



Customer Code of Practice

For Tied, tenanted and Leased pubs.

Building professional business
relationships with our customers.

THOROUGHLY GOOD BEERS



“
We enjoy working in partnership
with Thwaites. There is mutual trust,
integrity and a desire to realise business
potential as responsible operators.”

BILL & WILL GALLIE, THE HOLCOMBE TAP, RAMSBOTTOM

A Word from the Chairman

In 1807, Daniel Thwaites decided to change jobs; he gave up collecting excise taxes and became a brewer. You could say he was one of the first gamekeepers turned poacher, but what a momentous decision it was and the rest, as they say, is history.

Today, our family business is still run with family and family values at its' heart and we are proud that over two centuries of independent regional brewing heritage remains at the core of what makes Thwaites stand out from the crowd.

Like all brewers, we have won numerous awards and accolades over the years but still remain one of only five brewers to win Champion Beer of Britain twice. Our beers are brewed using two hundred years of Lancashire brewing know-how and our new craft brewery, commissioned in 2018 and based in Mellor Brook, brews both traditional ales as well as a range of contemporary beers.

Of course, brewing beer is only part of the story as nothing happens until someone buys one of our pints and because we only sell our beers in our own pubs, our 200 strong pub estate is an integral part of our business. Whether you are considering running a community local or a rural food-led pub, you will find we can offer an agreement that suits you. We are passionate about beer and pubs, and our dedicated Pub Operations team take pride in the extensive level of support they are able to offer – they are there to help you make a success of your pub and business plan.

The success of Thwaites is dependent upon your success, and fundamental to that is an open and honest business partnership.

This Code of Practice is designed to set out clearly what you can expect from us in such a partnership, together with what we will expect from you. I urge you to take the time to go through the detail in this Code with your Area Business Manager so that there are no surprises further down the line. I wish you every success in your chosen pub and welcome you to Thwaites.



Rick Bailey
Chairman





INDEX

1	Introduction	5
2	Disclosure of Trading and Other Information	5
3	Customer Commitment and Business Planning	6
4	Details of the Main Terms of the Standard Thwaites Tenancy Agreements	8
5	Repairing Obligations and Tenants Fixture & Fittings	8
6	Business Support & Benefits to Customers	8
	• Training Advice	8
	• Licensing Advice	9
	• Business Management Advice	10
	• Promotions	11
	• Deliveries	11
	• Provision & Maintenance of Dispense Equipment	11
	• Flow Monitoring Equipment	12
	• Landlords Property Support	12
	• Rating Advice	12
7	Amusement Machines	13
8	Insurance	13
9	Customers Experiencing Operational Difficulties	14
10	Early Surrender of the Tenancy Agreement	15
11	Assignments	15
12	Area Business Managers	16
13	Undertakings by Thwaites Management	16
14	Complaints Procedure	17

1 Introduction

- Embarking on running your own pub business is exciting and can be both enjoyable and profitable, but it's a big decision and a significant commitment both of your time and money. Some describe running a pub business as a 'way of life' and the hours are often long, but the rewards are there to be had. A wide variety of skills are needed to run your own business and the market is more competitive than ever before.

Our aim at Thwaites is to build a professional business relationship with our customers which will result in mutual profitability. It's therefore important to us and you that we set out the foundations of this relationship in an open and honest way, as such we are signatories to the UK Pub Sector Codes of Practice (1-499 Tied Pubs) for both Leased and Tenanted [PSC], The codes can be found on the Pub Governing Body Website - thepubgoverningbody.co.uk.

- This document explains what you can expect from us, as well as your own responsibilities to Thwaites.
- Thwaites offer two sorts of agreements:
 - a) A 5 Year tenancy agreement.
 - b) A Full Repairing and Insuring Lease (FRI) of 10/15/20 or 25 years. Your Area Business Manager (ABM) will be able to advise you on which agreement is best suited for your business.
- In the case of our leases or tenancies, the freehold of the property is owned by us and an agreed rent is charged on the property. The main terms of the rest of the agreement are set out in section 4. Entering into a tenancy or lease agreement is a big commitment and it's important that you fully research each individual opportunity and make your own business assessment before making your decision.
- Our customer code sets out Thwaites policy for engaging with you, our business partner and customer, and is ancillary to the lease or tenancy agreement and should be read in conjunction with that formal documentation. The term tenancy should be interpreted as meaning the same as lease and in this document, both tenant and lessee are referred to as our 'customers'.

