

Pubs Code Adjudicator Tied Tenants Survey 2023

Key findings

PUBLIC

Overview

01

Methodology

The Process:

- 1,206 tenant interviewed by phone between Jan 10th and March 17th, 2023.
- Pubs invited to take part at random by Ipsos.
- Quotas were placed on interviews achieved by size of pub company estate and region within.
- Confidence intervals for the whole sample are approx. +/- 3 percentage points and range from +/- 5 to 8 points by pub company.

Final number of interviews achieved:

Pub company	Interviews
Admiral	155
Marston's	159
Punch Pubs	139
Star Pubs & Bars	234
Greene King	139
Stonegate	380
TOTAL	1206

Findings at a glance (1)

- 2023 findings broadly similar to 2022. Recall (84%) and awareness of code (78%) largely unchanged.
- Familiarity with code rights at similar levels to 2022 – as is satisfaction when experiencing them.
- Overall satisfaction with tenant relationship unchanged at 62%, as is dissatisfaction at 22%.
 - Marston's (85%), Greene King (75%) and Admiral (75%) above average. Marston's up 12 pts. Stonegate below average at 50% satisfied having fallen 9 points.
 - BDM scores largely unchanged overall. Repairs and dilapidations a key concern— especially for Stonegate and Star (who have significant leased estates). Marston's, with their large franchised estate, does well here and on being seen to provide business support to tenants.

Findings at a glance (2)

- 8 in 10 new tenants find information received pre tenancy useful. 58% say same of sustainable business plan – satisfied tenants tend to find this information the most useful.
- 54% aware of PCA overall. 1 in 3 do not trust PCA to be independent of govt / industry (but majority do).
- One in four have visited PCA website in past year (positive experience) but few recall contacting enquiry line.

02

Profile of tied tenants

Profile of tied tenants – some key stats

- 61% male
- 7 in 10 aged 45 or over (one in ten aged under 35)
- 95% white
- 1 in 10 have a disability or long term illness
- 52% have held tenancies 10 years or more
- 62% started current tenancy arrangement since code came into force
- 88% single operator

Base: All tied pub tenants (1206)

Type of pub arrangement by pub company

S3. Is your arrangement for [PUB NAME]...

Type of arrangement	Among all	Admiral	Marston's	Punch Pubs	Star Pubs & Bars	Greene King	Stonegate (trading name of Ei Group)
A tied lease agreement	39%	30%	9%	38%	55%	29%	45%
A tied tenancy	42%	52%	14%	52%	33%	60%	44%
A franchise agreement	9%	0%	70%	1%	0%	5%	0%
A short agreement of less than 12 months or tenancy at will	4%	9%	3%	1%	6%	1%	3%
Something else	6%	9%	4%	7%	5%	5%	7%

Base: All tied pub tenants (1206), Franchise includes those referring to themselves as operating under a retail agreement

03

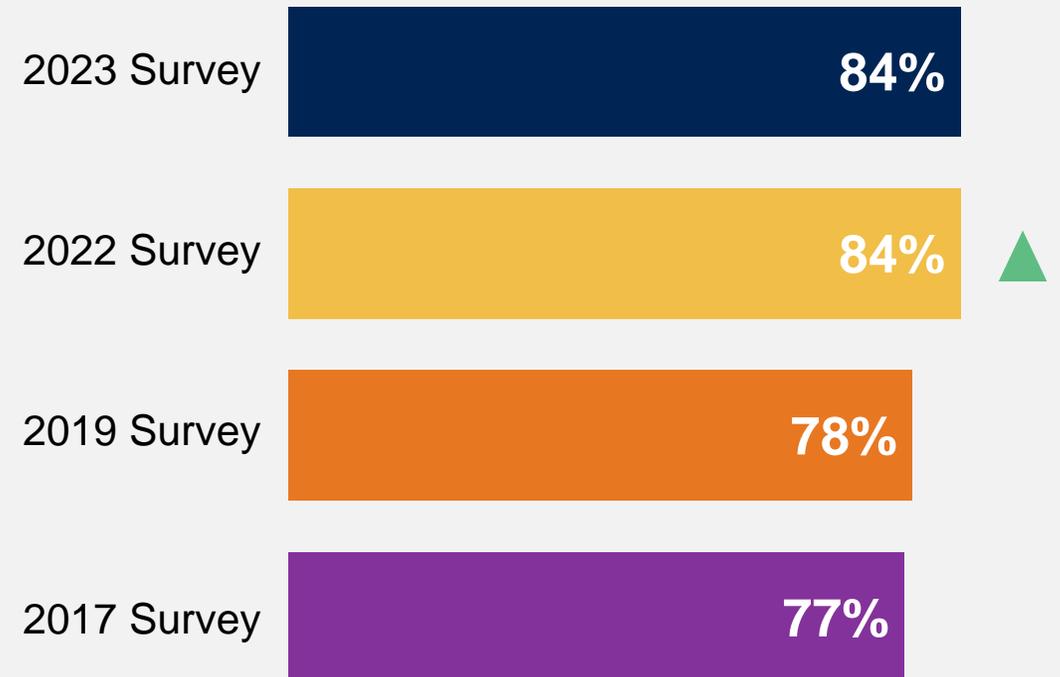
Awareness and recognition of Pubs Code/ PCA

Whether tenants have received information about the Pubs Code

C1. Have you ever read, seen or heard anything in relation to The Pubs Code?

- 84% of tenants have heard of the pubs code – sustaining the increase in awareness seen in 2019.
- No significant variation by pub company this year. The range of differences between pub companies has reduced since 2022.
- Recall of pubs code has narrowed in range across pub companies this year – 81% for Punch to 88% for Greene King and Admiral, compared to 2022 which was 72% for Punch and 92% for Admiral.

% Ever read, seen or heard anything in relation to Pubs Code

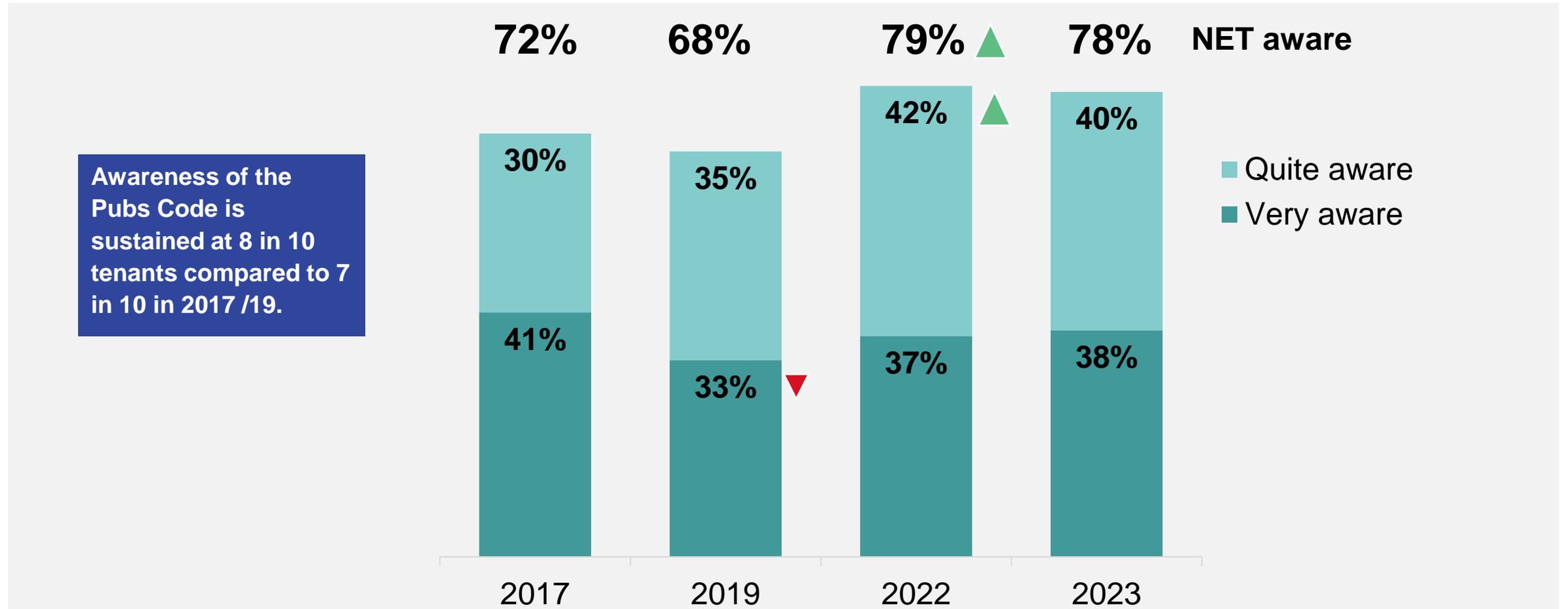


Base: All tied pub tenants (1206)

▼▲ Statistically significantly different from previous survey

Awareness of the Pubs Code

C2. How aware, if at all, were you of The Pubs Code before today?



