

The Forum of British Pubs

The Forum of British pubs was set up in the summer of 2021 as an arm of the Forum of Private Business which was formed in 1977 and has been helping and supporting small businesses including pubs since then. We set up the Forum of British Pubs because British publicans continue to struggle with increasing business pressures and complications often caused by their pub companies and despite the introduction of the pubs code and the pubs code adjudicator pub tenants continue to be abused and treated in an unfair manner.

The Forum of British Pubs has now spent over a year taking on individual cases on behalf of pub landlords predominantly regulated pub company tenants, which we record on our new CRM system, so we have detailed case records for each of these. We have dealt with MRO issues, Dilapidations, rent reviews and several other specialist disagreements.

We would argue that since the initial evidence sessions in 2004, following a complaint by the Federation of Small business, which led parliament to reach the conclusion that the sector was operating in an unfair manner which favoured the pub companies over their individual tenants and the introduction of the Pubs code and its adjudicator nothing has improved and in fact in some cases things have become worse.

We feel that tenants need specialist help even more now than they did in the past and the Forums main purpose is to help those people.

The intention of Parliament, which we have confirmed by speaking to those involved in the introduction of the code was to provide a more balanced and fairer business model without removing the Tie. The main method of achieving this was the option for the tenant to apply for a Market rent only option where they paid a fair, mainly higher market rent and as a result is not subject to the buying contracts associated with the tie. This was to be achieved simply and cheaply which would be possible through a simple deed of variation rather than a brand-new agreement.

This has not happened, the process of MRO is costly, time consuming and we at the Forum would argue not been achieved by a single landlord since the code was introduced, because every one of the claimed MRO deals has a buying contract applied and therefore does not achieve the status of Market rent only!

At the same time, we have seen every regulated pub company sold or restructured and refinanced, an increase in the number of section 25 notices issued, shorter lease agreements, more managed houses, franchise style operations experimentation and expansion, continued and increased poor business practices, a confused code which needs amendment and an ineffectual PCA with no governance, (they answer to no one and have no standards to operate on) and no consultation with the tenants they are there to protect!

The Forum will continue to support individual publicans with all our resources, we will continue to lobby parliament, we are encouraging academic study and reporting on the existing situation, and we will continue to work with other trade bodies in a proactive and positive manner.