

ELLIOT COLBURN MP



HOUSE OF COMMONS

LONDON SW1A 0AA

Kemi Badenoch MP
Exchequer Secretary to the Treasury
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

19 August 2020

Our Ref: EC3110

Dear Kemi,

RE: Review of Small Breweries' Relief

Thank you for your response of the 13 August. You may be interested to know that, on the 14 August, I visited two of the excellent small breweries in my Carshalton and Wallington constituency, Signal Brewery and Anspach and Hobday Brewery. They, like many other independent breweries, rely on the Small Breweries' Relief (SBR) scheme to compete with global brewers and stay in business. These brewers provide important skilled jobs and are part of the local community.

The local breweries are concerned about the recently announced conclusion of the Treasury review of SBR, which threatens the duty relief they receive. Reducing the threshold from 5000HL to 2100HL is likely to have a devastating impact on brewers in my constituency and across the UK, and puts around 150 small breweries at risk.

The decision to delay a consultation to the autumn is also creating a great deal of uncertainty for these businesses who have been hit hard by the impact of Covid-19 and have not received the same level of financial support from the Government as the wider hospitality sector.

Although the SBR curve above 5,000hl of production capacity acts as a disincentive to grow your business and needs to be addressed, it should not be at the expense of small breweries such as those in my constituency.

The decision to reduce the starting level to 2100HL redistributes relief from smaller to larger brewers and is against the original principles of SBR – it isn't a progressive beer duty but quite the opposite. I would therefore urge you to reconsider the proposals to reduce the starting level to 2,100HL.

I should also like to extend an invitation to you to come and visit Signal Brewery and Anspach and Hobday Brewery (located next door to each other) so you can see the great work they are doing, and perhaps taste some of the fantastic products they are creating!

With best wishes,

A handwritten signature in black ink, appearing to read 'Elliot Colburn', written over a horizontal line.

Elliot Colburn

Conservative Member of Parliament for Carshalton and Wallington

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