

THE JOLLY ANGLERS KENNET SIDE READING RG1 3EA



VIABILITY ASSESSMENT

BY

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1.0 INTRODUCTION

- 1.1** I have been asked by the mortgagees in possession to examine the viability of The Jolly Anglers, which is a non-trading public house located in the centre of Reading. I understand the pub closed in or about November 2023 and has not traded since. My report is to inform the mortgagees in possession and the LPA Receiver about the viability of the pub for estate management purposes, including a possible application for a change of use. Prior to its closure, the pub had traded as an owner-operated free house and trading accounts are not available. I have asked the mortgagees in possession if the LPA receivers have been given accounts and have been advised that they have not. In the absence of accounts, I have made my own enquiries as to the most appropriate business model for the site and will make reference to that as appropriate in this Report.
- 1.2** This Viability Assessment is prepared in the context of paragraphs 88(d) and 98 of the *National Planning Policy Framework (the "NPPF")* (Revised December 2023) and Policy RL6 *Reading Borough Local Plan* (adopted October 2014).

Turning to each of these policies in turn:-

Paragraph 88(d) of the NPPF states that planning policies and decisions should enable *inter alia* "the retention and development of accessible local services and community facilities, such as local shops, meeting places, sports venues, open space, cultural buildings, public houses and places of worship" and Paragraph 98 requires local authorities to "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 DM 3.16 relates to the retention of community facilities, including public houses, and states:

"The change of use of existing community facilities will only be permitted where it can be demonstrated that:

Existing leisure facilities or public houses will generally be retained, and there is a strong presumption in favour of retaining leisure facilities or public houses where they are the only facility of their type in a district, major local or local centre. Developments that would result in the loss of a leisure facility or a public house 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) Unless the site is a sports or recreation facility, the impacts on amenity of residents or on crime and security 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.*

- 1.3** The above policies do not prevent the development of existing community facilities but they make it clear that planning decisions must be based on clear evidence.
- 1.4** I carried out an inspection of the pub on 22nd April 2025 and was able to access all parts of the site and building. Finally, any references to orientation are from the front facing the pub.

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 started in practice.
- 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 a member of the panel of independent expert valuers under The Pubs Independent Rent Review Scheme, which was set up in 2009 to help settle pub rent disputes in a timely and cost-effective way. I have acted as Arbitrator in contested rent reviews of licensed premises and represented tenants in arbitrations and referrals to an Independent Assessor under The Pubs Code.
- 2.4** My firm acts for several national, regional and local pub companies and breweries in various licensed property matters. These companies include Punch, Arkells, Wadworth, Heavitree, Butcombe/Liberation, Palmers, Rhymney Brewery, Wye Valley and Donnington. In addition, I act for a number of landed estates, small property companies, local authorities and individuals.

3.0 LOCATION

- 3.1** The Jolly Anglers is located on Kennet Side to the east of Reading town centre. Kennet Side is a partly pedestrianised towpath that follows the south bank of the River Kennet and links the Thames Path to the north-east with Kings Road and Queens Road to the west. It is a no-through route although vehicular access is available to the properties that line it. A pedestrian footbridge spans the river by The Jolly Anglers allowing access to and from the north although the nearest road-bridge is at Kings Road about 620m to the west. The immediate area is primarily residential and is a mix of modern flats and maisonettes and the more traditional Victorian terraced houses of New Town. The area is socially and ethnically diverse and includes a number of faith-based community facilities including a C of E primary school, a Baptist

church, an Anglican church, a non-denominational church, a masjid, an Islamic centre and a Pakistani community centre. To the west of the area is Reading College, which is a further education college offering day courses to local students.

- 3.2** The pub is situated in Reading 010C LSOA which ranked 14,120 out of 32,844 in the 2019 Index of Multiple Deprivation (where 1 was the most deprived) placing it a little below halfway overall in the Index. It scored relatively poorly in income (4th decile) barriers to housing (4th) and living environment (2nd) but relatively well in Education and employment (7th in both). The wider area, which can reasonably be considered The Jolly Anglers' natural catchment, comprises the northern half of Reading 010 MSOA and the northern tip of Reading 012 MSOA. The total population within a kilometre, which I take to be a reasonable walking distance of The Jolly Anglers is 17,182¹.
- 3.3** The pub is in a sustainable location and is within easy reach of the town centre. Several buses run along nearby London Road and Kings Road including numbers 4 and 4a, 13 and 14, 17 and 127, whose stops are about 570m away², and the mainline train station is in the centre of town. Being a large town there is also a good supply of taxi services. Reading local cycle route R3 and national Cycle Network route 4 pass along Kennet Side, making the pub accessible for cyclists.
- 3.4** I have consulted the Government's flood map and the front of the property is deemed to be at a medium risk of flooding (Zone 2) and the remainder is deemed low risk (Zone 1).
- 3.4** A location plan is attached at Appendix One.

4.0 DESCRIPTION

- 4.1** The Jolly Anglers is a two-storey, mid-terraced public house on the south side of the River Kennet. The pub is of brick construction under a pitched slate roof and it has upvc windows and brick chimneys. The pub appears to have been converted from two tunnel-back houses and there are references to it having been a pub since at least the early part of the twentieth century. The pub is built on a sloping site and although the garden area to rear has been constructed to be level with Avon Place, it is actually at first floor level when viewed from the rear.
- 4.2** The garden to the rear of the pub is the result of a makeover that was completed in August 2020 and consists of a beer terrace with an outside bar, covered drinking area, a garden room, a swimming pool and a hot tub.
- 4.3** Access to the pub is available from either the towpath to the front or from Avon Place to the rear and there is no off-road parking for either customers or the proprietor.

¹ <https://www.datadaptive.com/pop/>

² <https://www.mappedometer.com/>

5.0 **ACCOMMODATION**

- 5.1** The main customer entrance to the pub is from the front and leads to:
- 5.2 Bar** Measuring approximately 9.38m x 6.82m and 3.91 x 6.20m (including the servery). This is an open plan bar with two structural columns breaking up the space. It has a tiled floor, plastered and painted décor, inset spot lighting and an open fireplace. The bar servery has a brick-bult counter with a laminate top and a further section laminate work top to the rear to form a back bar.
- 5.3 Catering Kitchen** Measuring approximately 4.28m x 2.33m, which is small for a trade kitchen, with a tiled floor, tiled walls, an extraction canopy, a stainless steel sink and enclosed lighting. NB there is no wash hand basin.
- 5.4 Store Room** Measuring approximately 4.40m x 2.25m. Formerly an accessible W/C but now used as a general store.
- 5.5 Draught Beer Cellar** Measuring approximately 4.44m x 2.10m. With internal access only. NB the cellar has no cooling unit.
- 5.6 Toilet Accommodation** Accessed via a corridor leading from the rear of the bar. The Gents has a tiled floor, tiled walls, a W/C, a wash hand basin, 2 urinal bowls (the third one is missing) and inset spot lighting. The Ladies also has a tiled floor, tiled walls and inset spot lighting and has one W/C and one wash hand basin.
- 5.7** The private living accommodation is arranged over the first floor and comprises:
- 5.8**
- | | |
|-------------------|--|
| Room One | Measuring 3.70m x 2.60m. |
| Room Two | Measuring 3.73m x 3.35m and 2.00m x 1.60m. |
| Room Three | Measuring 3.54m x 3.34m. |
| Room Four | Measuring 3.38m x 2.57m. |
| Room Five | Measuring 5.83m x 3.33m and 1.63m x 2.08m. |
- 5.9** As mentioned in the Description section above, the **External Trade Accommodation** is at first floor level to the rear of the premises. It was the subject of a large-scale makeover in August 2020 to create a facility that is more suited to a southern European holiday resort than an inner-city pub and consists of a large, raised decking area with an adjacent paved patio, a hot-tub, a pizza oven, an outside bar with covered seating/drinking area and a 5.90m x 2.60m open air swimming pool. The bar is of brick construction under a canvas shade and the covered drinking area is formed from a box channel steel

framework under a corrugated sheet metal roof. Customer access to this area is via a steep set of masonry steps by the back door or by walking round the back of the pub to Avon Place. I have checked the planning section of the local authority web-site and could find no record of planning permission having been granted for this but I understand the council has decided not to take enforcement action.

