

**A GUIDE TO HELP SUPPORT  
SELF-EMPLOYED HAIRDRESSERS  
IN UK DURING COVID-19**



# INTRODUCTION

L'Oréal is here to support you through this exceptional period and the transitions that you will go through during this time. We hope this guide will help support you through each stage: ceasing to work, when you are temporarily not working and when you resume working. We can reassure you that our entire L'Oréal team is by your side during this difficult moment.

The L'Oréal Group has implemented a European-wide Solidarity Programme to support the fight against coronavirus by all stakeholders. [https://mediaroom.loreal.com/wp-content/uploads/2020/03/PR\\_LOreal-Europe-wide-coronavirus-solidarity.pdf](https://mediaroom.loreal.com/wp-content/uploads/2020/03/PR_LOreal-Europe-wide-coronavirus-solidarity.pdf)

**Government Updates:** <https://www.businesssupport.gov.uk>

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# SECTION 1: SELF- EMPLOYED

## SUMMARY OF THIS SECTION

- **Government Measures**
  - **Income Support Scheme**
  - **Grants For Businesses That Pay Little Or No Business Rates**
  - **Business Interruption Loan Scheme**
  - **Income Tax**
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*For the latest government updates go to:*

<https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/guidance-for-employers-and-businesses-on-coronavirus-covid-19>

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## SELF-EMPLOYMENT INCOME SUPPORT SCHEME

If you are self-employed or a member of a partnership and have lost income due to coronavirus, this scheme will allow you to claim a taxable grant worth 80% of your trading profits up to a maximum of £2,500 per month for the next 3 months. This may be extended if needed.

**Eligibility:** You can apply if you're a self-employed individual or a member of a partnership and you:

- have submitted your Income Tax Self-Assessment tax return for the tax year 2018-19
- traded in the tax year 2019-20
- are trading when you apply, or would be except for COVID-19
- intend to continue to trade in the tax year 2020-21
- have lost trading/partnership trading profits due to COVID-19

Your self-employed trading profits must also be less than £50,000 and more than half of your income come from self-employment. This is determined by at least one of the following conditions being true:

- having trading profits/partnership trading profits in 2018-19 of less than £50,000 and these profits constitute more than half of your total taxable income
- having average trading profits in 2016-17, 2017-18, and 2018-19 of less than £50,000 and these profits constitute more than half of your average taxable income in the same period

If you started trading between 2016-19, HMRC will only use those years for which you filed a Self-Assessment tax return.

**If you have not submitted your Income Tax Self-Assessment tax return for the tax year 2018-19, you must do this by 23 April 2020.**

HMRC will use data on 2018-19 returns already submitted to identify those eligible and will risk assess any late returns filed before the 23 April 2020 deadline in the usual way.

### **Rate of Payment:**

You'll get a taxable grant which will be 80% of the average profits from the tax years (where applicable):

- 2016 to 2017
- 2017 to 2018
- 2018 to 2019

To work out the average HMRC will add together the total trading profit for the 3 tax years (where applicable) then divide by 3 (where applicable), and use this to calculate a monthly amount.

It will be up to a maximum of £2,500 per month for 3 months.

We'll pay the grant directly into your bank account, in one instalment.

### **How to apply to this scheme:**

You cannot apply for this scheme yet. HMRC will contact you if you are eligible for the scheme and invite you to apply online. Individuals do not need to contact HMRC now and doing so will only delay the urgent work being undertaken to introduce the scheme.

You will access this scheme only through [GOV.UK](https://www.gov.uk). If someone texts, calls or emails claiming to be from HMRC, saying that you can claim financial help or are owed a tax refund, and asks you to click on a link or to give information such as your name, credit card or bank details, it is a scam.

### **After you've applied:**

Once HMRC has received your claim and you are eligible for the grant, we will contact you to tell you how much you will get and the payment details.

If you claim tax credits you'll need to include the grant in your claim as income.

To find out more information, click on the below link:

<https://www.businesssupport.gov.uk/self-employment-income-support-scheme-faqs/>

## **GRANTS FOR BUSINESSES WHO PAY LITTLE TO NO BUSINESS RATES**

The government will provide additional Small Business Grant Scheme funding for local authorities to support small businesses that already pay little or no business rates because of small business rate relief (SBRR), rural rate relief (RRR) and tapered relief. This will provide a one-off grant of £10,000 to eligible businesses to help meet their ongoing business costs.

