

O-Bahn roadworks force popular Adelaide pub Royal Hotel to close

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ONE of Adelaide's most popular hotels of the 1990s, the Royal Hotel, has closed its doors and blamed roadworks associated with the \$160 million O-Bahn extension for the loss of 20 jobs.

The Kent Town pub, on the corner of North Tce and Dequetteville Tce, has been placed in voluntary administration, claiming there has been an estimated 80 per cent fall in trade since O-Bahn construction began in March, according to administrator Worrells Solvency and Forensic Accountants.

Worrells' partner Nick Cooper said roadworks had caused "major disruptions" to traffic flow outside the hotel and "severely restricted" access to the carpark.

"At the same time, noise and dust have crippled lunchtime and evening trade," he said.

Mr Cooper said the pub's leaseholder, Andrew Gunn, approached the State Government for help but was told there would be "no compensation".

"Because these disruptions are expected to continue at least for another 12 months, the leaseholder felt he had no option other than to enter administration," he said.

“The director (Mr Gunn) was hopeful that the disruption wouldn’t have been so bad, the problem is when you’re locked into a fixed lease, you’re obliged to keep the doors open as long as you can.”

The Advertiser attempted to contact Mr Gunn for comment.



Worrells Solvency and Forensic Accountants’ partner, Nick Cooper, is trying to find a buyer for the lease of the Royal Hotel at Kent Town. Picture: Calum Robertson
The Advertiser understands that Mr Gunn also sold his leasehold interests in the Mawson Lakes Hotel and Victor Harbor’s Hotel Crown to an interstate consortium last week.

Mr Cooper said he would seek expressions of interest for the sale of the hotel’s lease.

The O-Bahn extension project, which the Government says will cut an average seven minutes from a daily bus commute, is scheduled for completion late next year.

Trade at the Hackney Hotel on Hackney Rd – which is co-owned by Peter and Jenny Hurley and former Adelaide Crows Mark Ricciuto, Nathan van Berlo and Bernie Vince – has also been affected, according to Hurley Hotel Group general manager Sam McInnes.

Mr McInnes said business between July and October this year was 25 per cent lower than the same time last year.

“That (less trade) all translates to less hours for casual staff; to be honest, if we didn’t have resources outside of the Hackney Hotel, if it was a family-run business, they’d be in pretty dire straits,” he said.

In a statement, a Planning and Transport Department spokeswoman said the O-Bahn project team had worked “extensively” with the Royal Hotel to help it during construction work.

Some actions included: hiring a licensed plumber to connect the hotel to an alternative water supply during water main shutdowns, changed construction “methodology” to reduce nightshift sheet piling and, changed construction sequence to reduce the duration of construction work on the Hackney Rd/Dequetteville Tce intersection by up to two months.

“During meetings and information provided to the community, the project team has encouraged both staff and local residents to support the Royal Hotel,” the department said.

“In addition, the Office of the Small Business Commissioner provided extensive assistance across the groups hotel portfolio.”