



IS THE GUEST BEER HALF FULL? THE FIRST YEAR OF THE SCOTTISH GUEST BEER AGREEMENT MARCH 2026

1. INTRODUCTION

The Guest Beer Agreement is a new freedom for tenanted pubs in Scotland that, once agreed by their Pub Company, permits them to sell at least one guest beer in any format. This can be at the price of the tenant's choosing and they can change it as frequently as they wish as long as the beer brand meets a maximum production criteria.

The scheme went live in April 2025 and this report explores its impact amongst tenants and independent breweries. While it has only been available for a short time, the research shows that awareness is still too low with fewer than half of pub tenants aware of the new right. However, importantly, it shows that when they become aware of its potential, its usefulness to their businesses is very clear. Those with a Guest Beer Agreement in place are seeing a positive impact on their trade.

There is also plenty of interest from those aware of it with 1 in 10 having applied and a third saying they intend to apply. However, serious concerns have been raised from brewers that Pub Companies are dragging out the process or providing misleading advice. Worryingly, a small number of tenants report facing intimidation and discouragement.

SIBA believes that these issues need to be taken up to ensure that more tenants are aware of their rights under the Pubs Code. Tenants should not face fears in raising these issues with the Adjudicator and should have every opportunity to access the new Guest Beer Agreement if they should wish to which can improve consumer choice, support pub businesses and help local independent breweries.

2. MAIN FINDINGS AND RECOMMENDATIONS

- 1. Fewer than half of Scottish pub tenants are aware of their new right to have a guest beer. Indeed, tenants from five pub companies were not even aware of the Guest Beer Agreement at all.**
- 2. For those who are aware of it, the vast majority (71%) found it to be useful for their pub business. This increased to 94% for those who have applied for a Guest Beer Agreement. Nearly a quarter (23%) of those aware of it said it was improving trade, increasing to 86% for those who had an Agreement in place.**
- 3. Only a fifth of tenants who are aware of it have secured a Guest Beer Agreement from their pub companies. While there is plenty of interest - with 1 in 10 having applied and a third saying they intend to apply – concerns have been raised about**



pub companies dragging out the process and misleadingly saying that the tenancy must be renegotiated.

4. A small but not insignificant number raised worrying concerns of intimidation and being discouraged from applying for the Guest Beer Agreement in potential breaches of the Pubs Code. Some said that pub companies did not know their own policies on Guest Beers.

SIBA recommends that:

- *The Scottish Pubs Code Adjudicator and pub companies must do more to highlight this new opportunity to pub tenants.*
- *The Adjudicator should review the pub companies' processes to ensure they are consistent and straight forward and not resulting in any delays. This should include the reporting of statistics on the length of time taken to approve an Agreement.*
- *The Adjudicator should examine the existing schemes being offered as alternatives to the Guest Beer Agreement to ensure that tenants are not being restricted from purchasing a guest beer of their choosing and in the format they wish as detailed under the Code.*
- *Guest Beer Agreement guidance should be amended to explain that the tenancy does not need to be renegotiated but only amended to allow the Agreement.*
- *Pub tenants should be better encouraged to bring issues of potential breaches of the Code to the Adjudicator for advice and investigation.*

3. BACKGROUND

The Guest Beer Agreement is a novel policy initiative which permits pub tenants in Scotland to sell at least one beer chosen by them at a price they determine and change this as frequently as they wish as long as the beer volume is below a maximum production criteria¹. This was introduced as part of the Scottish Pubs Code which came into force in April 2025 with the stated aims to²:

1. Give tenants a further opportunity to improve their business relationship between tenant and landlord
2. That tied pubs are not worse off than they would be if they were not subject to any tie
3. To support small brewers
4. To improve consumer choice.

