



The Scottish Pubs Code Adjudicator: Corporate plan 2025 – 2028

SCOTTISH PUBS CODE ADJUDICATOR

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Forward plan



"With over 575 Tied pubs across Scotland and around 30 pub owning business, our work supports communities, businesses and the wider hospitality sector."

The role of the Scottish Pubs Code Adjudicator

As Scotland's tied pubs sector enters a new regulatory era, the role of the Scottish Pubs Code Adjudicator (SPCA) is to ensure that the principles set out by Parliament are translated into fair, transparent, and workable outcomes for both tied pub tenants and pub-owning businesses.

The Scottish Pubs Code is founded on three statutory principles: promoting fair and lawful dealing, ensuring that tenants are no worse off than if they were free of tie, and ensuring a fair sharing of risk and reward. These principles guide every aspect of the SPCA's work.

This Corporate Plan sets out the strategic direction of the SPCA for the period 2025–2028. It reflects the organisation's transition from establishment to full regulatory delivery and builds on early operational experience since the Code came into force on 31 March 2025.

As a new regulator, the SPCA is committed to being visible, accessible, evidence-led, and proportionate. We will work constructively with tenants, pub-owning businesses, and representative bodies to support compliance and raise standards, while taking decisive action where the Code is not followed.

Through impartial oversight, effective dispute resolution, proactive engagement, and strong governance, the SPCA will play its part in supporting a fair, transparent, and sustainable tied pub sector in Scotland.

The plan focuses on five key priority areas that will underpin our work during this period:

- ensuring compliance with the Scottish Pubs Code through proactive monitoring, investigations where necessary, and clear guidance and support for both pub-owning businesses and tenants.
- strengthening transparency and stakeholder engagement by publishing regular reports and maintaining open communication across the tied pub sector
- delivering robust dispute resolution and effective arbitration services, particularly around Market Rent Only (MRO) disputes, and evaluating the effectiveness of these processes.
- driving operational efficiency and strong governance, by setting clear performance indicators, embracing digital tools, and ensuring responsive, proportionate regulation
- building credibility and trust as a new regulator by being visible, accessible, and evidence-led in everything we do.

We believe this approach will position the SPCA as a confident and credible regulator—helping to deliver positive outcomes for pub-owning businesses, tied tenants, and the wider sector. Through collaboration, informed decision-making, and a shared commitment to fairness, we aim to support a dynamic and prosperous pub industry in Scotland.

Statement of Intent

The Scottish Pubs Code Adjudicator is committed to:

- regulating independently, transparently, and in accordance with the Tied Pubs (Scotland) Act 2021 and the Scottish Pubs Code
- ensuring fair and lawful dealings between pub-owning businesses and tied pub tenants
- applying the Scottish Pubs Code consistently and proportionately
- delivering effective dispute resolution and enforcement where required
- promoting understanding, compliance, and best practice across the sector
- maintaining strong governance, assurance, and value for money in the use of public funds
- upholding the statutory principles of fairness, transparency, and shared risk and reward

Legal and Accountability Framework

Legislative Basis

The SPCA operates under the Tied Pubs (Scotland) Act 2021 and the Scottish Pubs Code Regulations 2024, which came into force on 31 March 2025. The legislation establishes:

- the Scottish Pubs Code
- the role and powers of the Adjudicator
- rights and protections for tied pub tenants
- enforcement mechanisms, including arbitration, investigation, and financial penalties

Accountability

The Adjudicator is accountable to the Scottish Parliament and is appointed by Scottish Ministers. The SPCA operates independently within the statutory framework and is subject to statutory reporting and financial duties.

A statutory review of the operation of the Code and the Adjudicator will take place following the 2025/26 operating year.

Vision, Purpose, and Values



Our Vision

To foster a fair, transparent, and sustainable tied pub sector in Scotland, where tenants and pub-owning businesses operate with confidence, clarity, and mutual respect.



Our Purpose

To ensure fair and lawful dealings between pub-owning businesses and tied pub tenants, and to support a transparent, balanced, and sustainable tied pub sector in Scotland.



Alignment with the National Performance Framework

The SPCA contributes to Scotland's National Performance Framework, particularly to the outcomes relating to:

Fair work and business;
A globally competitive, inclusive, and sustainable economy

The Scottish Pubs Code Adjudicator

By 2028, the Scottish Pubs Code Adjudicator will have further matured as an authoritative and trusted regulator, building on its established role to deepen understanding of the tied pub sector and continuously improve regulatory practice.

