



Supporting the hair, beauty
and barbering industries

Rt Hon Rishi Sunak MP
Chancellor of the Exchequer
HM Treasury
CEU.Enquiries@hmtreasury.gov.uk

08 September 2020

Dear Chancellor

I am writing to draw your attention to the latest data we have collected from 2,018 businesses in the hair and beauty sector regarding the current state of the industry.

The most notable data is as follows:

- Three in four salons and barbershops reported that business was down compared to the same period last year.
- Two thirds expected business to remain slow based on their forthcoming bookings for the next three months with 35% genuinely worried about how little business they have coming up.
- 41% could not say if their business would survive until Christmas.
- Whilst not many had yet made redundancies, almost a third said they expected to cut staff in the next three months and 44% could not guarantee job security.
- Staff hours have had to be reduced to mitigate current business levels (55% across hair and beauty but an alarming 74% in the beauty sector alone).
- One in four businesses across the entire hair and beauty sector reported they could not cover their costs, rising to 40% in the beauty sector.

As you know, the beauty sector has been particularly impacted due to the extended time they have been forced to remain closed and the ban on treatments around the face. Many also continue to be impacted by local lockdowns with very few receiving any additional support.

I am sure you will agree this shows how essential it is that Government prioritises its support for businesses to remain operational post the crisis, preserving economic capacity and keeping people employed. As a 7.5 billion turnover industry employing more than a quarter of a million people across more than 40,000 businesses these warnings cannot be dismissed.

An extension of the business rates relief, initiatives such as those given to the hospitality sector in terms of reduction in VAT to 5% and the eat out to help out scheme, extensions to eviction protections, student loan style repayment plans for bounce back loans and a contingency to avoid a cliff-edge situation at the end of October when the furlough and SEISS come to an end, are all essential measures that the NHBF would implore you to explore further as a matter of urgency.

I would greatly appreciate the opportunity to discuss our findings with either yourself or your colleagues, and would be happy to share the full report at your request.

Yours sincerely

A handwritten signature in black ink that reads 'Victoria Brownlie'.

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