Base: All tied pub tenants (1206)

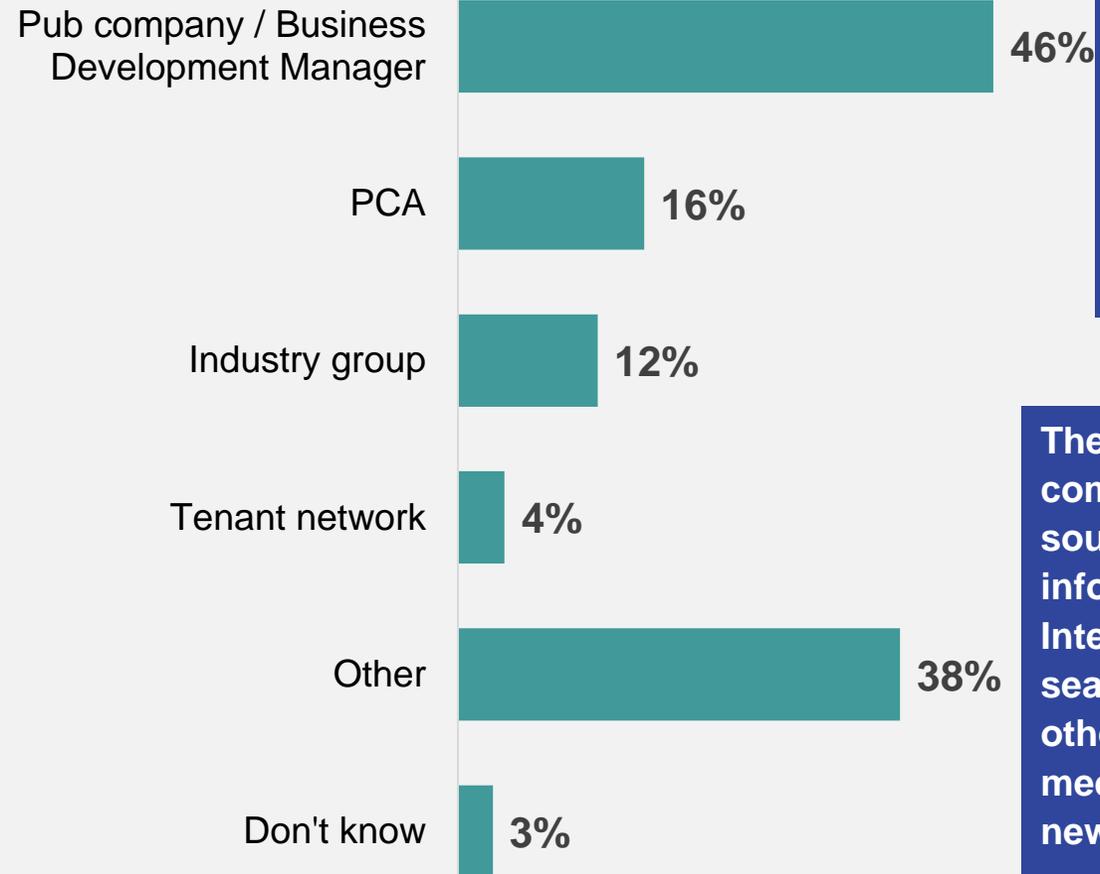
▼▲ Statistically significantly different from previous survey

Where tenants have seen information about the Pubs Code

C3. Where have you read, seen or heard anything about The Pubs Code in the past 12 months?

- Most tenants get their information from their pub company or BDM. Within this category, the most common response was from **pub company emails** (17%), followed by **pub company website** (14%) and **information or advice from BDM** (10%).
- There was a wide variety of responses under Other for sources of information.

Proportion mentioning a source of information under each heading



Greene King tenants most likely to have got info from their pub company/BDM (67%).

The most common Other sources of information were Internet/Google search (15%), other social media (6%) and newspapers (4%)

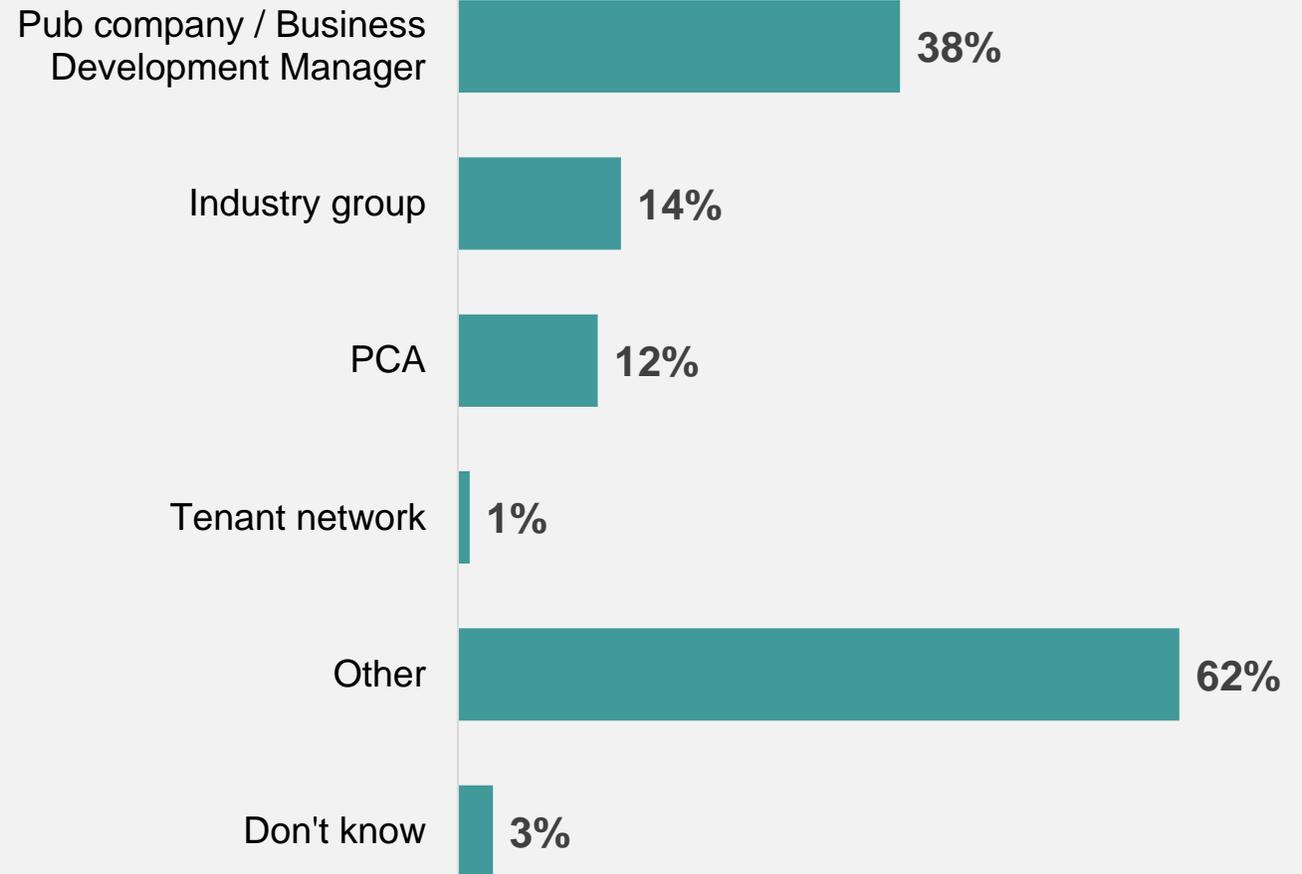
Base: All tied pub tenants who have read, seen or heard anything about the Pubs Code (1010)

Where tenants would go for information about the Pubs Code

C4. If you wanted to find out some information on The Pubs Code, where would you go for this information?

- Half of tenants (52%) said they would search the **Internet/Google** if they wanted information about the Pubs Code (under Other). This was the most common response – others sub 5%.
- Pub company/ BDM was the second most common potential source of information. One in five tenants (20%) said they would go to their **pub company website** for information and 12% said they would go to their **BDM**.

Proportion mentioning a source of information under each heading



Base: All tied pub tenants (1206)

Awareness of the Pubs Code Adjudicator

F1. Before today, how aware, if at all, were you of The Pubs Code Adjudicator?



Two thirds of tenants who are aware of the Pubs Code know the Pubs Code Adjudicator. This has remained stable since last year (64%).

Over half of all tied tenants are aware of the PCA.

