESTER GL1 1QN

Tel: (01452) 523131
(01452) 527378
Fax: (01452) 380624

The Family Business
Established Over 95 Years

E-mail: office@thomaseteague.co.uk
www.thomaseteague.co.uk

Partners
SIMON P. TEAGUE FAVLP.
JOHN J. KEANE BA. FAVLP.

IN THE MATTER OF
PLANNING APPLICATION NUMBER 190040

IN RESPECT OF

**THE GARDENERS ARMS
48 SURLEY ROW
EMMER GREEN
READING
BERKSHIRE
RG4 8NA**

VIABILITY ASSESSMENT

BY

JOHN JOSEPH KEANE

INTRODUCTION

- 1.1 I have been instructed by the Agents for the Applicant, Messrs Caldecotte Group, to prepare a Viability Assessment in connection with a planning application for the demolition of the existing public house and the erection of 8 new dwellings. I have been provided with several documents to assist me in this, including throughput data, and I have also made my own enquiries as appropriate. I will refer to these documents as necessary in this Report.
- 1.2 I have had no previous involvement with The Gardeners Arms but I am familiar with Reading and both my firm in general and I personally have carried out valuations on a number of the local pubs over the years. I carried out my inspection of The Gardeners Arms pub on 4th February 2019 at 10.00 a.m.
- 1.3 This Viability Assessment is prepared in the context of paragraph 92 of the National Planning Policy Framework (NPPF) (Revised 2018), Core Strategy Policy CS31 of Reading Borough Council's Core Strategy (January 2008) and Policy DM15 of the Council's Sites and Detailed Policies Document (SDPD) (Altered January 2015).
- 1.4 Looking at each of these policies in turn:-

Paragraph 92 of the NPPF requires that local authorities should *“guard against the unnecessary loss of valued facilities and services, particularly where this would reduce the community's ability to meet its day-to-day needs”*;

Policy CS31 of The Core Strategy states that *“Proposals involving the redevelopment of existing community facilities for non-community uses will not be permitted, unless it can be clearly demonstrated that there is no longer a need to retain that facility”*;

Policy DM15 of The SDPD specifies that development of an existing community facility will not be permitted unless it can be clearly demonstrated that:-

- a. *There is no need for this type of facility in this area; or*
- b. *The function of the facility can be adequately fulfilled by an existing facility, or a facility proposed as part of the development, where that facility would be at least as accessible to the same catchment; or*
- c. *The impacts on amenity of residents of retaining the facility could not be dealt with through other measures and would be so severe as to outweigh the benefits to the wider community of retaining the facility.*

2.0 PERSONAL

- 2.1** My name is John Joseph Keane and I am a partner in the firm of Thomas E Teague. I have been in practice since 1986 and became a partner in 1999. I have been a Fellow of The Association of Valuers of Licensed Property since 1994, a Committee member since 2012 and a Vice President since 2016.
- 2.2** My firm was established in 1919 and has specialised since that date in the valuation of licensed property. We deal in all aspects of this field including sales and lettings, valuations, rent reviews, lease renewals, rating and tenancy/chattels valuations. I am actively and exclusively involved in all those areas and have been since I joined the firm.
- 2.3** I deal with a wide range of instructions on both professional and other matters and have provided expert evidence in arbitrations, referrals to independent expert, cases under Civil Procedure Rules Part 35 and in Planning Inspectorate Public Inquiries and Hearings in relation to viability issues. I have been one of a panel of independent expert valuers under The Pubs Independent Rent Review Scheme, which was set up in 2009 to help settle rent review disputes in a timely and cost-effective way. I have also acted as Arbitrator in contested rent reviews of licensed premises.
- 2.4** My firm acts for a number of national, regional and local pub companies and breweries in various licensed property matters. These companies include Ei Group, Greene King, Brains, Arkells, Wadworth, Donnington, Butcombe and Palmers. In addition, I act for a number of landed estates, small property companies and individuals.

3.0 LOCATION

- 3.1** The Gardeners Arms is located at 48 Surley Row in the Emmer Green area of Caversham. Surley Row is not the main road through Emmer Green but the area is primarily residential and is considered an aspirational one in which to live. The eastern end of Surley Row, which includes The Gardeners Arms, forms part of the Surley Row Conservation Area and features several listed buildings and early twentieth century housing whilst the western end is characterised by mainly later twentieth century housing development. Property prices are significantly higher than the average for Reading with the current average house price being approximately £555,000 compared with a little over £420,000 for Reading as a whole (Source:Zoopla).
- 3.2** The pub is situated in the Reading 003B Local Super Output Area (LSOA) and is ranked in the top 30% of least deprived areas in the

Index of Multiple Deprivation (IMD). Of the neighbouring LSOAs 002A, 002D and 003A are all in the top`10% and 007A is in the top 30%. The wider Peppard electoral ward is generally an area with very low levels of deprivation and is predominantly ABC1 in terms of social classification with the majority of those in employment being in managerial, professional or technical occupations (Source: Reading Borough Council - Ward Profile – Public Health Shared Team).

- 3.3** The area is generally well-served by public transport with the numbers 22,23,24 and 25 buses all running to and from central Reading and offering a late evening service. Main line train services are available about 2.4km away at Reading station in the town centre and the motorway network is accessible at Junctions 10, 11 and 12 of the M4.
- 3.4** Insofar as local facilities are concerned, as an urban location a comprehensive range of services is readily available including shopping, leisure, educational and medical. The nearest local shopping centre is at Milestone Way Precinct about 500m away (1000m on foot) but the larger Caversham local centre is about 1,200m away (1,400m); Highdown Secondary School (with associated leisure centre) is about 300m away (400m); Emmer Green Primary School is about 400m away (550m); and there are doctor's surgeries at Emmer Green, Peppard Road and Balmore Park.
- 3.5** Although the pub is situated in a residential area it is nevertheless somewhat tucked away with little in the way of passing trade. Peppard Road, the main road through the area, is about 500m away, and carries most of the through-traffic. This point is also made on the Reading and Mid-Berkshire CAMRA web-site, which says *"Its only just off the main bus route to Emmer Green, but many people don't know this pub is here. The clientele are mostly locals but it's also attractive to visitors. There's a good parking area, a large garden and a separate function room with one of the few remaining skittle alleys in the area. The guest beer changes every two weeks."*
- 3.6** As a primarily residential area there is little in the way of a daytime working population leaving generally non-economically active residents as the daytime week-day catchment. Consequently, one would expect the main trading opportunities to be at the week-end with quieter week-day trade.

4.0 DESCRIPTION

- 4.1** The Gardeners Arms is a large, mock-tudor style detached public house. It dates from the first half of the twentieth century and is of

standard brick construction under a tiled roof. The main pub building is set back from Surley Row with a lawned beer garden and a tarmac surfaced carpark fronting the road. The front garden is quite small, and as at the date of my inspection was furnished with eight picnic tables. The car park is lined for twenty-three cars and there is vehicular access from Surley Row. To the southern boundary with 46 Surley Row is an old brick-built feather-boarded shed that is used for general storage.

- 4.2** To the rear of the main building there is a detached late twentieth century function room/skittle alley of brick construction under a flat felt roof. There is also a large beer garden that is mainly laid to lawn and which contains a smoking shelter and a children's play area. This garden backs on to several residential properties on Stuart Close. I understand that noise related issues have been a problem in the past resulting in conditions being attached to the Premises Licence in November 2013.
- 4.3** The site extends to approximately 0.325 hectares with a built coverage of approximately 10% and a frontage to Surley Row of approximately 42m.

5.0 ACCOMMODATION

- 5.1** The trade accommodation comprises the following :-

Main Entrance Lobby

From the front and leading to:

Open Plan Bar

This is divided into two sections one being more of a pub games area and the other more of a lounge/dining area. Both areas were refurbished about six or seven years ago when the pub was re-branded as a "Meet and Eat" and are comfortable and very presentable. They are both similarly decorated and have variously carpeted and boarded flooring and wall and ceiling lighting. They are nicely furnished with a range of complementary tavern style furniture and can accommodate about thirty people in total. The games area features a pool table, a dartboard, two television sets, a video projector, a juke box and one gaming machine whilst the lounge area has one television set.

Both areas are serviced by a common bar server that has an oak finished counter and back-bar fixture and is equipped with bottle coolers, a twin-group coffee machine, an epos type cash register and a separate glass washing area.

Toilet Accommodation :

There are two sets of ladies and gents' toilet accommodation, one for each trading area, and these are both clean and tidy and appear to have been well maintained.

Kitchen :

The catering kitchen is surprisingly small for a former "Meet and Eat" operation and is little bigger than a standard domestic kitchen. Nevertheless, it has been fitted out to a good commercial standard and has the usual non-slip flooring, stainless steel cladding to the main cooking area and an extraction fan and canopy. The fan is not safety inter-locked with the gas supply and whilst that is not to current standards it would only need addressing if there was a change made to the kitchen that involved works to either the extraction system or the gas installation. Although small, the kitchen is adequately equipped with a range of commercial grade catering equipment including a six-burner gas range, three microwave ovens, a convection oven, an electric grill, a table top griddle, two single basket deep fat fryers and three microwave ovens. There is no dishwasher and nowhere readily apparent to put one.

Cooled Beer Cellar :

There is a level cellar that is conveniently situated off the bar server and which has a screed floor, painted walls and internal and external access.

Skittle Alley

The skittle alley is contained in a separate building to the rear of the pub and in common with many alleys is quite basic although clean and functional. Whilst in theory it can double up as a function room its layout would make that difficult in practice as it is an “L”-shaped room with the ball return chute bisecting the room. This results in the floor being at two different levels and creates operational problems and a trip hazard. The room is also small and could only really seat about 40 people.

- 5.2 The private living accommodation is to be found on the first floor of the pub and comprises three bedrooms, a private lounge, a private bathroom, a separate W/C and a galley kitchen. In addition, there is a small office.
- 5.3 The external trade accommodation is extensive and includes a patio and garden to the front of the pub with eight picnic tables, a large lawned garden to the rear with a further nine benches, a purpose-built smoking shelter and a children’s play area.
- 5.4 The layout of the pub is very much in keeping with it being a predominantly wet-led business with a focus on bar games and sport. The kitchen is inadequate and would struggle to cope with anything but the simplest of menus, which in any event is what I would expect of a small neighbourhood local.

6.0 TENURE

- 6.1 The pub is freehold and unencumbered.

