

The Rt Hon Robert Jenrick MP
Secretary of State for Ministry of Housing, Communities and Local Government
MHCLGcorrespondence@communities.gov.uk

8 March 2021

Dear Minister

Re: Urgent help to reach reopening

We are writing to you on International Women's Day to ask for your help regarding the allocation of Additional Restrictions Grants (ARG) to help the many thousands of female-run businesses within the Personal Care sector currently on a knife edge.

The Personal Care sector has been fortunate to be included in the Step 2 of the reopening roadmap with the provisional date set for 12 April. The Chancellor also announced last week additional financial support through the enhanced Restart Grants and the extension of the Self Employed Income Support Scheme. However, recent data for our sector shows that many businesses are quite literally on the brink of closure right now and without an immediate cash injection, will not make it to the point of reopening. If they cannot apply for these grants until the beginning of April, it may be too little, too late.

We understand that Additional Restrictions Grants are immediately available from local authorities, but distribution to date has been slow. As the discretion for fund allocation lies with the local authority, we are urging you to work with local authorities to -

1. Increase the rate and speed of fund allocation;
2. Expand their current eligibility criteria for ARG applications in order to feed vital funds through to the many businesses struggling in the current lockdown and needing to prepare for reopening.

ARGs – the issue

As you will be aware, to date a total of £1.6 billion has been allocated to local authorities to support closed businesses during lockdown periods. Local councils can determine which businesses to target and determine the amount of funding from the ARG.

Despite the size of this fund, only 13 per cent of the monies available have been allocated to businesses desperately in need. Central Government has now outlined that local authorities must spend this fund in order to receive a further £425 million allocated in the Chancellor's Budget last week.

Challenges facing the sector on the road to recovery

As a sector representing an 88 per cent female workforce, with 82 per cent of business owners as women, this is particularly concerning for a section of society already known to be one of the most negatively impacted by COVID.

Most notably:

- More than 10 per cent of our female dominated sector has already closed its doors for good since the start of the pandemic.
- 60 per cent of businesses have entered 2021 with no cash reserves (up from 27 per cent in 2019).
- 1 in 8 business owners have already made redundancies as a result of the pandemic and more than half have been forced to cut staff hours in order to save costs.
- 1 in 7 business in the sector are acutely vulnerable to failure.

- The average business has lost 45 per cent of 2019 turnover (up to 59 per cent in some areas).
- Even when open, social distancing restrictions mean salon capacity is down to 70 per cent of what it was, losing on average two hours of appointment time per stylist per day.

Other support measures may be too late

We acknowledge and welcome grants including the Self-Employed Income Support Scheme and the Restart Grant that will be available to Personal Care businesses, however with the application process not going live until the beginning of April, it is unclear when this fund will actually be received and by this point it may be too little too late.

With a higher number of businesses in deprived areas than any other sector, it is also important to note that any further cuts to staff hours, redundancies or permanent closures affects those people in society who are already struggling.

We would welcome an urgent meeting with you to discuss how best we can ensure that this important Grant is filtering through to those who need it, including the many female run businesses in our sector and their workforce. The distribution of this fund is vital to save and protect businesses in local communities, as well as the jobs and livelihoods our sector provides. Please help in unlocking this fund in order to get businesses to a position in which they can reopen in the coming months.

We look forward to hearing from you.

Yours sincerely



Victoria Brownlie
On behalf of
The National Hair and Beauty Federation



Millie Kendall MBE
On behalf of
British Beauty Council



Helena Grzesk
On behalf of
British Beauty Council &
UK Spa Association



Lesley Blair
On behalf of
British Association of Beauty Therapy & Cosmetology