



GREENE KING
PUB PARTNERS



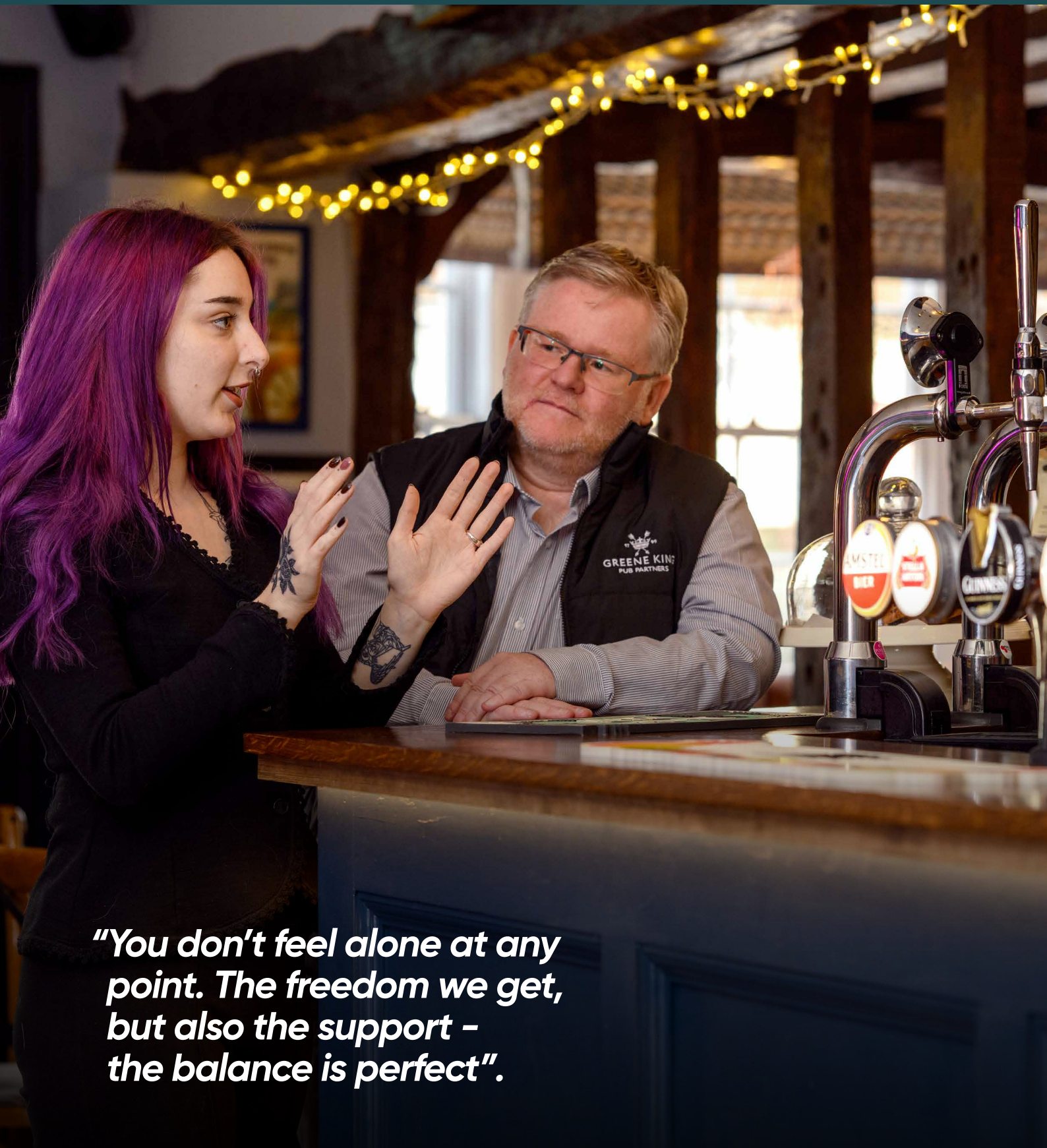
Running a Pub Franchise

Information Guide



greenekingpubs.co.uk

**Every partnership
begins with you.**



"You don't feel alone at any point. The freedom we get, but also the support - the balance is perfect".

Ysobel Hellon-Warwick
The Swan, Needham Market
with **Mike Turner**
Franchise Learning & Development Partner



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Foreword

At Greene King Pub Partners, we are the first choice for entrepreneurial people who want to run a successful pub business.

We enable people to realise their ambitions of operating a pub by combining their flair with our expert support.

We put our Partners at the heart of everything we do – meaning we provide our Partners with the freedom, innovation and trust needed to unlock their potential and create a special pub business.

We believe our Pub Franchise Agreements are the ideal, ready-to-trade solution for those with pub management experience who want to take the step up into running their own pub business. They provide a unique, low-risk opportunity with the full support of Greene King.



