

Hairdressing Salon

Business Opportunity Profile

BOP032 · October 2017

Introduction

Hairdressing salons provide a wide range of services such as cutting, colouring, perming, blow-drying and styling, and advice about hairstyles. Some salons also provide specialist treatments, such as chemical straightening (also known as relaxing), hair extensions, head massage and wig cutting, as well as ear piercing. Traditionally, hairdressing salons have served a largely female clientele, but are increasingly providing services for men, such as colouring and styling.

Hairdressing services are not subject to statutory regulation. However, some local authorities have specific licensing requirements for salon proprietors. Individual hairdressers must also meet minimum qualification requirements needed for registration as a State Registered Hairdresser with the Hair Council. The Council was set up under the Hairdressers (Registration) Act 1964, which applies in England, Wales and Scotland, and is the voluntary regulator for the hairdressing profession.

Salons are usually based in high street premises, but some are located in health clubs, spas and hotels.

This profile provides information about starting up and running an independent hairdressing salon. It describes the skills required, the training available, the current market trends and the key trading issues. It also explains the legislation that must be complied with and provides sources of further information and support.

Qualifications and skills

There are no qualifications legally required to start up and run a hairdressing salon. However, in some parts of the UK, hairdressing salons and individual hairdressers must be registered with their local authority. As part of the registration process, the salon premises will usually be inspected to ensure compliance with standards of cleanliness and hygiene.

Go to www.gov.uk/register-a-hairdressing-business for information about registering in England.

In order to register as a State Registered Hairdresser with the Hair Council (which is voluntary but demonstrates that a hairdresser meets standards of competence and professionalism), individual hairdressers must hold a formal qualification in hairdressing or demonstrate sufficient experience in the sector. Exact requirements depend on registration grades, as follows:

- State Registered Graduate Hairdresser. Applicants must have completed a Level 2 NVQ/VRQ in hairdressing within the previous two years.
- State Registered Hairdresser. Applicants must have held a Level 2 NVQ/VRQ in hairdressing for at least two years, or provide a Habia Apprenticeship Certificate or proof of working as a hairdresser for six or more years.

- State Registered Senior Hairdresser. Applicants must have held a Level 3 NVQ/VRQ in hairdressing for at least three years, or provide proof of working as a hairdresser for nine or more years.

Go to www.haircouncil.org.uk/pages/apply.php for more information. Registration fees are set out in the Trading, commercial and legal issues section of this profile.

Some local authorities require all practitioners who provide body piercing at the salon to be registered, and practitioners providing certain treatments, such as exfoliation, massage or aromatherapy, to hold a massage and special treatment (MST) licence. There is more information about registering as a body piercer and MST licensing in the Trading, commercial and legal issues section of this profile.

Applicants for registration as a body piercer or for an MST licence must usually provide evidence of relevant qualifications or experience to demonstrate practitioners' competence in providing these treatments. Go to www.broxtowe.gov.uk/index.aspx?articleid=15326 for an example of a local authority's MST licensing and qualification requirements.

In practice, an in-depth knowledge and understanding of the hair and beauty sector is essential for anyone starting up and running a hairdressing salon, as are excellent interpersonal skills. These are usually acquired through previous experience working in the hair and beauty sector, often as an apprentice employee in a salon or as a self-employed mobile hairdresser.

The following courses are suitable for anyone who lacks salon management experience, but is considering starting up a hairdressing salon:

- Level 3 and 4 Higher Professional Qualifications in Technical Salon Management, which are accredited by City & Guilds. Go to www.cityandguilds.com/qualifications-and-apprenticeships/hairdressing/hairdressing/5450-higher-professional-qualifications-in-technical-salon-management for more information. Training providers include, for example, Wirral Metropolitan College (www.ucasprogress.com/course/216830/level-4-higher-professional-certificate-technical-salon-management) and Central College Nottingham, which runs the Level 4 Salon Management in Hairdressing course. The course covers general management skills, marketing, public relations, hair colour correction and specialist hair and scalp services (www.centralnottingham.ac.uk/courses/salon-management-in-hairdressing-or-beauty-therapy-city-and-guilds-level-4).
- The Level 4 Diploma in Management Practice and Advanced Techniques in the Hair and Beauty Sector, which is accredited by City & Guilds. The course covers topics such as the management of sales, health and safety and client care, as well as salon management, marketing, and advanced techniques in laser and light treatment. Go to York College (www.yorkcollege.ac.uk/subject-areas/hair,-beauty-holistic-therapies/206-adult-learning/2842-city-and-guilds-level-4-diploma-in-management-practice-and-advanced-techniques-in-the-hair-and-beauty-sector-%E2%80%93-management.html) for an example of a training provider.
- Awards, Certificates and Diplomas accredited by the Vocational Training Charitable Trust (VTCT), such as the VTCT Level 3 Certificate and Level 4 Certificates and the Level 4 Diploma in Salon Management. These involve between 150 and 446 guided learning hours and include optional units covering topics such as IT and data handling, and salon design. Go to <https://qualifications.vtct.org.uk/finder/qualfinder/qual.php?qual=AM40237> for a full list of VTCT qualifications and centres.

- A Level 4 Diploma in Spa and Salon Management, which is accredited by ITEC and covers topics including managing and monitoring a salon or spa, salon design, health, safety and security, client care and marketing. Examples of ITEC-approved training providers include Champneys Beauty College (www.champneyscollege.com), which charges £1,400 for the course, which takes eight months to complete. Go to www.itecworld.co.uk for further information about the Diploma.
- Salon Mega-Manager: Salon Management Course, which is an intensive course run by Full Column Ltd, which includes an online assessment of the delegate's business and one day of training at their salon or other suitable location. The course costs £1,080 (excluding VAT) and covers staff management, including formal training policies and contracts of employment for apprentices, stylists and receptionists. Go to www.fullcolumn.co.uk/salon-mega-manager.html for details.
- A wide range of online courses run by the Salon Managers Academy, including the six-month Level 2 Salon Manager Master Class. The course covers employee appraisals, training needs analysis and personal development plans, and costs £945 (excluding VAT). Go to <https://salonmanagersacademy.com/salon-managers-academy/salonmanagement-level-2/> for details.

General business and enterprise skills

Anyone starting up a beauty salon will benefit from training in general business and enterprise skills. Relevant courses include:

- Free webinars provided by HM Revenue & Customs (HMRC), covering topics including business expenses, self-assessment online, VAT, self-employment and becoming an employer. Go to www.gov.uk/government/collections/hmrc-webinars-email-alerts-and-videos for further information.
- Contracts of Employment, Recruitment and Selection, which is a distance-learning course run by Stonebridge College that may benefit salon proprietors who are new to recruiting staff. The course costs from £80. Go to www.stonebridge.uk.com/course/contracts-of-employment-recruitment-and-selection-byte-size for information.
- The Fundamentals of Social Media Marketing, which is a collection of six free online courses run by Hootsuite Podium. Topics covered include optimising social media profiles (on LinkedIn, Twitter, Facebook, Instagram and YouTube), developing a social media strategy, building an online community of customers and creating online content that will engage followers' attention. Go to <https://education.hootsuite.com/collections> for more information.

