

RAISING A GLASS TO GROWTH, SCOTTISH COMMUNITIES, AND OUR PLANET

A **MANIFESTO**
FROM SCOTLAND'S BREWERS AND PUBS
2026

INTRODUCTION

The 2026 Scottish Parliament election arrives at a pivotal moment for Scotland's beer and pub sector. While turnover has shown steady growth, profitability for pubs remains the lowest in Europe — a stark reality that stifles investment, innovation, and the growth of Scotland's brewers.

Pubs and breweries are more than businesses; they are vital threads in the fabric of our economy, culture, and communities. Present in every constituency, the sector supports over 65,000 jobs and contributes an average of £100,000 per pub to local economies annually.

A thriving pub drives footfall to high streets, sustains a diverse supply chain, and fosters entrepreneurship from grain to glass. It is a force multiplier for economic activity and a cornerstone of Scotland's social life.

Yet, the sector faces mounting pressures — from rising costs and regulatory burdens to workforce challenges and changing consumer habits. Without targeted support from policymakers at all levels of government, these pressures risk undermining the sector's potential.

This manifesto outlines practical, evidence-based measures that political parties can adopt to support the sector, align with government priorities, and ensure that beer and pubs continue to be a powerhouse of Scotland's economy and a cherished part of our national identity.



OUR VISION

Brewers and pubs are key strategic assets for the Scottish economy and society, providing employment and economic growth, and creating a sense of belonging and wellbeing central to every community.

But they aren't always fully recognised as such. The Scottish beer and pub sector should be revered globally for excellence in culture and craft, environmental leadership and being truly open to all. This should be promoted and celebrated by governments and legislatures that results in a policy platform that supports and furthers these contributions.

However, following an unprecedented few years of challenges, and with the cost of doing business in our sector remaining acute, the solutions set out in this manifesto are even more critical to delivering this vision.

Our ambition for Scotland's beer and pub sector is to become a global leader in quality, innovation, and community integration. This vision will only be achieved by nurturing a resilient, highly-skilled workforce and fostering a culture of excellence in craft brewing and hospitality.

By championing sustainability and fair work practices, our hope is the sector will enhance its brand identity, attract investment, and strengthen its vital role in both local communities and the national economy. This ambition will be realised through robust collaboration between brewers, publicans, and government, ensuring that Scotland's renowned pub culture and brewing heritage will thrive for generations to come.

WHY GOVERNMENT SHOULD INVEST IN SCOTTISH BREWING AND PUBS



From Grain to Glass: The sector supports **65,000 jobs** - from the farmers growing malting barley and hops, to the scientists and brewmasters crafting the beers and the landlords of the pubs. Providing great career opportunities and flexible working in all parts of Scotland.



4,380 pubs and 151 brewers operate across the length and breadth of the country, spanning every constituency, supporting high streets and local economies, as well as agricultural communities. The sector is a major tourism asset across Scotland



The **majority of the beer that is consumed in Scotland is brewed domestically**, while Scottish brewers export to Europe, Asia, the Americas and Oceania.



We contribute **£2.3 billion to the Scottish economy** and generate **£1.2 billion in tax**. Sector growth will underpin economic growth.



Fundamental to place and connected communities. Pubs provide the largest community outreach service in the country – 2/3 adults believe their **local pub is vital to combat loneliness and social isolation.**



The sector is leading the way on emissions and water reduction with ambitious targets to **achieve Net Zero ahead of Government targets and to move towards a truly circular economy.**