About Greene King

Greene King is the country's leading pub retailer and brewer, running c. 2,700 pubs, restaurants and hotels in towns, villages and city centre high streets across England, Wales and Scotland. With a rich heritage of over 200 years, we brew award-winning beers and operate managed, tenanted, leased and franchise pubs from our brewery and head office in Bury St. Edmunds.

Our specialist division, Greene King Pub Partners, operates around 1000 tenanted, leased and franchise pubs across England, Wales and Scotland. Our diverse estate ranges from traditional British pubs serving cask ale to high street bars and pubs with Michelin stars.

Our Partners are given comprehensive training and the support they need from the full team at Greene King Pub Partners, led by our professional and experienced Business Development Managers (BDMs) – meaning as a Greene King Pub Partner you are part of something bigger, working in partnership with us to achieve your goals.

About This Information Guide



This information guide sets out important information you need to know about running a Pub Franchise in partnership with Greene King Pub Partners, as well as our ways of working with you. The contents of this document do not form the terms of your Pub Franchise Agreement and they are not intended to have legal effect.

However, it is important that you read and consider the contents of this guide in conjunction with The Pubs Code when preparing to enter into a Pub Franchise Agreement with us and when dealing with us after the Agreement has been granted.

If you are looking to run a pub in Partnership with us on a leased or tenanted basis, then please view our Running a Pub Information Guide.

Industry Regulation – The Pubs Code



As a pub-owning business operating over 500 tied pubs in England and Wales, we are regulated by legislation, known as The Pubs Code etc. Regulations 2016 (The Pubs Code). This legislation covers pubs in England and Wales and regulates the relationship between pub-owning businesses and their tied pub tenants. The Pubs Code is based on two core principles; fair and lawful dealing

between the pub-owning business and their tenants; and, that a tenant should be no worse off than a free-of-tie tenant.

The Pubs Code Adjudicator (The PCA) oversees the enforcement of The Pubs Code regulations and has produced several factsheets, technical guides and flowcharts designed to assist you in the understanding of the regulations and the rights you have. These are available online at www.gov.uk/pca.

Our Franchise Agreement meets the definition of a Pub Franchise Agreement as set out in Regulation 55 of The Pubs Code, and is therefore covered by The Code.

At the time of publishing this guide, the Scottish Government is set to introduce its own Scottish Pubs Code. Please use the Scottish Government's website to find more information on this, or contact us via PubsCode@greeneking.co.uk for more information.

Industry Accreditation – The British Franchise Association



At Greene King Pub Partners, we are proud to be the only current partnership pub company accredited by the British Franchise Association (BFA) for our Pub Franchise Agreements.

An independent, self-regulatory body, the BFA plays a pivotal role in maintaining the integrity and credibility of the franchising sector, alongside offering guidance, support and accreditation to businesses who provide franchises.

Due to our BFA accreditation and membership, we commit to best practices, transparent operations and the welfare and success of our franchisees.

As a Greene King Pub Partners franchisee, you can also benefit from access to BFA membership including resources, guidance and events to support you with the running of your pub franchise.

Entering into a Pub Franchise Agreement with us

A Pub Franchise Agreement offered by Greene King Pub Partners has the following features:

Term: 5 years.

Tie Info: Greene King supplies all products.

Premium: You will not be required to pay a premium.

Deposit: An ingoing charge of either £3,000 or £5,000 is required, depending on the Franchise Pub Concept you will operate. This includes legal fees and the induction and on-site training.

Repairs & Maintenance: Greene King is responsible for all repairs and maintenance on the property.

Rent Reviews: There are no rent reviews, as rent is not charged.

Earnings: Depending on the Franchise Pub Concept you operate, a minimum guaranteed income may be provided. Every Pub Franchisee earns a percentage of the net weekly turnover of their pub (variable by pub), quarterly business profits (variable by pub and performance) and annual bonuses for achievements such as meeting compliance audits and achieving great customer feedback.

Insurance: Buildings insurance is provided by Greene King. You will be required to take out and maintain your own insurance policies which must include i) employers' liability insurance and ii) public liability insurance. We also recommend that you take out and maintain appropriate business interruption insurance.

Rights to Sell Your Business: You do have a right to sell your business, although you will require Greene King's consent.

Gaming Machines: Machines form part of the franchise arrangement and the income is retained by Greene King.

Rights of Renewal: The Franchise Agreement is not covered by the Landlord and Tenant Act 1954. However, there is a contractual option to renew, which can only be exercised once for a further term of 5 years. You will be required to notify us whether you wish to enter into negotiations for a new Agreement.

Ending Your Agreement: You may end this Agreement at any time by providing us with not less than 3 months' prior written notice.



How The Model Works

A pub franchise with Greene King Pub Partners is designed to supply you with everything you need to run a pub - including all of the fixtures and fittings, furniture and stock - so you can focus on running a great pub operation and serving customers with an exceptional pub experience.

