Open the Crown & Cushion Community Meeting- 13 July 2023

SLIDE 33- Certificate of lawful development- If a breach in planning is not enforced by the LPA for 4 years, a certificate of lawful development can be requested to regularise the position. Thus if HDC do not enforce the CoU breach the C&C ceases to be a Public House and becomes a C3 dwelling house.

Q- Has HDC advised the Committee that the 4 year has started?

A-No, they have not. They seem to believe the 4-year clock has not started, but our solicitor seems to think it may have. The date will not be specified until an application for Lawful Development is submitted and investigated. Due to this "greyness" we do not wish to be caught out by a failure to act from HDC so are assuming the clock has started, this will expire mid-2025, so we are continuing our efforts to stop this clock.

Note- The 4-year period is due to extend to 10 years with a new Act of Parliament that is 90%+ through all parliamentary stages, which going forward will make the prospect of this becoming a reality for the owners less appealing.

Q- Did they accept a grant during Covid which could changes the start of the clock.

A-We do not know and HDC will not confirm this information as it is covered by privacy laws.

SLIDE 11- Purchasing the C&C Public House - We are estimating the purchase of the C&C to be approx. £300k.

Q- Is this what the business is on the market for?

A-No- we do not know what the business is on the market for, as the owners have not actively marketed the property. The Committee did offer to assist with the cost of a valuation, but this offer has been rejected by the current landlords. The fact that they have stated that the business is not viable, may mean the business is worth even less. For the GGCBS to apply for any government funding, we must get a professional valuation of the business and make an offer based on that valuation. However, based on similar local properties, we estimate this to be about correct, subject to that valuation.

The Committee have made a formal purchase offer to the landlords to show interest. Parish Council have also shown interest, as well as individuals in the village.

Q- Why not pay the landlord what they want for the business?

A-Firstly, we do not know what figure they want as they will not engage with us. Secondly, the agreed figure must be determined by a professional business valuation, or the GGCBS will be unable to apply for grant funding.

Request- The Committee asked if there was anyone in the room who had a relationship with the landlords and would be prepared to act as an intermediary, then please make contact. The landlords have refused to engage with anyone, even before the OTTC or GGCBS was formed. Many offers of support were made in the first few months after lockdown was lifted, to understand what they needed in terms of support, to reopen the pub, but no meaningful engagement came from the owners. All offers of support were rejected.

SLIDE 32- Our legal advice.

Q- Why can't they live in the property?

A-Five different Legal/Planning professionals have informed us that current residential occupation of the Crown and Cushion is in breach of planning. The residential area of a public house is "ancillary" to its main use, that of a Public House, thus if it's main use ceases, so does the right to continue residential occupation. For example, you would not be allowed to live in a factory. The C&C is a business and the primary use of a business cannot be residential.

SLIDE 29- ACV renewal

Q- What is the risk of the ACV not going through?

A-It is possible it will not be renewed, but we believe it is currently sitting with a barrister for Hunts District Council to complete their due diligence. We hope to hear from HDC very soon.

SLIDE 35- Fund raising for legal action- So far all legal action has been funded from within the OTCC Committee Members.

Q-How much do you need?

A-Solicitor costs are around £1500 per letter and £1500 per discussion. This will escalate if the decision is made to proceed with moving to a Judicial Review (put the matter before a judge).

Q- What is the end game of legal action?

A-The end game is for Hunts District Council to do their job and enforce the law in regard to what is a clear breach of planning and what appears to be an attempt by the owners to gain a considerable financial windfall by securing a change of use and selling the last pub in the village, as a residential home. We hope this enforcement will encourage the owners to sell the business, as a business, if they are unable to run it successfully, as they have told us many times. This would hopefully allow the Community to create a successful business, based on what the Community have told us they want, in the form of a Community Pub, requiring less profit to remain

viable. This business model as proposed by the Plunkett Foundation is proving successful up and down the country.

Q- If the owners stay in the pub and reopen, how would the pub work if they open just for a day once a month, for example, then claim it failed?
A-They must open the pub as a proper business and show a decent attempt to market and run the business or planning change of use will still not be granted. The "main use" must be as a Public House, therefore 1 day a month, or even 1 day a week, would not satisfy this requirement.

SLIDE 21- Shares- Shares will be priced at £50 each with a minimum purchase of Five Shares (ie £250) 1 vote per shareholder, regardless of value of shares.

Q-Can you refund shares?
A-Yes, within the limits and requirements of what would become the rules. This would likely apply to allow for a refund of shares, with a period of notice, providing it does not adversely affect the running of the business. More information will be available once a prospectus is produced prior to a share offer being opened.

Inheritance is the exception. - Alan to input
Return on investment - Alan- what was our reply on this?

Mr Phipps asked to speak to the meeting:
"I have a vested interest in this meeting as Adam Phipps is my son. I have lived in village in the past, was away for 20 years and back for the last 12 years. I was involved in the pub at the beginning as I was a successful businessman in the catering industry and sold my business for millions. I helped shape the menu and was to be responsible for the food side of the business. Adam & Luisa worked very hard to get the pub reopened and had a great desire to make the business work. Unfortunately, my wife became very ill quite soon after the pub opened, and still is, and I was unable to continue helping them. But a lot of what has been said is not true." *(Mr Phipps did not clarify what was not true)* "The business has never been successful, and I did not want them to buy it in the first place, but I supported them none the less. The paper article that was in the Hunts Post was a lie and Chris Clarke himself wrote an article that said he was struggling to keep the pub open. There are other things at play, which I cannot talk about, I have probably already said too much, but how they are being treated is not right. Adam & Louisa are grownups and I have no control over them, but my grandchildren are in that pub and I don't like people taking

photos through the windows." *(Note- At no point have the committee members taken photos through the windows of the pub)* "If you want the pub, then you need to pay them what they want for it." *(Note- When asked what that amount is, no amount was given)*

Summing up

We do need money for legal and we shall only spend if we have to. We will be transparent, trackable and auditable.

We do need volunteers to come onboard to help us shape any purchase model, prepare business plans, negotiate with the owners and if successful, run the pub. We know the village has many professional people with a variety of skills, so please contact us to help the committee move forward.

We do need to understand investment indications from the Community so we know what sort of backing there is which will help determine the level of government funding we can apply for.

Anything extra need to be added?