- 5.10** When it was trading, a few tables and chairs used to be placed at the front of the pub on Kennet Side. As far as I am aware this area does not fall within the curtilage of the pub and is not covered by the premises licence. Its use appears to have been tolerated and I anticipate the market would expect a similar relaxed attitude to its continued use were the pub to reopen.
- 5.11** From my inspection of the pub I consider that when the pub was last refurbished it was done to a poor standard. The finishes throughout are poor, the serving area is unsuited for the demands that would have been made of it, the toilet corridor is a basic lean-to structure with an unsatisfactory poly-carbonate roof and the toilets are in need of a refit. In addition, since the pub was last occupied part of the bar ceiling has fallen in, presumably due to water ingress, a former accessible toilet has been stripped out and turned into a storeroom, the catering kitchen has been stripped out and the trade inventory of contents has been removed. There is also significant mould evident throughout the ground floor. The first floor is in the process of being refurbished and is not currently habitable.
- 5.12** The external trade accommodation is unexpected. In the nearly 40 years that I have been involved in licensed property this is the first time I have come across a pub with a swimming pool and hot-tub in the garden. Such arrangements are rare in up-market hotels and unheard of in a back-street pub and is more suited to a Mediterranean resort than an inner-city pub. It appears to have generated a lot of publicity when it was developed but in addition to the obvious safety issues, I have doubts about the longer-term value to the trade of such an arrangement. I consider it to have been a poor investment and unlikely to be replicated by another operator.
- 5.13** Photographs of the pub are attached at Appendix Two as are photographs taken from online sources that show the pub as it appeared when it was trading.

6.0 TENURE

- 6.1** The pub is freehold and unencumbered. Formerly, it traded as an owner-operated freehouse but was repossessed by the mortgagees after the then owners got into financial difficulties.
- 6.2** I will consider attempts to market the pub since it was repossessed in Section 25 below.

7.0 TIE

- 7.1** The Jolly Anglers was and remains free of tie, which gives the operator greater

freedom of choice over product stocking and enables him or her to achieve a significantly greater level of profitability than is the case with a tied pub. The differentials between free of tie and tied houses have narrowed significantly and discounts of £175-plus per barrel (1 barrel = 36 gallons) are now not uncommon in tied pubs owned by the larger pub owning companies – indeed I have negotiated tied deals with discounts of up to £225 per barrel. Whilst free houses still have the edge in terms of gross profit the advantage they enjoy over tied houses is perhaps not as defining as it once was but the differentials remain significant and in my view most operators would still prefer to be free of tie than tied.

8.0 LICENCE

- 8.1** A copy of the premises licence was displayed on the wall under licence number LP3000913. The licence permitted a wide range of activities the most important of which is the sale of alcohol from 10:00 – 23:00 (23:30 Friday and Saturday) and the performance or playing of live or recorded music from 10:00 - 23:00 (23:30 Friday and Saturday). A licensing hearing that was held on 8th November 2022 amended the licence to permit the garden to be used after 21:30 but requires it to be cleared by 23:30 and for amplified music to be stopped at 21:00. There is also a licensing condition that prohibits customers from congregating in front of the pub on the towpath.

9.0 BUSINESS RATES

- 9.1** The rateable value is an assessment of what the open market rent would be for a given property on a fully repairing and insuring basis assuming it was held on a year-to-year tenancy. For the current rateable value the date of valuation is 1st April 2021 and for the previous rateable value it was 1st April 2015. In the case of a public house the rateable value is derived from an estimate of Fair Maintainable Trade (FMT), as assessed by the Valuation Officer, and those receipts are used as the basis of a valuation in accordance with the Valuation Office's Approved Guide to the Valuation of Public Houses.
- 9.2** The Jolly Anglers has a rateable value of £1,800 having been assessed at £2,275 in the previous 2017 Rating List. I do not wish to make too much of the significance of the rateable value, but a rateable value of £1,800 in the 2023 list is consistent with an FMT of circa £100,000 exc. VAT as at April 2021 and the £2,275 in the 2017 list is consistent with a similar level of FMT as at April 2015. I would point out that, disregarding any pub that has been given a nil rateable value because it has been removed from the Rating List, The Jolly Anglers has the lowest rateable value of the 123 pubs listed in the local authority area.
- 9.3** If, as would be necessary, the pub were to be refurbished before re-opening the Valuation Office could decide to reassess the pub for business rates. If that were to happen the rateable value would be likely to increase but, in my opinion would still be under the £12,000 threshold for eligibility for 100% Small Business Rate Relief (SBRR). A revaluation is currently underway, which will take effect from April 2026 in conjunction with a lower multiplier for hospitality

businesses. I assume that under the new list and multiplier the pub would continue to have a nil or minimal rates bill.

10.0 NOTICES

- 10.1** I am not aware of any outstanding notices and assume that if there are any that require remedial work to be carried out those works would be addressed without undue delay or excessive cost.

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 matters rather than physical changes to the premises themselves and in my opinion, it has not had a detrimental impact on the licensed trade.
- 11.2** Insofar as The Jolly Anglers is concerned my main concern is the removal of what appeared to have been an accessible w/c, leaving the normal ladies and gents toilet accommodation which is accessed via a corridor with limited manoeuvring space. Ordinarily, I do not consider the lack of an accessible w/c to be significant from a viability perspective and whilst I think an accessible w/c would have little impact insofar as trade performance and profitability are concerned, I anticipate the licensing officer would want the facility to be reinstated.

12.0 CONDITION

- 12.1** As far as I am aware a detailed schedule of condition has not been prepared, but from my inspection it was clear that the pub would require an extensive refurbishment to re-open. I anticipate the garden would be subject to another makeover, probably involving the filling in of the pool, and the carrying out of repairs to the outside bar and covered seating area. I am not convinced that a fully equipped catering kitchen would be required but the kitchen itself would still need to have an interlocked extraction system, non-slip flooring and appropriately finished walls. The former accessible w/c would need to be reinstated and the main toilets refurbished. The Building Cost Information Service (BCIS) estimates the cost of refurbishing a pub range from £1,268/m² GIA to £3,813/m² GIA with a median of £1,974. These costs relate mainly to schemes carried out by the larger pub companies and I do not think they are necessarily appropriate for a small back-street pub such as The Jolly Anglers, but even at a relatively modest £1,000/m² to include accrued dilapidations the cost of a low-grade refurbishment would still be likely to cost at least £150,000, plus the cost of sourcing and supplying a new inventory of contents.
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13.0 INVENTORY

13.1 The trade inventory of fixtures and fittings has been removed from the pub and a complete new inventory would be required before the pub could re-open. I do not envisage The Jolly Anglers having a significant food trade and I think that if it were to reopen it would revert to being a wet-led pub. Consequently, I think a fully equipped catering kitchen would not be necessary and I have only allowed for a basic range of equipment. I anticipate much of the trade would be from standing customers and have listed below what I consider to be the minimum investment necessary for the pub to re-open. I do not think the inventory would need to be high quality and I have assumed furniture would be a mix of budget- and mid-range commercial quality and equipment would be mid-range. It is sometimes possible to acquire second-hand items, but in my experience such items are rarely available when one needs them. For the purpose of this assessment, however, I have assumed that it may be possible to economise in this way and I have adopted a conservative inventory investment of approximately £45,000.