Apprenticeships

Hairdressing salon proprietors often take on trainees as apprentice hairdressers. The salon is required to provide appropriate training and mentoring, but funding is available towards the cost of training, depending on the apprentice's age and where in the UK the salon is based. For more information, go to www.gov.uk/apprenticeships-guide.

For more information about apprenticeships, go to:

- England (www.gov.uk/take-on-an-apprentice/overview).
- Wales (www.careerswales.com/employers/server.php?show=nav.9829).

- Scotland (www.apprenticeships.scot/take-on-an-apprentice).
- Northern Ireland (www.nibusinessinfo.co.uk/content/apprenticeships-employers-apprenticeships).

Go to <https://apprenticeships.habia.org> for further information about apprenticeships in the hair and beauty sector.

The Department for Education (DfE) has confirmed that smaller employers, including hair and beauty salons, that do not have to pay the new Apprenticeship Levy will still be able to access apprenticeship funding. The Levy does not apply to firms with an annual wage bill of less than £3 million a year.

The 'STEP' funding model sets out the four ways that non-levy-paying employers can access apprenticeship funding. Under STEP, the DfE will cover 90% of the cost of training an apprentice, while employers with fewer than 50 members of staff will pay nothing to train an apprentice aged 16 to 18. A £1,000 grant will also be paid to any smaller employer that takes on an apprentice aged 16 to 19.

More information about the funding model is available at www.hji.co.uk/business/nhf-welcomes-apprenticeship-funding-model and www.gov.uk/government/news/dfe-encourages-more-businesses-to-offer-apprenticeships.

Continuing professional development and industry awareness

While there is no legal requirement for hairdressing salon proprietors or hairdressers to undertake continuing professional development (CPD), Habia recommends that hairdressers update their skills and knowledge on a regular basis.

CPD options include:

- Various short training courses run by Salon Services, which cover topics such as classic and foundation cutting skills, plaits and braids, express colouring techniques, and bridal and wedding hairstyles. Go to www.salon-services.com/training/hair-training-courses for details of Salon Services courses and to request information about course fees and dates.
- Business and hairdressing courses run by Habia at its headquarters in Doncaster, such as Hair and Scalp Disorders, a one-day course that costs £175 (excluding VAT) and covers medical trichology, female and male hair loss, and the relationship between general health and hair health. Go to www.habia.org/cpd-courses for details of Habia courses.
- Part-time courses delivered by various higher education providers, such as Newcastle College (www.ncl-coll.ac.uk/adults/subject-areas/hair-and-beauty), Brighton Metropolitan College (www.ccb.ac.uk/public/courses/part-time-beautytherapy-healthy-living-holistics) and City of Wolverhampton College (www.wolvcoll.ac.uk/subject/hair-beauty). Courses typically cost up to several hundred pounds, although discounts are often available for learners aged between 16 and 25.
- Training delivered by hairdressing brand manufacturers and trade suppliers. For example, Aston & Fincher runs various one-day courses for professional hairdressers, which cost between £70 and £150 each (excluding VAT) and cover topics such as vintage and retro hairstyles, the 'balayage' colouring technique and bridal hairstyling. Courses are held at Aston & Fincher stores across the UK, including in Liverpool, Birmingham and Swansea. Go

to www.astonandfincher.co.uk/academy/hair-training.html for details of Aston & Fincher courses.

Hairdressing salon proprietors and hairdressers can also keep up to date with developments in their sector and improve their awareness of trends by attending events and reading trade journals and industry resources.

Suitable events, journals and resources include:

- 'Salonfocus', which is a trade journal available exclusively to members of the National Hairdressers' Federation (NHF). It is published every other month and features industry news and trends (www.nhf.info/advice-and-resources/salonfocus).
- Hairdressers Journal interactive (HJi, www.hji.co.uk), which is an online resource for the UK hairdressing sector that features market news, reviews of new hairdressing equipment and hair products, hairstyling ideas and 'how to' guides, and a selection of hairdressing blogs.
- 'Hairdressers Journal International', which is a monthly online and print-based journal for hairdressing salon owners and training providers in the UK. It provides industry news and analysis, product and treatment reviews, and in-depth articles about hair colouring and treatments (https://hairandbeauty.escosubs.co.uk/store/category/hairdressers-journal-international_6.htm).
- Regular e-zines, e-mails and blog posts published by Habia, which also publishes details of the latest sector news and developments at www.habia.org/category/news.
- ProHairLive (<http://prohairlive.co.uk>), which is an annual two-day trade event held each February at Manchester Central and each April at Olympia, London. It features a supplier exhibition and live seminars.
- Hair UK (www.hairukshow.co.uk) and Barber UK (www.barberukshow.com), which are two-day trade events for the UK's hairdressing and barbering professions respectively, held alongside each other every May at the NEC, Birmingham. Each event showcases the latest hair products and treatment innovations and features a programme of educational seminars and demonstrations.
- Holistic Health (www.holistichealthshow.co.uk), which is a two-day event for the beauty, complementary therapy and hairdressing sectors that includes an exhibition featuring suppliers of around 600 brands of holistic health, beauty and nail products. It is held each May as part of BeautyUK at the NEC, Birmingham.
- SalonGeek (www.salongeek.com), which is an online community for hair and beauty professionals that provides opportunities to share best practice and discuss industry developments.

Key market issues and trends

Current market issues affecting start-up and established hairdressing salons include the following:

- According to the fifth edition of Sally Salon Services' 'Beautiful Britain' report, the top five treatments for female clients in 2015 were haircut, hair colour, hairstyle, manicure and hair removal, and the top five treatments for men were haircut, massage, hair removal, hair colour and facial.

