

A DAY IN THE LIFE OF...A BDM



by PCA writer

Recently Admiral Taverns made the offer for a member of the Pubs Code Adjudicator (PCA) team to accompany a Business Development Manager (BDM) for the day to see them in action.

As the PCA's Regulatory Engagement Manager I readily accepted the opportunity, as at the PCA the tenant is at the heart of all that we do. I wanted to see the BDM/tenant relationship for myself, whilst also discovering what tenants knew of the Pubs Code and the Adjudicator.

I met with Alan, the BDM, at the start of the day. Alan has been with Admiral seven years and also worked previously within the industry, so he is definitely an 'old hand' at the job. Our first stop was The Castle pub, which sits in the shadow of Dudley Castle in the centre of the West Midlands town.

The pub has been there for many years, but the current landlord Spencer is a relatively new addition. He is making great strides, for which he gives credit to the support of Alan as his BDM.

Spencer knew little of the Pubs Code and the role of the adjudicator despite being provided with information at the start of the agreement, and it is clear how easy it is for information to be lost in the details given to the tenant when they first take on a pub.

Alan and I discussed the potential for BDMs to leave a small leaflet or calling card with headline details of the PCA and how to make contact, and Spencer agreed that this was something he would find useful. So, this was an idea for me to take back to the office.

Alan discussed with Spencer issues such as repairs and products to sell for an optimum profit, and how Admiral could help to market the pub better. Spencer was also in the process of taking over another local pub, and the signing of the tenancy was another reason for Alan's visit.

As with The Castle, Spencer was to take on a Tenancy at Will in the first instance and Alan provided him with details on this and how it could be converted to a full five-year tenancy agreement in due course, once the pub company had completed any outstanding repairs and improvements.

I saw how Alan was keen to reinforce his message to Spencer that he must take legal and business advice as part of progressing to a full tenancy agreement. This is a Code requirement under regulation 10 (2), that before a pub company enters into a new agreement with a tied pub tenant, it must ensure that the tenant has a sustainable business plan which has been prepared following professional advice.

I questioned Alan where he felt the Pubs Code had had the most impact and he replied that the Schedule of Condition relating to dilapidations was the best thing to come from the Code. This is where a record is made of the condition of the pub when the tenancy is taken on, meaning that the premises, when vacated, should be handed back to the pub company in at least the same condition as when the tenant entered the property. This is fair to both parties and ensures that tied tenants are not paying for excessive works. He felt this really connected with Admiral's ethos of trying to do the right thing for every tenant.

During this first visit I was able to witness the good practice of minutes of the meeting being typed up, viewed, and signed digitally by the tenant prior to them being sent out officially via email, which complies with the Pubs Code regulation 41(4). Before leaving, Alan also checked the tenant knew the complaints process in case they were not happy with the meeting.

Our next visit was to a tenant with much more experience as a multiple operator and a tied tenant who is on a full 5-year tenancy agreement. Paul runs the recently refurbished Saddlers Arms in Walsall amongst his portfolio of pubs. He is also very clued up about the Pubs Code and was aware of what it could offer him and how to contact the adjudicator via the call back service or webform. Paul said there was a lot of trust between him and Alan, and that Alan had been invaluable to him growing his business.

Alan ran through some business-as-usual requirements including checking certificates and training logs as part of the due diligence of the premises licence conditions and told me that he sought to have an open and honest relationship with tenants, so they could come to him with any concerns.

Alan took immediate action on issues Paul raised with him during the meeting, including chasing up the property manager for updates on outstanding actions. Paul informed me this was usual practice and that he was satisfied with the support he received as a tied tenant.



Paul from the Saddlers Arms

Our next pub was the smaller, more traditional Hatherton Arms just a short drive down the road. The tenant Dave is currently on a Tenancy at Will and after some time considering his future at the pub had decided to stay and take on a 5-year tenancy agreement. Dave told me Alan had been brilliant in his support of him, and the fact that he always kept his word was part of the reason he felt content in taking on the pub in the longer term.

I viewed Alan taking Dave through the full tenancy agreement and noting where Admiral's code of practice linked in with the Pubs Code. Dave had knowledge of the Code and spoke of how pub companies have a duty to ensure the BDM deals with tenants in a fair and lawful manner and understood he could contact the PCA with any Pubs Code related concerns.

Admiral is investing £4000 into kitchen equipment to allow for food to be served and I saw how the improvements were going to be made. Alan explained how Admiral could help with the marketing of this new venture.

Our final stop of the day was to meet Andre at the Golden Lion in Coseley. Andre is new to the pub and to the industry, but he is currently working hard to transform the pub and attract new customers. Andre showed me around his very well-kept cellar and said he was managing his transition into a pub tenant well with support from Alan.

Andre wasn't aware of the Pubs Code Adjudicator, so Alan gave him an insight into how pub companies have a duty to be fair with tenants in line with the Code. Andre is also on a Tenancy at Will and looking to progress to a full agreement, so Alan took him through the process that would be required in order to finalise the agreement.

Admiral uses the Vianet system to work out a pub's busiest periods and Alan shared this with Andre and discussed how slower periods could be improved by the use of a loyalty card for customers.

The cost of utility bills was worrying for Andre, but Alan was able to share some information and guidance with him that could potentially save him money.

I explored with Alan why he felt that some tenants like Spencer and Andre didn't know much about the Pubs Code despite it being part of the first pack of information that all new tenants receive from Admiral. He shared that the amount of information tenants are given at the start of the tenancy could be overwhelming for some, and they have to prioritise what they need in the first instance, meaning the Pubs Code isn't relevant until they need it. However, he felt that the Code had made a positive impact upon ensuring tenants got a fair deal from their pub company and it would be in their best interests to know more about it.

I had a fascinating day seeing the hard work that goes into making pubs the beating heart of their community, and how the Pubs Code is integral to ensuring that tied pub tenants are treated fairly and lawfully by their pub company. Many thanks to Alan for giving me an insight into his typical day and to Andy Clifford, Admiral's Code Compliance Officer, for making it happen.

To find out more about the Pubs Code go to <https://www.gov.uk/government/organisations/pubs-code-adjudicator>



Alan, Admiral BDM, PCA Regulatory Engagement Manager & Paul, Saddler's Arms tenant