



HOUSE OF COMMONS

LONDON SW1A 0AA

13th August 2021

Jean Contrevent

RE: 'LONG LIVE THE LOCAL' CAMPAIGN

Thank you for your recent correspondence in respect of alcohol and beer duty and the pub trade more generally, with reference to the 'Long Live the Local' campaign. I have read your comments relating to the forthcoming Budget with interest.

I recognise your concern about the future of pubs and the hardship caused by the Coronavirus outbreak. It is clear the economic effects of fighting the virus will last longer for businesses than the duration of any restrictions. That is why I am glad that significant financial support has been provided to help our pubs through the worst of the crisis, with a long-term hospitality strategy announced to support their recovery.

The Prime Minister's 'road map' to reopening the country was a welcome announcement and I am so pleased that all legal restrictions on social contact have been lifted. Guidance has been published to support pubs in managing risk and protecting staff and customers. This includes by completing a risk assessment, providing adequate ventilation, and utilising check-in measures. You may wish to review this guidance, which can be found, here: <https://www.gov.uk/guidance/working-safely-during-covid-19/restaurants-pubs-bars-nightclubs-and-takeaway-services>.

Recognising the difficult months we have faced, it is good to see the substantial financial support and relief which has been offered to pubs. An extended Business Rates holiday was in place until the end of June 2021, with 66 percent Business Rates relief in place until the 31st March 2022. One-off 'Restart Grants' have been made available worth up to £18,000 for hospitality, leisure, accommodation, personal care and gym businesses. The reduced VAT rate is also being continued at 5 percent until the 30th September for hospitality, after which it will be at 12.5 percent until the 31st March 2022. Alcohol duty is being frozen for 2021-22 as well.

A ban on commercial evictions has been extended until the 25th March 2022 to help protect tenants who are unable to pay. Building on this, I am told that legislation will be brought forward to ringfence outstanding unpaid rent accumulated while businesses have had to remain closed during the pandemic.

These measures come on top of the previous grants, reliefs and loans made available since the start of the pandemic. Throughout the crisis, the Coronavirus Job Retention Scheme has provided people and businesses across the whole United Kingdom with the certainty they need, and I am delighted that the scheme has been extended until the end of September.



Looking to the future, the Government has published long-term strategies for hospitality and for high streets which will support the recovery and resilience of pubs in England. Temporary pavement licence provisions introduced during the pandemic, which have made it easier and cheaper for pubs, restaurants and cafes to make outdoor dining a reality, will be extended, with an intention to make them permanent. Temporary permissions for the off-sale of alcohol are also being extended for a further twelve months, providing pubs with more flexibility.

It is also worth mentioning that, more broadly, in 2013, the Government took the decision to end the Beer Duty Escalator, and beer duty has been frozen or cut several times since then. Duty on spirits has been frozen over the past two years. As a result of these changes, a typical pint is cheaper now than it would have been had these measures not been introduced. I share your concern about the future of pubs and the hardship caused by the pandemic. Indeed, the steps taken by HMRC to make it easier to claim back the duty on any beer thrown away as a result of pub closures was a timely and sensible intervention.

I also welcome the Chancellor's announcement that, for the second year running, alcohol duties will be frozen, covering duty on spirits, beer, wine, and cider, which will save drinkers £1.7 billion.

I am encouraged that the Government and the Treasury recognise the importance of supporting our pubs and keeping costs down for customers. I welcome the Chancellor's commitment in the last Budget to extend this support. There is a broad recognition of the need to reform the current duty system to support the alcoholic drinks and pubs sector in the longer term, and on the 1st October, a 'call for evidence' for reform of alcohol duty was published.

I am encouraged that these measures have, and will continue to, support our local pubs to recover from the pandemic and to build back better and I will be sure to mention your suggestions for the Budget to Ministers during the discussions I have.

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**