



HOUSE OF COMMONS

LONDON SW1A 0AA

29th January 2021

Dear Conifer,

RE: 'PUBS MATTER' CAMPAIGN

Thank you for your recent correspondence in respect of support for pubs during the pandemic. I have read your comments with interest.

I share your concern about the future of pubs and the hardship caused by the Coronavirus outbreak. It is clear the economic effects of fighting COVID-19 last longer for businesses than the duration of any given restrictions, and we need to go further with our support.

I understand that the Coronavirus situation is rapidly evolving at present and that the new variant of the virus has shifted the goalposts. Given the latest developments, the Government has had to act decisively in ordering a new England-wide 'lockdown', as part of which, all pubs are forced to close. The Prime Minister expressed regret in announcing these new measures, which I very much share, but I agree with him that robust action is needed to bring the virus back under control.

While I appreciate that further closures will be unwelcome news for publicans, it is reassuring that the Chancellor has unveiled further economic support for retail, hospitality and leisure businesses, including pubs. New one-off top-up grants have been announced, worth up to £9,000 per property, to help businesses through to the spring. For those businesses not eligible for the grants, a £594 million discretionary fund is being made available by the Government as a matter of urgency. The new one-off grants come in addition to billions of pounds of existing business support, including grants worth up to £3,000 for closed businesses, and up to £2,100 per month for impacted businesses once they reopen.

In addition, to protect jobs, the Coronavirus Job Retention Scheme has been extended until April in response to Coronavirus restrictions, and to give people and businesses across the whole United Kingdom the certainty they need. Under the extension, the Government will pay 80 percent of wages up to a cap of £2,500, with employers paying employer National Insurance contributions and pension contributions only for the hours the employee does not work. Flexible furloughing is allowed in addition to full-time furloughing.

I am pleased that a robust package of support has been introduced since the start of the pandemic. No pub or other business in the hospitality sector will be required to pay Business Rates in 2020-21. HMRC has made it easier to claim back the duty on any beer thrown away as a result of pub closures. I also welcome that the temporary reduction of VAT to 5 percent



has been extended by a further three months to the end of March 2021. Additionally, the Chancellor will defer VAT repayments through a new scheme until March 2022.


While it remains the case that hospitality venues must close, it is my understanding that they may still provide a takeaway service for food and non-alcoholic drinks until 11pm. If pubs choose to offer a delivery service, they may provide alcohol.

I appreciate that there have been calls for a specific additional support package for pubs. I am very hopeful that the existing support provided will be enough, but evidence continues to be collected on the impact of the pandemic on the hospitality sector generally, and on pubs specifically, and I will keep this under review. Should the need arise, I will press Ministers to step in with further support for our pubs.

As we know, some pubs have unfortunately been forced to close their doors permanently due to financial strain. As hard as this is for owners and communities, it may not be the end for the pubs themselves. Since 2017, planning regulations removed permitted development rights from all pubs, requiring that planning permission must now be obtained prior to change of use or demolition. If listed as 'Assets of Community Value', this allows communities to have up to six months to bid to buy them if they have been put up for sale. Ultimately, local councils must decide whether a building or land should be listed as an 'Asset of Community Value'. I know the Government is nonetheless committed to making it easier for community groups to protect and take over local assets like pubs and will continue to explore options to strengthen the rights of our communities to do so.

I can completely understand why pubs and businesses in the hospitality sector are frustrated by the current restrictions placed on them. I can assure you, however, that these steps are necessary to protect the health of the nation and the response in the UK has been guided by science as the bedrock on which the Government is making its decisions. The Government has put a number of measures in place to support the hospitality sector throughout the pandemic in response to these challenges, but I am heartened that there is now meaningful light at the end of the tunnel with the vaccine breakthroughs of recent weeks – and like you, I very much look forward to a pint in our local pubs as soon as we are able.

Once again, thank you for having taken the time to contact me and if I can ever be of any further assistance to you then please do not hesitate to contact me again.

With best wishes,


**TOM PURSGLOVE MP
MEMBER OF PARLIAMENT
CORBY & EAST NORTHAMPTONSHIRE**