2 Disclosure of Trading and Other Information

We will provide the following information to prospective customers: -

- Historic volume figures in writing of supplies of beers and other drinks by Thwaites to the property offered for tenancy. Where available, the figures will cover three years immediately prior to the opening of negotiations. This information is contained in Appendix 2. All figures are provided on the basis that the prospective customer understands that historic figures are not necessarily an indication of future performance.
- Appendix 2 also contains details of any significant and relevant defects in the physical condition of the premises.
- A copy of our current national price list and terms of trading is contained in Appendix 3. Thwaites does not allow a "guest" beer including those supplied direct from a small brewer to be purchased outside the tie.
- Thwaites is committed to maintaining the quality of the fabric of our properties and our current policy on investment in our estate and the basis upon which further investment in the premises or business might be made is contained in Appendix 4.





- Appendix 5 contains details of the premises licence. Including details of any enforcement action taken within the last two years.
- A Rent Assessment Statement (RAS) is detailed in Appendix 6. This is our estimate of the Fair Maintainable Trade (FMT) of the business. Hopefully, you will find this useful and will use it as a template from which further investigation and professional advice can be taken. You might also find some helpful comparison information in other industry reports such as the 'ALMR Benchmarking Report' which analyses properties run as managed houses and BBPA Benchmarking survey which looks at the costs of running tenanted pubs. The Royal Institution of Chartered Surveyors (RICS) Guidance provides additional information on matters to be taken into consideration when assessing the rent. As Thwaites does not have direct access to all the sales or costs data in respect of its tenanted pubs, the P&L is for guidance purposes only. We cannot give any warranty as to the future performance of the business.
- Appendix 2 also details any developments to nearby material changes to the commercial conditions likely in the immediate vicinity to the specific pub you are looking at. It also details any developments to nearby premises in the Thwaites estate as well as details of any restrictions on the way the premises may be operated.
- We undertake to provide any further information requested by prospective customers or their professional advisers. Where we are not able to provide the information we will explain why this is not available.

3 Customer Commitment and Business Planning

- We want our relationship with you to be long standing and successful for each of us. Careful planning and training will help bring this about, which is why we want to do as much of this as is sensible up front.

- Any customer considering taking a pub with Thwaites must disclose all relevant information that impacts on their ability to run the business, including all relevant experience, financial position and source of funding, together with any reason why the police or any other body may oppose them operating a licensed property.

Prior to being offered a tenancy you must;

- Hold a Personal Licence (unless the tenancy is to be in a company name and/or a relative holds a Personal Licence);
 - Have obtained pre-entry training (PEAT) available from the BII (<http://www.bii.org/pre-entry-awareness-training-peat>) which must have been completed a minimum of 5 days before we agree final terms for your new agreement.
- Before being offered a tenancy with Thwaites, your Recruitment Team will arrange for you to view the whole of the property including the private accommodation and the non trading areas so that you are fully aware of the conditions and layout of the property.
 - We expect you to visit the pub on a number of different trading occasions so that you are able to form your own opinion of the business trading potential. This would also include visits to other pubs in the surrounding area to establish strengths and weaknesses of the local competition.
 - We do insist that all our prospective customers complete their own detailed business plan using the information gathered during their visits, together with information supplied by our ABM. In some cases further information relating to specific costs, and areas such as food turnover etc., which may not be known by Thwaites, may be supplied by the outgoing customer.
 - The business plan will also need to include a full financial projection to demonstrate that you have determined the profitability of the business for yourself.

- Once again, we insist that prior to accepting a tenancy you obtain good independent professional advice from experts in the trade such as solicitors, accountants, stocktakers and industry trade bodies such as the British Institute of Innkeeping (BII) and the Federation of Licensed Victuallers Associations (FLVA), and the advice received is used to help prepare your own business plan which we will discuss with you. Where the proposed agreement is an FRI lease, we require evidence that professional advice has been taken which will be retained by Thwaites.
- Further advice and information for you on business planning including a template P&L and benchmarking tools are available from the FLVA, BII and ALMR.

