

**GREG SMITH MP**

Mid Buckinghamshire



**HOUSE OF COMMONS**

**LONDON SW1A 0AA**

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

9<sup>th</sup> October 2024

Dear Chancellor,

I am writing ahead of the Autumn Statement to highlight the urgent need for action to support our struggling local pubs and breweries. As you know, these establishments are not only cornerstones of community life, especially in rural areas, but are also vital contributors to our economy. They provide thousands of jobs and bolster local industries, yet they are facing mounting pressure due to rising costs and ongoing economic uncertainty.

While I welcomed the Conservative Government's introduction of Draught Relief at 9.2% in August 2023, it is clear that this measure, though well intentioned, is insufficient given the scale of the challenges still facing the sector. I therefore strongly urge you to increase Draught Relief to 20% or more - a move that would not only help safeguard these crucial community hubs but also deliver tangible economic benefits.

The economic case for this is clear. It is estimated that such a change could create 2,251 additional full-time equivalent jobs, generate a £70 million boost to the economy, increase employee compensation by £34 million, and bring an additional £39 million to the Treasury. Furthermore, these costs would be offset by the expected rise in sales; up to 20 million more pints sold, as consumers are incentivized to return to pubs.

Moreover, I urge you to consider freezing duty for non-draught products. By doing so, the Government would encourage consumers to support supervised, community-oriented venues rather than drinking at home, fostering social cohesion while reducing the risks of isolation, particularly amongst the elderly.

In my constituency alone, several pubs have been forced to close their doors, having a significant impact on their local communities and I am fully committed to doing everything in my power to ensure that the remaining 70 pubs not only survive but thrive. Iconic local breweries like Chiltern Brewery, XT, Vale Brewery, and Boobytrap, as well as countless pubs, stand to benefit greatly from enhanced relief measures that will empower and protect them.



With an alarming 50 pubs closing each month across the UK in the first half of this year alone, it is critical that the Government steps up and takes decisive, bold action to safeguard this vital sector and its significant contribution to our national economy. The time for hesitation has passed; the future of our community hubs and local industries is at stake.

I commend the Conservative Government for freezing alcohol duty and extending business rate reliefs for the hospitality sector in the Spring Budget 2024, with the typical pub saving £13,000. These were important steps, but as the pressure on the sector intensifies, we must build on these measures with even greater ambition. The pub sector plays a crucial role in the UK's economic success, and it is vital that the Government continues to back it with strong, effective policies.

A failure to act decisively could risk further closures and undermine the very fabric of our communities, so please, act for our beloved pubs and breweries.

Yours ever,

A handwritten signature in black ink that reads "Greg Smith".

**Greg Smith MP**

Member of Parliament for Mid Buckinghamshire