

Budget leaves capital's pubs and clubs 'at risk'

Joe Murphy and Jonathan Prynne

LONDON'S hard-hit pubs, bars and restaurants today said closures could happen after they missed out on emergency coronavirus help promised by the Chancellor.

A one-year business rates holiday will only go to premises with a rateable value under £51,000 – which effectively rules out central London.

"Only the very tiniest cafes and bars will get the business rates holiday," said Kate Nicholls, head of UK Hospitality, whose members have reported takings slashed in half in the City and West End. "The restaurants and bars of central London will certainly not get it."

Chains like Cafe Rouge will miss out

along with some McDonald's branches. Nightclubs like the Ministry of Sound would not qualify, nor hotels.

Anthony Pender, co-founder of Yummy Pubs, said: "Our venues are an intrinsic part of the local community but are as at risk now as we were before the Budget."

London estate agents warned that the two per cent stamp duty surcharge on foreign buyers due to come into force in April next year could halt the market recovery after the coronavirus crisis is over. It increases the top rate of stamp duty to 17 per cent.

Becky Fatemi, director of agents Rokstone, said: "This is a populist move that will hit foreign direct investment into the heart of London and rein-in

related consumer spend in the capital's bars, restaurants, taxis and retail outlets."

She added that sellers would suffer as buyers used the move to reduce their offers and said new build projects could stall if developers grown concerned that foreign investment may drop off.

Charlie Smith, managing director of London Real Estate Advisors, said: "This is a major mistake, simply the wrong thing to do, sending the wrong signal, and hurts an important part of British industry."

Trevor Abrahmsohn of north London agents Glentree International said: "A further draconian stamp duty surcharge on foreign buyers will inevitably deter wealth creators buying property in the UK and investing here."