



Marston's Annual
Compliance Report
2025-26

Declaration — Board Sign-off	Marston's PLC
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Under Regulation 43 of the Pubs Code etc. Regulations 2016, a pub-owning business must ensure that the Compliance Officer submits its annual compliance report to the Pubs Code Adjudicator within 4 months of the end of each reporting year.

In accordance with Regulation 43 of the Pubs Code etc. Regulations 2016. This is a declaration that the statutory requirements in Regulations 43(5), (7), (8) & (9) have been complied with.

	Audit Committee Statement
Please describe the process by which this report has been approved including which 'other reports' you have used and wider arrangements to ensure that the person or committee referenced in regulation 43(7) has an understanding of your business's compliance with these Regulations as required under regulation 43(7)(a).	The compliance report is submitted to the Audit Committee for discussion before it is submitted for approval. The Audit Committee receives board papers from the CCO, including updates on compliance monitoring, Code-related risks, breaches and any significant developments relating to the Pubs Code. These reports together with the compliance report, ensure that the Audit Committee maintains appropriate understanding of Marston's compliance with the Pubs Code.

Please confirm, if you have an annual report, that a summary of the annual compliance report will be included as per regulation 43(8):	Yes
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Approved by (name): This should be the Chair of the Audit Committee, or where such a committee does not exist, the non-executive director responsible for functions normally associated with an Audit Committee or, in the absence of such a post, by your Chief Executive Officer, Managing Director or equivalent.	Rachel Osborne
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Job title of approver:	Chair of Audit Committee
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Date of approval:	7/8/2026
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Submitted by (Code Compliance Officer):	Claire Coley
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Section A – Estate Data & Renewals (Input)			Marston's PLC			
#	Question / Metric					
Number of Code Pubs at End of Period (31 March 2026)		E&W Total	England	Wales		
1	Total number of Pubs Code Agreements at the end of this reporting period	871	720	151	Only numerical question where England & Wales are separate; total is calculated Cases where a tenant has acquired full Code rights by entering into more than one short agreement (including a Tenancy At Will) that together total more 12 months or more	
2	- of which Tenanted	69				
3	- of which Leased	61				
4	Agreements protected under the Landlord and Tenant Act 1954	70				
5	Agreements where tenant has contractual right to renew as described in reg	0				
6	Short agreements as defined in regulation 2, including tenancies at will, where regulation 54 exemption applies	174				
7	Short agreements (including tenancies at will) where tenant has acquired full Code rights	55				
8	Agreements which fall under regulation 55 (Franchises)	468				
Total Estate at the end of this reporting period (England & Wales)		1303			Calculated - sum of A9, A10, A11 and 'Turnover or profit share' sub-total	
9	Tied Tenancies & Leases excluding Turnover or Profit share arrangements	130			Exclude arrangements which are included in answers A12, A13 or A14, to eliminate double-counting	
10	Free of Tie (excluding Turnover or Profit share arrangements)	7			Exclude arrangements which are included in answers A12, A13 or A14, to eliminate double-counting	
11	Managed (excluding Turnover or Profit share arrangements)	375			Exclude arrangements which are included in answers A12, A13 or A14, to eliminate double-counting	
	Turnover or profit share arrangements	791			Calculated - sum of the figures A12, A13 and A14 below	
12	- of which: Franchises under regulation 55	681			Not covered in the opinion of the POB	
13	- of which: other turnover or profit share agreement covered by the Code	62				
14	- of which: other turnover or profit share agreement not covered by the Code	48				
Extended Protection						
15	Disposals where there was a publican in situ who is entitled to Extended Protection	0			Under SBEE Act 2015 69(4)	
Free of Tie outside MRO						
16	Number of free of tie tenancies agreed with existing tied tenants outside of the Pubs Code procedures.	0				
Qualifying Investments						
17	Number of new Qualifying Investments made under Regulation 56 during this period	0			Regulation 56	
Surrenders, Forfeitures, Assignments & Abandonments						
18	Number of legal surrenders.	14			Only include those surrenders where the publican left the property.	
19	Number of forfeitures.	2			Legal repossession by the Landlord	
20	Number of assignments.	0			Legally assigned by Tenant to new Tenant, under terms of agreement	
21	Number of abandonments.	10			Abandonment by Tenant before end of Tenancy, typically without notification to Landlord	
Contractual Arrangements						

