

24th May 2013

To the Rt Hon Vince Cable

Re: Government Consultation Pub Companies and Tenants April 2013

My wife and I have been involved in the pub industry since [redacted] when we purchased our first pub from a tenanted pub company. We now own four,

During the negotiations of all four agreements the pub companies described the heads of terms in great detail providing us with huge packs of supporting information and various courses to help in areas where we lacked expertise. On top of this we carried out our own market research and analysis of figures and entered into each of the agreements fully understanding the terms and any restrictions imposed on us.

In our opinion there is nothing exploitive about these agreements and the support provided by the pub companies has been incredibly helpful and has allowed us to develop a successful business, which now employs 60 people!

As an examly of the support provided, one of our sites is [redacted] in [redacted], which you may know [redacted] and was recently voted in the top 50 Gastro Pubs in the UK. This pub is a Punch Taverns lease. Together we have carried out two refurbishment projects and the support and transparency has been second to none. We would not hesitate, in fact are actively seeking further sites to lease from Punch Taverns.

Trading conditions are difficult and as a business operator we have to work very hard at controlling our costs and marketing our business to customers. There are a lot of things the government could do to make this challenge easier:

1. Provide support for businesses that have to deal with ridiculous legal and employment issues.

2. Create an immigration system which helps bridge the lack of skills. I would say 80% of the chefs in this country are from Europe and I have been trying to recruit 2 positions for 4 months but can't find the skills in this country!
3. Reduce the endless paperwork. Would you believe I now have to record temperatures of hot water coming out of the showers in our letting rooms and keep a record!
4. Reduce the VAT on food as supermarkets don't have to charge it on their food and they now sell items such as their gastro pub range which looks cheap compared to our menu but they don't pay vat which clearly gives them the competitive edge.
5. Thankfully the beer escalator has been reviewed and future increases have been frozen.
6. The huge annual minimum wage increases make it very difficult to staff the pub properly and put enormous pressure on us. If this was reduced similar to the States it would allow us to employ more people, give better service, provide more jobs and the staff would still earn more than the current minimum wage as they earn good money from their tips.
7. Some form of support with energy companies as they appear to charge hugely increased prices over residential prices, which I don't understand as surely the more energy you use the cheaper it should be! We do everything we can to reduce the costs through energy saving products however a business which is open from 7am through to midnight, 7 days a week is going to use more and the rates should be competitive with residential rates.

There are many things the industry needs support with, however the pub company is not one of them.

I would be delighted to help further should you need any more information or anybody to attend a work group etc.

Yours sincerely,

Director
