INDEPENDENT PUB ALLIANCE MANIFESTO

FOREWORD

Why the Independent Pub Alliance Exists

The Independent Pub Alliance exists to address a growing imbalance in how pubs and small hospitality businesses are treated by public policy in the UK.

Independent public houses — particularly community-focused freehouses and small operators — are being placed at a structural disadvantage by tax, regulatory and policy frameworks that increasingly favour scale, standardisation and corporate extraction. These pressures are not the result of consumer choice or business failure, but of systems designed around large, vertically integrated models which do not reflect the public value public houses provide.

Pubs are not just places of consumption. At their best, they are open, secular "third spaces" — part of the UK's social infrastructure — supporting social connection, informal care, local identity and community wellbeing. Their value should not be measured solely in terms of turnover or productivity, yet current policy largely ignores their status as public assets.

The Alliance brings together independent publicans, hospitality workers, researchers and supporters to identify and evidence these imbalances, challenge unequal treatment, and advocate for evidence-based restructure that serves the public interest rather than the commercial priorities of the largest players.

We are not a trade body. We are not funded by pub companies, brewers, hospitality groups or corporate lobbyists. We do not represent tied estates, managed chains or multinational operators. We do not align with any political party. Our work is independent, transparent and grounded in evidence and lived experience.

Where we agree with other organisations, we will work alongside them. Where we disagree, we will say so openly and respectfully. Our sole test is whether policy treats public houses fairly and whether decisions are being made in the public interest.

Public houses matter economically, socially and culturally. This manifesto sets out the changes required to ensure public policy recognises that fact — not through favouritism or nostalgia, but through fairness.

Why Pubs Matter

Pubs are more than businesses — they are part of the UK's social infrastructure. They are among the few everyday spaces where people gather freely, without formal membership, shared belief, or social filtering. They reduce isolation, support informal care, and provide anchor points for community life. Their value extends far beyond the food and drink they serve.

Independent pubs and small breweries are central to this ecosystem. They sustain diversity, regional character, and craftsmanship, and help keep public houses rooted in their communities. Together, they serve a wider public interest that cannot be replicated by standardised corporate models.

Alcohol is not the purpose of pubs — community is. Responsibly run public houses provide moderated, social environments where drinking is contextualised by food, conversation and care. For many people, modest, shared enjoyment contributes positively to wellbeing and social cohesion. Modern pubs also support other small businesses, create local jobs, host community events, and foster cultural activity.

Public houses are living British culture. They shape local identity, everyday traditions, and a shared sense of place. If lost, the social, cultural, and civic value of a pub cannot be replaced. Over-commercialisation and the drive for scale risk eroding this unique public benefit, replacing diversity and connection with uniformity and financial exploitation.

What's Broken

Hospitality is labour intensive, location bound and margin sensitive and despite their social and cultural importance, independent public houses face a system stacked against them. Public policy and regulation increasingly favour scale, homogenisation, and corporate exploitation, undermining the social function and viability of community-focused pubs.

Structural distortions include:

- Government policies and economic structures only nominally treat public houses as valued community facilities, unlike those in many of our European neighbours.
- Limited representation and transparency – policy affecting pubs is dominated by larger corporate interests. Decisions are often made without meaningful input from independent operators, leaving the unique social and community role of public houses unaccounted for.
- Tax and duty imbalances create a permanent cost disadvantage for on-trade hospitality. The VAT levied against prepared food consumed on premises is often misaligned with similar offerings elsewhere, further penalising pubs.
- Market pressures from large-scale operators – corporate pub companies and supermarket chains benefit from economies of scale, vertical integration, loss-leading practices and food VAT disparity. Independent pubs cannot compete on price alone, which threatens their survival and erodes local choice.
- Disproportionate operational costs – energy prices, licensing fees, outdoor trading charges and tied-pub fees and above-market input costs often fall disproportionately on small, community-facing venues, threatening their viability even when the business itself is sound.
- Planning and regulatory loopholes – viable pubs are still lost to development or change of use due to planning gaps and inconsistent application of protection measures, including the Asset of Community Value framework.
- The last broad competition review of the structure of the UK pub market was in 1989 and is now decades out of date.

These structural imbalances have consequences beyond economics. Communities lose vital social hubs, informal support networks weaken, and the unique cultural and civic value of the public house is eroded. Left unchecked, these pressures will continue to drive closures, homogenise local landscapes, and diminish the public benefit that independent public houses uniquely provide.

What Government Must Do

The sector is not asking for indefinite subsidy or 'life support', but for the removal of structural disadvantages that require constant intervention just to survive. To protect and strengthen the social, cultural, and economic value of independent pubs, government must act decisively across several structural areas.

