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The Rt Hon Rishi Sunak MP Chancellor of the Exchequer HM Treasury The Correspondence & Enquiry unit 1 Horse Guards Road London SW1A 2HQ

Our Ref: KM4445 30 October 2020

Dear Rt Hon Sunak

Re: Pub Relief

I write to you to raise my concerns about the dire situation many pubs and restaurants find themselves in during the current pandemic. As you will be well aware, many establishments are struggling with a real danger of a high number requiring to either close or re-finance to remain viable. A recent survey by the Scottish Licensed Trade Association showed that 45% of business owners do not expect a return to any form of "normal trading" until a vaccine is found. The survey also revealed that up to 12,500 jobs in the sector could lost in Scotland. Furthermore, the average pub/restaurant spent approximately £2,500 on staff training and social distancing measures – equating to a £15m investment across the entire sector.

I attach a research paper with my findings and a suggestion on how we address this issue. I would like you to consider the introduction of a "Pub Relief" – a policy proposal advocated by the Social Market Foundation and one which can be carried out across the UK. This approach would be allow pubs, bars and other licensed premises to claim back a percentage of the duty costs they face. This could work in a similar way to the existing Alcoholic Ingredients Relief whereby businesses can already claim relief on alcohol excise duty when they use alcohol as an ingredient in drinks less than 1.2% ABV – such as chocolates/vinegar and other foods for human consumption. "Pub Relief" could work in a similar way, although the relief would be a proportion of duty rather than all duty given a proportion of health and other social harms related to alcohol consumption are generated in the on-trade sales.

I would be grateful if you could consider my attached paper and let me have your views. Should you as UK Chancellor decide this is not something that can be implemented across the UK, then please advise whether you would be minded to accept that the necessary powers be transferred to the Scottish Parliament under devolved powers so they can decide whether to implement Pub Relief in Scotland.

Thank you for taking the time to consider my request. I look forward to hearing from you.

Yours sincerely

Kenny MacAskill MP

Kenny MacAdrill

Member of Parliament for East Lothian Constituency