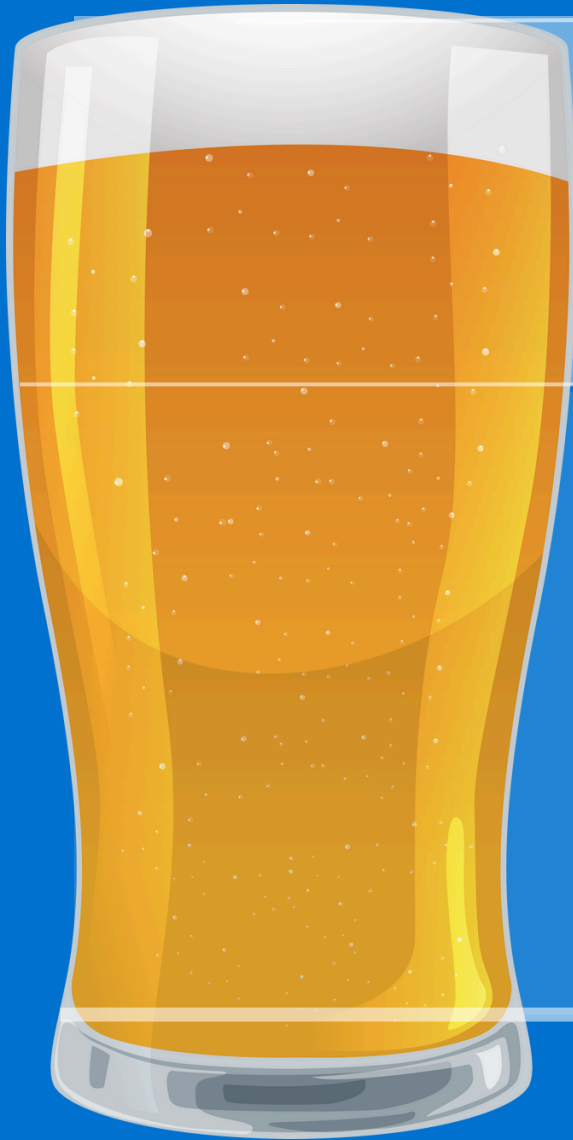


Fostering a culture of responsible drinking through partnership working and major **investment and innovation in low strength and non-alcoholic beers.** Beer is the lowest strength alcohol beverage.



Unlock private investment by lowering the tax burden on pubs and breweries. We are the **most heavily taxed business sector per pound of turnover in the UK**: 40% of UK brewing turnover and £1 in every £3 spent in pubs.

COST BREAKDOWN OF £5 PINT



TAX
£1.58
(32%)

£0.84 VAT
£0.11 Business Rates
£0.48 Duty
£0.15 Employment/Other Taxes

OTHER COSTS
£3.30
(66%)

£1.30 Cost of sales
£0.98 Wages
£0.22 Utilities
£0.80 Other costs

PUB INCOME
£0.12

HOW TO REALISE THE SECTOR'S FULL POTENTIAL

In a critical Holyrood election year, we are making the following core policy asks of Scottish parliamentarians and the government. We call on you to stand with us and support Scottish pubs and brewers:



Ensure the **business rates burden** is permanently addressed in the forthcoming independent review for pubs, and **provide additional rates relief** for pubs until reforms take place ahead of the 2029 revaluation.



Support the growth and availability of **Low and No alcohol products**, promoting their benefits as game-changing tools in moderating consumption.



Support both Scotland's economic tourism goals and the mental health and social wellbeing of its communities by **acknowledging the central role of pubs**, and ensure any government strategies include them as key delivery partners.



Provide certainty in difficult economic times, by **rejecting calls to ban or restrict the advertising and promotion of alcohol products**.



Introduce a **pilot programme** as part of route map to the **full reintroduction of safe and moderated consumption of alcohol at football matches** for general spectators.

POLICY SOLUTIONS: ENABLING AND INVESTING IN GROWTH



Scotland's brewing and pub industry contributes £2.3bn in GVA and £1.2bn in tax to the Scottish economy. Despite this major contribution, we continue to face a disproportionate rates burden which is inhibiting investment and placing pub businesses operating in Scotland at a competitive disadvantage to businesses in other parts of the UK.

This has been accelerated with the new RHL poundage rate in England, which means that even with 15% relief as announced in 2026-27 budget, Scottish pubs are paying substantially more than those in England.

Recommendation: We welcome the independent review of business rates valuation methodology announced in the Programme for Government 2025-26, and are calling for the next Scottish Government to develop a **permanent solution to the disproportionate rates issues faced by Scottish pubs with additional sector-specific relief to be implemented until changes can be made in the 2029 revaluation.**

Scottish brewing has a rich heritage dating back hundreds of years. However, it hasn't been celebrated as fully as other product categories when promoting 'Brand Scotland' globally.

This is a missed opportunity. From micro-breweries to global businesses, which should be promoted as being synonymous with Scotland's food and drink offer across the world. Doing so will both benefit the sector AND Scotland plc, through the attraction of greater inbound tourism to the country.

Recommendation: To achieve parity with other "national treasure" industries, we are calling for the Scottish Government to introduce a directly funded campaign **to support continued tourist activity and place pubs and brewing at the centre of Scotland's tourism offer.**

POLICY SOLUTIONS: ENABLING AND INVESTING IN GROWTH



Recommendation: Implement the recommendations of the Cross-Party Group on Beer and Pubs *Brand Scotland Inquiry* report, including working with the sector and trade representatives to create a hospitality strategy aligned with Brand Scotland; recognise and support the sector's role in job creation, especially in rural and economically challenged areas; acknowledge the unique social contributions of the sector in reducing isolation and loneliness; their role in supporting local events, music, arts, and sports; and acting as hubs for charity and community engagement.