7.0 TIE

- 7.1 The Gardeners Arms is currently tied to Greene King but the market for acquiring tied pubs and keeping them tied has greatly diminished since the economic problems of 2007/08. I think it is virtually inconceivable that a tied pub company would be in the market to acquire The Gardeners Arms at the present time and consequently I consider the appropriate business model for the pub would be as a freehouse. Being free-of-tie would give the operator a greater level of profitability than is currently the case and in turn an operational advantage over tied pubs. Free trade

supply discounts of over £200 per barrel (1 barrel = 36 gallons) are now common. The differentials in the level of discount between tied and free-of-tie pubs, though, have been steadily eroding over the last ten years or so as tied pub companies have been offering increasingly attractive discounts in response to market demand. The introduction of The Pubs Code and the Market Rent Only option in mid-2016 has accelerated this trend and discounts of over £125.00 per barrel are now common in tied pubs. Nevertheless, even with the narrowing of the discount differential I would anticipate that as a free trade account The Gardeners Arms would enjoy additional discounts of at least £75.00 per barrel over a comparable tied unit.

8.0 LICENCES

- 8.1** The Gardeners Arms has a Premises Licence (number LP2002372) that authorises the pub to be used for indoor sporting events, the performance of live music indoors and outdoors, the playing of recorded music indoors and the sale of alcohol by retail both on and off the premises. These activities are permissible from 10.00 – 23.00 Sunday to Thursday and from 10.00 – 23.30 Friday and Saturday. The licensable activities do come with some restrictions, however, in that the playing of recorded music and the performance of live music are only permitted on six separate occasions per year. In addition, since November 2013 the use of the gardens has been strictly regulated including the hours in which they can be used, the number of events that can be held in the garden per year, a requirement to give formal notice to residents of planned events, the implementation of a management plan, the provision to residents of a dedicated telephone number that staff must monitor during events, a prohibition on bonfires and firework displays and an obligation to hold at least two residents' meetings per year at the premises to review the use of the gardens. (See Appendix One)
- 8.2** These licensing conditions were imposed because of noise issues in the past but they are nevertheless a continued impairment on the business in terms of both trade and additional administration.

9.0 OUTGOINGS

- 9.1** The Gardeners Arms was assessed for business rates at a rateable value of £16,500 in the 2017 Rating List. In the 2010 List it had a rateable value of £14,500
- 9.2** As a comparison the comparable rateable values for the other pubs in the area are as follows:-

9.4		2017 RV	2010 RV
	The White Horse, Emmer Green	54,500	56,500
	The Black Horse, Emmer Green	18,100	29,000
	The Prince Of Wales, Caversham	14,750	11,000
	The Caversham Rose, Caversham	91,500	N/A
	The Baron Cadogan, Caversham	56,000	48,000

10.0 NOTICES

- 10.1** I am not aware of any outstanding notices and I assume that if there are any then any required work would be taken care of by a new operator.

11.0 THE EQUALITY ACT 2010 (THE EA)

- 11.1** The Equality Act came into force on 1st October 2010, replacing existing anti-discrimination laws including the Disability Discrimination Act 1995 (DDA). As with the DDA the EA places a duty on businesses to make reasonable adjustments to help disabled people access their goods, facilities and services. Most adjustments since the inception of the Act have involved operational issues rather than physical changes to the premises themselves and in my opinion it has not had any noticeable impact on the licensed trade.
- 11.2** The main focus from the general public insofar as the EA is concerned tends to be the existence of dedicated disabled toilet facilities, of which there are none at The Gardeners Arms. Whilst this is regrettable I do not consider installing them could be termed “reasonable” unless it were part of a wider scheme of refurbishment. For the purposes of this report I do not anticipate that the local authority would insist on them being installed as a stand-alone adjustment and I consequently I have not made any allowance for their not being any.

12.0 CONDITION

- 12.1** I have not carried out a detailed inspection of the state of repair of The Gardeners Arms but it would appear to be in a reasonable state of repair, which is consistent with it being refurbished six or seven years ago. I am not aware of any significant defects or wants of repair that would need to be addressed as a matter of urgency and I think the market would view the pub as requiring nothing more than normal maintenance.
- 12.2** Notwithstanding its refurbishment a few years ago I think a new operator would wish to “re-brand” the pub and give it a decorative

makeover to emphasise the change of ownership. This is often the case when a pub transfers from the tied estate and becomes a freehouse and I think a prospective new operator would factor in a provisional cost sum of £20,000 to effect these cosmetic changes.

13.0 INVENTORY

- 13.1** The pub is fully operational and comes with a full inventory of contents. Consequently, a new operator would not have the additional expense of re-furnishing or re-equipping it. It may be that a new operator may wish to make some changes in order to emphasise the change of ownership but in my view those would be voluntary and would have little bearing on viability.

14.0 PLANNING

- 14.1** The Gardeners Arms has an established use as a Public House (Class A4). It is not listed but it is in the Surley Row Conservation Area. It has not been nominated as an Asset of Community Value under the Localism Act 2011.
- 14.2** In recent years there have been a number of planning applications but the only one of significance was an application in 2011 for the erection of a smoking shelter in the rear garden. The 2013 refurbishment of the pub did not require planning permission.

15.0 CURRENT VIABILITY

- 15.1** Over recent years the CAMRA Public House Viability Test has established itself as a format that is widely understood by the planning profession and the wider community. It has no legal status but it is a useful yardstick for assessing the viability of pubs. It has been through several iterations but essentially focuses on three elements :-
- (i) The Business at present
 - (ii) Assessing Trade potential
 - (iii) The Sale

For ease of reference my Report will concentrate on the same areas and will expand on them where I think it necessary.

16.0 THE BUSINESS PAST AND PRESENT

- 16.1** The Gardeners Arms is an established public house that trades as a multi-faceted community local. By “multi-faceted” I mean the pub

enjoys the benefit of multiple income streams and offers a number of facilities for customers including food, bar games such as pool and darts, skittles, room hire and the usual wet trade. Its trade profile is partly dictated by its location on a secondary local road, which means it has little passing trade (para 3.5 above) and consequently its focus needs to be on the immediate area.

16.2 My research indicates that sometime around 2012 the pub developed a reputation for rowdy behaviour, which resulted in the licensing authority imposing restrictions on the pub and its operators (see paragraph 8.1 above). As a consequence of those issues, in 2013 Greene King invested circa £180,000 in the site to re-brand it as a “Meet and Eat” franchise. This is a trading model that was developed in 2011 for neighbourhood local pubs that were seen to have greater potential for food than may have been the case in the past with that food offering being pitched at the more “value-led” end of the spectrum. In addition to a capital investment in the site Greene King also provided additional training and support. I have not seen a copy of the then menu but a current typical “Meet and Eat” menu will include deals such as two meals for £9.99, add a drink to a burger for an extra £1.00 and two-course senior citizens meals for £4.99.

16.3 Unfortunately, the investment does not appear to have paid off and the franchisee left in June 2016. Greene King subsequently tried but failed to secure a long-term substantive occupier. Records indicate that there appeared to have been an ongoing problem with letting the pub since at least 2011 with nine changes of tenant since that date. Of those nine, six tenants were on one-year foundation agreements and some of those left before the year was up. The current tenant has been in place for approximately twenty months and in that time there have been three managers.

16.4 As a tied pub Greene King has had a comprehensive view of the trade (excluding food sales) and has provided me with a schedule of throughput over the last seven years, which I have attached at Appendix Two. The full breakdown of the throughput is in the Appendix but in brief the barrelage indicates the following (NB figures indicate barrelage where 1 barrel = 36 gallons):

	12/13	13/14	14/15	15/16	16/17	17/18	18/19
All Prods	361.79	301.40	230.31	195.80	168.03	132.47	95.60
Beer Only	304.68	178.00	210.65	184.73	156.48	119.68	84.13
Drt Beer	295.17	277.13	207.56	181.32	152.22	116.04	79.89

- 16.5** The decline in volumes is dramatic, across all products and is not confined to the period following the re-branding of the pub. This is radically against expectations in that the “Meet and Eat” concept does not look to sacrifice wet volumes in return for increased food sales - both aspects of the business are seen as co-dependent. To encourage the wet-trade the pub continued to operate as a community local and both Sky and BT Sport were offered, live music/karaoke put on once a month, a darts team used the pub as a home base and free pool nights were offered. More unusually, I understand that a monthly film night was also organised.
- 16.6** The trade mix indicates that the pub has historically been lager driven and that is characteristic of a sports or bar game-led neighbourhood pub. It is notable, however, that the decline in volumes has proportionately been broadly the same for both standard lagers and beers whilst the decline in premium lager, stout and cider has been less dramatic. This suggests that the migration of trade to other outlets has been at the core business level and not just at the margins.
- 16.7** The restrictions on the use of the gardens do appear to have had a disproportionate effect on the success of the pub and the requirement to host twice-yearly residents’ meetings with the police in attendance seems to have acted as a general inhibitor on trade instead of being a specific remedy to a specific problem. Last summer, for instance, I am advised that the decision was taken to close the pub for the World Cup Quarter and Semi-Finals to avoid noise and disruption to the local community and to keep the rear garden closed for fear of a licence review. This strongly suggests that whilst the noise problem was addressed at significant cost the matter is still very much live in the community.
- 16.8** The pricing structure is lower than one would expect for a neighbourhood local with IPA costing £2.80 per pint, Carlsberg £3.00, Foster £3.20, Budweiser, San Miguel and Guinness £3.50 and Cider £3.30. Even at those comparatively cheap prices, though, The Gardeners Arms is still more expensive than the nearby Baron Cadogan.
- 16.9** Insofar as the current turnover figures are concerned the pub is operated as a tenancy and consequently detailed figures are not available. I have been advised by a representative of Greene King, however, that during normal business development meetings the tenant has disclosed that turnover is in the region of £2,000 per week. This is exceptionably low for any pub and lamentably so for a multi-faceted pub such as The Gardeners Arms.
- 16.10** For several years there was a perception that “revolving-door” licensees were the reason for a pub’s failure but that view is less prevalent nowadays as the realisation has set in that instability is

more of a symptom of problems in the licensed trade than a cause of them. The continued inability to re-let The Gardeners Arms appears to be the market's reaction to the pub despite the investment and effort to reinvigorate it over the last six years or so.

17.0 ASSESSING TRADE POTENTIAL

- 17.1 The CAMRA template suggests several areas to consider when assessing trade potential and I will take each area in turn.

18.0 POPULATION

- 18.1 I have dealt with this in Section 3 and would refer you back.

19.0 CUSTOMER POTENTIAL

- 19.1 The Gardeners Arms is a neighbourhood pub and does not benefit from being in the town or district centre nor from being close to any significant attractions – tourist or commercial – that may result in additional spin-off trade. It is placed, however, to benefit from the additional trade that visiting pub teams may bring – in this case, darts – which can provide a regular, albeit generally small, source of income, particularly during the winter. The downside, as for all pubs that promote bar games, is that for every home game there is an away game when custom is drawn away from the pub and there is also the general expectation that free food is supplied, which can have a slightly depressing effect on margins. On balance, the benefits generally outweigh the costs and there is also the hope/expectation that the team members will also use the pub at other times.

