



Pubs Code
Adjudicator

RESPONSE 8





Pubs Code
Adjudicator

Guidance: Accounting for duty paid on alcohol and volumes of unsaleable draught products in Pubs Code forecast profit and loss statements

Consultation under section 61(4) of the Small Business, Enterprise and Employment Act 2015

Response Form



Annex C: Response Form

Name:

Organisation (if applicable):

Address:

Email:

Please tick the box below which best describes you as a respondent to this consultation:

Pub-owning business with 500 or more tied pubs	<input type="checkbox"/>
Tied pub tenant	<input checked="" type="checkbox"/>
Interest group, trade body or other organisation	<input type="checkbox"/>
Other (please describe)	

Accounting for Duty Paid

Question 1: Do you believe that these proposals will ensure that tied pub tenants are fully informed of the duty that has been paid on the alcohol supplied to them under their tied agreement?

No, this is a long time coming and information should be paramount to informing tenants of the duty which has been paid on the kegs supplied to them.

I remember (Beer Orders) pre Pubcos operational and sediment waste was accounted for on every managed house estate stock, this was undertaken on every pub stock by their very own stocktakers. As soon as their managed estates went over to leases this wastage amount changed to zero. This is another scam the pubcos used to earn more money from their TPTs.

Pubcos and Family Brewers (who are also behaving like the Pubcos and adopted their greedy ways) have slowly pushed this into their estates to the unsuspecting new licensees, who never had the wastage allowance before so did not know about it. The POBs rentalised every pub in their estates on selling 72 pints of beer. The TPTs just trusted the Pubco would be telling the truth, but there was never 72 saleable pints in a 9 gallon container. (The old licensees they accuse of being failed publicans, because this has been challenged on many occasions).

Question 2: If not, please explain what additional or different approaches you think would ensure compliance with Pubs Code requirements.

N/A

Question 3: Can you foresee any unintended ways in which these proposals might have a detrimental effect on tied pub tenants? If so, how might such effects be mitigated?

Yes, As mentioned in my previous answer the Pubcos have become in my opinion a cartel like model (in the past have been left unchallenged, they must be forced to abide by the code for TPTs to have a fair deal. The HMRC Regulation EN226 is very clear about volume of duty paid on beer but POBs have chosen to ignore it and they have faced no punishment. If the PCA are not clear about the consequences of ignoring this there will be more pubs closing as they cannot make any profit.

Accounting for Waste

Question 4: Please indicate whether you agree with the proposal to account for sediment and operational waste separately.

Yes, The wastage and operational waste must be split so any new licensee knows how much to charge, the whole situation cannot be understood without this split.

Operational waste must be itemised under the instruction of the PCA to include

**Customer tasters – Presently TPT cannot afford tasters like freehouses
Testing/Beer Condition – when new barrel comes onto the bar - get tasting notes.**

Accidental pulls, misheard orders – beer goes down the sink

Staff training – beer wastage goes down the sink

Equipment problems (At present if a line goes down then we loose about a gallon of beer to fix the problem as we have to take the beer from the line, and then test and taste again when repaired.

Customer complaints – change if the customer is not happy.

This is normal to a Reasonable Efficient Operator (“REO”). This must be itemised for transparency.

Cask operational waste will always be a lot higher than operational waste for lagers/Guinness/Cider.

Question 5: If not, please explain your objections.

n/a

Sediment Waste

Question 6: Do you believe that these proposals will ensure that tied pub tenants have a clear and consistent approach to information about the volume of cask ales supplied under their agreement that will be unsaleable for reasons of sediment waste?

This is what is required for fairness and transparency and will save our Great British heritage and protect what pubs we have left.

Question 7: If not, please explain what additional or different approaches you think would ensure compliance with Pubs Code requirements.

POB will try to get out of this because they have been manipulating this wastage calculation for so long they have counted this into their profit margins on a big scale, the PCA cannot allow this to continue. As I said above there was a wastage calculation in the managed house section way back in the 1970s-1997 as I know of because this was calculated into our stock figures – why would this suddenly change if that managed house went over to a leasehold, the 9 gallon keg has not gotten any bigger has it? the 9 gallon container only has 68 saleable pints without taking into account the operational waste so it is more like 1 gallon of beer is wasted in total. That makes 8 gallons (64) pints) of beer sold, but we get rentalised on 72 pints. Is this Rip Off Britain?

Question 8: Can you foresee any unintended ways in which these proposals might have a detrimental effect on tied pub tenants? If so, how might such effects be mitigated?

.No its transparency– but I am sure the POBs will find some

Operational Waste

Question 9: Do you believe that these proposals will ensure that tied pub tenants have clear and consistent information about the volume of draught products supplied under their agreement that will be unsaleable for reasons of operational waste?

Providing separate figure for draught ales, lagers and ciders is a minimum requirement - Please see question 4 – same applies

Question 10: If not, please explain what additional or different approaches you think would ensure compliance with Pubs Code requirements.

**Pubcos will try to group all costs together to their advantage and the PCA must resist any attempt to do so.
Just like the Guest Beer Option in the Beer Orders – this was taken away immediately on lease renewals.**

Question 11: Can you foresee any unintended ways in which these proposals might have a detrimental effect on tied pub tenants? If so, how might such effects be mitigated?

The PCA should by now know how the Pubcos work and will try to get round this to their gain. Please don't fall for it.

Training and Support

Question 12: Do you have any comments on the proposed approach to access to training for tied pub tenants?

Their training is not training – it is utter lies to make them more money and they have never been challenged on this before. They were so cock sure this MRO would not come into effect, they have caused the problems we are seeing as they don't want to lose the large slice of the pies. The PCA needs to be bold

Question 13: Do you have any comments on the proposed training requirements in respect of BDMs?

It is my experience the BDMs and everyone at the top know it is a scam and are trained to keep quiet. I have evidence in my possession to confirm this.

Office of the Pubs Code Adjudicator

This document can be accessed at www.gov.uk/pca

If you require this information in an alternative format or have general enquiries about the Pubs Code Adjudicator and its work, contact:

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