The ban on alcohol sales at Scottish football matches has been in place since 1980, but it's time to reconsider. Allowing beer to be sold to general spectators could improve the matchday experience, boost club revenues, and bring football in line with other sports like rugby, where alcohol is permitted.

Modern stadiums are far better equipped to manage crowds and ensure responsible drinking. With proper regulation—such as limits on alcohol strength and designated drinking areas—beer sales can be safely reintroduced. Many European countries successfully allow alcohol at football without major issues, showing that the key lies in management, not prohibition.

Reintroducing beer would also treat football fans fairly, removing the stigma that has long separated them from supporters of other sports. A pilot scheme could test the waters, helping authorities assess the impact and adjust policies accordingly.

Recommendation: To create parity with other parts of the UK, we call on the next Scottish Government to **introduce a pilot programme as to enable safe and moderated consumption of alcohol in football stadia during the 2027/2028 SPFL season**, as part of routemap to the full reintroduction for general spectators.

POLICY SOLUTIONS: REDUCING BURDENS TO UNLOCK INVESTMENT



Proposals published by the Scottish Government in 2023 to restrict the advertising and promotion of alcohol products still cast a shadow over our sector, creating uncertainty and having stifled much-needed investment for over two years. We recognise the Scottish Government's desire to deliver positive public health outcomes, but the proposals brought forward were disproportionate and misplaced. This view persists - even more strongly now, in the present economic environment.

Recommendation: We call on the next Scottish Government to **oppose proposals to ban or restrict the advertising and promotion of alcohol products, in favour of continued and sustained support for existing self-regulatory models.**

This will provide pubs and producers with much needed certainty during trying economic times and remove a significant threat to businesses. No and low alcohol products should be wholly excluded from any future proposals relating to alcohol marketing.

The acute challenges facing our sector are caused by a combination of external headwinds (changing consumer habits, rising costs) and government policies from the National Insurance Contributions increase to the Deposit Return Scheme and a disproportionate business rates burden.

Recommendation: To provide our sector with breathing space, we are calling for the next Scottish Government to **implement a moratorium on proposals which layer additional costs on businesses for the duration of the next parliamentary term**, unless a robust impact assessment and extensive prior consultation with the sector has been conducted.

POLICY SOLUTIONS: REDUCING BURDENS TO UNLOCK INVESTMENT



The cumulative burden facing pubs and brewers is all-too-often increased by policies which lack a sufficient evidence base, leading to unintended consequences for the sector.

Recommendation: Ensure a solid and robust evidence base for policy through early, in-depth consultation and engagement with the sector across all impact areas.

The introduction of the Scottish Pubs Code has dampened investment in Scotland's beer and pub sector, despite the relatively small size of the tied pub market and little evidence of issues in comparison. Pub-owning businesses have faced an initial levy that is approximately double the cost of the equivalent in England and Wales. Since the Code came into force, there have been very few—if any—cases referred to the Scottish Pubs Code Adjudicator, raising questions about the necessity and proportionality of the regulatory framework. The Code was introduced without a robust economic impact assessment and with limited evidence of widespread problems in the sector.

Recommendation: Given these concerns, the upcoming statutory review and future reviews should reassess whether the Code remains proportionate to the size and needs of the Scottish tied pub sector. Reducing the regulatory and financial burden—particularly the high levy—could help restore balance and encourage renewed investment.

POLICY SOLUTIONS: HEALTH AND COMMUNITY WELLBEING



Evolving consumer habits have made low and no alcohol drinks increasingly popular in Scotland, leading to significant growth in the market, with transformative investment being made in innovation and product development. Pubs across the country are responding to this demand by providing a more extensive offering of low and no alcohol products.

Recommendation: To facilitate this continued growth, we are calling for the Scottish Government to support the **No and Low products**, researching and promoting their benefits as potentially game-changing tools in moderating consumption.

At a minimum, this important category should be excluded from any future proposals relating to alcohol marketing, which could prove detrimental to uptake from customers and so limit the unlocking of potential health benefits.

Pubs are indispensable community assets across Scotland. In many rural areas, there may only be a pub and a village hall, providing vital hubs for local people to socialise and congregate, and playing a vital role in combating loneliness.

Recommendation: We would urge the next Scottish Government to **provide greater recognition of the positive role that the pub plays in addressing loneliness and social isolation and in supporting improved mental health**, particularly as part of any future iterations of 'A Connected Scotland'.