In preparing a business plan you should consider the following;

- a) The effect of changes to your business plan using sensitivity analysis, both positive and negative. Your financial advisor will be able to help with this area.
 - b) Guidance published by RICS which provides you and your valuer with advice on matters to which you should have consideration.
 - c) The Industry Benchmarking reports produced by both the ALMR and BBPA available via www.ALMR.org.uk and www.beerandpub.com.
- Some or all of the above requirements for a prospective customer may be waived at our discretion, in the cases identified in the PSC.
 - In such a circumstance Thwaites requires prospective customers who have had our standard requirements waived to sign an exemption agreement signifying that the requirements for pre-entry training and or professional advice have been waived in accordance with the statement of qualification for exemption made by the prospective customer.

4 Details of the Main Terms of the Standard Thwaites Tenancy Agreements

- Appendix 7 summarises the main terms of the standard Thwaites tenancy and lease agreements. The tenancy agreements are of a standard format and the terms contained therein are not subject to amendment. All prospective customers will be supplied with a full copy of the specific agreement and an offer letter setting out the principle elements and substantive terms of the tenancy that they are to sign at least 7 days prior to it being completed.
- It is vital that you understand all of the likely costs including details about the nature, scope and extent of the customers repairing obligations and initial capital required in starting a new business with Thwaites. Some details to help you assess the full financial implications and requirements are contained in Appendix 8.
- When taking a new tenancy agreement you will take on various legal responsibilities, these include a requirement to carry out fire risk assessments, (Thwaites will arrange this on your behalf) the need to show contractors a copy of the asbestos report (produced by Thwaites), a requirement to service and have annual inspections of gas and electric appliance (Thwaites will arrange for the boiler to be serviced and recharge you with the cost).
- Thwaites offers standard form tenancy agreements, which are fair, reasonable and comply with legal requirements. For reasons of good estate management, we don't normally agree to variations in the standard form. We suggest you make your legal advisers aware of this, in order to save time and unnecessary expense.
- Thwaites offers a cooling off period in all its tenancy agreements (except when the letting is combined with a major capital investment), details of which are contained in the summary in Appendix 7.
- Rent payment terms - the standard is weekly in advance, but in exceptional circumstances by agreement this may revert to monthly.
- Trade account terms - to be paid by weekly direct debit in arrears.

5 Repairing Obligations and Tenants Fixture & Fittings

- Details of the repairing obligations contained in our various tenancy agreements are set out in the summary document in Appendix 7.
- Thwaites current policy in respect of enforcing the repairing obligations is to have a schedule of dilapidations carried out at least 6 months prior to the customer's agreement expiry date. Thwaites would then expect the customer to carry out the works or an agreed deduction would be made from customer's deposit.
- We also reserve the right to inspect the property, including the living accommodation, periodically during the course of the tenancy. We will, of course, make arrangements with you to ensure that such an inspection is carried out at a mutual convenient time.
- All prospective customers of ours, particularly those considering taking on a property to be let on a FRI lease, are advised to inspect the property thoroughly and take independent specialist advice on the condition and structure of the property. Thwaites will also carry out periodic property inspections throughout the term of the lease.

6 Business Support & Benefits to Customers

We've already said that our success depends on your success and as such we want to work with you to develop a long term business relationship. We offer a wide range of support on an ongoing basis, to help you grow your business. These will include such things as :-

- **Training Advice**
As detailed under section 3 of this Code, if you are new to leased/tenanted pubs we will ask you to complete the BII Pre Entry Awareness Training (PEAT) package designed to help those new to the industry understand the complexities of tenancy or lease agreements. We offer a wide ranging training programme specifically designed for the licensed and leisure trade to accompany a comprehensive support package carried out in the pub with your ABM. Details of each course, together with dates and costs are available on the company website. Courses include:
 - BIIAB APLH - Award for Personal Licence Holders.

- BIIAB ABCQ – Award in Beer Cellar Quality Course.
- Level 2 Food Safety - Basic Food Hygiene.
- Level 3 Supervising Food Safety.
- Level 2 Award in Food Allergen Awareness.
- WSET Foundation & Intermediate – Certificate in Wines & Spirits.
- BII Award in Responsible Alcohol Retailing.
- Social Media Training.

