

Pubs Consultation, Consumer and Competition Policy
Department of Business, Innovation and Skills
3rd Floor, Orchard 2
1 Victoria Street
Westminster
SW1H 0ET

4th June 2013

Dear Sirs,

Having reviewed the plethora of articles relating to the forthcoming consultation into the relationship between pub companies and their tenants I feel compelled to write and express my concerns regarding the way in which the consultation appears to be being conducted. Having viewed the Licensee Questionnaire and witnessed the inaccurate data relating to tenant complaints to the BII Helpline within the consultation document, I can only conclude that the consultation is biased in its structure, and that there is a grave danger that it could lead to ill-considered legislation that will change the industry for the worse and ultimately lead to an acceleration of pub closures.

I work as an Operations Director for Admiral Taverns, which owns 1,050 pubs across England and Wales and am hugely proud that Admiral was recently awarded the prestigious award of Leased and Tenanted Pub Company of the Year by the Publican's Morning Advertiser newspaper. Amongst many criteria this award recognised the views of our licensees which were gathered confidentially by an independent market research company (HIM! Research and Consulting) and demonstrated to the judging panel that the vast majority of our licensees would recommend us to another licensee as a good business to work with. This endorsement of our business seems to be in marked contrast to some of the assertions made in the consultation document, which in my view contains many inaccuracies and is prejudiced towards the views of a relatively small but vocal minority.

I do recognise that there have been issues between the very large pub companies and their licensees in the past but can assure you that every single employee at Admiral is committed to delivering all aspects of the industry voluntary framework code. As a result we have never had a licensee complain

about us to the independent self-regulatory adjudicator nor had any rents appealed for external arbitration or adjudication via the Pubs Independent Rent Review System (PIRRS).

Given the facts detailed above I find it difficult to justify why Admiral needs to be regulated further than say the regional and family brewers, particularly as our default agreement is a 3 year tenancy remarkably similar to those offered by the family brewers who for information, generally operate a more onerous tie (including wines, spirits and minerals) than ourselves.

Beyond a revised statutory code some of your other recommendations would pose a serious threat to the viability of a number of our pubs (and certainly those of the bigger players) and change the emphasis of the relationship that we have with our licensees from one of partnership and support to that of commercial landlord and tenant. The inevitable result of this will be the break-up of pub company estates and the sale of huge groups of pubs to a new crop of property investment companies who will have little regard for licensees, their pubs or the communities they serve.

I am also mystified as to how the figure of 500 pubs has been arrived upon as a level for regulation as surely your Department must have the best interests of every tied licensee at heart rather than just those who have chosen to operate a business owned by a company with a certain number of premises. In short, your proposal presents the risk of a two-tier system open to abuse by non-governed organisations.

I trust that you will give due consideration to my comments and having seen the unbalanced views of the small but well-organised minority urge you to think long and hard on decisions that could have a devastating impact on the long-term viability of many of the UK's leading community assets.

Yours sincerely

Rob Ward