13.2 Estimated replacement inventory cost:

Bar Furniture approx.	3,900
Flooring (ancillary areas only)	1,500
Soft furnishings and curtains	1,500
Signage/lighting	3,500
Decorative Items, Prints etc.	1,000
Glasswasher	1,500
Coffe Machine and grinder	3,150
Bottle Coolers (x3)	1,350
Toilet Fittings etc.	600
Ice Maker (20kg output)	700
Cash Register System	4,000
Intruder Alarm	2,500
Bar Sundries	1,050
Audio Visual Equipment	3,800
CCTV	3,000
Kitchen Equipment	
Cooker (four burner)	1,500
Grill	250
Griddle	150
Microwaves	550
Fryer (table top)	300
Cabinet dishwasher	1,500
Refrigeration	2,000
Small items of equipment	500
Loose catering effects	1,500
Preparation tables/shelves	2,000
Commercial Grade Garden Furniture	5,000
	£48,300

14.0 PLANNING

14.1 The Jolly Anglers is not a listed building nor is it located in a Conservation

Area. I have consulted the latest list of Assets of Community Value (dated October 2024) and it is not currently listed as an asset of community value. It had been listed in February 2015 but it would not appear to have been re-nominated after the listing expired in 2020.

- 14.2** I am not aware of any outstanding planning applications or unimplemented planning approvals, including large-scale housing, commercial or retail developments, that would be likely to have an effect on the future viability of The Jolly Anglers.

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 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 this Report will concentrate on the same areas and I will expand upon them where necessary.

16.0 THE BUSINESS PAST AND PRESENT

- 16.1** Prior to its closure in November 2023, The Jolly Anglers traded as an owner-operated free house. The owner at the time of its closure was Valentina Investments and it was run by Xhemail Zeqiri and his business partner Valentina Filip who, according to records at Companies House, traded as The Jolly Angles (sic) Limited. Trading accounts are not available and the various Sale Particulars that were produced made no reference to trade or profitability. There is some information deposited with Companies House, but it is limited to balance sheets for 2020, 2021 and 2022 and their associated notes and there is no indication of turnover or profitability. The Balance Sheet for 2022 indicates there was a significant investment of £200,000 into plant and machinery and £12,500 into fixtures and fittings during that financial year and I assume that most of that money went on creating the rear patio. The same 2022 accounts also indicate that there was a £73,410 deficit in the one-year Debtor/Creditor Account.
- 16.2** Mr Zeqiri and Ms Filip appear to have been quite entrepreneurial and ran the pub as a sports bar with large screens inside and out, a dartboard and a pool table³⁴. The beer terrace and swimming pool were a post-lockdown development and whilst they generated a lot of publicity for the pub and would have encouraged outdoor events I suspect the novelty wore off when the weather deteriorated. The outside bar would have made the terrace easier for

³ <https://shitandnotshitpubsinreading.com/2021/09/15/the-jolly-anglers/>

⁴ <https://www.getreading.co.uk/whats-on/jolly-anglers-pub-reading-undergoes-20750363>

customers to use as they would not have had to negotiate the steep stone steps from the main pub bar, but it would have required permanent manning (in addition to the main bar server) and probably resulted in a simple displacement of trade from the main bar rather than an increase in new customers. My research also indicates that in addition to the usual sports bar offer of televised sport, pool and darts, the pub also offered an occasional comedy club, regular karaoke, occasional live music and occasional quiz nights⁵. The pub appears to have aimed itself at a younger demographic, gaining a reputation as something of a party pub.

- 16.3** The pub offered food but the only full menu that I have been able to find was from April 2019, which I have attached at Appendix Three. In addition, the pub also offered breakfasts and held specials nights/events such as curry nights and barbecues. I understand the pub opened from 12:00 – 23:00 (23:30 Friday and Saturday).
- 16.4** Notwithstanding the significant investment and publicity generated by the creation of the swimming pool the pub did not succeed and receivers were appointed on 10th August 2023. The site was repossessed on 15 November 2023.
- 16.5** It has not been straightforward establishing an occupation history for the pub but from what I have been able to piece together, the pub was closed down by Enterprise Inns in June 2009 and reopened in March 2010. The last person who ran it as an Enterprise tied house, presumably under a tenancy at will, appears to have been John Westendorp, who reopened it in 2010 after it was acquired by someone who lived locally. The pub continued to be run as a traditional community local and Mr Westendorp retired in 2018. I do not know if there were any other changes of management before Mr Zeqiri and Ms Filip took it on in 2019 or if the pub had a period of closure before that. As a community pub it had a darts team and in 2018 it and its regulars were used as the subject of a book of photographs and stories in aid of Cancer Research UK. In May 2013 it was also used as the location from which the Fair Deal for Your Local Campaign was launched.

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. The template adopts something of a “check-box” approach but I prefer a narrative approach and will use that here.

18.0 POPULATION

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

⁵ <https://www.facebook.com/jollyanglers2019/>

19.0 CUSTOMER POTENTIAL

- 19.1** I think it is reasonable to assume that the catchment area for The Jolly Anglers would be approximately a 0.6m/1.0km walk from the pub, which in the absence of any further guidance from the local plan I take to be walking distance. The pub would serve local residents, primarily as a wet-led house would be approximately a 0.6m/1.0km walk from the pub, which in the absence of any further guidance from the local plan I take to be walking distance. The pub would serve local residents, primarily as a wet-led house with a secondary food offer. I anticipate that televised sport and bar games would feature and as most of the other pubs in the vicinity offer some form of live entertainment a new operator would probably do the same for fear of losing out to the competition.
- 19.2** The pub occupies a riverside location but the external area to the front of the pub does not appear to have been officially sanctioned for trade use. There is also a condition attached to the premises licence (Annex 3, Condition 3a) that requires staff to ensure that customers do not congregate outside the premises, thereby compromising the pub's waterside location from a business perspective. Nevertheless, and notwithstanding the licensing condition, I assume that provided no complaints were to be raised the continued use of the towpath for the siting of tables would continue to be tolerated. The available area, however, is considerably smaller than is available at The Fisherman's Cottage and The Jolly Anglers would likely suffer in comparison because of that.
- 19.3** The garden to the rear is a useful trade generating space, even without the swimming pool, and I anticipate it would continue to be well frequented in fine weather. Noise pollution would remain a problem in such a built-up area, particularly as there are immediate neighbours, but with firm management it should be possible to contain it.
- 19.4** The pub is located on two cycle routes, which could help it to generate some additional trade from leisure cyclists. In this regard, the pub again suffers from its proximity to the Fisherman's Cottage, which in my opinion, with its garden to the front, would make for a more attractive stop.

20.0 ALTERNATIVE PROVISION

- 20.1** The CAMRA template suggests alternative provision be considered within a 1m/1.6km radius in a built-up area, but it is common for local authorities and planning inspectors to consider alternative provision by reference to a shorter and less precise metric – a 10-minute walk. Accordingly, I have compiled below a schedule of the pubs within an 800m radius, which is broadly consistent with a 10-minute walk, with the distance by road in parentheses.

20.2 The Fisherman's Cottage, Kennet Side (0.25m/0.4km)



The Fisherman's Cottage is the nearest pub to The Jolly Anglers and is a short walk further along the towpath. It is a long-standing freehouse and is located in what is a slightly more attractive part of the river than The Jolly Anglers. It is a detached, white painted pub, set back from the pavement with a forecourt containing 12 picnic tables that can seat approximately 60 customers. The pub has a characterful main bar and a conservatory to the side that is used as a restaurant. To the rear of the pub is a customer car park for approximately 8 cars. The pub trades as a mix between a community local and a destination food house with regular live music and a fortnightly quiz night. The menu is extensive and includes salads, wraps, stir-frys and pizzas, burgers and curries as well as more traditional pub fare and a typical main course is in the mid-teens. Sample bar prices are Hobgoblin Gold at £4.90, Amstel at £5.90 and Estrella at £6.50. Opening hours are Sunday 12:00 - 22:00, Monday Closed, Tuesday 16:00 - 23:00, Wednesday – Thursday, 12:00 - 23:00 and Friday – Saturday 12:00 - 00:00.

