Beer prices set to soar to £7 a pint in London with pubs charging 50p more across UK

ondoners may soon have to pay £7 a pint as pub prices surge due to rising inflation rates, industry insiders have warned.

With the hospitality sector desperate to return to <u>business</u>, there are fears beer prices may rise by 50p across the country.

The worst of the price hike will be seen in <u>London</u>, with industry leaders warning pub inflation has now risen by 10%.

This 10% rise will equate to a surge by 40-50p in prices — although some London pubs have already increased prices to above £6.

One landlord in <u>Derbyshire revealed the cost of a premium</u> lager has risen from £3.75 to £4.80 in the last two years.

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The British Beer and Pub Association places the average of a pint in the UK at £4.07 while Londoners pay on average £4.84.

Previously, boss of City Pub Group Clive Watson said inflation in the pub sector was running at between 7% and 9%.

He told the Standard: "The sector is desperate to recover but there are still bumps in the road."

City Pub Group locked in 70% of its drinks supplies on a three year fixed cost deal to try and control costs but Watson admitted prices were still likely to rise.

He said the price of a pint could increase by 40p, higher than an estimate of 30p given last October, and a burger would rise by £1.50.

In order to try and cap the rise in beer prices, industry leaders have called for VAT to remain at 12.5% ahead of a rise of up to 20% in the spring.

Although firms are now asking staff to return to work, ending months of working from home, industry insiders claimed parts of the hospitality sector had seen sales fall to 85 percent of pre-pandemic levels in December for London and the South East.

Mr Watson added: "To get Britain back to work, so to speak, is absolutely vital for hospitality.

"A lot of businesses, including our own, do rely on people being back at their desks and coming into London. That's a really key driver going forward."

According to figures from Transport for London (TfL), in the period between November 21 to December 11, 2021, there were 75.8million journeys on the Underground.

Between November 10 to December 7, 2019, there were 117.5million.