- 19.4 The pub has never featured in the Good Beer Guide nor The Good Pub Guide.

20.0 COMPETITION

- 20.1 The CAMRA Test suggests that competition be gauged by reference to how many pubs are available within a “reasonable walking distance”. “Reasonable” is not defined by CAMRA and there is little planning guidance about it. The now withdrawn Planning Policy Guidance¹³ – Transport suggested that 2km was a maximum reasonable walking distance but the NPPF is silent on the matter. Some Planning Inspectors have adopted a 1km radius when considering this and so in the absence of any firm guidance I shall look at those outlets that are within a radius of just over 1km

to allow for varying interpretations of the word “reasonable”. In the following schedule the first distance in parentheses refers to the distance from The Gardeners Arms as the crow flies and the second distance is by road.

20.2 The White Horse, 9 Kidmore End Road (0.41m/0.0.66km - 0.57m/0.92km)



house that has a similar target market to the “Meet and Eat” concept under which The Gardeners Arms traded until 2016. It is located just off the green and is the most prominently situated pub in Emmer Green. As well as

having an extensive menu the pub trades as something of a sports bar with several screens that show BT Sports and Sky Sport and it also lays on live music and karaoke evenings. The pub is comfortable and well-appointed internally and has an external beer patio and a large (circa 29 space) car park. The price point is pitched at the “value” end of the market with current promotions including two meals for £10.49, sandwich, chips and a drink for £5.99 and rump steak for £7.00. Insofar as drinks are concerned a standard IPA is £3.30 and Carlsberg lager is £3.25. The pub is open all day and food is served from 12.00 – 21.00.

20.3 The Black Horse, 16 Kidmore End Road (0.43m/0.69km - 0.59m/0.95km)



Located directly opposite The White Horse The Black Horse is a traditional two-bar pub of a type that is fast disappearing. It is tied to Ei Group and trades as a wet-only locals pub with no food being offered. The public bar has pool, darts and Sky Sports whilst the smaller lounge bar is for those who want a quiet

drink. To the rear is a small beer patio. The pub opens from 12.00 – 23.00 and has appeared in the CAMRA Good Beer Guide. Bar prices are dearer than at The Gardeners Arms with Courage Best Bitter coming in at £3.50, and Fosters lager also at £3.50

20.4 The Caversham Rose, 109 Kidmore Road (0.64m/0.1.0km - 0.95m/1.53km)

Formerly The Grosvenor The Caversham Rose was the subject of a major refurbishment in 2017 to turn it from a family orientated Ember Inn into a smart gastro-type destination pub trading under the Premium Country Inn banner. The

refurbishment included the creation of a modern covered dining terrace and the pub has been given a modern look internally. The menu has been taken more upmarket and mains in the evening now start from £12.50 for tomato, basil and almond bake rising to £24.95 for a 7oz fillet steak. The drinks menu is slanted towards cocktails and premium bottled beers and ciders but as a point of comparison with The Gardeners Arms a pint of Peroni lager is £4.15 and a pint of Doom Bar bitter is £3.95.



20.5 The Prince Of Wales, 76 Prospect Street (0.70m/1.13km - 1.16m/1.87km) A Brakspear tied tenancy, The Prince Of Wales is



prominently situated on the corner of Prospect Street and Peppard Road. It trades as a community local offering pool, darts, live music and sundry charity and neighbourhood events. There is a limited menu offering pizza at £7.50 and paninis at £4.00. The bar is open plan but a particular attraction is the large beer garden/patio with garden bar. The pub is currently available to let and the declared beer and cider volumes over the last four years are remarkably consistent at 171.40, 166.61, 165.60 and 169.33 barrels. Beer prices are dearer than at The Gardeners Arms at £3.60 for a standard bitter and £3.90 for a standard lager.

20.6 The Baron Cadogan, 22-254 Prospect Street (0.77m/1.22km - 0.98m/0.1.58km) This was formerly a J D Wetherspoon managed



house but has recently been bought by a local publican who intends to continue trading the pub with the same basic business model. Wetherspoons was the first nationally recognised “value” chain and until its sale The Baron Cadogan was offering Ruddles Best Bitter at £1.89, Sharps Doom Bar at £1.99 Abbot Ale at £2.49 and Magners Cider at £1.99. Food was equally cheap with two meals being available for £8.39, for instance, or fish and chips and an alcoholic drink for £7.50.

- 20.7** The Clifton Arms, 12 Gosbrook Road (0.082m/1.32km - 0.110m/0.177km) A traditional tied Brakspear community pub



with an emphasis on pub games (darts and pool) and televised sport (BT and Sky). Whilst most customers will come from the neighbourhood there is a nineteen-space car park for visitors from further afield. There is also an enclosed beer patio with eight tables. The pub offers

a reduced-price menu and beers range from £3.80 to £4.00 and lagers from £4.00 to £4.30.

- 20.8** The Fox and Hounds Beer House, 51 Gosbrook Road (0.88m/1.42km - 1.20m/1.94km) The Fox and Hounds is an



award winning pub with a strong reputation for real-ale. It boasts having up to eight changing cask beers at any one time and also offers a selection of craft beers. It is a large two-bar freehouse with an external covered beer patio and was refurbished about three years ago. Facilities

include darts, pool and regular live music and beer festivals are held throughout the year. Whilst the focus is on beer the pub offers stone baked pizzas and Sunday lunches.

- 20.9** Slightly further away are The Travellers Rest at 180 Henley Road, which is part of the Sizzling Pub chain and another value-led managed house (0.90m/1.45km - 1.80m/2.90km); The Griffin at 10-12 Church Road, which is a Chef and Brewer food-led managed house (0.86m/1.39km - 1.04m/1.68km); and The Crown at 3 Bridge Street (0.89m/1.44km - 1.12m/1.80km), which is a Bermondsey Inns managed house that was refurbished last year after being transferred from Ei Pub Partners leased estate.

- 20.10** Apart from The Caversham Rose, which is a very different type of pub, looked at objectively there are several pubs that offer a similar proposition to The Gardeners Arms in terms of facilities and community involvement. Insofar as pricing is concerned, and as one might expect, some of these other pubs are cheaper and others are more expensive. Broadly, I think it is reasonable to conclude that there are sufficient other pubs in the vicinity to fulfil the function of The Gardeners Arms.

21.0 MULTIPLE USE

- 21.1** In asking for multiple use to be considered the CAMRA Test is exploring whether the pub could be used for other community purposes – eg a shop or post office - and whether there are any perceived gaps that could be filled. It takes its lead from organisations such as “Pub Is The Hub” which has assisted a number of pubs in bringing additional facilities to villages and rural areas.
- 21.2** Reading is a large town with a comprehensive range of facilities and on a smaller scale both Caversham and Emmer Green are well served by day-to-day services. As such I do not think there are any gaps in local services that The Gardeners Arms could fill.

22.0 FLEXIBILITY OF THE SITE

- 22.1** The Gardeners Arms is a large site but there is no un-used or under-utilised space in the building itself that could be brought into trade use. Enlarging the kitchen is a possible avenue to explore, and the site is clearly large enough to do this, but having spent £180,000 on a failed development in 2013 I do not consider the market would look favourably on embarking on another large-scale investment when the offer is already largely satisfied by other pubs in the area.

23.0 PARKING

- 23.1** The pub has adequate off-road parking.

24.0 PUBLIC TRANSPORT

- 24.1** Public transport is discussed at 3.3 above and I would refer you back

25.0 MARKETING

- 24.1** Local planning policy does not require that the pub be marketed.

26.0 MARKET OVERVIEW

- 26.1** The licensed trade has experienced massive change over the last 20 years or so which has culminated, in the last ten or eleven years, in the worst trading conditions in living memory. There are

signs that the sector is now over the worst but the economic uncertainty following the Referendum in 2016 and the ongoing Brexit negotiations are still working themselves through and are presenting the market with a very uncertain backdrop against which to make decisions.

- 26.2** The introduction by the then Government of The Beer Order in 1989 led to a fundamental change in the industry and resulted in the break-up of the large brewery estates and the creation of pub companies such as Enterprise Inns and Punch Taverns. Contrary to the aims of The Beer Orders these companies ended up being bigger than the brewers ever were. With the link between the brewery and its tied pubs weakened, and in many instances broken, there followed an overhaul of the tenanted pub system and the introduction of 10 and 20 year fully repairing and insuring assignable leases. That model is itself now being modified as a response to both market conditions and the introduction of The Pubs Code and pubs are now largely being let on traditional "tenancies" again.
- 26.3** The changes in the industry were a response to the market and the reluctance of people to enter the licensed trade on anything but the most favourable terms. This reluctance was partly engendered by what seemed to be a relentless stream of bad news stories emanating from the licensed trade and the high numbers of closed and boarded up pubs that people were faced with. The large pub-companies found themselves under increasing political pressure and a system of self-regulation has now been followed by one of statutory regulation.
- 26.4** Wet sales in public houses have been under pressure for many years. Official figures produced by the British Beer and Pub Association (BBPA) show that in the period Q4 2003 – Q4 2018 beer volumes in the on-trade fell from 21.890 million barrels to 12.651 million barrels (-42.21%). In the same period beer sales in the off-trade, mainly supermarkets and off-licence shops, rose slightly from 13.610 million barrels to 14.953 million barrels. (Appendix Two). The decline in the throughput at The Gardeners Arms between 2011 and 2018 exceeded these national trends by a considerable margin.
- 26.5** This long-term shift in drinking patterns is structural and is the result of a number of factors including the success of drink-driving legislation, the smoking ban, an increasing affluence over the last two decades leading to more leisure options, the decline of heavy industry and in more recently the economic downturn. Millennials drink less than the previous generation and Generation Z drink less again. These structural changes in the market go some way to explaining the rise in premium products including craft beers and the rising popularity of gin and other spirits.