20.3 The Hope and Bear, Kings Road (0.4m/0.63km)



The Hope and Bear is a Mitchells and Butlers managed house and stands at Cemetery Junction. It is a large and very well-appointed, multi-faceted pub that has a strong food trade and is available for private bookings including business meetings, parties, weddings etc. The various trading areas are inter-connected and there are also two external trade areas and parking for 17 cars. The pub is popular with students and offers occasional live music and televised sport. The menu is a step up from most managed houses and includes an evening set menu at 2 courses for £19.00 and 3 courses for £22.00, pizzas from £11.00 and a main menu where mains are broadly in the high-teens. The pub only sells one cask ale – Gales Seafarer (3.6%) at £5.50 but has a range of lagers including Madri at £6.25 and Peroni at £6.40. The pub is open from 11:00 – 23:00 (24:00 Friday and Saturday).

20.4 The Retreat, St John's Street (0.5m/0.8km)



The Retreat is a CAMRA favourite and is a traditional 2-bar local in a quiet side-street. It is owned by Admiral taverns and is a tied house. It was refurbished in 2020 but has remained characterful. The pub is mid-terraced with a small area at the front for two or three benches and the front bar can accommodate about 12 customers and the rear one about 24. The pub is in the Eldon Square Conservation Area and has itself been included in CAMRA's Inventory of Historic Pub Interiors. The pub is a community local and puts on regular live music, quiz nights and other community events. It does not serve

food. Standard strength lager costs £5.00/pt and the pub opens from 12:00 every day and closes at 23:00 (23:00 at weekends).

20.5 The Lyndhurst, Queens Road (0.5m/0.8km) The Lyndhurst is also located



in the Eldon Square Conservation area and is a Stonegate tied pub. It was re-let in January 2025 after the previous tenant left after only a few months. The last substantive tenant left in May 2024 after 5 years during which time it had developed a reputation as more of a food pub, but it is now following a more traditional wet-led business model with burgers, curries

and other staples forming the core of the menu. Meal deals are also part of the offer – e.g. 2 fish and chips on a Friday for £20.00 or burger and drink for £15.00. Drinks prices are broadly in line with the area with cask ales costing from £5.20 to £5.60 and lagers from £5.20 to £5.90. The pub occupies a corner site and is open plan and offers regular live music. It opens from 12:00 – 22:00 Sunday to Wednesday and from 12:00 – 23:00 Thursday to Saturday.

20.6 The Weather Station, Eldon Terrace (0.5m/0.85km) The Weather Station



(formerly The Eldon) has been closed since September 2022 but prior to that (since August 2019) it had been operated by Wild Weather Ales, which was a small brewery based in Silchester. The pub is an end-terraced property located in the Eldon Square Conservation Area and was essentially the brewery tap for Wild Weather. It was minimalist in design and quite “hipster” in

atmosphere and although it did not show televised sport it did play recorded music. The pub did not have a catering kitchen and food tended to be from pop-up vans. To the rear there was a small trade patio. The pub has been closed since September 2022 but has been marketed on a new free of tie lease and is now believed to be under offer. It is not yet known how the pub will be run nor what sort of pub it will be.

20.7 The Back of Beyond, Kings Road (0.55m/0.9km) The Back Of Beyond is a



large J D Wetherspoon free house. It is located on the north of the River Kennet and is accessible from New Town either by the footbridge or from Kings Road. It is more of a town centre pub and runs along the standard Wetherspoon model – cheap food and drink, and no music. Internally, the pub is open plan and externally to the rear there is a large

waterside patio. Greene King Ruddles is currently available for £1.79/pt and Doom Bar for £2.75, lagers and ciders start from £1.99/pt and Guinness is £3.95/pt. Main courses are typically less than £10.00 The pub opens at 08:00 each morning for breakfast and stays open all day until 24:00.

20.8 The Outlook, Kings Road (0.6m/1.0km) Formerly The Old Borough Arms,



The Outlook was extensively developed in 2019 and is a deceptively large Greene King managed house. It is also on the north side of the Kennet. From the front it has the appearance of a traditional community local but there is a large, new-build extension to the rear featuring a large, raised beer terrace overlooking the Kennet. As one might expect, the pub is well appointed. The bar prices are

quite premium and are not as cheap as the nearby Wetherspoons pub with Hazy Day IPA costing £6.45, Amstel £5.70 and Moretti £6.40. Food prices are more in line with other value-led managed house chains with mains broadly costing between £11.00 and £14.00. The pub is open from 11:00 – 23:00 (24:00 Friday and Saturday).

20.9 In addition to the above pubs The Salisbury Club is on nearby Kings Road (0.32m/0.52km), but I do not think it can be considered suitable alternative provision because it is a members' only club and not open to the general public.

20.10 It is difficult to assess one pub against another because no two pubs are the same and the qualities of the operator, particularly in the leased and tenanted estates, are integral to the character and success of any given business. In my opinion I do not think The Hope and Bear, The Back of Beyond or The Outlook can be considered suitable alternative provision because they follow a fundamentally different business model, but The Fisherman's Cottage, The Retreat and The Lyndhurst all share characteristics of the Jolly Anglers: they all offer live entertainment; they all have something of a community local about them; The Fisherman's cottage offers a wider menu than was the case at The Jolly Anglers but it has a good external trading area; The Lyndhurst has a simpler menu but includes meal deals in its offer; The Retreat does not offer food but is a popular local's pub that is well integrated into the community. It is too early to say how The Weather Station will turn out and whilst none of the other pubs is a straight substitute for The Jolly Anglers in my opinion there is sufficient overlap with them for Policy DM 3.16 (b) of the Local plan to be satisfied.

21.0 MULTIPLE USE AND DIVERSIFICATION

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 – e.g. 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" and the Plunkett Foundation and tends to be focused on rural and village pubs rather than urban pubs in sustainable locations. The concept is predicated on there being sufficient unused or surplus accommodation in the pub in question to house the secondary use and a sufficient identified demand for the additional use.

- 21.2** The Jolly Anglers is located in a large town and residents have ready access to a full range of services. Consequently, I do not think there is any unfulfilled need that the pub could be expected to satisfy. Insofar as trade diversification is concerned, the pub had already diversified its offer prior to closure and had transitioned from being a traditional locals pub into more of a “party” pub with entertainment and events forming a central part of its business model. Unfortunately, entertainment and events are expensive drivers of a hospitality business and ultimately the change in business model was not successful.

22.0 FLEXIBILITY OF THE SITE

- 22.1** This is closely linked to diversification and multiple use but is focused more on the site than the building. Unsurprisingly for a town centre pub, The Jolly Anglers occupies a constrained site and the trade areas are already intensively developed. The garden is already developed for trade purposes and whilst a new operator may want to re-configure it to something more traditional the varying levels would still make extending the main bar difficult.

23.0 PARKING

- 23.1** The Jolly Anglers does not have off-road parking. Avon Place to the rear has a limited amount of 2-hour restricted parking (08:00 – 20:00) as does School Terrace and Cumberland Road (also 08:00 – 20:00), but much of the local parking is for resident/permit holders. I do not think actual or potential customers of The Jolly Anglers would have any expectation of there being parking at a town pub, nor do I think the lack of parking would have any bearing on the viability of the pub. The lack of a parking space for the proprietor could discourage some potential operators, however.

