



Valuation Office
Agency



RATING LISTS 2023

VALUATION OF PUBLIC HOUSES

APPROVED GUIDE



FOREWORD

Developing the guide to the valuation of public houses is an iterative process undertaken by the Valuation Office Agency (VOA) and the Pubs Rating Forum (PRF). The process of developing the guide is to help the VOA more accurately assess the value of a property for the purposes of establishing appropriate rateable values (RV). The PRF can provide context, help shape overall tone, and in many cases correct percentages and bandings. Its purpose as defined in its Terms of Reference is “to bring together senior representatives from the licensed premises industries and the VOA to discuss matters relevant to the valuation of licensed premises for rating purposes.

The PRF is appreciative to the VOA for the collaborative approach. However, there remain elements of disagreement, limitations on information sharing, and areas of compromise. For example, the PRF does not have access to data returns, for confidentiality reasons, so data sharing is necessarily restricted.

The PRF is pleased that the guide highlights the important final stage needed for all valuers to stand back and look at the outcome of a valuation produced by applying the guide and considering whether the final figure is sensible given the evidence and individual circumstances which apply (e.g. physical characteristics, correct valuation approach, possible overtrading, etc.).

We view this guide not as a self-assessment tool, but rather a document of principles for enabling reasonably accurate assessments of rateable values. The PRF contribution to this guide should not be used to prohibit ratepayers from receiving a fair hearing at tribunal or seeking alternative valuation approaches.

The PRF views the 2023 Guide as an improved iteration of guidance, but also acknowledges that the methodology for pub valuations requires specialist knowledge and expertise. Where disagreements occur, the guide, when interpreted correctly by two experienced licensed property valuers, should in most cases produce outcomes where any differences are capable of being reconciled. The PRF acknowledge that further changes may be required to reflect a changing market in future editions of the guide so that it yields the most accurate valuations possible.

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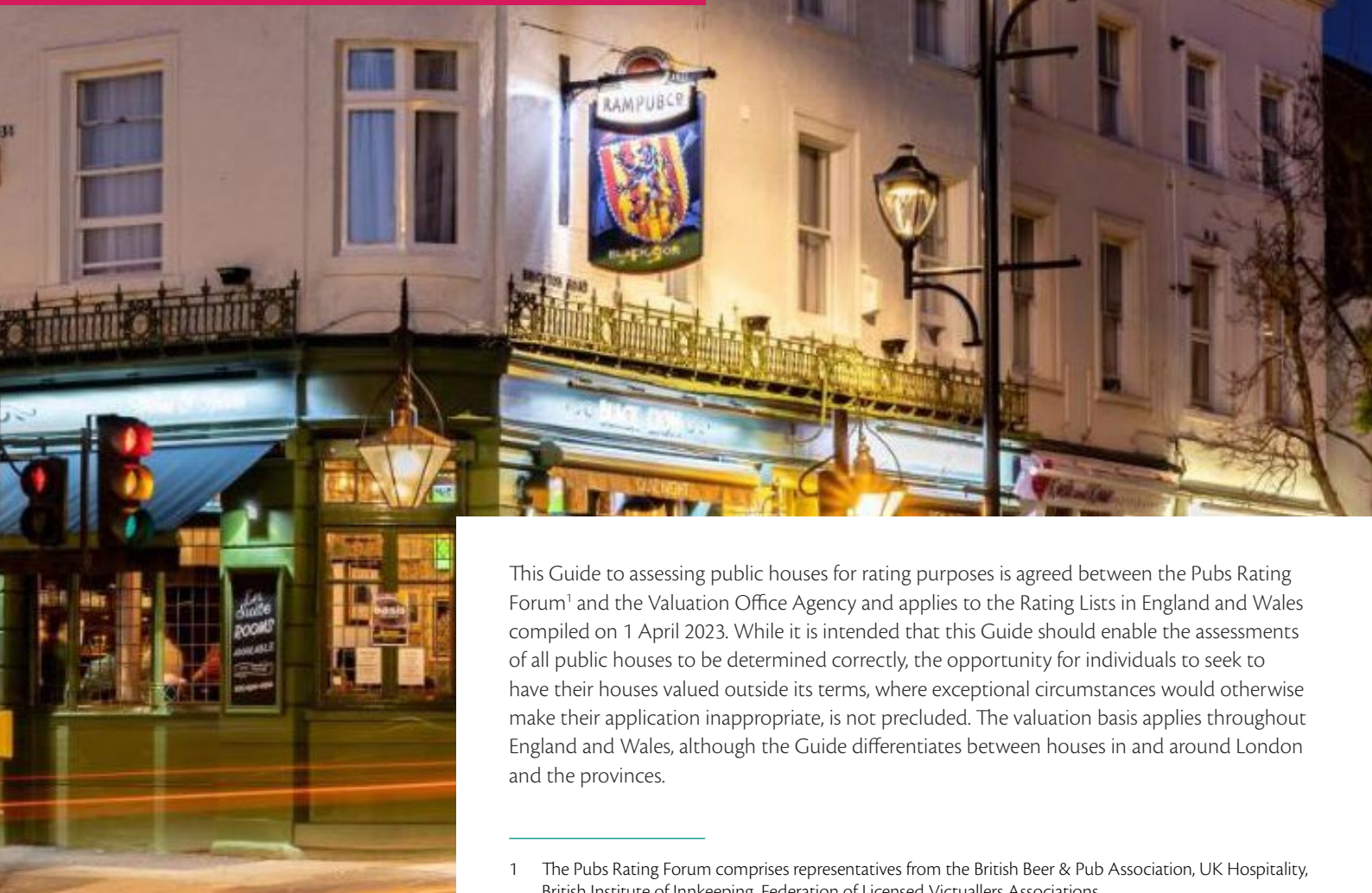
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The valuation basis applies throughout England and Wales, although the Guide differentiates between houses in and around London and the provinces.



This Guide to assessing public houses for rating purposes is agreed between the Pubs Rating Forum¹ and the Valuation Office Agency and applies to the Rating Lists in England and Wales compiled on 1 April 2023. While it is intended that this Guide should enable the assessments of all public houses to be determined correctly, the opportunity for individuals to seek to have their houses valued outside its terms, where exceptional circumstances would otherwise make their application inappropriate, is not precluded. The valuation basis applies throughout England and Wales, although the Guide differentiates between houses in and around London and the provinces.

¹ The Pubs Rating Forum comprises representatives from the British Beer & Pub Association, UK Hospitality, British Institute of Innkeeping, Federation of Licensed Victuallers Associations

2.0

BASIS OF VALUATION

The basis of valuation for non-domestic rating is set out in Schedule 6 to the Local Government Finance Act 1988 (as amended).

Para 2(1) of Schedule 6 provides that the rateable value of a non-domestic hereditament “shall be taken to be an amount equal to the rent at which it is estimated the hereditament might reasonably be expected to let from year to year” on three stated assumptions. For composite property (which includes domestic parts), para 2(1A) defines this as the amount that “would reasonably be attributable to the non-domestic use of the property”.

With the Antecedent Valuation Date (AVD) for the list being 1 April 2021, the trade and evidence available will reflect large periods of closure and uncertainty within the market. The hypothetical tenant, coming fresh to the scene at the AVD is looking to the future, and will consider the pre-Covid trade as well as the Government’s recovery roadmap and the vaccination scheme when making their bid.

It is expected that the market will recover over the next few years and this will be in both parties’ minds when the “fair maintainable turnover” (FMT)² and a hypothetical rent is agreed.

2 FMT definition in RICS GN referenced below.



Rental evidence has been analysed by reference to a unit of comparison. In most cases the appropriate measure is turnover, although in certain circumstances where there is appropriate rental evidence, this may be by reference to floor area. Guidance on the latter can be found in Section 7.1. Valuations will generally be made by considering income streams from drinks (alcoholic and non-alcoholic), a food offer and, where applicable, accommodation and/or other areas of trade. To ascertain the correct rateable value the first stage is to determine the FMT of the property excluding VAT. This will be split between receipts for drinks, food, accommodation and other sales. The FMT adopted should represent the annual trade considered to be maintainable at the AVD, 1 April 2021, having regard to the physical nature of the property and its location as at 1 April 2023 when the new rating lists come into force (or subsequently following a material change of circumstances) on the assumption that the enterprise will be carried out by a “reasonably efficient operator” (REO)³ responding to normal trading practices and competition in the locality. It should be recognised that actual trade at AVD may not in all cases be the best evidence of what is a reliable and sustainable level of FMT. Rental percentages are then to be determined, in accordance with the principles set out in this Guide, and applied to the income streams for drinks, food, accommodation and certain other receipts. The sum of the rateable values attributable to these separate income streams, together with the value attributable to any other part of the property that is not reflected in the FMT will, in most cases, provide the total rateable value.

Valuations should not be arithmetical calculations and must be considered, by a competent valuer experienced in the licensed property sector, within the terms of this Guide having regard to the individual nature of each property, its location, trading style, the competition landscape and the prevailing trading levels of competitor outlets.

Having calculated the valuation, it will be necessary to “stand back and look” in order to consider whether or not the resultant figure appears reasonable in comparison with the assessment of similar styles of property and if it fits in the band range and pattern of assessments in similar localities. The Guide provides the scope to reflect the wide-ranging factors influencing value that will be encountered and hence full consideration of all aspects is essential to its proper application. Given the time elapsed since the 2017 Rating Lists, the 2023 Rating Lists require a fresh look at values in the light of changing circumstances and therefore relativities exhibited between properties and locations in previous Lists will not necessarily be of assistance.

3 REO is the same as defined at paragraph 2.10 of the RICS Guidance Note: THE CAPITAL & RENTAL VALUATION OF PUBLIC HOUSES, BARS, RESTAURANTS & NIGHTCLUBS IN ENGLAND & WALES (Jan 2011)

2.1 Assessing Fair Maintainable Turnover (FMT)

As stated above, it is important that the valuer is regularly involved in the licensed property sector and has practical knowledge of the operational aspects affecting this market as well as the local market itself. Such knowledge will aid in the analysis and review of historic and current trading performance and will assist the valuer forming an opinion of the FMT considered sustainable by the REO.

Vacant and to let, the REO would be aware of the actual trade (unless a new property) and this is the starting point for the valuation process.

While the REO's bid is assumed to be made having regard to the physical circumstances as at the material day, 1 April 2023 for the compiled list, the AVD is 1 April 2021. When estimating the FMT, the REO will have regard to the receipts envisaged as at 1 April 2021 for the year ahead and will be informed both by trends of receipts over previous years as well as the amount of receipts in the year closest to the AVD. This will include consideration of the economic circumstances and regulatory framework at that time.

The FMT can be above or below the recent trade history of the property and is a broader approach to valuation than simply adopting actual levels of trade at AVD. It reflects a range of factors (such as location, design and character, level of adaption and trading history) that are inherent to the property. In assessing FMT, the valuer should exclude any income above the normal expectation that is attributable solely to the personal circumstances or skill, expertise, reputation and/ or brand name of a particular operator. Factors such as long-standing occupancy and/or popularity of a particular offer may possibly give rise to levels of trade which might not be sustainable by a REO. Where one-off events cause a change in trade that will not be repeated in later years then careful consideration should be given to the maintainability of that trade. In some cases, it may be obvious from the outset that the actual trade figures are either higher or lower than those achievable by the hypothetical tenant for the type of house in that location, for example due to the personality, skill or approach of the actual operator either in attracting or deterring trade. In such cases the FMT adopted should be that considered appropriate, sustainable and in the mind of the REO.





It may also be of assistance when assessing FMT to have regard to the wider occupational history of the property.