In addition we have negotiated preferential rates for on-line training provision for your staff with one of the leading providers.

Our main tenancy induction course is called TULIP (Thwaites Unique Licensee Induction Programme). It is a three day intensive course which covers all aspects of running a tied tenancy. All new applicants are required to attend with the exception of those who can demonstrate previous relevant training. For more experienced operators we run a one day course (TLC - Thwaites Licensee Connection) in order they can meet a number of key contacts in our business and understand more of how we work. Additionally the BII run a pre-entry awareness training course (PEAT) but this does not replace the requirement to attend the TULIP programme.

The majority of the training takes place at our purpose built training centre in Mellor Brook. However, some courses are run within the estate, some online and some via workbooks within the pub.

Other training resources and bespoke packages are available on request.

• **Licensing Advice**

Licensing advice and support is given by our appointed solicitors, Napthens (www.napthens.co.uk) and the ABM, both on the appointment of a new customer to a pub and throughout your time with Thwaites.

Guidance on the following areas is provided:

- Personal Licence – APLH requirement, Criminal Records Bureau Check, Personal Licence application, recording of the certificate number.





- Premises Licence – this is transferred into the name of the customer on appointment to the pub (the cost of this is detailed in Appendix 8). It is the customer's responsibility to check and adhere to the following areas: Trading Hours, Entertainment Permitted, Restrictions/Conditions on the licence.
- PPL (Public Performance Licence) and a PRS (Performing Rights Society).

• Business Management Advice

Our aim is to build a professional business relationship with our customers which will result in mutual profitability.

At the core of that relationship are our Area Business Managers (ABMs). As well as being responsible for the wider relationship our customers enjoy with Thwaites (See Section 13), ABMs can offer Business Management Advice free of charge covering a wide range of subject areas such as:

- Sales and Marketing planning;
- Merchandising;
- Specific event planning;
- Food sales growth and menu planning;
- Capital investment planning;
- Profit and Loss analysis;
- Cash Flow management;
- Labour costs management;
- Margin Management (Food & Liquor margin);
- AWP revenue growth;
- Training and development, and
- Employment legislation, including Transfer of Undertakings (Protection of Employment Regulations) (TUPE).

ABMs will typically meet with you on a quarterly basis to review the business and deal with any of your own agenda items. Action points from these meetings will be produced and you will receive a copy. In addition to these meetings the ABMs will contact you to ensure you are aware of any specific issues or opportunities relevant to your business. ABMs can be contacted at any time by phone or by e-mail and will make sure you have all their up to date contact details. Our commitment to you is that our ABMs will respond by the end of the next business day at the latest (subject to any holiday/sickness days).

We have made a stocktaking service compulsory within our agreements. This is provided by a professional stocktaking business and charged to trading accounts.

Thwaites does not take any commission for this service. Full copies of the reports are provided and the frequency of the visits will be agreed with you. Typically this might be monthly for the first 3 months of appointment and then will depend upon the individual business need.

To make sure these reports have value to your business, it's important that you provide accurate and complete information to the stock taker. ABMs will also receive copies of the reports and will bring them to business meetings with you and discuss them during your business reviews and agree any actions that need to be taken.

Thwaites includes all of our pubs within our on-line pub finder (www.thwaitespubs.co.uk) with a brief synopsis of what your pub offers. In addition we offer a series of bespoke website packages to further enhance your businesses on-line presence. You will find the costs for these packages very competitive and we allow you to make regular changes to the site, fully supported by our in-house team.

In order to help maintain high retail standards within our pubs, we run a Mystery Visit program and will be able to show the results of the last visit to your specific pub. We call our program InnCognito and we undertake to visit your pub twice each year. You will receive the results and feedback within two weeks of the visit and your ABM will discuss the report with you. Many of our customers find this report invaluable as independent feedback and use it as a staff training tool and incentive program. If you wish more visits then we can arrange these for you at very competitive rates.

In addition to the support ABMs can offer they can also arrange more specific support from others within Thwaites – we have a dedicated team of professionals at our Head Office who cover areas such as property, food development, marketing, wine & spirit development, training, etc.