POLICY SOLUTIONS: HEALTH AND COMMUNITY WELLBEING



The majority of Scots (79%) either do not drink or drink within the recommended weekly guidelines. Whilst we have seen progress, the prevalence of hazardous/harmful alcohol consumption has decreased from 34% in 2003 to 20% in 2023, alcohol specific deaths have been increasing since 2012. The focus of alcohol policy in Scotland over the past 15 years has been on total population measures that don't reach those most in need of support.

Recommendation: Support the roll-out of Community Alcohol Partnerships to tackle underage drinking especially in areas of high prevalence; Expand services to reach harmful drinkers, such as, the Primary Care Alcohol Nurse Outreach Service (PCANOS), and assertive outreach treatment (AOT); Improve early diagnosis of liver disease through increased use of FibroScans in more community settings;

The promotion of responsible consumption and addressing harmful drinking can best be achieved through a whole of society approach. This approach recognises there is a role and responsibility for a broad range of stakeholders, including the alcohol industry to play their part. It is the approach adopted by the United Nations and World Health Organisation.

Recommendation: Recognise the alcohol industry is part of the solution to tackling harmful drinking and commit to working collaboratively with the sector.



POLICY SOLUTIONS: SUSTAINABILITY AND NET ZERO

The Scottish Government has committed to expanding the electric vehicle (EV) charging network and associated infrastructure to facilitate the continued rollout of EVs. Pubs across the country, particularly rural pubs, have a vested interest in this to make pubs more accessible, but also the potential to offer charging to attract customers.

Recommendation: We are calling on the Scottish Government to provide subsidies for pubs to act as EV charging hubs to facilitate the rollout of EVs

Scotland's pubs and brewers are committed to reducing their emissions and play their part in delivering the transition to Net Zero. However, with costs rising across the board, the funds simply don't exist for smaller businesses to prioritise investments which help improve energy efficiency and reduce carbon emissions.

Recommendation: To help facilitate the decarbonisation of our sector, we are calling for the next Scottish Government to establish a £10million Green Fund for pubs and brewers to help incentivise towards Net Zero.

Our industry worked constructively with the Scottish Government on the development of the Scottish Deposit Return Scheme, despite our profound concerns with the inclusion of glass, and the additional costs incurred on top of new obligations with Extended Producer Responsibility. As a sector we are supportive of recycling and circularity, provided the policy is proportionate.

Recommendation: We are calling for the Scottish Government to continue to work with industry to deliver a workable Deposit Return Scheme which is aligned with other schemes across GB and pathways for sustainable packaging circularity.

POLICY SOLUTIONS: SUPPORTING JOBS AND DIGITAL INNOVATION



Scotland's hospitality sector is renowned for its personal touch and unique character, from bustling city hotels to the vast network of small, local pubs that are the heart of their communities. However, digital transformation is a significant challenge for these businesses, particularly the small, independent establishments that often lack the capital, in-house expertise, and time to invest in complex new technology.

While many demonstrated remarkable adaptability during the pandemic, the transition often involved quick, siloed fixes rather than a cohesive, long-term strategy. To remain competitive and sustainable in an increasing digital world, the sector would benefit from dedicated support and clear pathways to adopt integrated, efficient digital solutions that enhance the customer experience.

Recommendation: Establish a hospitality-specific digital grant. The creation of targeted digital grants to help hospitality businesses cover the costs of new technology. This could include customer facing tech, as well as back-end systems such as cloud-based reservation and property management systems, advanced point-of-sale (POS) systems, and data analytics tools.

Recommendation: Establish an expert consultancy program to provide tailored advice and practical guidance on training staff and integrating new technology into existing operations, involving partnership groups like Skills Development Scotland.

POLICY SOLUTIONS: SUPPORTING JOBS AND DIGITAL INNOVATION



Scotland's brewing industry relies on highly-skilled roles, that require advanced technical knowledge and include positions such as brewing scientists, chemical engineers, and microbiologists, particularly in larger or innovative breweries. In addition to production, skilled roles are vital in areas like operations management, quality assurance, logistics, and engineering to maintain complex, automated equipment. With a strong focus on sustainability, data analysis, and market trends, brewers also rely on business development managers and marketing specialists.

Recommendation: Create a partial ring-fenced fund, allowing businesses to directly control and strategically invest a portion of their apprenticeship levy contributions into specific training needs, rather than placing all funds into a central pot. A further change could involve **increasing flexibility for wider workforce development**, enabling levy payers to fund shorter, modular courses and upskilling programs for existing staff, not just formal, long-term apprenticeships. These adjustments would give levy-paying employers more direct control over their investment while also allowing for a more agile response to evolving skill gaps within their workforce.