Assessing FMT requires the careful consideration of actual trading performance compared with similar property types and styles of operation in the locality (such as trading hours) and a proper understanding of the trading potential of those property types and how they compare with one another.

If any particular site has a level of assessment higher than the norm where locational and property factors do not explain the disparity, further consideration should be given to the resultant valuation.

N.B. Further guidance on the treatment of potentially overtrading houses can be found at Section 7.2.

2.2 2023 rating list and COVID-19

The assessment of FMT is a matter of judgment for the valuer depending on all the relevant factors. For the 2023 revaluation, with an AVD of 1 April 2021, the effects of the COVID-19 outbreak need to be taken into account as they would have been anticipated by the parties at the AVD. Trade evidence that includes long periods of lockdowns is unlikely to provide good evidence of the FMT at the AVD. Valuers are advised to follow market practices and take, as their starting point, the closest reliable trade. This is likely to be the 2019/2020 trading year and any previous trading years. Any short periods of lockdown within those years will need to be adjusted for.

Having established the FMT from the closest reliable trade, the valuer should then consider any further adjustment needed to reflect the receipts envisaged as at 1 April 2021. The parties are assumed to be agreeing a tenancy from year to year with a reasonable prospect of continuance. As such, they will not only take a view on the FMT immediately achievable at AVD, but the FMT over a period of time ahead. The hypothetical parties will therefore anticipate the likely course of COVID-19 and its effects on trade (lockdowns etc). The parties will also consider the potential recovery of trade, from the effects of Covid-19 and national lockdowns, taken over the duration of the hypothetical tenancy.

The table below details the percentage adjustment the valuer should consider. The Geographical Areas and Categories will match those to be adopted for drinks sales (section 3). Geographical areas are defined in section 3.1, and the Categories are defined in 3.2.

Central Business Districts (CBD) are those areas within Category 1 locations (as defined in section 3.2) which are highly reliant on office workers for their customer base. At AVD the hypothetical tenant would be envisaging a significant change in office working patterns to impact their future trade when compared with other Category 1 areas. Where a property can attract trade from other customers such as shoppers, residents, and other visitors, it will not meet the criteria of a CBD. Central Business Districts of this type are not found in many town or city centres; an example of the unusual circumstances that meet the criteria is Canary Wharf, London.

Inner London

| Category | Reduction of 2019 Trade |
|----------------|-------------------------|
| Category 1 | 20% |
| Category 1 CBD | 30% |
| Category 2 | 20% |
| Category 3 | 30% |

Outer London

| Category | Reduction of 2019 Trade |
|------------|-------------------------|
| Category 1 | 20% |
| Category 2 | 15% |
| Category 3 | 30% |



Provincial England & Wales

| Category | Reduction of 2019 Trade |
|----------------|-------------------------|
| Category 1 | 17.5% |
| Category 1 CBD | 20% |
| Category 2 | 17.5% |
| Category 3 | 30% |

The factors the table has taken into account include:

- The predicted speed of recovery of the public house from the effects of COVID-19 on trade, given its type and level of trade, location, and facilities
- The availability of outside areas to facilitate trade during lockdown periods
- The demographics of its customer base, and whether these are now more or less likely to travel to the locality, and other changes in consumer behaviour
- The ability of the public house to adapt to changes in trade following COVID-19, such as the ability to adjust its offer to follow market changes
- Changes in operating costs driven by changes in trading styles and customer expectations

The valuer should adopt the stated adjustment in the vast majority of cases. In exceptional circumstances, if when considering the factors above and comparing it to other properties within that category and geographical area, the valuer considers that the property should receive a higher or lower adjustment, they may amend the adjustment within a range of +/- 2.5%.

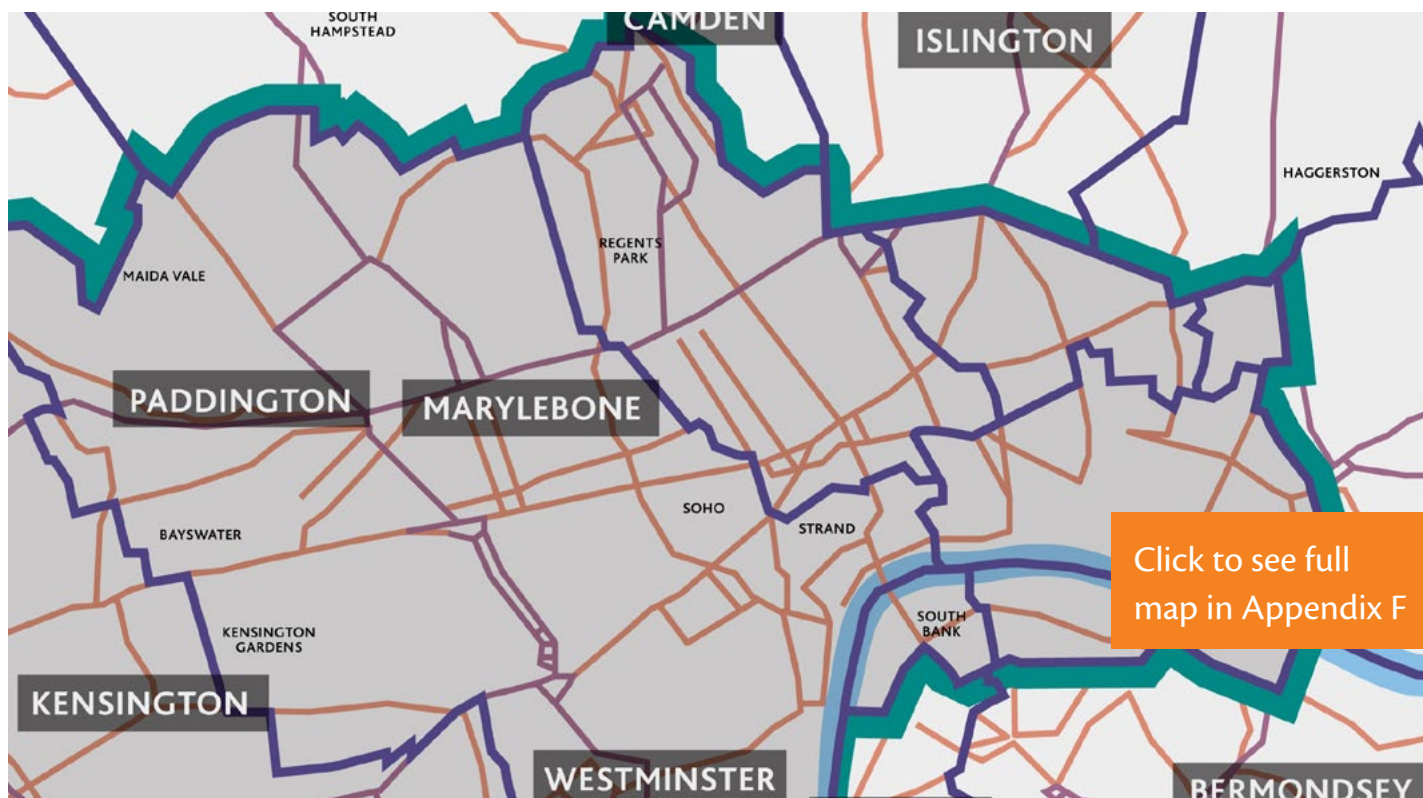
3.0

DRINKS SALES

These will be valued on the basis of the annual drinks FMT, expressed in pounds, net of VAT.

The assessable drinks sales will reflect receipts from all alcoholic drinks, soft drinks, minerals together with incidental bar sales such as crisps, nuts etc, (i.e. the details requested in question 7 (a) (i) of Notices VO 6010 and VO 6011).





3.1 Choice of geographic area

This Guide provides sets of “valuation categories” for central London, outer London and provincial England and Wales. A set of “valuation categories” should be selected to reflect the geographical area and trading position of the house.

The areas comprising “central London” and “outer London” are not to be taken as having rigid boundaries on the ground. Valuers should take a reasoned view as to the appropriate band applicable to a particular house taking into account the type of operator, location, nature of the house, its surroundings and the style of trade. In marginal situations the position, the locality and the type of trade will not only influence the decision as to whether “central” or “outer” London or “provincial” bands are appropriate but will also have a bearing on which band should be applied (see paragraph 3.2).

Those pubs situated within a designated central business district may be subject to Category 1 CBD allowances.

In Inner London CBD areas are identified as the financial districts within:

- City of London
- Canary Wharf

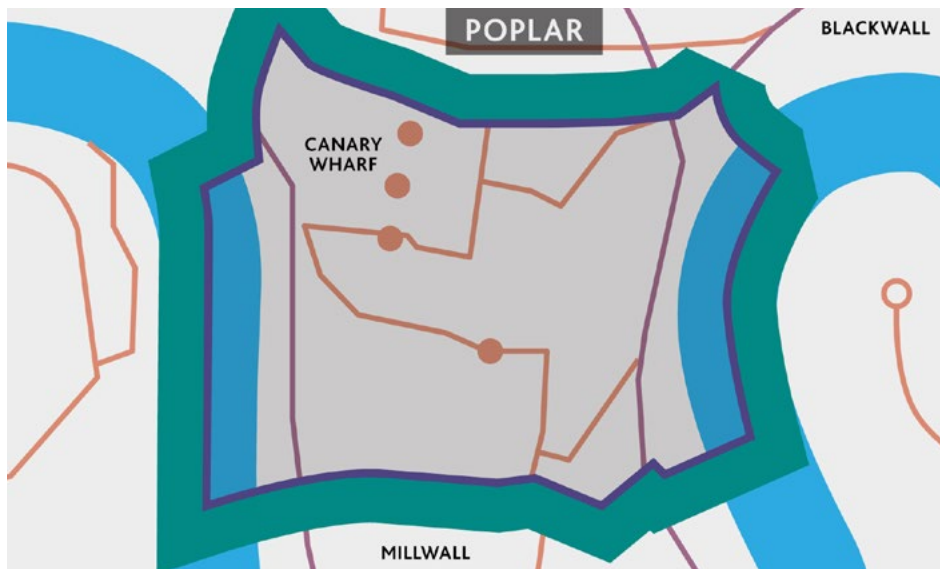
Where opening hours are focused on office workers and many pubs may have remained closed despite the lifting of lockdown restrictions.

Outside of Inner London there will be limited examples of where this is applicable but, where it is, it will be expected that opening hours are focused on office workers and many pubs may have remained closed despite the lifting of lockdown restrictions.

Central London

The drinks sales valuation bands for central London (see Appendix A) apply generally to the following London billing authorities:

City of London
City of Westminster
Kensington & Chelsea Royal London Borough



Camden London Borough (part) – The southern part of the Borough as far North West as Albert Road, Princess Road, Gilbeys Yard, Castlehaven Road, Hawley Road and Kentish Town Road : to the North East as far as the A5202 St Pancras Way, A5202 Pancras Road, Goodsway, A5200 York Way and the boundary with Islington London Borough.

Islington London Borough (part) – The southern part of the Borough as far north as the A501 Pentonville Road.

Hackney London Borough (part) – The southern part of the Borough as far north as the A5201 Old Street.

Southbank

Southwark London Borough (part) – The area south of the River Thames, bounded to the East by the A100 Bridge Road; to the South by the A200 St Thomas Street and Crucifix Lane, A3 Borough High Street, B300 The Cut, Union Street and Hercules Road: to the West by the boundary with Lambeth London Borough.

Lambeth London Borough (part) – The area west of the River Thames, bounded to the East by the Southwark London Borough, B300 (The Cut), Waterloo Road and York Road as far South as the A302 Westminster Bridge).

