

DON'T PAY UP-FRONT FOR PRIVATE RATING ASSESSMENT

Ratings vultures prey on publicans

by Andrew Don

Paul Millington of The Down Inn, in Bridgnorth, Shropshire thought he'd struck lucky after a company knocked at his door wanting to reduce his business rates.

But when he saw the proposed fee, he became suspicious and demanded a list of satisfied customers.

The company refused, so Millington became very suspicious and called *PUBLICAN*.

Our investigations show an increase in rip-off companies preying on licensees. And we aren't alone in our findings.

Investigation

So concerned are the official trade organisations that a new investigatory body, the Joint Rating Group, has been established by The Royal Institution of Chartered Surveyors (RICS), the Incorporated Society of Valuers and Auctioneers (ISVA) and the Institute of Revenues, Rating and Valuation (IRRV), supported by the



Paul Millington: suspicions aroused by rating company

Rating Surveyors Association.

The Joint Rating Group (JRG) says that only members of these bodies are formally qualified. Chairman Charles Partridge warned: "The arrival of a number of new and untried organisations in the

rating field, some of whose business ethics are dubious, is putting small businesses at risk of losing money."

On the question of up-front payment, Rebecca Lowe, of the RICS, said: "There is a general consensus that the

profession does not take money up-front but receives a fee on completion."

However she stressed that there is no code of conduct to say companies cannot do this and that up-front payment could be necessary in the cases of larger customers because of time and expense.

David Millar, head of the professional conduct department said: "We are concerned that there are a lot of people who have come into this because they see it as a money spinner and they give inadequate training to their staff and demand money up-front."

"I suspect there will be a minority of firms who will pocket the money and the next you see of them they are in the Bahamas."

Bristol fraud squad confirmed that it is looking into one company McGuire Macintosh, which suddenly vacated its premises and laid-off staff.

The Association of Licensed Free Traders refers members

to The Business Rates Advisory Service, which does not approve of up-front payments.

The Forum of Private Business warned publicans that the area was "fraught with danger". A spokesman said a reputable chartered surveyor should give an initial opinion as to whether there was a chance of appeal for free.

Ripped-off

"On the evidence we have seen, the companies use salesmen who have had only basic training on rates. We've had lots of complaints from people saying they have been ripped-off."

● RICS advises: For the names of local chartered surveyors who specialise in rating, contact its information centre on 071 222 7000 or 0203 694757

● For details of members of the IRRV specialising in rating contact Moira Lee on 071 831 3505. For details of members of the ISVA specialising in rating telephone 071 235 2282.

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£1,650 for a lasagne

A lasagne served at a Hampshire pub ended up costing a whopping £1,650.

Trading standards officers discovered that the lasagne, advertised as "home-made", had in fact been bought in and microwaved.

Magistrates fined Jason Simons of the White Horse in Otterbourne £400. Whitbread was fined £1,250.

"The public are increasingly being misled by the way food is described," trading standards officers told the court.

MPs join tenants' discounts fight

A town's MPs are to press action against 'unfair' trade discounts being offered to free traders at the expense of tenants and lessees.

Sir Harold Walker (Doncaster Central) and Kevin Hughes (Doncaster North) heard a call for action from 40 members of Doncaster Licensed Victuallers Association and representatives from Sheffield, Lincoln, Bradford and Mexborough.

"The MPs didn't realise the difference received by tied and free traders until we pointed out the discrepancies," said George Bailey, Doncaster LVA secretary.

"We have free trade pubs and nightclubs selling beer at £1.00 while lessees have to sell it for £1.30. We are aware of one free trader who receives £100 discount per barrel. It's impossible for tied tenants to compete with that," he added.

Sir Harold Walker will take up the matter when Parliament reassembles and hopes to discuss the licensees' concerns with the Department of Trade and Industry.

Licensee fights banking red tape

by Philip Ridyard

Free trader Chris Wallis is battling against unresolved banking bureaucracy that haemorrhaged £12,000 from his cash flow and led to an adverse credit reference with a brewery.

Wallis, who bought the Row Barge Inn, at Bembridge, Isle of Wight, from Whitbread, split the loan repayments to his bank through a repayment mortgage and an endowment loan. But the bank classed the whole loan as an endowment in error and put the £76,000 debt over a six year term instead of 25 years.

"That was an immense amount of money to go out of the business, especially as it was out of season. It makes things very difficult when they are bouncing cheques to people like the VAT and the cash and carry. It destroys your reputation and left us with a massive headache," said Wallis.

Though the £12,000 was restored to his account, said Wallis, other discrepancies are still outstanding or not accessible.

He claims the bank has been uncooperative in revealing its calculations or whether other items remain unresolved.

Poor response

"They would not give us information on the account and how they had worked things out. We still do not know whether they have paid back sufficient funds into the account."

"In addition they have reduced our overdraft facility and increased the interest rate payable, presumably because they consider us a bad risk, but they have still not told us why," Wallis said he wanted to buy a couple more pubs but he now has adverse credit references with Whitbread. In desperation Wallis has turned to the Independent Banking Advisory Ser-

vice, a body pledged to supporting the individual against what it regards as the excesses of the big banks. At last some progress is being made on his behalf.

"Banks are all too ready to take money off you but seem to take years to sort things out when they get them wrong. For £50 a year the IBAS will sort out the problems and get to grips with the banks," Wallis said.

● IBAS chief executive Eddy Weatherill told *PUBLICAN* the service was having increasing success in putting pressure on banks to act on errors.

"What we offer people is saving on the loss of time most go through when they start to talk to the bank. We analyse problems, how badly treated they have been and assess what can be done," he said.

"We know what questions to ask and can identify things like refundable interest. It is amazing how much more amenable bank managers become once we are involved."