22	Please list your all your contractual arrangements and briefly describe their key features where the name is not self-explanatory	Open House/Base Lease: contracted into the Landlord and Tenant Act 1954 (the L&T Act). Varying lengths. Five yearly rent reviews. Fully tied. Rent and service charge payable. Fully Repairing and insuring. Sits inside of the Pubs Code. Legacy Leases: All contracted into the L&T Act. Varying lengths. Five yearly rent reviews. Partially tied. Rent payable. Fully repairing and insuring. Sits inside of the Pubs Code. Brains Leases/Tenancy Agreements: All contracted into the L&T Act. Varying lengths. Mixture of full and partial repair liability. Mostly fully tied. Sits inside the Pubs Code. Pathway Tenancy Agreements: Some contracted into the L&T Act, some contracted out. 3 or 5 year length. Fully tied. Rent and service charge payable. Internal repairing. Sits inside of the Pubs Code. Foundation Agreement: All contracted out of the L&T Act. 5 year length. Fixed turnover share agreement. Fully tied. Service charge payable. Internal repairing. Sits inside of the Pubs Code. Pillar Agreement: All contracted out of the L&T Act. 5 year length. Fixed turnover share agreement. Sits outside of the Pubs Code. Retail/Pub Operating Agreement/Pub Franchise Agreement: All contracted out of the L&T Act. 5 year length. Fully tied. Fixed turnover share agreement. Right to assign/sell business to a third party. Sits inside of the Pubs Code however granted exemptions under Regulation 55(1).	This question ensures the PCA has a complete view of the types of contracts being offered in the market including innovative ones. Please highlight any new types of contract and existing contracts where terms have been amended during the reporting period Please indicate whether you have different agreement types or policies in place for pubs in Wales and if so, explain any differences.
Landlord and Tenant Act 1954: Section 25 and 26 Notices			
	Total number of LTA 1954 S.25 notices issued in this reporting period	6	Landlord seeking to end Tenancy; total calculated from summing 'opposing' (25) & 'proposing
23	● Of which, those served at any time after receipt of an MRO notice.	0	Note: not used to calculate total above
24	● Of which, those served within an MRO procedure.	0	Note: not used to calculate total above
25	● Of which, those opposing a new tenancy without proposing a variation of terms.	0	LTA Section 25(7)
26	● Of which, those opposing renewal and proposing a variation of the terms.	6	LTA Section 25(8)
27	Number of LTA 1954 S.26 notices received in this reporting period	0	Tenant requesting renewal of Tenancy; enter total manually as 'Tenant withdrew s.26 notice' case not covered
28	● Of which, you opposed a new tenancy without proposing a variation of terms.	0	...of s.26 total (A27)
29	● Of which, those you opposed at any time after receipt of an MRO notice.	0	...of 'opposed without proposing a variation' (A28)
30	● Of which, those you opposed within an MRO procedure.	0	...of 'opposed without proposing a variation' (A28)
31	● Of which, you opposed by proposing a variation of terms.	0	...of s.26 total (A27)
Landlord and Tenant Act 1954: Use of Section 30(1)(g)			
32	Number of new instances within the period of landlord opposing renewal in whole or in part in reliance on LTA 1954 S.30(1)(g).	0	This could be proactive issue of LTA S25 notice or response to LTA S26 notice from tenant
	Number of LTA 1954 court proceedings where the POB relied in whole or in part on an intention to take the pub back into occupation.	0	Calculated from the three answers immediately below (A33, A34, A35)
33	● Of which, the number of objections to a new tenancy that were upheld.	0	
34	● Of which, the number of objections to a new tenancy that were dismissed.	0	
35	● Of which, are still ongoing.	0	
36	Number of new instances when LTA S.30(1)(g) was relied upon to oppose a tenancy renewal and a hybrid, operator, manchise or profit / turnover share agreement was proposed for the pub's continued operation	0	New question in 2025-26 template
New Tenants and Agreements			

37	Number of new substantive agreements that fall under the Code in this reporting period (in respect of which regulation 11 duty applied)	160					Do not include tenancies where the tenant has, or has had, a previous agreement (other than a short agreement) for that pub.
38	Number of new Short Agreements under regulation 2 that fall under the Code in this reporting period (in respect of which regulation 14 duty applied)	319					
39	Number of new agreements in this reporting period which have LTA 1954 rights	0					
40	Number of new unprotected tied tenancies with tenants previously having 1954 Act protected tenancies	2					
Rent Proposals							
	Number of rent proposals provided in this reporting period.	6					Calculated
41	● Of which, those under regulation 15(2-5).	6					Requests and notices under Sections 25 and 26 of the Landlord and Tenant Act 1954
42	● Of which, those under regulation 15(6).	0					Change in amount of rent other than periodic indexation pre-agreed in tenancy or licence
43	● Of which, those under regulation 15(7).	0					POB notifies tenant of intention to negotiate new agreement with the tenant
Rent Assessment Proposals and Requests (RAP)							
44	Number of rent assessment proposals provided under regulation 19(1)(a)	12					Regulation 19(1)(a) - a rent review required under the terms of a tenancy or licence of a tied pub.
	Number of rent assessment requests:		Requests where RAP Provided	Requests where RAP Rejected	Requests where RAP Pending	Total RAP Requests	
45	under regulation 19(2)(a) - 5 years	0	0	0	0	0	Under Regulation 19(2)(a) - 5 years elapsed
46	under regulation 19(2)(b) - significant increase in price	0	0	0	0	0	Under Regulation 19(2)(b) - Significant Increase In Price of Product or Service
47	under regulation 19(2)(c) - trigger event	0	0	0	0	0	Under Regulation 19(2)(c) - Trigger Event
	Total	0	0	0	0	0	Sum calculated from three figures above
Number of MRO Notices and Events 1 April 2025 - 31 March 2026							
		MRO Events	MRO Notices Received	MRO Notices Accepted	MRO Notices Rejected	MRO Notices Withdrawn	Completely reworked section
	Number of 23(1)(a) MRO Notices during the period [SIPP or Trigger event]	n/a	0	0	0	0	Calculated from the two figures below in each case
48	- of which due to Significant Increase in Price of Product or Service	n/a	0	0	0	0	24 (SIPP) - include all products and service subcategories (R3 - R6)
49	- of which due to Trigger Events	n/a	0	0	0	0	25 Include all Trigger Events you are notified of under R7
	SIPP / Trigger Event MRO Validity as Percentage of SIPP / Trigger Event			0%	0%	0%	Calculated - what percent of notices result in different 'statuses' (accepted, rejected, withdrawn)?
Number of 23(1)(b) MRO Events & Notices during the period [RAP and Renewal]							
		18	2	4	0	0	Regulation 26 Renewal & 27 Rent assessment, where Investment Exception Regulation 56 does not apply
	- of which due to tenancy Renewal	6	1	2	0	0	Calculated: sum of Statutory plus Contractual Renewals
50	- which is statutory renewal of a protected tenancy under LTA	6	1	2	0	0	Regulation 26(2) - LTA S.25 Notice issued by Landlord or S.26 notice issued by Tenant
51	- which is contractual under the terms of the tenancy (not under LTA)	0	0	0	0	0	Regulation 26(3)
52	- of which due to you issuing a Rent Assessment Proposal	12	1	2	0	0	Regulation 27 - Rent assessment proposal is sent by the pub-owning business under regulation 20(1)
	RAP/ Renewal MRO Notices as Percentage of RAP / Renewal MRO Events	11%					Calculated - what percent of events result in an MRO notice?
	RAP/ Renewal MRO Validity as Percentage of MRO Notices at RAP/Renewal			200%	0%	0%	Calculated - what percent of notices result in different 'statuses' (accepted, rejected, withdrawn)?
Outcome of Accepted MRO Notices							
	Where an MRO Notice has been accepted; those that resulted in:						
	Free-of-tie arrangements that are:	2					Calculated from next two lines
53	● New agreement - including short term agreements.	2					
54	● Deed of variation.	0					
	New tied arrangements that are:	2					Calculated from next two lines
55	● Agreed by new lease or tenancy	1					
56	● Other new tied arrangements (rent or other terms).	1					
57	Tied tenant departure from the pub	1					
58	Other outcomes	0					
59	Ongoing – yet to be concluded	3					
Length of MRO tenancies							
		Minimum Length (in	Maximum Length (in	Average Length (in			ref High Court requirement that they should be 'reasonable' in [2020] EWHC 714 (Ch)
							Average should be 'mean' (not mode or median)
60	Length initially offered	60	120	81			Initial offers demonstrate POB standard practice
61	Length agreed	60	120	90			
Independent Assessors (IAs)							
62	Number of IA appointments.	0					