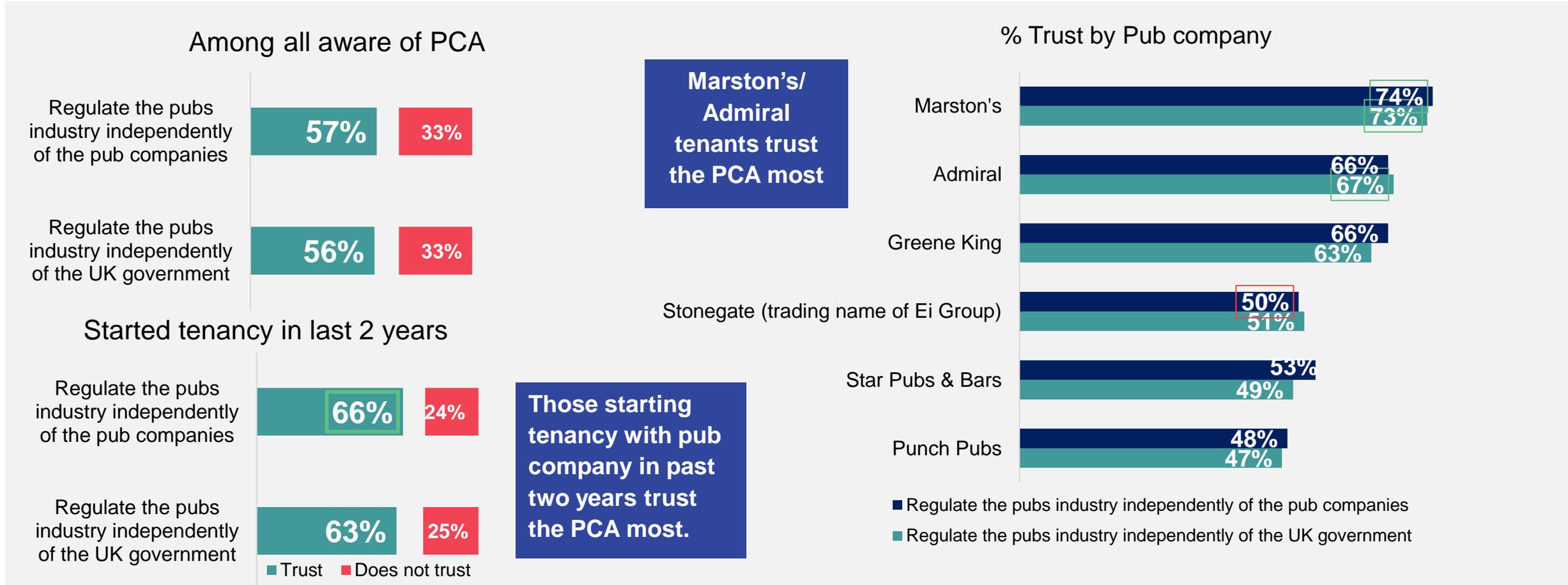
Greene King tenants are most aware of the PCA (68%) and Stonegate tenants are least aware (48%).

Base: All pub tied tenants (1206), Tied tenants aware of the PCA (943)



Tenant trust in PCA independence

F2. To what extent if at all, do you trust the PCA to...



Base: All tied pub tenants who were very / quite / not very aware of the PCA (963), tenants aware of the PCA and started tenancy in the last 2 years (255)

Indicate the proportion of a sub group is statistically significantly higher or lower than the total sample

04

Awareness and experience of code rights

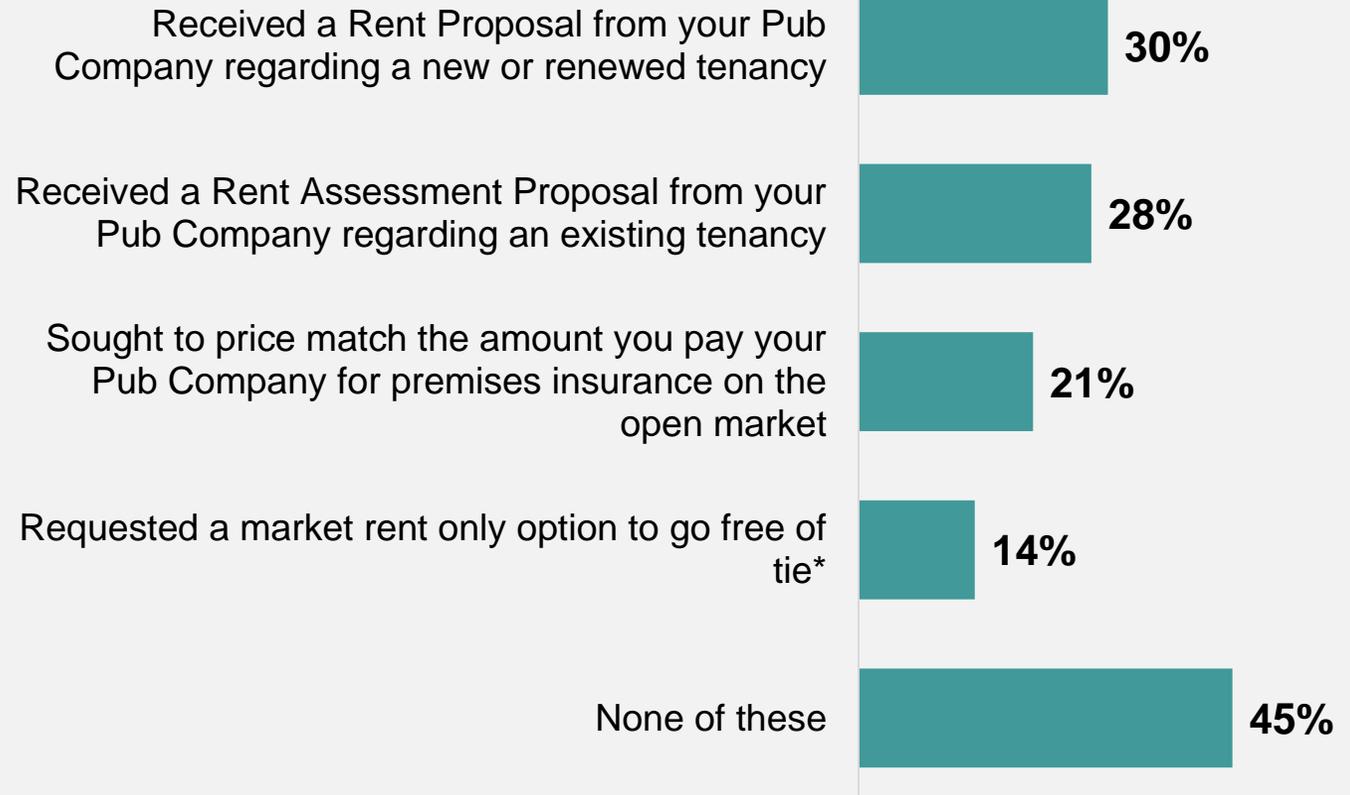
Whether tenants experienced Code events in the last year

C5. Which, if any, of the following have you experienced with [PUB COMPANY] in the last 12 months?

Star tenants with a relevant agreement* were most likely to have had a rent proposal (39%) or rent assessment proposal (34%) recently.

Instances of price matching insurance was broadly similar across pub companies.

Few of the relevant tenants had requested an MRO to go free of tie, ranging from a handful of Marston's tenants with a suitable tenancy** to 16% of Stonegate tenants.



Base: All tenants with a tied tenancy, tied lease agreement, something else or who don't know what their agreement is (1040)