**Eligibility:** You are eligible if:

- you are a small business and already receive SBRR and/or RRR
- you are a business that occupies property

Please note, this scheme is devolved, and therefore the application process is different depending on where you are based. For business support outside of England go to:

Scotland: <https://findbusinesssupport.gov.scot/coronavirus-advice/sources-of-funding>  
- click on: local authorities – coronavirus grants and select your local council to apply

Wales: <https://www.cardiff.gov.uk/ENG/Business/Business-Rates/Covid-grant/Pages/default.aspx> – click here to complete the online application process

Northern Ireland: <https://www.nibusinessinfo.co.uk/content/coronavirus-business-support-grant-schemes> – click here to complete the online application process

England:

**How to access the scheme:** You do not need to do anything. Your local authority will write to you if you are eligible for this grant. Any enquiries on eligibility for, or provision of, the reliefs and grants should be directed to the relevant local authority.

**Who to contact:** No one, your local authority will contact you. [Find your local authority.](#)

## **BUSINESS INTERRUPTION LOAN SCHEME**

If you are trading as a limited business, and if you have cash flow difficulties, you can apply for a **Corona Virus Business Interruption Loan**.

This new temporary loan Scheme, to be delivered by the British Business Bank, will launch soon to primarily support small and medium-sized businesses to access bank lending and overdrafts.

The government will provide lenders with a guarantee of 80% on each loan (subject to a per-lender cap on claims) to give lenders further confidence in continuing to provide finance to SMEs. The government will not charge businesses or banks for this guarantee, and the Scheme will support loans of up to £5 million in value.

Businesses can access the first 12 months of that finance interest free, as government will cover the first 12 months of interest payments.

**Eligibility:** Your business must be UK based with a turnover of no more than £45 million per year and your business meets the other British Business Bank eligibility criteria.

**How to access the scheme:**

The full rules of the scheme and the list of accredited lenders is available on the [British Business Bank website](#). All the major banks will offer the scheme once it has launched. There are 40 accredited providers in all.

You should talk to your bank or finance provider (not the British Business Bank) as soon as possible and discuss your business plan with them. This will help your finance provider to act quickly once the Scheme has launched. If you have an existing loan with monthly repayments, you may want to ask for a repayment holiday to help with cash flow.

**Who to contact:** Talk to your bank or finance provider.

## INCOME TAX

For Income Tax Self-Assessment, payments due on the 31 July 2020 will be deferred until the 31 January 2021.

**Eligibility:** If you are self-employed you are eligible.

**How to access the scheme:**

This is an automatic offer with no applications required. No penalties or interest for late payment will be charged in the deferral period.

**Who to contact:** No action for you – you are automatically enrolled.

If you are self-employed and are concerned about paying TAX due to coronavirus there is a specific helpline now set up for you to contact.

HMRC will discuss your specific circumstances to explore:

- agreeing an instalment arrangement
- suspending debt collection proceedings
- cancelling penalties and interest where you have administrative difficulties contacting or paying HMRC immediately

The helpline number is 0800 0159 559 - and is an addition to other HMRC phone contact numbers. Opening hours are Monday to Friday 8am to 4pm. The helpline will not be available on Bank Holidays.

## CLAIMING BENEFITS

Whether you are currently in or out of work, if you are on a low income and affected by the economic impact of COVID-19, you will be able to access a range of benefits via the welfare system, including Universal Credit. From 6<sup>th</sup> April the standard allowance in Universal Credit is increasing as is the basic element in Working Tax Credit for 1 year. Both will increase by £20 per week on top of planned annual uprates. This will apply to all new and existing Universal Credit claimants and to existing Working Tax Credit claimants.

You are able to claim Universal Credit, providing you meet the usual eligibility criteria. To support you with the economic impact of the outbreak, and allow you to follow government guidance on self-isolation and social distancing, from 6 April the requirements of the Minimum Income Floor will be temporarily relaxed. This change will apply to all Universal Credit claimants and will last for the duration of the outbreak.

**New claimants will not need to attend the job centre to demonstrate gainful self-employment**

**Who to contact:** Your local authority.

## JOB RETENTION SCHEME

If you're a director of your own company and paid through PAYE you may be able to get support using the Job Retention Scheme. Under the Coronavirus Job Retention Scheme, all UK employers will be able to access support to continue paying part of their employees'

salary. In this instance, you would be the employee and you would be making yourself 'furloughed'.

**Eligibility:** All UK businesses are eligible.

#### **How to access the scheme:**

You will need to:

1. Designate affected employees as 'furloughed workers' (laid off), and notify your employees of this change - changing the status of employees remains subject to existing employment law and, depending on the employment contract, may be subject to negotiation.
2. Submit information to HMRC about the employees that have been furloughed and their earnings through a new online portal (HMRC will set out further details on the information required).
3. HMRC will reimburse **80% of furloughed workers wage costs, up to a cap of £2,500 per month**. HMRC are working urgently to set up a system for reimbursement. Existing systems are not set up to facilitate payments to employers.