At Greene King Pub Partners, we'll pay for the business rates, utility bills, services, licenses and repairs to the pub you run, meaning you don't have to worry about these.

We'll also provide all of the food and drink you serve in your pub. Where applicable, you'll then serve an agreed food menu where all dish ingredients, crockery, menus and promotions are provided by us.

This means a Pub Franchise Agreement is the simplest way of starting your own pub business, as you will have the full support of Greene King behind you. If you are a General Manager or Assistant Manager in a pub, or have similar experience of managing a hospitality business, then this is an ideal step up to running your own pub business.

As a franchisee, you will operate the pub and will directly employ your own team of staff to support you with its operation. We at Greene King Pub Partners will supply you with a framework for how to run your business, meaning you have all the tools you need to be successful, delivering our proven franchise concepts.

The way you will make your money as a franchisee is through a share of the turnover from your pub, paid on a weekly basis, as well as a share of profits on a quarterly basis. For some of our franchise concepts, we pay a guaranteed franchise fee to support you with the costs of staffing and an annual bonus scheme.

Independent Professional Advice



It is important to ensure you are fully aware of the legal obligations placed on you when entering into a Pub Franchise Agreement with us. You must take independent professional legal advice, such as legal and financial advice, from suitably qualified advisors, to ensure you are making the right choice when choosing to operate a pub franchise with Greene King.

When selecting an advisor to support you, we would encourage you to check that they hold professional indemnity insurance and that they are accredited by an appropriate professional association, such as The Law Society, IFA or CIMA, which you can rely on if something goes wrong.

Before we grant a Pub Franchise Agreement to you, we will require you to provide us with evidence from your advisors that you have taken appropriate advice.

The British Institute of Innkeeping (BII) has compiled a list of accredited advisors. These can be accessed through an introductory BII membership that is provided by Greene King Pub Partners when you're progressing through the application process with us.

Applying For A Pub



Applying for a pub franchise will require you to complete an online application form. When you are looking at a specific franchise pub which you believe is right for you, we will provide you with all the essential information you need so you can make an informed decision. This information will be provided to you by our recruitment team.

Our Pub Franchise Agreements are aimed at those with pub or hospitality management experience who also have entrepreneurial flair and a desire to run their own pub business. If this sounds like you, subject to a screening call by a member of our recruitment team, one of our BDMs will meet with you to discuss opportunities. We refer to this as a 'General Interview'.

If after a 'General Interview' with a BDM we think we could be a good fit for each other, a formal meeting will be held with yourself and the BDM to discuss the pub of interest and review the Pub Franchise Agreement in more detail. We refer to this as a 'Pub Specific Interview'. As part of this, the BDM will require you to provide proof of identity and proof of funding. They may also ask you more detailed information about your experience in pub management and your vision to grow your pub franchise business. As part of this process, they will also ask you to provide a sustainable business plan, which will detail your goals for the business and how you hope to achieve them.

Subject to credit checks following your credit consent, you will be invited to a final meeting with a senior member of our franchise operations team, who will further verify your experience and background. If you are successful, we will confirm in principle your appointment at the pub and progress with formal contracts.



Other information you must consider

You must consider your obligations under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) when taking on your new pub business.

You will have a responsibility to obtain information about the staff employed. The outgoing franchisee has a responsibility to provide you with all details and contracts of staff employed including name, address, date of birth, hours worked per week, rate of pay, National Insurance number, employment commencement date, holiday pay and details of staff on maternity/paternity/sick leave.

We recommend you seek specialist employment advice to ensure you fully understand your obligations under TUPE.



You will also have the chance to visit our brewery, taste our products and refresh yourself on the technical skills needed to look after the beer from cellar to pint!

Applicant Obligations and Training

Training



Training is vital to ensure the success of your pub franchise business and is mandatory for all our franchisees. It helps with your business performance and supports your team retention. Whether you've already chosen a pub with us, or are still investigating your options, we have a wealth of knowledge and training options delivered by a dedicated team of experienced professionals that will help you get ready to run your pub franchise.

The training team run a four-day induction in Bury St Edmunds which you will attend prior to entering your pub. The training team, supported by subject matter experts, will cover several topics over these four days from sales plans and cash flow to looking at how to best utilise the systems we provide, to ensure you have the necessary controls in place to protect profit.

During the four-day induction, the property team will give you advice and guidance on how best to look after your new pub and keep it well maintained. The marketing team will also give you an insight into the support they provide, ranging from digital presence to sales driving promotions. Our operations team will then take you through the business model, your concept Agreement and what they have in their tool kit for your ongoing support.

You will also have the chance to visit our brewery, taste our products and refresh yourself on the technical skills needed to look after the beer from cellar to pint!

Along with the induction, you will also be given access to a learning management system where you will need to complete critical modules prior to entering your pub, such as Allergens, Food Safety and Health & Safety.

The Pre-Agreement Meeting



Before you sign your Pub Franchise Agreement and fully commit yourself, and prior to moving into your pub, a Pre-Agreement Meeting will be arranged.

