

Rodger Vickers
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7 November 2012

Dear Rodger,

Self Regulation of the Industry Framework and Company Codes

You will be aware that the Business Innovation and Skills Select Committee asked me on 30 October how effectively the legally binding form of self regulation which has been put in place is working. As I said in my subsequent letter to the Committee, I am keen to ensure that the reforms are in place and operating. I am therefore writing to you, as well as to the British Beer and Pub Association, the British Institute of Innkeeping, the Association of Licensed Multiple Retailers, the Federation of Licensed Victuallers Association, the Guild of Master Victuallers and the Independent Pubs Confederation, to ask for a report on the industry's progress in implementing these reforms.

I should therefore be grateful for the facts on:

- 1) What action has been taken, and is planned, by the governing board of PICAS to promote and maintain awareness among licensees of the availability of mediation and arbitration services in relation to any matter relating to the Framework and Company Codes. Any facts you can share, consistent with commercial confidentiality, of binding decisions already made by PICAS would also be welcome.
- 2) What action has been taken, and is planned, by the large pubcos (those with over 500 pubs) to maintain awareness among licensees of their rights under the code, including of the specific improvements introduced in December 2012 through version 5 of the Industry Framework Code in relation to rents, insurance, dilapidations and training, including pre-entry training; of the legally binding nature of the code; and of licensees' right to binding arbitration. I would be interested to know what further improvements the industry is proposing to include in version 6 of the code, designed to further improve transparency and fairness for tenants and when will these be implemented?

- 3) What progress have the British Institute of Innkeeping (BII) made in preparing for their code re-accreditation role and what is the status of the necessary agreements with the industry on how the re-accreditation process will work?
- 4) What action, if any, is being taken under the leadership of the BII to set up a Pubs Advisory Service for licensees, further to the Pubs Advisory Service already set up under the leadership of Chris Wright and others.

I should be grateful for your considered response by 23 November. In the meantime, I have asked my officials to contact you and the organisations to which this letter has been sent to discuss my questions. When I have the facts I will update the BIS Committee further.

A handwritten signature in dark ink, appearing to read 'VINCE CABLE', with a small mark above the 'C'.

VINCE CABLE

Cc : Nick Bish - ALMR
Brian Rees - GMV
Martin Caffrey - FLVA
Martin Rawlings - BBPA
Peter Thomas – BII
Simon Clarke - IPC