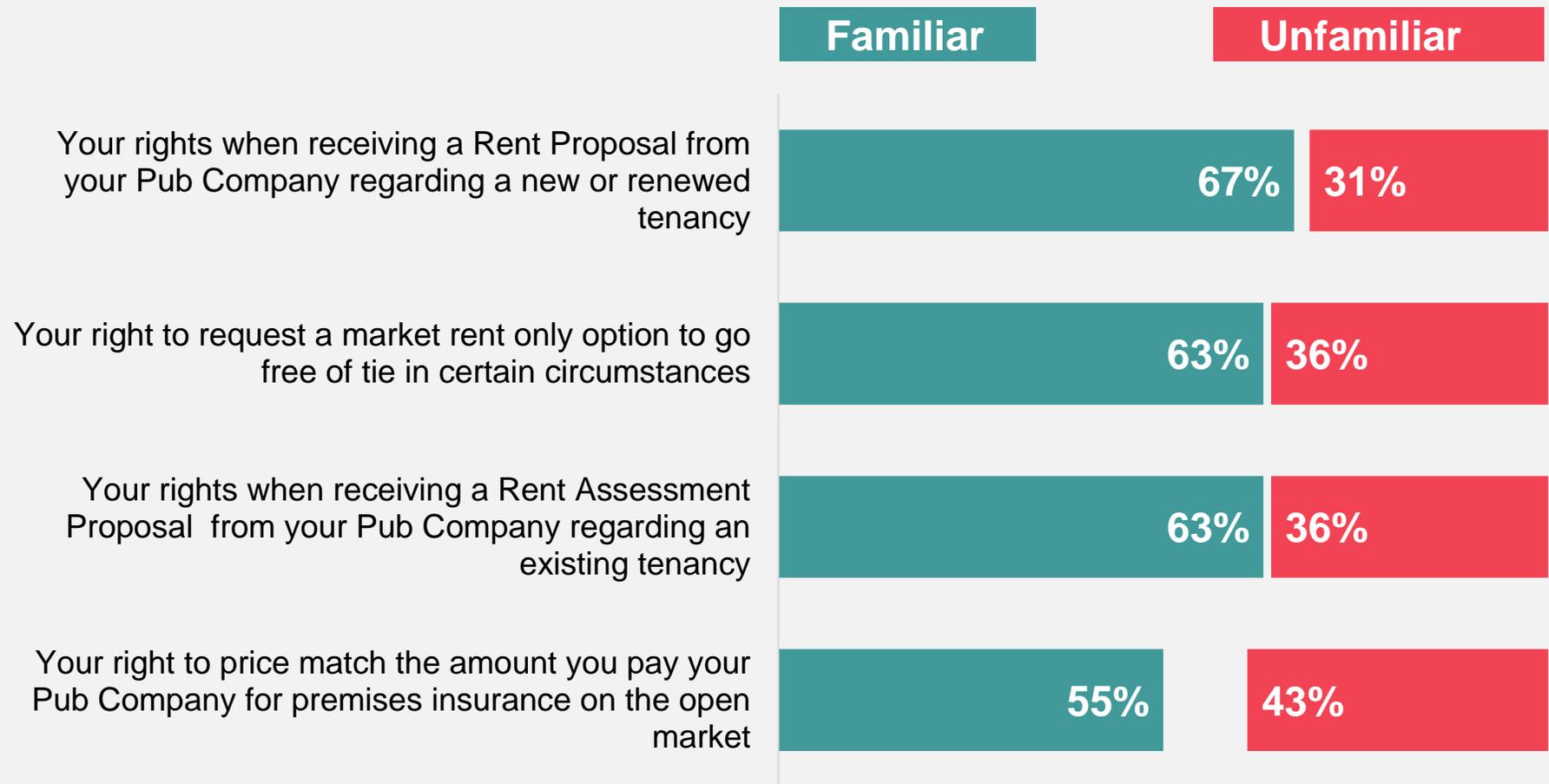
*Tenants with a tied lease agreement, tied tenancy or other tied agreement not including tenants with a short, retail or franchise agreement

**4% of a small base of n=44 with appropriate tenancy

Familiarity with rights

C6. Before today, how familiar, or not, would you say you were with your rights as a tenant in the following areas of The Pubs Code?

Little variation in scores by pub company – Admiral tenants most familiar with rights around premises insurance (63%).

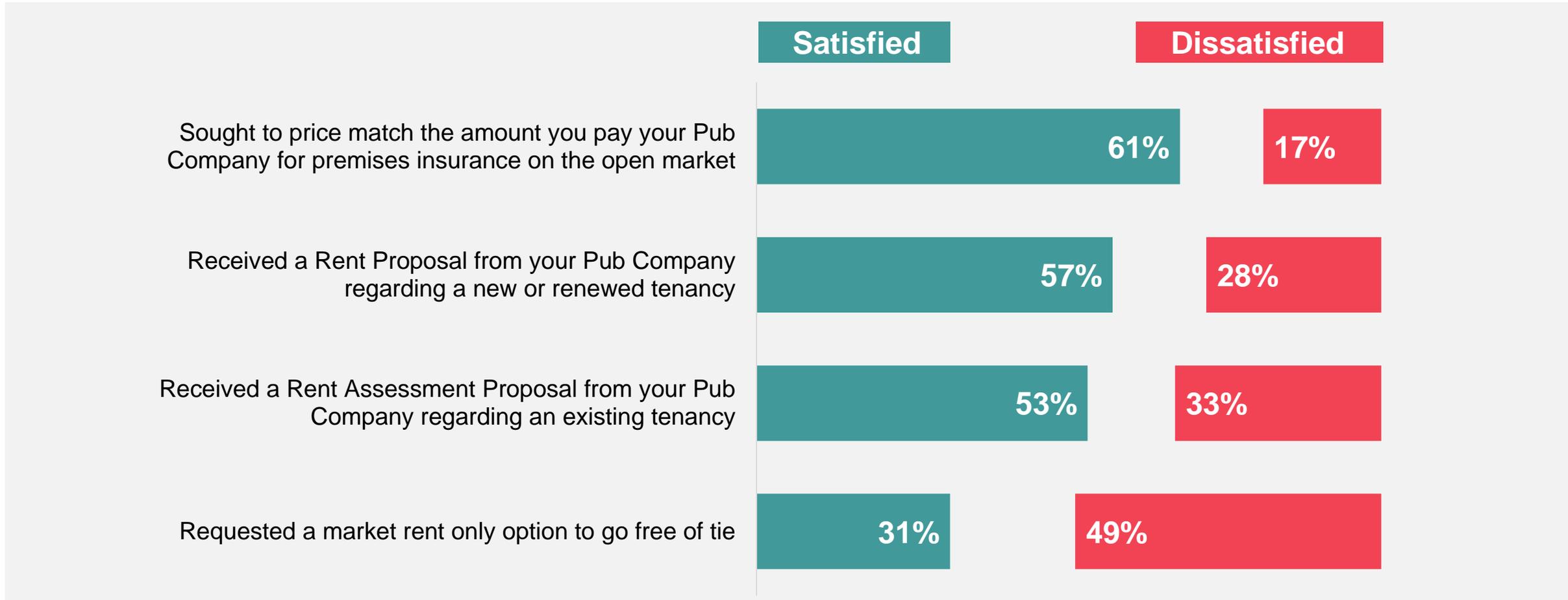


Base: All tenants with a tied tenancy, tied lease agreement, something else or who don't know what their agreement is (1040)



Satisfaction with pub company handling of Pubs Code events

C7. Overall, how satisfied or dissatisfied were you with how [PUB COMPANY] dealt with you when you did the following?



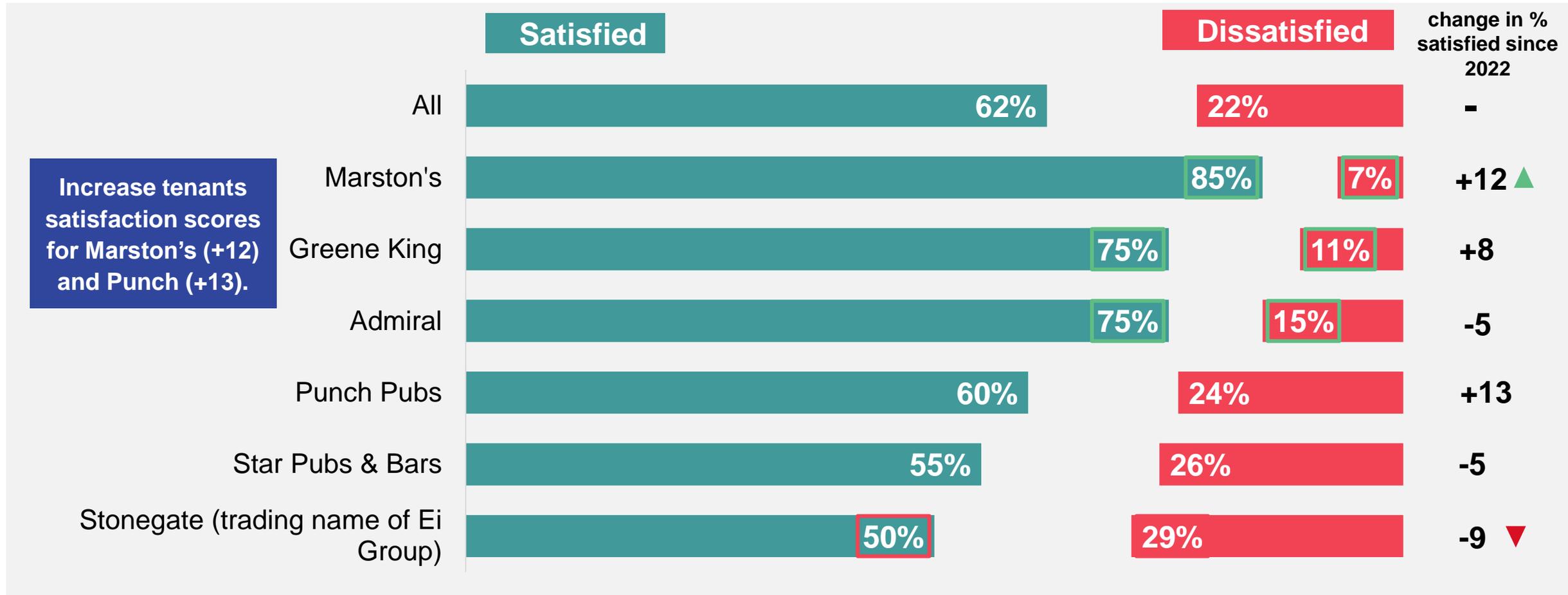
Base: All tied tenants who sought to price match the amount you pay your Pub Company for premises insurance on the open market (220), received a Rent Proposal from your Pub Company regarding a new or renewed tenancy (304), received a Rent Assessment Proposal from your Pub Company regarding an existing tenancy (289) and requested a market rent only option to go free of tie (143)

05

Tenant satisfaction with tenancy and pub company

Overall satisfaction with pub company

D3. Overall, taking everything into account, how satisfied or dissatisfied are you with your relationship with [PUB COMPANY] today?