¹ See Part 5, Paragraph 20 of the Scottish Pubs Code Regulations 2024 - <https://www.legislation.gov.uk/sdsi/2024/9780111060063/introduction>

² <https://www.gov.scot/publications/tied-pubs-consultation-scottish-pubs-code-part-1/pages/6/>



The pub tenant, referred to as Tied Pub Tenants (TPTs) in the Pubs Code, can request an Agreement any point from the Pub Operating Business (POB) in writing. The tenant can choose, purchase, change and sell without penalty, at least one beer from any brewery in any format where the brand is no more than 5,000 hectolitres per year – which is the equivalent of 879,877 pints. In the UK around 80% of the 1,600 or so small independent breweries are below this level for their total production so in most cases all their brands would qualify.

The Guest Beer Agreement allows a direct commercial relationship between the tenant and the brewer and does not require the pub tenant to stop selling any product – so they do not have to remove a beer to replace it with. While it does allow a service equipment charge to be levied, it is not required.

This agreement is unique to Scotland and does not exist in the equivalent Pubs Code covering England and Wales.³ The Scottish Pubs Code also has specific differences to the one for England and Wales, in that it includes all pub companies and tenants regardless of their size. Whereas in England and Wales the Pubs Code is limited to those pub companies that operate 500 or more tenanted pubs. In Scotland there are estimated to be over 600 tied pubs operated by 16 pub companies.

4. FINDINGS

SIBA commissioned a survey of pub tenants and small independent breweries to understand how the Guest Beer Agreement had performed since its introduction. The publican survey covered 351 tied pub tenants out of the more than 600 tied pubs⁴ in Scotland and included representatives from all 16 pub companies.⁵ The brewery survey consisted of 26 SIBA members based in Scotland.

4.1 Awareness

Although the scheme has only been live for a short period, less than half (45%) of Scottish pub tenants said they were aware of the Guest Beer Agreement. This varied between pub companies with the lowest of 20% for a small Scottish pub company and 29% for a UK wide operator. Only one UK wide pub company secured over 50% (at 53%). Tenants at five pub companies (including one UK wide pub chain) were unaware of the scheme at all, although these companies operate a small number of pubs in Scotland.

³ See here for more information on the Pubs Code in England and Wales, <https://www.pubscodeadjudicator.org.uk/who-we-are/pubs-code>

⁴ SIBA's research suggests that there are 615 open tied pubs in Scotland

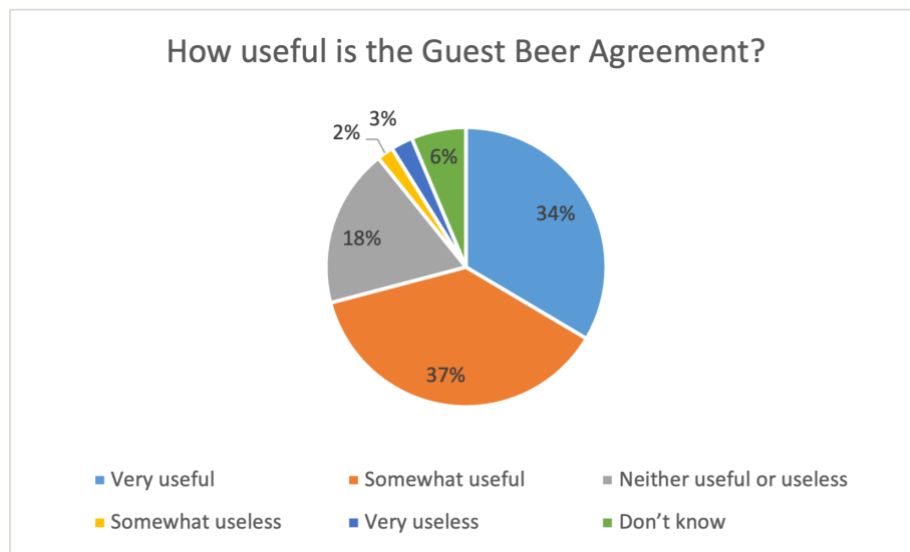
⁵ This was carried out by Projects Research Ltd and conducted by phone between September-November 2025



4.2 Impact

Those who were aware of the Guest Beer Agreement were asked how useful they believed it was to tenants. The results showed that 71% of tenants who are aware of it found it to be useful compared to 5% who said it was useless (see figure 1 below). All those who have entered into a Guest Beer Agreement said it had been useful to them. The vast majority (94%) of those who have applied for an Agreement also thought it was useful.