63	● Of which, those jointly agreed with the tenant.	0					
64	Number of cases where rent was determined by the Independent Assessor	0					
	Please list for each case - the MRO rent requested by the Tenant, the MRO rent proposed by the POB and the MRO rent set by the Independent Assessor	Requested by Tenant	Proposed by POB	Set by Assessor			
65	MRO rent:						
Premises Insurance							
66	Number of tenants requesting to price match their building insurance during this reporting period by providing notification of a tenant's alternative policy	0					Request under Regulation 46(3)(c)
67	● Number of unsuccessful price match requests.	0					
68	● Number of occasions when you have agreed in writing that any difference is not payable by the tenant under regulation 46(5).	0					
69	● Number of occasions when you have purchased the tenant's alternative policy.	0					
70	Whether you receive commission or rebate from insurers and, if so, what percentage.	No					
Sale of freehold or long leasehold							
71	Number of notifications under regulation 49(2).	0					When holder of the freehold, or superior landlord has taken any steps to advertise or sell the property...
72	On how many occasions has your POB relied upon the exemption in regulation 49(3)?	0					... unless part of a Sale & Leaseback, or would breach another statutory obligation

Section B — Code Compliance (Input)		Marston's PLC
#	Question	
	Statutory Requirements and Principles Pubs Code 43(6): The annual compliance report must include a detailed and accurate account of: (a) the pub-owning business's compliance with these Regulations in the period to which the report relates (d) any steps taken during the period to which the report relates to ensure compliance with these Regulations, including details of training and guidance offered to employees in connection with the Regulations. The Regulatory Compliance Handbook (statutory advice under Section 60 of the SBEE Act 2015): lists "the minimum standards of behaviours that the ... PCA expects pub-owning businesses ... to adopt" Core Principles 1. Fair and lawful dealing by pub-owning businesses in relation to their tied pub tenants; 2. That tied tenants should not be worse off than they would be if they were not subject to any product or service tie. The definition of 'tied pub tenant' in Section 70(1) of the SBEE Act 2015 includes prospective tenants. Your answers in this section should therefore, where appropriate, include how you are complying with your duties towards prospective tenants under the Pubs Code Statutory Guidance on clarity in the MRO procedure issued by the PCA on 17 March 2023	
	<i>Each answer in this section of the report should comply with the statutory requirements above and reflect that references to 'arrangements' in a question includes (but is not limited to) things designed to ensure and verify compliance with each Regulation (including meeting statutory deadlines) such as:</i> - IT systems and AI - steps, processes and workflows - custom and practice - data capture and verification - how you gather feedback - training - assurance, governance and risk management - KPIs or other measurements (e.g. of the effectiveness of processes and success of training) and - how and when these arrangements are reviewed <i>Please clearly state what new arrangements, changes or improvements, if any, have been made during the reporting period to improve Code-related outcomes</i>	
	Entering into an Agreement Pub Entry Training - Regulation 9	

