



January 2021

Dear Constituent,

Thank you for contacting me about support for pubs during the pandemic.

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 will be forced to close. The Prime Minister expressed regret in announcing these new measures, but I agree with him that robust action is needed to bring the virus back under control.

When this lockdown was announced the Chancellor announced some 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% 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 will be allowed in addition to full-time furloughing.

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 because of pub closures and the temporary reduction of VAT to 5% has been extended by a further three months to



Chris Heaton-Harris
Member of Parliament for Daventry
House of Commons, London SW1A 0AA
Tel: 020 7219 7048

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, 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. Many pubs locally are doing this and we can all play a small part in keeping these businesses going by using them at this time.

I appreciate that there have been calls for a specific additional support package for pubs. The Government hopes the existing support provided will be enough but continues to collect evidence on the impact of the pandemic on the hospitality sector generally, and on pubs specifically.

Thank you again for taking the time to contact me.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Chris'.

CHRIS HEATON-HARRIS MP
MEMBER OF PARLIAMENT FOR DAVENTRY