

Pubs Code Adjudicator Bulletin

August 2018

PCA responds to pub company compliance reports

The PCA has identified a number of concerns in the first <u>compliance reports</u> submitted by pub companies which are now being followed up.

These reports, an annual requirement under regulation 43 of the Pubs Code, contain detailed and accurate accounts relating to how pub companies are complying with the Pubs Code and cover areas such as Market Rent Only (MRO) procedures, Pubs Code breaches and other Code-related matters.

The <u>PCA's initial analysis</u> of the compliance reports has highlighted three areas of concern that are being pursued with individual pub companies:

- the small number of MRO tenancies that have been agreed
- the high numbers of tied tenancies that have been subject to forfeiture, surrender or abandonment
- the use of notices under section 25 of the Landlord and Tenant Act 1954 to oppose the renewal of tied tenancies on the existing terms.

The PCA has written to each pub company and will be pursuing the issues at the next round of bilateral meetings held with each company's CEO scheduled for October.

Further information about the compliance reports and the PCA's initial response can be read at www.gov.uk/pca.



PCA questionnaire for tied pub tenants on MRO

As outlined in June's bulletin, the PCA is keen to gather tied pub tenants' experiences of how the MRO procedure is being implemented in practice and whether tenants feel that they have a genuine choice in deciding whether staying tied or going free of tie is best for them. The PCA has therefore asked pub companies to send a questionnaire to all tenants who have received a MRO proposal since the Pubs Code came into force.

Pub companies will be issuing this questionnaire on the PCA's behalf from September. We strongly encourage tenants who receive a questionnaire to complete it. Tenants will also be able to complete the questionnaire online from September at www.gov.uk/pca.

Pub company MRO data now published

Following a request by the PCA, monthly MRO data from all pub companies regulated under the Pubs Code is now being published by the <u>British Beer and Pub Association</u>. This data provides the industry with a clearer picture of the numbers of MRO Notices being served, conversion rates into MRO agreements and trends in the MRO market. The PCA also uses this data to inform any regulatory decisions in relation to ensuring tied pub tenants have access to MRO.

Dilapidations

The issue of dilapidations has been raised with the PCA on a number of occasions and we want to know more about the impact on tied pub tenants.

If you have concerns about what you are being asked in relation to dilapidations when you exercise your MRO rights or otherwise, please let the PCA know. We would particularly welcome any comments by **21 September 2018**.

Write to intelligence@pubscodeadjudicator.gov.uk or call the Enquiry Line on **0800 528 8080** to pass on any information.



Meet the PCA's new Intelligence and Compliance Manager

Tom Astley has recently joined the PCA as Intelligence and Compliance Manager. Find out more about Tom and his role here. Tom can be contacted at intelligence@pubscodeadjudicator.gov.uk or alternatively on 07825 298401.

Tied pub tenant survey 2018

The PCA will be launching its next tied pub tenant survey in the New Year. This independent survey focuses on the views and experiences of tenants in relation to the Pubs Code and enables the PCA to track progress over time. Further information about the survey will be available soon.

Last year's survey <u>report</u>, including a graphic presenting some of the <u>key findings</u>, can be found at www.gov.uk/pca.

Find out more about the Pubs Code

The PCA has produced <u>six short videos</u> and a number of <u>factsheets</u> including a new <u>arbitration costs factsheet</u> which provide information to tied pub tenants on their Pubs Code rights. We encourage tenants to watch these videos and familiarise themselves with the factsheets so that they are aware of their rights under the Pubs Code and the strict time limits that apply when exercising these rights.

A new <u>information leaflet</u> for tied pub tenants explaining their pub companies' obligations under the Pubs Code has been published. The leaflet provides information about what tied pub tenants should expect at different stages in their relationship with their pub companies, including before they take on a new tied tenancy or lease.

The PCA Enquiry Line, staffed by expert caseworkers, can also provide specialist information about your rights, the Pubs Code and its processes. Call **0800 528 8080** Monday to Thursday 9.30am to 5pm and Friday 9.30am to 4pm.

Alternatively, you can email

enquiries@pubscodeadjudicator.gov.uk.