1	Please describe your arrangements for complying with regulation 9 regarding Pub Entry Training. Your description should detail, for example: - any information you gather on whether Tenants are successfully completing the training whether this be delivered under regulation 9, 12 or 14 - how you assure & improve the quality of your training through e.g. gathering & use of feedback	Before entering into a new agreement with a Tied Pub Tenant (TPT), Marston's advises the TPT to complete the appropriate pubs entry training. Marston's provide in-house training through a dedicated training team. The training covers everything a TPT needs to know to run a successful pub business. This training is regularly reviewed by the training team and feedback gathered from TPTs is used to assess the effectiveness of the training provided. Marston's induction programme is accredited by the skills and education group in conjunction with the Bii. During the reporting period, Marston's introduced a skills-based induction pathway which allows training requirements to be tailored to the needs and experience of the prospective TPT. The pathway includes an assessment of the prospective TPTs existing skills, qualifications and relevant industry experience. Following assessment, the training team determines the appropriate level of induction and any additional training requirements. Regardless of experience level, all prospective TPTs are required to complete any madatory training identified by Marston's. Marston's also provides other essential training to our TPTs as part of our training programme which includes Cellar Management, Award for Personal Licence Holders and specific training on our systems, ie tills. A TPT will also be required to undertake a number of e-learning courses such as; food safety level 2, allergens and health and safety. Where a prospective TPT meets one of the pre-entry training conditions, the Area Operations Manager (AOM) seeks approval from the Code Compliance Officer (CCO) to waive the need to attend the induction training. Where a training is approved, Marston's requires the TPT to sign a training waiver letter. Where a prospective tenant will be taking a tenancy agreement with Marston's they are also required to complete the Bii online pre-entry awareness training (PEAT). If a prospective TPT meets one of the pre-entry training conditions as above, the TPT will be exempt from completing the online training as part of their waiver. Compliance with the regulation forms part of the final checks undertaken by the Legal Services team on a new tied agreement. Confirmation of completed training by the training team or a signed training waiver letter is required before completion of the new tied agreement. The same process is followed where a TPT intends to assign the lease to a prospective assignee.
Sustainable Business Plan - Regulation 10		
2	Please describe your arrangements for complying with regulation 10 for ensuring that a tenant's business plan is sustainable. Your description should detail, for example how you: - confirm they have taken necessary professional advice - approve their sensitivity analysis - arrive at your opinion that financial forecasts are reasonable & realistic	Before entering into a new agreement with a TPT, Marston's ensures a sustainable business plan is in place. Checks are in place to ensure that the business plan is prepared after the TPT has obtained independent professional advice. Our Legal Services team will check evidence of independent professional advice as part of our change of agreement process. The business plan can be completed on a standard Marston's template to ensure the requirements of Regulation 10 are met. The business plan template is provided with the Schedule 1 information in the form of a Property Pack to ensure the TPT has had the opportunity to review the required information. Once complete, the business plan is reviewed by the AOM and Operations Manage (OM) to verify the business plan as sustainable. The review will include a detailed financial review of projected net income, profit margin, operating costs and other factors including potential performance of the pub. Once the business plan has been reviewed in full and any points of difference discussed it is approved and signed off. The Legal Services team will check that all parts of the business plan are in place. During the recruitment process the AOM and OM will interview the prospective TPT, this interview will involve reviewing the business plan to ensure it supports their P&L projections and where applicable, the growth of the business that the TPT is proposing to achieve and sustain.
Information Provision - Schedule 1 - Regulation 11		

3	Please describe your arrangements for complying with regulation 11. Your description should detail, for example, how you: - assure you have met your information obligations and ensure tenants receive all the Schedule 1 information - ensure that the information is accessible and useful and has been referred to by the tenant - verify this happens before the tenant seeks independent professional advice - how you comply with the information requirements in respect of the premises and their maintenance and repair	Marston's ensure that Schedule 1 information is provided to the TPT before they enter into an agreement. The required information is collated in a 'property pack' by our Legal Services team and is sent to the TPT by their AOM via email. Marston's evidence signed receipt of the required information by each TPT on the information & supply sheet, which lists each document in the property pack. The property pack gives the TPT all the information they need to prepare a sustainable business plan and obtain the necessary independent professional advice before entering into an agreement. The property pack includes a 'taking a new agreement' guide which details the process Marston's will follow along with details of documentation that the TPT will be required to provide. To aid Code and CCO awareness the property pack includes an introductory document which sets out contact details for the CCO, what information is contained in the property pack, an overview of the Pubs Code and next steps the TPT needs to take including obtaining independent professional advice and preparing the business plan. Marston's provides TPTs with information relating to repair and maintenance obligations under the proposed tied agreement. This includes details of the respective responsibilities of Marston's and the TPTs and a Schedule of Condition to document the condition of the premises at the commencement of the agreement. Prospective TPTs are encouraged to satisfy themselves as to the condition of the premises and to take independent professional advice where appropriate. Information is also provided on the process for reporting repairs that fall within Marston's responsibility and the process for dilapidations at the end of the agreement. The CCO regularly reviews and updates the information provided in the property pack to ensure Marston's remains compliant with Schedule 1 obligations.
Assignments - Regulation 12		
4	Please describe your arrangements for complying with regulation 12. Your description should detail, for example how you: - assure you have met your information obligations under 12(2) and 12(9) - verify you have met your obligations under 12(4)(a)-(c) - ensure tenants are advised to seek professional advice	Where a TPT notifies Marston's of their intention to assign their lease in writing, Marston's will provided the TPT with a 'guide to selling your lease' document which sets out what is required for an assignment. The TPT is required to notify Marston's in writing once an assignee has been found, as Marston's will need to provide consent to the assignment and approve the assignee. Once an assignee has been approved, a property pack is produced which contains all the required information under Schedule 1, any fees payable and information relating to dilapidations. The assignee will then follow the full new tenant process. The proposed assignee is required to attend Marston's in-house training unless they qualify for a training waiver under Regulation 12(5). If the proposed assignee does meet one of the conditions in Regulation 12(6), a waiver can be approved by the CCO. The training waiver will be documented in a letter which the proposed assignee will be required to sign. The proposed assignee is advised to seek their own independent professional advice before taking the assignment. Evidence of professional advice will be requested from the proposed assignee before the assignment completes. Marston's does not hold any investment agreements within its estate.
Premises - Regulation 13		

