

Fiona Hyslop MSP Cabinet Secretary for Economy, Fair Work and Culture scottish.ministers@gov.scot

30 September 2020

Dear Ms Hyslop

I am writing to ask that you put greater focus on the allocation of hardship grants for sectors such as hair and beauty that have been heavily impacted by the current guidelines in respect of business operations. Operating guidelines for our sector have severely affected salons and barbershops ability to reopen and generate income to pre-COVID levels and will continue to do so until such time as the guidance can be relaxed.

The mobile beauty sector has been particularly impacted in that they remain prohibited from reopening altogether, in addition to the wider beauty sector who have been heavily restricted by bans on treatments around the face that involve the removal of face coverings. Based on their current workload and the operational restrictions within the government guidelines, 38% of businesses in the beauty sector are not earning enough to cover outgoings such as rent, overheads, staff costs and stock. One in four businesses across the entire hair and beauty sector also reported they could not cover their costs.

In light of the rising local lockdown measures being introduced, I would also implore you to initiate a guaranteed grant such as those in place in England and Wales for businesses impacted by local lockdown restrictions. This £1,000-£1,500 funding for every 3-week lockdown period is an essential lifeline for businesses still having to meeting financial obligation whilst having no opportunity to generate income.

Throughout the pandemic, the NHBF has written to you regarding much needed support both during the peak of the crisis and lockdown, and as businesses start to reopen and beyond. Our proposals have included measures such as loan extensions, further business rate reliefs and support to train, reskill and diversify. Whilst we welcome some recent support measures, without targeted cash injections into the sector, the survival of businesses and thousands of jobs remain at risk.

I would therefore ask that you consider this proposal and look to introduce hardship grants and local lockdown funding at the earliest opportunity, for precisely the reason that Scottish business owners are in real hardship - they cannot pay their bills, staff, or support themselves. Our latest data collected from 2,018 businesses in the hair and beauty sector illustrates the current state of the industry. Specifically in Scotland, the results were as follows:

- 72% of salons and barbershops report business as down compared to the same period last year.
- Four in five expect business to remain slow based on their forthcoming bookings for the next three months (79%) with 40% genuinely worried about how little business they have coming up.
- Close to half do not know if their business will survive until Christmas (47%).
- Almost one in four expect to cut staff in the next three months with 44% unable to guarantee job security.
- Staff hours have had to be reduced to mitigate current business levels (41% across hair and beauty rising to half (51%) of beauty businesses).

As outlined, with 47% of hair and beauty businesses in the UK unsure they will survive until Christmas, this puts the livelihoods of those employed in the 3,700 salons and barbershops across Scotland in real jeopardy. I therefore hope you will consider allocating funds accordingly.

Yours sincerely

Victoria Brownlie Director of Policy and Public Affairs National Hair & Beauty Federation