

Recommendations

The research undertaken for this report indicates the need for policy recommendations, for the short, medium and longer term.

In the short-term:

- it is vital that the roadmap is not allowed to slip back further for pubs and that the commitment to end all trading restrictions by June 21st must be delivered to return pubs to viable trading.
- To support pubs through the roadmap and into reopening, the Business and Planning Act 2020 should be extended to facilitate greater use of outdoor space and takeaway services and the late-night levy suspended.
- Local government should issue licence fee refunds for the six months to June 2021, funded by central government.

Following reopening, some extra, medium-term measures may be needed to help place the pub sector at the foundations of a strong recovery, support local economies and shore up community resilience.

Government should consider:

- In some areas, extra support is required to keep the sector afloat and in place, ensuring that the pub sector can be central to the levelling up mission and the restoration of high streets.
 - In particularly at-risk areas, such as those 'left-behind places' like coastal towns or recipients of the Shared Prosperity Fund, top-up grants should be issued to the hospitality sector in 2022 to shore-up resilience and help raise the baseline of the industry in place.
- Where pubs have been utilised for new community purposes during the pandemic, a diversification grant to pubs looking to retain or expand the services they provided during lockdown.

Looking ahead to the longer-term, as we move into the recovery phase, central government should support the pub sector through reducing the tax burden on the sector to aid this recovery and build resilience.

Government should consider:

- Working with the sector to deliver a long-term and sustainable solution to business rates reform beyond the end of the rates holiday period.
- Reviewing the impact of temporary VAT cut for hospitality this year with a view to a permanent reduced rate for all food and drink sales in pubs
- Committing to a further reduction in beer duty following the duty freeze. This would help pubs and breweries in the long term, while at the same time generating the income required to lower the national debt accrued over the lockdown period and help in delivering levelling up.