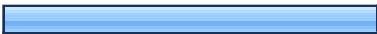





Pub companies and tenants - A government consultation





1. Confidentiality & Data Protection Please read this question carefully before you start responding to this consultation. The information you provide in response to this consultation, including personal information, may be subject to publication or release to other parties. If you do not want your response published or released then make sure you tick the appropriate box.

		Response Percent	Response Count
Yes, I would like you to publish or release my response		55.9%	3,937
No, I don't want you to publish or release my response		44.1%	3,101
		answered question	7,038
		skipped question	0

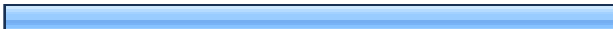

2. Self regulation has been tried since 2004 but has not worked – too many tenants are still being badly treated and facing hardship. The Government therefore considers that it needs to introduce statutory legislation to regulate the relationship between pub companies and tenants. Do you agree that the Government should regulate the relationship between pub companies and tenants?

		Response Percent	Response Count
Yes		96.2%	6,729
No		3.8%	269
		answered question	6,998
		skipped question	40

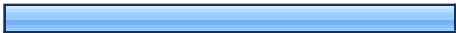


3. The Government believes the best way of achieving this would be to introduce a Statutory Code, to set down the rules which pub companies would have to obey, and an independent Adjudicator to enforce and referee the Code. Do you agree that a statutory Code and independent Adjudicator would be an appropriate way of tackling this problem?

		Response Percent	Response Count
Yes		95.5%	6,674
No		4.5%	311
answered question			6,985
skipped question			53

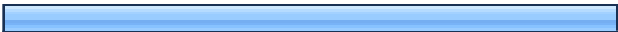




4. The Government considers that the two most important principles that should be fundamental to the proposed Statutory Code should be that tenants must be treated fairly and lawfully and that tied tenants should be no worse off than free of tie tenants. Do you agree that these two principles should be at the heart of the Code? (Select each one that you agree with).

		Response Percent	Response Count
Tenants must be treated fairly and lawfully.		91.9%	6,425
Tied tenants should be no worse off than free of tie tenants.		90.0%	6,293
answered question			6,992
skipped question			46


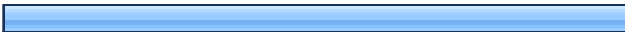


5. The Government recognises that the tie can be used responsibly and that some pub companies treat their tenants fairly. On the other hand, some companies abuse the tie and it is the abuse of the tie that the Government wishes to stop. Some people have suggested that the simplest means of ensuring that tied tenants are no worse off than free of tie tenants would be if the Code forced pub companies to offer a free of tie option to tenants. By a free of tie option it is meant that the tenant could buy beer from whoever they wished and would only have to pay a fair market rent to the pub company. Others have suggested that this would be unfair to responsible companies who use the tie well, and that it would place less of a burden on responsible companies if the Code instead said that pub companies must compensate tied tenants by ensuring that the higher prices they pay for beer are matched by a lower rent. Which do you think would be the best way of ensuring that tied tenants are no worse off than a free of tie option?

		Response Percent	Response Count
A compulsory free of tie option.		67.6%	4,718
Ensuring that if a tenant pays more for drink prices than they could get on the open market, they must be charged a lower rent and vice versa.		29.9%	2,085
Another option that we have not considered (if so, please let us know via the main consultation – link at end).		2.5%	172
		answered question	6,975
		skipped question	63

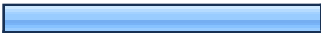

6. It has been suggested that the Government also strengthen the proposed Statutory Code in other areas, to help ensure that tenants are treated fairly. Which of the below do you think should be addressed in the proposed Statutory Code (please tick all that apply):

		Response Percent	Response Count
An increased right to an open market rent assessment: This would allow a tenant to request a rent assessment if they have not had one for five years, if the pub company puts up their beer prices or if unexpected circumstances (flood, fire, recession etc) occur.		92.5%	6,003
Increased transparency: Assessing profitability can be difficult. This would require pub companies to publish parallel 'tied' and 'free of tie' rent assessments so tenants can check they are no worse off.		84.2%	5,465
Abolish the gaming machine tie. Under the gaming machine tie, pub companies take a share of the profits from gaming machines, which can reduce tenant profits. This would abolish that practice.		54.8%	3,557
A guest beer option. This would allow tenants to buy one beer of their choice from any source they chose, for example a popular brand or a beer from a local micro-brewery.		92.0%	5,971
Regulate flow monitoring equipment: Concerns have been raised that the equipment used is often unreliable. This would mean that a pub company could not use evidence from flow monitoring equipment to fine a tenant for breaking their contract.		61.4%	3,984
answered question			6,491


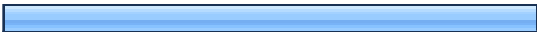
7. The Government intends to establish an independent Adjudicator to enforce the Code. The Adjudicator would need to have a range of functions in order to ensure that all companies were complying with the Code. Which of the following powers do you think it would be helpful for the Adjudicator to have? (Please select all that apply).