Figure 1



Tenants were also asked about the impact of the guest beer on trade with nearly a quarter (23%) saying that it was having a positive affect and improving trade. For those who have a Guest Beer Agreement in place this increased to 86%. No tenant said it was having a negative impact, although nearly half (49%) said that they didn't know as it was too early to judge.

4.3 Take up

The survey asked those who were aware of the Guest Beer Agreement if they had entered into one or applied through their pub company. This showed that nearly a fifth (18%) had entered into an agreement and 11% had applied with a third (33%) saying they intend to apply (see figure 2 below). The highest take up has been in UK wide pub chains which is not unexpected given their higher number of pubs in Scotland. While the Guest Beer Agreement is a new element, these companies are also experienced in applying the Pubs Codes regulations in England and Wales so have a better understanding of the expectations of the Code.

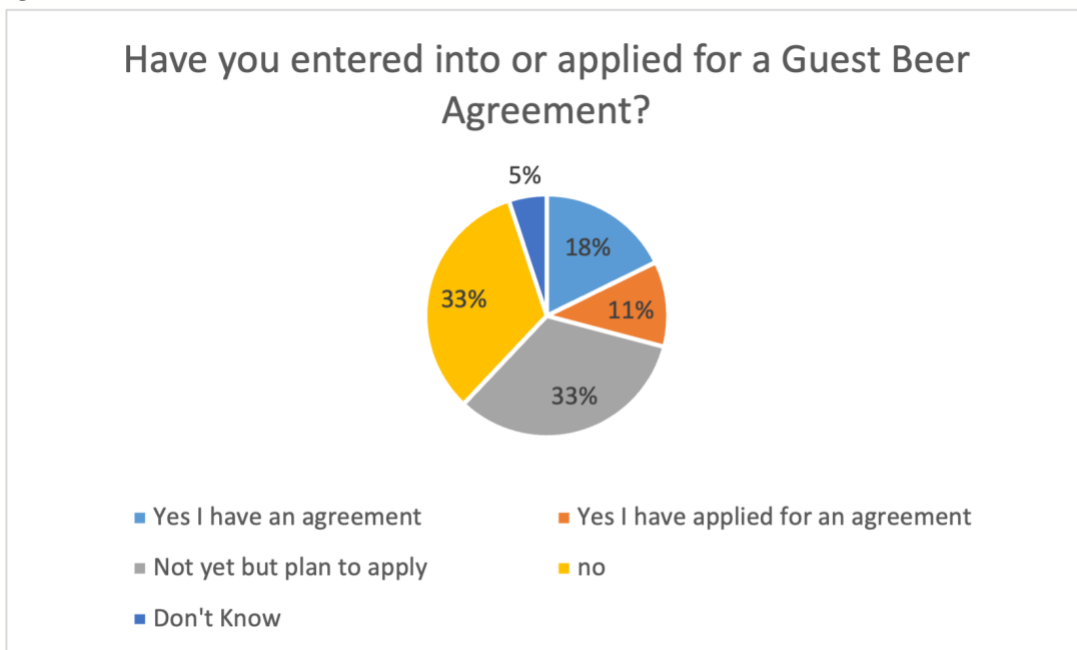
Scottish brewers were also asked for any feedback they've received from pub tenants. Thirty-five percent of brewers told us that tenants were still waiting for the pub company to sign off the agreements. Others said that pub companies were drawing out the process as long as



possible. One said that tenants were being told to limit the number of kegs on the guest beer line to one per week.

Those who had entered into a Guest Beer Agreement were also asked about the format of the beer. The scheme allows TPTs to buy the beer in any format – including in cask or keg draught beer or in bottles and cans. Eighty-six percent of those who have an Agreement reported it was in keg format and 14% said it was in cask, with no one serving bottles and cans.

Figure 2



4.4 Why not take it up?

The survey sought to understand why TPTs have decided not to take up the Guest Beer Agreement. There were several reasons given by those who said they had not applied. Nearly a quarter (23%) of those that had not applied said that their customers were not interested with some citing they sell more whisky, wine or cocktails than beer. For these establishments it is understandable that such a scheme may not work for them or be appropriate for their customers.