Base: All tied pub tenants (1206) with Admiral (155), Marston's (159), Punch Pubs (139), Star Pubs and Bars (234), Greene King (139), and Stonegate (380)

▲ Statistically significantly different compared to 2022

□ Indicate the proportion of a sub group is statistically significantly higher or lower than the total sample

Reasons tenants are dissatisfied with the relationship

D.4 What are the main reasons why you are [fairly dissatisfied/very dissatisfied] with the relationship?



- Lack of support/ communication/ trust
- Slow repairs/ disputes with repairs
- Difficult lease negotiations
- High/ increasing prices (rent, alcohol etc.)
- Issues with stock

“I haven't had a Business Development Manager for the last 6 months or information on how to contact people. I would phone up and it doesn't go anywhere else and they say they will call back and never do. Lack of communication between [pub company] and myself.” **A tied lease**

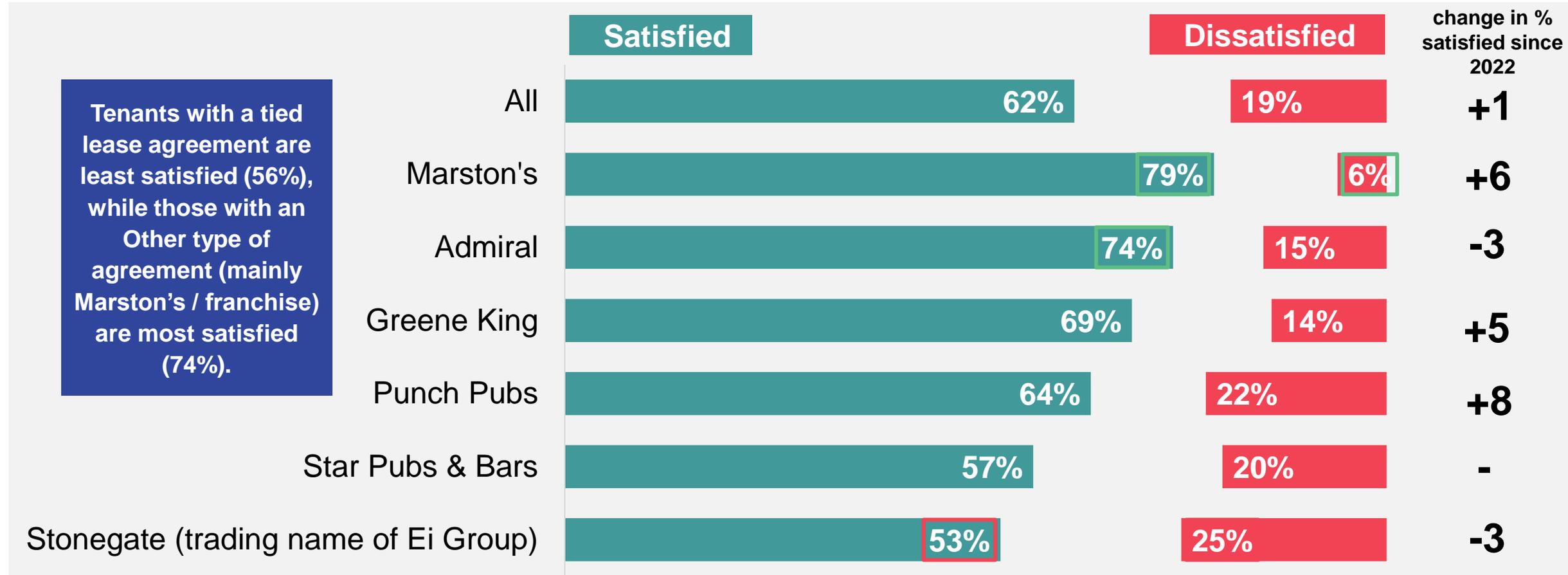
“Basically because of the current situation – rent is high, and purchases are high. Lots of the repairs are expensive and could've been done at a cheaper rate. I also disputed with them when it came to buying beer.” **A tied tenancy**

Base: All tied tenants who are dissatisfied with their relationship at D3 (255)



Satisfaction with type of tenancy agreement

G4. Overall, how satisfied or dissatisfied are you with the type of tenancy arrangement you chose for your pub?



Base: All tied tenants who knew their type of agreement (1202), Marston's (159), Punch Pubs (138), Star Pubs & Bars (232), Greene King (139), Stonegate (380)

▲ Statistically significantly different compared to 2022

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Reasons tenants are happy with their type of agreement

G5. And why do you say that?



- Agreement works well/ is fair
- Good communication with pub company/ area manager/ BDM
- Flexibility – can be only tied on beer, cider
- Happy when company covers the rent/ utilities/ bills (Marston's)
- Make money/ happy with % of the turnover

“Very transparent, easy in/out agreement and suits our needs.” **A tied tenancy**

“We[ve] received great support from [pub company] throughout from area manager and region manager if there is a question or support they are there, even maintenance any damp or problems with roof they fix it in days.” **A franchise agreement**

Base: Tied tenants who know their type of tenancy and are satisfied with their tenancy at G4 (758)

06

Relationship with pub company

Awareness of business development manager and code compliance officer

D1/D2. To what extent, if at all, do you agree or disagree with the following statements about your business development manager/Code Compliance officer?

Tenants were asked a series of statements about their business development manager (BDM) and Code Compliance Officer (CCO) and those that responded that they did not know who their BDM/CCO was were excluded from the base. The proportions of tenants not aware of their BDM or CCO are displayed below.



Awareness of BDMs is consistent across the pub companies.

There is a wider range of awareness of CCOs. 44% of Greene King tenants are aware who their CCO is as are a third of Marston's tenants (32%)

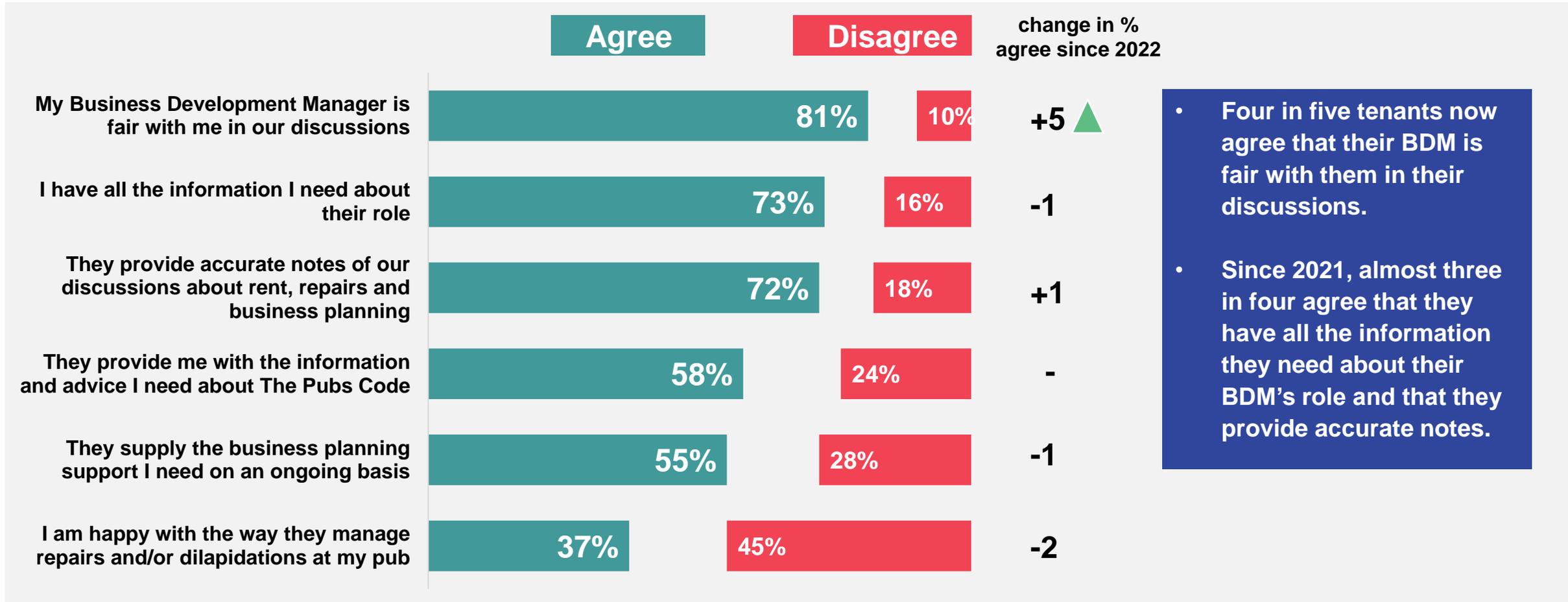
Base: All tied pub tenants (1206)

▼▲ Statistically significantly different compared to 2022



Tenant ratings of business development manager

D1. To what extent, if at all, do you agree or disagree with the following statements about your business development manager?



