

FM21146 Prior Information Notice – Pubs Code Adjudicator (PCA) Expert Services

UK Shared Business Services Ltd (UK SBS) on behalf of Pubs Code Adjudicator (PCA), are looking to engage with the market to identify suppliers that would be able to deliver low value expert services to the PCA and her office in various specialisms. For most requirements, the PCA is looking for suppliers with experience of providing professional services to landlords and/or tenants across the pub industry.

At this stage the longer terms needs for this service are not fully known and as this is not a replacement service, the Pubs Code Adjudicator is initially looking to engage with various suppliers that may be able to offer these services on an ad hoc basis.

This Prior Information Notice is being issued in order to undertake a market consultation exercise with regard to the current view of requirements contained within this notice. If you believe that this will be of interest to you and/or your organisation, please register your interest by sending an email to tmprocurement@uksbs.co.uk providing details of the services you would be able to offer.

By providing your information you will be engaging in non-competitive dialogue which will enable the PCA to develop and assess the market's appetite, concerns, and views on formulation of its requirements both for the short term and potential longer term. The PCA may consider the information and responses received as part of the preliminary market consultation to help inform future appointments.

The forecasted spend for the services as outlined below will be £40,000 PA however this figure is indicative across all the professional services that may be required over a 1-year period. As this expertise will be sought on a case by case basis there is no guarantee of any spend. It is envisaged that most requirements will be low value, but with the possibility of repeat appointments as business needs unfold.

Background to the PCA

Historically, the UK pubs sector has been dominated by the 'tied model' under which pub tenants are required to purchase their beer and often other products and services from the company that owns their pub premises.

Until the early 1990s, these companies were typically the brewers of the beer sold in the pubs.

By the late 1980s, the UK beer market had come to be dominated by six national brewers who collectively accounted for 75 per cent of UK beer production as well as controlling more than half of all UK pubs.

This concentration of ownership and market control gave rise to competition concerns and following an investigation by the Monopolies and Mergers Commission, the Government enacted the 'Beer Orders' in 1989 to loosen the control of the large brewers and to bring new players into the market. This led to the emergence of the first pub companies (or 'Pub Cos'), and by the early 2000s the tied pub sector had come to be dominated by a few large Pub Cos with estates of several thousands of tied pubs.

Following more than a decade of political debate about the balance of risk and reward between these large Pub Cos and their tied tenants, and after a short-lived experiment in industry self-regulation, the Government announced in June 2013 its intention to legislate for a statutory Pubs Code underpinned by dispute resolution and enforcement by an independent regulatory body. Legislation, to give Ministers the power to enact a Pubs Code and creating the office of the Pubs Code Adjudicator, was enacted in Part 4 of the Small Business, Enterprise, and Employment Act 2015 (SBEE Act 2015).

The Pubs Code gives effect to the twin Pubs Code principles of fair and lawful dealing by pub companies in relation to their tied tenants and that tied tenants should be no worse off than if they would be free of the tie. It requires greater levels of information to be provided to tied tenants and significantly, also gives tied tenants the right to opt to go free-of-the-tie under a 'Market Rent Only' option. The Pubs Code came into force on 21 July 2016.

Fiona Dickie was appointed Pubs Code Adjudicator on 3 May 2020, having previously served as Deputy Pubs Code Adjudicator from 1 November 2017.

For further information, please visit the Pubs Code Adjudicator's <u>website</u>. The PCA's latest annual report is also available <u>here</u>.

Services Required

Number	Category	Panel Expertise Examples
1	Rents	This category will include but is not limited to
		expertise in:
		 Tied rent reviews
		 Pubs Code rent assessments
		- Commercial rents
2	Pubs Valuation and Surveying	This category will include but is not limited to
		expertise in:
		- Pub valuation
		- Pub surveying
3	Pub Lease Technical Support	This category will include but is not limited to
		expertise in:
		 Providing independent expert advice or
		support to the pubs market e.g. through a
		professional body or association
		 Technical services in relation to the
		operation of pub leases, including business
		planning, accountancy, stock taking and
		other technical services support in the
		pub/hospitality sector
4	Legal Services	This category will include but is not limited to
		expertise in:
		- Pub tenancy/lease drafting, including
		investment agreements
		- Pub tenancy/lease transactions
5	Insurance	This category will include but is not limited to
		expertise in:
		- Brokering/advice and being an independent
		expert in the commercial landlord and
		tenant insurance market (ideally in the
		pubs/hospitality sector)

Contact Information

As explained above, at this stage UK SBS and the PCA are looking to engage with the market to help identify if there are organisations or individual professionals that are able to provide these services. Therefore, if you are interested in being involved in this process, please do provide your details and any feedback or questions in relation to the above proposed scope directly to UK SBS by emailing FMprocurement@uksbs.co.uk

There is no commitment at this stage that the above-mentioned opportunity will proceed in its current format, however at this stage and subject to the relevant approvals this is the intention.