		Response Percent	Response Count
Ability to arbitrate individual disputes about the Code, to ensure tenants could get compensation for any losses they had suffered.		93.6%	6,079
Ability to carry out investigations to discover widespread breaches of the Code by pub companies.		94.0%	6,107
Ability to impose fines on pub companies that breach the Code.		93.8%	6,092
Ability to give advice and guidance to pub companies on how to comply with the Code and to tenants on their rights under the Code.		92.2%	5,989
		answered question	6,494
		skipped question	544

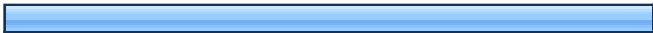

8. In order to place the most proportionate burden on business, the Government proposes that the new policy should apply to all pub companies with more than 500 pubs. This is because the evidence suggests that smaller companies are generally behaving well and because this way the regulation would not cause a burden for smaller companies which might find it difficult to afford it. What do you think the threshold should be?

		Response Percent	Response Count
Companies with 500 or more pubs.		47.4%	3,078
All pub companies		52.6%	3,415
		answered question	6,493
		skipped question	545





9. Others have suggested there is a significant difference between leases and tenancies. The main difference is that leases tend to be for a longer period of time and place a greater burden on the tenants to repay the pub. The Government's view is that all tenants should be treated fairly, regardless of whether the pub is a lease or a tenancy. Do you think there should be a distinction between leased and tenanted pubs?

		Response Percent	Response Count
Yes		19.6%	1,269
No		80.4%	5,208
		answered question	6,477
		skipped question	561

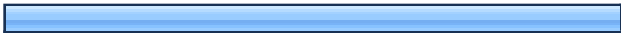

10. Please confirm whether you are answering:

		Response Percent	Response Count
As an individual		97.5%	6,370
On behalf of an organisation that you are officially representing.		2.5%	164
		answered question	6,534
		skipped question	504



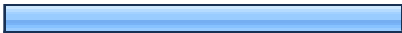






11. Are you (pick the single option that best applies):

		Response Percent	Response Count
A tied tenant (includes lessees)		11.2%	714
A free of tie tenant (includes lessees)		0.8%	52
Someone who works or has worked in the pub industry who is not a tenant (includes pub managers, bar staff, surveyors, etc.)		11.4%	726
A consumer (i.e. someone who does not work in the pub industry).		76.5%	4,862
		answered question	6,354
		skipped question	684











12. If you were offered a free of tie option, would you take it, even if it meant paying a higher rent, (provided that rent was assessed fairly)?

		Response Percent	Response Count
Yes		92.8%	655
No		7.2%	51
answered question			706
skipped question			6,332


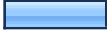


**13. In your opinion, what are the three biggest challenges that you are facing as a tenant?
(Please tick up to three boxes).**

		Response Percent	Response Count
The beer tie		91.2%	660
Unfair treatment by your pub company		42.7%	309
Taxation (including beer duty)		59.5%	431
The recession		32.0%	232
The smoking ban		15.6%	113
Other Government regulation		6.4%	46
Supermarket pricing		60.6%	439
Cultural change		14.8%	107
Other		3.6%	26
answered question			724
skipped question			6,314

14. Which pub company or brewer are you a tenant of?

		Response Percent	Response Count
Punch Taverns		20.2%	145
Enterprise Inns		48.4%	348
Marston's		3.2%	23
Star Pubs		4.3%	31
Greene King		6.1%	44
Admiral		2.6%	19
Spirit		1.4%	10
Wellington		0.0%	0
Trust Inns		1.0%	7
A family brewer		7.2%	52
Other		5.6%	40
answered question			719
skipped question			6,319

15. How long have you been a tenant?

		Response Percent	Response Count
less than 1 year		12.1%	87
1-2 years		14.7%	106
3-4 years		13.8%	99
5+ years		59.4%	427
answered question			719
skipped question			6,319