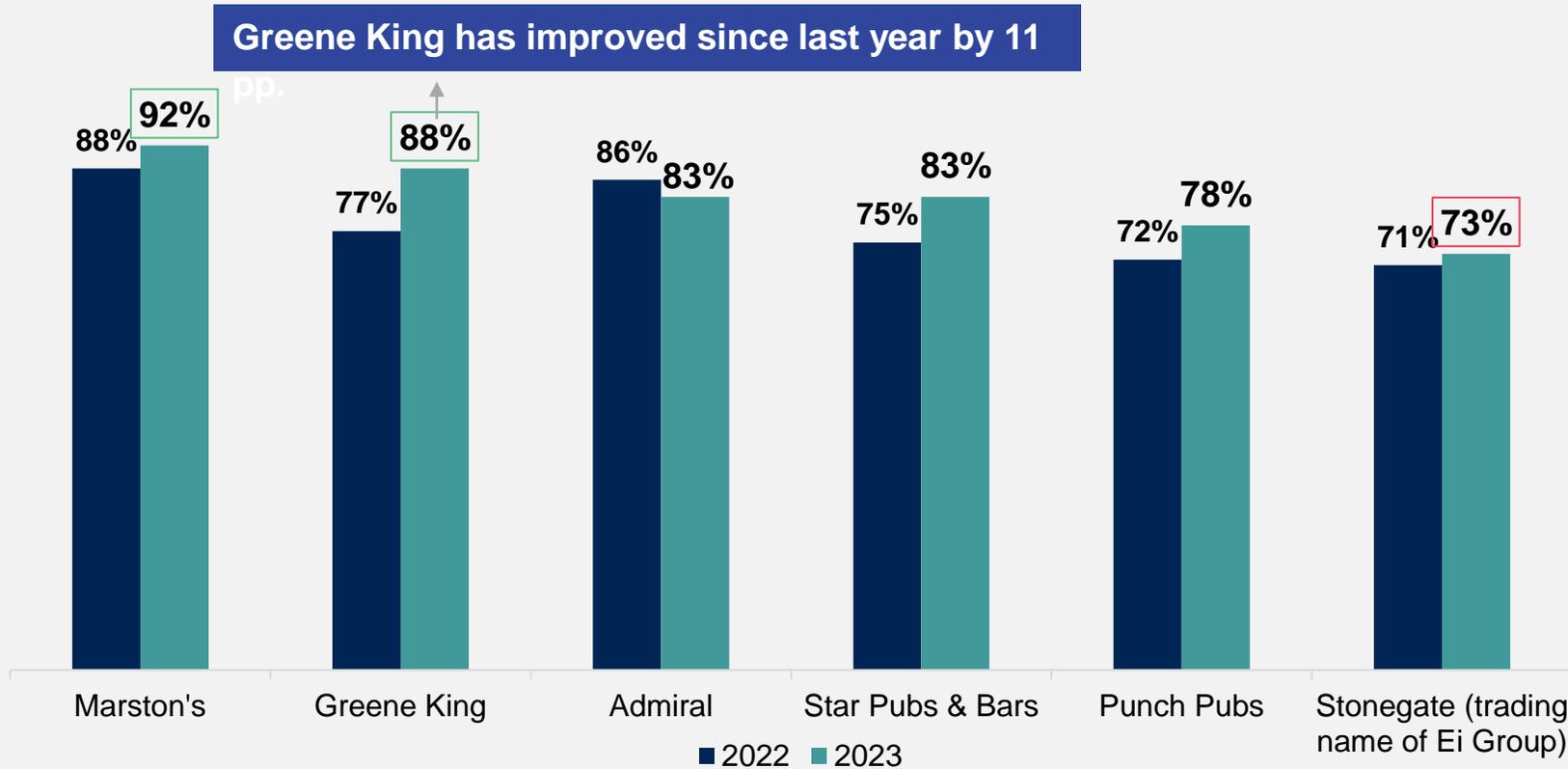
Base: All tied pub tenants who knew who their business development manager was (1179)

▼▲ Statistically significantly different compared to 2022

BDM fairness in discussions

D1. To what extent, if at all, do you agree or disagree with the following statements about your business development manager?

% Agree that their BDM is fair with them in their discussions



There is a high level of agreement that BDMs are fair in their discussions across the pub companies.

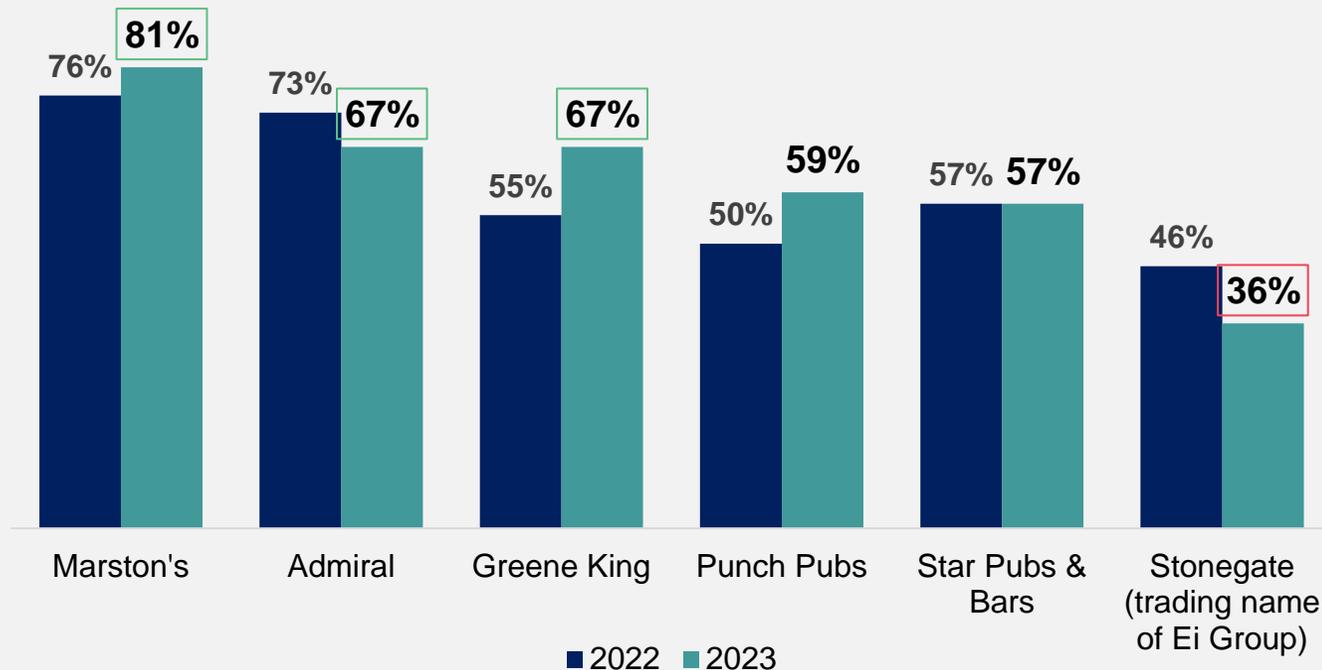
There is no significant difference between tenants with different types of agreements.

Base: All tied pub tenants that knew who their BDM was: Admiral (154), Marston's (155), Punch Pubs (138), Star Pubs and Bars (233), Greene King (136) and Stonegate (363)

BDM ongoing business support

D1. To what extent, if at all, do you agree or disagree with the following statements about your business development manager?

% Agree their BDM supplies the business planning support they need on an ongoing basis



Marston's, Admiral and Greene King score above average for BDM's providing ongoing business support. Stonegate score below average here.