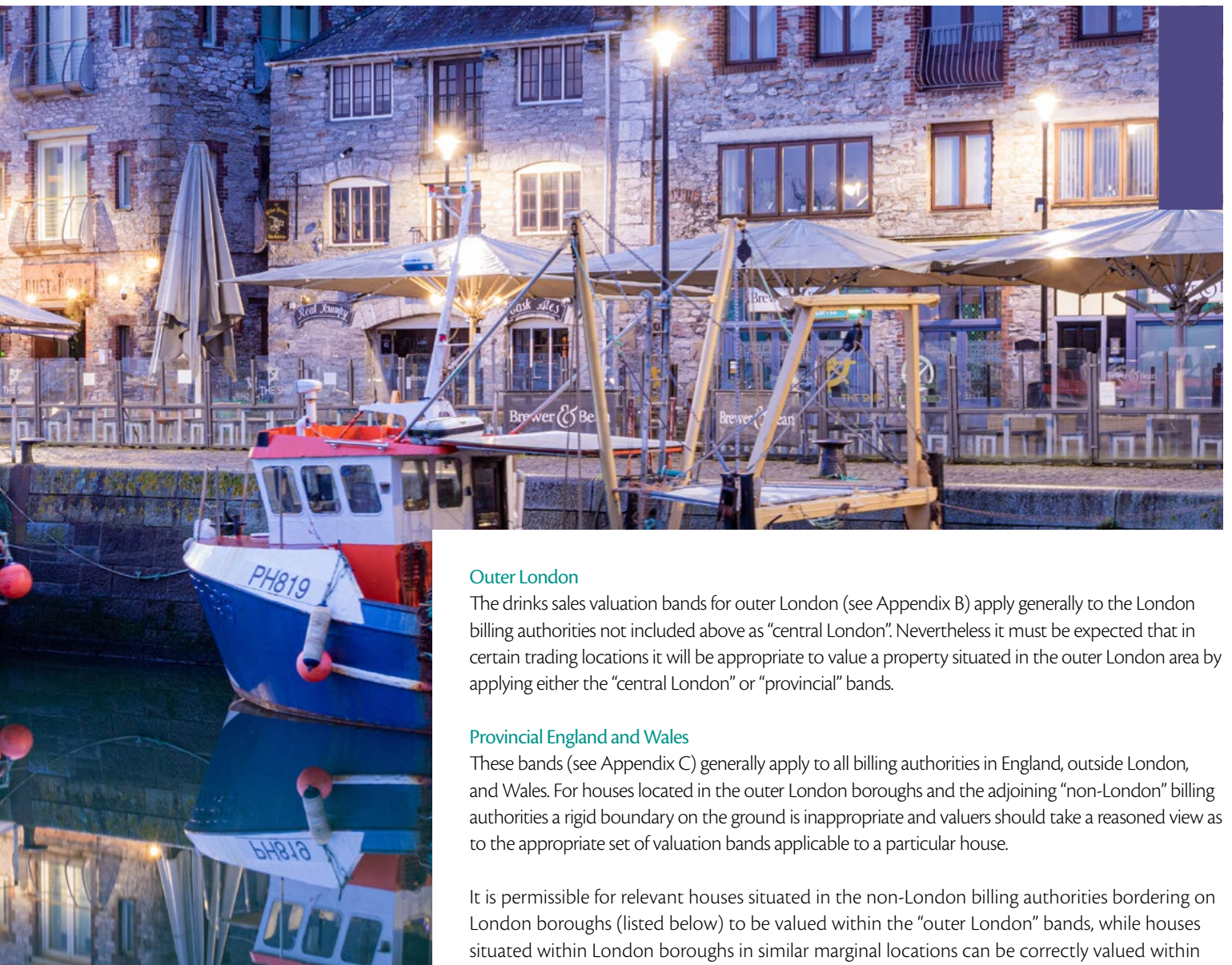
Docklands/Canary Wharf

Tower Hamlets London Borough (part) – The area South of the A1203 Aspen Way (between West Ferry Road and the Blackwall Tunnels; as far South as Tiller Road, Pepper Street, Glengall Grove, Marshfield Street and New Union Road; to the East and West is the River Thames.

There will exist notable locations (eg. St Katherine Dock and the area encompassing The Angel, Upper Street and The Green, Islington), which adjoin or are within close proximity to the central London geographical area above, that should have their drinks sales treated as though they are within this area.

For visual clarification of the central London area boundary, where it encompasses parts of a billing authority, please see the maps above.





Outer London

The drinks sales valuation bands for outer London (see Appendix B) apply generally to the London billing authorities not included above as “central London”. Nevertheless it must be expected that in certain trading locations it will be appropriate to value a property situated in the outer London area by applying either the “central London” or “provincial” bands.

Provincial England and Wales

These bands (see Appendix C) generally apply to all billing authorities in England, outside London, and Wales. For houses located in the outer London boroughs and the adjoining “non-London” billing authorities a rigid boundary on the ground is inappropriate and valuers should take a reasoned view as to the appropriate set of valuation bands applicable to a particular house.

It is permissible for relevant houses situated in the non-London billing authorities bordering on London boroughs (listed below) to be valued within the “outer London” bands, while houses situated within London boroughs in similar marginal locations can be correctly valued within the “provincial” bands. In deciding whether a house should be valued as “outer London” or “provincial” all relevant factors must be taken into account including its geographical position and the nature of the locality, property and trade.

“Outer London” bands may be applied to properties in the following non-London billing authorities in the appropriate circumstances. Some of these extend many miles from London and the valuation overlap at the boundary does not apply throughout the whole of these billing authority areas.

- Brentwood
- Broxbourne
- Dartford
- Elmbridge
- Epping
- Forest
- Epsom & Ewell
- Hertsmere
- Reigate and Banstead
- Runnymede
- Sevenoaks
- Slough
- South Bucks
- Spelthorne
- Tandridge
- Three Rivers
- Thurrock
- Watford
- Welwyn
- Hatfield

3.2 Choice of category

How to determine the appropriate category

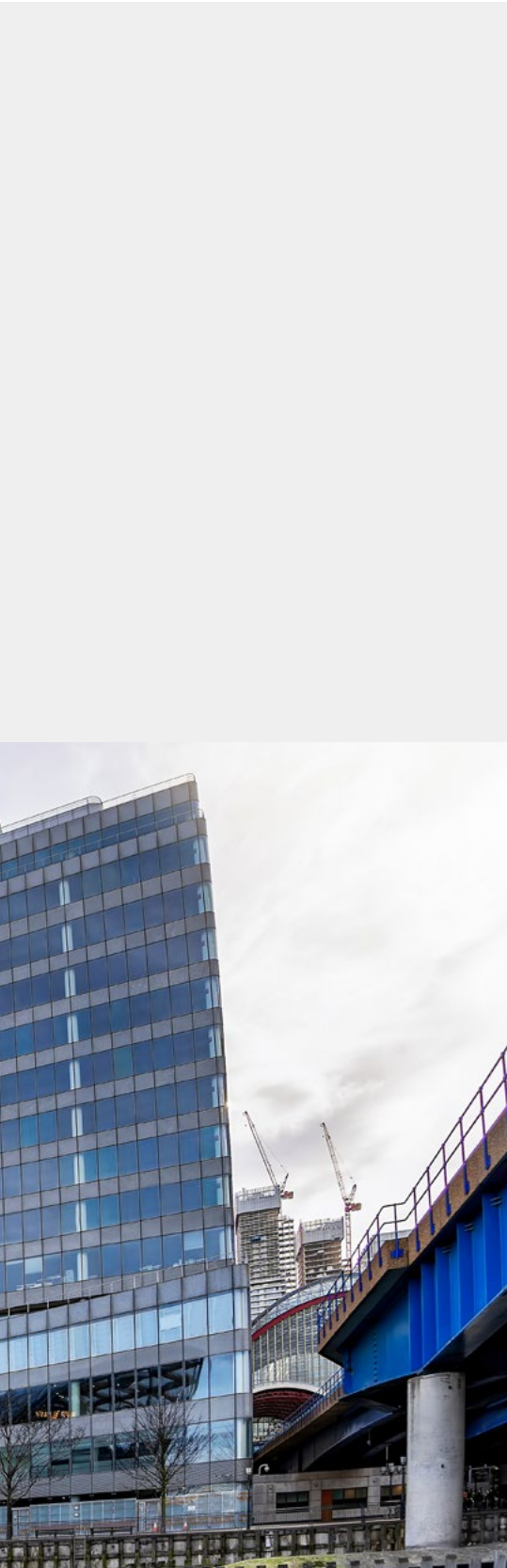
The following three categories are intended to provide valuers with the opportunity to reflect all factors which affect value in the appropriate geographic area, and will only succeed in producing fair relativities if all three are considered in the valuation process. The category choice is not influenced by the level of FMT - this is a separate consideration. **Please note these categories have changed since the 2017 guide and therefore existing valuations categories must be reassessed.**

Where houses do not fall readily into one of these categories the factors set out below can be interpolated to give a balance of advantage and disadvantage. This should enable the valuer to make a judgment as to which to adopt, and the balancing factors considered when making the choice of percentage within the relevant range.

The categories reflect the following key areas for consideration -

- Trading locality.
- Physical characteristics of the house and the style of trade which is maintainable.





Category 1 - City and town centre houses

This includes both circuit bars and traditional pubs situated in town and city centres or destination areas such as larger tourist centres and entertainment areas. They may either be food or wet led. They will be well invested, often but not exclusively trading under direct management with or without corporate branding.

Upper levels

It is likely that those at the upper levels will include some or all of the following -

- Situated within the main pub circuit.
- Are likely to have strong trade at both lunchtime and evening sessions, and can capture further trading elements such as breakfasts, morning or afternoon coffee, or late night trade.
- Good footfall related to nearby commercial elements such as retail, leisure or late-night venues
- The houses will usually be well planned, easy to maintain and staff, probably with an open plan bar area, but may have a separate purpose designed dining area.
- Modern, well designed, and purpose built; or older houses including conversions of high quality construction retaining their character and fitted out / renovated to a high standard.

Lower levels

It is likely that those at the lower levels will include some or all of the following -

- Situated within the pub circuit but may be on the periphery or otherwise less visible to it.
- Although they are likely to have strong trade at both lunchtime and evening sessions, have more limited demand for trading elements such as breakfasts, morning or afternoon coffee, or late night trade.
- Moderate levels of footfall due to some proximity to nearby commercial elements such as retail, leisure or late-night venues
- Older property of average / poorer design, layout and quality.
- Lower levels of profitability due to higher operating costs, (e.g. repair liability, required staffing levels), and may include buildings that are listed, thatched, have a higher repair liability, excessive amounts of accommodation, higher energy costs, requiring higher staffing levels, promotion, and entertainment.
- Trade is achieved by higher expenditure on items such as entertainment than direct competitors.

Category 2 - Destination houses

This category will comprise the full spectrum of free houses, managed and tenanted pubs. A significant food or entertainment offer will be key indicators of public houses that will fall in this category.

Upper levels

It is likely that those at the upper levels will include some or all of the following -

- Prominent out of town or rural locations with little or no competition.
- Frequently in attractive locations (e.g. river frontage or with a view) or in close proximity to tourist or other leisure attractions.
- Specific locational advantage acts as an attraction.
- These houses are likely to experience strong customer demand all year round.
- Modern houses, well designed and purpose built or older houses including conversions refurbished and refitted to a similar standard.
- Easy to maintain and staff, probably with an open plan bar area, but may have a separate purpose designed dining area.
- Substantial outside trading facilities that may include children's play areas. Ample parking.
- Letting rooms may be provided as part of the original building, an extension or separate annex. Any letting rooms are likely to be of good quality with en-suite facilities.
- Rural houses will be character properties maintained to a high standard with good levels of amenity.