- The sixth edition of Sally Salon Services' 'Beautiful Britain' report, published in March 2017, valued the UK hair and beauty industry at £7 billion. Almost nine in ten salon owners and beauticians believed that 2016 had been a good year for business and around six in ten said they were more optimistic about the future than they were 12 months previously. Go to www.hji.co.uk/business/sally-salon-services-beautiful-britain-report-reveals-optimistic-salon-industry for more information.
- The same 'Beautiful Britain' report also found that while prices of hair and beauty treatments had risen in 2016, this did not discourage people from visiting salons, many of which had expanded during the year. Women's haircuts are set to cost an average of £27 in 2017, up from £23 in 2016, while men's haircuts will cost an average of £14, up from £11 in 2016. On average, salons now employ three full-time members of staff and two part-time staff, an increase of one full-time and one part-time member of staff compared with average staffing levels in 2015.
- Two-thirds of salon owners and four in ten mobile beauticians surveyed for the sixth 'Beautiful Britain' report said they had seen an increase in the number of male customers in 2016. Barbers were more likely to be optimistic about 2017 than salon owners and mobile beauticians, and also reported that their customers are demanding a wider range of treatments, including eyebrow shaping, facials and massages. Following publication of the report, the male grooming market was described as transitioning from 'functional upkeep to embracing trend-led indulgence' (<http://professionalbeauty.co.uk/site/ShowNewsDetails/hair-and-beauty-industries-to-add-almost-50,000-jobs-to-uk-economy-this-year>).
- Research by the National Hairdressers' Federation (NHF) has revealed that a significant number of employers in the health and beauty sector are paying their employees more than the National Minimum Wage or National Living Wage. Hairstylists with more than two years' experience are paid an average of between £8.02 and £9.17 per hour and experienced barbers (who may also be employed in hairdressing salons) are paid between £8.07 and £8.90 per hour (<http://professionalbeauty.co.uk/site/IndustryNewsDetails/the-beauty-and-hair-industry-shakes-off-its-low-wage-reputation>).
- Since April 2017, hairdressing salon proprietors have been able to choose their water and waste water supplier under the Open Water Market. They can switch their supplier for free, as well as negotiate a better deal with their existing supplier. This could include lower bills, better customer service and access to new services such as single billing for multiple salon sites. Go to www.nhf.info/news/the-open-water-market-is-set-to-bring-choice-and-lower-rates for more information.
- According to analysis by Mintel's Beauty and Personal Care division, 'Active Beauty' will be a key trend for 2017 and beyond. New products are expected to be launched that will protect the hair and skin from the effects of pollution and sunlight (www.mintel.com/press-centre/beauty-and-personal-care/beauty-and-personal-care-trend-2017).
- There is growing demand for 'express' and 'on-demand' beauty treatments, due to clients' increasingly busy lifestyles. For example, in recent years, on-demand hair and beauty services have become available in London, enabling clients to make online bookings (including via smartphone apps) for haircuts and hair and beauty treatments required at short notice at their home or office. Examples of services include Zeebba (www.zeebba.com) and Prettly (<https://prettly.com>).

- National hairdressing salon chain Supercuts (www.supercuts.co.uk), which provides haircuts and hair treatments on a 'walk-in' basis rather than taking appointments, had more than 150 salons in the UK in September 2017. Prices start from around £15 for a dry haircut, £15 for a blow dry and £48 for hair colouring.
- The hairdressing market is subject to fashion trends. For example, in June 2017, it was reported that the hair-colouring technique of balayage had become one of the most frequently requested hair treatments in UK salons over recent months, which was partly attributed to celebrity influences, such as Rihanna and Rosie Huntington-Whiteley (www.marieclaire.co.uk/beauty/hair/so-what-exactly-is-balayage-why-do-we-love-it-99163).
- Hairdressing salon franchises are a source of both competition and opportunities for start-up hairdressing salons. Leading franchises include Supercuts (www.supercutsfranchise.co.uk/franchise-model), which provides walk-in haircuts and hair treatments and provides franchise costs on request, Rush and Saks (<http://careers.rush.co.uk/franchise>; www.saks.co.uk/franchising), which both require £15,000 of initial investment, and Headmasters (www.headmasters.com/franchising/why-headmasters), which requires an initial investment of £40,000.
- Independent hairdressing salons face competition from mobile hairdressers offering haircuts and hair treatment at clients' homes, and from related service providers, including beauty salons, barbers and spas.
- Research commissioned by Royal Mail's Address Management Unit and published in August 2016 found that 12 new independent beauty and grooming salons had opened each week in the previous 12 months (a total of 626 salons), which was the highest increase of all types of independent trader during the period. According to the study, the typical UK high street now has four independent beauty salons (www.royalmailgroup.com/media/press-releases/beards-and-brow-remain-big-business-high-street).
- The VTCT 2017 'Skills Foresight' report revealed that 85% of employers in the hair and beauty sector said that there should be a mandatory register of hairdressers and barbers. Other challenges facing the sector were found to include concerns about training standards, quality, availability and cost, along with increasing competition and consumer demand (www.vtct.org.uk/2017/07/21/skills-foresight-report).
- According to Habia, there are more than 35,000 hairdressing salons in the UK, almost 90% of the hair and beauty workforce is female, and a third are aged between 16 and 24. Around one in five staff have no qualifications, or are only qualified below Level 2, while 20% of salons have staff vacancies and 12% have vacancies that are hard to fill (www.habia.org/industry-overview).

Trading, commercial and legal issues

Start-up and established hairdressing salons face the following trading, commercial and legal issues:

Local authority regulation

Hairdressing salon registration

Under the Hairdressing Act (Northern Ireland) 1939, hairdressing salon premises in Northern Ireland must be registered with the environmental health department of the local authority in the area where the salon is located. This is to ensure cleanliness of the premises and equipment and to minimise the risk of infections being transmitted.

The requirement for a hairdressing salon premises to be registered with the local authority environmental health department also applies in some areas of England, Wales and Scotland, depending on local by-laws and procedures in each area.

After receiving an application for the registration of hairdressing salon premises, a local authority environmental health officer will inspect the salon premises, including storage areas where supplies are kept. Examples of cleanliness measures that an inspector will check for include:

- Hair cuttings and other waste must be swept from the floor and placed in a covered bin, which should be emptied at least once per day.
- Non-disposable chair coverings that come into contact with clients' skin, and towels and cloths that are applied to the face, head or neck, must be washed before they are used for another client.
- Hairdressers must keep their hands and clothes in a clean condition. Any open sores or similar on an exposed part of the body must be kept covered by an impermeable dressing while styling clients' hair.
- The salon must have sufficient washing facilities for staff.

There is no charge to register a hairdressing salon premises in Northern Ireland. In the rest of the UK, many local authorities charge a fee for registering salon premises. For example, Tameside Metropolitan Borough Council charges £118 for registration.

Go to www.fermanaghmagh.com/business-services/environmental-health-service/health-safety-business/hairdressers for more information about registering hairdressing salon premises in Northern Ireland.

Go to www.tameside.gov.uk/Licensing/Hairdresser-Barber-Registration and www.dudley.gov.uk/business/licences-registrations-and-permits/beauty-and-cosmetic-registrations/hairdresser-registration/ for examples of local authorities that require hairdressing salon premises to be registered.

Licensing of body piercing services

Local authority licensing requirements for the provision of body piercing vary across the UK.

In London, Scotland and Northern Ireland, hairdressing salon premises at which body piercing is carried out must be licensed by the local authority. Any member of staff who carries out piercing, including self-employed beauty therapists, must also be licensed by the local authority.