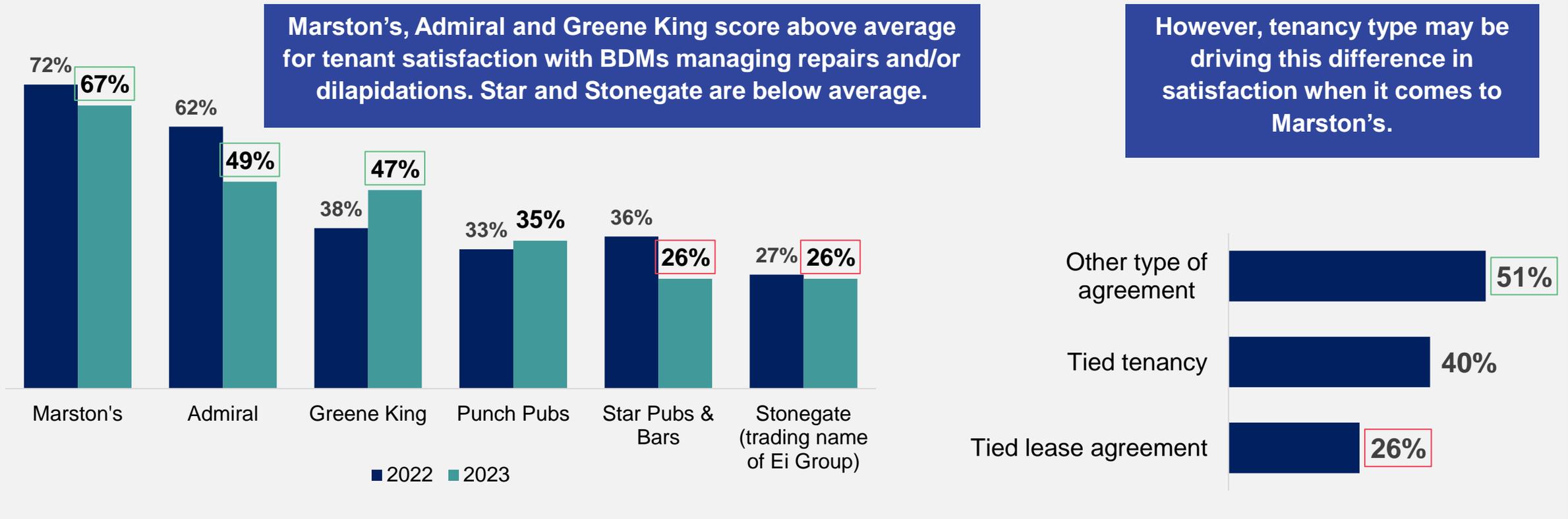
Base: All tied pub tenants that knew who their BDM was: Admiral (154), Marston's (155), Punch Pubs (138), Star Pubs and Bars (233), Greene King (136) and Stonegate (363)

Indicate the proportion of a sub group is statistically significantly higher or lower than the total sample

BDM management of repairs / dilapidations

D1. To what extent, if at all, do you agree or disagree with the following statements about your business development manager?

% Agree they are happy with the way their BDM manages repairs and/or dilapidations at their pub



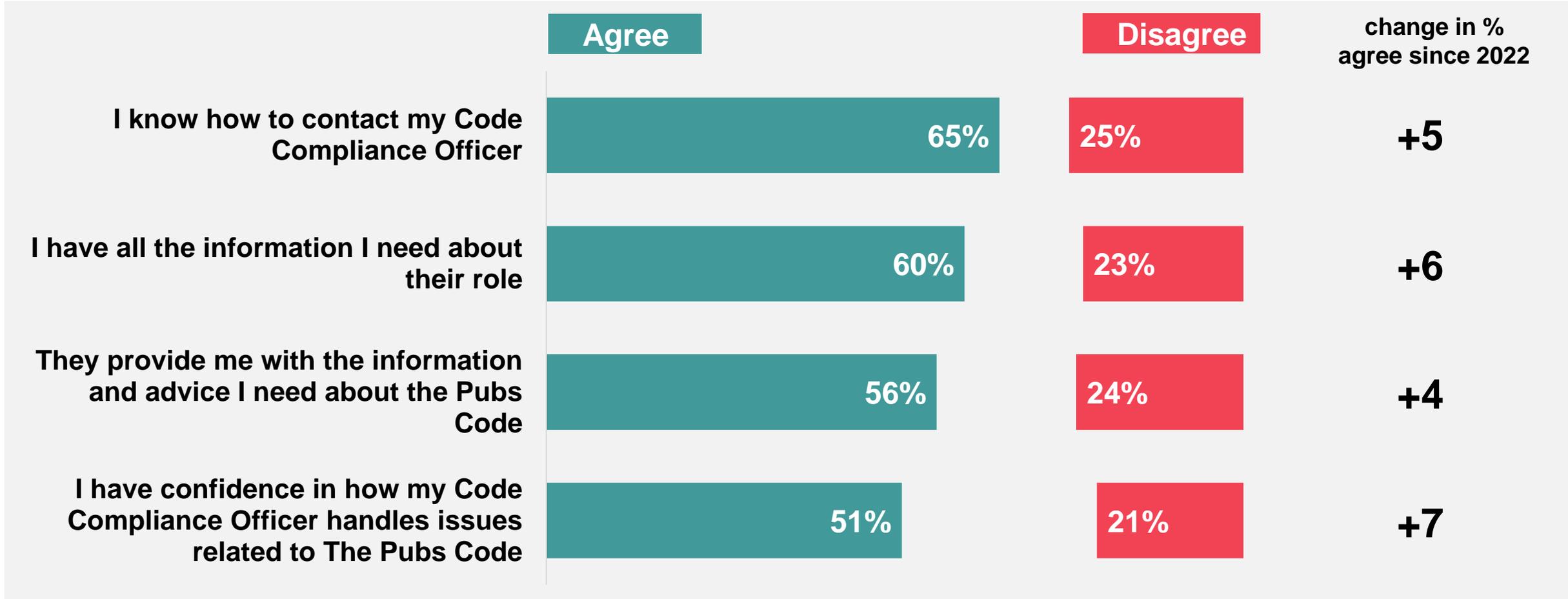
Base: All tied pub tenants that knew who their BDM was: Admiral (154), Marston's (155), Punch Pubs (138), Star Pubs and Bars (233), Greene King (136) and Stonegate (363), Tied lease agreement (447), Tied tenancy (493), Other type of agreement (235)

Indicate the proportion of a sub group is statistically significantly higher or lower than the total sample



Tenant ratings of code compliance officer

D2. And thinking now about your Code Compliance Officer, to what extent, if at all, do you agree or disagree with the following statements about the Code Compliance Officer?



Base: All tied pub tenants who knew who their code compliance officer was (314)

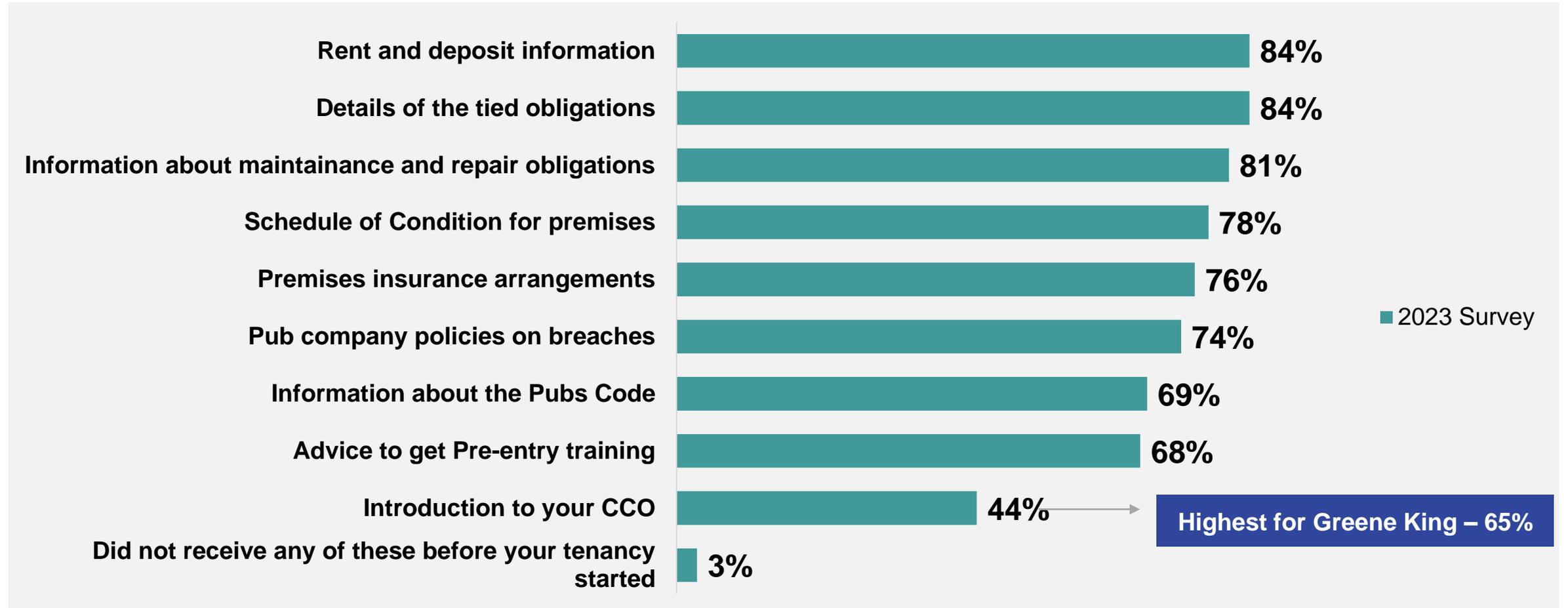
▼▲ Statistically significantly different compared to 2022