Lower levels

It is likely that those at the lower levels will include some or all of the following -

- Prominent out of town or rural locations but with strong competition.
- In locations without the draw of any particular attraction or appeal.
- Where there is strong customer demand but not necessarily at both lunchtime and evening sessions, seven days per week or all year round possibly due to seasonality.
- Older property of average / poorer design, layout.
- Properties with limited outside facilities and parking.
- Lower levels of profitability due to higher operating and maintenance costs including, for example buildings that are listed, thatched or with higher repair liability, excessive amounts of accommodation, higher energy costs, requiring higher staffing levels, promotion, and entertainment.

- Trade likely to be supported by discounting, promotions or expenditure on entertainment, incentives, advertising and/or requiring abnormal levels of door staff and security costs.
- Letting rooms may be provided as part of the original building, an extension or separate annex. Any letting rooms are likely to be of average quality including ensuite facilities although such facilities may also be on a room share arrangement.



Category 3 – Urban fringe, local and rural houses

This includes both bars and traditional pubs situated on the outskirts of town and city centres, and local pubs in more outlying and rural areas serving a residential/local community. These are likely to include pubs that would typically qualify as an “asset of community value”. They will not form part of a main pub circuit but may be on the fringes of one.

Upper levels

It is likely that those at the upper levels will include some or all of the following -

- On the outskirts of town and city centres or in outlying commercial centres, or in stronger village locations.
- Good demand but will not necessarily be strong at both lunchtime and evening sessions, seven days per week or all year round possibly due to seasonality.
- In rural areas, have some scope to attract trade from nearby towns and cities, or may appeal to tourists.
- These pubs will have a good local following and play an active role in their local communities.
- May have a significant food offer, but also may prefer to ignore food to concentrate on other markets
- Located adjacent to major roads, or with some passing traffic , or with some attraction in the area.

- Only need to offer limited or no incentives (such as low profit food, event or team sponsorship, entertainment and /or subscription TV).
- Limited local competition from other houses, clubs and where price sensitivity is not a particular issue.

Lower levels

It is likely that those at the lower levels will include some or all of the following -

- Situated in poorer or more isolated trading positions in urban and rural areas, or in areas of large population but with strong local competition from other houses, clubs and where price sensitivity is a particular issue.
- Are likely to be predominantly wet led but may include a limited food offering which is supported by the local community.
- Need to offer significant incentives (such as low profit food, event or team sponsorship, entertainment and /or subscription TV).
- In locations with little passing traffic and no special attractions.
- In rural areas, these pubs will serve their local communities, but have little scope to attract trade from nearby towns and cities, or appeal to tourists.
- Are likely to be older construction with little or no up-to-date alterations.
- In urban areas they may be functional in design, be multi-storey, of excessive size including multiple bars and function room.
- Running costs including building maintenance or staffing will probably be above average.
- With poor levels of amenity, including little or no outside area, facilities for smokers or car parking.
- These pubs may have a trade kitchen, but will lack demand for food.
- Limited demand at lunchtime sessions, or earlier in the week. May choose not to open between sessions or on some days. May close or restrict operation at times of the year due to seasonality.
- They may be poorly laid out or functional in their design and possibly lack character.
- Will include bottom end non-core pubs held by multiple retailers.
- Trading at levels with little or no potential to increase trade, where lifestyle issues are a key reason why the business remains in use.
- Lower levels of profitability due to higher operating and maintenance costs, which may include, for example, buildings that are listed, thatched or with higher repair liability, excessive amounts of accommodation, higher energy costs, requiring higher staffing levels, promotion, and entertainment.



This includes both bars and traditional pubs situated on the outskirts of town and city centres, and local pubs in more outlying and rural areas serving a residential/local community.

3.3 Percentage ranges

These tables set out the percentage ranges within the drinks bands at the change points as shown in the graphs at Appendices A – C.

Central London

| Turnover £ | Category 1 | | Category 2 | | Category 3 | |
|------------|------------|--------|------------|-------|------------|-------|
| | Max | Min | Max | Min | Max | Min |
| 0 | - | - | 4.00% | 0.00% | 4.00% | 0.00% |
| 150,000 | 8.00% | 7.50% | 8.00% | 5.25% | 7.50% | 3.00% |
| 300,000 | 11.25% | 9.75% | 10.75% | 8.25% | 9.75% | 7.00% |
| 500,000 | 13.25% | 11.25% | 12.75% | 9.50% | 11.25% | 9.25% |
| 700,000 | 13.50% | 11.25% | 13.00% | 9.50% | 11.25% | 9.25% |
| 850,000 | 13.75% | 11.50% | 13.25% | 9.50% | 11.50% | 9.25% |
| 850,000+ | 13.75% | 11.50% | 13.25% | 9.50% | 11.50% | 9.25% |

Outer London

| Turnover £ | Category 1 | | Category 2 | | Category 3 | |
|------------|------------|--------|------------|-------|------------|-------|
| | Max | Min | Max | Min | Max | Min |
| 0 | - | - | 4.00% | 0.00% | 4.00% | 0.00% |
| 150,000 | 7.50% | 7.00% | 7.50% | 5.00% | 7.00% | 2.50% |
| 300,000 | 10.25% | 8.50% | 9.50% | 7.00% | 8.50% | 6.00% |
| 500,000 | 12.25% | 10.25% | 11.75% | 8.50% | 10.25% | 8.25% |
| 700,000 | 12.50% | 10.25% | 12.00% | 8.50% | 10.25% | 8.25% |
| 850,000 | 12.75% | 10.50% | 12.25% | 8.50% | 10.50% | 8.25% |
| 850,000+ | 12.75% | 10.50% | 12.25% | 8.50% | 10.50% | 8.25% |

Provincial England and Wales

| Turnover £ | Category 1 | | Category 2 | | Category 3 | |
|------------|------------|--------|------------|-------|------------|-------|
| | Max | Min | Max | Min | Max | Min |
| 0 | - | - | 4.00% | 0.00% | 4.00% | 0.00% |
| 150,000 | 7.50% | 7.00% | 7.50% | 5.00% | 7.00% | 2.50% |
| 300,000 | 9.75% | 8.50% | 9.50% | 7.00% | 8.50% | 6.00% |
| 500,000 | 11.75% | 9.75% | 11.25% | 8.00% | 9.75% | 7.75% |
| 700,000 | 12.00% | 9.75% | 11.50% | 8.00% | 9.75% | 7.75% |
| 850,000 | 12.25% | 10.00% | 11.75% | 8.00% | 10.00% | 7.75% |
| 850,000+ | 12.25% | 10.00% | 11.75% | 8.00% | 10.00% | 7.75% |

3.4 Choice of percentage

When the appropriate category has been determined, the valuation will fall within the range of percentages in accordance with the above tables and as shown graphically at Appendices A-C.

The graphs show a range of percentage values within each category at any level of FMT. The choice of the percentage to be applied to the total of the fair maintainable drinks trade for each individual house is a matter of judgment. This allows “fine tuning” of the valuation to reflect the operating style of the house, the operating costs required to maintain the particular type of trade being carried out and its profitability. Factors to be considered include, the level of prices charged, staffing costs (taking into account the level and scope of services offered), maintenance, incentives, insurance, marketing, and provision of entertainments etc, in relation to the FMT adopted. For example, provision of subscription TV can be a significant outgoing for the operator but can have a marked effect on turnover. If it is established that the turnover would have been less but for the provision of subscription TV, then regard should be had to the additional costs involved in deciding the appropriate percentage to apply.



When the appropriate category has been determined, the valuation will fall within the range of percentages in accordance with the above tables and as shown graphically at Appendices A-C.



FOOD SALES



These will be valued on the basis of the annual food FMT expressed in pounds, net of VAT. The assessable trade will reflect receipts from the sale of all food (excluding incidental bar sales such as crisps, nuts etc), (i.e. the details requested in question 7 (a) (ii) of Notices VO 6010 and VO 6011).

A percentage of this total will be taken to reflect the rateable value attributable to the food trade. The appropriate percentage for each public house (throughout England and Wales including London) should be derived as follows.

There is a single food band to reflect the nature of the trading locality, the physical characteristics of the house and the style of trade which is maintainable. The position within the band will be determined by the ability of the house to conduct food trade and the style and profitability of the food operation.

4.1 Choice of band

Upper levels

It is likely that those at the upper levels will include some or all of the following -

- Premium priced menu
- Houses which have been purpose built or with well-planned facilities to maximise food income and making them efficient to run.
- Menus standardised across multiple outlets and which are likely to be in place for extended periods (e.g. many months).

Lower levels

It is likely that those at the lower levels will include some or all of the following –

- Standard value competitively priced food from a limited menu.
- Older property of average / poorer design, layout and quality.
- Lower levels of profitability due to higher operating costs, (e.g. repair liability, required staffing levels), and may include buildings that are listed, thatched or with higher repair liability, excessive amounts of accommodation, higher energy costs, requiring higher staffing levels, promotion, and entertainment.
- Food freshly prepared on-site
- Food requiring highly skilled cooking or preparation.
- Highly individual menus, which change constantly as they are dependent on the available produce, which may include locally sourced produce.
- Snacks and sandwiches to encourage wet trade and sold at low profit.
- Food offered in accordance with licensing conditions.

Food levels below £35,000 pa are to be considered de minimis.

If the characteristics of a particular house make the choice of an appropriate percentage unclear, the factors set out above can be interpolated to give a balance of advantage and disadvantage. This should enable the valuer to make a judgment when making the choice of an appropriate percentage within the band.

4.2 Percentage ranges

This table sets out the percentage ranges within the food bands at the change points as shown in the graph at Appendix D.

Standard food scales

| Turnover £ | Max | Min |
|----------------|-------|-------|
| 0 ⁴ | 3.50% | - |
| 35,000 | 3.50% | 0.00% |
| 70,000 | 4.25% | 3.25% |
| 140,000 | 5.25% | 4.25% |
| 275,000 | 7.00% | 5.75% |
| 400,000 | 7.50% | 6.25% |
| 525,000+ | 8.00% | 6.50% |

High levels of food sales

Where the food FMT is £525,000 and above, and represents 55% or more of the total of drink and food FMT, the following scales will apply:

High food scales

| Turnover £ | Max | Min |
|------------|-------|-------|
| 525,000 | 7.75% | 6.50% |
| 1,125,000 | 7.25% | 6.50% |
| 1,750,000 | 6.75% | 6.00% |
| 2,000,000+ | 6.75% | 6.00% |

⁴ As per 4.1, food levels below £35,000 pa are to be considered de-minimis.
As per 5.1, the valuation of letting accommodation can refer to food percentage ranges and this part of the scale is provided for that purpose only”