- **Promotions – Brand & Outlet**

Dependent upon the individual agreement and brands purchased from Thwaites, customers have access to the following support to market and promote their individual pub business:

Promotions – Brand

- Monthly brand promotions on draught and packaged beers, ciders, wines, spirits, soft drinks bi-monthly promotions brochure and/or via their Customer Contact Advisor, who calls weekly.
- Adhoc brand promotions on draught and packaged beers, ciders, wines, spirits, soft drinks & minerals, placed into pub by the Area Business Manager in line with the agreed pub business and marketing plan.

- Adhoc brand promotions and / or brand support items from the Thwaites' factored suppliers but distributed and placed into pub by the factored brand supplier.

Promotions – Outlet

- Expert advice on all aspects of marketing, promotions and merchandising from their ABM and / or Pub Marketing Manager / Food Development Manager / Wine & Spirit Category Controller across all areas of the sales mix.
- Preferential buying deals for kits, promotions etc for key occasions or calendar dates such as the World Cup, Halloween, Xmas etc.
- Event or occasion led support kits provided free of charge (linked to a brand) but contain the mechanics and materials to run a bespoke promotional event in their pub.
- Opportunity to participate in our Facebook group. A closed group used by the vast majority of our customers as an information exchange, best practise platform and communication tool.

- **Deliveries**

The order taking and delivery process is split. Your order will be taken by our own Customer Contact Team based in Mellor Brook. We then partner with Marston's to provide you with a delivery service weekly. We also have the flexibility to make adhoc deliveries, but do reserve the right to charge for this service.

- **Provision & Maintenance of Dispense Equipment Our Responsibilities**

Thwaites will supply all dispense equipment and cellar cooling for all draught beer, cider and wine products bought from and sourced through Thwaites. This equipment is supplied free of charge.

Thwaites will also maintain this equipment, via our Technical Services partner Marston's, to a standard to enable all of its supplied beers, ciders and wines to be dispensed at their correct specification.

A weekly charge is made to cover key maintenance and services including Cellar Cooling Equipment, Fire Risk Assessment, Gas Safety checks, Electrical inspections, Kitchen extract cleaning, Septic tanks & chimney sweeping (where applicable).

Thwaites also offers help, advice and best practice on all aspects of the dispense process from cellar management to glass washing. This includes on-site training and the provision of leaflets, cellar notices and dispenses manuals to promote the quality standards laid down by Thwaites.

Your responsibilities

If you are already on an old Thwaites tenancy agreement which is free of tie on wines, then the responsibility for the supply and maintenance of equipment for any draught wines sourced from a third party lies with you.

It is also your responsibility to ensure all aspects of the cellar management process, as explained by the technical services staff, are carried out at all times. This includes line cleaning of all draught product lines, which must be conducted a minimum of once every seven days with a line cleaner supplied by Thwaites.

Other

All draught soft drinks dispense equipment is supplied and maintained by the brand owner, irrespective of the purchase route.

Thwaites has a returns and ullage policy, details of which can be found in Appendix 9.

• Flow Monitoring Equipment

Thwaites has been a regional brewer for over 200 years based in Lancashire and services the North of England. A fundamental corner-stone of the maintenance of this agreement is the beer tie thus, Thwaites does install and maintain a Flow Monitoring System to measure dispense from each draught beer line. In some instances, we also install equipment on post mix syrup lines. The reason for doing this is to compare volumes of product dispensed with those ordered from Thwaites, which in turn is used to ensure the tie is complied with. From time to time we will use data from flow monitoring equipment as part of the process to assess damages which may be applied should a breach of tie be established. Before any such damages are applied Thwaites will consider evidence from other sources such

as the presence of “foreign” containers, purchase records, surveillance and third party intelligence etc., the customer will then be advised and given the opportunity to review the data and comment.

If there is any doubt at all as to the accuracy of the information, we will at your request arrange for the equipment to be checked. The customer has the right to be present when the equipment is checked.

The data collected in this way can also be used in assessing individual brand performance and may assist you in making brand choices and in deciding on the effectiveness of any promotional activity. Your ABM can explain this in more detail and also let you know how you can use this same service to obtain other information which you may need from time to time. Full details of the flow monitoring protocol are set out in Appendix 10.

