Proposed Tied Pubs (Code and Adjudicator) (Scotland) Bill

Page 2: About you

Are you responding as an individual or on behalf of an organisation?

an individual

Which of the following best describes you? (If you are a professional or academic, but not in a subject relevant to the consultation, please choose "Member of the public".)

Current or former pub tenants or workers

Please select the category which best describes your organisation

No Response

Please choose one of the following; if you choose the first option, please provide your name or the name of your organisation as you wish it to be published.

I would like this response to be anonymous (the response may be published, but no name)

Please provide your name or the name of your organisation

Please provide a way in which we can contact you if there are queries regarding your response. Email is preferred but you can also provide a postal address or phone number. We will not publish these details.

Q1. 1. Which of the following best expresses your view of establishing a statutory Scottish Pubs Code and Scottish Pubs Code Adjudicator? Please explain the reasons for your response.

Fully supportive

Comments:
This legislation is long overdue. Large pub companies continue to exploit and rip off tied tenants.

Q2. 2. Could the aims of this proposal be better delivered in another way (without a Bill in the Scottish Parliament)?

No

Please explain the reasons for your response.
The legislation must be watertight and come under an act passed in the Scottish Parliament. Pub companies will use every move possible to escape their obligations if it is not enshrined in an act.

Q3. 3. What do you think would be the main advantages, if any, of establishing a statutory Scottish Pubs Code and Adjudicator?

A fairer deal for tied tenants and a more level playing field. I am currently paying around £40-£50 more per keg than my free house neighbours. It is unfair on me and my customers as I could offer them a better deal if we were able to buy at the true market rate.

Q4. 4. What do you think would be the main disadvantages, if any, of establishing a statutory Scottish Pubs Code and Adjudicator?

Absolutely no disadvantage whatsoever.

Q5. 5. Which of the following best expresses your view of establishing a Market Rent Only option for tenants as part of a Scottish Pubs Code?

Fully supportive

Please explain the reasons for your response
This option should be available to all tenants. The landlord receives a fair market rent and the tenant is able to grow their business without the landlord controlling every aspect of the business.

Q6. 6. What do you think of the proposed contents of the Bill and the Code, and the scope of the Adjudicator's powers, as detailed on pages 17-18 of the consultation document?

Fair and reasonable for all. It is also important that the adjudicator has wide ranging powers to penalise rogue landlords by financial or other means. I have first hand experience of star pubs and bars trying to take money from my bank as a financial penalty without my permission. In fact over the years I have been on the receiving end of disgraceful business practice from my landlord .

Q7. 7. Which of the following best expresses your view of the Scottish Pubs Code Adjudicator being able to impose financial penalties for breaches of the Code?

Fully supportive

Please explain the reasons for your response.
Pub companies have for many years behaved appallingly towards their tenants knowing that they would not suffer any penalties for their dubious actions. The culture still pervades today that the tenant is there to be exploited for the benefit of pub company shareholders. The pub company will never voluntarily change

their ways by themselves. Only by legislation and threat of sanctions will bring about a change in their behaviour towards tenants.

Q8. 8. In terms of who the Scottish Pubs Code, and Market Rent Only option, should apply to, which of the following best expresses your view? If you choose option (a) you will automatically be taken to question 10. If you choose (b) or (c) you will automatically be taken to question 9.

(a) The Scottish Pubs Code - including the Market Rent Only option - should apply to all tied pubs in Scotland

Please explain the reasons for your response.
Most of the tenants of the smaller pubcos effectively enjoy a version of market rent only as their landlord has no brewing business. The medium and large pub companies operate in conjunction with each other with non brewing pubcos like G1 group entering into supply arrangements with companies like star pubs/Heineken. They then charge the tenant grossly inflated beer prices and tie the licensee to products which the publicans find difficult to sell as these aren't the products that that pubs customers want. It is important that a pub is able to select the products that its customers want.

Q9. 9. How should larger pubcos be defined (e.g. by size of turnover, number of tied pubs owned in Scotland (if so, how many, etc.))?

No Response

Page 17: Financial implications

Q10. 10. Taking account of both costs and potential savings, what financial impact would you expect the proposed Bill to have on:

	Significant increase in cost	Some increase in cost	Broadly cost-neutral	Some reduction in cost	Significant reduction in cost	Unsure
(a) the pub companies which own tied pubs (Pubcos)			X			
(b) Tied-pub tenants					X	
(c) Tied-pub customers					X	

Please explain the reasons for your response
Pub companies will come out with the old wives tale of " oh we will have to cut back on investment if this act is implemented " The truth is that the tenant ultimately pays for all investment through increased rent after a refurbishment. The pubco always reclaims its spend by levering more money from the tenant. Many tenants will simply not use the pubco for repairs or redecorating as they know what comes next (a rent variation). Tenants by and large will carry the work out themselves to avoid increased costs. On the

Q10. 10. Taking account of both costs and potential savings, what financial impact would you expect the proposed Bill to have on:

customers side, they would have a better choice of products at more affordable prices. The tenant would be able to offer a better range at prices that allow everyone to make a living.

Q11. 11. How do you think the associated costs of the proposal (predominantly the establishment and on-going running costs of a Scottish Pub Code Adjudicator) should be funded?

Make the pubcos contribute through an operating license fee. Pubs also pay a disproportionate amount in rates so some public finance should also come into the equation.

Page 19: Equalities

Q12. 12. What overall impact is the proposed Bill likely to have on equality, taking account of the following protected characteristics (under the Equality Act 2010): age, disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex, sexual orientation?

Neutral (neither positive nor negative)

Please explain the reasons for your response
Can't see it having any detrimental effect.

Q13. 13. In what ways could any negative impact of the Bill on any of the protected characteristics be minimised or avoided?

It is essential that the pubs code adjudicator has no past connection with the pubcos or Brewers. It would also be beneficial to look at any hiccups England and Wales have had since their code was introduced.

Page 21: Sustainability of the Proposal

Q14. 14. Do you consider that the proposed Bill can be delivered sustainably, i.e. without having future disproportionate economic, social and/or environmental impacts?

Yes

Please explain the reasons for your response
Delivered properly it can only be beneficial for the pub industry

Page 22: General

Q15. 15. Do you have any other comments or suggestions on the proposal?

Let's get it done and create a better operating environment for all. Good luck Neil.