

Press release: Pubs Code Adjudicator highlights concerns after initial analysis of first Pubs Code compliance reports

The PCA's initial analysis of the first [reports](#) submitted by the pub companies highlighted three key themes:

- the small number of Market Rent Only (MRO) tenancies agreed
- the high number of tenancies subject to forfeiture, seizure or abandonment
- the use of legal notices to oppose the renewal of tied tenancies on their existing terms.

Mr Newby said: "The information submitted by the pub companies and the monthly MRO data being published by them confirm the picture suggested by earlier PCA research. It is a picture of tied pub tenants experiencing what they perceive to be significant barriers to exercising their MRO option in a timely and straightforward fashion.

"I have written to the pub companies and this will be the focus of the next round of bi-lateral meetings with each CEO in October. I want to get behind these figures and know what is driving the high rate of tenant departures, including the extent to which tenant churn may be preventing them from exercising their rights under the Code.

"Additionally, all tied pub tenants who have received a MRO proposal will shortly be asked to complete a PCA questionnaire setting out their experiences of the MRO process and its outcome. I will use this information and the responses from the pub companies to target further interventions to secure tenants' access to MRO."

The PCA also wants to examine whether the new rules on pre-entry information, training and business plans introduced under the Code are having the intended effect of ensuring that people taking on a tied tenancy are fully prepared and supported to succeed.

And he will be looking in detail at cases where pub companies have issued notices under section 25 of the Landlord and Tenant Act (LTA) 1954 to oppose the granting of a new tenancy to an existing tied pub tenant for any evidence of links between tenants requesting MRO and LTA proceedings to take possession.

The Code requires pub companies to provide the PCA with an annual compliance report which provides detailed and accurate accounts of how they have complied with their obligations under the Code, of any breaches raised or alleged by tied pub tenants and the steps taken as a consequence, as well as

what the pub companies have done to ensure compliance with the Code.

The PCA required pub companies to submit information relating to the status of their tied estates, the management of their tied agreements, the conduct of their tied rent assessments and handling of MRO requests as well as the impact of proceedings under the LTA.

Notes to editors:

1. The compliance reports cover the period from the introduction of the Pubs Code on 21 July 2016 to 31 March 2018.
2. Full statement from the PCA including compliance reports are available at www.gov.uk/pca
3. Any queries should be directed to office@pubscodetribunal.gov.uk