

STANKERR PUBS LIMITED

Stankerr Pubs Limited
Burgundy House
21 The Foresters
Harpenden
Hertfordshire
AL5 2FP

Gavin Martin,
Crown and Sceptre Public House
9 Market Place
Ross on Wye
Hereford
HR9 5NX.

Dated: 7th December 2023

Dear Sirs,

Without Prejudice.

Breach of Contract Notice. Lease Dated 21/11/2021.

Your Freeholder Stankerr Pubs Ltd attended a hearing of the Herefordshire Licensing Sub Committee on Tuesday 5th December where it was the opinion of West Mercia Police that there had been a serious crime at the Crown and Sceptre premises warranting the service of a Certificate under Section 53(1)(b) of the Licensing Act 2003.

A Warrant under the misuse of Drugs Act 1971 was executed at the premises and upstairs flat at the Crown and Sceptre where intelligence suggested that illegal drugs were being freely used and supplied. Four people were arrested, three for concern in the supply of Class A drugs and one in possession of Class B drugs. One of those of concern in the supply of Class A drugs was the DPS and another party that we understand was an employee of yours.

We have subsequently been sent the Decision Notice (attached) suspending the Stankerr Pubs Ltd alcohol license as an interim step pending a full review which has been set for 22nd December.

Please be aware that should the Premises Alcohol License be lost or the DPS lose their license then this could result in the potential forfeiture of your Lease. I attach a copy of your Lease and refer you to the Forfeiture Clause 6.1(kkk) where forfeiture can be made where “any license holder is convicted of any offence which may cause the tenant or license holder.. to lose any of the Necessary Licenses”.

I would also refer you to the Third Schedule, Clauses 2.5-2.6 where the tenant cannot act in any way which may result in the suspension of the Alcohol License where you are already clearly in breach of your covenants.

It was made clear to you at the outset of this Lease that it was essential that the rent was paid on time and the pub was run in good order and in accordance with the Premises License if you were to avoid interference from the Freeholder. The latter has clearly not happened and Stankerr Pubs Ltd now face a predicament that unless matters are rectified to the satisfaction of the Licensing Committee and Police of the Hearing on the 22nd December then the License may further suspended or revoked.

If the license is lost the Freeholder can also chose to make you continue to pay rent without the ability to trade from the premises. I am also acutely aware of the livelihood of all the employees at the pub and the essential nature of Christmas trading all of which have now been put in jeopardy.

Without prejudice, we have now spoken, and I would propose as follows:

- 1) The DPS ceases to be the DPS of the Pub and is made to leave the property and the above flat with immediate effect. Please confirm in writing when this has happened. Your agreement that if he is convicted of any charges in relation to Class A drugs then he is to be barred from the premises permanently.
- 2) Your employee alleged to have used Class A drugs is removed from the property and barred from the pub with immediate effect. You say this has already happened. Please confirm in writing.
- 3) That the additional party that was arrested is barred permanently from the premises. Please can you confirm his name and that this has happened.

- 4) That when Stankerr Pubs Ltd provide the name of an alternative suitable local DPS that you will accept this party on agreeable terms and ensure that you will carry out all steps to assist him in the exercise of his duties.
- 5) That you will adhere to the additional requirements set out in the proposed alcohol license in addition to the requirements set out in the existing suspended license both of which are attached. You are to agree any additional conditions the Licensing Authority wish to impose within reason.
- 6) That you and the new DPS will afford the police and licensing authority will all co-operation and assistance where required.

Please be aware that the above is given on a without prejudice basis and should the Freeholder wish to commence an action to forfeit your Lease then there is nothing in this letter that will prevent this from happening.

We would strongly advise that you seek representations regarding your dire legal predicament.

Yours Sincerely



James Noble
Director,
Stankerr Pubs Ltd.

Cc Michael Balmer, Licensing Partner Weightmans Solicitors