

Listening Learning Leading

Abbey House Abbey Close Abingdon-on-Thames Oxfordshire OX14 3JE

The Rt. Hon Rachel Reeves, M.P. Chancellor of the Exchequer HM Treasury 1 Horse Guards Road Westminster London SW1A 2HQ

14 November 2024

Dear Ms Reeves,

I am writing on behalf of South Oxfordshire District Council in relation to the crisis facing pubs across the UK.

South Oxfordshire believes that pubs form a significant part of the country's cultural heritage and community life. They are sizeable employers (especially for young people and/or those living in rural areas), important social hubs, make a substantial contribution to local economies through their supply chains and help to preserve/enhance many historic buildings. The council is, therefore, worried by data that shows that pubs within the UK are closing at a significant rate due to a combination of economic, regulatory, and social factors.

Although South Oxfordshire welcomes measures in the Budget that extend the business rates relief scheme and reduce the duty on draught beer, the council were, nevertheless, disappointed to see the relief scheme discount reduced from 75% to 40%. In our opinion, this will put an additional, unnecessary, burden on businesses and could lead to the closure of many more pubs. The council also has concerns that the proposed increase in employers' National Insurance Contributions (NICs) will negatively impact pubs and other hospitality businesses by increasing their employment costs.

Furthermore, while South Oxfordshire was pleased to see that HM Government has committed to delivering a fairer business rates system for retail, hospitality and leisure properties from 2026-27, this does little to address the immediate crisis. We would, therefore, like to see some meaningful actions being taken now. Consequently, South Oxfordshire is calling upon HM Government to make significant progress on addressing issues surrounding business rates, energy costs, burdensome bureaucracy and taxes in order to help preserve the great British local.

I look forward to receiving your response.

Yours Sincerely,

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David Rouane Leader South Oxfordshire District Council