In England and Wales (excluding London), where the local authority has adopted Part VII of the Local Government (Miscellaneous Provisions) Act 1982, anyone who intends to carry out body piercing must apply for a licence from the authority before beginning to trade. The owner or occupier of business premises where body piercing is provided must also apply for a licence for the premises.

The licensing system and fees vary between individual local authorities. In general, licence applicants must be able to demonstrate that there will be safe working procedures in place

to ensure that body piercing is carried out in a hygienic manner and that the spread of disease is prevented. Most local authorities require piercers to wear protective clothing and some require anyone applying for a licence to complete certain courses and update their training regularly as a licence condition. Go to www.norwich.gov.uk/directory_record/1225/tattoo_acupuncture_and_body_piercing_registration for an example.

Massage and special treatment licensing

Proprietors of hairdressing salons based in a London borough must apply for a massage and special treatment (MST) licence from their local borough council before providing certain treatments such as Indian Head massage, waxing, manicures, pedicures and facial treatments.

Individual hairdressers and other staff may also need to apply for an MST licence, and salon proprietors must check whether a hairdresser or other member of staff is appropriately licensed before allowing them to work in the salon either as an employee or on a self-employed basis.

Proprietors intending to provide massage or special treatments in any other area of the UK may also be required to apply for an MST licence from their local authority, depending on local by-laws and procedures in each area. Examples of local authorities requiring MST licences include Broxtowe Borough Council (www.broxtowe.gov.uk/for-business/licences-permits/business-licences/massage-special-treatments) and Worcester City Council (www.worcester.gov.uk/massage-and-special-treatments).

Many local authorities charge a fee for granting a licence. MST licence fees vary according to the local authority, but typically cost around £170. However, as at September 2017, Broxtowe Borough Council charged £175, Worcester City Council charged £348 and Westminster City Council, London charged up to £2,500.

Premises where massage or special treatments are provided may also require an MST licence. If the salon is based in a rented workspace, for example in a complementary therapy or health clinic, applying for an MST licence for the premises is usually the clinic owner's responsibility.

Local authority environmental health officers carry out inspections of licensed premises to ensure that safe and hygienic practices are being followed. Habia, which sets standards for the hair and beauty industry, provides advice about health and safety criteria for salon inspections. The guidance can be viewed at www.habia.org/health-safety.

Music and TV licensing

Hairdressing salon proprietors who play background music must hold licences from PRS for Music and PPL.

PRS licences enabling music to be played in a hairdressing salon with up to 30 chairs cost around £80 (excluding VAT) when music is played through a radio or TV, or around £80 for the first five chairs, plus around £30 for each additional five chairs when a tape, CD or DVD player is used. Go to www.prsformusic.com/licences/playing-music-at-work/hair-and-beauty for information. PPL licences cost from £130 each year. Go to www.ppluk.com/I-Play-Music/Businesses/How-much-does-a-licence-cost/Business-type-1 for more information.

Before playing background music in a rented space, such as rooms in a complementary therapy practice or spa, hairdressing salon proprietors should check whether the premises already has PRS and PPL licences. It is the responsibility of the premises owner or main occupier to ensure that the correct licences are held.

Hairdressing salon proprietors who enable live TV and on-demand programmes to be broadcast at their premises will also need a TV licence. This includes music videos, meaning the proprietor of a salon with a TV tuned to music channels will require both PRS for Music and PPL licences and also a TV licence (www.tvlicensing.co.uk/check-if-you-need-one/business-and-organisations?WT.ac=home_plt_business).

Alcohol licensing

Alcoholic drinks such as Prosecco are sometimes served to clients at hairdressing salons, for example to a bridal party having their hair styled before a wedding.

Hairdressing salon proprietors intending to serve alcoholic drinks to clients (even complementary drinks) must ensure that they apply for the relevant statutory licences before they start trading. The retail sale or supply of alcohol is a licensable activity and complementary alcoholic drinks may be deemed to have been 'sold' to clients and the price of the drink included in the cost of the hairstyling. In June 2017, hairdressing salons were warned that they could face a £20,000 fine if they provided alcohol to clients without a licence (www.telegraph.co.uk/news/2017/06/16/hairdressers-beauty-salons-warned-face-20000-fine-offering-free/).

For one-off events, such as a salon opening party, a licence to serve alcohol is not usually required. However, rules vary between local authorities so it is necessary to check with the local authority licensing department in the area where the salon is located well in advance.

The Licensing Act 2003 established a single system for licensable activities in England and Wales.

In Scotland, the sale and supply of alcohol is regulated under the Licensing (Scotland) Act 2005 as amended by the Alcohol etc. (Scotland) Act 2010.

In Northern Ireland, the sale and supply of alcohol is regulated under the Licensing (Northern Ireland) Order 1996.

In England, Wales and Scotland, local authorities act as licensing authorities and control the licensing system and process alcohol licensing applications. Hairdressing salon proprietors may be required to apply for a Premises Licence for the salon and to appoint a Designated Premises Supervisor (DPS) in England and Wales or a Premises Manager in Scotland, who must hold a valid Personal Licence and who will be named on the Premises Licence. For more information, go to www.gov.uk/guidance/alcohol-licensing and www.gov.scot/Topics/Justice/policies/drugs-alcohol/alcohol-licensing. In Northern Ireland, the county courts act as the licensing authority.

In Northern Ireland, a hairdressing salon proprietor may be required to hold a Liquor Licence in order to sell or supply alcohol, and the applicant must demonstrate that they are fit to hold a licence and that their premises are suitable for the sale of alcohol. Go to www.nidirect.gov.uk/articles/selling-alcohol-licensed-premises-and-registered-clubs for more information about liquor licensing in Northern Ireland.

Trade body membership

Membership of a trade body can provide a wide range of individual and business benefits. Relevant bodies include:

- The National Hairdressers' Federation (NHF, www.nhf.info), which is a trade body representing the UK's hairdressing, barbering and beauty sectors. Salon membership costs around £265 per year (excluding VAT). Benefits of salon membership include treatment

risks insurance cover, access to an employment helpline and up to £50,000 legal expenses insurance cover, a subscription to 'Salonfocus', and 'how to' guides on topics such as chair rental, workplace health and safety and salon marketing. Individual membership of the NHF costs around £145 per year.

- The British Association of Beauty Therapy & Cosmetology (BABTAC, www.babtac.com), which is a professional body representing individual hairstylists and salons in the UK's beauty, hair, holistic and complementary therapy sectors. Salon membership costs around £180 per year and covers the business and up to two practising therapists. Salon membership includes professional indemnity, public liability, malpractice and treatment risks insurance cover. Membership benefits also include a free listing for the salon in the BABTAC directory and access to business, marketing and employment tools and guidance. New members must hold a Level 2 qualification or equivalent training in hairdressing, beauty, nails or holistic therapy. Membership as an employed or self-employed hairdresser costs around £60 per year.