- 26.6** The Banks remain wary of lending to the licensed trade and are still demonstrating a sense of caution. It is still difficult to borrow money if the borrower has no licensed trade experience, the pub is closed or has no up to date accounting information or if the borrower has less than a 50% - 60% deposit. In the case of leasehold premises, the banks have effectively withdrawn from the market.
- 26.7** The result of all of this is that the number of pubs closing has been extraordinarily high. According to figures released by the BBPA between 2000 and 2017 the number of pubs in the UK fell from approximately 60,800 to approximately 48,350 but those pubs that have survived are likely to be better placed to capitalise on the eventual upturn in the economy and the fall in barrelage has been off-set to some extent by these closures.
- 26.8** All of this has gone hand-in-hand with the pub companies - and to a lesser extent the breweries – rationalising their estates by disposing of non-core pubs at the bottom end. This has had the joint benefit to the pub-companies of allowing them to concentrate on those pubs that provide a more reliable return whilst at the same time reducing what is acknowledged to be unsustainable burdens of debt. This policy has seen wide-spread sell-offs by companies such as Punch Taverns, Enterprise Inns and Admiral Taverns and severe financial difficulties being experienced by others such as London Town, Pubfolio and County Estate Management all of which went into liquidation or administration. Much financial company restructuring has taken place since 2008 and the industry as a whole is in a sounder position than it was.
- 26.9** There is still some growth in managed house operations including what are commonly referred to as “value offerings such as “Wetherspoons”, “Two-For-One”, “Hungry Horse” and “Sizzling Pubs”. These chains enjoy significant economies of scale and pitch themselves at the family market. More recently franchise agreements have entered the market including Greene King’s “Meet and Eat”, of which The Gardeners Arms was part, Punch’s Falcon and Marstons’ Pub Franchise. Ei Group has also entered the “value” market with its “Project Beacon” pubs for wet-led houses and its “Classic Carvery” concept for food orientated sites and is now looking to grow its managed house brands, Craft Union and Bermondsey (cf The Crown in paragraph 20.9 above). Over the last 20 years or so the licensed trade has become increasingly segmented with most investment being directed towards larger town centre circuit pubs and large managed house operations.
- 26.10** The passing of the Small Business and Enterprise Act in 2015 and the introduction of The Pubs Code and Market Rent Only (MRO) in 2016 year have added another layer of uncertainty to the market. As a result of the Pubs Code there has been a steady

increase in the numbers of free of tie leases in the market but in my experience most licensees who have availed themselves of the MRO option have done so to negotiate a more attractive tied deal.

- 26.11** The longer-term effects of the referendum decision to leave the European Union will take some time to work themselves through but notwithstanding the long-term economic effect of the vote the economy and the market are having to deal with an increased level of uncertainty.

27.0 ALTERNATIVE BUSINESS MODELS

- 27.1** The CAMRA test does not mention alternative business models but for completeness I think they should also be considered. The Gardeners Arms is a multi-faceted pub in a somewhat out-of-the-way location. It has already tried growing its food trade but without success and its core market is already well catered for by other pubs in the general vicinity – all of which are also in better locations. Re-directing the business towards a more upmarket food trade is a possibility but I cannot see potential occupiers supporting such a change of direction due to the high level of investment that would be required, the limited amount of off-road parking (which is adequate at present but would be inadequate if the pub were to focus purely on motor borne trade) and the secondary location of the site.
- 27.2** Use of the pub as a community owned business is always worth considering but there are relatively few pubs that are owned by the community and they are often, but not exclusively, the only pub in a village. Community owned urban or suburban pubs are a rarity and there are only a handful nationwide. The number of community owned pubs has increased since the Localism Act 2011 introduced the concept of Assets of Community Value (ACV) but The Gardeners Arms has been neither nominated nor listed as an ACV. Coupled with the ongoing issues with local residents I think it is reasonable to conclude that there is no realistic prospect of The Gardeners Arms becoming a community owned pub.

28.0 FAIR MAINTAINABLE TRADE

- 28.1** The CAMRA test is a useful checklist of what one ought to consider when looking at viability but at the heart of the process is the concept of Fair Maintainable Trade (FMT). FMT is an assessment of the trade that could be generated by a Reasonably Efficient Operator (REO) from which is derived a Fair Maintainable Operating Profit (FMOP). The FMOP is the amount left after paying for the cost of goods and operating expenses and out of

which the operator pays for rent or mortgage payments and receives his own remuneration. FMT is derived from several sources including wet sales, food sales, gaming machines, pool tables and other sundry income.

28.2 The tenanted nature of The Gardeners Arms means that actual accounts are not available but the detailed throughput that Greene King has been able to provide does enable me to put myself in the shoes of a prospective operator and compile a shadow profit and loss account from first principals, ie by adopting a market estimate of throughput and benchmarking metrics for working expenses.

28.3 My estimate of FMT is attached at Appendix Three. In arriving at my estimate of what would be a reasonable throughput I have had to balance the declining volumes in the on-trade over the last few years and the failures of the past with the renewed energy that a new operator would bring to the pub. Since the pub was refurbished in 2013 the on-trade as a whole has suffered a decline in volumes of approximately 8%, which is significantly less than the actual decline at The Gardeners Arms. I think it is reasonable to assume that a new operator would endeavour to recoup some of the lost volumes and being free of tie would give him/her an additional tool with which to work. I am of the view that the issues with the residents over noise and rowdy behaviour have had a detrimental impact on the business and the ongoing close monitoring of the pub and liaison with residents continues to hamper trade. Taking all those elements into account I am of the opinion that a reasonable throughput would be 155 barrels of draught products and 5 barrels of packaged, the breakdown of which is given in the appendix. My assessment is relatively straightforward but certain aspects warrant explanation:

28.3	Sales Mix	In assessing the sales mix I have had regard to historical data and also to unpublished research carried out by Enterprise Inns and Fullers as well as to my own experience and analysis of many sets of pub accounts and stocktake results. I consider a mix of 75% for beers, lagers and cider to be appropriate with the main driver, again, being standard lager.
-------------	-----------	---

Retail Prices	Pricing is a complex exercise but I am mindful that the nearest competitor is slightly more expensive but significantly cheaper products are available at The Baron Cadogan. Without the real ale and craft ale USP of The Fox and Hounds a new operator would need to remain competitively priced and the freedom from tie would assist with this. Consequently, I have adopted a similar pricing structure to that which
---------------	--

is currently in place.

Wholesale Prices	I have adopted a weighted average of circa £250 discount per brewer's barrel (36 gallons) in line with market expectations.
Wastage	Wastage has seen a great deal of debate over recent years with both HMRC and the Pubs Code Adjudicator taking an interest in it. Wastage in this context includes pipe cleaning, pulling through at the start of each session, pull-through after changing a barrel, fobbing, general wastage and any beer in a beer barrel that is unusable due to sediment. Insofar as the latter is concerned I would draw the planning officer's attention to the agreement that has been reached with HMRC regarding the volume of beer in a cask upon which duty is paid and the published data that indicates that a nine-gallon cask has an average shortfall of approximately 3.5%.

28.4 In addition to wet sales, one also must factor in food sales and machine income. The secondary location of the pub would not normally bode well for a significant food trade, but the pub is not unattractive and is large enough to achieve more than a *de minimis* level of food sales. However, I would not anticipate food sales being dominant and consider £900.00 per week including VAT to be thought achievable by a prospective operator. Machine income would be derived from the pool table, gaming machine and juke box and I consider an income of £7,000 net of rental and duty to be achievable. Machine income, especially gaming machine income, though, is an inherently unpredictable income stream and in an economic downturn is often the first thing to be affected. With the continued uncertainty over the UK's leaving the EU I would advise caution in this regard.

28.5 Insofar as margins are concerned, I have adopted 63.0% for wet sales, 55% for food sales and 100% for machine income. The 63.0% for wet sales is lower than one might anticipate for a freehouse but the operational necessity to remain price competitive would eat into margins. The 55% that I have adopted for food sales reflects a "value-offering" price structure in line with customer expectations but without the buying power that the managed house or franchised chains would enjoy. Taken together, therefore, I have adopted an FMT of £177,400 and a Gross Profit of £112,492.

28.6 Having determined a realistic level of profit a prospective operator next needs to consider working expenses. I have already pointed

out that a prospective operator could not expect to have access to the detailed accounts of previous occupiers but there is a significant amount of information on this that is available in the market and would enable him/her to form a judgement as to the likely overheads. This information is based on research by the BBPA and the Association of Licensed Multiple Retailers (ALMR) with the BBPA's data being concerned more with stand-alone pub businesses and the ALMR's with managed house chains. The Gardeners Arms does not fit the trading profile of a managed house and consequently is more suited to the BBPA metrics. My assessment of overheads is also included in the appendix and represents just over 56% of my FMT. This is considerably more than the BBPA benchmark would suggest for a number of reasons: The Gardeners Arms would have a higher than average wage bill due to the need to staff the kitchen; although the garden is subject to licensing restrictions it would still need to be maintained; the pub is large and inefficient to heat; repair costs would also be high because of the pub's age and size; the provision of televised sport and other entertainment is a significant expense (but I would point out that my assessment allows for BT Sport only and not the more expensive Sky). Simplifying my assessment would produce the following assessment of Fair Maintainable Operating Profit:

FMT Wet Sales	133,400	GP @	63.0%	84,042
FMT Food Sales	39,000	GP @	55%	21,450
Machine Income (Net)	7,000	GP @	100%	7,000
	<u>139,300</u>			<u>112,492</u>
W/Exps @ 56.09%				<u>100,625</u>
FMOP				<u>11,867</u>

28.7 I would not anticipate the above FMT being achievable in year one and would expect it to take 18 – 24 months to achieve.

28.8 The FMOP of the business is the profit that one could reasonably expect before deducting interest, taxation, depreciation and amortisation but insofar as assessing the viability of the business is concerned the operator would look to his or her own income as a first charge on these profits. That was the judicial approach taken in “Brooker v Unique Pub Properties Ltd (2001) (Chancery Division Bristol District Registry Case No. BS002253)” and “Brooker v Unique Pub Properties Ltd (2009) (Chancery Division Bristol District Registry Claim No. 7BS11690)”. These cases concerned lease renewals of the same public house and considered the minimum amount of remuneration that the Court thought the hypothetical occupier would consider necessary to act as a sufficient inducement to take on the pub. The judge in neither case laid down a prescriptive amount but, in both cases, considered the level of remuneration that would be necessary to induce someone to take on a pub business. In the earlier case the judge suggested a level of clear remuneration after financial

commitments that, at today's value, would equate to approximately £30,000 per annum.

28.9 My estimated FMOP of £11,867 is calculated on the basis that the business does not have to service any form of loan or that there is no opportunity cost to be considered but that is unlikely in the real world. Finance for public houses is still difficult to obtain and especially so for public houses that may not have not traded for an extended period or do not have trading accounts or which require significant repair works. A maximum fifteen-year term is standard nowadays and an interest rate of 4.5% - 5.0% above the base rate is typical depending on the assessed risk. Loan-to-value (LTV) ratios have started to edge away from 50:50 over the last couple of years but only for pubs with consistent accounts behind them.

28.10 The planning criteria does not require that the pub be placed on the market but it is worth exploring the effect of a mortgage on the business. I am not instructed to carry out a valuation, and this report is not to be taken as one, but if I were to adopt a notional value of, say, £400,000 for the pub then a typical 50% LTV loan requirement would result in a loan of £200,000. That does not include any additional requirement to take care of redecorating nor a minor refurbishment etc nor does it allow for a return on the notional £200,000 deposit. A £200,000 loan (excluding fees), however, would require a loan repayment of £1660.00 per month/£19,920.00 per annum based on 5.75% over 15 years.