At this meeting a BDM will undertake a final check with you to ensure that you have a clear understanding of all aspects of the Pub Franchise Agreement, both ours and your responsibilities, The Pubs Code and all other terms of trading with us.

Entry Costs



You will be required to pay your entry costs prior to the granting of your Pub Franchise Agreement. Depending on the Pub Franchise concept this will range between £3,000 and £5,000.

This entry cost, which is non-refundable, covers your Agreement fees for your pub franchise, as well as your induction, which includes on-site training for you and your team in your new pub.

As your pub turnover fee (and franchise fee if applicable) is paid two weeks in arrears, you will need access to working capital of between £2,000 and £5,000 to cover your staffing costs in your first few weeks.



Property Repairs

With a Pub Franchise Agreement, Greene King is responsible for all repairs and maintenance at your pub. This section outlines how to log repairs to take place at your pub and other useful information.

Logging a Repair



Repairs should be logged via our online Pulse portal, giving as much detail as possible to assist the contractors achieve a first time fix. You should select the appropriate call-out time given the seriousness of the repair, only selecting 24 hours if the repair is genuinely urgent.



Should an emergency or trade affecting repair be required, you should telephone our Property Helpdesk where the core hours are 0900 - 1715 Monday to Friday. Outside of these hours, the line is managed by an external company to organise emergency works.

Once the need for a repair is confirmed, a Property Helpdesk operator will instruct a contractor to visit your pub to carry out the repair. Depending on the nature of the repair and the time of day your call is logged, the contractor may conduct a temporary repair to make safe and then return at a later date to undertake a more permanent fix.

If the works required are of a more complex nature, the contractor may be required to submit a quotation to Greene King for approval of works or seek permissions to carry out the works from local authorities, adjoining building owners or statutory bodies. Once these approvals are in place, the contractor will arrange with you directly a return to the pub to complete the work.

Repair Updates



You can view the current status of your logged repair and its progress online via Pulse, our property project management portal, which is accessed via our online systems. Alternatively, you can call the Property Helpdesk, via Publine, where an operator will provide a progress update on your repair over the phone.

Repair Issues



If you would like to provide feedback on the standard of workmanship, quality of repair undertaken or service levels of work organised by Greene King Pub Partners, please share this via our online systems. If you feel the matter requires escalation, please phone the Property Helpdesk via Publine and if the initial caller cannot help, please ask for a team leader and then the helpdesk manager.

Safe Start



Safe Start is the process which ensures that every time we put somebody new into one of our pubs, the building and equipment which we provide is checked for safety. This complies with the Health & Safety at Work Act 1974. You will be required to complete our online Safe Start training module to ensure you understand both Greene King's and your responsibilities prior to entering your new pub.

As part of the change process we will provide a full set of current statutory test certificates for your pub as a franchisee. These cover:

- Gas for both domestic and commercial use.
- Asbestos (if required).
- Electrical fixed wiring.
- Portable electrical appliances if they are owned by Greene King.
- Fire alarm and emergency lighting.
- Fire risk assessment.

For a Pub Franchise Agreement, Greene King is responsible for testing and certification throughout the Agreement.

Buildings Insurance



Greene King provides insurance to cover buildings, our fixed Fixtures & Fittings, our loss of profit and our loss of any other income. Our insurance is part of a Greene King group block policy covering all our properties in the Greene King group.

In the event any insurable damage is caused to the property, we will promptly claim all insurance money from our insurers. The insurance money we receive will be used to repair, rebuild, reinstate or replace (as appropriate) the property.

In case all or any part of the property of your pub franchise business is damaged and unable to be used, we request that each franchisee insures for the closure of their business and any associated expenses for that closure.

Your Own Business Insurance



It is your responsibility to make sure that you and your business are insured. You should ensure that you have adequate cover to include the following areas:

- The loss of your Personal Licence.
- Loss of your income through business interruption.
- Employer's liability (minimum £10 million).
- Public and products liability (minimum £5 million).
- New for old replacement.
- Loss due to neglect or lack of maintenance.
- Closure.
- All associated business expenses during any closure.
- Personal and domestic contents.

You must include Greene King as an 'interested party' on your policy. This means your insurer will make us aware if your policy lapses or expires. You will need to show us your policies when requested and do nothing to invalidate any insurance. We must be notified within seven days of any claim that you make.

Working Together

Business Development Managers



Your BDM is your personal business consultant, advising you on everything from customer service to operational excellence. BDM's have the ability to draw on the knowledge of other experts at Greene King to help you and your business succeed. Part of their role will be to ensure that you are complying with the terms of your Pub Franchise Agreement.

Your BDM will tailor the support you require. During the beginning of your Agreement and subject to your experience, your BDM will visit you more frequently to support you in your new business. So that you can rely on the information we provide you, we will document all discussions you have with your BDM. We will provide you with a record of these discussions within the period of 14 days beginning with the day on which the discussion occurred.

