

Overview of the PCA Investigation into Stonegate / Ei Group (UPDATED)

The Pubs Code Adjudicator (PCA) has launched an investigation into **Stonegate** (Ei Group Limited, trading as Stonegate Pub Partners & Craft Union Pub Company).

The PCA suspects Stonegate has failed to comply with its obligations under the Pubs Code Regulations 2016 regarding information provided to tied pub tenants and prospective tenants.

- **Subject of investigation:** Stonegate (no other pub companies are being investigated at this time).
- **Timeframe under review:** July 15, 2021, to July 14, 2026.
- **Deadline for evidence submissions:** **5:00 PM on August 12, 2026.**

Scope of the Investigation (Suspected Failures)

The PCA is investigating whether Stonegate failed to comply with the Pubs Code in the following areas:

1. Incomplete Premises Information (Regulations 10 & 11 / Schedule 1):

- Failing to provide prospective tenants with clear premises descriptions, accurate Schedules of Condition, or disclosures of specific property problems.
- Providing defective lists of initial maintenance, repair, or improvement works (e.g., promising works verbally but omitting them from the official list, failing to list works required before the agreement starts, or failing to specify completion dates for post-agreement works).

2. Unrealistic Rent Proposals and Financial Forecasts (Regulation 16 / Schedule 2):

- Providing unreasonable, unrealistic, or poorly justified profit and loss forecasts.
- Failing to provide clear, detailed data to support rent calculations, which may have resulted in unsustainable tenant business plans.

3. Ignoring Information Requests (Regulation 18):

- Failing to comply with reasonable tenant requests for information to help negotiate or understand their rent, or failing to provide a written explanation for refusal within 7 days.

4. Business Development Manager (BDM) Conduct (Regulation 41):

- Failing to ensure BDMs dealt with tenants fairly and lawfully.
- Failing to properly record and share notes of discussions (regarding rent, repairs, or business plans) with tenants within 14 days.

5. Inaccurate Compliance Reporting (Regulation 43):

- Failing to provide the PCA with an accurate, detailed annual compliance report detailing breaches, alleged breaches, and corrective actions taken.

6. Being tied on gaming machines (Regulation 47):

- Has Stonegate made you an offer of a new agreement which included being tied on gaming machines.
- Did Stonegate state that you could pay a higher rent and or charge a tie release fee to have the gaming machine tie removed from the new agreement.

7. Detrimental behaviour (Regulation 50):

- In exercising your rights under Regulation 47 i.e. by asking for the gaming machine tie to be removed from a new agreement did you consider that you suffered detriment in being asked to pay more money to remove it.

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Please send relevant information to Investigations1@pubscodeadjudicator.gov.uk

Alternatively, you can also send the information by post:

Pubs Code Adjudicator Office of the Pubs Code Adjudicator

4th Floor - 23 Stephenson Street

Birmingham

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For help and support with your pub business (rates / rents / disputes) please contact

RH&L (Retail Hospitality and Leisure)

email: commercial@rhandl.co.uk

tel: 01435692306

whatsapp: 07766073815

web: www.rhandl.co.uk

