

Best practice guide to the management of pub repairs and dilapidations

February 2022



Foreword

Disputes between tenants and landlords over the issue of dilapidations can be distressing for the parties involved and take time and money on both sides to resolve the disagreement. This can be particularly true when tenants on a longer-term full repairing and insuring (FRI) lease are vacating their pub, and where dilapidations could be substantial.

This best practice guidance has been written to help both pub companies and their tenants, with the aim to minimise the scale and frequency of any disputes thereby benefiting both parties.

While the guidance sets out some specific procedural recommendations for best practice, in essence the purpose of this document is to ensure that throughout a tenant's occupation of a pub, there is good communication between both parties so that there are no surprises on either side when a lease arrangement is coming to an end. It should be read and used in that context, remembering that it remains guidance rather than legally binding.

Many pub companies will already be operating in a way that matches the practices set out in this document, or even go beyond it, but we would encourage all pub companies to look at their dilapidations processes to see if they can be improved.

The work to produce this new set of best practice was undertaken by a small advisory group that included property experts from BBPA member companies working together with colleagues in the British Institute of Innkeeping and UKHospitality. My thanks to all of those involved and to all the industry stakeholders that gave their time to provide valuable feedback as the work progressed. I hope that this will become an important reference resource for the sector.

I welcome this guidance as tool for the pub industry and its various stakeholders, and hope that its use will minimise disputes and strengthen the thousands of partnerships that exist between tenants and pub companies across the nation.



Emma McClarkin, Chief Executive of the British Beer and Pub Association

1.0 Introduction

- 1.1 For a pub to trade at its full potential it is essential that it is in good condition, is well presented and is always statutorily compliant. To achieve this all parties must understand and fulfil their repairing obligations under the letting agreement.
- 1.2 This guide sets out the principles of best practice which will help ensure pubs are maintained in a suitable condition to optimise income for all concerned. Following this guide should help to reduce the overall costs of maintenance throughout the life of an agreement, minimise the level of disputes relating to repairs & dilapidations at the end of the term and lower the potential for repair-related disputes between the Tenant and the Pub Company (PC).
- 1.3 The advice contained in this guide is primarily aimed at addressing repairs and dilapidations issues for pubs let on Full Repairing and Insuring (FRI) or partial repairing leases. The principles of this guide should be applied in respect of pubs which are covered by The Pubs Code etc. Regulations 2016¹ (the Pubs Code) or the England & Wales Leased Code of Practice (1-499 Tied Pubs)² (the Code of Practice).
- 1.4 Where a property is let on an Internal Repairing Agreement the Tied Pub Tenant has fewer repairing obligations. It is however still good practice during the term of the tenancy to encourage dialogue on potential dilapidations issues between the Tenant and Pub Company (PC) and to also ensure terminal schedules of dilapidations are served and addressed in a timely manner.
- 1.5 This is a practical guide to best practice and the pragmatic management of repairs and dilapidations with the aim of encouraging good communication between the PC and Tenant. It is not intended to be a definitive legal textbook. **It should be remembered that the Tenant and PC are bound by the terms of their contractual agreement and relevant legislation and, for those pubs regulated under the Pubs Code, all dealings should be in line with the requirements of the Pubs Code.**

2.0 Leases and Tenancies

- 2.1 Whilst there is no formal legal distinction between a lease and a tenancy, for the purpose of this document, a lease is considered to be a letting for more than five years where the Tenant has responsibility for a substantial proportion of the repairing obligations. In addition to “full repairing” agreements, this may include lettings where the PC retains responsibility for the main structure of the property (load-bearing walls, foundations and roof structure) but where the Tenant is responsible for all other maintenance and repair. In most cases a lease will be assignable.

¹ <https://www.legislation.gov.uk/uksi/2016/790/contents/made>

² The leased code is available on the Pub Governing Body’s website <http://www.thepubgoverningbody.co.uk/>

3.0 **General Principles**

The Pubs Code

- 3.1 For those pubs that are regulated by the Pubs Code, all dealings relating to the management of dilapidations and repairs must be in line with the principles of the Pubs Code i.e.
- a) Fair and lawful dealing by pub-owning businesses in relation to their tied tenants
 - b) Tied pub tenants should be no worse off than if they were not subject to any tie.

