

# PCA issues Statutory Advice on time limit for non-MRO arbitration referrals

News story

Recent arbitration awards have shown differing interpretations of the time limit for a tied pub tenant to refer a dispute to the PCA for arbitration where it is not about the Market Rent Only option (non-MRO). The PCA is also aware that different interpretations exist amongst the tied pub industry. The PCA has in response provided her view on the non-MRO referral time limit through statutory advice.



The PCA's statutory advice on the timing of referrals for arbitration by tied pub tenants (non-MRO disputes) can be found [here](#).

## **Why has this statutory advice been issued?**

The PCA has over recent months received a number of arbitration awards dealing with a preliminary issue about whether a tied pub tenant made a non-MRO referral for arbitration in time. The arbitrator's decision on the time limit determined whether the dispute about the pub-owning business's compliance with the Code could be arbitrated. The PCA noted there were differing interpretations of the law in relation to this time limit.

Where appropriate, the PCA will seek to publish the arbitration award or an anonymised summary. Awards and summaries are published on the PCA website [here](#). The PCA recognises that while each arbitration will depend on the facts of the case, differing interpretations of the time limit across published awards may cause further uncertainty for the industry.

The PCA considers it beneficial to tied pub tenants and pub-owning businesses to provide her view on the law in this instance, through statutory advice.

## **What does this statutory advice mean?**

The Act of Parliament that set up the PCA – the Small Business, Enterprise and Employment Act 2015 – gave an important power to the PCA to issue advice on any matter relating to the Pubs Code to tied pub tenants and pub-owning businesses (or any organisation representing their interests). Where the PCA issues advice using this power, it is called statutory advice.

Statutory advice is not binding on a regulated pub-owning business or any other person – that is, by law it does not have to be followed. Only the courts of England and Wales can provide a binding interpretation of the Code. This advice provides the PCA's view and indicates how the PCA may approach the matter in her role as regulator.

An arbitrator considering an arbitration case under the Pubs Code is not obliged to follow this statutory advice but may take it into account. Parties to an arbitration may wish to bring this statutory advice to the attention of an arbitrator as appropriate. It is not a substitute for a party to an arbitration (or tied pub tenant thinking about arbitration) taking their own legal advice about their individual circumstances.

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