If you do not agree with any aspect of the discussion record, you must respond to the BDM within the period of seven days beginning with the day on which the record was received.

On occasion you will have discussions with other representatives of Greene King. These discussions will also be recorded in the same way.

Phone calls made to our Head Office support teams either through Publine or directly to an individual, are exempt from the specific requirements of documenting discussions. However, we do operate our own internal recording systems to help us in the running of our business.

We recognise how important your relationship is with your BDM, however, they may change from time to time. We will attempt to minimise any potential disruption wherever possible.

BDM Training



We are committed to ensuring that all our BDMs who have contact with you, are properly trained prior to the completion of their induction period. We invest a lot of time and effort in training and monitoring the performance of each BDM.

BDMs complete a thorough induction covering essential business to business training around the relationship between franchisee and Greene King, the key areas of Agreement compliance and business to consumer areas such as sales development and the customer journey.

All our BDMs are trained on the Pubs Code Regulations and will undertake annual refresher training. These details are included in our annual Pubs Code compliance report submitted to the Pubs Code Adjudicator each year.

We are committed to the continuous professional development of our BDMs. We continue to review their training and development as part of their performance. All of our training and development is tailored to meet the specific needs of our employees, depending upon their level of expertise, experience and stage in their career.

We also support our BDMs with academic qualifications. Our BDMs have the opportunity to take part in many Greene King programmes leading to qualifications at degree and post-graduate levels.

BDM performance is monitored regularly. Part of their key performance objectives are based on the retention of their franchisees, the profitability of their franchisees and their franchisees' feedback. Their performance is recorded through our formal performance development review process, which all employees participate in throughout the year.

BDMs will qualify for exemption from training if, in our opinion, they are qualified through prior training and/or experience. We will keep records of training and exemptions.



Learning & Development Partners

Our dedicated training team have a wealth of industry knowledge ready to set you and your business up for success. Once in your new pub, the Learning & Development Partners will ensure your front of house and back of house teams are fully trained on theory and practical parts of their role, along with supporting your first trading sessions.

We also have dedicated systems training support ensuring you and your management teams are confident with operating our systems on a day-to-day basis. Once you are settled into your pub the Learning & Development Partners will revisit you to fill any gaps in knowledge you may have and ensure that you are comfortable on all support channels such as our internal intranet where you will find a series of videos, guides and

manuals covering all aspects of operating a pub franchise with Greene King.

The training team offer a portfolio of business-as-usual training in a blended learning style. This covers how to get the most from your digital presence, driving sales by winning over the community, upskilling your team with kitchen skills, driving conversion performance through systems and embedding the right behaviours to increase your profitability.

The training team also work closely with marketing to ensure you are fully trained and supported during menu changes and key trading opportunities throughout the year.

Marketing Support



The franchise marketing team are here to help you grow your pub business. Their role is to ensure you are supported in driving footfall to your pub, as well as then encouraging customers to spend more and stay longer in your pub once they are there, increasing spend per head.

The team does this by providing marketing support and assets to drive deals and promotions in pub and online, as well as developing the food offer in your pub so it is suitable for your local customer demographic alongside the drinks range enabling you to stay on trend and drive maximum value through a well-priced range. The team also provides a multitude of tools and ongoing support to drive your business digitally.

Using insights to ensure your pub offers what customers want, the marketing team will devise a range of drinks that work for the customers that visit your pub, and that will drive maximum returns for your business. For both food and drink, the marketing team provide everything from the menus on table, through to guides on preparing and serving each item.

As a franchisee, you will be provided with on-going support and materials to help you grow your business through key calendar events such as Easter, Summer and Christmas. The marketing team also support franchisees with collateral to drive key sporting events, as this is a key pillar for our franchise pubs and we know it's a key reason for customers to visit the pub.

Finally, the marketing team will also help you drive engagement with your local community through social media sites, review platforms including Trip Advisor and Google My Business. Plus a website showcasing the great food and drink proposition, as well as what's on at your pub. They will also set you up on a customer review platform that helps you to measure customer sentiment and ensure your pub is making customers happy versus the competition.

Other Support



There are a number of other professional people within Greene King that provide expert help to our franchisees including:

- Franchise Operations Director, Head of Franchise Operations and Operations Manager who provide leadership to the team of BDMs
- Property Team who can advise on repairs
- Cellar Service Team who are available to maintain and install your beer dispense equipment
- Machines Manager who can advise you on maximising your opportunity from machines.



Working Together

continued...

Product Management - Flow Monitoring

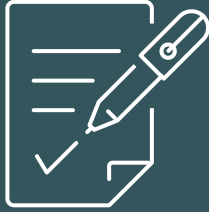


Flow monitoring is installed in the cellar of your pub and measures the amount of draught beer and cider that is dispensed against the amount of beer and cider that is delivered. This measurement is completed by way of a flow meter installed in each of the beer lines.