Professional registration and salon accreditation

Salon proprietors can demonstrate that their salon and staff meet professional and customer service standards by employing hairdressers and beauty therapists who belong to a professional register and by receiving accreditation for their salon.

In order to register as a State Registered Hairdresser with the Hair Council, which is the voluntary regulator for hairdressers and barbers in the UK, hairdressers must hold a Level 2 NVQ/VRQ in hairdressing or provide proof of at least six years' experience working as a hairdresser. Exact requirements depend on registration grade (Graduate, Registered or Senior) and are detailed in the Qualifications and skills section of this profile.

The annual registration fee is £42 for Registered and Senior hairdressers or £35 for Graduate hairdressers. Go to www.haircouncil.org.uk/pages/apply.php for more information.

The Register of Beauty Professionals is the main professional register for the hair and beauty sector in the UK. It is administered by Habia in partnership with SkillsActive. Go to www.habia.org/what-is-the-professional-register for further information about the Register.

The Guild of Professional Beauty Therapists keeps a Register of Professional Beauty Therapists. Go to www.beautyguild.com/Professional-Register/FAQ.aspx for further information about registration.

Suitable accreditation schemes for hairdressing salons include:

- The Good Salon Guide, which represents independent hairdressing in the UK and Ireland and complements the Good Barber Guide and the Good Beauty Guide. In order to be included in the Guide, hairdressing salons must pass an independent inspection. Go to www.goodsalonguide.com/salons-only/joining-good-salon-guide for further information about inclusion in the Guide.
- ServiceMark, which is a scheme run by the Institute of Customer Service (ICS) that helps salon proprietors identify, develop and demonstrate their customer service standards. In order to join the scheme, a salon proprietor must carry out a ServCheck assessment of their customer service strategy, receive customer feedback and pass an on-site assessment. Accreditation is granted for three years and scheme fees are available on request from the

ICS. Go to www.instituteofcustomerservice.com/standards-accreditation/servicemark for further information.

- Schemes run by organisations such as DisabledGo (www.disabledgo.com), which help hairdressing salon proprietors ensure that their salon meets the special needs of clients with disabilities.

Record keeping, data protection and confidentiality

To comply with the Data Protection Act 1998 (DPA), client records should be stored securely, kept either manually or electronically, and used only for their clearly intended purpose.

Some trade bodies stipulate how long their members must keep client records. For example, the NHF Code of Practice requires members to keep client records for at least two years (www.nhf.info/documents/code-of-practice/) and the Complementary Therapists Association (CTHA) Code of Practice requires members to keep adult clients' records for at least seven years (www.ctha.com/CodeOfPractice).

Hairdressing salons should inform clients about warranties, policies and procedures for maintaining client confidentiality and privacy before styling a client's hair or commencing hair treatments.

The ICO provides a guide to complying with the DPA, which can be viewed at <http://ico.org.uk/for-organisations/data-protection>.

The General Data Protection Regulation (GDPR) will replace the DPA in May 2018. Go to <https://ico.org.uk/for-organisations/data-protection-reform/overview-of-the-gdpr> for an overview of the GDPR.

Regulation of hair products

Hairdressing salon proprietors throughout the UK who use hair products or offer them for retail sale must comply with the Cosmetic Products Enforcement Regulations 2013, which were introduced in the UK to ensure compliance with the requirements of the EU Cosmetics Directive. Under the Regulations, it is an offence to supply a cosmetic product (which includes products used on clients' hair) that may cause harm to health when used, or to sell products that contain certain specified ingredients or that have been tested on animals.

Guidance about supplying a cosmetic product has been published by the Cosmetic, Toiletry & Perfumery Association (CTPA). Go to www.ctpa.org.uk/content.aspx?pageid=422 for details.

Newcastle City Council's trading standards department has also published a useful guide to the Regulations. Go to www.newcastle.gov.uk/business/trading-standards/product-safety/guidance-on-the-safety-of-cosmetic-products for more information.

Hair product labelling

Under the Cosmetic Products Enforcement Regulations 2013, suppliers of hair products are required to provide certain information on the labels of product containers and packaging. Hairdressing salon proprietors must check that the labelling information printed on containers and packaging cannot be rubbed off, is easy to read and is clearly visible. The label should include:

- The name and address or registered office of the producer or the person responsible for marketing the product.
- A list of ingredients, preceded by the word 'Ingredients'.
- The words 'Best used before the end of' and the use-by date, which must be expressed as day/month/year or month/year if the product is likely to become unsafe or unsuitable for its intended use within 30 months of being made.
- The 'Period after opening' symbol, an indication of the period of time after opening the product can be used for, and the use-by date, expressed as month/year if the product is likely to become unsafe or unsuitable for its intended use more than 30 months after being made.
- Details of any particular precautions which need to be taken by anyone using the product.

Exceptions apply for pre-packed cosmetics that are normally sold together with other items (provided the weight or volume is not significant), pre-packed cosmetics of less than five grams or five millilitres, and pre-packed cosmetics sold for single use only.

Premises

A hairdressing salon proprietor will need to budget for the costs associated with leasing or buying salon premises, including solicitor's costs, rent, utility bills, water rates and business rates. Rent and business rates vary significantly depending on the location, layout and size of the premises.

Change-of-use planning permission may be required if the premises were previously used other than as a salon under Use Class 'A1 Shops'. Go to www.planningportal.co.uk/info/200130/common_projects/9/change_of_use for further information.

Some hairdressing salon proprietors rent rooms in premises shared with related hair and beauty services and complementary therapy practitioners, such as beauticians, body piercers and tattoo artists, but run their business independently as a self-employed hairdresser with their own clients.

Room rental fees vary and are typically charged on a weekly or daily basis. Forums on websites such as HealthyPages (www.healthypages.co.uk) and Holistic Community (www.holistic-community.co.uk) provide the latest rental details for hair and beauty practitioners and complementary therapists seeking rooms.

Go to www.therapyroomstorent.co.uk to view listings of therapy rooms for hire.

It is important for the hairdressing salon proprietor to check whether or not the premises proprietor or landlord has arranged public liability insurance that also covers the salon's clients who are attending the premises for hairstyling or hair treatments.

Business rates

Some hairdressing salon proprietors trade from leased commercial premises, which will need sufficient space for a reception area, and a treatment area with space for several hairdressing stations.

Commercial rent and business rates vary significantly depending on the location, layout and size of the premises. In England and Wales, the Valuation Office Agency (www.gov.uk/introduction-to-business-rates/overview) is responsible for determining the rateable value of premises based on their size and rental value, and this figure is used by local authority valuation officers to set local business rates.