This scheme is intended to run for at least 3 months from 1 March 2020, but will be extended if necessary.

**Who to contact:** HMRC.

## **RENT HELP**

If you are struggling financially due to the Coronavirus situation and can't pay your rent, there are several avenues open to you at this point. Start by talking to your landlord and explaining the situation straight away. They might give you more time to pay due to the extenuating circumstances. The second thing to note is if you are already in arrears or if you fall behind during this period, the government has announced a temporary ban on evictions - your landlord can't start court action for at least 3 months.

Of course, this is a short term solution and you still need to pay your rent. So what can you do short term to help pay your rent? If you've fallen behind with your rent you should start dealing with rent arrears. There is a specific process to deal with rent arrears which you would need to follow, details of which can be found [here](#). You can also check if you can get extra financial help. There are several short term options open to you including interest free loans and you may be entitled to benefits to help with housing costs if your income has suddenly been reduced, even if you're still working. Details of all of these options are detailed [here](#).

If your landlord doesn't offer to be flexible with your rent payments, it's a good idea to pay as much as you can afford and keep a record of what you discussed.

You should [check your eligibility for universal credit](#), which is available for people in and out of work. Support for rental costs will be paid through universal credit. From April, we are increasing local housing allowance rates to the 30<sup>th</sup> percentile of market rents. This applies to all private renters.



# MORTGAGE SUPPORT

## Coronavirus and mortgage payment holidays:

For many, the biggest financial outgoing will be your monthly mortgage payments. If you're struggling financially due to coronavirus crisis you could benefit from a mortgage holiday to help you manage during this difficult time.

**The mortgage payment holiday** will provide flexibility in repaying your mortgage by allowing you to stop or reduce your monthly payments for up to three months. This won't be suitable for everyone but could provide much needed help if you need it.

**Who to contact:** The first step should be to contact your lender and tell them you are experiencing payment difficulties. There will be a fast track approval process in place and you won't be required to provide evidence or have an affordability test. So, you should get a quick decision. Although any unpaid interest will probably still need to be paid back you won't have to worry about any additional fees or charges. Individual credit ratings should not be affected but if you are worried you should speak with your lender.

It's likely the lender will spread your outstanding payments over the outstanding term of your mortgage, so you will see an increase in your monthly mortgage payments. The shorter the term left on your mortgage, the larger the increase in your monthly payments, once the mortgage payment holiday is over. You should consider the impact this will have on your future financial commitments.

Your lender may also offer other options if they are more appropriate for your circumstances. It's possible some lenders will consider increasing the length of your mortgage term. For some making interest or capital only payments may be an option. In any case you should speak to your lender or mortgage advisor and ask them to provide an explanation of what this will mean for you and understand any other options which may be available to you.

Being currently behind with your mortgage payments does not exclude you from applying for a mortgage holiday if this is appropriate for your circumstances. Those worried about repossession should not be at risk of losing their homes during this period but do speak with your lender. If you have a mortgage with an unregulated or inactive lender and would not normally fall under the scope of these changes, it is understood your provider will adopt this guidance on a voluntary basis.

**Eligibility:** Whether you are eligible to take a payment holiday, for how long, and the conditions you must meet first will depend on:

- Your lender
- The mortgage contract, and
- Your financial circumstances

Often, in order to qualify for a payment holiday, you'll need to have previously overpaid on your mortgage.

That means paying more than your agreed monthly payments until you have built up sufficient credit to take a break from payments.

However, your lender might also allow you to reduce or suspend mortgage payments if you're temporarily struggling to meet the monthly cost due to a change of circumstance, such as redundancy or going on maternity leave.

If you're in mortgage arrears you won't be eligible for a mortgage payment holiday.

But don't let that stop you contacting your lender. They will be keen to help you come to an arrangement.

### **How to apply for a mortgage holiday**

Check with your lender and have a look at your mortgage terms and conditions to see if you're eligible for a mortgage holiday and if they are allowed under your mortgage agreement.

The criteria will vary from lender to lender:

The length of your payment holiday depends on the lender. Some will allow you take up to 12 consecutive months off from paying the mortgage, while others will permit only up to six months over the life time of the mortgage.

Typically, you will often have needed to have made payments on time for a minimum period before you're eligible to take a mortgage holiday.

