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**From:** [redacted] (CP) on behalf of Pubs Consultation Responses  
**Sent:** 19 June 2013 17:31  
**To:** Pubs Consultation Responses  
**Subject:** FW: The Tenant/ Pubco model - an inside view

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**From:** [redacted]  
**Sent:** 04 June 2013 17:34  
**To:** Enquiry Enquiry (Other Government Departments)  
**Cc:** [redacted].mp@parliament.uk  
**Subject:** The Tenant/ Pubco model - an inside view

To whom it may concern,

I'm writing to give an overview of my experience as a new tenant. This has been prompted by the Govt's recent interest in this matter.

As in all complex things, there isn't a black and white answer - there are advantages and disadvantages to this model. Chief amongst the advantages is the relatively cheap entry to the industry that this model offers.

I have had mixed experiences in dealing with Punch. They did put in place an extensive program of refurbishment and repair, however this was immediately reflected in my rent. I currently enjoy a good relationship with the area manager (partnership development manager!) but I have had 5 different people in this role in 10 months so....

There would seem to be an inherent flaw in the model that stifles tenant growth and increases the pubco's woes. As each barrel has the profit creamed off before it gets to me, I am left to try and make a living when the relative cost of alcohol falls steeply. Tesco et al can sell beer significantly cheaper than I can buy it. People are willing to pay a little extra to enjoy the comforts of a pub but there is an increasing sense of unfairness that sees declining footfall leading to higher prices in an unsustainable spiral. The pubco has to support all the infrastructure necessary to oversee me, try and catch me fiddling, accounts etc. Surely it makes more sense to minus the costs of administering each venue from the average revenue and use that figure to set the rent!

09/12/2013

There is a social element to this discussion. When the majority of people's drinking was done in the pub, it was a self policing, self aware system. People watch out for each other, there are social imperatives to behave properly and problems can be guided away or nipped in the bud. Contrast that with the current fashion amongst younger drinkers of pre-loading at someone's house before coming out at midnight. If we can bring the on trade price down, more people will drink in the pubs, something that will lead to a cohesion that has been sadly missing in many places for too long now.

If there is anything else I can add to this discussion, please don't hesitate to ask.

Thanks for your time

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