



# Consultation on proposals to amend the Pubs Code

## Response form

The consultation is available at: <https://www.gov.uk/government/consultations/options-to-amend-the-pubs-code>

The closing date for responses is 5 September 2021, 23:45.

Please return completed forms to:

Pubs Code Team  
Department for Business, Energy and Industrial Strategy  
1 Victoria Street  
London  
SW1H 0ET

Email: [pcareview@beis.gov.uk](mailto:pcareview@beis.gov.uk)

Please be aware that we intend to publish all responses to this consultation, subject to redactions we may make for legal reasons.

Information provided in response to this consultation, including personal information, may be subject to publication or release to other parties or to disclosure in accordance with the access to information regimes. Please see the consultation document for further information.

If you want information, including personal data, that you provide to be treated as confidential, please explain to us below why you regard the information you have provided as confidential. If we receive a request for disclosure of the information, we shall take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the department.

I want my response to be treated as confidential ☒

Comments:

## About You

[Redacted]

	<b>Respondent type</b>
<input checked="" type="checkbox"/>	Tied pub tenants
<input type="checkbox"/>	Non-tied tenants (please indicate, if you have previously been a tied tenant and when)
<input type="checkbox"/>	Pub-owning businesses with 500 or more tied pubs in England and Wales
<input type="checkbox"/>	Other pub owning businesses (please describe, including number of tied pubs in England and Wales)
<input type="checkbox"/>	Tenant representative group
<input type="checkbox"/>	Trade associations
<input type="checkbox"/>	Consumer group
<input type="checkbox"/>	Business representative organisation/trade body
<input type="checkbox"/>	Charity or social enterprise
<input type="checkbox"/>	Individual
<input type="checkbox"/>	Legal representative
<input type="checkbox"/>	Consultant/adviser
<input type="checkbox"/>	Trade union or staff association
<input type="checkbox"/>	Surveyors
<input type="checkbox"/>	Other (please describe)

## Questions

### Question 1

**What are your views about Parallel Rent Assessments for prospective tied tenants? Please provide the reason(s) for your answer.**

Comments: The figures are manipulated to the point that this will never work. Strangely enough the manipulated figures always fall in favour of the pub owning businesses, unfortunately.

### Question 2

**What are your views about encouraging a trial period – for example 3 months - to help a prospective tied tenant to familiarise themselves with the running of a new tied pub before entering into a commercial contract? Please provide the reason(s) for your answer.**

As this approach is voluntary, we are interested to hear stakeholders' views about the incentives for both pub-owning businesses and tenants in agreeing this sort of trial arrangement. We would particularly welcome comments from individual tied tenants who completed a trial period prior to signing their tied agreement and what they thought had worked well and what could have been better. We would also be interested in hearing from pub-owning businesses about whether they have arrangements in place, or planned, to allow prospective and new tied tenants a trial or opt-out period before finalising a tied arrangement.

Comments: 3 Months simply isn't enough time to find out what the Pub Owning Business (POB's) are like. It would paint a very biased picture in favour of the POB's) Once VAT becomes payable with Rent, Rates, Machine Game Duty, Corporation tax, Licensing Fees, Gas, Electric, Water, PAYE Staff etc, that's when the reality of Profit & Loss kicks in for most Tenants.

### Question 3

**What are your views about reducing the current 6-month period in the previous qualification period? Do you think that a 3-month period in the previous financial year would be appropriate or would you support a different period? Please provide the reason(s) for your answer.**

Comments: The buying & selling of Pubs has always been the root of the "Business Model". The more Tenants involved in the code, the better.

### Question 4

**What are your views about a requirement for the landlord selling the pub to notify the PCA of any tied tenant(s) with extended protection? Should the PCA be informed when extended protection has ended? Please provide the reason(s) for your answer.**

Comments: The Tenant isn't always aware that their Pub is for sale. [Redacted]. The Tenant should be given the relevant information.

### **Question 5**

**What are your views about a Parallel Rent Assessment at the rent assessment or lease (or licence) renewal stage for tenants with extended protection? What type of information should be set out in a PRA? Should there be a right to refer disputes related to the PRA to the PCA and, if so, on what grounds? Please provide the reason(s) for your answer.**

The Government would in particular welcome evidence in respect of the number of tenants and pub companies dealing with matters related to extended protection in order to help decide whether this is a proportionate measure.

Comments: Extended Protection should be included in every aspect of the code. Market Rent Only investigations that evident how the tied Tenant shall be no worse off than the Free Of tie Tenant. BDM & POB's behaviour needs to be investigated at a serious level.

### **Question 6**

**What are your views about the examples set out above and what might work or what might not work? Do you have other suggestions on how the MRO process could be changed using existing powers? Please provide the reason(s) for your answer.**

Comments: Example 1: would give Tenants more time & a bit more control. Example 2: Would be less effective as POB's ignore Tenants, as proven in the past.

### **Question 7**

**What are your views about requiring the inclusion of rent in an MRO proposal? Please provide the reason(s) for your answer.**

Comments: The MRO Rent should be an estimate & should be a proposed amount that can be challenged.

### **Question 8**

**What are your views about removing the requirement that terms should not be 'uncommon'? Please provide the reason(s) for your answer.**

Comments: MRO terms should be the same as the Terms in a Tied Agreement providing, they are "Reasonable & fair".

### **Question 9**

**What are your views on amending the definition for the 'comparison period'? Please provide the reason(s) for your answer including, where available, views and**

**evidence on whether pub-owning businesses are adopting a 13-month pricing period and the impact this has on business planning.**

Comments: Ineffective – POB's will do anything to de-rail any process involving the Code.

#### **Question 10**

**What are your views on excluding taxes and duties from the significant price increase calculations? Please provide the reason(s) for your answer.**

Comments: Sorry, it seems irrelevant in the grand scheme of things.

#### **Question 11**

**What are your views about excluding other unavoidable costs from the significant price increase calculations? Please provide the reason(s) for your answer.**

Comments: Unsure.

#### **Question 12**

**Do you think there should be an alternative appeal route to the current High Court or should the latter be retained? Please provide the reason(s) for your answer.**

Comments: Yes. POB's have a financial advantage for Court cases.

#### **Question 13**

**If you believe that the appeal route should be changed, what do you think it should be changed to? Are there other ways to make an appeal more accessible and potentially less costly without changing the appeal route? Please provide the reason(s) for your answer.**

Comments: The appeal route should involve Tenants & representatives with a true understanding of the problem.

#### **Question 14**

**Are there any other ways that could be adopted to make the appeal route more accessible and potentially less costly without changing the appeal route? Please provide the reason(s) for your answer.**

Comments: Remove financial obligations or provide Tenant with free expert legal support.

Thank you for taking the time to let us have your views. We do not intend to acknowledge receipt of individual responses unless you tick the box below.

Please acknowledge this reply ☐

At BEIS we carry out our research on many different topics and consultations. As your views are valuable to us, would it be okay if we were to contact you again from time to time either for research or to send through consultation documents?

☒ Yes

☐ No