28.11 The impact of this on FMOP is as follows:

FMOP	11,867
Less remuneration per Brooker	<u>(30,000)</u>
	(18,133)
Nominal Value	400,000
	<u>@ 50% LTV</u>
	200,000
Repayment Costs over 15 years	<u>(19,920)</u>
Shortfall	<u><u>(38,053)</u></u>

28.13 The above assessment is based on the pub being operated on a freehold basis but as a leasehold proposition there are still difficulties for both the prospective tenant and the landlord. Insofar as the prospective tenant is concerned, if there is insufficient profit to pay a 50% LTV mortgage then there would still be insufficient profit to pay the landlord a rent and generate a reasonable income for him or herself. The level of investment for the tenant would be less than that of a freehold owner and would be limited to the trade inventory, consumables – stock, glassware, loose catering effects etc – working capital, rent deposit, training if needed and fees but it would still require likely available cash of £40,000-plus. That

requirement would need to be cash capital because of the longstanding funding difficulties associated with leasehold pubs.

- 28.14** For the landlord the issue is one of obtaining a reasonable return on his or her investment. Unlike an owner-operator who can take a more relaxed view as to how the deposit is to be treated, an investor would expect a return on his or her entire investment. Pubs are an inherently risky class of property investment and most small investors stay away from them. Consequently, returns off at least 10% are required, which on a notional investment of £400,000 would lead to a rental requirement of at least £40,000 per annum. To achieve that level of rent the pub would need to have a headline turnover of something in the order of £300,000, which is about 75% more than my assessment.

29.0 CONCLUSION

- 29.1** The Gardeners Arms is in a secondary location with little in the way of passing trade.
- 29.2** The pub has seen nine tenants over the last eight years, which in my view is a symptom rather than a cause of the pub's poor trading performance and potential.
- 29.3** The pub saw a significant six-figure investment in 2013 coupled with an increased level of business, marketing and training support by Greene King but without success.
- 29.4** There are suitable alternative establishments within a reasonable walking distance.
- 29.5** The licence restrictions are a hindrance on trade.
- 29.6** The Gardeners Arms is neither suitable for multiple use or diversification nor is multiple use or diversification needed.
- 29.7** The pub would need to turn over approximately £300,000 exc VAT for the operator to be able to make sufficient profit to pay either a mortgage or rent and to make a sufficient return to induce him or her to take on the pub.
- 29.9** As a leasehold proposition the level of rent that would be required by an investor is unsupportable by the Fair Maintainable Trade.
- 29.10** Taking the above into consideration I consider The Gardeners Arms to be unviable as a public house.

29.0 PROFESSIONAL DECLARATION AND STATEMENT OF TRUTH

- 29.1** I confirm that my report includes all facts that I regard as being relevant to the opinions that I have expressed and that attention has been drawn to any matter that would affect the validity of those opinions.
- 29.2** I confirm that my duty as an expert witness overrides any duty to those instructing or paying me, that I have understood this duty and complied with it in giving my evidence impartially and objectively, and that I will continue to comply with that duty as required.
- 29.3** I confirm that I am not instructed under any conditional fee arrangement.
- 29.4** I confirm that I have no undeclared conflicts of interest.
- 29.5** I confirm that my report complies with the requirements of the Royal Institution Of Chartered Surveyors (RICS), as set down in Surveyors Acting as Expert Witnesses: RICS Practice Statement.
- 29.6** I understand that my overriding duty in this matter is to assist the Local Planning Authority in matters within my expertise, and that this duty overrides any obligation to those instructing me or their clients. I can confirm that I have complied with that duty and will continue to do so and that I am aware of the requirements set out in Part 35 of the Civil Procedure Rules and the accompanying Practice Direction, the Protocol for the Instructions of Experts to give Evidence in Claims, and the Practice Direction for Pre-action conduct.
- 29.7** I confirm that I have made clear which facts and matters referred to in this report are within my own knowledge and those which are not. Those that are within my own knowledge I confirm to be true.
- 29.8** The opinions I have expressed represent my true and complete professional opinions on the matters to which they refer.



Signed :

JOHN J KEANE

Date : 30th May 2019

APPENDIX ONE
LICENSING INFORMATION

LICENSING ACT 2003
SCHEDULE 12
PART B

PREMISES LICENCE SUMMARY

Reading Borough Council being the Licensing Authority under the above Act,
HEREBY GRANT a **PREMISES LICENCE** as detailed in this licence.

Premises Licence Number	LP2002372
-------------------------	-----------

Premises Details

Trading name of Premises and Address	
The Gardeners Arms 48 Surley Row Emmer Green Reading RG4 8NA	
Telephone Number	

Where the Licence is time limited the dates the Licence is valid
N/A

Licensable Activities

Licensable Activities authorised by the Licence
Indoor Sporting Events
Performance of Live Music - Indoor & Outdoor
Playing of Recorded Music - Indoor
Sale of Alcohol by Retail - On & Off the Premises

Authorised Hours for Licensable Activities

The times the licence authorises the carrying out of licensable activities	
Hours for Indoor Sports	
Monday	from 1000hrs until 2300hrs
Tuesday	from 1000hrs until 2300hrs
Wednesday	from 1000hrs until 2300hrs
Thursday	from 1000hrs until 2300hrs
Friday	from 1000hrs until 2330hrs
Saturday	from 1000hrs until 2330hrs
Sunday	from 1000hrs until 2300hrs
Hours for the Performance of Live Music	
Monday	from 1000hrs until 2300hrs

Tuesday	from 1000hrs until 2300hrs
Wednesday	from 1000hrs until 2300hrs
Thursday	from 1000hrs until 2300hrs
Friday	from 1000hrs until 2330hrs
Saturday	from 1000hrs until 2330hrs
Sunday	from 1000hrs until 2300hrs

Hours above for 6 indoor live music events per year only.

Two outdoor live music events per year only.
Hours - 1000hrs until 2200hrs.

Hours for the Playing of Recorded Music

Monday	from 1000hrs until 2300hrs
Tuesday	from 1000hrs until 2300hrs
Wednesday	from 1000hrs until 2300hrs
Thursday	from 1000hrs until 2300hrs
Friday	from 1000hrs until 2330hrs
Saturday	from 1000hrs until 2330hrs
Sunday	from 1000hrs until 2300hrs

Hours above for six recorded music events only.

Recorded background music (juke box) until close of premises.

Hours for the Sale by Retail of Alcohol

Monday	from 1000hrs until 2300hrs
Tuesday	from 1000hrs until 2300hrs
Wednesday	from 1000hrs until 2300hrs
Thursday	from 1000hrs until 2300hrs
Friday	from 1000hrs until 2330hrs
Saturday	from 1000hrs until 2330hrs
Sunday	from 1000hrs until 2300hrs

All licensable activities on Fridays, Saturdays and Sundays - but not Mondays, of Bank Holiday weekends may be extended for an additional hour to the hours detailed above.

Opening Hours

Hours the Premises is Open to the Public

Monday	from 0800hrs until 2330hrs
Tuesday	from 0800hrs until 2330hrs
Wednesday	from 0800hrs until 2330hrs
Thursday	from 0800hrs until 2330hrs
Friday	from 0800hrs until 0000hrs
Saturday	from 0800hrs until 0000hrs
Sunday	from 0800hrs until 2330hrs

All licensable activities on Fridays, Saturdays and Sundays - but not Mondays, of Bank

Holiday weekends may be extended for an additional hour to the hours detailed above.

Alcohol

Where the licence authorises supplies of alcohol whether these are on and/or off supplies

Sale of Alcohol by Retail - On & Off the Premises

Premises Licence Holder

Name, (registered) address of holder of premises licence

Name: Greene King Retailing Limited

Address: Abbot House, Bury St Edmunds, Suffolk, IP33 1QT

Registered number of holder, for example company number or charity number [where applicable]

5265451

Designated Premises Supervisor

Name of designated premises supervisor where the premises licence authorises the supply of alcohol

Name: Mr Adam Whittaker

Access to the premises by Children

State whether access to the premises by children is restricted or prohibited

Children will only be permitted on the premises with an adult between the hours of 1000hrs to 2100hrs except in the restaurant garden or function room. No children in the bars during entertainment.

This Certificate shall continue in force from **21/09/2018** unless previously suspended or revoked.

Dated: 15 October 2018

Signed on behalf of the issuing licensing authority



Giorgio Framalicco

Head of Planning, Development and Regulatory Services

LICENSING ACT 2003 PREMISES LICENCE - PART A

Reading Borough Council being the Licensing Authority under the above Act,
HEREBY GRANT a PREMISES LICENCE as detailed in this licence.

Premises Licence Number	LP2002372
--------------------------------	------------------

Premises Details

Trading name of Premises and Address	
The Gardeners Arms 48 Surley Row Emmer Green Reading RG4 8NA	
Telephone Number	

Where the Licence is time limited the dates the Licence is valid
N/A

Licensable Activities

Licensable Activities authorised by the Licence
Indoor Sporting Events
Performance of Live Music - Indoor & Outdoor
Playing of Recorded Music - Indoor
Sale of Alcohol by Retail - On & Off the Premises

Authorised Hours for Licensable Activities

The times the licence authorises the carrying out of licensable activities	
Hours for Indoor Sports	
Monday	from 1000hrs until 2300hrs
Tuesday	from 1000hrs until 2300hrs
Wednesday	from 1000hrs until 2300hrs
Thursday	from 1000hrs until 2300hrs
Friday	from 1000hrs until 2330hrs
Saturday	from 1000hrs until 2330hrs
Sunday	from 1000hrs until 2300hrs
Hours for the Performance of Live Music	
Monday	from 1000hrs until 2300hrs
Tuesday	from 1000hrs until 2300hrs
Wednesday	from 1000hrs until 2300hrs

Thursday from 1000hrs until 2300hrs
Friday from 1000hrs until 2330hrs
Saturday from 1000hrs until 2330hrs
Sunday from 1000hrs until 2300hrs
Hours above for 6 indoor live music events per year only.

Two outdoor live music events per year only.
Hours - 1000hrs until 2200hrs.

Hours for the Playing of Recorded Music

Monday from 1000hrs until 2300hrs
Tuesday from 1000hrs until 2300hrs
Wednesday from 1000hrs until 2300hrs
Thursday from 1000hrs until 2300hrs
Friday from 1000hrs until 2330hrs
Saturday from 1000hrs until 2330hrs
Sunday from 1000hrs until 2300hrs

Hours above for six recorded music events only.

Recorded background music (juke box) until close of premises.