5	Please describe your arrangements for complying with regulation 13 regarding the premises. Your description should detail, for example: - creating, updating and using Schedules of Condition - assessing and resolving Dilapidations in a timely fashion - how you encourage and support a tenant to undertake a thorough inspection of the premises and obtain the advice of a suitably qualified surveyor	All TPTs are advised to conduct a thorough inspection of the premises and to obtain the advice of a qualified surveyor before they enter into a new agreement. This advice is included in the 'Taking a new agreement with Marston's' guide, which is a document that forms part of the property pack. The advice is also reinforced in the formal offer letter. An example copy of the agreement is provided to the TPT in the property pack as part of the Schedule 1 information, this contains the TPTs repair obligations. A Schedule of Condition (SOC) is prepared by an external surveyor. This is included in the property pack as part of the Schedule 1 information. Where works are carried out an updated SOC will be carried out post-completion and sent to the TPT. A Schedule of Dilapidations will be carried out on all substantive agreements prior to termination, which will set out all the TPTs breaches of repair liability, together with the remedy for that breach, and will be issued to the TPT by electronic delivery or recorded delivery. The SOD will be carried out at least 6 months before expiry of agreement or within 2 months where notice has been received/given. The Schedule will be carried out by a property surveyor who will act in accordance with the RICS professional guidance notice, Dilapidations in England and Wales 7th Edition and Marston's dilapidations protocol. In carrying out the SOD, the surveyor will review the repairing obligations under the terms of the current agreement together with any SOC attached to the agreement. Where a dispute occurs, the TPT should confirm details within the SOD and return to the surveyor, where the matter will be reviewed. If an agreement cannot be reached between the Landlord and TPT, Marston's will follow the process set out within the RICS dilapidations protocol. Outstanding dilapidations are agreed prior to the commencement of the new agreement, and a final inspection is carried out 3 to 6 months later to sign off dilapidations. Decorating works are rolled over and undertaken during the term of renewal. Where an agreement is longer than 5 years Marston's will carry out an interim dilapidation inspection every 5 years, the TPT will be asked to carry out any required works within an appropriate amount of time, except where the works present a danger to the building and its occupants, these works will be required to be undertaken in a timely manner. Where a TPT serves a valid MRO notice, upon service of the SOD the TPT will be given an appropriate period of time to undertake any works identified except where the works present a danger to the building and its occupants, these works will be required to be undertaken in a timely manner, whether the TPT remains tied or enters into a new MRO agreement. Marston's ensure appropriate and reasonable notice is given to the TPT before entering the premises in line with the obligations under the agreement except
Short agreements - Regulation 14 & Voluntary Minimum Standards		
6	Please describe your arrangements for complying with regulation 14 and the voluntary Minimum Standards on Short Agreements agreed in March 2025. Your description should detail, for example: - how you assure you have met your information obligations under this regulation - how you are implementing the Minimum Standards and ensuring all staff are aware of the agreed obligations	A short agreement property pack is provided to the TPT before entering into a short agreement. This is provided to the TPT via email and includes the information in the relevant paragraphs specified in Regulation 14. Marston's evidence signed receipt of the required information by each TPT on the 'Information and Supply Sheet'. Marston's advise all TPTs to complete pre-entry training before they enter into a short agreement. Marston's ensures that communication is sent to TPTs shortly before and shortly after the 12-month point, outlining the additional provisions of the Pubs Code that will apply shortly after that period. Marston's operate in accordance with the minimum standards for short agreements agreed between the CCOs and the PCA. Further information was added into our property packs as specified in the minimum standards. Discussion notes are logged in the same way as if they were on a substantive agreement and an audit is carried out on these discussion notes by the CCO. The minimum standards were already principles that were embedded into Marston's ways of working and all relevant employees are aware of them.
Ending a Tenancy		
Forfeitures - Section 146 notice		
7	Please describe your processes and procedures before and after issue of a section 146 notice under the LPA 1925. Your description should detail, for example: - how you ensure you are treating tenants fairly and lawfully and learning from business failure	Once a breach of covenant has been identified by Marston's, a copy of the TPTs current tenancy agreement and details of the breach are passed to external solicitors. Marston's solicitors will then review and confirm if there has been a breach and will advise on the appropriate action to be taken. If it is deemed the best course of action is a Section 146 notice, Marston's solicitors will then serve this notice on behalf of Marston's. If the breach is remedied, the Section 146 notice will be withdrawn.
Rent		
Rent Proposals - Regulations 15-18		

