

## Justification Statement

Considering that we originally had our offer to purchase the freehold accepted in November 2013, it would be fair to say that our Application has been thoroughly thought through and meticulously scrutinised for more than four years, however that would not be the case, as we have wanted to purchase the Bay Horse at Terrington since soon after it closed in 2012, more than six years ago!

Of course, our offer in November 2013 became the subject of an injunction which stopped the Administrators selling the Bay Horse to us and it has remained empty ever since, this was well documented and reported at the time, our plans were halted, albeit for the time being.

In July 2015, the owner HSBC, the Bank who had repossessed the Pub negotiated their way out of the injunction and they were free to sell the Pub and enquired as to whether we still wanted to proceed, with thousands already invested and some already well laid plans, of course we jumped at the opportunity.

The Bay Horse Inn, or, as it will reopen, The Whippet in Terrington, is a very difficult building to start a new Pub/Restaurant from, it cannot be drink lead, as drink lead establishments fail in a very short time, as well, they are not favored as they do not promote the five licensing objectives. This means that the business must be food lead, obviously with a great drink offering as well.

Considering we cannot extend, like our two nearest neighbours, the Crown & Cushion at Welburn and the Durham Ox at Crayke, these two establishments are both thriving businesses however they can cater for 80 and 100 diners, respectively. Our premises at Terrington will have room for just 48 with an additional 12 in private dining areas, we have had to look at alternative sources for revenue.

It is without doubt that we must extend our trading space, despite the fact we will be the only Pub in the village, we simply cannot compete without taking full advantage of our building and our outbuildings. Our planners have recognised this on our behalf and have included within our application the ability to extend our trading space onto the first floor with what will be a very unique and lovely space for 12 people to dine, privately.

The Durham Ox at Crayke recently extended and converted their outbuildings into accommodation now providing a substantial offering, one must take into account the captive audience or market that having people staying on-site provides. It is worth mentioning that to open a business for lunch requires at least four members of staff to be on-site from around 08:00. Thanks to the positive advances in the National Living Wage, the cost of these four members of staff have increased from £6.08 per hour to more than £8.75 by the time we re-open, with greater increases planned for each of the following years.

It is well reported that consumers will not accept any increase to be passed on due to the cost and difficulty of recruiting great staff, the increases in energy and fuel, or the most obvious, food inflation. We are now paying almost four times as much for our produce than when we opened The Whippet Inn back in 2012. Back then our ethos was to source locally, and it hasn't changed, we very rarely venture further afield than North Yorkshire, rarely more than a few miles do we travel for produce or suppliers. For example, we have never offered an Ale from Lancashire, nor do we ever plan to. We buy our fresh produce from Dooleys in Easingwold, or guest ale from Bad Seed Brewery in Malton, or Daleside in Harrogate, our Gin from Rare Bird in Malton, our meat from Ripon, even our bottled water comes from Driffield... but never from Lancashire!

We must take into account that to attract the greatest Head Chef and General Manager we will have to offer accommodation within their remuneration, this is why the management accommodation within our application is essential. Rental properties within 5 miles of Terrington start from a minimum of £650.00 pcm, plus Bills, Council Tax, etc, this would be an additional £12k cost on top of the circa. £30k we are planning to offer both roles.

Our spend per head at our award winning restaurant in York, The Whippet Inn, is £42.00 per person. If you take into account that we have roughly half the restaurant covers that our two nearest competitors have than you can appreciate why this business has failed, been handed back and repossessed in its last three attempts to do well. The knock on of this is extremely detrimental to local suppliers, like J. R. Johnson, our egg supplier, or Doyles of Easingwold, our green grocer, who bank on the success of their customers, not to close overnight owing them thousands.

We have incorporated 4 residential letting rooms to boost our revenue potential and to ensure that our venture is viable. Our insurers have also stipulated that they would prefer if a Manager was on-site if we were going to let rooms above the Pub.

These are just a few of the reasons why we desperately need the Managers accommodation to make our plans work, without it, I doubt anyone would be able to open the Pub and give the local villagers what they are crying out for and that's a successful, bustling village Pub!