



C/O Paul Hegarty
All Party Parliamentary Beer Group

17th February 2022

Dear Mr Hegarty,

RE: The APPG Beer Group inquiry on pubs' Business Rates

Thank you for the opportunity to provide evidence to the Beer Group as part of your welcome inquiry on pubs' Business Rates.

The Pubs APPG would like to highlight some of the finding from our recent 'Raising the Bar' report, which examined the impact of the pandemic on pubs and communities, and where respondents raised several concerns about Business Rates.

While the recognition of the unique social and cultural contributions of pubs in the business rates measures set out in the Autumn Budget, as well as awareness that the existing system can disincentivise investment are welcome steps, the Pubs APPG believes there are still issues with the underlying structure of the rates system.

The pandemic has exacerbated the disproportionate business rates burden paid by pubs, particularly when compared to online businesses. By some estimates, this overpayment is equivalent to as much as £570 million a year¹ and there were calls in Pubs APPG evidence for the Business Rates system to be comprehensively overhauled.

*Our Rates bill increased by over 300% and VOA have refused to explain this. It has taken over 2 years to get this Appeal to the Valuation Tribunal - in the meantime we were paying the higher level. The Rates Holiday has helped, but it will cripple us once we have to pay this high level.
- Tony, licensee of the Camelford Arms²*

The valuation system used for the on-trade was raised by a number of respondents, particularly the use of 'Fair Maintainable Trade', which is based largely on factors that are not taken into account for other, similar businesses.

¹ BBPA

² Pubs APPG survey data, 2021



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The Pubs APPG also notes moves to increase frequency of valuations and requirements for additional information to be provided to the VOA. While the intention behind these reforms is positive, it is vital that these increased obligations do not become overly onerous for pubs.

Finally, it was clear from evidence submitted to the Pubs APPG inquiry that licensees experience significant delays using the current 'check, challenge and appeal' system. The removal of the 'check' portion of this process is unlikely to remedy this without the provision of additional resources to the VOA to ensure that information can be handled in a timely manner – particularly given the increase in data that they will handle as a result of more frequent valuations.

About the Pubs APPG

The All Party Parliamentary Group on Pubs aims to promote and campaign for the interests of pubs, landlords, and the communities around them. The Raising the Bar report can be downloaded in full from <https://apppg.camra.org.uk/inquiry/>

For more information, please contact apppg@camra.org.uk

Yours sincerely,

Charlotte Nichols MP
Labour MP for Warrington North