Hours for the Sale by Retail of Alcohol

Monday from 1000hrs until 2300hrs
Tuesday from 1000hrs until 2300hrs
Wednesday from 1000hrs until 2300hrs
Thursday from 1000hrs until 2300hrs
Friday from 1000hrs until 2330hrs
Saturday from 1000hrs until 2330hrs
Sunday from 1000hrs until 2300hrs

All licensable activities on Fridays, Saturdays and Sundays - but not Mondays, of Bank Holiday weekends may be extended for an additional hour to the hours detailed above.

Opening Hours

Hours the Premises is Open to the Public

Monday from 0800hrs until 2330hrs
Tuesday from 0800hrs until 2330hrs
Wednesday from 0800hrs until 2330hrs
Thursday from 0800hrs until 2330hrs
Friday from 0800hrs until 0000hrs
Saturday from 0800hrs until 0000hrs
Sunday from 0800hrs until 2330hrs

All licensable activities on Fridays, Saturdays and Sundays - but not Mondays, of Bank Holiday weekends may be extended for an additional hour to the hours detailed above.

Alcohol

Where the licence authorises supplies of alcohol whether these are on and/or off supplies

Sale of Alcohol by Retail - On & Off the Premises

Premises Licence Holder

Name, (registered) address of holder of premises licence

Name: Greene King Retailing Limited
Address: Abbot House, Bury St Edmunds, Suffolk, IP33 1QT

Additional Details

Name, address and telephone number of designated premises supervisor where the premises licence authorises the supply of alcohol

Name: Mr Adam Whittaker
Address: 348 Clapham Road, London, SW9 9AR

Designated Premises Supervisor

Personal Licence number and issuing authority of personal licence held by the designated premises supervisor where the premises licence authorises the supply of alcohol

Personal Licence Number: BBC/PERN/1366/15
Issuing Authority: Central Bedfordshire Council

This Licence shall continue in force from **21/09/2018** unless previously suspended or revoked.

Dated: 15 October 2018

Signed on behalf of the issuing licensing authority



Giorgio Framalicco

Head of Planning, Development and Regulatory Services

Annex 1

Mandatory Conditions

Supply of Alcohol

To be applied where a premises licence authorises the supply of alcohol	
1	No supply of alcohol may be made under the premises licence:- - at a time when there is no designated premises supervisor in respect of the premises licence, or - at a time when the designated premises supervisor does not hold a personal licence or his personal licence is suspended
2	Every supply of alcohol made under the premises licence must be made or authorised by a person who holds a personal licence.

Film Exhibitions

To be applied only where a premises licence or club premises certificate authorises the exhibitions of films	
1	The admission of children to any exhibition of any film must be restricted in accordance with section 20 of Part 3 of the Licensing Act 2003.
2	In the case of films which have been classified by the British Board of Film Classification admission of children to films must be restricted in accordance with that classification.
3	In the case of films which have not been classified by the British Board of Film Classification, admission of children must be restricted in accordance with any recommendation made by the Licensing Authority.

Door Supervisors

To be applied where a premises licence or club premises certificate includes a condition that any person must be at the premises to carry out a security activity. [Except premises with a premises licence authorising only plays or films or premises used exclusively by a club].	
1	Each individual present at the licensed premises to carry out a security activity must be licensed by the Security Industry Authority.

Responsible Drink Promotions (commencement date 01/10/2014)

- 1) The responsible person must ensure that staff on relevant premises do not carry out, arrange or participate in any irresponsible promotions in relation to the premises.
- 2) In this paragraph, an irresponsible promotion means any one or more of the following activities, or substantially similar activities, carried on for the purpose of encouraging the sale or supply of alcohol for consumption on the premises—
 - (a) games or other activities which require or encourage, or are designed to require or encourage, individuals to—
 - (i) drink a quantity of alcohol within a time limit (other than to drink alcohol sold or supplied on the premises before the cessation of the period in which the responsible person is authorised to sell or supply alcohol), or
 - (ii) drink as much alcohol as possible (whether within a time limit or otherwise);
 - (b) provision of unlimited or unspecified quantities of alcohol free or for a fixed or discounted fee to the public or to a group defined by a particular characteristic in a manner which carries a significant risk of undermining a licensing objective;
 - (c) provision of free or discounted alcohol or any other thing as a prize to encourage or reward the purchase and consumption of alcohol over a period of 24 hours or less in a manner which carries a significant risk of undermining a licensing objective;
 - (d) selling or supplying alcohol in association with promotional posters or flyers on, or in the vicinity of, the premises which can reasonably be considered to condone, encourage or glamorise anti-social behaviour or to refer to the effects of drunkenness in any favourable manner;
 - (e) dispensing alcohol directly by one person into the mouth of another (other than where that other person is unable to drink without assistance by reason of disability).

Supply of Tap Water (commencement date 01/10/2014)

1. The responsible person must ensure that free potable water is provided on request to customers where it is reasonably available.

Age Verification Policy (commencement 01/10/2014)

1. The premises licence holder or club premises certificate holder must ensure that an age verification policy is adopted in respect of the premises in relation to the sale or supply of alcohol.
2. The designated premises supervisor in relation to the premises licence must ensure that the supply of alcohol at the premises is carried on in accordance with the age verification policy.
3. The policy must require individuals who appear to the responsible person to be under 18 years of age (or such older age as may be specified in the policy) to produce on request, before being served alcohol, identification bearing their photograph, date of birth and either—
 - (a) a holographic mark, or
 - (b) an ultraviolet feature.

Drink Measurements (commencement date 01/10/2014)

1. The responsible person must ensure that—
 - (a) where any of the following alcoholic drinks is sold or supplied for consumption on the premises (other than alcoholic drinks sold or supplied having been made up in advance ready for sale or supply in a securely closed container) it is available to customers in the following measures—
 - (i) beer or cider: ½ pint;
 - (ii) gin, rum, vodka or whisky: 25 ml or 35 ml; and
 - (iii) still wine in a glass: 125 ml;
 - (b) these measures are displayed in a menu, price list or other printed material which is available to customers on the premises; and
 - (c) where a customer does not in relation to a sale of alcohol specify the quantity of alcohol to be sold, the customer is made aware that these measures are available.”

Minimum Permitted Pricing (commencement 28th May 2014)

1. A relevant person shall ensure that no alcohol is sold or supplied for consumption on or off the premises for a price which is less than the permitted price.

2. For the purposes of the condition set out in paragraph 1—

(a) “duty” is to be construed in accordance with the Alcoholic Liquor Duties Act 1979;

(b) “permitted price” is the price found by applying the formula—

$$P = D + (D \times V)$$

where—

(i) P is the permitted price,

(ii) D is the rate of duty chargeable in relation to the alcohol as if the duty were charged on the date of the sale or supply of the alcohol, and

(iii) V is the rate of value added tax chargeable in relation to the alcohol as if the value added tax were charged on the date of the sale or supply of the alcohol;

(c) “relevant person” means, in relation to premises in respect of which there is in force a premises licence—

(i) the holder of the premises licence,

(ii) the designated premises supervisor (if any) in respect of such a licence, or

(iii) the personal licence holder who makes or authorises a supply of alcohol under such a licence;

(d) “relevant person” means, in relation to premises in respect of which there is in force a club premises certificate, any member or officer of the club present on the premises in a capacity which enables the member or officer to prevent the supply in question; and

(e) “value added tax” means value added tax charged in accordance with the Value Added Tax Act 1994

3. Where the permitted price given by Paragraph (b) of paragraph 2 would (apart from the paragraph) not be a whole number of pennies, the price given by that sub-paragraph shall be taken to be the price actually given by that sub-paragraph rounded up to the nearest penny.

4. (1) Sub-paragraph (2) applies where the permitted price given by Paragraph (b) of paragraph 2 on a day (“the first day”) would be different from the permitted price on the next day (“the second day”) as a result of a change to the rate of duty or value added tax.

4. (2) The permitted price which would apply on the first day applies to sales or supplies of alcohol which take place before the expiry of the period of 14 days beginning on the second day.

Embedded Restrictions from the Acts listed below to be carried forward to the premises licence in accordance with Schedule 8 to the Licensing Act 2003.

Unless otherwise stated this licence is issued subject to the imposition of all the relevant embedded restrictions required by the:-

Licensing Act 1964

Children & Young Persons Act 1933

Cinematograph (Safety) Regulations 1955

Cinemas Act 1985 - Film Exhibition Licence Conditions

Sporting Events (Control of Alcohol etc) Act 1985

Local Government (Miscellaneous Provisions) Act 1982 - Public Entertainment Licence Conditions

Acts applicable to this licence for the purposes of embedded restrictions

The following Acts and embedded restrictions are applicable to this licence:-
N/A

Annex 2

Conditions Consistent with the Operating Schedule

General

1. The British Beer and Pub Association policy on the Standards for the Management of Responsible Drinks Promotions including Happy Hours must be complied with.
2. The Premise licence holder must ensure that the designated premise supervisor holds membership of, and actively participates in the Reading pub watch scheme including making use of the apparatus supplied as part of the scheme.

Prevention of Crime & Disorder

1. All staff must be trained in drug awareness and means to prevent violent and antisocial behaviour.

Public Safety

1. Glasses used for the service of drinks must not be capable of forming shards when broken.

Prevention of Public Nuisance

1. All staff must be appropriately trained in procedures to prevent incidents of public nuisance.

Protection of Children from Harm

1. All staff must be trained in procedures to ensure that no underage drinking or drunkenness occurs on the premises.
2. An effective proof of age scheme must be operated within the premises.
3. Children will only be permitted on the premises with an adult between the hours of 1000hrs to 2100hrs except in the restaurant garden or function room. No children in the bars during entertainment.

Annex 3

Conditions attached after a hearing by the Licensing Authority

1. The licensee shall ensure that no noise shall emanate from the premises nor vibration be transmitted through the structure of the premises which gives rise to undue disturbance to local residents.
2. All events involving amplified music or speech at the premises will cease by 2300 hours.
3. Clearly legible and suitable notices shall be displayed at all exits requesting customers to respect the needs of local residents and to leave the premises and area quietly.

Conditions attached via Minor Variation - November 2013

1. The rear garden shall be cleared of customers by 2200hrs and shall not be used by customers for any purpose between 2200hrs until 1000hrs.
2. The front garden will be used for smoking only after 2200hrs.
3. After 2200hrs an area within the front garden will be designated for smoking and customers will not be permitted to use any other part of the front garden.
4. After 2200hrs regular checks will be made of the front garden to ensure customers use the designated area and to ensure that as much as possible they are not causing a disturbance to residents.
5. All external doors (except for access and egress) and windows must be kept closed during the provision of regulated entertainment and/or when the skittle alley is in use.
6. Clearly legible and suitable notices shall be displayed requesting that children should be accompanied by an adult whilst they play in the beer garden.
7. A noise limiter will be fitted and the levels set in conjunction with the Environmental Protection team at Reading Borough Council to ensure that regulated entertainment does not cause disturbance to residents. The noise limiter must be used when regulated entertainment takes place.