4.3 Choice of percentage

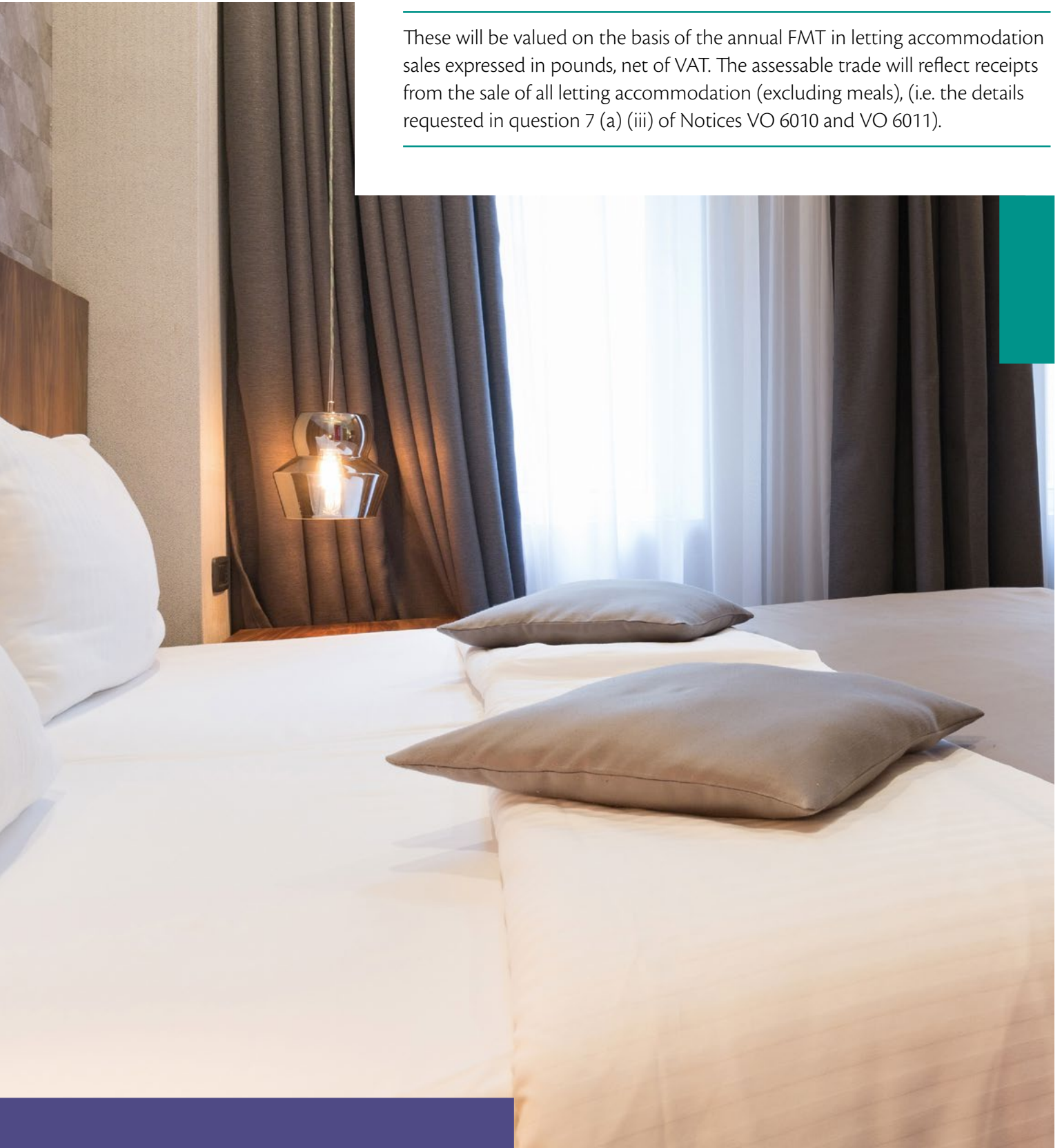
A valuation will fall within the range of percentages in accordance with the above table and as shown graphically at Appendix D, unless the high food scales apply.

The graphs show a range of percentage values at any level of FMT within each band. The choice of the percentage to be applied to the total of the food FMT trade for an individual house is a matter of judgment. Similar considerations apply here as are outlined in respect of the drinks trade. This allows for the “fine tuning” of the valuation to reflect the operation of the house and the significance of the expenses required to maintain the particular type of trade being carried on as well as other matters, including the proportion of dry receipts attributable to letting accommodation (where applicable and not valued separately, see section 5 below) and the type of catering operation.

5.0

ACCOMMODATION SALES

These will be valued on the basis of the annual FMT in letting accommodation sales expressed in pounds, net of VAT. The assessable trade will reflect receipts from the sale of all letting accommodation (excluding meals), (i.e. the details requested in question 7 (a) (iii) of Notices VO 6010 and VO 6011).



5.1 Letting bedrooms

For public houses where six or less bed spaces are utilised for letting purposes, the receipts generated by the lettings should be added to the food FMT and valued as part of the food element.

In cases where letting accommodation exceeds six bed spaces an appropriate judgment as to the correct rate percent to be applied to the fair maintainable turnover in accommodation sales will have to be made.

The appropriate percentage will be derived from the rate determined for the fair maintainable turnover in food sales (see above) plus an addition of from zero to 3%, depending on circumstances. In cases where the annual fair maintainable turnover in food does not exceed £175,000, accommodation (if qualifying for separate valuation) will be valued within the range of 6% to 9% according to the circumstances.

In considering the appropriate additional percentage, account will have to be taken of whether the accommodation is an integral part of or ancillary to the main business, the type and class of the letting bedrooms, the number of bedrooms available, the level of receipts, the proportion of these receipts as compared with the total receipts of the business, the degree of occupancy and the probable profitability of the letting business (bearing in mind additional staffing, advertising, etc attributable solely to the business of the letting accommodation).

5.2 Lodges

For lodge accommodation adjoining or attached to a public house; public house restaurant/licensed restaurant or roadside restaurant the rental percentage will be determined according to the amount of FMT per bedroom, irrespective of whether it is let for single, double or family occupancy. A standard lodge bedroom will be treated as one Double Bed Unit (DBU).

The rateable value of the lodge accommodation should be determined in accordance with the valuation scale set out below, which applies throughout England and Wales including London. This scale has been agreed as part of wider consultations with the appointed representatives of the hotel sector, led by the rating adviser to UK Hospitality.

Due to the Covid-19 pandemic, valuers are advised to follow market practices and take, as their starting point, the closest reliable trade. This is likely to be the 2019/2020 trading year and any previous trading years. Any short periods of lockdown within those years will need to be adjusted for.

Having established the FMT from the closest reliable trade, the valuer should then consider any further adjustment needed to reflect the receipts envisaged as at 1st April 2021. A reduction of 15% of pre-Covid 2019 trade has been agreed.

Position within the range will be determined primarily by whether the lodge is purpose-built or converted from a building designed for another purpose, e.g. an office, and the age and size of the property. The range provides scope to reflect additional physical factors/original design constraints if significantly higher maintenance and running costs are shown to be involved.

| Accommodation Receipts per DBU | Percentage Range Applicable |
|--------------------------------|-----------------------------|
| 29,500 & above | 15.50% to 16.75% |
| 26,500 | 14.65% to 15.90% |
| 23,500 | 13.35% to 14.65% |
| 20,500 | 12.30% to 13.60% |
| 17,500 | 9.95% to 11.25% |
| 14,500 | 9.55% to 10.80% |
| 11,000 | 9.10% to 10.40% |
| 7,500 | 8.70% to 9.95% |

Intermediate points should be interpolated pro-rata.

5.3 Interface between hotels and public houses

As hotels are not valued in an identical manner to public houses/inns it is important to determine whether a property supplying drinks, food and accommodation is properly valued on the basis set out in this Guide or as a hotel. In most cases there will be no problem in identifying public houses/inns and hotels. Where, however, the distinction is blurred it is important to identify the exact nature of the property and the likely occupier.

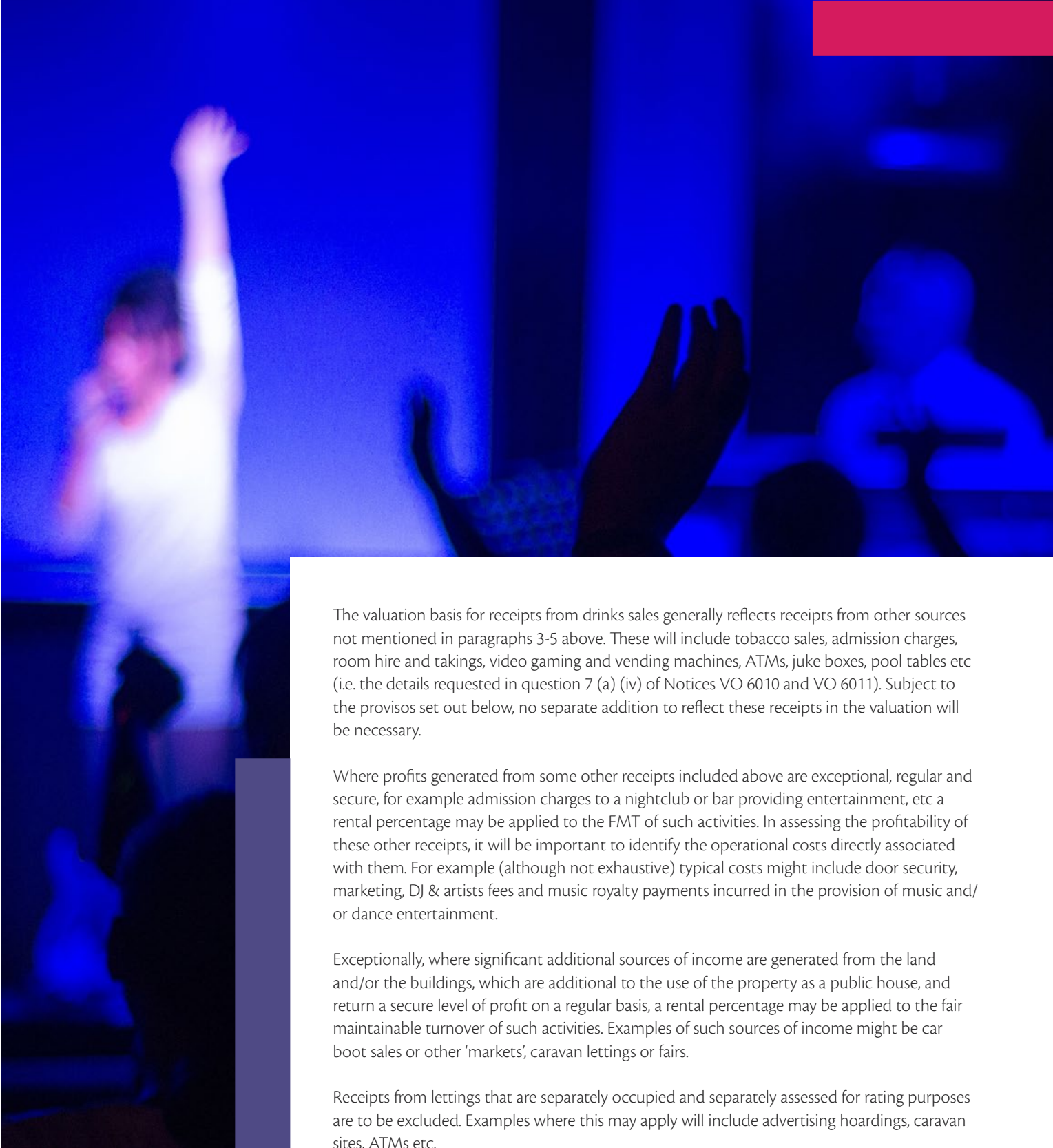
If the property provides public rooms, service and other facilities in addition to bedrooms, though it may have a significant licensed and restaurant trade, it is likely to be a hotel. It is on the other hand likely to be classified as a public house/inn if, while having letting rooms, it does not provide the services normally associated with a hotel.

The following factors, while not exhaustive, may give some guidance:

- A. the Class of the Use Classes Order under which the property has planning permission,
- B. amount and relativity between income streams,
- C. physical factors such as separate entrance, reception, sitting room, etc provided for residential guests,
- D. arrangement of bedrooms, type and standard of accommodation,
- E. whether bedrooms have en-suite facilities or bathrooms/WCs are shared,
- F. level and type of services provided for residential guests,
- G. type of staff employed e.g. receptionist, housekeeper, chambermaid, night porter, etc.

