



Rt. Hon. Rishi Sunak MP  
Chancellor of the Exchequer  
HM Treasury  
1 Horse Guards Road  
London  
SW1A 2HQ

22<sup>nd</sup> December 2020

Dear Chancellor

### **Urgent short term grant support for pubs needed**

We are writing to you today, as organisations representing pubs across the UK, to express to you the importance of an enhanced financial support package. We are all acutely aware of the challenges that the ongoing public health crisis presents to the Government, but it must also be acknowledged that it is a crisis which impacts our sector almost unlike any other.

The average pub would expect to take £47,000 in December. Much of this would see them through January and February when trade is typically quieter. With 85% now closed or unviable and with the likelihood of an extended period of full closure and tighter restrictive measures, a proper financial support and economic bridge to the Spring is critical for the survival of thousands of pubs.

Even factoring in existing levels of wage and business rates support, which of course are crucial and very welcome, the average community pub in England is still haemorrhaging £5,000 per month in ongoing costs with a further £4,000 cost every time they shut down and re-open. The existing grants to English pubs, unfortunately are not anywhere near enough to cover these. To make matters worse, many pubs have yet to receive these current grants, creating unsustainable pressure on cash-flow and risking further job losses.

Many pubs in Tier 3 are in parts of the country that have been shut for several months and have already built up tens of thousands of pounds in additional debt. These small businesses, at the heart of their communities, are at breaking point. The Welsh and Scottish Government have recently announced significantly enhanced packages to support their pubs and we urgently need you to look again at support for English pubs.

The current grant settlement for hospitality businesses is not sufficient to enable large parts of our sector to survive the winter. The increasing uncertainty around when any reopening is likely to take place, and with no route to recovery in sight, is crippling our businesses.

We are therefore repeating our call on the Government to urgently put in place a more sustainable round of grants for our sector, in line with those provided in the first lockdown, to adequately cover ongoing fixed costs. These grants must also be delivered without the need for torturous application systems and slow processes – this money is needed immediately. As a minimum these need to be at least £3,000, £6,000, £9,000 and £12,000 per month (depending on rateable value) for a minimum 3-month period commencing from 1st January.

The seriousness of the situation facing our sector cannot be overstated. While we acknowledge and appreciate the support of the Government so far, if there is to be a pub sector to come back to and be at the heart of the economic recovery once this crisis has passed, we really need to see action now. We would welcome the opportunity to discuss these proposals with you at the earliest opportunity, but we urge you to act fast in putting in place a rescue package.

Yours sincerely



Emma McClarkin, Chief Executive, British Beer & Pub Association (BBPA);



Tom Stainer, Chief Executive, Campaign for Real Ale;



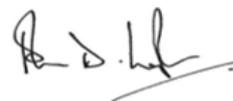
Kate Nicholls, Chief Executive, UKHospitality (UKH);



Steve Alton, Chief Executive of the British Institute of Innkeeping;



Rick Bailey, Independent Family Brewers of Britain (IFBB)



John Longden OBE, Chief Executive, Pub Is The Hub;