POLICY SOLUTIONS: SUPPORTING THE SECTOR LOCALLY, REGIONALLY, AND NATIONALLY



The success of pubs and brewers should be a collective endeavour. When the sector thrives, so too does the Scottish economy. However, this is predicated upon the conditions being in place which enables the sector to grow locally and nationally, with local and national governments working collaboratively to ensure policy alignment and a favourable trading environment.

Recommendation: Establishment of hospitality and late-night economy champions and dedicated hospitality strategies for local areas to spearhead local reforms and encourage vibrant, successful industries.

Recommendation: A streamlined planning process and permanent removal of outdoor permit fees to remove unnecessary administrative burdens.

Recommendation: Stop the pursuit of overprovision areas in future licensing policy statements to help support investment and regeneration.

Recommendation: Reform low-emission zones to allow non-compliant vehicles to enter for a small fee. Consideration should also be given to removing the zones at night to support public safety.

Recommendation: Ongoing review of visitor levies to ensure funds are being used appropriately and policies do not make Scotland less attractive to visitors.

POLICY SOLUTIONS: RESERVED ISSUES



The Scottish Beer and Pub Association acknowledges that the Scottish Government does not possess a full set of policy levers with which to support the sector in Scotland. To demonstrate its support for Scotland's pubs and brewers, we would urge the next Scottish Government to:

Recommendation: Work with the sector to pursue means of mitigating and addressing key concerns around the implementation of Extended Producer Responsibility (EPR).

Recommendation: Champion a cut in beer duty to support Scottish brewers and pubs and setting a path to reduce beer duty to the European average.

Recommendation: Foster positive cross-governmental working with UK Government on matters of importance to the economic health of the Scottish brewing & pubs sector, manifested in a bi-annual policy summit.

Recommendation: Scrutinise employment and skills regulation to ensure that it underpins growth and investment in Scotland's pubs and brewers and maintains the flexibility needed to account for seasonal and unpredictable trading patterns.

POLICY SOLUTIONS: RESERVED ISSUES



Recommendation: Support the accelerated expansion of the Youth Mobility Scheme.

Recommendation: Urge the UK Government to complete the proposals to revise the UK's existing low and no-alcohol descriptors bringing in line with Europe and other markets

Recommendation: Argue the case for a lower VAT rate on food and soft drinks sold in pubs to underpin growth, provide equity with retail to underpin the sector recovery and sustainable growth, for fairness, and to support the visitor economy.

Recommendation: Urge the UK Government to prioritise beer and brewing as a core component of future free trade agreements.

KEY FACTS ABOUT SCOTLAND'S BEER AND PUB SECTOR

Economic value:

- Our sector supports 65,000 jobs throughout Scotland. Over 40% of those employed in our sector are 18-24 year olds, providing critical first jobs and flexible working opportunities.
- 80% of pubs are run as SMEs and two-thirds of alcoholic drinks sold in pubs are beer
- Over 80% of beer sold is produced domestically, with strong domestic supply chains.
- Pubs are central to tourism and a top attraction. Over half of all visitors to Scotland visit a pub and increasingly seek out pubs to stay in

Social value:

- No and low alcohol beer is the biggest growth category – growing at 15-20% annually
- Ambitious Net Zero targets ahead of UK and Scottish Government Targets; a 70% reduction in brewing emissions since 1990
- 73% of Scots think pubs play important role in their community
- 80% of Scots believe pubs are important in bringing people together
- 72% of Scots believe pubs help combat loneliness and social isolation in their area
- £100m raised by pubs every year for charity
- Pubs are inclusive spaces, open to all,
- 51% of Scots watch live music in pubs
- Pubs are rolling out hundreds of EV charging points across the country

But...

- The brewing and pub sectors are characterised by high fixed costs (in part due to high taxes) and narrow operating margins. The cost of doing business remains acute.
- One pound in every three spent in the pub goes to the Government in taxes
- 40% of brewers' turnover is tax
- UK beer duty remains among the highest in Europe (10x Germany) and pubs overpay by £400m in business rates relative to turnover

Returns on Investment:

Sustainable tax and regulatory framework delivering a return to sector growth of just 2% year-on-year growth over this parliament could generate:



£120 million

In additional wages



6,500

In additional jobs supported



£230 million

in additional GVA generated



£141 million

In additional tax revenue



THANK YOU

For further detail on any of the policy recommendations set out in this manifesto or supporting information and data, please do get in touch at: ptogneri@beerandpub.com