**[ YOUR SHOP NAME ] is joining the campaign to call on Government not to raise VAT on the 1st of April**

Fish and chip businesses have always worked on a very tight margin and relied on volume and have long campaigned for a change in the way VAT is applied to its products.

Post pandemic the rest of the hospitality sector is feeling the pressure we have long endured and are now also calling for a permanent reduction in VAT as their costs spiral out of control.

The current situation of highly inflationary prices and other increased costs could see 1/3 of the nations fish and chip businesses going under in a matter of months.

The rising costs battering fish and chip shops include a 75% rise in the cost of cod since October, 81% rise in the cost of haddock in the last year, 120% rise in the cost of mushy peas and 40% rise in the cost of batter.

As they are not protected by the energy price cap, chip shops are now also facing huge rises in energy costs. Some members of NFFF have reported electricity bills going up from £400 to £2,000 a month.

The NFFF is urging the government to reconsider its planned 20% increase to VAT in April, which is an added concern for the industry.

Industry leaders now say chip shops will have to raise prices to survive, but even then the increases are that high that many could be forced out of business.

Andrew Crook, President of the National Federation of Fish Friers, added:

"We are in unprecedented times where we are seeing high levels of inflation and food inflation is even higher.

“Most of the supplies we use in the fish and chip industry have increased drastically in price and we are expecting this to continue for some considerable time. Other products are simply not available, and we have seen suppliers move away from the sector

“Fish and chips shops do feel the effect of these increases more than most cuisines as our margins are much tighter. The price of fish is comparable to steak in supermarkets.

“As a result of this, and our commitment to ensuring a high quality good value, good value product, we may regrettably be forced to review our prices to reflect the rising costs our industry is facing.”

“VAT was applied to takeaway food 38 years ago and on restaurant meals close to 50 years, this outdated system encourages fraud and penalises the very businesses we should be supporting, who provide quality jobs with great training.

“We work closely with government on many issues, especially during the pandemic, as they realised they needed our in depth knowledge of the specifics of the industry. We want to use our knowledge to help the Government reform the VAT system to ensure it not only generates much needed tax revenue but also encourages growth in the sector.”

“European countries that have reduced VAT for Hospitality and Tourism have seen 6-8% growth in the years following the cut. The idea of VAT is that it is added to the sale price and we are just tax collectors but in reality, as costs have increased over the years, we have had to absorb increases in VAT.”

“We want to work with Government to get this system right, we know where it can be improved and what changes need to be made. “

“Fish and chip shops are a vital part of our communities; a national institution and we need to do what we can to protect them”

For more information on the National Federation of Fish Friers, visit: [www.nfff.co.uk](http://www.nfff.co.uk)

**Ends**