8	Please describe your arrangements for complying with regulations 15-18 regarding the rent proposal. Your description should detail, for example: - the production and capture of a rent proposal, its contents, when it is provided and how requests for further information under reg 18 are captured, handled and complied with. - how you assure you have met your information obligations under Schedule 2 - How you ensure forecasts are reasonable, evidenced and prepared in accordance with RICS guidance.	Marston's action the requests for a rent proposal in accordance with the timescales in Regulation 15. Where Marston's is proposing a new agreement to an existing TPT or a prospective TPT, a rent proposal is provided as part of the Schedule 1 information. Rent proposals are prepared by Estates Managers who are RICS qualified. Rent proposals adhere to the requirements set out in Schedule 2. They are prepared in accordance with RICS guidance and are accompanied by written confirmation from a member of the RICS. Following a rent proposal, a meeting will be arranged between the TPT and the Estates Manager to discuss. Timescales are monitored to ensure they are adhered to in accordance with Regulation 17. Any reasonable request from a TPT for additional information is provided where possible. Marston's would provide a reasonable explanation as to why any information requested could not be supplied. Any request for further information is logged in order for the CCO to monitor timescales in Regulation 18. The TPT is advised to obtain independent professional advice when the rent proposal is provided before agreeing to the proposed rent.
Rent Assessment Proposals - Regulations 19-22		
9	Please describe your arrangements for complying with regulations 19-22 regarding the rent assessment proposal. Your description should detail, for example: - the production and capture of a rent assessment proposal, its contents, when it is provided and how requests for further information under reg 21 are captured, handled and complied with. - how you assure you have met your information obligations under Schedule 2 - How you ensure forecasts are reasonable, evidenced and prepared in accordance with RICS guidance. - Confirmation that you comply with the Code in respect of all duties to conduct a rent assessment, including all contractual rent reviews to which the tenant is entitled under the terms of their agreement. - how a rent assessment is conducted	Marston's conducts rent assessments in connection with rent reviews which are required under the terms of the tenancy or where the TPT requests one under Regulation 19(2). If a notice is received from a TPT in this respect, the validity of the notice is checked and acknowledged as soon as possible. Marston's Estates Managers are responsible for managing rent review timescales and process. Where a rent assessment is required, following an inspection of the premises, Marston's will send the TPT a proposal for rent together with the information specified in Schedule 2. If the rent assessment is in relation to a rent review this information is provided at least 6 months before the rent review date. If a TPT has made a valid request for a rent assessment, then this will be provided within 21 days. The rent assessment proposal is prepared in accordance with RICS guidance and is accompanied by a written statement of confirmation from the Marston's Estates Manager. Marston's provides its rent assessment proposals in accordance with Regulation 20 and in consideration of Chapter 3 of the Regulatory Compliance Handbook. Any reasonable requests for further information are complied with by the Estates Managers and provided to TPTs as soon as reasonably practicable. If the information requested is not able to be provided, then an explanation will be given as to the reasons why this is the case. The Estates Manager who prepares the rent assessment will visit the pub within 3 months of the rent assessment being provided to the TPT. During this visit the Estates Manager will gather information about the layout and location of the pub. The TPT is advised to obtain independent professional advice before they agree the new rent. If a rent review date has passed, or more than 6 months have elapsed since the day on which the rent assessment was provided, it is agreed in writing how any recoverable rent is to be dealt with and how payments relating to any recoverable rent is to be made. Marston's comply with the requirements of Regulation 22. Any new agreed rent is payable with effect from the day after the end of the rent assessment. A new rent is documented on a rent memorandum which is signed by Marston's and the TPT.
Market Rent Only (MRO)		
MRO Notice - Regulations 23-27		
10	Please describe your arrangements for handling MRO notices under regulation 23. Your description should detail, for example: - receiving, logging and checking validity of the notice - which teams are engaged - tracking of statutory deadlines	When a TPT serves an MRO notice, checks are made to ensure the notice is valid and the notice is acknowledged as soon as possible. Where a notice has been served by the TPT that does not meet the requirements of Regulation 23(3) we will engage with the TPT to give them the opportunity to serve a valid MRO notice. Marston's Estates Administrator tracks the progress of an MRO notice to ensure statutory deadlines are met. Marston's can confirm it is aware of the MRO events in Regulation 24 and 25 and has received no MRO notices under these Regulations during the reporting period. If a TPT were to send Marston's a relevant analysis to demonstrate a trigger event has occurred under Regulation 25, this would be dealt with by the relevant Estates Manager. Renewal of protected agreements under the Landlord and Tenant Act 1954 are dealt with by the relevant Estates Manager. Marston's would instruct external solicitors to serve either the Section 25 or Section 26 notices. Where a rent assessment is required, these would be dealt with by the Estates Manager.
MRO Procedure - Regulations 28-33		

11.1	Please describe your arrangements for complying with regulations 28 - 31. Your description should detail, for example: - not exercising any right to recover rent or change product or service ties (regulation 28) - issuing acknowledgements under regulation 29(2) - issuing all full responses under regulations 29(3)(4) or 29(3)(4) or updated, required or revised responses - ensuring all proposed MRO tenancies are MRO-compliant (regulation 30) including not being unreasonable (regulation 43(4)) - ensuring terms and conditions of each proposed MRO tenancy are not unreasonable (regulation 31) - tracking and meeting all statutory deadlines	If a TPT has served a valid MRO notice, then Marston's ensures the rent cannot be increased during the MRO procedure, this includes changes by annual indexation charges. Marston's does not exercise any right to make subject to a product or service tie anything which was not previously subject to a tie or disapply a product or service tie from an item that was subject to a tie when the notice was given. Each month the CCO informs the Credit Control team which pubs are currently in the MRO procedure. This remains in place until the end of the MRO procedure. When Marston's receives an MRO notice, acknowledgement is sent as soon as reasonably practicable, usually within 2 working days. If the MRO notice is valid then Marston's sends out a full response which includes a proposed MRO tenancy and associated documents. The full response includes a statement of the proposed rent. For each MRO notice, Marston's will complete a compliance record and declaration which is available should the TPT request a copy. A full response is sent within 28 days in accordance with Regulation 29(6) & (7). If a TPT's application for a new tenancy is opposed by Marston's, but the court awards the granting of a new tenancy then Marston's will send a full response within 28 days of the date the court makes an order to grant a new tenancy. Where Marston's deems the MRO notice to be invalid, this will be communicated to the TPT along with the reasons why it is invalid. During the reporting period Marston's can confirm we have not included a landlord-only break clause, service ties other than building insurance or excluded the proposed MRO tenancy from the security of tenure provisions of the Landlord and Tenant Act 1954. Marston's do not include terms which are not common terms in agreements between landlords and pub tenants who are not subject to a product or service tie. The compliance record provides the detail regarding the justification of the proposed terms. Marston's Estates Managers keep up to date with terms granted within the market. When providing a full response, Marston's proposes an MRO tenancy which is for a period of at least as long as the remaining term of the existing tenancy and if there is less than 5 years remaining on the existing tenancy, the proposed MRO tenancy will be for no less than 5 years.
11.2	Please describe your arrangements for complying with regulation 32. Your description should detail, for example: - handling procedural or event disputes during the MRO process - tracking and meeting all statutory deadlines - seeking to agree a tenancy during the resolution period - updated, revised and required full responses - referrals to the Adjudicator	During the reporting period Marston's has not notified a TPT if its intention to refer to the PCA and has not made any referrals to the PCA. Marston's are aware of the deadlines in Regulation 32. During the reporting period no TPTs have notified Marston's of their intent to refer a procedural or event dispute under Regulation 32. Marston's are aware of the provisions in Regulation 32A and welcome the resolution period as an opportunity to have meaningful negotiations with the TPTs. Under Regulation 32B, Marston's will send an updated full response if there have been significant changes to the original MRO offer or if the TPT requests an updated full response. Marston's acknowledges the details and timelines in Regulation 33 and 33A.
MRO Independent Assessor - Regulations 36-38		
12	Please describe your arrangements for complying with regulations 36 - 38. Your description should detail, for example: - seeking agreement as to the Independent Assessor - compliance with any statutory deadlines - referrals to the Adjudicator - provision of Schedule 3 information to the Independent Assessor - provision (to both the Assessor and the tenant) of any other relevant information and information requested by the Assessor	During the reporting period there has been one independent assessor (IA) appointment. The IA was appointed jointly with the TPT. When an IA is appointed, Marston's will comply with Regulation 37 regarding the provisions of information it holds and with any subsequent requests for information from the IA. This includes providing the information detailed in Schedule 2 of the Code. Marston's acknowledges the procedure set out in Regulation 38. Marston's has not made a referral to the Adjudicator in connection with an IA during the reporting period.
MRO End of Procedure - Regulations 39 and 40		
13	Please describe your arrangements for complying with regulations 39 and 40. Your description should detail, for example: - the duty to enter into an agreed tenancy or licence as soon as reasonably practicable, - your communications with the tenant at the end of the MRO procedure, - compliance with any statutory deadlines	It is confirmed that Marston's understands the key events which end the MRO procedure as set out in Regulation 39. There have been no referrals to the Adjudicator during the reporting period in relation to Regulation 40. Once an MRO procedure has ended Marston's will request feedback from the TPT using the PCA's questionnaire.
Business Development Managers (BDM) - Regulation 41		