For a full copy of the Pubs Code and details of its requirements, please follow the link below
<https://www.gov.uk/government/organisations/pubs-code-adjudicator>

Approach to Business

- 3.2 Parties are bound by the contractual obligations contained in the letting agreement and all relevant legislation as well as the provisions of the Pubs Code, where applicable. The parties are expected to act in good faith and should seek to settle any dispute relating to repairs through constructive discussion.
- 3.3 The PC must act in an open, transparent, and timely manner and should provide the Tenant with relevant property related information throughout the term.
- 3.4 The PC is expected to take a commonsense approach to enforcing dilapidations. For example if the letting agreement requires the Tenant to decorate a pub in the fourth year of the term but the property was decorated in the third year and/or the décor is in very good condition, the Tenant should not be required to paint the property in year four but the parties should agree when the next redecoration should take place.
- 3.5 This guidance is the overriding guidance on this matter. Surveys should be carried out by a competent surveyor having regard to the terms of the letting agreement, the current RICS Guidance Note on Dilapidations in England & Wales, The Dilapidations Protocol, and all relevant legislation.

4.0 **Before/at the start of the lease agreement**

- 4.1 During the application process prior to the grant of an FRI lease, the PC must provide applicants with all relevant information and, where applicable, comply with Part 2 and Schedule 1 of the Pubs Code in regard to property condition, it is particularly important that they:
- a) Explain the repairing obligations contained in the proposed agreement.
 - b) Provide a Schedule of Condition (SOC) identifying any significant repairs and dilapidations matters relating to the condition of the property.
 - c) Review the content of the SOC with the Tenant and their advisors.
 - d) Confirm any works that they intend to complete as a condition of the agreement.
 - e) Confirm timescales to complete those works.

f) Answer any questions the Tenant may have regarding the information provided.

- 4.2 The PC should ensure that the rent assessment reflects an adequate amount of money to cover the cost of maintenance and repairs the Tenant will need to carry out to keep the property in an acceptable condition through the life of the agreement. This should include cyclical redecoration, on-going statutory compliance and repair/renewal of fixtures and fittings (F&F) and the tenant's inventory.
- 4.3 It is strongly recommended that the SOC includes a photographic record of the condition of key elements of the property. This will assist when the SOC is referred to or updated in the future. The SOC should be updated by the PC and re-issued following completion of significant repairs or development during the term of the agreement.
- 4.4 It is strongly recommended that the Tenant has their own survey carried out by a competent surveyor and that they take independent professional advice to ensure they understand fully the opportunity and commitment involved.
- 4.5 The Tenant's business plan must reflect the cost of maintaining the property in an acceptable condition throughout the term. This includes an annual allowance to cover cyclical items such as decoration which may only be required every three or four years and any ongoing statutory compliance requirements.

5.0 Property condition

- 5.1 At the start of an agreement, the PC must ensure that a pub is handed over in a condition that is fit for purpose. This includes statutory compliance, decoration and cleanliness. The property should be maintained in a similar condition throughout the term. At the end of the agreement the pub should be handed back in at least the same condition.

6.0 Initial works

- 6.1 In some cases, the Tenant may agree to take a pub that requires some repair work. For example, the PC may agree to undertake specific works in the early months of the term or the Tenant may intend to carry out their own works. The works to be carried out must be documented clearly in an Initial Works Schedule which is attached to the new agreement. This should include a suitably detailed specification of the works and a timescale for their completion by either party. The Tenant should be able to demonstrate that they have taken appropriate advice to ensure they understand any such arrangement.
- 6.2 Each party should seek to ensure that any agreed works are completed in line with the agreed specification and timescales. In some cases it may be necessary to make changes, e.g. works may be delayed due to poor weather. If this happens any problems should be highlighted as soon as possible and any changes should be agreed and confirmed in writing.
- 6.3 The PC should arrange for a suitably qualified representative to meet with the Tenant within three months of the start of the agreement, unless otherwise agreed, in order to check on progress with any outstanding works and to ensure that the Tenant understands the repairing obligations of the Tenant and the PC, to answer any questions the Tenant may have regarding statutory compliance, specific repair issues and the condition of the property.

7.0 Leasehold property

- 7.1 Where the PC has a leasehold interest in the property, they should advise the Tenant of any impact this may have on their occupation of the premises before the agreement is completed. The Tenant should co-operate with the PC and their superior landlord to enable compliance with the terms of the head lease.

8.0 During the term

- 8.1 It is important that the PC and the Tenant maintain open and transparent discussions and dealings regarding the condition of the property and statutory compliance throughout the term of the agreement. Tenants should be aware that Landlords have legal recourse to enforce the repairing obligations contained in the letting agreement.