6.0

OTHER RECEIPTS



The valuation basis for receipts from drinks sales generally reflects receipts from other sources not mentioned in paragraphs 3-5 above. These will include tobacco sales, admission charges, room hire and takings, video gaming and vending machines, ATMs, juke boxes, pool tables etc (i.e. the details requested in question 7 (a) (iv) of Notices VO 6010 and VO 6011). Subject to the provisos set out below, no separate addition to reflect these receipts in the valuation will be necessary.

Where profits generated from some other receipts included above are exceptional, regular and secure, for example admission charges to a nightclub or bar providing entertainment, etc a rental percentage may be applied to the FMT of such activities. In assessing the profitability of these other receipts, it will be important to identify the operational costs directly associated with them. For example (although not exhaustive) typical costs might include door security, marketing, DJ & artists fees and music royalty payments incurred in the provision of music and/or dance entertainment.

Exceptionally, where significant additional sources of income are generated from the land and/or the buildings, which are additional to the use of the property as a public house, and return a secure level of profit on a regular basis, a rental percentage may be applied to the fair maintainable turnover of such activities. Examples of such sources of income might be car boot sales or other 'markets', caravan lettings or fairs.

Receipts from lettings that are separately occupied and separately assessed for rating purposes are to be excluded. Examples where this may apply will include advertising hoardings, caravan sites, ATMs etc.

7.0

OTHER CONSIDERATIONS



7.1 Bars and public houses - possible floor area approach

Where a licensed property forms part of a distinct market for a particular location, for which there is relevant market evidence, consideration needs to be given as to whether the property will be more correctly valued on a floor area comparative basis, rather than by reference to the FMT in accordance with the foregoing guidance.

Such properties may be found together in major towns or cities, often co-located with restaurants, occupying sites close to, or on the edge of, the prime retail location. Alternatively, they may be located on retail parks or within in-town shopping centres

Interchangeable use at the interface between bar and restaurant must be possible without offending the rating principle of “rebus sic stantibus”. Public houses retaining their traditional nature will rarely satisfy these criteria.

Where a distinct licensed/restaurant market can be identified, and the rents, when analysed, are consistent within the market such that a tone of value can be established on a floor area comparative basis, then this rental evidence should be used to derive the RV.

7.2 Potentially over-trading public houses

Unless the circumstances outlined in 7.1 apply, the starting point should be the FMT ascertained in accordance with section 2 of this Guide. No allowance is to be made for pricing policy of the actual occupier when determining the FMT (although this may be a relevant consideration when the band or specific point within the band is determined where it is considered that the level of FMT can only be achieved by discounting sale prices compared to competitors).

Having calculated the initial valuation it will be necessary to “stand back and look” in order to consider whether or not the resultant figure appears reasonable in comparison with the assessments of similar styles of property and if it fits into the broad range and pattern of assessments in similar localities.

Every factor should be considered including imperfections in the market. Where it can be clearly demonstrated that the initial valuation is patently out-of-line with other houses, (having regard to all relevant characteristics of the house as opposed to making inappropriate comparisons based upon individual factors, such as turnover per m² or total RV, irrespective of whether this is higher/the highest or lower/ the lowest RV in a locality), and this appears inconsistent with the assessments of similar styles of property in similar locations operated by different occupiers, valued on the receipts basis following disclosure of full trade information, the valuation should be reviewed.

If such differences cannot be explained by the vagaries of the market, the individual physical characteristics and size of the house, the type and style of trade which is maintainable, its customer base and the nature of the trading locality, it will be necessary to revisit the initial estimate of FMT in order to reconsider whether this is consistent or substantially out-of-line with the turnover achieved at other houses.

In such instances the approach outlined in 7.3 below should be adopted.

7.3 Approach to potentially over-trading public houses

The advice below covers the circumstances where potentially over-trading public houses are encountered and sets out a structured approach, the application of which will enable valuers to consistently deal with such cases.

7.3.1 Circumstances where applicable

Section 2.1 above contains guidance on setting the FMT and any exclusions to be made to actual turnover figures. Any element of trade which is considered attaches to the operator (and thus would move with them) and which is not capable or expected to be replicated by the REO, should be disregarded in the FMT calculation. Due regard needs to be given to the attributes of the property. The overriding factor which must be identified in all cases is the existence of a demonstrably different level of trade and/ or offer at the subject property compared to the typical range of trade and/ or offers evident in the locality in question. The demographics of the customer base in any particular location will have a major part to play in the range of offers encountered. The circumstances of the subject property must therefore “stand apart” from its competition and the actual turnover achieved must immediately cause the valuer to stop and reflect as to reasons why, on a first look, it appears significantly higher than that achieved in any other comparable properties in the locality.

This guidance cannot envisage every example of potential over-trading, but it might take the form of an all-embracing and continuous low pricing policy or, at the other extreme, it may present itself as a select high-priced non-standardised operation. Of course, the distinguishable level of trade and/ or offer may be down to the exceptional personality or ability of the operator, often driven by years of experience and knowledge of their pub, relative to the local market. In this regard, the fact that a particular operator has been at the property for an extended period of time does not necessarily lead to the conclusion that there must be an element of over-trading.

The market embraces a range of performances that are considered within normal expectations and accordingly adjustments are not justified in the rating context unless the subject performance is clearly outside of this range. It is quite conceivable that a property with an offer within the typical range, but which enjoys a particularly advantageous location, may, at first look, seem to be out-performing others in the vicinity. The fact that the offer is not out of the ordinary helps the valuer to the conclusion that locational advantage is impacting here. This is an attribute of the property which should correctly be reflected in its rateable value.



Conditional upon the overriding factor being evident, then application of this guidance provides a structured approach to the determination of:

- A. whether an adjustment to the valuation of the subject property is justified, and then,
- B. what the quantum of any adjustment should be.

7.3.2 Requirements before applying guidance

It is important for the valuer to have a thorough knowledge of the trading performances and relative physical and locational characteristics of the public houses in the vicinity of the property under consideration before applying this guidance.

The valuer must be satisfied that all rateable values in the vicinity have been determined with the benefit of the disclosure of full trading information. Where this is not the case the Valuation Officer must firstly take action to remedy this situation.

7.3.3 Factors to be considered

The factors that need to be considered will vary dependent upon the trading environment in which the subject property is located. While not exhaustive, the following scenarios might be encountered.

7.3.3.1 Type A: Primary licensed Trade Areas - generally city centres and major conurbations, but not exclusively

In a location where the major operators are well-represented and consequently the market is very competitive with a number of quality comparable properties present, the following should be considered where high trading public houses are encountered.

In cases of potential over-trading in respect of wet incomes consideration needs to be given as to the security of the top slice of the turnover which is considered to be, possibly, in excess of normal expectation. In some cases there may be a need to discount the actual turnover in respect of this top slice in order to arrive at FMT. This will be where it is considered that this element of trade is likely not to be sustainable if the operator were to change.

To help inform the valuer, regard should be had to the occurrence of similar (but not necessarily identical) turnovers at other public houses in the same location as the subject. Where the level

of turnover is readily replicated by others then no discounting will be necessary. If a significant difference is exhibited, bearing in mind the accepted vagaries of the market, then there may be justification for discounting the drinks turnover by up to 25%. The valuer needs to carefully consider all facts that may point to an exceptional difference which is not solely attributable to the superiority of location and physical attributes of the property in question. Judgments will need to be made to cover intervening circumstances justifying between 0% and 25%.

The food trade should be considered in its own right relative to typical expectations, having regard to the physical attributes of the subject property (i.e. whether or not it is a style of property that would typically attract a food led trade). It may justify a similar or greater adjustment than that applicable to the drinks trade. A maximum adjustment of up to 10% higher than that applied to the drinks turnover may be appropriate in exceptional circumstances.

7.3.3.2 Type B: Secondary Licensed Trade Areas - generally market towns and outlying commercial centres, but not exclusively

Locations considered here are where there is less competition from major operators and/or the level of trade and/ or trading profile of the property under review is atypical, particularly in respect of the proportion of total turnover achieved through food sales - due regard having been given to its physical characteristics.

On reviewing the performances exhibited by the comparable houses in the vicinity adjustments to both the drinks and food trade may prove justified. The level of adjustment could be as high as 50% on both drinks and food turnovers, but these are expected to be the exceptional cases. Intermediate positions between no adjustment at all and these figures will need to be judged based on the particular circumstances encountered.

7.3.3.3 Type C: Superior to Competition

Where there is no directly comparable competition in a locality and the subject property does not fit into the "unique" category described at 7.3.4 (below), consideration needs to be given to an extended level of adjustment. The subject property is likely to be a new opening that is different in style, character and size to existing public houses in the locality.

In itself, just because a house is trading well, has a higher turnover per m² than similar houses elsewhere, or it has a higher or the highest RV in a locality, does not inevitably lead to the conclusion that the property is over-trading.

Where the evidence clearly demonstrates that the actual trading levels should be adjusted, all factors must be considered in determining the level of FMT for the property. It is important to avoid the creation of an artificial level of turnover and assessments for such properties. Each decision must be based upon all the facts pertinent to that particular house. A comparison made solely on the basis of the appropriate FMT determined for one house, which differs from the actual trade, cannot be used to support the derivation of FMT at another house without taking all relevant facts, as they relate to the house in question, into account.

Maximum adjustments of both wet and dry turnovers of up to 60% may be adopted in exceptional circumstances. Again intermediate positions between no adjustment at all and these figures will need to be judged based on the particular circumstances encountered.

7.3.3.4 Type D : Single Trader Locations - for example housing estate or rural

Where a new operator has taken on an existing public house in a single trader location which historically has not traded particularly well, careful consideration of any increase in the trading outcome as a result of the change in operator is required. Examples of such houses will include the only pub in the middle of a housing estate, in the countryside or perhaps a roadside destination venue. It is likely that the new operator will have invested significantly in improving and re-launching the property, so the starting point of any valuation must be the actual level of turnover that they have been achieving. In then determining if any potential over-trading is manifest, similar considerations and adjustments to those detailed at Type B above will be applicable here.

7.3.4 Unique properties

Throughout, it must be borne in mind that a property that is uniquely placed and/or enjoys a particularly attractive physical character, is likely inherently to achieve a much higher level of turnover than any other property in the vicinity. It is important to establish that, having regard to the size and nature of the customer base in the locality, no element of the performance is solely attributed to the particular offer of the current operator. In such circumstances where over-trading is not manifest, no adjustment of the actual turnover when determining FMT is necessary.

An example of this is the Hamilton Hall adjoining Liverpool Street station in the City of London. This was the subject of the Lands Tribunal case *Wetherspoon v Day (VO)* [2008] RA 129. In his decision the President of the Tribunal affirmed that the Hamilton Hall was rightly referred to as being “uniquely placed’ in relation to the potential trade and having an ‘unrivalled position’”.

7.3.5 Approach to consideration of assessments

The starting point of any consideration under this guidance is the actual trade achieved at the subject property. Any adjustment of the actual trade needs to be justified relative to the trading level and profile of other public houses in the vicinity. Every factor should be considered - the individual physical characteristics and size of the house, the type and style of trade which is maintainable, its customer base and the nature of the trading locality. Additionally the imperfections of the market should not be overlooked.

It is not expected that a “tone” of adjustment will become established as each property, subject to this approach, should be looked at on its own merits based on the particular local considerations. However, in the absence of adequate local comparables, consideration of parallel situations elsewhere may prove of assistance. Reasoned judgements will need to be made to establish where in the range any particular property should properly fit.

Given the scope for adjustment contained within this guidance it is not anticipated that any situation will fall outside of its parameters.

It must be stressed that the Approved Guide requires valuation by reference to the FMT of the property under consideration. It does not refer to valuation by reference to any physical measure such as floor space and accordingly it is inappropriate to attempt to determine comparability of one property with another by direct reference to an analysis of rateable values in terms of such a measure.

