



## Investigation call for evidence deadline 07 August 2019

This is the final week to submit any evidence relevant to the PCA's investigation into Star Pubs & Bars.

If you are a Star tenant who has been offered a Market Rent Only (MRO) tenancy, or entered into one, we want to know what stocking terms you were offered. We need to be able to assess whether, and if so the extent to which, the Pubs Code may have been breached and the impact of those terms on you. This includes whether they played any part in the decision you made about whether or not to go ahead with a free of tie tenancy.

We are also interested in hearing from you if you have heard about these terms, and whether they put you off exercising your right to ask Star for the MRO option.

Fiona Dickie, the DPCA, has also produced a short [video](#) urging tenants and interested parties to provide evidence relevant to the investigation.

Any evidence must be provided to us in writing, either via email or post, by **5pm on 7 August 2019**.

***Anyone who provides information for the purposes of the investigation will not be identified in the investigation report without their consent.***

More details about what we are investigating can be found [here](#).

## New series of 'What Tied Pub Tenants Need to Know' factsheets

The Office of the PCA has published the first in a new series of [factsheets](#) explaining 'What Tied Pub Tenants Need to Know'. These are designed to answer the major questions that tenants ask the PCA about the Pubs Code and its processes.

You will still be able to access the original factsheets as technical guides. Please note that PCA publications are not a substitute for the Pubs Code legal framework.

## PCA advice note: Taking the MRO option - Tied rent considerations

The PCA has issued an [advice note](#) relating to express provisions in the Pubs Code which stop POBs from recovering from the tenant any increase in the tied rent during the MRO procedure, or where a MRO option is agreed.

### Further tied rent considerations

The Code envisages that where there is a rent assessment a tied tenant can consider

the tied rent alongside the MRO option and rent and choose between them. This right helps tenants decide what would be best for their business.

There is no prescribed procedure for assessing the tied rent in the Pubs Code. The parties may have agreed contractual rent review rights in the tied tenancy, including in relation to any dispute.

In some cases a tied tenant may wish to consider the MRO option without also taking steps to identify what the tied rent would be, and where the landlord triggers a dispute resolution process in the tenancy to identify that rent, the tenant may incur delay and cost even where they ultimately choose the MRO option.

Alternatively, where the tied rent is not identified but the tenant does not accept the MRO option, but instead stays tied, the process of then identifying that tied rent can take more time. It can be seen that there are implications both for landlord and tenant here, and there are likely to be a range of other scenarios and further considerations for both concerning the identification of the tied rent in the MRO process.

We are therefore, in addition to issuing the advice note, also seeking a wider understanding of industry views and practice to inform what further steps may be appropriate to support the rent assessment and MRO processes in accordance with the core Code principles, and previous advice touching on this issue has been withdrawn.

We may also consider what advice and information is needed by tenants to distinguish the different processes that apply to taking the MRO at renewal of a tied tenancy and have made the advice note explicit that it does not apply to that situation.

## MRO questionnaire – have you completed yours?

The PCA is keen to hear the experiences of all tied pub tenants who have received a MRO proposal by completing the [PCA's MRO questionnaire](#). Every tenant who has received a MRO offer should also have been given a copy of the questionnaire by their pub-owning business.

As well as understanding tenants' experiences of the MRO process, the PCA particularly wants to know whether tied tenants feel they have had a genuine choice between remaining tied and going free of tie. There has been an encouraging level of feedback so far, but the more responses the PCA receives the better informed it will be about its future regulatory activity in this area.

**If you haven't completed the questionnaire already, please take the time to fill it in. The PCA values your views and all responses will be treated in confidence.**

## PCA Enquiry Line

The Enquiry Line is staffed by dedicated caseworkers who can provide specialist information about your new rights, the Code and its processes.

Call **0800 528 8080**

Monday to Thursday 9.30am to 5pm  
Friday 9.30am to 4pm

