

**Minutes of a meeting of the White Horse Inn Committee with Burghley Estates,
Held at Burghley Estates offices at 61 St Martins, Stamford 17th
November 2016**

Present:

White Horse Inn Committee (WHC):

Philip Giles, William Harbage, Andrew Johnson, Martin Whitfield

Burghley Estates (BE):

David Pennell, Michael Leverton (BE Architect)

WHC: Given that the proposals include development within and without the PLD would BE consider doing the development in two stages: stage 1 = Pub + 4 dwellings (on the "red" site), stage 2 = housing on the paddock (the "blue" site)?

BE: We would be concerned that phase 2 might never happen, therefore we would only consider this if both stages were part of the same planning application with phase 2 only a timing difference.

WHC: Why is the quid pro quo for a development of houses the redevelopment of a leasehold pub? Has BE fully considered the sale of the freehold of the pub site (the "red" site)?

BE: Firstly the requirement to develop houses to fund the redevelopment of the pub is the simple commercial principle that BE needs to find a viable way of raising capital to fund the expenditure. Secondly the sale of the freehold has been considered and has been rejected. BE do not like selling assets and this would be underselling the value of the asset. Contrary to the rumours which appear to be circulating, since The White Horse closed BE has not marketed the freehold for sale and has never received an offer for the freehold let alone one that would acceptably realise the value of the assets.

WHC: Is the fact of development on the blue site (the paddock) going to set a dangerous precedent, which is a concern of residents?

BE: I cannot comment on RCC planning principles but it was not indicated that this was the case at the meeting with the Director of Environment & Places of RCC in February.

WHC: Does BE understand that there is concern about the proposals and the village may not support the proposals?

BE: This is an “exception site” because it involves building on an area currently outside the PLD and enhances a village amenity, namely the pub. Burghley Estates are now adopting a policy of consulting with Villages and want to have their support for developments. If the village are not supportive of these proposals then BE will play the long game, as it always does. If BE abandons the current proposals through lack of support we will apply for planning permission to convert the pub into dwellings and to build 4 houses at the rear of the pub site. BE will then wait until RCC re-categorises the paddock as available for development, which they will do in time. BE would then apply for planning permission to build houses on the paddock which maximises the development opportunity and would give a better return than the current proposal.

WHC: What is the guarantee that £600,000 will get spent on the White Horse? BE: This would form part of the Memorandum Of Understanding. BE are only supportive of investing in the refurbishment of The White Horse providing it is brought up to a standard which will allow it to be sustainable with the right tenant. The refurbishment is important to address the long standing issues with both the public and private areas of The White Horse; the staff accommodation particularly needs sufficient investment to attract the right tenant.

WHC: Where does refurbishment of the pub lie in the programme of development? BE: This depends on the extent of the planning permission granted. We recognise that the village would want to see the refurbishment completed on The White Horse before the housing is built. If we have planning permission for the whole development we would ensure that this is what happens.

WHC: What would your proposed timeline be for the proposals to take shape on the ground?

BE: We would like to proceed as follows: Submit the pre-application to RCC before Christmas; follow this up by submitting a full application by early March; in this case we would receive feedback on the application approximately thirteen weeks later in May. Depending on the result of the application and any appeal we would like to start work on The White Horse and its bedroom accommodation in August/September 2017 with a view to it opening by March 2018. While work is proceeding on The White Horse we would be marketing the proposals to developers so that work is able to commence on the housing in February/March 2018. We would anticipate the first two houses to be completed by December 2018 and the whole development to be completed by the middle to end of 2019.

WHC: How many houses are required to provide BE with sufficient payback? BE: The current proposal is what achieves this, 4 houses at the rear of the pub plus 9 on the paddock. Any other proposal would not have the support of the Trustees.

WHC: How open are you to including a number of detailed points in the Memorandum Of Understanding so that it properly protects the village? BE: I am very open to including detailed points as I recognise that these will be important to the village.

WHC: Are you working with a developer & if so what protection can the village be afforded?

BE: Yes we will be working with a developer. However we will ensure that we work with the village to ensure that it is protected: we will agree the design standards for both The White Horse and for the housing & infrastructure (roads etc.) with the village as part of the Memorandum Of Understanding. We will also incorporate provisions into the Memorandum Of Understanding and subsequently into the agreement with the developer which will protect the village during the period the development is being built, for example: no parking on verges and no delivery vehicles parked along the High Street. The developer will be required to provide a bond which they will forfeit should they transgress the provisions in the agreement.