7.4 Public houses opened post AVD

The objective is to determine the FMT at 1 April 20210

levels, on the assumption that the property was open and trading at that time, where the circumstances outlined for bars (in 7.1 above) do not apply. As there will be no trade history, it will be necessary to look at the turnovers of houses of similar size and physical characteristics, in similar trading localities and with similar styles of trade and customer base. In primary licensed trade areas where the house is competing with similar houses this will include others within the vicinity; in areas where competing houses are of different physical characteristics, often much smaller traditional houses, it will be necessary to go further afield. Comparison of trade should only be made with houses that have been valued on the receipts basis where full trade information has been disclosed.

If the FMT is based upon evidence of agreed assessments of comparable houses, determined in accordance with this Guide, there should be no need to consider any further adjustment at the “stand back and look stage”. The movement of turnover of comparable properties and general market movements post the AVD will inform the valuer of the reasonableness of the adopted FMT, when considering the actual post AVD trade of the subject property.

It is important to appreciate that it is inappropriate to estimate the FMT for a large modern house, either newly constructed, converted or a refurbishment, by reference to the trade achieved by older, smaller traditional houses in the locality and making an arbitrary uplift.

7.5 Public houses with a poor trading history

In considering the circumstances at the compiled list date in cases where a new operator has invested in a public house that has had a chequered history due to its location, and previous operators have over a period experienced difficulties or even closed the house, the general principles of valuation should still be applied. Where there has been no substantial material change of circumstances (MCC) altering the character of the locality, the FMT should still be determined having regard to any available past trading and the expectation of the REO that would be envisaged. This would also reflect any improvements undertaken. An individual or company’s track record of making a success of such houses, where others have failed, based on its style of operation should be ignored.

It may well be that the actual trading figures in the future exceed or fall short of the estimated FMT, perhaps significantly, but this will not be grounds to increase (or decrease) an assessment based upon valuer judgment.

If an MCC occurs any change in assessment should be limited to the valuation effect of the specific MCC.

Where a public house has remained closed for trade over an extended period and there is insufficient trading history, the valuer should endeavour to fully establish the reason(s) for the closure and the prospects for reopening and carefully consider how this would inform the REO of likely trading levels having regard to the facts and circumstances of the subject property. It must be remembered that the economic circumstances will be those existing at the AVD.



7.6 Rural public house diversification

In recent years rural public houses have come under pressure, often as a result of a combination of factors, which include declining and ageing population, decline in traditional rural occupations, low income in rural areas, changing social habits and lifestyles, increasing customer expectations, increasing regulatory demands and drink /drive legislation. The increase in residential property prices has also encouraged a change of use from rural public house to housing. To stay in business licensees have had to find ways to increase their income from other sources.

These efforts to sustain rural public houses, by diversification of the business, typically include the provision of Post Office/banking facilities or limited retail sales. This type of activity is often undertaken in circumstances where, without it, the house might close. Although, in themselves, such schemes may not always generate a significant profit contribution to the business, they provide an important social facility to their community. In turn good licensees will hope the community and others will support the pub business and expand the customer base using the public house.

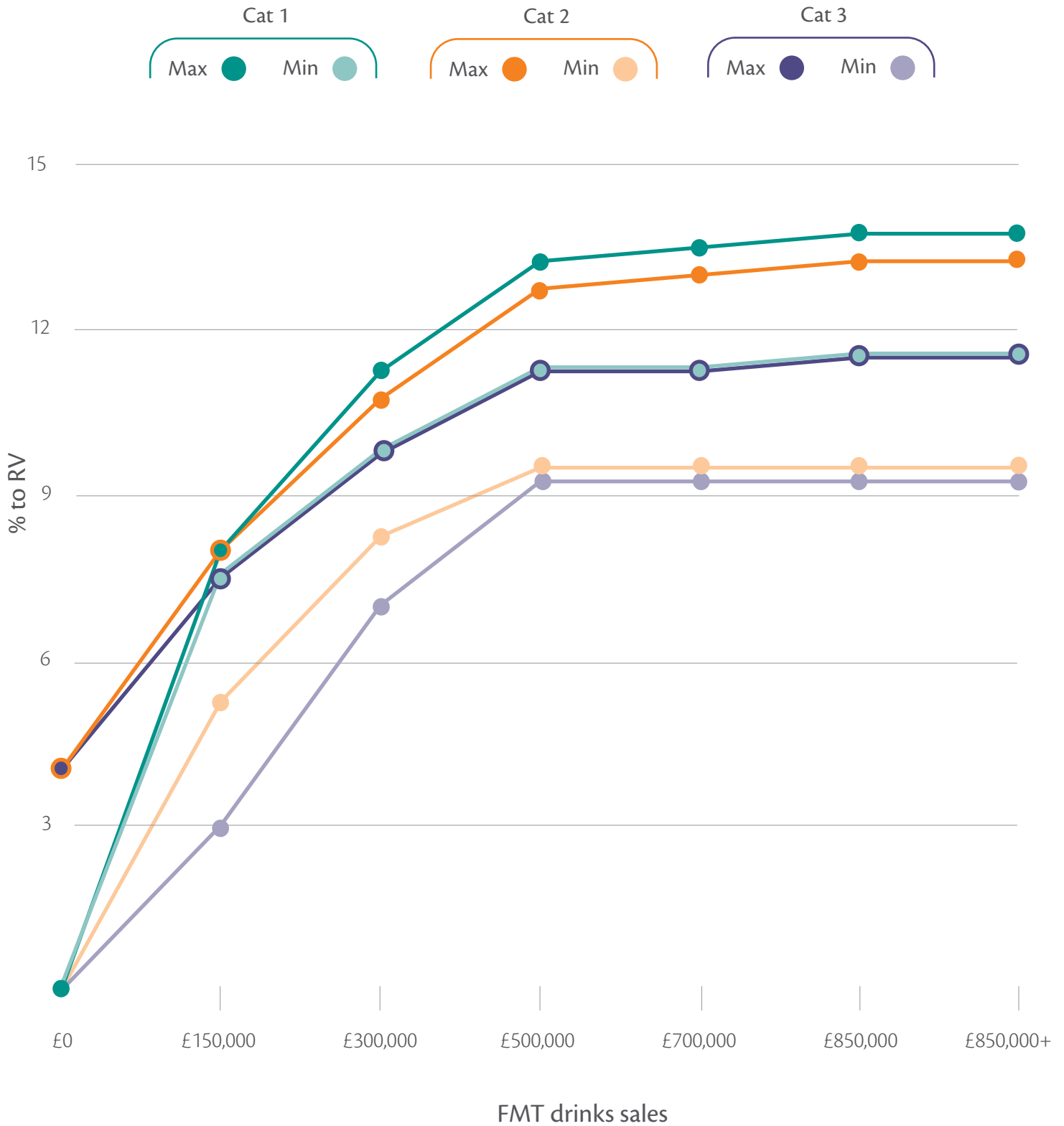
The traditional income streams associated with a public house, that is drinks, food and accommodation should be assessed in accordance with this Guide.

Income from other activities should be considered in terms of the section covering other receipts above. Whether such income falls to be reflected in the drinks percentage adopted, or valued separately, it should be borne in mind that any profit generated is often likely to be low. While it will probably be difficult to establish precisely what contribution these additional activities make to the profitability of the business as a whole, they rarely make a contribution to profit as a stand-alone business. It is important to remember that the position should be viewed from the perspective of the hypothetical tenancy, therefore costs (such as loan finance used to purchase the property) which may feature in the accounts of an owner-occupier will need to be removed from the equation.