9.0 Regular property reviews

- 9.1 The PC should arrange for regular inspections of the premises throughout the term. This may not necessarily be a formal survey of the property but it should identify any significant items of disrepair or non-compliance which may exist and highlight any other issues which, if left unattended, are likely to become more serious in the future. It is recommended that the Tenant is present at the time of these inspections so that any issues can be discussed first-hand. The PC's representative should review their findings with the Tenant and agree what action is to be taken to address the significant items identified or to prevent the minor issues from deteriorating.
- 9.2 They should also take the opportunity to discuss general matters relating to repairs, maintenance, and statutory compliance and to clarify the respective obligations of the parties.
- 9.3 The agreed actions should be confirmed in writing, along with target dates for completion. This should include any matters which are the responsibility of the PC to address.

10.0 Formal surveys

- 10.1 Where pubs are let on FRI leases it is recommended that the PC should have a full survey carried out by a competent surveyor at least once every five years, with regular interim inspections being conducted, depending on the age, nature, and condition of the property.
- 10.2 Following a formal survey, the "Schedule of Dilapidations" should provide a detailed report on the condition of the property having regard to the terms of the letting agreement.
- 10.3 As best practice formal Schedules of Dilapidations should be presented in Scott Schedule format. This should set out the relevant clauses of the agreement, the identified breach and the action that is required to rectify the problem. An example of a Scott Schedule is set out in Appendix I. Wherever appropriate, a schedule should include photographs to identify any significant issues.
- 10.4 It is recommended that items of disrepair are prioritised to enable the Tenant to plan and budget for works and to ensure that they deal with the most important items first. Suggested categorisation and timescales for types of work are set out in Table I below.
- 10.5 Where a PC that is regulated under the Pubs Code uses third party surveying practices to act as a Business Development Manager, they should ensure the service provider is suitably qualified and that they receive appropriate Pubs Code training.

11.0 **Table 1 - Categorisation and prioritisation of repair items**

11.1

	Category	Timescale	Examples
1	Urgent- to be completed straight away	Immediate	Matters relating to statutory compliance or health & safety
2	Work- required to prevent further deterioration of fabric of premises or diminution in value of the reversion	0-3 months	Roof repairs; cleaning gutters to prevent water ingress, significant structural issues;
3	Items that will minimise future costs if addressed in a timely manner	1-12 months	Repairing and repainting rotten timber; removal/control of vegetation to prevent damage to walls or roofs; redecoration where in poor condition/adversely impacting trade.
4	Matters of note that Tenant should be aware of and allow to pick up as part of general maintenance plan	On-going/ before the pub is handed back	Repointing of brickwork; removal of vegetation; decoration of domestic quarters; re-instatement and making good of alterations.

11.2 The reasonable costs of conducting a survey should be allocated in accordance with the terms of the relevant letting agreement. In normal circumstances the PC will give a minimum of 14 days' notice prior to carrying out a survey and will confirm the appointment in writing. The surveyor should be given access to all areas of the premises. If a surveyor is unable to gain access to the whole of the property, or if the Tenant fails to honour the appointment without good reason, the PC may be entitled to recover any abortive costs.

11.3 The completed, prioritised survey report should be sent to the Tenant as soon as reasonably practicable after the inspection. The PC's representative should arrange to meet with the Tenant (or their surveyor) within six weeks of issuing the survey report. This will enable the parties to review the content of the report, clarify any questions the Tenant may have and agree a programme for dealing with any repair issues identified as being the Tenant's responsibility. The timing of those works should be based on the categorisation and prioritisation set out in Table 1 above.

11.4 The agreed programme will be confirmed in writing. The PC's representative will arrange to revisit the property to monitor progress with any repairs. The timing and frequency of these visits will be determined by the extent and nature of the required works.

11.5 The Tenant should keep the PC advised of progress with repairs and notify them if they are unable to meet the agreed timescales. In such cases the parties should agree a revised programme for the works.

11.6 Where a Tenant does not agree a timeframe for completing repairs identified as category 1 or 2 (see Table 1 above), or where it becomes apparent that they do not intend to carry out the necessary works, the PC may take more formal or legal action to enforce the repairing obligations contained in the letting agreement.

12.0 **Costs of works**

12.1 Where a survey report includes the cost of works to be carried out the prices shown must be a reasonable estimate of the cost of completing those works. If the report is prepared by an external surveyor, the PC's surveyor should confirm that they consider the estimates to be reasonable and in accordance with RICS best practice.