WHC: Are you prepared to sign a Section 106 agreement which will bind in the enhancements agreed in the Memorandum Of Understanding?

BE: Yes. The housebuilder will end up providing the benefits and enhancements defined in the Section 106 agreement but we will commit to ensuring that these happen.

WHC: There appears to be some concern in the village about the intention of including function room facility within The White Horse.

BE: My understanding is that the idea of including a function room with local relevance came from both comments from the village and the White Horse Working Party in consultation with Pub-is-the-Hub in order to facilitate additional income if there was a demand. The final detailed internal design of The White Horse has not yet been completed as we had committed to do this in consultation with the village and the tenant. It was only a concept and can easily be deleted if this is what the village prefers.

WHC: Does BE own other pubs?

BE: Yes, 6 pubs including the Bull & Swan plus The William Cecil Hotel, and The Orangery & The Garden Room at Burghley House.

WHC: Is the business plan proposed for The White Horse feasible?

BE: The business plan shown at the exhibition was prepared by the White Horse Working Party after advice from several third parties experienced in the public house business. However in my view this business plan is doable and we would not support the investment proposal if it wasn't. In our view the right tenant is critical. We currently are in contact with a potential tenant for The White Horse who we would sign up with tomorrow if we could –they are experienced in the pub trade and in our opinion they would make an excellent tenant.

WHC: The pub has failed continuously over the last fifteen to twenty years, why would it suddenly become viable once these proposals are implemented?

BE: There are significant differences once the pub has been refurbished and the tenant has a direct relationship with BE. Previously: the kitchen was too small; the dining room was poor and lacked atmosphere; the bar was oddly situated and awkward; there were no letting rooms & the staff accommodation was appalling. Previously there were two leases involved, one from BE to the pub leasing company and one from the pub leasing company to the tenant. This arrangement did not work: it reduced BE's control and ensured the tenant was starved of any flexibility and ability to make a satisfactory profit. In the future there will be one lease directly from BE to the tenant which will ensure direct contact and sharing of business plans and ideas.

WHC: How does the business plan for The White Horse compare with the other pubs that you own?

BE: As I said the business plan for The White Horse is doable and BE would not be supporting investment in The White Horse if it wasn't. As owners we get actively involved in developing business plans with our tenants and monitor their progress through open discussions.

WHC: Are you aware of the extent of the opposition to the proposals at present?

BE: Yes and we find this very concerning, particularly following the positive response we had to the exhibition in the summer. We clearly are at odds with the residents that are opposing the plans and are very concerned that some of the things that are being said are not true.

WHC: What have RCC said to you regarding the proposed development? BE: RCC have encouraged us to apply for planning permission for the proposals, particularly if we have the support of the village.

WHC: What comfort can the White Horse Committee give to the village that these proposals are not setting a dangerous precedent for other developers?

BE: We cannot give any comfort as we are not the planning authority. However I am led to believe that this question was put to Edward Baines and that he stated that each application was treated on its own merits and if this proposal was granted planning permission it would not on its own influence the view taken of any future potential proposals.

WHC: If you do not have the support of the village would you pull back?

BE: Our policy is to work with the villages where we have ideas which we wish to develop. The consultation exhibition at Morcott in the summer was designed to allow the village the opportunity to see the proposals in detail and be able to comment on them. However the site in Morcott is an "exception site" and we would want to ensure we have the support of the village if we are to invest in The White Horse and proceed with the proposals as they stand.

WHC: What would happen to the current proposals if you did not have the support of the village?

BE: We have sunk too much money into the proposals just to give up on them totally and walk away. Our fall-back position is that we would first of all apply for planning permission to convert The White Horse and the outbuildings into housing. At the same time we would apply to build housing at the rear of the pub site. I am confident that we would obtain planning permission for this if the village is not supportive of reopening the pub. Secondly we would wait until RCC review and change their land designations to facilitate development of the paddock. BE are prepared to play the long game and we believe that this is only a matter of time. We would then build on the paddock, ensuring that we maximise the value of our asset in the process. This is only commercial common-sense.

WHC: Are you prepared to meet with the village?

BE: Yes, I am prepared to stand up and listen to the village and answer queries and concerns in a public meeting to ensure that the current proposals have a proper airing.

WHC: When will this be possible?

BE: I am available on the evening of 7th December 2016 to hold a public meeting with the residents of the village. Please confirm the arrangements for this meeting.

/Ends
