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From:**Sent:** 14 June 2013 10:27**To:** Pubs Consultation Responses**Subject:** PUB COMPANIES AND TENANTS: GOVERNMENT CONSULTATION - INDIVIDUAL RESPONSE

Dear Sirs,

Please find below my response as an individual. I am an . who is employed by a large pub company. I have only responded to Q8 in part and Q11, which I feel most strongly about:

Q.8 Do you agree that the Government should include the following provisions in the Statutory Code?

ii. Increase transparency, in particular by requiring the pub company to produce parallel 'tied' and 'free-of-tie' rent assessments so that a tenant can ensure that they are no worse off.

Response – This is all well and good but quantifying "SCORFA" could be rather difficult. For example, in my role as an Estate Manager, I deal with estates issues for around 2000 pubs in the sector and the service I provide is both for the benefit of the company as well as for the benefit of our tenants. I can spend an enormous amount of time and money on one pub sorting out a legal estates issue, whereas some pubs don't have any estates issues at all. The cost of this background service is absorbed by my company and the benefit is derived without additional charge to our publicans. I believe it would be difficult to factor this in as "SCORFA" unless there was a recharge to publicans for this service, which would have the potential to put some of our publicans out of business. The alternative would be to look at the overall cost of this estates service and apportion the same cost to each pub whether they received any benefit or not however this may seem equally unfair to publicans who had not derived any benefit at all. This is just an example of a one of the hidden and potentially unquantifiable benefits provided to publicans which would be difficult to factor into a SCORFA calculation.

iii.

Abolish the gaming machine tie and mandate that no products other than drinks may be tied.

Response – This would have a direct upwards effect on rents.

v.

Provide that flow monitoring equipment may not be used to determine whether a tenant is complying with purchasing obligations, or as evidence in enforcing such obligations

Response – I cannot see a valid reason why the Government should intervene with the method of ensuring tenants meet their obligations under the contract terms of their lease.

Q.11. Should the Government include a mandatory free of tie option in the Statutory Code?

Response - No. The wider and presently unquantifiable risk of doing this would outweigh any benefit.

Many thanks,

04/12/2013