*For further information refer to pubisthehub.org.uk

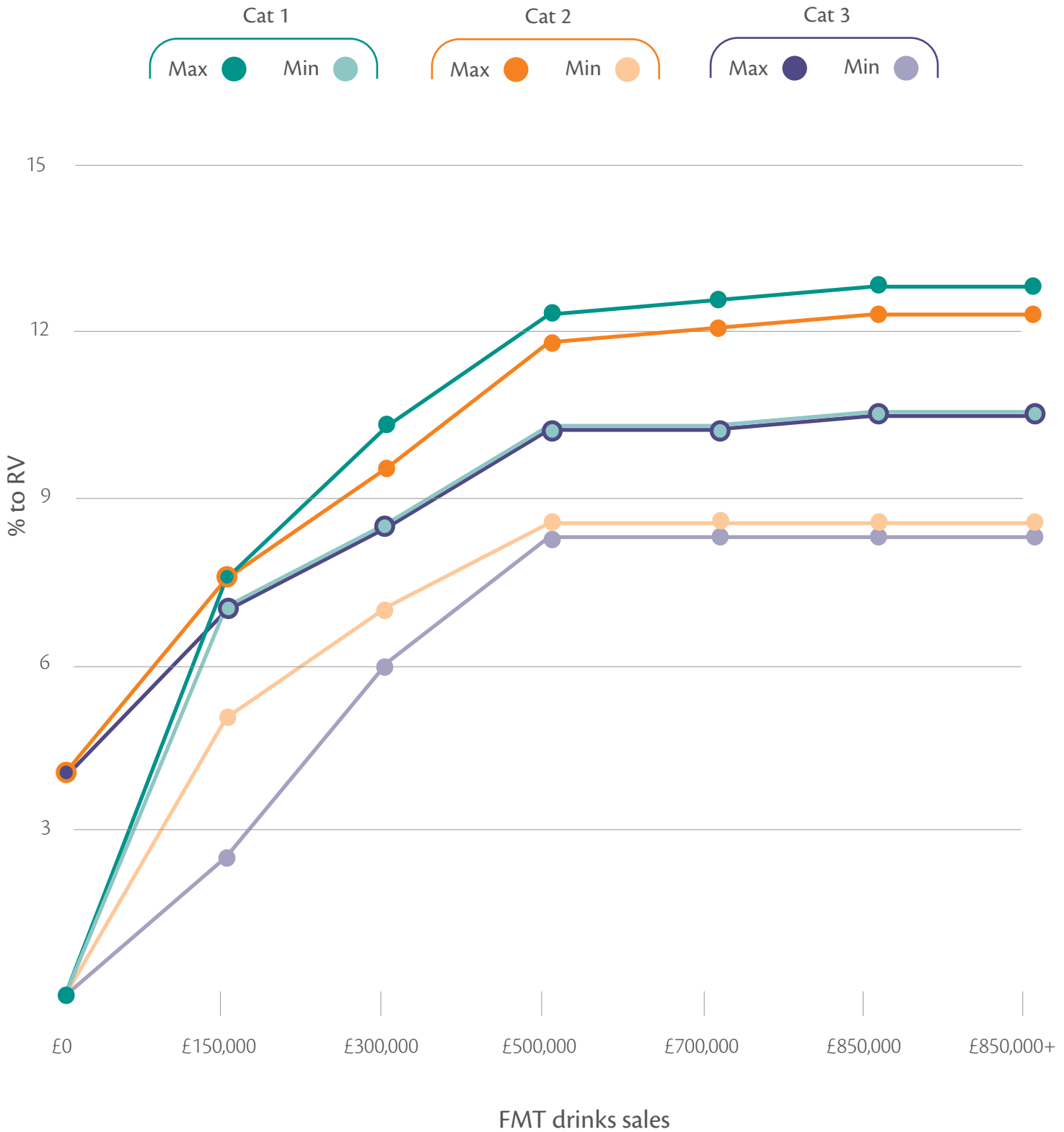
Appendix A

Central London Drinks Sales Valuation Scales



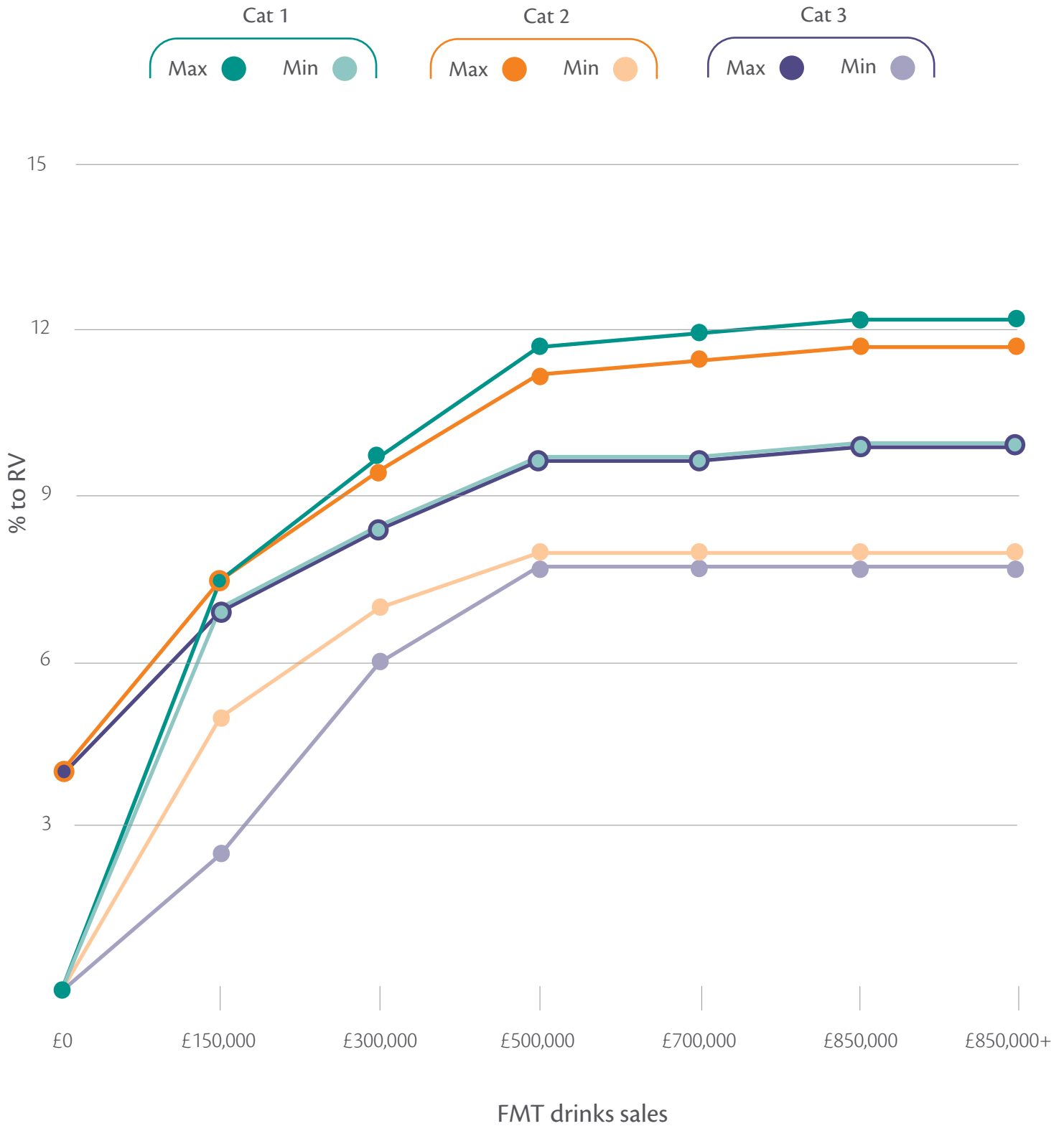
Appendix B

Outer London Drinks Sales Valuation Scales



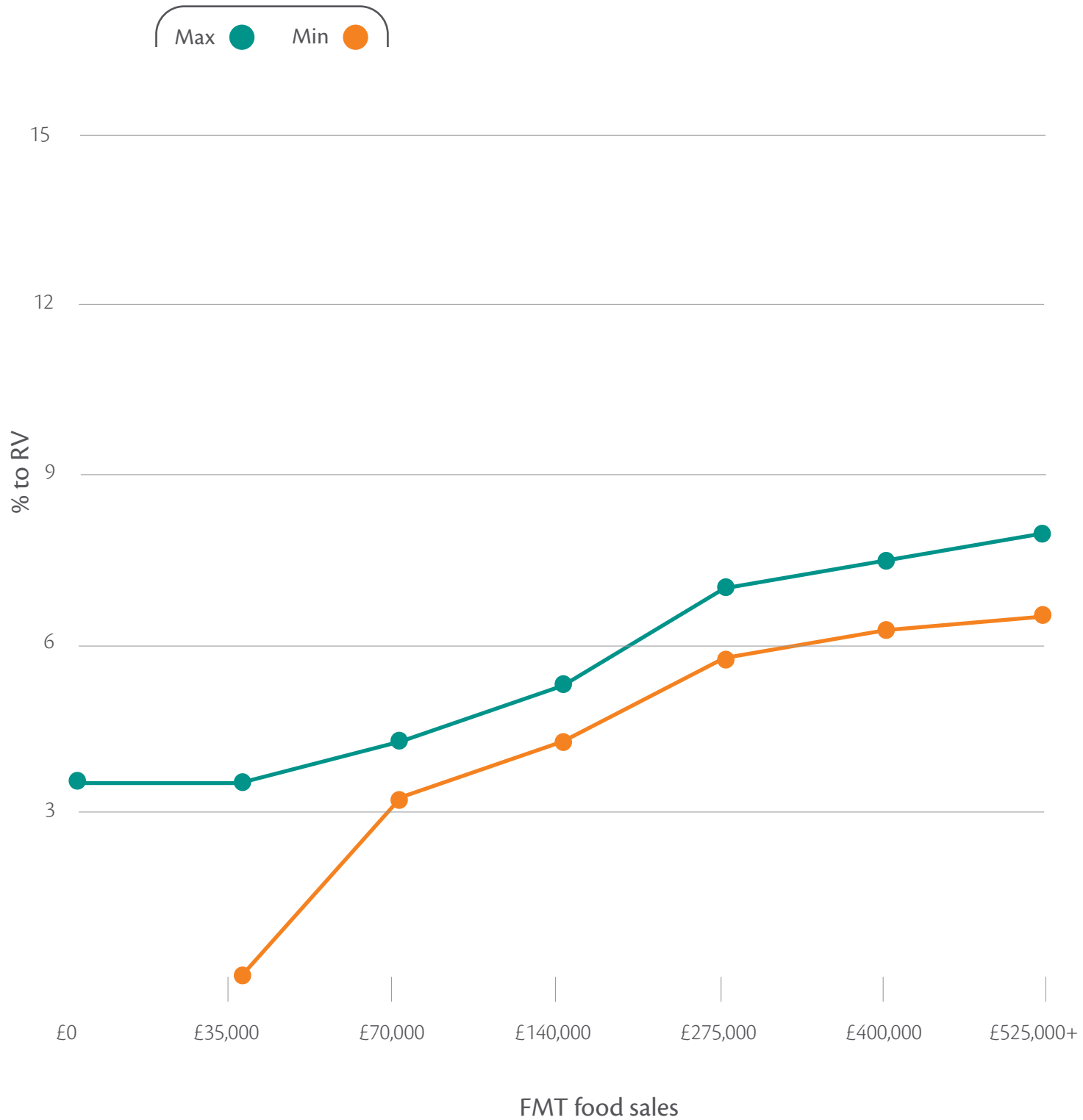
Appendix C

Provincial England and Wales Drinks Sales Valuation Scales



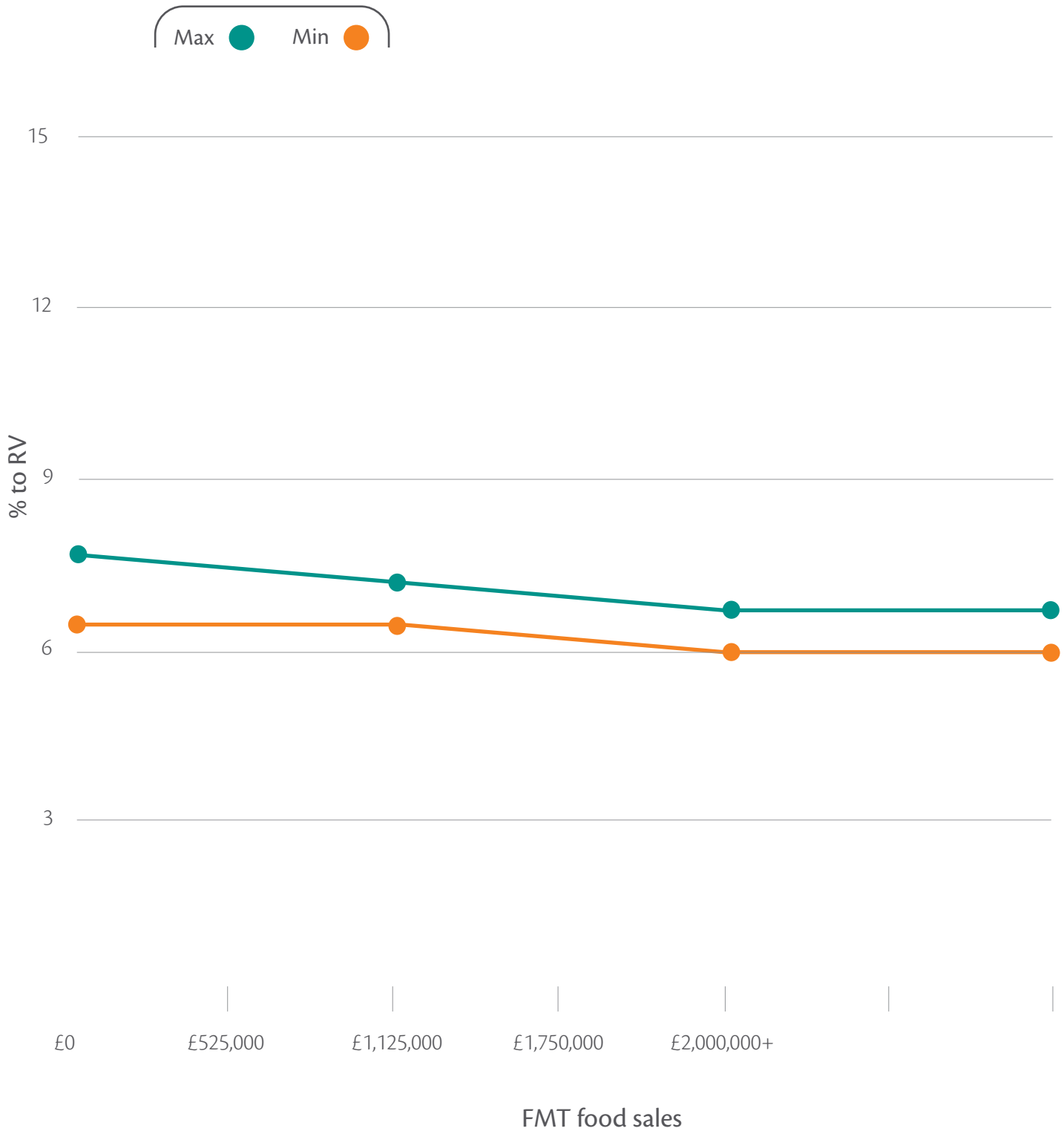
Appendix D

Standard food scales



Appendix E

High food scales



Appendix F

Central London Boroughs