24.0 PUBLIC TRANSPORT

- 24.1** I have considered public transport at paragraph 3.3 above and would refer back.

25.0 MARKETING

- 25.1** I have been provided with a marketing report dated 10th June 2025 from CG&Co, LPA Receivers, 27 Byrom Street, Manchester, M3 4PF, which I reproduce below. CG&Co were appointed receivers on 10th August 2023.

- 25.2** *“Please find below a summary of the marketing history for the Jolly Anglers:*

The property was originally listed for sale with Pattinsons at £600,000 when we were appointed.

Valuations received upon us taking possession 15 November 2023:

- 1. Sidney Phillips – £550,000*
- 2. Christie & Co – £565,000*

We recommended listing with Sidney Phillips at £550,000, but you opted to try a slightly higher asking price of £620,000. The property went live on 17 November 2023.

Marketing timeline:

- 1. 6 December 2023 – Price reduced to £595,000 (no interest).*
- 2. 9 January 2024 – Price reduced to £565,000.*
- 3. 17 January 2024 – You informed us of a private buyer at £535,000.*
- 4. 7 February 2024 – Entered into Auction House London with a guide price of £490,000.*
- 5. 20 February 2024 – Instructed Christie & Co to market the property at £540,000.*
- 6. Auction House London advised a revised guide price of £410,000 with a reserve of £450,000 following lack of interest.*
- 7. 12 March 2024 – Christie & Co received offers of £470,000.*
- 8. 27 March 2024 – We requested £480,000 based on your agreement.*
- 9. 22 May 2024 – A sale was agreed at £482,500, but unfortunately the sale collapsed.*
- 10. The property was re-entered into Auction House London's November auction with a guide of £450,000, again with no interest.*
- 11. 31 October 2024 – A new sale was agreed at £452,500 via Christie & Co, but the buyer failed to secure funding.*
- 12. 2 June 2025 – Christie & Co received a new offer of £510,000, which is currently still on the table and recommended for acceptance."*

25.3 Since receiving the marketing report it has been clarified that the prospective purchaser in (3) above was interested in alternative use but withdrew without giving a reason. The interested party in (7), (8), (9) and (11) above was the same person, who wanted to turn the pub into a Turkish restaurant. After pulling out at an agreed £482,500 the party submitted a lower offer of £452,500 in response to it being put up for auction for the second time but was unable to raise the finance. Additionally, the offer at (12) has now been withdrawn.

25.3 Insofar as the suitability of the agents is concerned, Pattinsons is a firm of residential estate agents that has a commercial arm. It is not a specialist in the licensed trade and I doubt it would have had the same market penetration as Sidney Phillips or Christie and Co, both of whom are specialist licensed property agents and valuers with national coverage. I have no doubt that both Sidney Phillips and Christie & Co would have put together professional and comprehensive marketing campaigns and would have advertised the property widely through the main licensed property portals.

25.4 The property has been on the market continuously since November 2023 with 2 specialist agents and has been twice offered to the market at auction. The initial guide price was reasonable bearing in mind the valuations that had been received. It was not so high that it would have acted as a disincentive to the market and was reduced on several occasions in response to market reaction. Three interested parties made offers and deals were agreed but none have proceeded to completion - the deals with the first and third parties for undisclosed reasons and the deal with the second because of an inability to raise finance,

26.0 OVERVIEW OF THE LICENSED TRADE

- 26.1** In my opinion the market and the wider economy remain fragile. Initial reports are that the Autumn 2024 budget, and in particular changes to the minimum wage and Employers NIC and the reduction in business rates hospitality relief from 75% to 40%, have increased costs as predicted by the two main trade bodies, UKHospitality (UKH) and The British Beer and Pub Association (BBPA), but it is too soon to see what counter-measures operators will take.
- 26.2** The economy in general has been stagnant for several years and whilst the rate of inflation is significantly less now than at its height in October 2022 many of those increased prices are baked-in to overheads. Wages have risen partly to meet the increased cost of living but there is still a significant gap to bridge. The Bank of England cut the base rate to 4.25% in May 2025 but that had been anticipated by the markets and interest rates remain relatively high. A 2-year fixed term mortgage with a 75% deposit, for instance, is currently costing an average of 4.35% and for first time buyers a 2-year fixed term at 90% is an average of 4.91%⁶, both of which are significantly higher than was the case pre-Covid⁷. The latest ASDA Income Tracker (dated March 2025) shows that average disposable household income was 11.3% higher than in 2024 the rate of increase has slowed⁸.
- 26.3** In the hospitality sector, labour recruitment and retention remain causes for concern and the changes announced in the budget are likely to exacerbate those problems. Many hospitality businesses now close on a Monday or a Tuesday and the February 2025 CGA by NIQ Business Confidence Report found that only 33% of leaders feel confident about prospects for their business over the next 12 months – 8% down from October 2024's figure of 41%. These findings have been echoed by the CBI in its just published Service Sector Survey, which found a deterioration in confidence for the third successive quarter, declining volumes, rising costs and falling profitability⁹. Optimism is now at its lowest point since late 2022 and its second lowest since the COVID lockdowns of 2020. Confidence is even more fragile among independent operators at just 12%¹⁰. Wage rates are being influenced by the likes of Aldi, Lidl and Sainsbury whose hourly rate has been exceeding the NLW for some time. There is an increasing expectation that employers will pay the Real Living Wage (RLW), which is currently £13.85 an hour in London and £12.60 an hour outside rather than the NLW and that expectation is being reinforced by organisations such as local authorities who are contacting their suppliers to check that they are paying the Real Living Wage as a condition of receiving council contracts.

⁶ <https://www.rightmove.co.uk/news/articles/property-news/current-uk-mortgage-rates/>

⁷ <https://moneyfactscompare.co.uk/mortgages/fixed-rate-mortgages/?id=null&buyer-type=4&amount-to-borrow=300000&property-value=400000&repayment-type=1&term=25&mortgage-types=1&initial-rate-periods=2®ion=16&payable-over-period=2&refinements=null>

⁸ <https://asdagroceries.scene7.com/is/content/asdagroceries/Z%20FUTURE/Microsites/Corporate/ASDA%20Income%20Tracker%20November%202024.pdf>

⁹ <https://catererlicensee.com/business-confidence-across-services-sector-falls-sharply-as-cost-pressures-accelerate/>

¹⁰ <https://nielseniq.com/global/en/insights/report/2025/business-confidence-survey-february-2025/>

26.4 The downward trend in beer consumption remains a concern and maintaining volumes in a declining market that is more and more influenced by the value-led propositions of the larger managed chains and operator led models will be a challenge. Nationally, beer volumes in the on-trade are continuing to fall and whilst the decline has slowed volumes to the third quarter of 2024 are still more than 25% down on 20 years ago. In the present case, whilst do not consider Wetherspoon's Back of Beyond to be realistic alternative to The Jolly Angler some customers might still be tempted by prices that are as low as £1.79/pt.

26.5 Energy prices have become something of a bellwether for overheads in the licensed trade and have been referenced specifically in the 2022, 2023 and 2024 editions of the BBPA Cost Guide for Licensees. The latest edition cautions:

"Utilities and inflation: As the costs in this report relate primarily to 2023, they may not reflect the full extent of the 2022/2023 energy crisis as there was a lot of variation depending on when contracts were up for renewal and the prices available at that time, nor will they reflect the prevailing market conditions looking forwards in the event of any cost deflation. Such large fluctuations, on what is usually the second biggest cost line, will have a significant impact on a pub's overall cost and operating margins. Continued fluctuation in inflation across 2023 will also impact other elements of the model and, therefore, particular caution is required again when reviewing the data this year as well as comparing prevailing market conditions projecting forwards."

