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Dear Minister

I am writing to you regarding Regulation 7 of The Pubs Code Regulations 2016, which enables a tied pub to have its rent reviewed in the event of an unforeseen event that reduces its level of trade over a period of 12 months.

The British pub is one of our oldest and most cherished institutions; however, for years it has been in peril, with over 25% of pubs closing since 2001 and at a rate of 18 a week in 2018. The COVID-19 pandemic has made this situation even worse, with pubs losing months of trading due to Government restrictions.

Whilst the financial support provided to pubs has been welcome over the past year, many pubs in your constituency, such as my own, have huge concerns that we will still not be able to reopen when restrictions are finally lifted.

Over the past year of intermittent lockdowns, the business of running a pub became unprofitable. However, rental agreements with the big Pub Owning Businesses did not change to reflect this fact, as rents are usually only reviewed every five years. Regulation 7 of The Pubs Code 2016 should have addressed this problem, as it enables a tied tenant to receive a rent assessment if an unforeseen “trigger event” occurs, which means there will be a decrease in a pub’s level of trade continuously, month on month, for a period of 12 months.

However, whilst Regulation 7 should have allowed every tied pub in Britain to have its rent reassessed due to COVID-19, it is almost impossible to invoke due to one condition which must be met – the “trigger event” must be “unlikely to impact all pubs in England and Wales”, which the current crisis clearly does.

Therefore, what should have been a lifeline for 10,500 tied pubs across the UK is no more than a bad insurance policy, one which never pays out no matter how deserving the claim. By simply removing this one line, tied pub tenants could start paying or owing rents that are actually proportionate to their current turnover and profits, and would stand a fighting chance of achieving profitability during the incredibly difficult months ahead after reopening in April and May and as you are aware, the Pubs Code, which is secondary legislation, is currently undergoing the review that will enable this amendment to occur

However, without this one, simple change, we fear that thousands of pubs will not be able to repay the extortionate rent bills unfairly accrued during COVID-19. Estimates from last year suggest that a quarter of UK pubs may not survive this pandemic, and, for the ones that do, the treasury and taxpayer will pay the cost for keeping them afloat, with Government grants being used to cover disproportionate rent bills which take no account of the current crisis.

Today, the Forum of British Pubs – with support from CAMRA has launched a new campaign called ***Reform Regulation 7***. I would be most grateful to you for following this campaign, listening to the concerns of pub tenants across the country, and coming back to me with your comments on this important matter.

Yours sincerely,

<<Your name>>