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Rt. Hon. Rishi Sunak MP  
Chancellor of the Exchequer  
HM Treasury  
1 Horse Guards Road  
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16<sup>th</sup> June 2020

### **Safeguarding the Future of Pubs - Critical Business Support**

Dear Chancellor,

We are writing to you as the leading independent membership body for individuals working in the licensed trade, with the majority of our members being licensees of pubs. As part of the Government Taskforce for reopening pubs and restaurants, we have actively fed information into BEIS on the concerns of our members around safety of their teams and customers, the financial realities they are facing and the impact on profitability of physical distancing measures.

The package of financial measures that have helped to see the country through this period of uncertainty have been accessed by businesses across all sectors, but after 3 months in lockdown with no income and no clarity on the guidelines for reopening, many of our members' businesses are on the brink of collapse. They entered this lockdown period after a cyclical period of low trading with little or no reserves. The measures you have put in place have supported many of our pubs, however, as we enter a further period of closure and uncertainty, many now face business failure.

As you are aware, pubs are not just small businesses. They are an essential part of their communities they serve, delivering tangible social value in inclusively bringing people together. They support over 500,000 direct jobs in pubs and the average pub generates around £140,000 of taxation per annum to the Treasury. For many they are family livelihoods and homes. Your support is now needed to safeguard the future of people at the heart of our nation's pubs.



It is clear that with distancing measures in place at any level, the majority of pubs will be loss making and many will not open at all. Whilst these measures are in place I would request for further investment to be put in place for pubs in the following key areas;

- Further business grants with the inclusion of our larger pubs which were previously not eligible through their rateable value over £51,000.
- Extension of full furlough as pubs will not have any funds to contribute in order to safeguard jobs and prevent mass redundancies.
- Extension and increased value of the current Bounce Back loans to provide easy to access funding to restart and sustain their businesses through initial trading with distancing measures in place. The CBILS package has been extremely difficult to access for many.
- Extension of the business rates holiday until April 2022 allowing for a fundamental business rates reform and to provide certainty to pubs as they plan their slow road to recovery.

Pubs are so much more than small businesses. They have the capability to be at the heart of the longer term recovery of our economy. In addition to their contribution to the Treasury, they provide essential employment, development and advancement opportunities across the UK. Beyond their economic contribution they inclusively bring our communities together and are ready to proudly reconnect our society as we move forward together.

We would welcome further discussion with you and your team on how we can make this happen.

Yours sincerely,



Steven Alton  
Chief Executive,  
British Institute of Innkeeping (BII)