



Dear Mr Evans,

I write to you not only as a constituent but also as an employee of a pub company, Enterprise Inns. I have worked for Enterprise Inns for over 12 years and am currently the

You may be aware that Enterprise Inns runs a leased and tenanted model which creates a fantastic opportunity by offering a low cost entry into running your own pub. With public sector threats and private sector redundancies in our constituency, running a pub as a self-employed publican is a perfect opportunity to enjoy a good living and support the local community at the same time. We have supported some fantastic publicans taking on the challenge of becoming very successful in their own business. Pubs such as '

to name just 3.

My purpose for writing is to raise concern with proposed changes being tabled by Vince Cable and the BIS and I would ask that as my Member of Parliament that you raise this matter on my behalf. The Consultation Process launched by the Secretary of State for Business, Innovation and Skills (BIS) is misleading and biased:

- It uses as justification for statutory intervention "calls" to the BII Helpline, which it mistakenly reclassifies as "complaints"
- It completely ignores OFT reports published in 2009 and 2010, which concluded that competition in the industry is benefiting consumers and prevents the beer tie from being used to inflate pub beer prices beyond competitive levels;
- Its proposals are contrary to Government policy on Deregulation and a complete u-turn from statements made by BIS just twelve months ago;
- It proposes a very simplistic and unworkable rental calculation formula which may well not comply with RICS guidance and includes the establishment of an adjudicator to hear disputes, adding a further layer of cost and red tape to the industry;

- The voluntary Industry Framework Code, embodied into our Code of Practice, is working well, providing an effective rent review procedure (PIRRS) and complaints process (PiCAS);
- If enacted, the proposals could lead to a whole raft of unintended consequences such as pub and brewery closures, lack of investment, reduction in consumer choice, job losses, a fall in tax revenues and potentially the end of a great system which offers a low-cost, lower risk business opportunity for aspiring Publicans, fully supported by our skills and resources.

At Enterprise, we have worked so hard to help our Publicans survive through these difficult times where the smoking ban has been followed by the recession, cheap alcohol prices in supermarkets, changing social trends and four wet summers in a row. Whilst the Treasury tax take has risen by 19% in four years to £1 in every £3 taken across the bar, our income per pub has fallen by 12%, as we have offered rent reductions and increased discounts. In this financial year alone we have committed over £4 million of property activity across my Division, protecting and supporting new and existing Publicans and pubs.

Whilst pay rises have been muted and our shareholders have not received any dividends since year ended 30 September 2008, we have paid over £200 million in Corporation Tax, probably a lot more than Google and Amazon put together!

On a more personal note, I take great offence at the statements made by Vince Cable that Pub Co's are exploiting and squeezing publicans and adopting unfair working practices. I have worked for this business for over 12 years and whilst we may not always get it right every time, the approach we take is one of fairness. I do not believe that my behaviour nor working practice could be described as exploiting or unfair and I do not recognise these behaviours amongst my colleagues. We are simply a hard working team of individuals who earn a living by being passionate about working with great publicans to make their pubs great.

Yours sincerely

c.c. Vince Cable MP Departmental for Business, Innovation and Skills,
1 Victoria Street, London, SW1 0ET