• Landlords Property Support

Thwaites is immensely proud of its heritage and is committed to maintaining and developing the pubs in its tenanted estate. Any repair issue which, under the terms of the tenancy agreement, is our responsibility should be notified to the repairs help desk as soon as possible.

We re-decorate and re-sign the exterior of properties let on internal repairing basis as and when required, in order to maintain the appearance of the outlet. Normal practice is to carry out the works by way of a rolling programme. Your ABM or property manager can provide more information on your specific pub. Thwaites is committed to supporting you where possible to use energy in an efficient sustainable way and we invest in our pubs to make them more energy efficient. A copy of the energy guide is contained in Appendix 14.

• Rating Advice

The Company has instructed retained rating agents to act on behalf of its customers in considering the merits of appeals against the rateable value of each outlet. The cost of this service is £70 per annum and is recharged weekly to the customer. This is considerably cheaper than the cost of sourcing an equivalent service on a one off basis.

7 Amusement Machines

- Income from Amusement Machines is shared between us. The detail of that share is outlined in the tenancy agreement but in principle, the customer collects 35% of the net takings after VAT and licence fee (with Thwaites paying the rent) on AWP (Amusement With Prizes - often referred to as fruit machines) and 20% of the same on SWP (Skill With Prizes). Other amusement machines such as juke boxes or pool tables attract a royalty payment to Thwaites, typically £3 per week. Where machine income is shared, the revenue is no included in the rent calculation.
- With regard to AWP and SWP (eg: quiz machines), we will nominate suppliers that, in our opinion, operate machines in a professional and legislatively compliant manner. We work with suppliers to ensure the machines they offer keep pace with developments in the market place and are well maintained and presented. You must select a supplier of AWP and SWP machines from those nominated suppliers, who in turn are responsible for cash collections. Other types of machines can be sourced elsewhere, although the nominated suppliers typically cover the full range of machines required.
- Our ABMs meet with nominated machine suppliers on a regular basis to review incomes and service issues. Sometimes, it may be necessary to changes the numbers of machines in a pub or their position - for example if the performance of machines is falling. Any changes would, of course, be discussed with you before any action is taken. Changes of software or machine type are subject to availability from the nominated supplier.
- Thwaites does not apply any royalty or up front access payments from machine suppliers in respect of its machine contracts (additionally no management or administration fees are charged).

8 Insurance

- A guide to insurance is contained in Appendix 11a. Thwaites insures the buildings and under the terms of its current standard agreements recharges the annual premium to you. The current annual premium for this property is shown in Appendix 11b.

If the customer is able to identify a policy which offers the same level of cover at a lower premium, then we will price match the premium. Please note this must be the same level of cover in all material aspects, such as the level of excess and any requirements for annual servicing of equipment. If you are in any doubt, one of our company surveyors can help you go through this. If you're able to demonstrate that such insurance can be secured at a lower price, for the same or a better level of cover, Thwaites will recompense you the difference in the charge.

- The level of insurance cover that the customer is required to put in place is detailed in the tenancy agreement. Appendix 11a, provides an overall summary of the perils to be covered which include;
 - Public & Products Liability Insurance.
 - Employers Liability Insurance.
 - Plate Glass Insurance.
- All risks Insurance in respect of the customer's fixtures and fittings & stock and glassware.
 - Business Interruption Insurance.
 - Theft Insurance against loss of money.
 - Freezer contents Insurance.
 - Personal Accident Insurance.
 - Personal effects Insurance.
 - Cash on premises and in gaming machines.





9 Customers Experiencing Operational Difficulties

- The terms under which a customer occupies a Thwaites public house and operates the business are incorporated in the tenancy agreement. This also sets out the legal contractual terms of the business relationship between the parties. The tenancy agreement is then supplemented by the PSC and this Customer Code of Practice.
- We recognise that circumstances can sometimes arise where customers experience business difficulties which are, in certain respects, beyond their control (e.g. the closure of the main road servicing the public house).
- Should you ever find yourself in such circumstances, which may potentially mean you are unable to meet your obligations under the tenancy agreement, you should contact your ABM in the first instance. It's important that you tell us as soon as you are struggling, so that we can help before the situation worsens. Your ABM will then arrange for;
 - i) A detailed review of all aspects of the business.
 - ii) An assessment of the actual or potential impact.
 - iii) A review of alternative market opportunities for the outlet and the viability of any expenditure needed to exploit these opportunities.
- Following this appraisal we can both agree a fully costed action plan and any variation to the terms of the agreement that are deemed appropriate.
- We also recognise that in some instances business difficulties can be encountered which cannot be addressed on the above basis and an early termination of the tenancy may be the most appropriate solution if further trading or capital losses are to be avoided by either or both parties.
- A member of our senior management team will consider such instances on a case by case basis and discuss the available options fully with you. The outcome of the review and subsequent discussions will be confirmed to you in writing.