8. Any events scheduled to be held in the garden will be notified to residents 14 clear days in advance of the event. The notice will include the proposed times of the event, details of the entertainment provided and will name the person in charge of the event. An event is defined as organised occasions, advertised to customers in advance, that are designed to attract customers to the premises outside of the ordinary trading of the premises.

9. Any weekend during which an event is held in the garden will be followed by at least one clear weekend. No more than 12 events in the garden to be held in any given calendar year. A clear weekend is defined as a weekend where no event is organised in the garden and therefore the garden will only be used by customers in the ordinary course of visiting the premises.

10. Ball games will not be permitted in either the front or back garden and notices shall be displayed to that effect.

11. During regulated entertainment a perimeter check of the premises will be undertaken on at least a 30 minute basis to ensure that regulated entertainment cannot be heard at the premises boundary with the results being logged in a book kept for that purpose.

12. A dedicated phone number will be made available to residents in the immediate vicinity of the premises who request it. It will be monitored by staff during trading hours and any residents calls will be logged in a dedicated book. The book will contain the date, time, name of caller, name of staff member dealing, nature of complaint and any action taken. If the call is not answered and a message is left, details of when the message was heard and any action following (including any call back to the resident) will be recorded.

13. No bonfires or firework displays to be held at the premises.

14. A management plan will be drawn up and periodically revisited by the manager which will specify how customers are to be dispersed at the end of trading. It will include reference to all matters that may affect customers leaving the premises quickly and quietly including, but not limited to, time of cessation of regulated entertainment compared to the terminal hour/closing time, availability of taxis/private hire vehicles and where they will pick up from, staff presence outside the premises to assist with dispersal, etc. This policy will be written and all staff will be made aware of it. The policy will be made available on reasonable request to officers of Reading Borough Council and Thames Valley Police.

15. A residents meeting will be organised by and held at the premises at least twice a year - once in early Spring and once in Autumn to discuss the summer operation of the premises and use of the garden by customers. The meeting date will be forwarded to those residents who express an interest in attending with at least 14 clear days notice. The notice shall include an invitation to add items to the agenda. A minute of the meeting will be taken and made available to all parties who attended and the police and licensing authority upon request.

Annex 4

Plans

As attached plan no. 970.100 dated 05/07/2011

© copyright

The copyright, design and all trademarks contained herein are the property of **SAVERIUS STRUOK**. It is prohibited in any form to copy, to reproduce, to disseminate or to use the content of this document without the written permission of SAVERIUS STRUOK.

NOTES

- Do not write down the contents of documents that are marked as "Confidential".
- All publications, any drawings or other material developed by SAVERIUS STRUOK shall be the intellectual property of SAVERIUS STRUOK.
- If you are not an employee of SAVERIUS STRUOK, you are not allowed to use the contents of this document for your own work.
- All copyright laws are to be treated as proprietary with the intellectual contents of SAVERIUS STRUOK.

rev	date	note	init.

LICENSING

Client: GREENE KING

Project: Gardeners Arms

Title: PROPOSED LICENSING LAYOUT

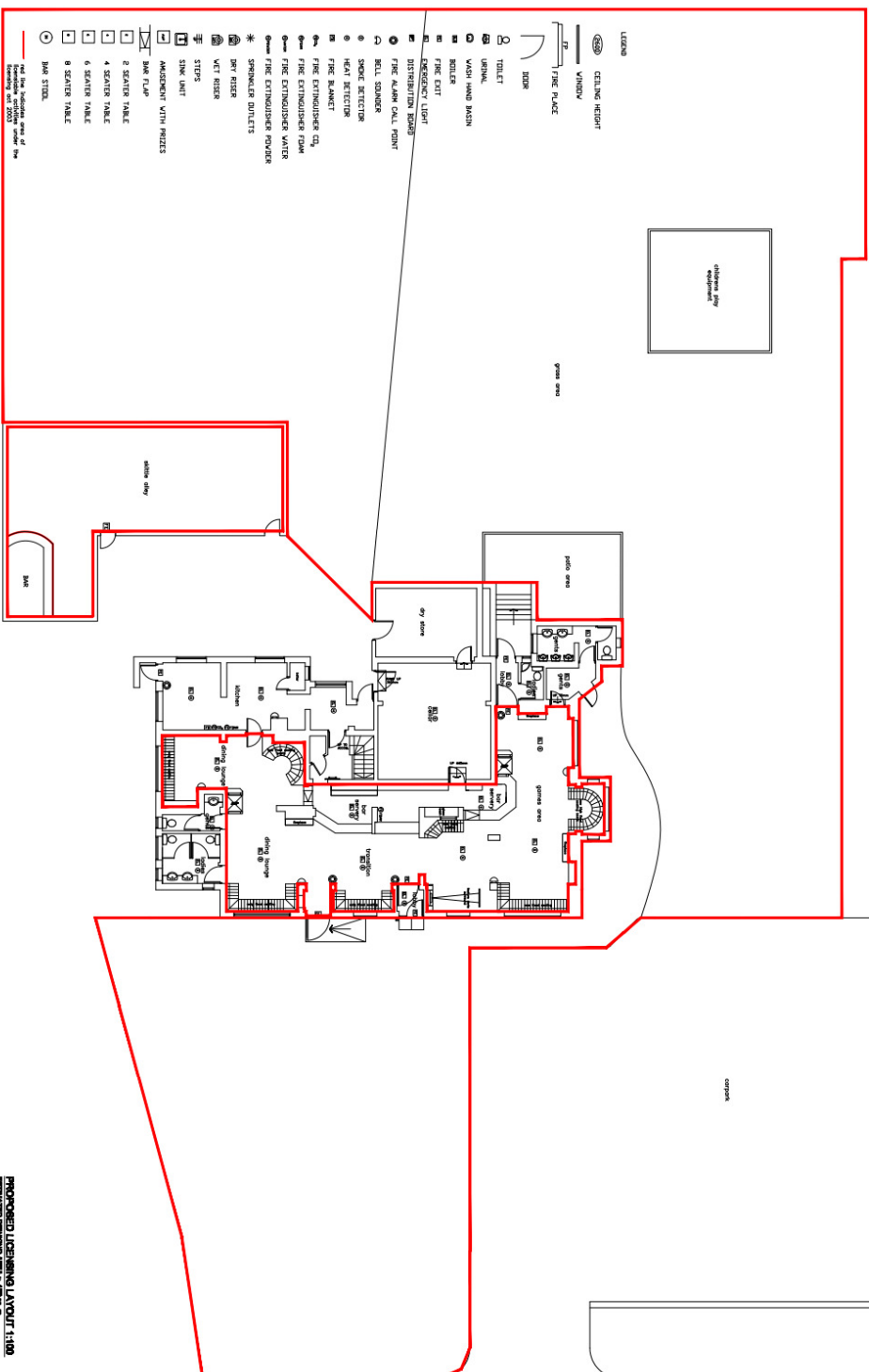
Scale	1:100	Dwg size:	A1
-------	-------	-----------	----

Drawing No.	Revision:
-------------	-----------

9/0.100	Steady Vertical
---------	-----------------

Design Studio
 01206 264 004
 01206 251 300
www.guyardesignstudio.com

Eagle House
16 Procter Street
London
WC1V 6DC
Studio 020 7911 4947



PROPOSED LICENSING LAYOUT 1:100
 INSTALLED DRIVWAY AREA = 122 sq. ft.
 OUTSIDE DRIVWAY AREA = 5891 sq. ft.
 BOTTLE ALLEY BUILDING = 60 sq. ft.

APPENDIX TWO
BEER VOLUME STATISTICS
AND
THROUGHPUT AT THE GARDENERS ARMS 2011 – 2019

UK Quarterly Beer Barometer

3rd Quarter 2018 (January to September)



Moving annual total beer sales ('000
barrels)

Total sales	Q1		Q2		Q3		Q4	
	Volume	% change	Volume	% change	Volume	% change	Volume	% change
2000	35,464	-0.6%	35,503	1.5%	35,052	-1.0%	34,572	-3.5%
2001	34,531	-2.6%	34,432	-3.0%	34,473	-1.7%	34,627	0.2%
2002	34,953	1.2%	35,287	2.5%	35,201	2.1%	35,141	1.5%
2003	35,052	0.0%	35,033	0.0%	35,483	0.0%	35,500	1.0%
2004	35,771	2.0%	35,969	2.7%	35,495	0.0%	35,641	0.4%
2005	35,413	-1.0%	35,015	-2.7%	35,215	-0.8%	34,902	-2.1%
2006	34,778	-1.8%	35,191	0.5%	34,596	-1.8%	34,448	-1.3%
2007	34,265	-1.5%	33,600	-4.5%	33,558	-3.0%	33,155	-3.8%
2008	33,144	-3.3%	32,790	-2.4%	32,213	-4.0%	31,482	-5.0%
2009	30,961	-6.6%	30,543	-6.9%	30,503	-5.3%	30,214	-4.0%
2010	29,927	-3.3%	30,225	-1.0%	29,514	-3.2%	29,150	-3.5%
2011	29,003	-3.1%	28,272	-6.5%	28,492	-3.5%	28,477	-2.3%
2012	28,412	-2.0%	27,984	-1.0%	27,548	-3.3%	27,031	-5.1%
2013	26,871	-5.4%	26,530	-5.2%	26,898	-2.4%	26,999	-0.1%
2014	26,848	-0.1%	27,419	3.4%	27,085	0.7%	27,090	0.3%
2015	27,047	0.7%	26,667	-2.7%	26,994	-0.3%	26,970	-0.4%
2016	26,913	-0.5%	27,026	1.3%	26,790	-0.8%	26,723	-0.9%
2017	26,905	0.0%	26,977	-0.2%	26,849	0.2%	26,916	0.7%
2018	26,814	-0.3%	27,077	0.4%	27,379	2.0%		