13.0 **Tenant's obligations**

- 13.1 It is good estate management practice for the PC to carry out regular inspections of their property and to advise the Tenant of matters that require attention during an agreement. This does not remove the Tenant's responsibility to identify and address matters of repair and maintenance themselves. The Tenant should carry out their own inspections of the property on a regular basis and arrange for any necessary repairs to be carried out in a timely manner. (If they do not have the necessary knowledge to do this, they should be advised to engage a suitably qualified professional to assist them). The aim should be to avoid significant surprises at the end of the lease.
- 13.2 If a Tenant identifies a property related problem which they believe is not their responsibility, they should flag it to the PC as soon as possible. The PC will consider what action needs to be taken and will advise the Tenant accordingly. This will help prevent small problems becoming more serious, which could have a negative impact on the business and result in the cost of repairs increasing. The PC should respond to any such matters in a timely manner and keep the Tenant up to date with relevant information.
- 13.3 In some cases the Tenant may identify a property problem which is their responsibility under the terms of the agreement but where they do not have the necessary expertise or funds to deal with the matter. In these circumstances the Tenant should contact the PC to discuss the problem and to seek to agree an acceptable solution. It is better to do this than to allow the repair issue to become more serious and costly to rectify.

14. **Assignment**

- 14.1 If a Tenant wishes to assign their lease, they should notify the PC in writing, following the PC's confirmed assignment process. The PC will arrange for a survey to be carried out and produce a prioritised Schedule of Dilapidations. (See Table 1 above).
- 14.2 The PC will review the contents of the schedule with the Tenant and agree what works need to be carried out before an assignment can be completed. These will usually be restricted to items in Category 1 or Category 2 in Table 1.
- 14.3 In some cases the PC may agree that the required repairs will be carried out by the Assignee after the assignment has been completed. In these cases details of the work and the agreed timescale for their completion should be recorded in the Licence to Assign and the PC may hold a deposit which will be returned once the repairs are satisfactorily completed. If the Assignee does not complete the repairs to an acceptable standard within the agreed time, the PC may use the deposit to arrange for the work to be carried out.
- 14.4 The Tenant is usually responsible for bearing the reasonable costs associated with the preparation and administration of a Schedule of Dilapidations at assignment.
- 14.5 Following completion of an assignment the Assignee will become responsible for all aspects of repairs, maintenance and compliance as set out in the lease, irrespective of the condition of the property at the time of the assignment.
- 14.6 The Assignee's business plan must reflect the extent of the obligations that they are taking on for the remaining term of the lease.
- 14.7 In all cases, the Assignee must take independent professional advice before taking an assignment of a lease and should have their own survey carried out by a competent surveyor.

15.0 Schedule of Dilapidations

- 15.1 As the end of the agreement approaches, the PC must arrange for a Schedule of Dilapidations to be prepared, identifying what works need to be completed before the end of the term. For those pubs that are regulated under the Pubs Code, The Code requires that this is done at least six months before the end of the term. In the case of leases, it is recommended that it is done between 18 and 12 months before the lease expires to give the Tenant sufficient time to complete any necessary works and for the parties to resolve any matters of disagreement.
- 15.2 Surveys should be carried out by a competent surveyor having regard to the terms of the letting agreement, the R.I.C.S Guidance Note on Dilapidations in England & Wales, 7th Edition, The Dilapidations Protocol and all relevant legislation.
- 15.3 The reasonable costs of conducting a survey should be allocated in accordance with the terms of the relevant letting agreement
- 15.4 The completed survey should be sent to the Tenant within six weeks of the inspection and the PC should arrange for a suitably qualified representative to contact the Tenant and arrange to meet with the Tenant (or their surveyor) within six weeks of issuing the survey report. This will enable the parties to review the content of the report, clarify any questions the Tenant may have and agree a programme for dealing with any identified repair issues.
- 15.5 The PC's representative will arrange to revisit the property to monitor progress with any repairs in the lead up to the end of the term. The timing and frequency of these visits will be determined by the extent and nature of the required works.
- 15.6 The PC should take a common sense approach to assessing the works to be carried out by the Tenant. For example, a lease may require the Tenant to decorate the property in the final year of the term but if the property has been recently decorated and is in good decorative order they may agree to waive this requirement or, in the case of an agreement that is to be renewed, defer decoration into the new term.
- 15.7 The Tenant should complete all necessary work before the end of the term and hand back the property in a condition that will enable the premises to be re-let immediately. The PC is entitled to recover the reasonable costs of any works that are the Tenant's responsibility and that are outstanding at the end of the term.
- 15.8 Where the Tenant leaves at the contractual end of an agreement the PC should aim to confirm any outstanding dilapidations charges and issue a final schedule within 28 days of the change. The parties should act swiftly to resolve any disputes and the PC must not unreasonably withhold the return of all or part of the Tenant's security deposit or inventory valuation. If the disputed cost of outstanding dilapidations is less than the value of the Tenant's deposit and inventory, the PC should return the balance above the disputed cost to the Tenant having first deducted any monies owing on the Tenant's rent or trade accounts.
- 15.9 Where a Tenant leaves at short notice, PC should carry out an inspection and complete a formal survey within a reasonable time. (This should be done within the 56 days set out in The Dilapidations Protocol)

