



Monitoring completed on Star's compliance with PCA recommendations to change its stocking terms in the market and existing Market Rent Only offers

This is a final update on Star's compliance with the PCA recommendations, following an interim update published in [November 2022](#), which included example changes made.

In October 2020 the Pubs Code Adjudicator (PCA) [published the findings](#) of its investigation into Star's use of unreasonable stocking terms in proposed Market Rent Only (MRO) tenancies.

The PCA made eight recommendations and Star produced an [Action Plan](#) for completing these. All actions are now reported as closed. Further information on Star's actions in completing recommendations 3 and 8 and outcomes for tenants is provided below.

MRO tenancies in negotiation or arbitration (recommendation 3)

Star must consider whether MRO offers that are either being negotiated, or have been referred for arbitration, have non-compliant stocking terms. Where any existing offer is non-compliant, Star must inform the tenant and make a new compliant offer.

Outcomes for affected tenants: Total - 76

32	MRO Agreement
21	Tied Rent Review
14	New Tied Lease
9	Other 1 Continuing existing tied lease 1 Lease disclaimed 7 Surrender



MRO tenancies already in the market (recommendation 8)

Recommendation 8 required Star to identify non-compliant stocking terms in MRO tenancies that were already in effect. These terms, which require the pub under a MRO tenancy to stock beer and cider produced by the brewer pub company, had been found by the PCA in the investigation to be unreasonable.

This recommendation meant that Star had to offer affected tenants to vary or remove those terms (such as through a Deed of Variation) or confirm to those tenants that it would not enforce those non-compliant terms. Star had to do all of this without any cost to the tenant, whose legal fees it paid. All the tenants who responded to Star's offer and completed their new agreements now have improved stocking terms.

Outcomes for affected tenants: Total – 17

15	Deeds of Variation
1	No change
1	No response from tenant

