

Background

The Crag Inn was purchased by Doran and Melissa Binder in June 2016. The previous owners, Ian and Janet Phillips had attempted to sell the property for approximately 8 years due to the decline in customer numbers and their wish to retire. Despite varying amounts of interest in the site the previous landlords were unable to sell the property and thus attempted to gain planning permission to turn The Crag Inn into a private dwelling. This was rejected on numerous occasions despite taking an appeal to the High Court.

On purchasing the pub in June 2016, Doran and Melissa were fully aware of the previous owners struggle with the pub, however believed that they could turn it around. They invested in a various improvements to the building and focused on marketing and social media to try and gain customers and awareness of not only the pub existence but also the fact that it was under new management.

The pub reopened in July 2016, following a refurb of the interior and was open consistently, Tuesday to Thursday 12pm – 9pm, Friday and Saturday 12pm – 11pm and Sunday 12pm - 7pm, following comments that the previous owners had been inconsistent with their opening times and thus causing potential customers to not know whether on arrival the pub would be open or not.

Doran and Melissa employed the use of a chef initially and then a bar manager, however it was clear within 4 months that this was not sustainable and that Melissa would have to run the bar. For a further 2 months the chef remained but by the end of December 2016, it was clear that the pub could not afford to keep the chef. Melissa at this point had to step up and also run the kitchen.

Doran resigned from his job in March 2017 to focus solely on The Crag and to try again to turn the business around. The pub had a good couple of month financially during April and May 2017, due to Easter, Mother's Day, the various bank holidays and good weather. However from June onwards the pub saw a rapid decline in numbers. It is worth noting at this stage that Melissa and Doran have invested in excess of £300,000 in to the business, but haven't taken a salary at any point or seen any return on their investment, any income that is generated just about covers the mortgage and overheads.

In August 2017, a planning application was submitted to Peak Park to build 2 holiday lets in the grounds of the carpark, it was thought that holiday accommodation would encourage people to visit the area and in turn use the facilities of the pub. This application was rejected due to the Parks embargo on new builds within the Peak Park area.

It was not usual for there to be days when not a single customer would come into the pub. This was despite efforts to encourage walkers to eat and drink at the pub, including cheaper beer and lunchtime offers on food. The pub is known for being a walkers pub, It has a friendly family atmosphere and welcomes people to come in with their dirty walking boots and dogs (neither of which were welcomed by the previous owners), but it is not known as an evening destination.

Following a disappointing summer, due to poor weather causing a decline in customer numbers Doran and Melissa no choice but to close the pub during the week. It became apparent that the cost of heating and lighting the pub along with the overhead of kitchen and equipment was costing the business money. It was decided that the pub would no longer open during the week and only open on Saturday and Sunday between the hours of 12pm and 6pm.

Following the rejection of the planning application to build the holiday lets, Doran and Melissa still didn't want to give up their dream of running a successful business and still felt that The Crag had a lot to offer. Feedback from customers love the pub, its idyllic location and its friendly welcoming atmosphere, but there is not enough footfall in the general area. Weekday walkers tend to be of retirement age and prefer to take sandwiches on their walks. The distance to nearest towns also means that the pub is not a drinker's pub.

The local residents are scattered, there is a population of farmers who do not go out in the week to eat and drink and retired single ladies who do not wish to frequent a pub during their free time. The pub has hosted Quiz nights and other special nights to encourage locals to use the facility. Furthermore discussions have also been had with local residents as to hosting WI meetings, knitting clubs, reading groups etc., but due to the fact that the village also has a community hall, many events are held there with any funds raised going towards the church and local community projects. The Crag is not deemed as being 'The hub' of the community.

On purchasing the pub in June 2016 various maintenance issues came to light as the business had been severely neglected by the previous owners. Various contractors were brought in to ensure the business adhered to the relevant regulations. One such contractor was Blair Drilling, the company that had originally installed the bore hole in the car park of The Crag some 20 years ago. The owner of Blair Drilling, Richard Taylor informed us that the water provided to the pub was of very good quality and that it came from the same underground spring that has facilitated Wildboarclough Water. Wildboarclough Water was a company owned by John Burgess, a previous landlord of The Crag who ran a successful business extracting and tankering out the water to a bottling plant in Leek, Staffordshire. The company was dissolved many years ago but it made Doran and Melissa think about whether this could perhaps become an additional income stream for The Crag.

Doran and Melissa put the idea on the backburner whilst they concentrated on improving the state of the pub, however in October 2017, following the poor summer trade and the rejection of the planning application for the holiday lets, they decided that it would be worth investigating whether there was any mileage in bottling water themselves. Regulations have changed since the days of Wildboarclough Water and in order to call the water 'Spring' Water, the water would have to be bottled at source and could no longer be tankered out of the area to an external bottling plant.

Discussions were had as to where a potential bottling plant could be situated within the site and following discussion it seemed that the rear dining room of the pub could be a potential option. The dining room is only used once a week on a Sunday for 3 hours to serve a carvery. Within the dining room there is a heated trolley that holds the meat required for the carvery and 6 tables providing seating for 22 diners, a form of overflow from the main pub if required. The dining room however was rarely was used for seating customers due to the fact that the majority of customers prefer to sit in the main pub where there are 2 open fires and a better atmosphere.

The pub itself seats 24 people with a large proportion of the pub housing a seating/lounge area with 4 large chairs, a sofa and a coffee table. With the removal of the lounge area within the main pub, the carvery heated trolley could be set up in that space with the addition of seating for 16 people. In turning the dining room into a bottling plant the pub would lose seating for only 6 people.

Business Proposal

A meeting was held on 14th December 2017 with Andrea Needham and Tom Sheils to discuss the proposal of turning the rear dining room into a bottling area for the spring water. We explained that we hoped that it would be a way of diversifying the pub's revenue stream. Andrea and Tom came to

the view that the proposed use would constitute a material change of use from a public house to a mixed use of public house and bottling plant and therefore planning permission would be required.

Our proposal is that the bottling activity would be restricted to the former dining room, and that deliveries and collections would be made from the existing yard to the side. All plant associated with the bottling activity will be confined within the existing dining room / bottling area.

The officers suggested that in submitting a business plan, upper limits for production are in place so that the bottling does not take over to the expense of the pub. The borehole accessing the spring water contains 60,000 litres of water a day. Regulations state that 20,000 litres of water can be extracted a day without an abstraction licence. The company Crag Spring water owned solely by Doran and Melissa propose that an upper limit of extracting 5000 litres a day would be all that is required. This equates to 500 crates of water daily with up to 5 deliveries being made by van a day between the hours of 9am and 5pm. This would be the aim for the future, however initially it is thought that there will be one delivery a week. It has also been stated in the planning application that there would be employment for 2 part time members of staff. Again this is an aim for the future but for the time being the Spring Water business will be run by Doran and Melissa.

The majority of the water production will be delivered from the Crag, it is unlikely that there will be many customers coming to the pub specifically to buy water. The plan for the business is to deliver the water to local pubs, restaurants, wedding venues and individual consumers. Because the business model aims to re-use the glass bottles, the company will collect the empties at point of redelivery and as such there will not be an increase in visitors to the site to collect their own water.

It is thought that the pub in its current state is not viable and not sustainable under the current conditions. Despite numerous attempts to attract customers and draw people to the area, the pub cannot survive in the existing format. The proposal to bottle water would add to the income stream for The Crag and hopefully keep the pub open. It is hoped that the potential Spring Water success could also encourage people to visit the area and put the area back on the map.