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R3

## Football fever boost for Yorkshire pubs



With sporting events such as the World Cup and Wimbledon gripping the nation, pubs in Yorkshire are feeling the benefit putting in a stronger performance this month than the rest of the UK, according to the latest research by insolvency and restructuring trade body R3.

Of the just over 3,000 active pub businesses in the region, nearly 970 or 32%, were deemed to be at higher than normal risk of insolvency, below the average across the UK of 34%. In Yorkshire over the last 12 months, the sector has seen marked rises month on month in the proportion of pubs and bars falling into the negative band; however, the increase in the percentage of distressed businesses in the sector appears to have levelled off, with monthly increases of less than 1% in June and July.

Looking at the other 11 regions surveyed across England, Wales, Scotland and Northern Ireland, the South East (39% of pubs at higher than normal risk of insolvency) and Wales (38%) performed most poorly, while the North East (28%) and Scotland (29%) were the strongest.

Eleanor Temple, chair of R3 in Yorkshire and a barrister at Kings Chambers in Leeds, commented: “Having been hit by the smoking ban, fierce competition from the supermarkets and, more recently, by soaring business rates, it’s good to see the beleaguered pub sector enjoying a much-needed boost.

“As the country rallied behind Gareth Southgate’s squad, many savvy pubs have lured in fans to cheer on England and enjoy their success on huge TV screens as well as offering them special offers on World Cup-themed food and drink.”

She continues: “However, despite the summer respite, it is still concerning to see almost a third of pubs in the region considered to be at higher than normal risk, and, with estimates that across the UK about 21 pubs are closing every week, it’s certainly not a time for complacency.

“Any business in any sector which is concerned about its cash flow or changes in the business environment should contact a professional, qualified adviser sooner rather than later. Even the best managers need an outside perspective from time to time, after all.”

R3 uses research compiled from Bureau van Dijk’s ‘Fame’ database of company information to track the number of businesses in key regional sectors that have a heightened risk of entering insolvency in the next year.

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**Photo:** Eleanor Temple, chair of R3 in Yorkshire and barrister at Kings