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From:
Sent: 14 June 2013 17:07
To: Pubs Consultation Responses
Subject: Pub Industry Framework Code

Vince Cable
Department of Business, Innovation and Skills,
1 Victoria Street
London
SW1H 0ET

Dear Mr Cable

Re: Pub Industry Framework Code

I am writing to you to express my concern over the government consultation on putting the current voluntary Industry Framework Code into statute. I myself have worked for a large tenanted pub company for over years and my team deal specifically with enforcing areas of the IFC and our own Code of Practice within our business.

In the consultation document, there are statements that all pub companies have exploited and tenants through a combination of unfair practices and lack of transparency. I fail to see the relevance of these comments. My colleagues and I are all passionate about ensuring tenants who enter into business with us have honest, clear and transparent dealings at all time and work hard to ensure this happens. Our Code is an integral part of our business we live and breathe it every day and whilst my area only deals with new agreements I also see other processes such as complaints and rent reviews working extremely well due to the dedication and hard work of my colleagues.

Our industry has suffered over recent years and yes many pubs per week are closing, however, pub companies such as ourselves are not to blame. The smoking ban has hit many tenants especially those without a smoking solution also the supermarkets promoting irresponsible drink purchases such as 3 crates of cider or 2 bottles of spirits for £18 have had a disastrous effect on trade as people with less disposable income in this recession will get "tanked up" on cheap alcohol at home before moving onto the pub later. This irresponsible drinks promotion has encouraged people to stay away from pubs as it a far cheaper alternative.

The tied business model is supported by the recent Office of Fair Trading reports. The reports 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. Our agreements do offer a choice of tied or free-of-tie options for drinks and gaming machines. Tenants are made fully aware of the costs associated with being tied for products and are made aware of the discounts and incentives and we offer. This flexibility ensures the tenant can negotiate and sign an agreement which is sustainable and right for their business in the long term. Through our Code they can make an informed decision based upon their own circumstances and have every opportunity to take independent financial, property and legal advice before committing.

Once they have signed an agreement the tenants have access to our skills and knowledge throughout the lifetime of the agreement which over recent years has included examples such as

significant investment in the quality of our property within the estate and free ongoing training for tenants and their staff to grow and develop their business. My company has also signed up to and full supports the PICAS and PIRRS process. Agreements have been reached through negotiation but decisions have also been made for and in against our favour. This proves that the process is successful and disputes are being resolved fairly for all parties.

In summary of the above I believe our code of practice already offers transparency and honest and open dealings and I would urge to you to investigate this further during your considerations.

Yours sincerely

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