

TEMPLATE MP'S LETTER AHEAD OF THE SPRING BUDGET

Dear [enter MPs name],

SPRING BUDGET - SUPPORT FOR THE HAIR & BEAUTY SECTOR

I am a business owner with a successful hair/beauty/barbering business in your constituency.

The hair and beauty sector, with 48,000 businesses across the UK makes a significant £4.6 billion annual contribution to the UK economy¹, with consumer spend across the whole sector totalling £24.5 billion² in 2022.

Salon businesses, led predominantly by female entrepreneurs, provide valuable careers to 257,000 people, more than half are aged 18-35, across the UK. The sector drives footfall to high streets and enhances the health and wellbeing of our local communities. The number of sector businesses continues to grow in beauty, nails, aesthetics and barbering but the number of hairdressers is falling.

The recovery of the sector has been slow and steady over the past year. My business has survived the turbulent years of the pandemic, the 'cost of doing business' crisis and extortionate energy bills. However, with wages rising again in April 2024 and an ongoing skills crisis in the sector, the future of the sector is at risk.

According to the National Hair & Beauty Federation's (NHBF) quarterly State of the Industry surveys in 2023, recruitment intentions for both staff and apprentices have not improved in any significant or positive way.

I urge you to write to the Chancellor ahead of the Spring Budget on 6 March or use the [stakeholder portal](#) (closes 24 January at 5pm) and ask him to provide important targeted support to local businesses like mine to grow. We support NHBF in its call for the government to:

1. Urgent VAT reform

- reducing the rate of VAT eg. the Netherlands reduced VAT to 6% in the early 2000s for labour-intensive services, which led to the creation of 4000 sector jobs.
- a smoothing mechanism or tiered rates around the VAT threshold. A recent independent paper published by the NHBF '[Avoiding the Cliff Edge](#)' shows businesses 'bunching' behind the threshold and modelled different options for tiered rates to incentivise growth.

2. Offer targeted apprenticeship incentives to small and micro employers up to £3,000 per employee, particularly to help fund the gap between the apprentice wage and the national minimum wage for older apprentices aged 19+. Achieve this through a more effective redistribution of funds from the apprenticeship levy.

3. A crack down on tax evading businesses to give legitimate businesses a chance at recovery.

With further targeted support from the government, I can continue to run a successful business, contribute to the local economy, job creation and community wellbeing.

Yours sincerely, [Name, Business, Address]

¹ NHBF Industry Statistics (2022)

² British Beauty Council 'Value of Beauty' Report, Oxford Economics (March 2023)