1. Ensure Independent Representation

Policy affecting pubs and small breweries must no longer be dominated by the largest corporate interests through their trade bodies. Independent pubs deserve statutory, independent representation, with a formal seat in all consultations and policy development alongside those groups. This guarantees that the unique social and community value of pubs is reflected in decisions that affect their survival and sustainability.

2. Recognise and Protect Pubs as Social Infrastructure

Independent pubs that demonstrably serve their communities must be formally recognised as part of the UK's social infrastructure and cultural heritage. This recognition should carry enforceable protections against forced closure, demolition, or inappropriate transfers of ownership caused by external pressures rather than business viability. Planning frameworks, including Asset of Community Value protections, must be strengthened and consistently applied.

3. VAT Reform

The VAT system must reflect the social and economic role of on trade hospitality and support community-serving pubs. The current rates create a structural disadvantage for pubs relative to off-trade and the inconsistent treatment of hot food consumed on premises exacerbates this further.

Key reforms required:

- Permanent reduced VAT for on-trade draught beverages: draught beer and cider sold in pubs should attract a reduced rate, reflecting their social and community value. Anything less than a 5% reduction would be ineffectual.
- Raise the Flat Rate Scheme turnover threshold and reduce the rate, closing the gap with retail operators: The small business flat-rate scheme should be extended to £350,000 turnover, reducing administrative burdens and supporting the viability of smaller, independent operators particularly wet-led public houses. The flat rate must be reduced to 5% to bring align more with retail businesses.
- Harmonisation of on-trade food VAT with Europe: hot food consumed on premises should align with best practice across European comparators, ensuring fair treatment for pubs, restaurants, and cafés alike attracting a similar permanent 10% rate.
- Review the current treatment of hospitality VAT arrears to ease pressure and increase the likelihood of settlement.

These reforms will correct structural distortions in the market, making on-trade hospitality viable, fair, and competitive, while ensuring pubs can continue to serve their social, economic, and cultural roles.

4. Reform Alcohol Duty

Beer, cider, wine and spirits sold in pubs must benefit from a permanent, meaningful duty advantage over off-trade products. This relief should be protected against erosion from inflation and embedded as a core principle of alcohol taxation, ensuring pubs can remain viable for their independent publican owners and competitive while serving their communities.

5. Cap Energy Costs for Community-Facing Hospitality

Energy costs for public houses, restaurants, and breweries that provide essential community-facing services must be capped or aligned closer to domestic rates. This cannot be a temporary subsidy — it is infrastructure protection, ensuring that businesses delivering social value are not forced to close due to disproportionate commercial energy costs.

Special Case – Business Rates

The current business rates support does not go anywhere near far enough. The long-overdue and previously pledged government review must deliver on its long-standing promise to reset Business Rates for Hospitality. This must include:

- Immediate relief returning rates to post-COVID levels for independent pubs and community-facing hospitality businesses.
- Reconsideration of recent VOA revaluations to ensure they do not penalise viable, place-based businesses and provide a permanent system that recognises the value of pubs.

A genuine reset is essential to restore fairness, protect community-serving public houses, and prevent closures driven by disproportionate property taxation rather than market or operational factors.

What Success Looks Like

Success for the Independent Pub Alliance is measured not by policy gestures, but by tangible improvements in the sustainability, social function and cultural contribution of independent public houses.

Key outcomes must include:

Government Recognition

Akin to European societies, government values and recognises that a thriving, investing hospitality sector delivers more to the public purse that one taxed into contraction.

Stronger Communities

Pubs continue to foster a sense of community where people meet across age, background, and belief – reducing isolation, supporting informal care, and sustaining local social networks. Communities retain the cultural and civic anchor points that public houses uniquely provide.

Fair and Viable Businesses

Independent public houses are no longer structurally disadvantaged by tax, excise duty, energy, or market distortions. On-trade business can compete fairly, remain financially viable and reinvest locally.

Diverse and Local Economies

Small breweries and public houses maintain regional character, craft and community focus. Local choice is preserved, diversity is strengthened, and the public benefit of a vibrant, plural hospitality ecosystem is protected.

Transparent and Inclusive Policymaking

Independent representation is embedded in all relevant consultations and reviews. Decisions affecting pubs are evidence-based, proportional and made in the public interest, rather than dominated by large corporate actors.

Resilient, Future-Proofed Sector

Energy costs, licensing, and regulatory frameworks support long-term sustainability. Public houses remain community-serving institutions, not commodities subject to market extraction or short-term policy fluctuations.