
DRAFT STATUTORY INSTRUMENTS

2016 No.

The Pubs Code etc. Regulations 2016

PART 6

Market rent only option: procedure to be followed in connection with an offer

The negotiation period

34.—(1) This regulation applies where—

- (a) the pub-owning business has provided the tenant with—
 - (i) a full response under regulation 29(3); or
 - (ii) a revised response under regulation 33(2); and
- (b) the tied pub tenant continues to wish to pursue a market rent only option.

(2) The tied pub tenant and the pub-owning business must seek to agree—

- (a) an MRO-compliant tenancy or licence; and
- (b) the rent payable under that tenancy or licence.

(3) If, by the end of the negotiation period⁽¹⁾, the tied pub tenant has not communicated to the pub-owning business, in writing, a decision to accept or reject a proposal as to the matters referred to at paragraph (2)(a) and (b)—

- (a) the offer lapses; and
- (b) the tied pub tenant may not refer the MRO rent to the independent assessor⁽²⁾ under regulation 35(3).

(4) A tied pub tenant may notify the pub-owning business, in writing, of the tenant's intention to terminate the negotiation at any time during the negotiation period.

(5) The negotiation period is the period of 56 days beginning with the day on which the tied pub tenant receives—

- (a) a full response under regulation 29(3); or
- (b) if later, a revised response under regulation 33(2).

(1) Section 44(2)(b) of SBEEA 2015 defines “negotiation period”.

(2) Section 72(1) of SBEEA 2015 defines “independent assessor”.