On-trade sales	Q1		Q2		Q3		Q4	
	Volume	% change	Volume	% change	Volume	% change	Volume	% change
2000	24,281	-3.1%	24,018	-3.2%	23,671	-4.4%	23,358	-4.7%
2001	23,134	-4.7%	22,961	-4.4%	22,794	-3.7%	22,763	-2.5%
2002	22,811	-1.4%	22,725	-1.0%	22,552	-1.1%	22,333	-1.9%
2003	22,165	0.0%	22,013	0.0%	21,981	0.0%	21,890	-2.0%
2004	21,821	-1.5%	21,796	-1.0%	21,621	-1.6%	21,513	-1.7%
2005	21,381	-2.0%	21,064	-3.4%	20,935	-3.2%	20,729	-3.6%
2006	20,499	-4.1%	20,466	-2.8%	20,145	-3.8%	19,942	-3.8%
2007	19,770	-3.6%	19,423	-5.1%	19,166	-4.9%	18,737	-6.0%
2008	18,389	-7.0%	17,876	-8.0%	17,506	-8.7%	17,048	-9.0%
2009	16,818	-8.5%	16,634	-6.9%	16,451	-6.0%	16,256	-4.6%
2010	15,951	-5.2%	15,714	-5.5%	15,430	-6.2%	15,135	-6.9%
2011	15,075	-5.5%	14,980	-4.7%	14,894	-3.5%	14,925	-1.4%
2012	14,766	-2.1%	14,576	-2.7%	14,379	-3.5%	14,166	-5.1%
2013	13,997	-5.2%	13,773	-5.5%	13,737	-4.5%	13,690	-3.4%
2014	13,600	-2.8%	13,677	-0.7%	13,610	-0.9%	13,537	-1.1%
2015	13,469	-1.0%	13,322	-2.6%	13,306	-2.2%	13,230	-2.3%
2016	13,218	-1.9%	13,153	-1.3%	13,035	-2.0%	12,933	-2.2%
2017	12,836	-2.9%	12,831	-2.4%	12,710	-2.5%	12,637	-2.4%
2018	12,584	-2.0%	12,549	-2.2%	12,579	-1.0%		



PP Volume history

Gardeners Arms (Emmer Green) - 5443

Up to Wk 43 Pd 11 18/19

Composite Volume			11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	MAT TY	MAT LY
All Products			0.00	361.79	301.04	230.31	195.80	168.03	132.47	70.15	95.60	139.83
Total Beer			0.00	304.68	278.00	210.65	184.83	156.48	119.63	61.97	84.13	127.63
Draught Beer			0.00	295.17	277.13	207.56	181.32	152.22	116.04	58.78	79.89	124.07
Cask Ale	Greene King Cask Ale	Abbot 5.0	0.00	1.50	0.12	0.00	0.00	0.00	0.00	0.12	0.12	0.00
		Ale Fresco 4.3	0.00	0.00	0.00	0.00	0.00	0.00	0.25	0.00	0.00	0.25
		GK Celebration	0.00	0.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		GK House Bitter	0.00	0.00	0.00	0.25	0.00	0.00	0.00	0.00	0.00	0.00
		GK IPA Bitter 3.6	0.00	19.25	23.50	17.00	13.25	8.50	7.50	5.00	6.00	7.50
		Old Hoppy Hen	0.00	0.00	0.00	0.00	0.00	0.00	0.25	0.00	0.25	0.00
		Old Speckled Hen 4.5	0.00	7.12	10.62	9.75	7.37	3.87	0.00	0.00	0.00	0.25
		Patron Saints Ale	0.00	0.00	0.00	0.00	0.00	0.25	0.00	0.00	0.00	0.25
		Robbie Burns 4.2	0.00	0.00	0.00	0.00	0.00	0.25	0.00	0.00	0.00	0.00
		Rocking Rudolph	0.00	0.00	0.00	0.00	0.00	0.25	0.00	0.00	0.00	0.00
		Ruddles Best 3.7	0.00	0.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		St Edmund 4.2	0.00	3.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Wembley 67	0.00	0.00	0.00	0.00	0.00	0.00	0.25	0.00	0.00	0.25	
	Guest Ale	Black Sheep Brewery	0.00	0.00	0.00	0.00	0.00	0.25	0.00	0.00	0.00	0.25
		Caledonian Brewing Co	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.50
		Evans Brewery	0.00	0.00	0.00	0.00	0.00	0.00	0.25	0.00	0.00	0.25
		Windsor Castle Brewery Ltd	0.00	0.00	0.00	0.00	0.00	0.25	0.00	0.00	0.00	0.00
	Cask Ale			0.00	32.12	34.25	27.00	20.62	14.12	8.50	5.12	6.38
Brewery Conditioned Beer	Greene King Brewery Condition	East Coast IPA	0.00	0.00	0.00	0.00	4.58	2.75	0.00	0.00	0.00	0.31
		Ruddles Best 3.7	0.00	5.19	2.75	0.31	0.00	0.00	0.00	0.00	0.00	0.00
	Brewery Conditioned Beer		0.00	5.19	2.75	0.31	4.58	2.75	0.00	0.00	0.00	0.31
Standard Draught Lager	Standard Lager	Becks Vier	0.00	0.00	3.36	1.53	0.00	0.00	0.00	0.00	0.00	0.00
		Carling	0.00	4.89	1.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		Carlsberg	0.00	85.54	67.82	43.69	35.74	33.00	26.88	16.50	20.47	29.63
		Coors	0.00	0.00	0.00	7.94	1.83	0.00	0.00	0.00	0.00	0.00
		Fosters	0.00	98.99	96.24	65.07	58.05	47.05	30.86	12.83	19.25	33.00
		Stella Artois	0.00	0.92	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Standard Draught Lager		0.00	190.33	168.95	118.23	95.62	80.04	57.74	29.33	39.72	62.63
Premium Draught Lager	Premium Lager	Budweiser	0.00	0.00	0.00	4.28	14.36	13.44	7.64	3.67	5.19	8.25
		San Miguel	0.00	17.41	19.86	16.19	21.39	21.69	20.77	11.30	14.97	21.39
		Stella Artois	0.00	13.14	13.75	10.08	0.00	0.00	0.00	0.00	0.00	0.00
	Premium Draught Lager		0.00	30.55	33.61	30.55	35.74	35.13	28.41	14.97	20.16	29.63
Draught Stout	Draught Stout	Guinness	0.00	15.28	15.58	13.75	10.08	7.64	9.47	4.89	7.33	8.86
	Draught Stout		0.00	15.28	15.58	13.75	10.08	7.64	9.47	4.89	7.33	8.86
Draught Cider	Standard Keg Cider	Strongbow	0.00	21.69	22.00	17.72	14.66	12.53	7.03	3.06	3.97	9.17
		Strongbow Dark Fruits	0.00	0.00	0.00	0.00	0.00	0.00	4.89	1.42	2.33	3.97
	Draught Cider		0.00	21.69	22.00	17.72	14.66	12.53	11.91	4.47	6.30	13.14
Packaged Beer			0.00	9.51	0.87	3.09	3.51	4.26	3.59	3.19	4.24	3.57
Minerals		Postmix	0.00	3.08	0.37	1.07	0.37	1.48	1.54	0.86	1.14	1.62
		Non Return Minerals	0.00	14.61	4.35	3.30	1.52	2.52	3.39	1.64	2.85	2.88
	Minerals		0.00	17.69	4.73	4.37	1.89	4.00	4.93	2.49	3.99	4.50
Wines & Spirits		Wines	0.00	31.25	17.82	14.38	7.83	5.26	3.62	2.55	3.18	4.21
		Spirits	0.00	8.16	0.50	0.91	1.24	2.30	4.29	3.13	4.30	3.50
	Wines & Spirits		0.00	39.41	18.32	15.29	9.07	7.55	7.91	5.68	7.48	7.70
Wines, Spirits & Minerals			0.00	57.10	23.05	19.66	10.96	11.55	12.83	8.18	11.47	12.20

APPENDIX THREE
ASSESSMENT OF FMT AND FMOP

THE GARDENERS ARMS, EMMER GREEN

ESTIMATE OF FMT WET SALES AS AT APRIL 2019

Session Lager	Ave Price	3.10 288.00 pints per barrel 744.00 (exc VAT)
Premium Lager	Ave Price	3.50 288.00 pints per barrel 840.00
Standard Beer	Ave Price	2.80 288.00 pints per barrel 672.00
Premium Beer	Ave Price	3.00 288.00 pints per barrel 720.00
Stout	Ave Price	3.50 288.00 pints per barrel 840.00
Cider	Ave Price	3.20 288.00 pints per barrel 768.00
Bottled Beer etc.	Ave Price	3.00 per bottle 12.00 36.00 per dozen 48.00 dozen per barrel 1,440.00

			PRICE PER BARREL	SALES AT RETAIL	BUYING PRICE PER BARREL	CALC GP%	CALC GP
SESSION LAGER	75.00 brls	@	744.00	55,800.00	290.00	61.02%	34,050
PREMIUM LAGER	40.00 brls	@	840.00	33,600.00	350.00	58.33%	19,600
STANDARD BEER	10.00 brls	@	672.00	6,720.00	240.00	64.29%	4,320
PREMIUM BEER	10.00 brls	@	720.00	7,200.00	280.00	61.11%	4,400
STOUT	8.00 brls	@	840.00	6,720.00	350.00	58.33%	3,920
CIDER	12.00 brls	@	768.00	9,216.00	310.00	59.64%	5,496
BOTTLED BEER/CIDER	5.00 brls	@	1,440.00	7,200.00	600.00	58.33%	4,200
TOTAL BEER, CIDER AND FABS @ 75% OF WET SALES				126,456.00		60.09%	75,986
				LESS 5% WASTAGE ETC.			LESS 5% WASTAGE ETC.
				120,133.20			72,186.70
WINES, SPIRITS AND MINERALS @ 25% OF WET SALES				40,044.40		72.00%	28,832
TOTAL WET SALES				160,177.60			101,019
				LESS VAT			
				133,481.33			84,182.22 63.07%

VIABILITY ASSESSMENT AT		THE GARDENERS ARMS, EMMER GREEN			
OUTLET ID		N/A			
ASSESSMENT DATE		APRIL 2019			
		FMT		GP%	GP
TOTAL WET		133,400	74.36%	63.00%	84,042
	% turnover				
FOOD		39,000	21.74%	55.00%	21,450
	% turnover				
MACHINES		7,000	3.90%	100.00%	7,000
	% turnover				
TOTAL		179,400		62.70%	112,492
EXPENSES					
Staff				24.87%	44,625
Rates				4.74%	8,500
Insurances				1.95%	3,500
Heat/Light/Power/Water				7.80%	14,000
Motor Expenses				0.84%	1,500
Printing/Postage/Advertising/IT etc				0.56%	1,000
Telephone etc				0.56%	1,000
Professional fees				1.67%	3,000
Licenses and Subs				0.28%	500
Equipment Costs etc				0.84%	1,500
Repairs and Renewals				5.02%	9,000
Cleaning Costs				1.39%	2,500
Waste Management				0.84%	1,500
Disposables				0.28%	500
Bank Charges etc				0.28%	500
Entertainment (inc Televised Sport)				4.18%	7,500
TOTAL				56.09%	100,625
				FMOP	11,867