Greene King is responsible for the installation costs and maintenance of this equipment and that it meets all regulatory and legal requirements.

Flow Monitoring Reports are available to you through your BDM at your regular business meetings. You will be given access via a secure website to view these reports at any time. This information can be used in the day-to-day management of your business to:

- Support Stocktake Reports
- Effectively manage your range of products and understand your dispense 'hot spots' on your bar
- Understand the product yields you are achieving
- Analyse the busiest periods of trade and plan employee rotas to suit
- Support a regular line cleaning regime to ensure quality delivery of all draught products and reduce wastage
- Investigate employee misconduct through the invaluable data available.



Cellar Inspections

Your BDM and other representatives of Greene King may complete cellar inspections. These inspections will support you in the upkeep of your beer dispense equipment, as well as ensuring that flow monitoring equipment is in working order. You are required to allow reasonable access for your BDM and other representatives of Greene King to complete these cellar inspections.

Food & Drink Supply Services



As a franchisee, all your products served at your pub will be supplied by Greene King. We have a large range of products available and working with your BDM and the marketing team using Greene King's insight and data, you will choose the right product range for your pub and local market.

We offer an easy-to-use online ordering facility via our online systems, where you're just one click away from ordering all the products you need for your business.

We operate a 48-hour ordering cycle e.g. order Monday for Wednesday delivery. Your order and delivery day will be confirmed by your BDM. You will have a regular weekly delivery day (Monday to Friday inclusive) as part of our standard delivery service.

Where possible, we will meet your requests for non-standard deliveries of key brands prior to your regular weekly delivery. If we are unable to meet your request, we will advise you of alternative delivery arrangements.

Under the terms of your Pub Franchise Agreement, you are not permitted to purchase your products from third party suppliers. However, we recognise that there may be exceptional circumstances where this may be required, such as if we fail to supply you due to adverse weather conditions or with product availability. In these rare circumstances, you will need to seek written permission from your BDM to purchase from a third-party supplier.

Our Gaming Machines



We define gaming machines as entertainment equipment installed in your pub which may be: Skill with Prizes (SWP), Amusement with Prizes (AWP) (both known as Category C and D gaming machines), juke boxes, pool tables and

other pay to play entertainment machines. These are regular features in our Pub Franchise concepts and we at Greene King will supply you the machines through our nominated supplier. The income from machines will go to Greene King but will contribute to your share of profit and turnover.

Breaches of the Agreement



Our BDMs and other representatives of Greene King will visit the pub regularly. One of their responsibilities is to ensure that you understand and comply with the terms of the Pub Franchise Agreement. If we believe that you may have committed a breach of the Agreement, then we will discuss this with you at a meeting. If the breach is capable of remedy, then we will explain what we consider should be done to remedy the breach and the timescale for doing so. If the breach is not capable of remedy then we will discuss the implications of this with you. This may include the payment of damages or potential legal action to repossess the property. Any action considered will be dependent on the seriousness of the breach and will be confirmed in writing before the action is taken to enforce the Pub Franchise Agreement.

Repossession



Legal action to terminate a Pub Franchise Agreement is subject to compliance with statutory and court procedures. The process will depend on the type of breach and Greene King's solicitors will deal with the legal action on our behalf.

In the unlikely event you find yourself facing legal action with Greene King we strongly advise you to obtain your own independent legal advice.



We will contact you around twelve months before the end of your Agreement to discuss the option to renew.



The end of your Franchise Agreement

Landlord and Tenant Act 1954



This Agreement is a business tenancy as described in the Landlord and Tenant Act 1954. However, it is provided as a contracted-out Agreement, which means there is no automatic right of renewal. The Landlord and Tenant Act 1954 sets out the procedure for contracting out Agreements from its security of tenure provisions. This includes the service of a notice by us and a statutory declaration given by you. It is important to seek independent legal advice to ensure you are clear on what this means before entering into a legally binding Agreement with us.

Contractual Option to Renew



Although there is no statutory right to renew a Pub Franchise Agreement, we do provide a contractual option to renew. If you want to have a new Agreement at the end of the Agreement period you must give to us notice in writing, signed by the Franchisee and the guarantor. The notice must be received at least six months before the end of the Agreement period. The timing of your notice is critical and if your notice is late, we do not have to offer you a new Agreement.



Our Process for Renewal



- We will contact you around twelve months before the end of your Pub Franchise Agreement to discuss your intentions and contractual option to renew.
- We will ensure that a BDM and estates manager arranges to meet you between six and nine months prior to the end of the Agreement. At this meeting we will explain how you can request a new Agreement, collect information about your pub and its trading circumstances and give you the opportunity to put forward any factors that you believe we should take into account when considering the grant of a new Pub Franchise Agreement.
- If you wish to renew your Pub Franchise Agreement you must notify us at least 6 months before the end of your Pub Franchise Agreement. Wherever possible we aim to complete renewal negotiations before the Agreement expiry date.
- In very exceptional circumstances, it may not be possible to reach a new Pub Franchise Agreement by the time the existing one expires. If this happens, you will continue in a state recognised as 'holding over' and you will remain under the same obligations as the previous Pub Franchise Agreement.

