

The Rt. Hon. Jeremy Hunt
Chancellor of the Exchequer
HM Treasury
The Correspondence and Enquiry Unit
1 Horse Guards Road
SW1A 2HQ

Dear Chancellor,

I am writing to you in my capacity as Chair of the All Party Parliamentary Group on Pubs. We aim to promote and campaign for the interests of pubs, landlords, and the communities around these pubs, and I wanted to highlight some of the issues facing the licensed trade ahead of the Spring Budget.

I have heard from the trade that the most pressing threat they face is from energy bills, not only the increase in cost that pubs will face once the current support scheme ends in April, but also the behaviour of commercial energy suppliers. Some reports amount to exploitative or predatory practices, including the imposition of price hikes that have cancelled out the benefits of the current, higher rate, energy support scheme, and will leave publicans even further out of pocket when the scheme is scaled back in April. With energy prices due to increase by 82%, pubs could face a devastating wave of closures, which will ultimately damage the economy, employment, and the Government's goals for growth. Communities will also suffer this loss, particularly where pubs are also opening their doors as 'warm banks' for those who cannot afford to heat their homes.

As well as taking action on energy bills, I urge you to consider using the new draught duty rate to further support pubs. It's positive that the threshold for container size has been amended to include containers of 20L and over, but I believe expanding this policy to include a higher differential between general duty and draught duty would create even more benefit. This could offer the trade a bulwark against inflationary price increases, help keep pub-going affordable for communities, and ultimately encourage people to choose to consume alcohol in regulated community venues rather than at home.

The final challenge that the trade is facing is that of providing flexible, targeted training to its workforce. Additional flexibility for the Apprenticeship Levy would support bringing economically inactive people into the hospitality workforce – including the over 50s – and support the recruitment and retention of skilled workers in the industry. SMEs in particular have reported finding it difficult to engage with, and I ask that you consider moves to allow for non-linear, modular training to be delivered over a longer period than the current system allows. Hospitality is a key employer, and the jobs it creates can fuel huge economic growth if properly supported.

Please get in touch if you would like to discuss these issues further, and I hope you will keep pubs, landlords, and communities in mind when you present the Budget.

Yours sincerely,

Charlotte Nichols MP

All Party Parliamentary Group on Pubs Chair

apppg@camra.org.uk