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From: [redacted]
Sent: 13 June 2013 18:36
To: [redacted] parliament.uk; Pubs Consultation Responses
Cc: [redacted]
Subject: Pub Industry Consulation

Dear [redacted]

I write to you as a local constituent and I am copying in Vince Cable as the Secretary of State who is responsible for the Pub industry Consultation process which is currently on-going.

Let me give you some context to this e-mail, I have worked in the Pub industry for nearly 25 years, having started at [redacted] town centre as an [redacted] year old glass collector and in the intervening years have done pretty much most jobs within the industry. In my experience, your local pub is like your football team, everybody thinks they will be a better manager than the person currently doing the job and wonders why something so seemingly easy is made to look so difficult by those who actually do it. The reality is that running a pub is the hardest job I have ever done, requiring a multitude of skills that are often over-looked by the 'man at the end of the bar'. This is important in the context of the leased and tenanted sector that I now work within and something I will return to later.

For the last [redacted] years I have been a Regional Manager for Enterprise Inns, in and around the [redacted] area, looking after around 20 pubs. I look after primarily wet-led pubs, and this sector of the trade is the one that is under most pressure, and the challenge for me is to support my Publicans in running a business that is profitable and sustainable for both parties. My approach, clearly supported by the company, has been to;

- Make sure the pubs are in good condition in order to retain and attract new customers. This has required, on average an investment of £20K per site across my pubs replacing carpets and tables etc, fitting TVs, painting and decorating, building external drinking areas, putting kitchens in a fit state to trade, decorating Publicans living accommodation and generally improving the quality of the surroundings for both the customer and our Publicans
- Provided marketing support
- Offer a value accountancy and stocktaking service
- Provide a modern EPOS till to make business management and reporting more valuable
- Offered all Publicans free training courses to help develop their ability to drive their own business
- Offer Beer and other products at a price which allows the pub to be competitive within their local market place
- To take a sensible approach to rent levels which allows both parties to make money in partnership

It is in my interests for my pubs to be successful, my income is directly related to how much they sell, as is the Publicans, and most of my discussions with Publicans is about how WE are going to grow the business for both our benefits. I have had several people who are the 'man at the end of the bar' approach me about running pubs and I have decided that they didn't understand what was involved and they weren't the right people to run a pub with me, and conversely I have given some people an opportunity, but had to support them with training, guidance and advice to ensure that the enthusiasm and endeavour has been worthwhile. A pub is many things – it's a community hub, a social meeting point, a place to celebrate, commemorate, commiserate and mourn, it provides employment, enjoyment and can support the community it serves, but to me it has always been a business and making sure that my Publicans run a business first is key to everyone's success.

I have read and heard many criticisms of Enterprise, and I can't comment on anything that happened before my time, but here is my experience

- The process for getting a pub with ourselves is very clear and transparent, the terms of the deal is discussed with any potential Publican which includes all costs and obligations on their side

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- They make a decision if they think the deal is right for them to take and they can say no

The difference between Freehold and leased & tenanted pubs model is simple – a freehold pub requires a huge investment of capital as well as on-going maintenance, all this is clearly a big risk and in most cases cost prohibitive for most of our Publicans to even consider. The Enterprise model allows Publicans with lower funding, to take a pub with lower risk – I have let people take pubs with us on minimal funding and supported them to make their business a success. We maintain the bigger risk, they could ruin the operation of the pub, effecting our ability to re-let the site and/or they could cause a lot of damage to our property, either of these would significantly reduce our income and the value of our property. The 'tie' which is often the biggest criticism of our model actually helps reduce the Publicans risk even further, rather than the pub being let at a free-market rent, (hence meaning that the publican has a high fixed cost), the rent is lower as we share in the success of the business by making income from selling the beer. This works very successfully in the majority of cases, yet our publicans who are happy with are partnership, aren't screaming from the roof tops in the way that our dissenters do. It seems to me that this is a clear example of those who shout loudest get heard, and I would have thought that Mr Cable, who is clearly a well-educated experienced politician would be able to take a more considered view.

I watched Mr Cable on the news this morning and this is what prompted this e-mail. I wondered why there was a consultation process in place, it's my understanding that a consultation is about fact and opinion gathering, it is there to support the decision making process and ensure that the right decision is reached. Listening to the news, Mr Cable has made up his mind that we are a big company who treat Publicans badly and we need to be stopped, regulated or abolished. If this is the case then two things concern me, firstly, what evidence is he basing this on, as he didn't present any that I saw. Secondly, why waste tax-payers money on a consultation process that has a pre-determined outcome, after all politics is about inclusion and leadership and this doesn't demonstrate either one or the other.

The pub industry has suffered in recent years and for me the reasons are obvious, it has been blamed for the so-called 'binge drinking culture' which has made the public perception of alcohol worse than it should be. It's true that in excess it can be a bad thing and that there needs to be some method for moderating both supply and in-take, pubs by law, are required to refuse to supply to any individual who is deemed to have consumed too much, supermarkets on the other hand sell as much as they can as cheap as they can, with no such responsibility for how it is being consumed. If the efforts of successive governments of all political persuasion had attempted to regulate this area and prevent cheap sales, the pub industry in general would be in a much better place and almost certainly the anti-social behaviour that is too often linked to pubs would not be as prevalent. If the government was to try to attempt to tackle this issue and make the price of a supermarket pint more in line with a pub pint, this would be far more beneficial to pubs than any attempt to change or remove the current leased and tenanted model, and I would respectfully suggest that this becomes the focus for government rather than trying fix something which, fundamentally, isn't broken.

I have to say that in my time with Enterprise Inns, I have not met anyone within our organisation who is interested purely in how much money we can make and doesn't care about the Publican. Yes, we are a business, but without a good working relationship with our Publicans we don't have a business and I, and many of my colleagues and superiors have often done far more than would be deemed reasonable to help and support our pubs. I would be happy for you or Mr Cable to spend time with me going around some of my pubs (I'm sure you've had worse offers!), albeit out of your constituency, and letting you meet the people who run our pubs and seeing first-hand how the partnership works.

Thanks for taking the time to read this

Regards