16.0 Section 18 of the Landlord & Tenant Act 1927

- 16.1 Section 18 (1) of the Landlord & Tenant Act 1927³ restricts a landlord's claim for dilapidations to the amount that the landlord's reversion is diminished by breaches of the covenants to repair. The landlord cannot recover more than the cost, in terms of the loss caused to the value of the property. This is the diminution of the property's reversionary value caused by the disrepair. Furthermore, no damages are recoverable, if it can be shown that on expiration of the lease, the property would be demolished or altered to the extent that would render valueless the repairs in question.
- 16.2 Any Schedule of Dilapidations or related claim should be prepared in accordance with the principles of Section 18. This is usually based on the reasonable cost to the PC of carrying out repairs which are the Tenant's responsibility together with any consequential loss reasonably incurred by the PC.
- 16.3 The PC should tell the Tenant of their intentions in respect of the future use of a pub as early as possible and advise them on how this may impact the requirement to complete repairs at the end of the agreement. If the plans change, the Tenant should be notified as soon as is reasonably practical.

17.0 Renewal of agreements protected under Part 2 of the Landlord & Tenant act 1954

- 17.1 Where an agreement is to be renewed under Part 2 of the Landlord & Tenant act 1954⁴, the Tenant should ensure that all works identified as Category 1 or 2 (see Table 1 above) are carried out and the property should be statutorily compliant before the start of the new agreement.
- 17.2 The PC and Tenant may agree that works identified as Category 3 or 4 are carried over into the new agreement. In such cases the parties should agree when the works are to be carried out and this should be documented in the new agreement. The Tenant should ensure that the works are completed within the agreed timescale and keep the PC advised of progress. If the Tenant fails to complete the repairs within the agreed timescale, the PC may take formal action to enforce the terms of the agreement.
- 17.3 It should be remembered that the PC may object to the renewal of a protected agreement where there is a high level of dilapidations, where the Tenant fails to address identified dilapidations or where there is a continued history of disrepair through the term of an agreement. Following the best practice set out in this guide should minimise the risk of such circumstances occurring.

18.0 Market Rent Only (MRO) agreements – for pubs regulated under the Pubs Code

- 18.1 PC's regulated under the Pubs Code must have regard to Chapter 4 of the Regulatory compliance handbook "Complying with the principles of the Pubs Code" when dealing with any MRO proposals.

³ <https://www.legislation.gov.uk/ukpga/Geo5/17-18/36/section/18>

⁴ <https://www.legislation.gov.uk/ukpga/Eliz2/2-3/56/part/II>

19.0 In the event of dispute

19.1 The PC should explain the procedures to be adopted where either party feels that the principles of these best practice guidelines have not been followed. Where the Tenant believes that they are the aggrieved party, the procedures should ensure that the matter is properly considered at an appropriately senior level of management in the PC and at a level of management higher than that at which the relevant decisions were initially taken.

The Tenant should make their initial complaint in writing to their Business Development Manager (BDM) or equivalent representative at the PC. If a satisfactory conclusion cannot be reached it will then be escalated in accordance with the company's own grievance procedure. However, the written complaint must be formally concluded by the senior manager within thirty-five working days of receipt, unless another timeframe is mutually agreed.

19.2 Where applicable this process does not preclude the Tenant from referring the matter to the Pubs Code Adjudicator (for pubs regulated under the Pubs Code) in cases where they consider the PC to be in breach of the Pubs Code. In the case of agreements governed by the voluntary Codes of Practice, a referral to PICAS, or in both cases, any subsequently established dilapidations dispute resolution body.

20.0 Training and awareness

20.1 It is important that all parties understand the principles of best practice outlined in this document.

20.2 PCs should ensure that Business Development Managers (BDMs) are made aware of the content of this guide as part of their initial induction process and that, in the case of PCs covered by the Pubs Code, it is included in the annual refresher training for BDMs.

