

PETER GIBSON MP



HOUSE OF COMMONS

LONDON SW1A 0AA

February 2021

Dear Constituent,

Thank you for your email about support for pubs, clubs and breweries across Darlington.

No one wants to see further restrictions, and I understand that many pub landlords have concerns about the lockdown measures and the new restrictions that will be in place once lockdown is lifted. The rapid spread of the virus across the country has made restrictions necessary to prevent the NHS from being overwhelmed.

The closure of pubs has been difficult to bear and the Government is rightly providing significant support for hospitality businesses across Darlington. It is reassuring that the Chancellor has unveiled further economic support for retail, hospitality and leisure businesses, including pubs, in light of the new lockdown restrictions. New one-off top-up grants were 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.

I understand that pubs have been subject to debilitating restrictions for a long time, and I hear requests for a longer-term sector-specific package of support. While I take account of your concerns, and will bear them in mind, I welcome that pubs have had access to unprecedented levels of support throughout the pandemic. Ministers have been forthcoming in unveiling support grants, business rates relief, Government-backed loans and access to schemes such as the Coronavirus Job Retention Scheme. As a package, these measures worked to support publicans and I know that Ministers will continue to respond to developments as they happen.

I welcome that the Coronavirus Job Retention Scheme has been extended until April in response to new national restrictions, and to give people and businesses across the whole United Kingdom the certainty they need over what will be a difficult winter. Under the extension, the Government will pay 80 per cent 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.

Member of Parliament for Darlington

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In regards to support for small breweries, this is a matter that I am acutely aware of, and I have been lobbying Ministers on behalf of brewers in Darlington. I recently tabled a written question to the Treasury asking for reassurances that Ministers continue to support small brewers across the UK. I was glad to hear reassurances that the Chancellor has provided extensive measures to support small brewers including £594 million given to local authorities to support businesses ineligible for grants like many small and micro breweries. You can read the response I received from Ministers here: <https://questions-statements.parliament.uk/written-questions/detail/2021-01-12/136614>

The upcoming Budget in March will make further announcements on financial support and I know that all taxes, including business rates, are kept under review. I have been reassured by my colleagues in the Treasury that they are aware of the calls for a VAT reduction on alcohol. I shall be following the developments on this issue closely, and I will ensure my colleagues at the Treasury are aware of the strength of feeling on this issue.

In the meantime I want to assure you that I continue to engage with the hospitality sector here in Darlington. Further, I am glad that evidence continues to be collected on the impact of the pandemic on the hospitality sector and we must look forward to the easing of restrictions as soon as possible.

Once again, thank you for taking the time to contact me and if I can ever be any further assistance to you then please do not hesitate to contact me again.

Yours sincerely,

A handwritten signature in black ink that reads "Peter Gibson". The signature is written in a cursive, slightly slanted style.

PETER GIBSON MP