If you are intending to exercise your contractual option to renew, you must place your notice in writing to us using the postal address shown below. We strongly recommend you use a guaranteed delivery service.

Greene King Pub Partners – Agreements Team
Abbot House Westgate Street
Bury St Edmunds
Suffolk IP33 1QT

As long as you have exercised your contractual option to renew, have kept to all of your obligations in the Franchise Agreement and as long as there is no outstanding breach of your obligations in the Agreement then, at the end of the Agreement period, (and unless we give you reasonable notice in writing that we want to sell the property or wish to run the property ourselves as part of our business) we will grant you a new Franchise Agreement.

The new Agreement will be on the same terms as the initial Agreement, however will not include a contractual option to renew.



Leaving Your Pub



Leaving Early and Surrendering Your Agreement

For a number of reasons, franchise Partners may choose to end their Pub Franchise Agreement early. Your right to do this will be dependent on what is written in your Pub Franchise Agreement and so it is important to check your Agreement to understand whether it includes any provisions that allow you to end the Agreement before its contractual expiry date and the process to follow.

When choosing to end a Pub Franchise Agreement early, we do strongly recommend that you take independent professional advice. Where we accept an early exit from the Agreement, you will be required to sign a Deed of Surrender which will confirm the terms of exit and formalise the surrender of your Pub Franchise Agreement.

Where your Pub Franchise Agreement does not have a right to surrender, in certain circumstances, we may agree that you can leave early. However, a Surrender Fee will apply. In exceptional circumstances, and at our discretion, for example ill health, we may consider a reduced amount. We will carry out our negotiations with you in a professional, respectful and sympathetic manner.

If you are intending to leave, you must place your notice in writing to us using the postal address shown below. We strongly recommend you use a guaranteed delivery service.

Greene King Pub Partners – Agreements Team
Abbot House Westgate Street
Bury St Edmunds
Suffolk IP33 1QT

Your notice must be signed by all parties on the Pub Franchise Agreement. It is important to note that your notice period will not be deemed as started until we have received a Notice to Leave that has been signed by all parties to the Agreement.

We will write to you to confirm receipt of your notice to leave and advise on what happens next.

Leaving by Selling Your Business



The Pub Franchise Agreement includes rights to sell the franchise business with Greene King's prior permission. Selling a business can be complex and therefore we do strongly recommend you seek independent professional advice to support you through the process.

Transfer for Greene King's Own Use



From time-to-time, Greene King may decide to transfer pubs from its franchise operating model to direct management for its own use.

If you are affected by our action, this will be discussed with you in advance of the proposed transfer date. Transfers will usually occur at the end of a Pub Franchise Agreement.

Change of Landlord



On occasion we will sell an individual pub or a number of pubs in a joint sale. This means that the freehold of your pub will transfer to a new owner and the new owner will become your landlord. You will have the right to continue to operate your pub for the duration of your Pub Franchise Agreement.

We will advise you on any sale as soon as reasonably practicable and provide the name and address of the buyer once an exchange of contract has been undertaken. Sometimes we are unable to advise you of a change of landlord until after a sale has been completed due to the confidential nature of the sale. However, you will be advised of the situation as soon as we are able to do so.

If this situation does happen, we would strongly recommend that you seek independent professional advice as you approach the end of your Pub Franchise Agreement, to understand your rights of renewal under your new landlord and pub operating business.

Pubs Code – Extended Protection



If your pub is sold to a business that is not regulated by the Pubs Code, you will benefit from extended protection of the Pubs Code until your Agreement is renewed. We are required to inform the PCA of the new purchaser before completion of the sale.

Restrictive Covenants



When selling one of our properties, we do not ask for, or require, any restrictive covenants that would prevent the building being operated as a pub after the sale.

The Exit Process



Regardless of how your Pub Franchise Agreement ends, we will ensure your departure is handled professionally, and that you leave everything in order for the next franchisee.

You will have responsibilities to adhere to leading up to the day you leave the pub. These include:

- Putting your intentions to leave in writing and sending them to the Greene King Pub Partners Agreements Team.
- Assisting with pub viewings for potential new franchisees.
- Confirm that all rubbish and personal items will be removed from the premises before or on the Change Day, otherwise we will make a charge for removal.
- Give your consent to an application for a change in the Designated Premises Supervisor (DPS).
- Provide the new franchisee with all details and contracts of staff employed by the business and who will transfer with the pub under the application of TUPE including name, address, date of birth, hours worked per week, rate of pay, National Insurance number, employment commencement date, holiday pay, staff on maternity/paternity/sick leave.