20.3 It is recommended that this document is made available to existing Tenants and new applicants via the PC's website and that it is included as a regular agenda item for business reviews between a Tenant and their BDM.

21.0 Appendices

21.1 Appendix I – Example of Scott Schedule

Pub	Pub Name	Date of inspection:	Tenant Comments	Company Comments	
Item No	Breach complained of	Remedial works required			Est' cost £
1	Example of a breach	Example of remedial work			
2					
3					
4					
5					
6					

Version I

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Glossary

Assignee – a person or organisation to whom a right or liability is legally transferred.

Assignment – the transfer of an existing lease by the current tenant to a new tenant with the consent of the landlord.

Business Development Manager (BDM) – Pub company employee directly responsible for the relationship with tenants' negotiations regarding the tenancy or lease agreement.

Competent surveyor – A surveyor with appropriate experience or qualifications. Typically, qualifications may be a degree (or equivalent) in Building Surveying and/or RICS membership

Dilapidations Protocol – A pre-action protocol by the Property Litigation Association, relating to dilapidations claims for damages against tenants at the termination of a tenancy. First published in 2002, this protocol aims to prevent landlords exaggerating claims and to lead the way for early settlements without the involvement of courts.

England & Wales Tenanted Code of Practice (“voluntary code”) – Describes the minimum requirements governing the operation of tied public houses by companies with less than 500 tied premises.

Fit for purpose – of a suitable quality standard, or type to meet the required purpose.

Fully repairing agreement – A lease agreement which places the responsibility for all repair costs with the tenant/ lessee.

Full structural survey – A comprehensive inspection of a property to provide a detailed evaluation of its structural condition.

Head lease – A lease to an entity that will subsequently grant leases to sub-lessees who will be tenants in possession.

Internal-repairing agreement – A lease agreement which places the responsibility for all internal repair costs with the tenant/ lessee but not external repairs.

Lease – A contract by which one party conveys land and property to another for a specified time, usually in return for a periodic payment.

Leasehold interest – A right to enjoy the exclusive possession and use of an asset or property for a stated period.

Licence to Assign – A landlord's permission for a tenant in occupation under a lease to assign the lease to a new incoming tenant.

Market Rent Only (MRO) agreement – Under the Pubs Code regulations this option allows, when a tenant/ lessee requests, the granting of a free of tie rent agreement.

Partial-repairing tenancy – A lease agreement which places some responsibility with the tenant for the cost of repairs

Protected agreement – A lease agreement under the Landlord & Tenant Act 1954 which provides security of tenure. Landlords are obliged to renew the lease when it expires, on terms which are not significantly less favourable than before.

PC's representative – A person representing the pub company who may be directly employed or a consultant.

Pub Company (PC) – also known as a Pub-Ownning Business for those PCs that are regulated under the Pubs Code.

Pubs Code Adjudicator – The independent regulator responsible for enforcing the statutory Pubs Code.

Pubs Code Regulations 2016 (“Pubs Code”) – came into force on 21st July 2016 with the aim of regulating the relationship between tied pub tenants and their landlords. Companies with over 500 tied tenancy agreements are regulated under the Pubs Code.

Rent assessment – An assessment of the rent you must pay in relation to an existing tenancy.

Repairing obligations – The requirement to maintain a property throughout the term of the lease and leave the property in good repair at the end of the lease.

RICS – Royal Institution of Chartered Surveyors. A professional body promoting and enforcing the highest international standards in the valuation, management and development of land, real estate, construction, and infrastructure.

Schedule of condition (SOC) – a detailed recording of a property’s condition which is usually retained to use at a future time to establish the previous condition of the premises. The survey is typically included within a lease to limit the tenant’s repairing obligations to the condition of the property at lease commencement.

Schedule of dilapidations – A report in a prescribed format detailing the items of repair, maintenance, reinstatement, and decoration which a landlord considers need remedy to comply with the terms of a lease.

Scott Schedule – A table with inputs from both the claimant and respondent. Typically, the claimant will set out their statement which is then passed to the respondent to provide a response.

Tenancy – Possession of land or property as a tenant

Tenant – A person who occupies land or property leased from a landlord

Terminal schedule – A final schedule of dilapidations which sets out proposed remedial works and costs. The landlord may issue an interim schedule of dilapidations during the lease to protect their interests and ensure proper maintenance is being carried out.

Tied pub tenant – a tenant leasing a pub where they are obliged to purchase products and support from the pub company.