26.6 The CGA NIQ report to which reference is made in 26.3 above advises that more than half of the businesses that responded are still experiencing increases in energy costs. My own experience is that energy costs in the licensed trade have settled at about double what they were at the time of Covid. Overall, whilst companies are managing to increase turnover profits remain static at best as overheads are rising at a faster rate.

27.0 FAIR MAINTAINABLE TRADE AND FAIR MAINTAINABLE OPERATING PROFIT

27.1 The CAMRA test is a useful checklist for what one ought to consider when looking at viability but at the heart of the process is the concept of Fair Maintainable Trade (FMT) which has already been mentioned in connection with the rateable value at Section 9 above. 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 covers rent or mortgage payments and receives his own remuneration. FMT is derived from all sources of income including wet sales, food sales, gaming machines, pool, letting rooms and other sundry income streams.

27.2 My assessment of FMT and FMOP is attached at Appendix Four. There are no actual trading accounts available for reasons previously stated and so I

have had to put together a shadow profit and loss account (P&L) based on first principles, starting with fair maintainable barrelage and working through other income and working expenses to what I consider a realistic FMOP. In putting together my shadow P&L I have had regard to my own experience and market expectations and to benchmarking data where it exists. Insofar as opening hours are concerned, the Fisherman's Cottage is closed on a Monday and I have assumed that a reopened Jolly Anglers would take advantage of that and open seven days a week from 12:00. All figures are expressed net of VAT.

Sales Mix	This is the most difficult part of the exercise. On the plus side the pub would be newly refreshed and still have access to a large trade garden but on the minus side it would still be quite a small pub, wet-led and requiring a significant investment. I have adopted a throughput of 119 brewers' barrels of draught and packaged products, split broadly evenly between standard lagers, premium lagers and beers. In addition, I have allowed extra for stout, ciders and packaged products. In acknowledgement of the pub likely having a predominantly "public-bar" type trade I have taken the beers/lagers/ciders : wines/spirits/minerals sales mix at 80:20.
Pricing Structure	The pricing structure will be determined by a consideration of the local competition and the business model but as the pub. The pub will be competing with three others within a short walk – The Fisherman's Cottage, The Retreat and The Lyndhurst. The Wetherspoons pub over the Kennet would also be only a 10-minute or so walk away but I think it would be foolish to try to compete with that on price and a new operator would just have to hope that not too many of his or her customers would use the cheaper pub. For my assessment I have adopted a bar tariff that would make The Jolly Anglers slightly cheaper than the immediate competition, which would still enable it to achieve a wet gross profit of over 70%.
Wastage	Wastage has been the subject of much 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 barrel that is unusable due to sediment (ullage). Insofar as the latter is concerned HMRC has reached agreement with the industry regarding the volume of beer in a cask upon which duty is paid and the published data indicates that a nine-gallon cask has an average shortfall of about 3.5%. Taking these elements together I consider a 5% overall allowance to be appropriate.

27.3 The Jolly Anglers does not have a strong history of selling much food and it

would be competing with pubs that are better equipped and located to do so – The Fisherman’s Cottage, The Lyndhurst and The Hope and Bear most locally, but others slightly beyond a 10-minute walk as well. I think there is a food opportunity at The Jolly Anglers but it would not be great. The catering kitchen is small and would struggle to cope with an extensive or gastro type menu – even if did not have to compete with what would still be a locals’, wet-led customer base. I anticipate the menu would be relatively simple, manageable by a non-professionally trained chef and at a price point that would achieve a gross margin of 60%.

27.4 Other income includes bar snacks such as nuts and crisps and the proceeds of a pool table after payment of rent and possibly a gaming machine after Machine Gaming Duty and rent.

27.5 Having determined a realistic level of turnover and gross profit a prospective operator next needs to consider working expenses. The accounts where they are available can provide a useful pointer but there is also information available to the market from the BBPA and the Association of Licensed Multiple Retailers (ALMR), that would inform the cost projections of a prospective operator. The BBPA data is derived largely from stand-alone tied pub businesses whilst the ALMR’s is from managed house chains and in this case is less appropriate. The BBPA data does not reflect free-of-tie margins, but the cost information will apply equally to tied as to free-of-tie pubs. The last 3 editions of the BBPA Cost Guide came with warnings that high inflation generally in 2022, 2023 and 2024 would impact elements of the model and particular caution was required when reviewing the data. The BBPA benchmarking data relates to several models and the one that most closely resembles The Jolly Anglers would be Community Wet-Led 90:10 drink:food turning over approximately £5,000 per week. My assessment of overheads is also included in the Appendix but it may assist the LPA if I were to comment on particular elements of it.

27.6 **27.6.1** Staff. This is usually a business’ biggest overhead. I have necessarily taken a forward-looking approach and factored in the increase in April 2025 in the National Living Wage from £11.44 an hour to £12.21, the announced 1.2% increase in employers’ NI contributions and the reduction in the threshold for employers’ NI contributions from £9,100 to £5,000. The Jolly Anglers would not be as badly affected by these changes as a high-volume food-led pub, which would have a fully staffed kitchen, but it would still take the wage costs above the benchmarking data.

27.6.2 Light, heat and power. Energy prices remain substantially higher than they were pre-Covid and, whilst they are less now than they were at the height of market volatility, for most operators with which I am currently involved they seem to have settled down to approximately double what they were a few years ago. In the case of The Jolly Anglers I think an overall energy bill of £16,000 could be anticipated.

27.6.3 Business Rates. The Jolly Anglers has a current rateable value of £1,800, but even if were to be re-assessed following a refresh I

doubt the new rateable value would be more than £12,000. This would leave it still eligible to receive 100% SBRR. I think a similar outcome would prevail after the 2026 revaluation and I have therefore adopted a zero rates charge consistent with the pub continuing to receive SBRR.

- 27.6.4** Insurance. Reflects the size and location of the building and includes reinstatement costs, public liability and contents cover.
- 27.6.5** Professional fees. These relate to accountancy and occasional legal fees. I have assumed that the pub would be operated by a hands-on operator and in an attempt to keep costs down quarterly stocktaking would not be undertaken.
- 27.6.6** Repairs and Renewals. I have assumed that The Jolly Anglers will have been refurbished prior to re-opening and have therefore adopted a relatively modest £12,000 per annum for repairs and renewals. I would advise that as time moves on this figure would increase.
- 27.6.7** Cleaning and Laundry. I have not allowed for professional laundering of the bed and breakfast linen and assume it would be done in-house.
- 27.6.8** Entertainment. The immediate competition all offers entertainment and some also offer televised sport. I do not anticipate that a new operator would take the pub down the sports bar route again but as a community local there will still be an expectation of some sport. Likewise, because all of the other pubs offer entertainment there will be pressure on a new operator to do likewise.

- 27.7** My overall estimate of working expenses represents 52.12% of turnover, which is significantly higher than the BBPA figures but takes into account known and expected cost pressures. I am currently not coming across any pubs whose expenses are within the suggested BBPA parameters and I am happy with my current estimate. Simplifying my assessment would produce the following assessment of Fair Maintainable Operating Profit (FMOP):

FMT Wet Sales	203,000	GP @ 71.18%	144,495
FMT Food Sales	26,000	GP @ 60.00%	15,600
Est Other Income	5,000	GP @ 65.00%	3,250
	<u>234,000</u>	GP @ 69.81%	<u>163,345</u>
W/Exps @ 52.12%			121,960
FMOP before tax			<u>41,385</u>
		Say ...	<u>£41,000</u>

- 27.8** The FMOP of the business is the operating profit that one could reasonably expect to generate 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 those

profits. That is an established principle and 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)”*, both of which concerned how the FMOP of a pub should be apportioned in a lease renewal. There is no direct link between a lease renewal and the remuneration that a free house operator would expect but in my opinion both are still looking at how the overall profit of the business should be apportioned and they both use the same methodology: in the case of viability, though, if a prospective operator does not think he or she will make a certain level of profit to reflect the hours, commitment, risk and investment he or she will simply walk away.

