

Minister.Scully@beis.gov.uk

06 January 2022

Dear Minister Scully

As Minister for Small Business and a champion of the personal care sector and its contribution to both the high street and the economy, we know that you would want to be made aware of a particular issue facing businesses within our sector around access to grant funding.

In December, we greatly welcomed the additional £100m made available by the Treasury to allow councils to distribute further Additional Restrictions Grants (ARG) in light of the effect of the omicron variant on businesses.

During the most recent wave of the virus and the changes in Government advice, the personal care sector has faced issues similar to other service based sectors such as hospitality and leisure. Each continue to deal with significant cancellations and staff shortages due to the current wave of the pandemic, with December, usually a crucial month for business earnings to counter the quieter early months of the following year, hit especially hard. Sadly however, despite being one of the larger contributors to the high street, we were not afforded similar additional targeted support.

As you know from our previous conversations, as a close contact service sector, these businesses do not have the ability to diversify to offer services via other platforms in the same way as other sectors such as retail, food, education and training etc.

This is why it is especially important that businesses within our sector are given access to financial support via the ARG.

We greatly appreciate that local authorities are given individual discretion to set the final criteria for distributing these grants. However, it would be hugely valuable if you could underline to councils in your ongoing communication with them, the Government's intention that close contact services such as those within the hair and barbering, beauty and wellness sector should be given due consideration for support via the Local Authority Additional Restrictions Grant funding based on the factors outlined above.

As part of the eligibility criteria, we would also stress that the personal care sector is made up of 96% microbusinesses (businesses with less than 10 employees). We would therefore implore you to ask councils to be mindful of this when setting criteria for the types of businesses that qualify, as by using the employment definition of an SME (10-249 employees) the vast majority of the hair and barbering, beauty and wellness sector would be excluded.

We thank you for your time and consideration of these points and hope you will agree the importance of addressing them at the earliest convenience in order to give businesses a fair chance of accessing this vital funding opportunity.

Yours sincerely

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