In Scotland, the determination of business rates is the responsibility of the Scottish Assessors (www.gov.scot/Topics/Government/local-government/17999/11199/brief-guide), and in Northern Ireland, they are dealt with by Land & Property Services, part of the Department of Finance (www.finance-ni.gov.uk/topics/property-rating).

Premises security

Security features such as grilles, roller shutters and alarm systems suitable for hairdressing salon premises can be sourced from suppliers such as:

- Security Shutters Direct (www.securityshuttersdirect.co.uk).
- HAG (www.hag.co.uk).
- ESA Systems (www.esasystems.co.uk).

Manually operated roller shutters cost around £300-£350 (excluding VAT) per square metre. Mesh grilles cost around £200 (excluding VAT) per square metre. Security alarm systems typically cost from around £600. Go to www.arrowsecurityshutters.co.uk to view price lists for a wide range of security features.

Depending on location, it may be necessary to install CCTV to protect the salon premises. The British Security Industry Association provides details of suppliers at www.bsia.co.uk/find-a-security-company.aspx.

CCTV systems cost from around £100, and installation costs vary according to the number of cameras fitted. For an example of installation costs, go to www.maplin.co.uk/cctv-installation.

Hairdressing salon proprietors need to notify the Information Commissioner's Office (ICO) in order to use CCTV for security purposes, and must adhere to the CCTV Code of Practice. The ICO can be notified online for a fee of £35 and notification must be renewed yearly. Go to <https://ico.org.uk/for-organisations/register> for information.

The ICO has published guidance about using CCTV, which is available at <https://ico.org.uk/for-organisations/guide-to-data-protection/cctv>.

A safe (from around £75) can be used to keep small amounts of cash secure up to the limits of insurance cover for cash held on the premises. Typical policies provide cover for between £2,000 and £5,000 kept in a safe and a further £500 out of the safe. Cash should be banked regularly to keep the amount on-site to a minimum.

Signage

The Town and Country Planning (Control of Advertisements) Regulations 2007 control the display of outdoor advertising and, in certain circumstances, require salon owners to obtain permission from their local authority planning department before displaying outdoor advertisements such as those on salon fascias.

Go to www.gov.uk/government/uploads/system/uploads/attachment_data/file/11499/326679.pdf for a guide to displaying outdoor signs.

Premises accessibility

Under the Equality Act 2010, it is unlawful for a hairdressing salon in England, Wales or Scotland to refuse to style or treat a disabled person's hair, offer a lower standard of service or provide a service on worse terms, unless they can objectively justify doing so. Salon proprietors must also make reasonable adjustments so that their salon is accessible to people with disabilities. For example, they may need to fit a ramp to assist with wheelchair entry to their premises. In Northern Ireland, the Disability Discrimination Act 1995 (as amended by the Equality Act) applies.

The Equality and Human Rights Commission (EHRC) publishes guidance to the Equality Act 2010 for service providers, including hairdressing salons. To view the guidance, go to www.equalityhumanrights.com/private-and-public-sector-guidance/organisations-and-businesses/businesses/hairdressers-barbers-and-beauty-salons.

Fixtures, fittings and equipment

Hairdressing salon proprietors need to budget for the cost of fixtures, fittings and equipment for their premises.

A typical budget (excluding VAT) for fixtures and fittings includes:

- Reception desk (from £200 to £400).
- Waiting area chairs (from £50 to £300 each).
- Wall-mounted mirrors (around £200 each).
- Treatment chairs (from £100 for a basic chair to £500 for a hydraulic chair).
- Hairdressers' stools (from £50 to £150 each).
- Equipment and product trolleys (from £50 to £280 each, depending on capacity, make and finish).
- Wash point units (from £400 to £1,200 each).
- Styling units (from £160 to £1,600 each).
- Wall-mounted hood dryer (from £160 to £525).
- Foot rests (from £25 each).
- Wall-mounted hairdryer holders (from £8 to £50).
- Steam sterilisers (from around £50 each), bead sterilisers (from £220 each) or an autoclave machine (from £1,500 to £12,000 each) and autoclave pouches (around £10 for 200 pouches).

The Pressure Equipment (Safety) Regulations 2016 implement Directive 2014/68/EU into UK law. They require pressure equipment, including autoclaves used by hairdressers to sterilise equipment such as scissors and hairbrushes, to bear the CE product safety mark. Autoclaves must also bear the name and address of the manufacturer (or supplier if the manufacturer is from outside the EU) and be accompanied by any relevant safety warnings.

Examples of suppliers specialising in salon fittings and equipment include Salons Direct (www.salonsdirect.com), Sally Beauty (www.sallybeauty.co.uk) and Capital Hair & Beauty (www.capitalhairandbeauty.co.uk).

The Hairdressing & Beauty Suppliers Association (HBSA) is a membership organisation representing sector suppliers that lists members at www.thehbsa.co.uk/member.

Specialist shopfitters for hairdressing salons include Salon Interior Design (www.saloninteriordesign.co.uk) and Moda Salon Interiors (www.modasaloninteriors.com).

Hairdressing salon proprietors will also need to source liveried uniforms for hairdressers and reception staff from suppliers such as Salonwear Direct (www.salonweardirect.co.uk) and Alexandra (www.alexandra.co.uk/beauty-spa).

Sourcing hair products and other consumables

Start-up hairdressing salon proprietors require a wide range of hair products and other consumables for a variety of hair types to enable them to provide a range of hair treatments and services. Hair products can be sourced from a variety of reliable wholesalers or suppliers. Costs vary considerably depending on quality and brand.

Consumables (with costs excluding VAT) typically required include:

- Styling starter kit, including a range of hair clays, wax, heat protector and hair spray (around £110).
- Shampoo and conditioner (from around £3 to £18 per litre, depending on brand).
- Hair wax (from around £3 to £9 for 100ml), hair oil (from £5 to £25 for 100ml) and hair mousse (from £5 to £10 for 150ml).
- Hairspray (around £4 for 750ml).
- Bleach (usually hydrogen peroxide) (from around £6 to £40 for 500g).
- Permanent colour (between around £5 and £10 for a single 60ml tube, or £45 for a six-tube 'coffee' collection and £125 for a 20-tube kit) and semi-permanent colour (between around £3 and £12 for a single 100ml tube or £85 for a 12-tube kit).
- Aluminium foil (around £3 for 100 pre-cut foil strips, £6 for a 100m length and £35 for 1,000m length) and meche strips (between £5 and £10 for a pack of 200 strips).
- Gloves (around £5 for 100 pairs of disposable gloves or around £1 for a pair of reusable gloves).