07

Information received by new tenants

What information new tenants remember receiving before starting

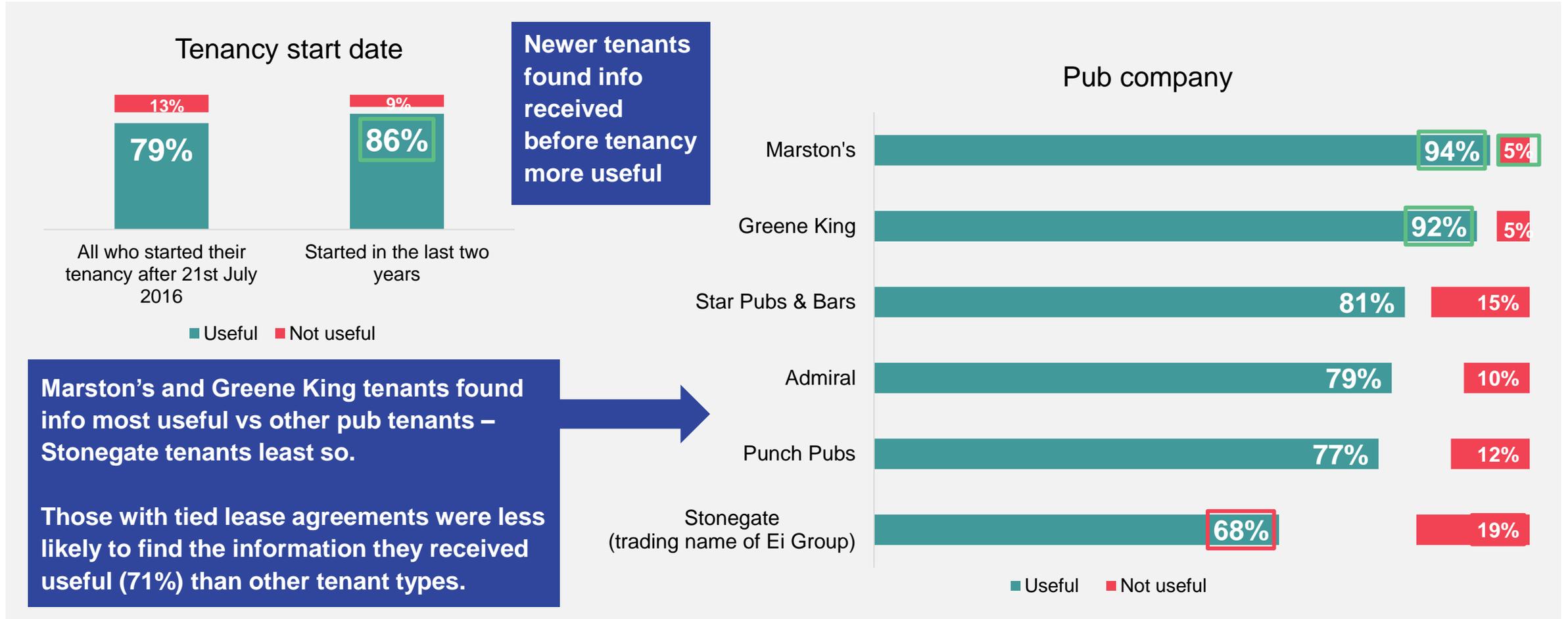
G7. What, if any, of the following information do you remember receiving from [PUB COMPANY] BEFORE your tenancy started?



Base: All tied pub tenants who started their tenancy after 21st July 2016 (751)

How useful tenants found information before starting tenancy

G8. And how useful or not did you find the information you received from [PUB COMPANY] before your tenancy started?



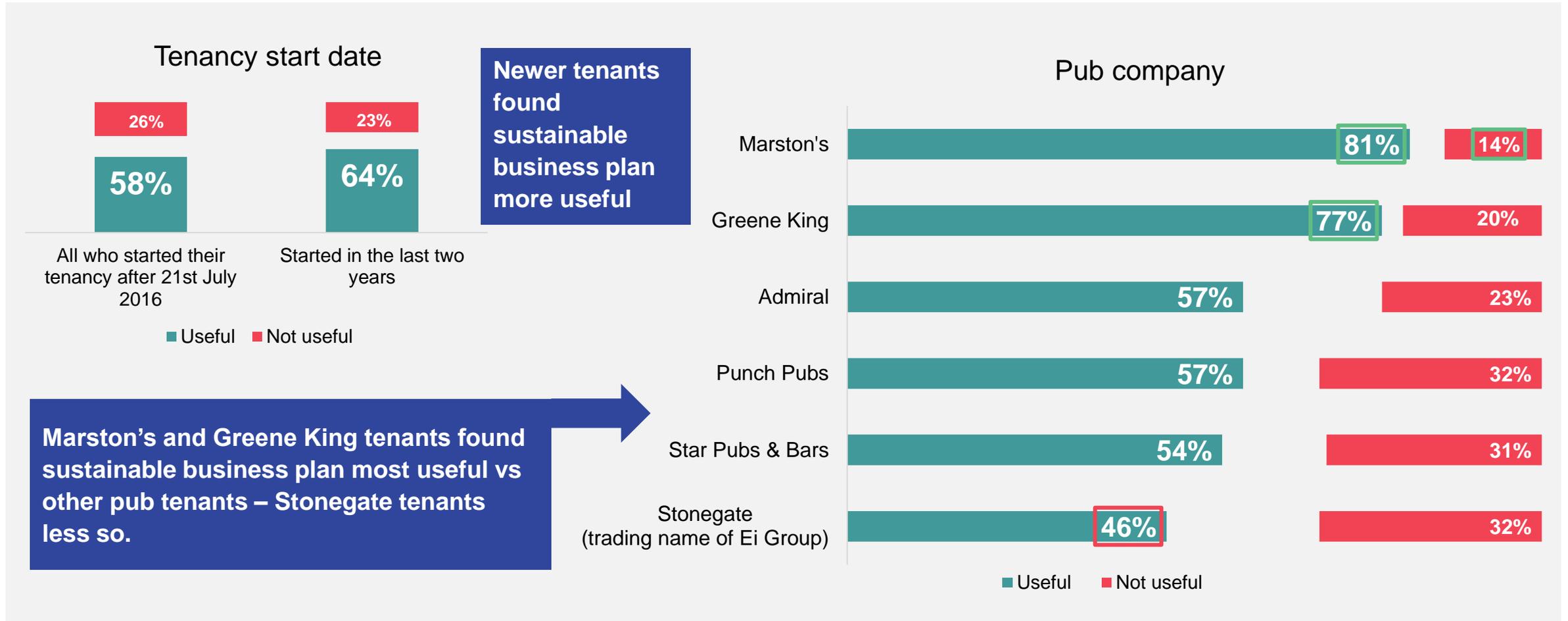
Base: All tied pub tenants who started their tenancy after 21st July 2016 (751), tenants who started between 2021 and 2023 (331)

Indicate the proportion of a sub group is statistically significantly higher or lower than the total sample



How useful tenants found their sustainable business plan

G9. How useful, or not, do you find your sustainable business plan in managing your tenancy?



Base: All tied pub tenants who started their tenancy after 21st July 2016 (751), tenants who started between 2021 and 2023 (331)

Indicate the proportion of a sub group is statistically significantly higher or lower than the total sample



Implications

08

Wrapping up...

Several key trends remain consistent with 2022 data – with some positives and some areas to consider further:

- Around 8 in 10 are aware of the code, though one in three or more are unfamiliar with certain specific rights.
- 6 in 10 tenants overall are satisfied with the relationship with their pub company – but satisfaction varies by company and tenancy type (Marston's tenants most satisfied).
- Negative tenant perceptions around the commercial relationship can weaken the tenant / pub company relationship (Stonegate, Star, Punch).
- The BDM relationship is generally positive – with 8 in 10 tenants saying BDMs are fair in discussions. Solid scores for all pub companies with notable improvement for Greene King.
- Repairs and dilapidations remain an issue in the relationship for tenants – with perceptions on this issue and the business support provided by BDMs varying by pub company.

What next?

Things to consider:

- Best practice - What can pub companies learn from the results about Pubs Code compliance driving tied tenant satisfaction?
- Pub companies considering:
 - What makes pre tenancy information useful?
 - How sustainable business plans can better be embedded within tenant's ways of working. Is anything new being done that is working?
- Tenant dissatisfaction relating to repairs / dilapidations is linked by tenancy type.
 - What further information do pub companies need to understand what can be done?
 - What practices are working best?
- How can the industry work together to resolve these issues?



**Pubs Code Adjudicator
Tied Tenants Survey 2023 – Stakeholder
presentation**

For more information

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