- Thwaites will enter into this process on the basis that you will co-operate fully in a joint effort to improve business performance, in particular by:-
 - Sharing all relevant information.
 - Considering all suggestions for improvement with an open mind.
 - Giving enthusiastic support to all jointly agreed initiatives.

10 Early Surrender of the Tenancy Agreement

- Your contractual right to give notice is detailed in the tenancy agreement and is also governed by Part 11 of the Landlord & Tenant Act 1954. Where a customer notwithstanding the terms of the tenancy, wishes to leave early, we normally accept an early surrender of the tenancy. This is subject to acceptable terms being agreed and provided a suitable replacement customer can be found. In these circumstances, you would be responsible for payment of our reasonable costs.
- Where a tenancy is assignable we would not normally consider a surrender and would instead guide you through the process of assigning (selling on) your agreement. Again, if there are exceptional circumstances, a member of our senior management team may reconsider this on a case by case basis.

11 Assignments (Leases only)

- Your contractual right to give notice is detailed in the tenancy agreement and is also governed by Part 11 of the Landlord & Tenant Act 1954. Where a customer notwithstanding the terms of the tenancy, wishes to leave early, we normally accept an early surrender of the tenancy. This is subject to acceptable terms being agreed and provided a suitable replacement customer can be found. In these circumstances, you would be responsible for payment of our reasonable costs.

Where the public house has been let on an assignable lease the following documents should be referred to;

- A customer wishing to assign their lease should refer to the guide contained in Appendix 12. This documents the procedure that both Thwaites and the customer should follow to ensure a smooth transfer.

- We have also prepared a guide for prospective assignees, a copy of which is contained in Appendix 13.
- You have the following obligations in respect of assignments;
- You must ensure that any assignee of the lease receives the same financial information disclosed by Thwaites at the start of the tenancy. You must also supply the assignee with actual trading figures and accounts for 3 years (if you have been in situ for this period of time) or for the whole of your trading period if less than 3 years. Where this information is not available the reason must be disclosed.
- You must disclose information as if you were Thwaites at the commencement of the agreement (in other words act as if you were in our shoes) and you must inform a prospective assignee that they should:-
 - a) Demonstrate they have taken pre-entry training.
 - b) Obtained independent qualified professional advice and have produced a business plan.
- We have the following obligations in respect of assignments;
- Detail the procedure to be followed, advice / support available, fees to be incurred and treatment of dilapidations; these matters are all contained in the customers guide in Appendix 12.
- Thwaites pre entry requirements, including the requirement to hold a personal licence under the Licensing Act 2003, are contained in the Guide to Taking a Pub by Assignment, a copy of which is in Appendix 12. These requirements are capable of being waived if the waiver requirements for a new letting detailed in section 3 page 7 of the code are adhered to and provided by the prospective assignee(s).
- Thwaites will not sanction an assignment unless the above requirements are complied with, our consent will not be unreasonably withheld or delayed.



12 Area Business Managers (ABMs)

- We've already talked about the desire for you to have a secure and profitable business run on a sustainable platform. The core role of the ABM is to facilitate that success by encouraging customers to add individual flair and entrepreneurial thinking to the expertise and knowledge they can offer. The ABM is not the only point of contact a customer will have with Thwaites but they are the central co-ordinating point in that relationship.
- We require our ABMs to provide support and act in a professional and responsible manner when dealing with our customers. They are recruited wherever possible from a licensed retail background although we do value experience gained from outside the sector. They have the authority to support customers businesses as they see appropriate. We have an ongoing process of development for the team that recognises the ever changing legislative environment we trade in as well as product innovation and individual development needs. The company's ABMs take part in the BII industry-wide qualification for area managers or other related courses offered by either trade bodies or educational establishments.
- ABMs are 'signed off' as competent by the Director of Pubs and Brewing at the outset

of their career with Thwaites. In their first 3 months they receive training and are then reviewed on an ongoing basis in the following areas:-