Specialist suppliers include:

- Beauty Express (www.beautyexpress.co.uk).
- Aston & Fincher (www.astonandfincher.co.uk).
- M&S Hair & Beauty Supplies (www.mandssupplies.com).
- Bravura London (www.bravuralondon.com).
- Hairtrade (www.hairtrade.com).
- Additional Lengths (www.additionallengths.co.uk).

- Racoon International (www.racooninternational.com).

In order to stock well-known brands, hairdressing salon proprietors may be required to apply to become approved stockists or brand 'partners', and will often be provided with merchandising materials and information about promotions by the brands' representatives or sales agents. Salon proprietors typically opt to only use or sell one or two hair care brands, and this may be required by brands in order to become an approved stockist or brand partner.

In some cases, hairdressing salon staff will be required to complete manufacturer-approved training courses. For example, in order to fit Great Lengths extensions, stylists must attend a Great Lengths Foundation Training Course, after which they will be approved as a certified stylist (www.greatlengthshair.co.uk/become-a-certified-stylist).

Market-leading branded hair products used by hairdressers include:

- Wella (www.wella.com/professional/en-UK/home).
- TIGI (<http://uk.tigiprofessional.com/?country=GB>).
- Paul Mitchell (www.paul-mitchell.co.uk).
- Redken (www.redken.co.uk).

Some brands accept new stockist enquiries via telephone or e-mail, while others supply products through local representatives or agents. Brands may be reluctant to supply to a new hairdressing salon or to more than one salon in a particular local area.

Hairdressing salon proprietors can benefit from joining a buying group, which enables them to place collective orders with other salon proprietors and benefit from volume discounts. Go to www.buyinggroups.co.uk for a directory of independent buying groups listed by location.

Applying for a trade credit account

Typically, wholesalers and other suppliers require new trade customers, such as start-up hairdressing salon proprietors, to pay for stock on purchase and before delivery. However, most offer trade credit accounts to regular established customers.

Salon proprietors will usually be asked to provide the following information when applying for a trade credit account:

- Their full name and address, including any trading names.
- The trading status of the business (sole trader, partnership or limited company).
- Company registration number and registered office address, if appropriate, as well as the invoice and delivery addresses, if these are different.
- Details of two trade references and permission to seek bank and credit references.

Wholesalers and other suppliers usually carry out credit checks on new customers applying for a trade account. This includes taking up references, reviewing published accounts (if available) and checking public registers such as County Court judgments.

Salon management software

Salon management software enables hairdressing salon proprietors to manage hairdressers' work rotas, client records, styling and colour preferences, appointment bookings, reminders and payments. Typical software features include 24-hour online booking, automatic SMS appointment reminders, remote access to appointment schedules for salon proprietors and their employees, and online data storage.

Examples of specialist software include:

- Salonium (www.salonium.co.uk), which costs £12 per month for a professional licence. A free 30-day trial is also available.
- Salon Iris (www.saloniris.co.uk), which costs from £49 per month for a single-user licence to £269 per month for a multi-location licence. A one-off payment option costs around £500 for a single user and around £4,000 for a multi-location licence.
- Intersalon (www.salonsoftware.co.uk), which costs from around £10 per month to around £40 per month depending on the number of users. A 30-day free trial is also available.

Pricing and VAT

The prices charged at hairdressing salons vary depending on the type of hair treatment or styling, how long it takes, the length of the customer's hair, the hair products that are used, the individual hairdresser's experience, and the level of local competition. Independent hairdressing salons typically charge lower prices than well-known salon chains with established reputations.

Typical salon hairstyling and treatment prices include:

- From £15 for a dry cut.
- From £20 for a shampoo, cut and blow dry by a junior stylist to £70 for the same service, but carried out by a senior stylist.
- From £100 to £155 for a full head of highlights.
- From £80 to £135 for a half-head of highlights.
- From £30 to £45 for 'grey blending'.
- From £45 to £65 for a perm.
- From £5 to £15 for a child's cut and blow dry (depending on age).
- From £200 to £500 for a bridal package, which typically includes hairstyling for the bride, two bridesmaids and the mother of the bride.

Many hairdressing salons offer discounts to clients who refer friends and operate a loyalty scheme to reward regular customers.

Go to www.supercuts.co.uk/price-list, <http://toniandguy.com/salon/prices/244> and www.heavenonearthleyland.co.uk/ladies-hairstyling for examples of fees charged by hairdressing salons.

Most hairdressing salons that retail hair products apply a markup of at least 100% and sometimes as much as 400% to the trade or wholesale cost of items.

Some hairdressing salon proprietors also generate income by renting out rooms or couches to mobile beauticians and complementary therapists offering specialist treatments such as aromatherapy. Rental fees vary and are typically charged per week (for example £100 per week for a couch in a high street salon).

The services and products provided by hairdressing salons are standard-rated for VAT and salon proprietors must register for VAT once their turnover reaches the mandatory threshold. Go to www.gov.uk/guidance/rates-of-vat-on-different-goods-and-services for further information about VAT rates.

Taking payment

A till (from £150) will handle basic transactions. For examples of suppliers, go to www.cashregistergroup.com and www.cashtillsdirect.co.uk.

A Chip and PIN machine will be required to process credit and debit card payments. Examples of providers include <https://lloydsbankcardnet.com>, www.streamline.com/card-machines and www.chipandpinsolutions.com. Equipment rental costs between £15 and £35 a month, plus per-transaction charges from around 2%.

It will be necessary to apply for a merchant account to process online payments. Examples include PayPal (www.paypal.com/uk/webapps/mpp/home), Worldpay (www.worldpay.com/uk), Pay360 by Capita (www.pay360.co.uk) and Nochex (www.nochex.com).

Increasing numbers of online shops are joining online payment security schemes such as Mastercard SecureCode (www.mastercard.co.uk/en-gb/merchants/safety-security.html) and Verified by Visa (www.visa.co.uk/products/protection-benefits/verified-by-visa). Shop proprietors usually join these schemes through their online payment processor.

Many hairdressing salons now take payment via smartphone apps and card readers. Examples of providers include:

- iZettle (www.izettle.com), which requires a contactless reader that can be purchased from around £60 and charges variable rates on a percentage basis depending on sales figures. iZettle also includes bookkeeping tools and sales reports to record transactions.
- PayPal Here (www.paypal.com/uk/webapps/mpp/credit-card-reader), which requires a card reader costing £75. The fee per transaction is based on total monthly sales volume.
- Shopify POS (www.shopify.co.uk/pos), which enables shops to accept payments on their iPhones or iPads using a card reader that costs £59. Shopify also offers a 'retail package' costing around £30 per month that provides a bar code scanner, cash register and receipt printer in addition to the card reader.

Consumer contracts regulations and terms and conditions of booking

The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 (CCRs) require hairdressing salons to provide consumers (meaning clients booking a hair appointment for purposes unconnected to their business or profession) with specific pre-contract information before confirming their appointment. In particular, the pre-contract information must cover the salon's pricing and cancellation terms.