Over the period of this Corporate Plan, the SPCA will focus on learning from early regulatory experience, strengthening insight into market behaviour, and refining how its powers are applied to deliver the best outcomes under the Scottish Pubs Code in Scotland.

Success by the end of the period will be demonstrated by:

- sustained confidence in the SPCA's role among tenants and pub-owning businesses
- high levels of understanding of rights and responsibilities under the Code
- effective and timely resolution of disputes where formal intervention is required
- increased compliance and reduced reliance on formal dispute resolution over time
- proportionate, evidence-led enforcement focused on systemic risks and behaviours

In delivering this vision, the SPCA will apply its powers independently, transparently, and proportionately. It will balance enforcement with education and engagement, using evidence and regulatory insight to target activity where it will have the greatest impact, while remaining open to learning and continuous improvement as the sector and regulatory environment evolve.

This Corporate Plan articulates SPCA's role not only as a statutory adjudicator, but as an independent regulatory voice for Scotland's tied pub sector. While rooted in its legislative framework, the SPCA exercises judgement, discretion, and leadership in how it applies the Code, engages with the sector, and targets regulatory activity. As the regulator matures, its

focus will increasingly be on shaping behaviours, improving standards, and preventing disputes, alongside formal enforcement where required. In doing so, the SPCA provides a consistent and authoritative regulatory voice for the sector, helping stakeholders understand not only what the Code requires, but how it is applied in practice.

Our Value to the Tied Pub Sector

The Scottish Pubs Code Adjudicator exists not only to enforce compliance with the Scottish Pubs Code, but to add value to the tied pub sector by supporting fairer, clearer, and more confident business relationships. In doing so, the SPCA provides a visible, accessible, and authoritative point of assurance for the sector, helping issues to be addressed early and disputes to be avoided where possible.



For tenants, the SPCA provides:

- confidence that rights under the Code are upheld and enforceable
- access to impartial dispute resolution where power imbalances exist
- clarity and support in understanding options, including Market Rent Only



For pub-owning businesses, the SPCA provides:

- a clear and consistent regulatory framework
- certainty about expectations and standards of behaviour
- opportunities to resolve issues early and avoid escalation



For the sector as a whole, effective regulation:

- improves transparency and trust
- reduces unnecessary disputes and friction
- supports long-term sustainability and investment
- provides confidence that the statutory framework operates fairly and consistently

By preventing disputes through improved understanding, engagement, and standards — and by intervening proportionately where necessary — the SPCA aims to demonstrate that effective regulation strengthens confidence, supports stability, and enhances sustainability across the tied pub sector in Scotland.

How the SPCA Regulates

Regulatory Independence and Organisational Role

The Scottish Pubs Code Adjudicator operates as an independent statutory office and, in exercising its functions, acts in its own right as a regulator of Scotland's tied pub sector.

Although appointed by Scottish Ministers and accountable to the Scottish Parliament, the Adjudicator exercises independent judgement in the application of the Scottish Pubs Code, including in arbitration, investigation, enforcement, and guidance.

The SPCA is responsible for determining how its powers are deployed, how regulatory priorities are set, and how discretion is applied, having regard to the statutory principles of the Tied Pubs (Scotland) Act 2021, the Scottish Pubs Code, and the needs of the sector it regulates.

In carrying out its role, the SPCA acts as a visible and authoritative regulatory presence, accountable for its decisions and committed to transparency, fairness, and proportionality.

The SPCA delivers its statutory functions through three complementary strands of regulatory activity. This framework underpins both this Corporate Plan and the SPCA's Performance Reporting, and supports a proportionate, risk-based approach to regulation across the sector.

Regulatory Activity - Contentious	Regulatory Activity - Non-Contentious (Responsive)	Regulatory Activity Non-Contentious (Proactive)
• Where formal determinations are required. This includes: • arbitration and dispute resolution • Market Rent Only (MRO) referrals • investigations and enforcement action • complaints handling and reporting on avoidance	• Where the SPCA responds to enquiries and supports understanding. This includes: • guidance and published information • helpline and enquiry handling • tenant support and signposting • explanation of rights, responsibilities, and processes under the Code	• Where the SPCA works to prevent disputes and raise standards. This includes: • stakeholder engagement • monitoring emerging risks and trends • promoting best practice and compliance • using evidence and insight to shape proportionate regulation

