



Admiral Taverns Lays Out Plans to Support Pubs Reopening

June 8th 2020

Dear Licensee

I hope you are staying safe and well during the COVID-19 lockdown period. It seems incredible to think that all pubs were closed without notice on 20th March and only limited delivery or collection services have been permitted since. As I write this letter, it does appear that UK pubs will be encouraged by the Government to reopen on 4th July, something we have all been longing for.

Although nothing is yet certain, we have been planning the support you will need to re-establish thriving community pubs over the coming months. Throughout the crisis there have been so many inspirational stories from across our estate, demonstrating the incredible support you have offered to your local community, with many providing essential food and drink to the elderly and vulnerable in their neighbourhood.

Many of you have also taken the chance to improve your pubs - refurbishing the inside and re-designing or simply making outside spaces more attractive places to socialise. In the meantime, we have been working with trade organisations to lobby Government to provide cash grants, furlough schemes and other assistance for the self-employed.

Now that we are all gearing up to reopen on 4th July, we have been working closely with Government officials to help ensure that the COVID-19 Secure guidelines will be effective and workable, and will provide a safe environment for you, your staff and customers.

It is likely that the guidelines will require you to undertake a risk assessment of your pub and to make plans for social distancing and rigorous hand washing standards. The guidelines to help make pubs safe should be published in the middle of June and we will advise you once they are available.

Further Supportive Measures As You Prepare To Open Your Pub

Throughout the crisis we have taken proactive measures to provide you, our licensees, with clear and transparent support policies to get you through the sudden loss of income, whilst you cut costs and secured the government support available.

This included the immediate cancellation of all rents from 21st March to 30th April and the subsequent decision to resume rent, (capped to ensure affordability) once licensees had received their Government grants, which are intended to cover fixed costs such as rent and staff wages, as well as living expenses.

We have been more proactive than many because we want you to emerge from this crisis energised and motivated to re-establish great community pubs, not weighed down by debt and fear about the future.

admiral

T A V E R N S

On the assumption that UK Government restrictions for pubs will lift on July 4th, in order to ensure that our licensees are in a position to re-build their businesses as quickly as possible, Admiral Taverns has taken the decision to temporarily reduce rents to 50% of the current agreement amount, subject to a floor rent of £100/week. This significant reduction will remain in place for the first two months of trading and will increase to 60% for September and October. Thereafter, rents will gradually increase each month, until they return to contractual levels in April 2021.

This additional support is based on our best forecast of market performance and will be subject to regular review, but we do not anticipate increasing rent any quicker than forecast. If pubs are not permitted to open on 4th July, and unless further government support is provided, we will not charge commercial rent from 1st July until such time as they are permitted to open.

As local community pubs draw their clientele primarily from the local neighbourhood, and without the need for public transport, we believe strongly that they are lower risk than many other hospitality venues. And with many people being advised to continue working from home, we believe this presents opportunities for community pubs to grow their customer base.

I hope and believe many communities will welcome the chance to socialise, respecting the Government guidelines, and will want to repay the commitment you have shown them during the crisis by visiting their local pub as soon as possible. Our additional support should allow you to maximise this opportunity and we look forward to working with you to make this happen as quickly and as effectively as possible. Your BDM will be in touch with you in week commencing 15th June to support you in your plans to reopen.

Yours sincerely

Chris Jowsey

Chief Executive Officer