If you are leaving because your pub is being sold, the process will be arranged with your BDM.

As part of the process, we at Greene King Pub Partners will:

- Acknowledge your notification to leave, confirm the process and agree an exit day.
- A stock take and cash check will be completed on exit day, any losses or shortfalls will be confirmed and if required charged against any final fee payments due to you.

We expect the private accommodation in your pub to be in good decorative order and safe. Everything should be left clean and tidy. All personal possessions must be removed from the premises on or before your Exit/Change Day. If this is not completed, we will charge you for the removal and cleaning of the private accommodation. An accommodation check will be made on the exit day to ensure that you have left things in order for the incoming franchisee.



We welcome open and honest communication with you and will discuss any concerns and issues you may have.

Complaints

We know from time to time things don't always go according to plan and there may be times when we disappoint you in some way. It is important that we know this so we can find out what went wrong and how we can resolve it to ensure it doesn't happen again.

For us to fully understand your issues, we ask that you formalise your complaint in writing. Your complaint should include the facts as you see them. If it is in relation to our conduct under The Pubs Code, we ask that you reference the particular regulation your complaint refers to. If your complaint is not in relation to the Pubs Code, we ask that you clearly indicate this.

You can send your complaint to us by email or post



Email:

Please email pubscode@greeneking.co.uk with the subject line "Complaint".

Post:

Please send to
Greene King Pub Partners – Complaint
Abbot House Westgate Street
Bury St Edmunds
Suffolk IP33 1QT

We will acknowledge your complaint as soon as reasonably practicable, usually within two working days.

Depending on the nature of your complaint it will be assigned to either your BDM or a more senior member of the Operations Team, where a meeting will be arranged to attempt to resolve your complaint.

If your complaint is not resolved, or you are unhappy with any resolution offered, you can request to escalate your complaint. Depending on who has first been involved with your complaint, it will be escalated to the appropriate senior member of Greene King Pub Partners, either a senior operations manager, director, or the managing director.

We will attempt to formally conclude your complaint within 35 working days of receipt. Where complaints require investigation by other departments or individuals, we will advise you of adjusted response times, if required.

Mutual Respect for Each Other



We welcome open and honest communication with you and will discuss any concerns and issues that you may have. Our BDMs and other employees will act in a professional and responsible manner in their dealings with you. We do not tolerate aggressive or abusive behaviour towards any of our employees or Partners. Both parties have the right to terminate any phone call, interview or visit that deteriorates to an unacceptable level.

Other Ways to Resolve Issues



If we've been unable to resolve your complaint through our complaints procedure, another way to resolve any matter is through alternative dispute resolution (ADR), which will usually mean mediation.

Alternatively, if your complaint is in relation to The Pubs Code, you have the right to refer to The Pubs Code Adjudicator (The PCA). Please note that there are various timescales that apply depending on the nature of your referral. For more information and details on costs, please refer to The PCA's website at www.gov.uk/pca, or alternatively call The PCA's freephone enquiry line on **0800 528 8080**.



Mental Health Awareness & Resources

Mental health is an important aspect of your overall well-being, affecting how you think, feel, and act. Being attuned to changes in your own mental state and those you employ at your pub can make a significant difference in enabling you to seek timely support and intervention if needed.

There are many resources available to help you if needed, including counselling services, helplines, and support groups. These resources can help you in understanding and addressing mental health, along with support for domestic abuse.

Greene King is a large donor and supporter of The Licensed Trade Charity. The Licensed Trade Charity helps pubs, bar, brewery, wines and spirits people whenever they may be in need of help. As a Greene King franchisee, you can use their free resources including a free 24/7 helpline if you ever need it.

Alongside this, our dedicated online support tool www.pubpartners.net, provides access to numerous resources to support your well-being available through the Mental Health Hub.



Do not hesitate to **get in touch with us**. We will be happy to help with any query you may have.



Useful Contact Details

- Greene King Publine: **0345 608 0715**
- British Franchise Association (BFA): **www.thebfa.org**
- British Beer and Pub Association (BBPA): **www.beerandpub.com**
- British Institute of Innkeeping (BII): **www.bii.org**
- UK Hospitality (UKH): **www.ukhospitality.org.uk**
- The Licensed Trade Charity: **www.licensedtradecharity.org.uk**
- Pubs Code Adjudicator: **0800 528 8080** or **www.gov.uk/pca**
- Greene King's Code Compliance Officer: **pubscode@greeneking.co.uk**



GREENE KING
PUB PARTNERS

**Greene King Pub Partners, Abbot House,
Westgate Brewery, Bury St Edmunds,
Suffolk IP33 1QT**

Telephone: 01284 843200

www.greenekingpubs.co.uk

Greene King Pub Partners is a trading division of Greene King Brewing and Retailing Ltd and of Greene King Retailing Ltd, both companies in the Greene King group.

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**Proud members of the
British Franchise Association**

**Every partnership
begins with you.**