14.1	Please describe your arrangements for complying with regulation 41(1)-(3) & (5). Your description should detail, for example: - BDM onboarding, training and annual refresher training, including on the conduct of rent assessments - updating BDMs with advice, guidance and other publications issued from time-to-time by the PCA - how you ensure BDMs deal with tenants in a fair and lawful manner - provision to tenants of information on the role of the BDM	Marston's ensures that any AOMs that have joined the business have one to one induction training sessions with the CCO. The training covers key regulations within the Code and Marston's internal procedures. The AOM will receive a copy of the Pubs Code Regulations 2016 during the meeting before they liaise with TPTs. AOMs are also required to complete an e-learning Pubs Code module as part of their induction. Annual training is provided to all employees defined as BDMs under the Pubs Code through an online platform where completion of the training can be monitored by the CCO. The annual training is updated to reflect any changes to the Pubs Code or guidance which has been issued by the PCA. Additional training is provided at team meetings by both the CCO and Estates Managers throughout the year where updates can be issued. As part of the property pack provided to the TPTs who are taking on a new agreement, Marston's includes a declaration of our commitment towards continuous professional development and improvements of our AOMs.
14.2	Please describe your arrangements for complying with regulation 41(4) with respect to both tenants and prospective tenants. Your description should detail, for example: - ensuring accurate, contemporaneous notes are made of all relevant meetings and discussions between BDM and tenants - meeting all statutory timescales for provision and agreement of meeting notes with notes being agreed in real time during the visit wherever possible	To comply with Regulation 41(4) discussion notes are recorded through Marston's Business Development Review (BDR) tool. This creates a record of discussion notes and documents when the meeting was held. The tool generates the record attached to an email which is automatically sent to the TPT. The CCO conducts regular audits to ensure the stipulated timescales are met. The discussion notes and covering email include a standard message advising the TPT to respond within 7 days if they do not agree with the record of discussion.
Code Compliance Officers (CCO) - Regulation 42		
15	Please describe your arrangements for complying with regulation 42. Your description should detail, for example: - appointment, training & annual refresher training - access to resources - reporting line - arrangements to ensure operational independence from the BDMs - how CCOs make themselves available to deal with tenant Code enquiries - that they have the entitlements listed in the regulation - the arrangements for keeping BDM training records - how they discharge their role to verify the pub-owning business's compliance with the Code	Marston's appoints a dedicated CCO to verify compliance with the Pubs Code Regulations. As part of the role the CCO can contact AOMs directly to discuss Code matters and is independent of the AOM reporting structure. The CCO has a dedicated email address which is advertised on the Marston's website and in the Marston's complaints procedure to allow TPTs to directly contact the CCO. The CCO maintains training records for the Pubs Code training for Marston's employees, the CCO is also responsible for updating any training given and providing Pubs Code updates periodically.
Annual Compliance Report - Regulation 43(6)(d) - Employee Training		
16	Please describe your arrangements for complying with regulation 43(6)(d) in respect of training and guidance for your employees. Your description should detail, for example: - induction training and annual refresher training for all employees who deal with tied pub tenants [Regulatory Compliance handbook 2.1] - training and guidance to other employees	The annual Compliance Report is submitted in accordance with the Regulation and instruction from the PCA. A draft Compliance Report along with a Pubs Code update is provided to the audit committee for discussion. Following that, a final version of the Compliance Report is completed by the CCO and sent to the audit committee for approval. Induction training on the Pubs Code is given to any employees who could be deemed a BDM under the definition within the Pubs Code. Annual refresher training is given to all employees who have dealings with TPTs.
Insurance - Regulation 46		
17	Please describe your arrangements for complying with regulation 46. Your description should detail, for example: - informing the tenant that the insurance charge proposed is higher than the premiums [regulation 46(2)(a)] - whether you, or any related group undertaking, receives, or expects to receive, any commission or rebate in connection with that policy [regulation 46(2)(b)] - how statutory deadlines in regulation 46(4) are met and - how assessment is made whether the tenant's suggested insurance policy is suitable and comparable [regulation 46(3)]	Marston's purchases a block building insurance policy against all usual risks for our tied and managed estate, we recharge TPTs based on a pre-agreed charge. Marston's have received no requests to purchase an alternative policy by TPTs during the reporting period. TPTs are advised to obtain their own business insurance and can purchase this from wherever they choose. No levied insurance charge exceeds what Marston's pays as a premium. Marston's does not receive commission in connection with its insurance policies which are recharged to the TPTs. Marston's renews its block policy annually and details are communicated to the TPT. Marston's provides TPTs with details of the policy and any contributions towards a claim the TPT is required to make. If additional information is requested by the TPT then Marston's will provide this information if it is able to do so.

