



Supporting the hair, beauty
and barbering industries

Ken Skates MS

Minister for Economy, Transport and North Wales

ERAGovernmentBusinessUnit@gov.wales / Correspondence.Ken.Skates@gov.wales

30 September 2020

Dear Minister

I am writing to ask that you put greater focus within the latest £140 million made available as part of the Welsh Economic Resilience Fund for 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.

Whilst we very much welcome the additional funding announced for businesses in Wales this week, including support for businesses impacted by local lockdown restrictions in line with England's £1,000-£1,500 for every 3-week lockdown period, 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 beauty sector has been particularly impacted due to the extra time they have been forced to close and the bans on treatments around the face. Based on their current workload and the operational restrictions within the government guidelines, 30% of businesses in the beauty sector are not earning enough to cover outgoings such as rent, overheads, staff costs and stock. One in five businesses across the entire hair and beauty sector also reported they could not cover their costs.

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, retrain and diversify. Whilst we welcome some of the 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 at the earliest opportunity, for precisely the reason that Welsh 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 Wales, the results were as follows:

- Almost three in four salons and barbershops report business as down compared to the same period last year (73%).
- Two thirds expect business to remain slow based on their forthcoming bookings for the next three months with 29% genuinely worried about how little business they have coming up.
- Over a third do not know if their business will survive until Christmas (36%).
- Whilst not many have yet made redundancies, almost one in four expect to cut staff in the next three months with 43% unable to guarantee job security.
- Staff hours have had to be reduced to mitigate current business levels (39% across hair and beauty rising to almost half (46%) of beauty businesses).

As outlined, with 36% of hair and beauty businesses in the UK unsure they will survive until Christmas, this puts the livelihoods of those employed in the 2,000 salons and barbershops throughout Wales in real jeopardy. I therefore hope you will reconsider the allocation of the Welsh Economic Resilience Fund accordingly.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Victoria Brownlie', with a stylized flourish at the end.

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