- Estates/Lease Knowledge; the detail behind our agreements. This includes basic property law as it relates to our agreements, the Landlord and Tenant Act 1954.
- Recruitment and training of new customers.
- The rent calculation and review process.
- Financial; understanding the customer P&L, margins of safety, stock checks
- Business Reviews; planning and organising effective business review meetings with customers and providing practical support and advice as outlined in section 6.
- Cellar Management; ABCQ.
- Catering; Basic Food Hygiene.
- Licensing.
- Whilst the core of the ABM role is business support and development, they also have responsibility to ensure customers are compliant with their agreement. This would cover such issues as tie compliance and debt management. We recognise that there may be occasions where such responsibility can generate areas of difficulty and awkward communications, and as such we spend significant time with ABMs through individual reviews and time in trade ensuring that such conversations are dealt with in as professional a manner as possible. All our customers can have the contact details for and access to our Director of Pubs and Brewing should they feel this has not been the case.

13 Undertakings by Thwaites Management

- From time to time, Thwaites representatives may, in the course of discussions or negotiations, give certain verbal undertakings. In order to avoid any misunderstanding at a later date, any such undertakings on matters of importance and/or which have significant financial implications will be confirmed in writing (or via email) to you.

- Undertakings (whether legally enforceable or not) will be honoured by Thwaites only where they are confirmed in writing. You are strongly advised to wait for this written confirmation before acting in reliance on any undertaking.

14 Complaints Procedure

- If there should be any problem with regard to the operation of UK Pub Sector Code, in the first instance, please discuss this with the ABM responsible for the outlet. If you're not satisfied with the response, or you wish to complain about any matter, please write to or email the Director of Pubs and Brewing in both instances. In normal circumstances, the Director will attempt to resolve the issue in 14 days from receipt of the email or letter.
- If this course of action fails and you remain dissatisfied, then please write to or email the CEO of Thwaites who will investigate your complaint further. In some instances, he may appoint another member of the senior management team unconnected with the dispute to investigate on his behalf. An initial response will be received in 14 working days and a final response inside 21 days of receipt of the letter or email.
- In the hopefully unlikely event that you are unhappy with the final findings or we have not complied with the above timescales, then the matter may be referred to The Pub Independent Conciliation and Arbitration Service (PICA-Service) - details on the website; www.picaservice.com



BREWERS SINCE 1807
THWAITES



JOIN THE THWAITES PUB HUB!

Keep up to date with all things 'Thwaites' through our new Facebook group!

facebook.com/groups/thwaitespubhub

WHY SHOULD I JOIN?

- Regular updates on support we can give you in marketing your business
- Ideas for key dates and how to effectively run a promotion in your pub
- Recognition of great achievement and practice in the pubs
- Let your colleagues & support team know about any great work you are doing!
- Sharing of best practice and new ideas you could implement in your pub
- Information on new initiatives taking place within Thwaites
- Important information affecting you and your pub

WHAT NEXT?

- Just go to: www.facebook.com/groups/thwaitespubhub, and click 'Join Group'
- Contact **Toni Naylor** for further information, tel: **07970 197193** or email: toninaylor@thwaites.co.uk

Thwaites Food Zone

A free website for all things food, just for Thwaites customers

Go to www.thwaitesfoodzone.co.uk to register

News – Keep up to date on new suppliers, food trends and food safety news

Recipes – Get inspiration and even share your own with other customers

Food Safety – Full details on CIEH accredited training courses and up to date information to keep your food business safe

Suppliers – An ever growing bank of supplier contacts, many with special offers just for Thwaites customers



BREWERS SINCE 1807
THWAITES

Recruitment: Bounty

“Good people know good people”

Refer someone you know and if they take a pub with Daniel Thwaites we will pay you £1500*.

For more information, please contact our recruitment executives on 01254 686 868



THOROUGHLY GOOD OPPORTUNITIES

Notes

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

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