Miscellaneous		
Extended Protections - Regulation 45A		
18	Please describe your arrangements for complying with regulation 45A and confirm that your Extended Protection reports to the PCA have been accurate and timely in accordance with policy. Please set out and explain any	Where Marston's sells a pub that gives rise to extended protection, Marston's will inform the PCA of the details specified in Regulation 45A as soon as it is legally able to do so. Marston's will also inform the TPT that they will have extended protection once the pub is sold, the TPT will also receive a copy of the extended protection factsheet produced by the PCA.
Gaming Machines - Regulation 47		
19.1	Please confirm that no new - or renewed - tenancies or licences require a tied pub tenant to rent or purchase a gaming machine	Yes
19.2	Please confirm whether (where a tied tenant chooses to have gaming machines), they may obtain them on the open market, or whether they are required to obtain them from you or your nominated supplier	No
Sale of Freehold / Long Leasehold - Regulation 49		
20	Please describe your arrangements for complying with regulation 49. Your description should detail, for example: - details of how you ensure the required information is provided to the tenant as soon as reasonably practicable	Marston's property team are fully aware of the requirements under Regulation 49. Where a pub is sold with extended protection, Marston's informs the PCA. If Marston's sells a pub, it will inform the TPT and provide details of the sale and the name and address of the buyer as soon as it is able to do so under the terms of the legal agreement surrounding the sale.
Detriment - Regulation 50		
21	Please describe your arrangements for ensuring continuing compliance with regulation 50 to ensure that your tenants do not suffer detriment for exercising, or attempting to exercise, their rights under the Code regulations. This should include, where necessary, arrangements for the taking of contemporaneous notes evidencing the basis of any decision to oppose a lease renewal	Marston's ensures that a TPT is not subject to detriment on the grounds that they exercise or attempts to exercise their rights under these Regulations.
Flow Monitoring Devices - Regulation 51		
22	Please describe your arrangements for complying with regulation 51 on the use of Flow Monitoring Devices	Marston's has flow monitoring devices in a number of tenanted and leased sites. No detriment is suffered by the TPT because of the readings taken from the flow monitoring device alone, additional evidence will be collected by our profit protection and stock control team.
Exemptions - Regulations 54-56		
23.1	Please describe your arrangements for complying with regulation 54 on Short Agreements. Your description should detail, for example, how you ensure you can identify when a tenant who has been on a short agreement or tenancy at will becomes entitled to full Code rights.	Marston's complies with Part 12 of the Pubs Code. In relation to short agreements for less than 12 months, Marston's ensures that communication is sent to the TPTs shortly before and shortly after the 12-month point, outlining the additional provisions of the Pubs Code that will apply shortly after that period. When a TPT is entering into a short agreement a property pack is provided beforehand with the information specified in Regulation 14.
23.2	Please describe your arrangements for complying with regulation 55 on Pub Franchise Agreements	Marston's ensures TPTs who occupy under a Pub Franchise Agreement are advised where to find more information about the Pubs Code within their Schedule 1 information property pack. Marston's classify their Retail and Pub Operating Agreement as a Pub Franchise agreement for the purposes of the Code. Marston's approach for dealing with these agreements is the same as a tenancy agreement.
23.3	Please describe your arrangements for complying with regulation 56 on the Investment Exception	Marston's has not had any investment exceptions within the reporting period.
Void or unenforceable terms of a tenancy or licence - Regulation 57		
24	Please confirm that your agreements do not contain void or unenforceable terms within the meaning given in regulation 57 and describe your arrangements to ensure this remains the case	Yes

Section C – Breaches & Complaints (Input)	Marston's PLC
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Statutory Requirements and Other Policy

Pub Code 43(6): The annual compliance report must include a detailed and accurate account of:

- (b) any instances where a breach or alleged breach of these Regulations has been identified by a tied pub tenant
- (c) the steps taken in relation to any such breach, or alleged breach

PCA Breach Reporting Policy <https://www.pubscodetadjudicator.org.uk/media/395>

Instructions on completing this Section

List breaches which started, ended, which you became aware of or were reported to the PCA during this reporting period.

All references to 'breach' include 'alleged breach' where relevant.
All breaches, including alleged breaches, must be reported promptly.

four notes in Column K should include the following:

- the specific regulation, and paragraph number breached or alleged to have been breached

- the specific regulation and paragraph number breached or alleged to have been breached
- the extent of the breach

- Identification of any actual or potential detriment to tenants and how this is being mitigated
- actions taken to prevent the breach reoccurring

In addition, if the breach or alleged breach has not been reported to the PCA under the breach reporting policy please email breach@pca.co.uk

[illegible]