Corporate Objectives 2025–2028

OBJECTIVE 1

Deliver effective dispute resolution and enforcement

Regulatory activity — Contentious

Purpose	To ensure disputes arising under the Scottish Pubs Code are resolved fairly, efficiently, and lawfully, and that breaches of the Code are addressed through proportionate enforcement.
Scope includes	• arbitration and dispute resolution • Market Rent Only (MRO) referrals • investigations into potential breaches • enforcement action and compliance monitoring
How we will deliver this objective	• operate a clear and accessible arbitration framework • define eligibility criteria and procedural rules for arbitration and MRO referrals • ensure timely handling of disputes with published performance metrics • maintain confidentiality and procedural fairness • operate a transparent investigations and enforcement policy • publish outcomes where appropriate to promote learning and compliance • monitor compliance following enforcement action • report on avoidance activity where identified

OBJECTIVE 2

Improve understanding of rights and responsibilities under the Code

Regulatory activity — Non-contentious (responsive)

Purpose	To support early compliance and reduce unnecessary disputes by improving understanding of the Code across the sector.
Scope includes	• guidance and information • helpline and enquiry handling • tenant support and signposting • explanation of arbitration and MRO processes
How we will deliver this objective	• publish and maintain clear, accessible guidance • respond promptly to enquiries from tenants and pub-owning businesses • operate a freephone helpline and digital enquiry channels • provide “Know Your Rights” materials for tenants • keep guidance under review in light of emerging issues • ensure information is consistent, clear, and proportionate

★ OBJECTIVE 3

Promote best practice and support a fair, sustainable tied pub sector

Regulatory activity — Non-contentious (proactive)

Purpose	To prevent disputes, raise standards, and support long-term fairness and sustainability in the tied pub sector.
Scope includes	• proactive stakeholder engagement • monitoring emerging market behaviour • sharing learning and best practice • targeted regulatory intervention where needed
How we will deliver this objective	• operate a stakeholder engagement group • host forums and engagement sessions • monitor trends in disputes, enquiries, and MRO requests • share learning from arbitration and regulatory activity • identify systemic risks and emerging issues • support conflict prevention and early resolution • use evidence to inform proportionate and targeted regulation

🏢 OBJECTIVE 4

Maintain effective governance, assurance, and value for money

Enabling objective

Purpose	To ensure the SPCA operates efficiently, transparently, and with appropriate assurance as an independent micro-regulator.
Scope includes	• governance and internal controls • financial management and levy stewardship • performance monitoring and reporting • digital systems and operational resilience
How we will deliver this objective	• maintain proportionate governance and assurance arrangements • establish and monitor regulatory performance metrics • publish annual performance and financial reports • operate secure and effective digital case management systems • support Scottish Government statutory reviews with evidence and insight • ensure value for money in the use of levy income

Strategic Focus for 2026/27

As the SPCA moves into its second full year of operation, 2026/27 will mark a shift from establishment and early implementation to strategic positioning and market influence.

Building on learning from the first year of the Code's operation in Scotland, the SPCA will focus on:

- deepening understanding of sector behaviour, risks, and pressures
- using evidence and regulatory insight to prioritise and target activity more effectively
- expanding proactive engagement aimed at preventing disputes and raising standards
- strengthening its visibility and accessibility across the sector
- demonstrating, through outcomes, the value of effective regulation

This phase will support the continued refinement of regulatory approach, ensuring that the SPCA remains responsive to the needs and expectations of the sector while maintaining its independence and statutory role.

This work will inform ongoing development of the Corporate Plan and operational priorities, ensuring the regulatory framework remains proportionate, effective, and credible as the sector evolves.

Conclusion

This Corporate Plan sets out how the Scottish Pubs Code Adjudicator will build on its established role to mature as an effective, authoritative, and sector-facing regulator of Scotland's tied pub sector. It reflects learning from the first year of the Scottish Pubs Code in operation and responds to what tenants and pub-owning businesses expect from their regulator.

Over the period of the Plan, the SPCA will move beyond initial implementation to strategically position itself as a visible and active enabler of fairer relationships, improved standards, and increased confidence in the statutory framework. By combining proportionate enforcement with education, engagement, and early intervention, the SPCA will demonstrate how effective regulation can strengthen, rather than burden, the sector.

In doing so, the SPCA will continue to uphold the statutory principles of the Tied Pubs (Scotland) Act 2021 and ensure the effective application of the Scottish Pubs Code, while delivering tangible value to the tied pub sector and supporting its long-term fairness, transparency, and sustainability.