

Punch Tenancy at Will - Overview

The agreement

Agreement period: Short term agreement which can be brought to an end by either party. The Publican will have no right to remain in occupation once the tenancy at will is brought to an end.

Permitted use: Use as a fully licensed public house.

Transfer: Sub-letting or transferring the whole or part of the property is not permitted.

The rent

Rent: In addition the Publican must pay a charge in relation to the cost of buildings insurance arranged by Punch, licensing charges machine costs and any charges incurred because the Publican has not kept the keg lines at the property clean.

Termination

The Publican or Punch can bring the tenancy at will to an end at any time. At the end of the tenancy at will, the Publican must hand the property back to Punch with vacant possession.

Insurance

Punch: Punch will arrange full buildings insurance, details of which are available on request. The premium is recharged to the Publican on a weekly basis.

Publican: The Publican is responsible for its own contents cover to include inventory, stock, all fixed glass in the property, loss caused by interruption to the business and loss of money, plus employee and public liability cover.

Utilities and Compliance with Legislation

The Publican must pay all outgoings relating to the property including council tax, business rates, water, sewerage, electricity, and gas. The Publican must use Punch as the utility supplier for electricity and gas (if the property is connected to mains gas). The Publican will be responsible for environmental impact and compliance with health and safety in relation to the Publican's use of the property. The tenancy at will does not contain any positive obligations on Punch to comply with these matters.

Repairs and Maintenance

Publican: The Publican is to keep the inside of all buildings clean, tidy and in good order and take reasonable precautions against frost. The inventory must be kept in good condition and working order. The keg lines at the property must be kept clean. The property must be handed back in this condition when the tenancy at will comes to an end.

Punch: There are no positive obligations on Punch to repair or maintain the property.

Security deposit

Security deposit connected to the tenancy at will however in certain circumstances Punch may ask for a trading deposit where the Publican is offered credit terms in relation to the supply of drinks. This level of this deposit will vary according to the credit terms offered. It will be returned (less any amounts due to Punch) when the tenancy at will comes to an end. Interest is not payable. It will be held by Punch in Punch's name.

Terms and trading

Drinks tie: The Publican is required to purchase all drinks from suppliers nominated by Punch. Payment for products at the supplier's standard price list is to be by direct debit or such other way as Punch may require.

Machine income: The Publican must apply for Punch's consent to install any equipment at the property including amusement machines. Punch will manage and support the Publican in the operation of leisure machines. Profits from amusement machines (after costs) are either retained by the Publican or split between the Publican and Punch on a 50/50% or one third share basis.

Drinks-monitoring equipment: Punch may install equipment for monitoring the flow of drinks to dispensing equipment.

Alterations

No alterations to the property are permitted.

Licensing

The Publican is to ensure that all licences for the property remain in place. Punch holds the premises licence. The Publican (or someone nominated by the Publican) will be named as the designated premises supervisor and will be required to hold a personal licence. The Publican must comply with any conditions on the licences and pay Punch a weekly licensing service charge to cover the cost of complying with its obligations as the holder of the premises licence.

Training

Punch uses an external training organisation to provide a comprehensive programme, which equips participants with the necessary qualifications to enter the trade as well as a selection of business building courses. The Publican is advised to complete pubs entry training before taking a tenancy at will.

The summary of terms is provided for guidance only. In the event of any inconsistency between the above summary of terms and the current form of legal documentation, the latter shall prevail. Subject to Contract and formal agreement.