Local elected Council leader Local MP

Dear [ ],

As a result of the emergence of the Omicron variant and the reintroduction of restrictions across the UK, the Government introduced additional funding in the form of the Additional Restrictions Grant (ARG) to support businesses in December 2021.

HM Treasury intended the ARG grants to be available to the personal care sector. However, many local authorities including *[enter the name of your local authority here]* are either excluding or not prioritising our sector or delaying access to the funds.

The Government guidance is published here and specifically refers to the personal care sector being eligible (see page 6, paragraph 28): <u>https://www.gov.uk/government/publications/local-restrictions-support-grants-lrsg-and-additional-restrictions-grant-arg-guidance-for-local-authorities</u>

I appreciate that local authorities have discretion in how they spend the funding; however, the Omicron wave has hit my business and the wider sector. [Add information specific to your business circumstances here]. [Add information specific to your business circumstances here].

The NHBF (National Hair & Beauty Federation) ran three snap polls in December, and the results are clear on the impact of cancellations on the sector as a result of the Omicron variant: <u>https://www.nhbf.co.uk/sector-funding/</u>

The hair and beauty sector contributes around £8 billion to the UK economy every year and employs 288,000 workers, mostly women and young people, across the UK nations and regions. Pre-Covid, the sector was in the top three fastest-growing parts of the retail sector.

The latest results from the NHBF quarterly State of the Industry survey based on responses from over 2800 businesses shows that after the previous survey in September showed growing evidence of sector resilience and businesses getting back on their feet, the emergence of the omicron variant and renewed restrictions across the UK over the winter has had a chilling effect:

- <u>Government support</u>: A significant 81% of businesses are either partially or completely reliant on Government support to continue trading (up from 66%).
- <u>Debt levels</u>: More than half of businesses (54%) have debt; the level of debt has increased from 52% over the last 12 months, and 68% have used personal savings.
- <u>Business confidence</u> in the sector has weakened, with only 40% confident of their survival (down from 63% in September) and a significant 52% unsure.

As Council Leader, I urge you to reconsider the Council decision to reject or delay the distribution of the ARG grants to the personal care sector. I am also sending this letter to my local MP and welcome their action and comments in response.

The situation is urgent, and I look forward to hearing from you shortly.

Yours sincerely,

[Your name and address/email address]