
STATUTORY INSTRUMENTS

2016 No. 790

The Pubs Code etc. Regulations 2016

PART 8

End of the MRO procedure

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39.—(1) This regulation applies where a tied pub tenant has given an MRO notice.

(2) Where the tied pub tenant communicates to the pub-owning business, in writing, a decision to accept a tenancy or licence proposed by the pub-owning business (including where the tenant accepts a tenancy or licence under regulation 37(13), 38(5), 59(2), (5) or (9)), the tenant and the pub-owning business must, as soon as reasonably practicable, enter into the tenancy or licence.

(3) Where the tied pub tenant and the pub-owning business fail to enter into a tenancy or licence in compliance with paragraph (2), either of them may refer the matter to the Adjudicator.

(4) The MRO procedure ends on the earliest of the following days—

(a) where the tied pub tenant and the pub-owning business enter into a tenancy or licence, on the day on which the tenancy or licence is entered into;

(b) where the tenancy or licence under which the tied pub is occupied at the time the MRO notice is given ends, on the day on which the tenancy or licence ends;

(c) where—

(i) the negotiation period ends;

(ii) the tied pub tenant does not, during that period, communicate to the pub-owning business, in writing, a decision to accept a tenancy or licence proposed by the pub-owning business;

(iii) the tenant does not make a reference under regulation 35 in relation to a tenancy or licence proposed by the pub-owning business during that period; and

(iv) the time allowed under that regulation for making such a reference has expired,

on the day on which the negotiation period ends or, if later, on the day after that on which time expires as mentioned in paragraph (iv);

(d) where the tied pub tenant rejects a proposed tenancy or licence under regulation 37(13) or (14), 38(5) or (6), or 59(2), (5), (9) or (10), on the day on which the tenant rejects that proposal;

(e) where—

(i) a matter is referred to the Adjudicator under regulation 32(2); and

(ii) the Adjudicator (or a person appointed by the Adjudicator under regulation 58(2)(b) or 60(4)(b)) does not consider that the circumstances are such that the pub-owning business must offer the tenant a market rent only option,

on the day of the Adjudicator's ruling;

- (f) where—
 - (i) a matter is referred in connection with any other aspect of the MRO procedure; and
 - (ii) the Adjudicator rules that the MRO procedure ends on a specified day, on the day so specified;
- (g) where the pub-owning business conducts a rent assessment or an assessment of money payable in lieu of rent, on the day on which the tenant agrees, in writing, the new rent.