27.9 The way the FMOP is apportioned is dependent on the ownership structure of the pub – in addition to the operator’s own remuneration, if the pub is held on a leasehold basis the FMOP also has to fund the rent and if it is freehold then it has to service a presumed borrowing requirement (or provide a return on investment). Looking at leasehold first, to re-open the pub the landlord would realistically have to invest something in the region of £150,000 in essential repairs and “fit-to-trade” works (see paragraph 12.1 above). The tenant in turn would have to invest approximately £45,000 in a new inventory (see paragraph 13.1 above), purchase new stock in trade and have sufficient working capital, resulting in a likely total commitment of approximately £60,000. The landlord has no income from his investment other than the rent and the tenant would rely on the profit of the business after rent to provide his income and provide a return on his own investment. The question is whether an FMOP of approximately £41,000 is sufficient to provide both. A direct comparison is somewhat simplistic, but a single person on the April 2025 minimum wage would earn £25,396 per annum gross for a 40-hour week and it is hard to imagine that anyone would run a pub on a self-employed basis unless they were anticipating profit significantly in excess of that. Even a relatively modest income of £30,000 would only leave £11,000 for rent, which in my opinion no landlord would accept even if he did not have to refurbish the pub. There is a live-in benefit associated with running a pub, but in practice the market does not tend to factor that in and the rental valuation methodology for public houses does not make any specific allowance for the proprietor’s accommodation.

27.10 A similar calculation based on the same FMOP would be carried out under the owner-occupier model but instead of allowing for a rent the operator would need to factor in loan servicing costs or a return on investment. Looking at loan servicing costs, pub finance remains difficult. Current mortgage rates for pubs are circa 2.5% - 3.5% above the Bank of England base rate, depending upon the perceived risk, which means that an interest rate of 7.5% or thereabouts can be expected. The size of loan that would be required would be dependent upon the personal circumstances of the new operator but a 50% Loan To Value (LTV) is not uncommon because of the risks associated with running a hospitality business. In the case of a fully cash-funded acquisition the operator may require a return on his or her investment instead. Putting the acquisition of the pub to one side, servicing the re-opening costs alone of The Jolly Anglers would require £1946.73 per month or £23,360 per annum, excluding charges and fees (£210,000 @ 7.5% over 15 years on a repayment

basis)¹¹. Set against an FMOP of circa £41,000 that would leave a profit after finance costs of about £8,000. In my opinion, the prospect of such a low return coupled with the risk of re-opening a closed site would not find favour with the market.

- 27.11** The pub is clearly not suited for use as a tied pub, but there is a third business model to consider – community ownership. According to The Plunkett Foundation there are 182 community owned pubs in the UK¹² and for those communities that have been able to buy their local pub it has been a challenging but unifying experience. Most pubs that have been acquired by the community have been village pubs with less than 10% being in urban areas and the discontinuation of the Community Ownership Fund has negatively impacted on the chances of a community buying their local pub. The Jolly Anglers was ACV listed between 2015 and 2020 but is no longer. That is not to say it was not valued but there appeared to be no appetite amongst the community to have it re-listed nor to acquire it now. If it was still ACV listed the community could trigger the moratorium provisions of The Localism Act whilst it explored how to raise funds. Consequently, I am of the opinion that it is unrealistic to think the pub could be community owned.

28.0 CONCLUSION

- 28.1** The Jolly Anglers is an urban pub in a well-populated, socially diverse area. It is not a large pub, but it has the benefit of a large trade garden to the rear. It does not have off-road parking, but that is not unusual in an urban setting.
- 28.2** The pub is located on the River Kennet towpath but the trade garden does not benefit from the riverside location and there is a licensing condition prohibiting customers from congregating in the towpath. The nearby Fisherman's cottage is also in a superior location.
- 28.3** The pub is not unopposed and there are three other pubs within a 10-12 minute walk that currently offer most, if not all of the same facilities. When The Weather Station reopens that will further increase competition in the area.
- 28.4** The development of the trade garden following the first Covid lockdown generated a lot of publicity for the pub but it does not appear to have been successful in the longer term. I think removing the swimming pool and external bar would be sensible and help rein in costs.
- 28.5** Before it could re-open the pub would require a refurbishment. There do not appear to be any significant structural issues to deal with but I estimate a fairly low-key refurbishment would still cost circa £150,000.
- 28.6** In addition to the works that would be required to the property, a new inventory of contents would need to be sourced, which I estimate would cost an additional £45,000.

¹¹ <https://www.nationwide.co.uk/mortgages/mortgage-calculators/mortgage-repayment-calculator/>

¹² <https://plunkett.co.uk/community-pubs-headline-grabbers/#:~:text=Plunkett's%20data%20shows%20there%20are,helping%20on%20a%20regular%20basis.>

- 28.7** In my opinion, the most suitable business model for The Jolly Anglers would be as a wet-led community local with a secondary food offer. The catering kitchen is too small to service anything other than a basic food offer but there is potential to pick up additional trade in the summer from external events such as barbecues.
- 28.8** Passing trade would be limited because of its location but the towpath would appear to be well-frequented by pedestrians and cyclists. The nearby further-education college could also provide a source of trade but there is a danger that that could result in the pub re-gaining its party pub reputation.
- 28.9** The private accommodation is adequate and would not discourage the market.
- 28.10** Unfortunately, there are no trading accounts available and no trade was disclosed by either of the two agents that tried to find a buyer for the pub nor the auctioneer.
- 28.11** Despite significant investment and publicity the previous operators went in to receivership.
- 28.12** The pub has been extensively marketed by two firms of specialist licensed property agents and valuers and has also been offered twice at public auction. Offers have been received for alternative use and accepted but none have moved to completion.
- 28.13** In my opinion, the FMT of The Jolly Anglers is £234,000 with an FMOP before tax and rent/financial commitments of approximately £41,000. I do not consider that to be sufficient to provide the operator with a reasonable income and either to pay a rent or service a loan.
- 28.14** I consider The Jolly Anglers to be no longer viable 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 pinions 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** Although not a Chartered Surveyor I nevertheless 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.