A fifth (20%) said that they had different arrangements with their pub companies. While the Guest Beer Agreement allows the pub companies to use an existing arrangement that meets the same criteria, there may be a role for the Pubs Code Adjudicator to understand what these other arrangements are in place to ascertain that they are compatible with the Code. Brewers told us that pub companies were informing tenants to use Beerflex as the “agreed access” for the Guest Beer Agreement. Beerflex is an existing purchasing and supply arrangement for pub tenants operated by SIBA but does not cover all beer formats (such as



keg) and is limited to SIBA brewing members. The Guest Beer Agreement should allow tenants to choose beer from breweries outside of the Beerflex scheme and in all formats (including kegs, casks, bottles and cans) if they should wish to.

Brewers also told us that tenants were being informed they would need to renegotiate their tenancy agreement to take part and that it would impact their rent. The Pubs Code is clear that the Guest Beer Agreement should not vary the existing lease except where necessary to allow an Agreement and should not penalise them in any way.⁶

A small but not insignificant number of tenants (8%) from both UK wide and Scotland only pub companies raised cases of intimidation and discouragement which would appear to be clear and worrying breaches of the Code. Several said they were “not encouraged” or “strongly discouraged” from taking part. Others said that it was made clear they were not to opt in the agreement if they wanted to keep their tenancy or they would be pushed to the bottom for refurbishment plans. Another indicated that the pub operator had no idea what the process was so they gave up. The Guest Beer Agreement in the Pubs Code is clear that it should not vary the existing lease nor penalise the tenant in any way.

A small number (4%) said that they can’t access the beer brands they wanted to serve either because the small breweries did not provide them for sale in that area or they were brands that exceeded the maximum production criteria. This low number suggests that this is not a significant barrier to tenants taking up the Guest Beer Agreement.

Notable quotes by survey recipients

“It wouldn't look good when it came to renewing our tenancy & it's very common, they blackmail you into not using it.”

“The ownership of our pub have very strongly discouraged it...”

“It has been made very clear that I am not to opt into the agreement if I want to keep my tenancy.”

“Our pub group has not 'encouraged' us to take part in it.”

“Tenants have expressed sentiments like ‘we don't want to be in the pubco's bad books.’”

⁶ The Scottish Pubs Code Regulations 2024, Part 5, 20 (2) (b) states that it should not vary the existing lease except to the extent necessary to include the agreement and where a service equipment charge has been agreed to provide for that charge. Section (2)(c) states it should not penalise the tied pub tenant in any way.



4.5 Support of Pub Operating Businesses

Pub tenants who were aware of the Guest Beer Agreement were also asked how supportive their pub companies had been with the process. A majority (54%) said they were supportive with 31% saying they were very supportive and 23% somewhat supportive. However this support varied amongst the different pub companies ranging from 29% to 80%. It also varied depending on whether the tenant had applied or not with those who have secured an Agreement being the most supportive. A minority (4%) said that the pub companies had tried to dissuade them from taking up the Agreement. Some of the comments are shown in the box below.

Notable quotes by survey recipients

"They categorically told us that if we opted into the agreement that they would not look favourably on us when we came to renewing our tenancy & we are not the only ones that this has happened with."

"It's been made clear however subtly that we should not enter into the agreement because it would not be very good for us when it comes to our tenancy renewal."

"I have been told that I am not to get involved with the agreement if I want to keep my tenancy & I can't afford to lose it."

"Subtle hints about impacting lease renewal - all verbal."

"Verbal comments about how it will impact our relationship with the brewery and push us to the bottom of refurbishment plans."

4.6 Future changes

Tenants also had the opportunity to suggest future change to the scheme. Whilst the majority did not have any specific suggestions, some suggested a flexible trail and easier access. Others said that they would benefit from additional guest beer lines or a wider range of beer. The operation of the Pubs Code is due to be reviewed in 2026 after one year of its operation and these issues would make a contribution to this review.

5. CONTACT

For further information or any questions please contact political@siba.co.uk