Your ability to take a mortgage holiday also depends on the size of your mortgage and the value of your home. Some lenders will only allow a mortgage holiday if the loan-to-value of your mortgage is lower than 80%.

# SECTION 2: SOCIAL MEDIA TIPS

## SUMMARY OF THIS SECTION

- **Intro And Context**
- **Tips And Advice**
  - 1. Address The Current Circumstances**
  - 2. Keep Up Community Management**
  - 3. Engaging Content Over Promotions**
  - 4. Come Together**
  - 5. Optimizing New Skills**

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# **SOCIAL MEDIA TIPS FOR SALONS & SPAS DURING THE COVID-19 CRISIS**

## **COVID-19 SOCIAL CONTEXT**

We at L'Oréal would like to support by providing you with a few tips to help you transition your social media strategy in the current climate we are all facing together. These tips and ideas are to help you stay connected with your community and offer new ideas on how to keep the conversation going.

It is a challenging time for businesses and clients, so we want to arm you with some thoughts and ideas to ensure you are supported.

## **HOW ARE SALONS OR SPAS AND THEIR CONSUMERS CONNECTING RIGHT NOW?**

Currently, we are seeing a huge surge in the number of people using web applications; this includes all social media channels. Facebook, Instagram, Twitter, TikTok and Pinterest are all seeing an increase in account usage and account creation. This shows that businesses and clients are all looking to communicate with one another via alternative means rather than face to face. You will have noticed an increase in the number of video calls and live content if you have been spending any time on social media yourself.

Salons and spas across the UK and Ireland have begun to use social media to announce their current position, whether they have temporarily closed already or are about to close. Communicating through social platforms with updates has become key, especially at a time when we are receiving daily changes to government instructions and aid.

Ultimately, it is your personal preference on how you wish to adapt your social media strategy, but here is some tips and advice from our social experts that you may find useful.

## **SOCIAL MEDIA TIPS FOR SALONS AND SPA**

It is important to take the time out to reassess our social media strategy. Social media is typically very reactive, so particularly at this sensitive time we need to look at our tone of voice, focus and priorities. Please find some of our top tips and ideas on how you could use social media channels to stay connected to your customers and support the future of your business.



### **1. Address The Current Circumstance**

Your clients may be looking out on social to for an update on whether your business has now closed, especially if they had an appointment coming up. We advise you to keep update your community by posting on your social media feeds. You can let them know that you will stay connected with them on social and any updates on reopening, for example. If you keep posting your usual content without posting an update or if you post an update somewhere

less permanent such as an Instagram Stories, then the message might not reach the clients. Ensure all social/digital touch points for clients have the same consistent update.

If you do receive comments or messages that are negative around your current situation, it is best to go back to the comments professionally outlining the measures you are taking. You will find that you will predominantly receive support if you are clear.



## **2. Keep Up Community Management**

### **CONSUMPTION IS ON THE RISE**

Digital consumption is set to soar during the pandemic as everyone moves to digital communication alternatives. Your community may begin to interact with you more as they could be spending an increased amount of time on social media. You could use this as an opportunity to get to know your audience even better.

Why not ask your audience directly what content they would like to see from you during this time. They may suggest they would like advice for hair or skin care at home or how to upkeep their colour, or they might want to hear from you personally about how they can help support your business. Use all the platform tools such as Instagram Stories 'ask a question' button or Facebook Live to interact with customers in a new format that works for their new lifestyle. There is an authenticity behind live content too that your customers will respect and can help them to feel more connected with you during this time.

### **BE THE COMMUNITY PILLAR**

Some clients will be more vulnerable than others during this time, and regular clients who might see you on a weekly basis that take a lot from the social interaction they get from the salon or spa. For some people, this could be the only interaction they have all week. You may be able to reach them on social media to check in, or suggest a time to do a video chat. Offering advice to these key customers will not only lift their spirits, but will keep their hair or skin well cared for in-between visits.

### **REPURPOSE CONTENT**

We often post content and then do not think we can ever use that content again. This is not true: we can always find ways to repurpose content that we already have. Consider different ways to repurpose your content:

- Re-share your top posts on Instagram Stories and ask followers to comment on their favourite past posts
- Use past content to create a quiz on Instagram or Facebook e.g. What colour did we take this gorgeous brunette in the build up to her wedding day?
- TBT – Throwback Thursdays are sure to make a comeback now, suggest when you repost how your followers can maintain hair or skin before they return to the salon or spa.



