



House of Commons
London SW1A 0AA

Ref: ZA11136

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

27th March 2020

Dear Rishi,

Re: Support for the Hospitality Sector during Covid-19

I am writing on behalf of numerous constituents working in the hospitality sector who have contacted me regarding the impact of Covid-19 on their business.

The hospitality sector has experienced a serious economic shock due to the current climate, with restaurants and bars closing, and hotel occupancy rates plummeting in Chester and across the country. Financial support for the hospitality sector is absolutely crucial if there is going to be any hope of these companies and businesses making it through the Covid-19 pandemic.

Specifically, numerous pubs in Chester are struggling to remain financial viable. Admiral Taverns operates over a thousand community pubs across the UK and is headquartered in Chester. These are largely small businesses running fantastic community pubs at the heart of their communities, often in challenging circumstances. The CEO of Admiral Taverns has expressed deep concern that community pubs now have little or no income due to the impact and suppression of Covid-19. Many of these businesses will close very shortly and may never reopen unless they are supported by government.

I would be grateful if you could specifically respond to the below proposals, which could be crucial to the future of the hospitality industry:

- The Government must make sure that cash grants are distributed by local authorities very quickly with the minimum bureaucracy. If small community pubs and hospitality companies don't get the cash within 2 weeks, they will have to close.
- VAT, PAYE and other taxes need to be cancelled immediately, allowing them to keep the cash in their business.
- The Government must deliver an employment support package which enables hospitality workers to remain in their jobs. Thousands have already been laid off this week and hundreds of thousands will follow in the next few weeks.

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In addition, hospitality companies in Chester who employ over 500 staff have expressed concern that their employees appear to have slipped through the net in terms of Statutory Sick Pay, which is being given to smaller businesses. Are there any plans in place to ensure that employees of hospitality companies receive the same support as employees from other sectors?

Lastly, the collapse of the hospitality sector is having knock-on effects for other businesses. One laundry company in my constituency has been severely impacted, with the company on its knees due to lack of business. The UK economy relies upon laundry services which help to sustain the hospitality and leisure sectors, as well as food supply and manufacturing/aviation. There are three million jobs in the hospitality sector that depend on a laundry to process their uniforms, bed linen, towelling and table linen. In addition, many laundry companies support the NHS, so whilst a huge number of laundry companies have seen their business with the hospitality sector fall through the floor, healthcare laundries are currently working 24 hrs a day to support the incredible job of our NHS. This is a very important sector which must be financially supported much like the hospitality sector. What action is the Government taking to support laundry companies which prop up the hospitality sector?

Thank you for your consideration and I look forward to hearing from you in due course.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'C Matheson'.

Christian Matheson MP