



Scottish Pubs Code Adjudicator

Scottish Pubs Code: Tenant Engagement Findings

August 2025



Executive Summary

As part of ongoing engagement with tied pub tenants across Scotland, the Adjudicator undertook regional visits facilitated by Roslyn's on 26, 27 and 28 August. These visits provided an opportunity to hear directly from tenants in Aberdeen, Dundee, and Fife, offering insights into their experiences of operating under tied agreements in community and regional settings. During these visits, tenants shared a range of perspectives on the opportunities and challenges of tied agreements, reflecting both the benefits and the difficulties they encountered in practice

Tenants reported a wide range of perspectives. Some described the tied model as a useful entry point into the industry, offering training, investment, and structured support. Others highlighted the financial pressures of higher costs, restrictions on product choice, and uncertainty around lease renewals. Views on the Pubs Code were mixed: while certain provisions such as Guest Beer lines were welcomed, others felt the Code offered limited protection in practice, particularly around repairs, transparency of rent comparisons, and security of tenure.

Feedback also pointed to **variation in the quality of business development support**, with some tenants crediting structured schemes for strengthening their business practices, while others saw them as costly or less relevant once established. Concerns were raised about **investment packages**, with questions over whether they represented genuine improvements or simply overdue maintenance. Across all discussions, tenants emphasised the importance of **transparency, fair treatment, and adequate support** to ensure that tied agreements can be **sustainable and beneficial for both parties**.

Key Findings

- Regional visits with tied pub tenants across Scotland revealed a **broad spectrum of experiences**, reflecting both opportunities and challenges within tied agreements.
- Tenants identified **opportunities** such as **investment, training, and access to Guest Beer lines**, alongside challenges including high costs, restricted product choice, and uncertainty around lease renewals.
- Feedback (summarised in the Annex) showed **mixed views on the Pubs Code**, with some provisions welcomed but concerns raised about its effectiveness on repairs, security of tenure, and transparency in rent comparisons.
- Tenants reported **variation in the quality of business development support**, with experiences ranging from helpful to inconsistent.

- Across all regions, tenants emphasised the importance of **fairness, transparency**, and **adequate support** to ensure the **sustainability of tied pub businesses**.

Annex – Scottish Pubs Code Adjudicator- Feedback from Tenants

This annex presents anonymised feedback from tenants shared during regional visits. The examples below highlight the varied experiences of tied agreements across Scotland.

Discussion points

Some tenants described entering tied agreements after previously operating in the sector under different arrangements. They explained that the tied model had initially provided a useful entry point into the industry, offering training and structured support, but that over time they found it less advantageous compared with the flexibility of operating free of tie. They reported that overall costs under the tie remained high and challenging to manage.

Other tenants highlighted concerns about product choice and pricing, particularly around the availability of key brands they considered essential for their customer base. They felt that discounted alternatives offered under the tie were not viable in their market. They also expressed disappointment that the Pubs Code and Guest Beer Agreement did not provide meaningful benefit in their circumstances, noting that repairs and business development support were limited. Although they acknowledged that structured schemes such as “Inside Track” had been helpful when starting out, they now viewed them as additional costs rather than ongoing benefits.

Some tenants reported positive working relationships with their pub-owning businesses and noted that the Pubs Code had provided tangible benefits, including the ability to negotiate Guest Beer lines. While they had considered the Market Rent Only (MRO) option, they were uncertain about its suitability, explaining that investment made earlier in their business journey was a factor in choosing to remain tied.

Tenants suggested that greater transparency in rent information would help others assess whether MRO is viable, and proposed that an independent advice line could support tenants in making informed decisions. They commented that business development support varied in quality, but that structured schemes had been useful in building strong business practices. Some tenants reported continuing to use external business planning services, which they credited as contributing to their success.

Tenants also raised concerns about product pricing, particularly the cost of certain key brands, and questioned whether discounted alternatives offered under the tie were realistic for the Scottish market. Some observed that investment packages may in practice represent overdue repair work rather than genuine improvements, which could disadvantage tenants who waive MRO rights in exchange for such agreements.

Some tenants described financial pressures associated with tied agreements, noting that income generation could be challenging. They felt that the law on business tenancies in Scotland limited tenant protections regardless of the Pubs Code, and that bargaining power remained with landlords. Concerns were raised about responsibilities for repairs and maintenance, with tenants noting that improvements they had funded were not always recognised.

Other tenants highlighted challenges around product choice and pricing, particularly the need to stock certain brands to retain customers. They felt that Guest Beer provisions did not provide meaningful support in this respect, and that discounted alternatives offered under the tie were not viable. They described structured support schemes as useful but costly, and said that exemptions offered were not always consistent. While acknowledging that rent breaks were provided during the pandemic, they felt that overall the culture of tied pub companies had become more commercially focused, with less continuity in business development support.

Tenants expressed the view that longer and more secure contractual arrangements would make the Market Rent Only option more attractive. They believed that renewal practices placed tenants at a disadvantage and that broader changes to commercial tenancy law would be needed to provide greater security. Arbitration under the Pubs Code was seen as too stressful to pursue, and overall they felt that the current framework did not adequately protect tenants from financial or operational risks.

Feedback from further tenants described positive experiences of using Guest Beer provisions, which they felt had helped them build new relationships with brewers and access promotional support. They reported that pricing on some products was manageable, though certain supply routes were more expensive than alternatives they were aware of. They said they had considered the Market Rent Only option but felt uncertain about the risks, particularly around future rent levels. They described their arrangements as ones where risk and responsibility felt shared, and indicated that investment support had been important in enabling them to enter the industry.

In terms of business strategy, tenants explained that they had focused on untied products, which had proven successful. They also emphasised the importance of creating an environment that appealed to a broad customer base, noting that attention to detail and well-maintained facilities contributed to customer perceptions of quality.

Some tenants explained that parts of their business operations were constrained by the condition of the premises and that they had invested personal funds in improvements. They expressed frustration with changes in business development support and felt that the focus was more on sales than on sustaining the business.

Tenants welcomed the introduction of the Pubs Code, noting that it had provided clearer guidance on Market Rent Only and Guest Beer provisions. Some said they were considering MRO as an option and were seeking information on market rent to inform their decision. They also raised concerns about repairs being denied or delayed,

explaining that they had been unable to secure agreement to use certain facilities to support their business.

Tenants felt that the culture of pub companies had shifted since the pandemic, becoming more transactional and less supportive. They described their current situation as financially challenging and said that their overall experience of running their businesses had been negative, despite their efforts to sustain and improve their operations.

Conclusion

The feedback gathered during regional visits reflects the themes discussed in the July publication: the tied model can offer opportunities for tenants, while also presenting challenges that vary across individual circumstances. Tenants described valuing investment, training, and Guest Beer arrangements, alongside concerns relating to costs, repairs, rent transparency, and the day-to-day operation of the Pubs Code.

The material in this annex summarises the views tenants chose to share and provides additional context on how tied agreements are experienced in practice. It also reflects the importance tenants placed on clear communication, fair treatment, and accessible support when navigating key stages of their business journey.

Taken together, this feedback forms part of the Adjudicator's wider engagement activity and will help inform ongoing work to support understanding of the Code and its operation across Scotland.