### 3. Engaging Content Over Promotions

Whilst salons and spas are temporarily closed, the services and products provided mean that we are limited in what we can talk about in terms of promotions. However, it is a time to adapt our captions and rethink how we approach our content. Move away from posts that focus on treatments or services only available in person for now, focus on at-home advice, self-care and tips. Your clients will appreciate your expertise, sensitivity to the circumstances and support. If you are posting about a product, ensure it is something your clients might already have at home and advise how they can use it. For example, advise how long to leave a treatment mask on in the shower and massage techniques to stimulate the scalp.



### 4. Come Together

In these times, we come together. We want to see each other succeed and your clients might be looking out for ways in which they can help. Do not be afraid to tell your clients how they can support your business via posts on social media. Can they help by purchasing a gift card online? Or can they pay a deposit for a future booking?



### 5. Optimizing New Skills

As it is temporarily not 'business as usual', and we turn to these alternative options to connect with clients, it can also highlight areas we would like to develop in or learn more about. There is a vast array of learning resources at your fingertips. From L'Oréal specifically, if social media is an area that you wish to develop further in, you can watch these videos on Access: <https://uk.lorealaccess.com/>. Search 'Socially Savvy' to find two series of short videos that will help you set up on social, develop your content, create a strategy or understand Instagram functionalities such as live videos.

Social can be a source of heightened connection for you, your business and your clients during this period. Please reach out to your local L'Oréal Business Partner if you have more questions on social media support for your business.

# SECTION 3: USEFUL CONTACTS

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**Many Industry Trade Bodies and Trade Media are supporting with regular updates and advice for salons and spas. You may find this information useful;**

TRADE BODY/TRADE MEDIA	COVID-19 LINKS
National Hair & Beauty Federation 01234 831965 / <a href="http://www.nhbf.co.uk/">www.nhbf.co.uk/</a>	<a href="https://www.nhbf.co.uk/coronavirus/">https://www.nhbf.co.uk/coronavirus/</a>
British Beauty Council <a href="http://www.britishbeautycouncil.com">www.britishbeautycouncil.com</a>	<a href="https://britishbeautycouncil.com/index.php/2020/03/12/corona-virus-update-guidance-for-the-beauty-industry/">https://britishbeautycouncil.com/index.php/2020/03/12/corona-virus-update-guidance-for-the-beauty-industry/</a>
Creative Head <a href="http://www.creativeheadmag.com">www.creativeheadmag.com</a>	<a href="https://creativeheadmag.com/advice-and-updates-for-irish-salons-during-the-covid-19-outbreak/">https://creativeheadmag.com/advice-and-updates-for-irish-salons-during-the-covid-19-outbreak/</a>
Hairdressers Journal <a href="http://www.hji.co.uk/">www.hji.co.uk/</a>	<a href="https://www.hji.co.uk/business/hair-salons-coronavirus-advice/">https://www.hji.co.uk/business/hair-salons-coronavirus-advice/</a>
Professional Hairdresser Magazine <a href="http://www.professionalhairdresser.co.uk/">www.professionalhairdresser.co.uk/</a>	<a href="https://professionalhairdresser.co.uk/?s=coronavirus">https://professionalhairdresser.co.uk/?s=coronavirus</a>
Respect <a href="http://www.respectyou.me/">www.respectyou.me/</a>	<a href="https://respectyou.me/a-personal-message-covid-19/">https://respectyou.me/a-personal-message-covid-19/</a>



## BUSINESSES USEFUL CONTACT INFORMATION

If you need to speak to someone about your business at this time, your local council is a great place to start. In addition, there are Government support helplines set up which we have been set up to help with all your enquiries.

### Business Support Helpline (England)

- Telephone: 0300 456 3565
- Monday to Friday, 9am to 6pm

### Invest Northern Ireland

- Telephone: 0800 181 4422
- Monday to Friday, 8:30am to 5pm

### Find Business Support Scotland

- Telephone: 0300 303 0660
- Text phone: 0800 023 2071
- Monday to Friday, 8:30am to 5:30pm

### Business Wales Helpline

- Telephone: 0300 060 3000
- Monday to Friday, 8:30am to 5:30pm

## L'ORÉAL GENERAL CONTACTS

Please don't hesitate to get in touch with your business partner with any questions or requests.

Customer Care Number (technical advice)	0800 030 4034
Customer Care Email Address	<a href="mailto:salonadvice@uk.loreal.com">salonadvice@uk.loreal.com</a>
L'Oréal Access Online Education	<a href="https://uk.lorealaccess.com/">https://uk.lorealaccess.com/</a>
L'Oréal Access Tel number	0800 028 3448
L'Oréal Access Email Address	<a href="mailto:coursesuk@loreal.com">coursesuk@loreal.com</a>

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