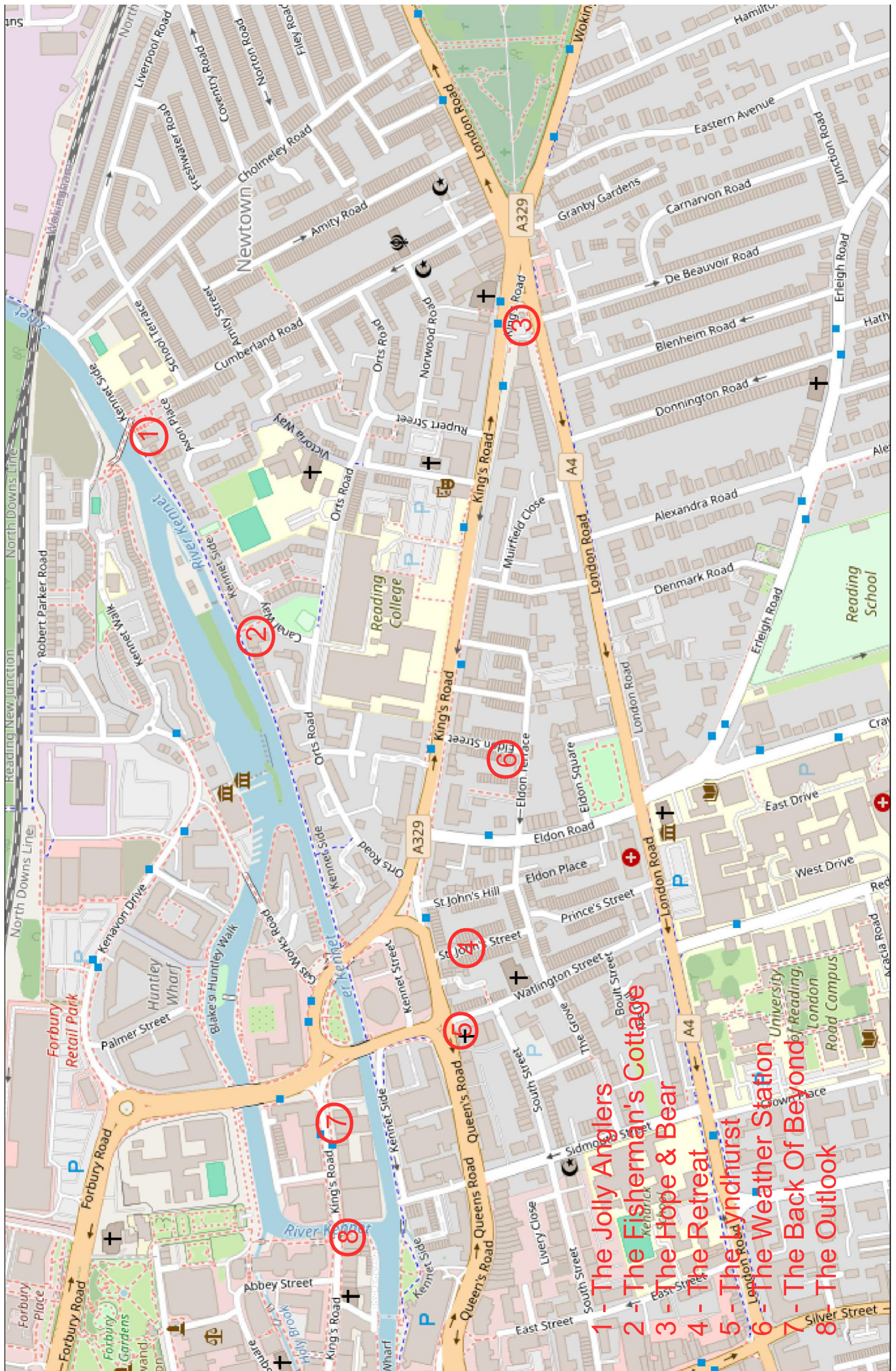
A handwritten signature in black ink, consisting of a stylized 'M' followed by a horizontal line.

Signed :

Date 10th July 2025

APPENDIX ONE

LOCATION



APPENDIX TWO

PHOTOGRAPHS





PRE-CLOSURE





APPENDIX THREE

MENU

THE JOLLY ANGLERS

316 Kennst Side Reading RG1 3EA

Mains

- Grilled salmon fillet with vegetables 14.95£
- Confit duck leg with roasted vegetables 14.95£
- Beef burger with chips and salad 11.95£
- Beef and bacon burger with chips and salad 12.95£
- Vegetarian burger with chips and salad 12.95£
- Rump steak with chips and salad 800 oz/16.00£
(Peppercorn sauce , chilli sauce)
- Whole lobster with chips and salad 23.95£
- Half lobster with chips and salad 13.50£
- Grilled lamb chops with vegetables / chips/ mash potatoes
..... 14.95£
- Sea bass filled with potatoes, peppers & preserved lemons .
..... 14.95£
- Cheese stuffed chicken and bacon with vegetables /chips /
mash potatoes 13.95£

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THE JOLLY ANGLERS

316 Kennst Side Reading RG1 3EA

Sides

- Chips 2.95£
- Vegetables 2.95£
- Mash potatoes 2.95£
- Rice 2.95£
- Jacket potatoes (beans/cheese/ tuna). 4.95£
- Greek salad 7.45£
- Chicken Caesar salad 7.45£
- Tuna salad 7.45£

Deserts

- Chocolate brownie with vanilla ice cream 4.95£
- Baked vanilla cheese cake 4.95£
- Caramel cake 4.95£
- Fruit salad 3.95£
- Assorted ice cream 4.95£

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MENU

STARTERS

- Soup of the day 3.50£
- Garlic bread 3.45£
- King prawns with garlic butter 7.95£
- Creamy mushroom sauce 5.95£
- Calamari with lemon aioli 5.50£
- Mussels white wine & parsley 5.95£
- Nachos with guacamole 3.45£

- ❖ Sunday roast (chicken , lamb and beef) with vegetables 12.50£

APPENDIX FOUR

ESTIMATE OF FMT AND FMOP

THE JOLLY ANGLERS, KENNET SIDE, READING

ESTIMATE OF FMT WET SALES AS AT MAY 2025

Session Lager	Ave Price	5.40 288.00 pints per barrel 1,296.00 (exc VAT)
Premium Lager	Ave Price	5.90 288.00 pints per barrel 1,416.00
Cask Beer	Ave Price	4.80 288.00 pints per barrel 1,152.00
Cider	Ave Price	5.50 288.00 pints per barrel 1,320.00
Stout	Ave Price	6.00 288.00 pints per barrel 1,440.00
Bottled Beer etc.	Ave Price	4.00 per bottle 12.00 48.00 per dozen 41.00 dozen per barrel 1,640.00

			PRICE PER BARREL	SALES AT RETAIL	EST BUYING PRICE PER BARREL	GP%	GP	GP EXC WASTAGE
SESSION LAGER	30.00	brls @	1,296	38,880	380	70.68%	27,480	
PREMIUM LAGER	35.00	brls @	1,416	49,560	460	67.51%	33,460	
CASK BEER	35.00	brls @	1,152	40,320	360	68.75%	27,720	
CIDER	10.00	brls @	1,320	13,200	360	72.73%	9,600	
STOUT	5.00	brls @	1,440	7,200	450	68.75%	4,950	
BOTTLED BEER/CIDER	4.00	brls @	1,640	6,560	700	57.32%	3,760	
	119.00							
TOTAL BEER, CIDER AND FABs @ 80% OF WET SALES				155,720		68.69%	106970	101622
				LESS 5% DRAFT WASTAGE				
				141,760				
WINES/SPIRITS/MINERALS/COFFEE @ 20% OF WET SALES				60,754		70.00%	42528	42528
TOTAL WET SALES				202,514		73.82%	149498	144150 71.18%

HOUSE NAME

THE JOLLY ANGLERS, READING

PURPOSE OF ASSESSMENT

VIABILITY

OWNER

DAMA ESTATES LTD

ASSESSMENT DATE

MAY 2025

			FMT	GP%	GP
TOTAL WET			203,000	71.18%	144,495
	% turnover	86.75%			
TOTAL FOOD			26,000	60.00%	15,600
	% turnover	11.11%			
SUNDRIES			5,000	65.00%	3,250
	% turnover	2.14%			
TOTAL			234,000	69.81%	163,345
EXPENSES					
Staff				24.00%	56,160
Business Rates				0.00%	0 *
Water Rates				0.85%	2,000
Insurances				1.28%	3,000
Heat/Light/Power				6.84%	16,000
Motor Expenses				1.07%	2,500
Printing/Postage/IT etc				0.53%	1,250
Telephone etc				0.32%	750
Advertising				0.21%	500
Professional fees				1.28%	3,000
Stocktaker				0.00%	0
Licenses				0.13%	300
Repairs and Renewals/Compliance				5.13%	12,000
Cleaning				1.28%	3,000
Waste Management				0.64%	1,500
Disposables				0.43%	1,000
Bank Charges etc				0.85%	2,000
Entertainment				6.41%	15,000
Sundry Expenses				0.85%	2,000
TOTAL				52.12%	121,960
				FMOP	41,385

* Assumes 100% Small Business Rate Relief