

14th June 2013

Pubs Consultation  
Consumer and Competition Policy  
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Dear Sirs

**RE : PUB COMPANIES AND TENANTS - A GOVERNMENT CONSULTATION**  
**Consultation beginning 22/04/2013, closing 14/06/2013**

In regard to your consultation I am conscious that you may be placing a great deal of weight on the shoulders of a formulaic approach. As you will appreciate from submissions I have assisted in producing for ' ' I have considerable concern in this regard.

The formula provides a useful tool of transparency little more. It is possible that on a particular day a licensee may be able to use the formula to justify an appropriate rent, rendering them no worse off than if they were free of tie, however, the pubco can, the day after, place that same licensee in financial jeopardy simply by restricting the beer choice or increasing the beer price to an unsustainable level.

Rent reviews can take a long time I am over three years into my the landlord (Enterprise Inns) holds all the cards. whilst we have finally got the matter into the hands of a third party, he does considerable work for other pubcos and brewers and to find in our favour (apply the principle of no worse off) may seriously undermine past valuations of both his company and his own. This perceived conflict was brought to his attention but he chose to continue to act regardless.

Enterprise denied us an arbitration, instead pressing for an 'independent expert' which means we get on reasoned determination - just a sheet of paper and an outcome.

Enterprise denied us comparable evidence (in fairness it is not necessarily in their gift to give).

There is copious correspondence and several reports in this regard but this would be a useful case study for the BIS in order to appreciate the flaws of the formulaic approach.

On . the Expert stated the end of all submissions and I am still waiting for the decision. It is quite possible his decision is being withheld until the end of the Public Consultation period in the hope it can not be used in evidence.

It is my intention to collate a comprehensive file on just this one issue and demonstrate to Government the fault in relying on the formulaic approach. Which will follow as soon as our decision is published as an appendices to this brief outline submission.

This will be the most clear and comprehensive example of how the RICS system does not work the Government could wish to have and it is imperative you understand the drawbacks before making a decision.

Yours sincerely