This information can be provided, for example, in a treatment pricing list at the salon premises, on the salon's website, or over the phone if the client is making a telephone booking.

The pre-contract information provided by a hairdressing salon should typically cover:

- Clear details of the types of hairstyling, treatments and hair products available.
- Details about pricing for each type of styling or treatment.
- Details of any deposits required, for example to book bridal hair packages.
- The methods of payment accepted.
- The salon's appointment cancellation policy, including details of any charges made if clients are late arriving for an appointment or if appointments are cancelled at short notice.
- Any treatment age restrictions. For example, some hairdressing salons restrict hair colouring treatments to clients aged 16 or over and require parental consent to be provided for ear piercing on clients aged 15 or under.
- A requirement that a patch test must be carried out before hair colouring treatments can be provided, typically at least 48 hours in advance.

Many hairdressing salons allow their clients to cancel appointments at up to 48 hours' notice without charge. Some salons require clients cancelling within 24 hours' notice to pay 50% of the appointment cost and clients failing to keep appointments at the agreed time are required to pay 100%.

Hairdressing salons accepting online bookings must make a cancellation form available on their website, based on a model form that can be viewed at www.legislation.gov.uk/ukxi/2013/3134/schedule/3/made. If the consumer uses the cancellation form provided online, the salon must confirm its receipt and acknowledge the cancellation of the appointment booking.

It is worthwhile having a solicitor draft or review Ts and Cs to ensure they comply with the law.

Consumer protection legislation

Under the Consumer Rights Act 2015, hairdressing salons must provide their services with reasonable care and skill. Under the Act, consumers can claim a full refund within 30 days if a hair treatment has not been carried out with reasonable care and skill, for example if hair colour sold as 'permanent' colour washes out within a few days of application. Consumers can also claim a refund if a hair product used during a treatment or an item that they buy from a salon is not of a satisfactory quality, not as described or not fit for purpose.

The level of skill deemed as reasonable can depend on the individual hairdresser. For example, a trainee would not be expected to cut or colour hair with the same skill as a fully qualified and experienced hairstylist. Some salons offer hairstyling by trainees at a discounted price, to provide them with practical experience. Clients, such as students, on a low income may welcome affordable cuts and colouring, but the proprietor should ensure that the trainee's relative lack of experience is clearly communicated to the client before accepting a booking.

The Consumer Protection from Unfair Trading Regulations 2008 and the Consumer Protection (Amendment) Regulations 2014 protect consumers by prohibiting misleading commercial practices. For example, if a salon proprietor provides misleading information about their stylists' qualifications, they will have committed a criminal offence.

If a hairdressing salon accepts online bookings, they must meet the requirements of the Electronic Commerce (EC Directive) Regulations 2002. This includes providing clear information

about the technical steps to follow to conclude the booking, and how the consumer can identify any input errors before confirming their appointment booking.

Under the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015, hairdressing salons that fail to resolve a dispute with a consumer through their own complaints-handling procedure must inform that consumer about a certified alternative dispute resolution (ADR) scheme relevant to their sector; for example RetailADR (www.retailadr.org.uk/how-to-complain-about/retail-complaints-in-store-online-help-advice). ADR schemes provide consumers and traders with a way of resolving complaints without going to court.

Consumer protection legislation is enforced by local authority trading standards officers who can be contacted for advice and guidance about compliance.

The Business Protection from Misleading Marketing Regulations 2008 make it a criminal offence for a hairdressing salon proprietor to promote their business in ways that are misleading or unfair to other traders. For example, this includes making unfair comparisons between their own salon and their stylists' experience and other hairdressing salons and hairdressers.

Staffing and recruitment

Hairdressing salon proprietors need to budget for the recruitment and employment of various members of staff, including trained hairdressers and at least one receptionist. Additional temporary staff will often be required during busy periods, such as the run-up to the Christmas and New Year festive season. Examples of websites where hairdressing salons can advertise vacancies include:

- Hairandbeautyjobs.com (www.hairandbeautyjobs.com).
- Hair2BeautyJobSource.com (www.hair2beautyjobsource.com).
- HJi Jobs (<https://jobs.hji.co.uk>).
- LeisureJobs (www.leisurejobs.com/jobs/spa-massage-and-beauty-jobs).

On average in 2017, hairdressing salon managers were paid around £19,300 and hairdressers around £14,000. All members of staff must be paid at least the National Minimum Wage (NMW), or the National Living Wage (NLW) if they are aged 25 or over.

'Right to work' checks

Hairdressing salon proprietors have a duty to ensure that anyone they employ, such as hairdressers and receptionists, are legally entitled to work in the UK. Certain groups of people, mainly those from outside the European Economic Area (EEA), must have the correct visas and authorisation to work in the UK.

The Immigration, Asylum and Nationality Act 2006 and the Immigration Act 2016 set out measures to tackle illegal immigration and prevent people from working illegally in the UK. Anyone employing a person who does not have the right to live and work in the UK is committing a criminal offence.

UK Visas and Immigration, which is part of the Home Office, provides information about who can be employed legally and how to employ a person from outside the EEA, as well as guidance

about preventing illegal working. Go to www.gov.uk/government/publications/preventing-illegal-working-code-of-practice-for-employers for more information.

Tips and gratuities

Some clients leave tips for hairdressing salon proprietors or their staff and the proprietor must comply with tax and NMW rules relating to tips. Staff do not have to pay income tax via their wages on tips given directly to them by clients, but they are responsible for declaring tips to HMRC, which may affect their tax code. However, if the tip is passed on via the employer, tax must be deducted from staff pay under the Pay As You Earn (PAYE) system.

Tips and service charges cannot be used to make up employees' NMW pay. For more information, go to www.gov.uk/government/publications/national-minimum-wage-code-of-best-practice-on-service-charges-tips-gratuities-and-cover-charges.

Tax and IR35

Rules introduced by HMRC, called IR35, are intended to prevent avoidance of National Insurance (NI) Class 1 Contributions and tax payments by hairdressing salon proprietors and self-employed hairdressers or other staff members they hire. If a hairdressing salon is the sole source of work for a hairdresser, it can be difficult for them to prove to HMRC that they are genuinely self-employed or freelance. This can lead to an increased tax and NI liability for both the hairdresser and the salon that has hired them.

Hairdressing salon proprietors can ensure that their staff meet HMRC's criteria for self-employment by using HMRC's online employment status-checking service (www.gov.uk/guidance/check-employment-status-for-tax).

Workplace health, safety and hygiene

The Health and Safety at Work etc. Act 1974 and the Safety at Work (Northern Ireland) Order 1978 place statutory duties on employers and the self-employed in relation to the health, safety and welfare of their employees and anyone else affected by their business activities, such as clients, suppliers and members of the public.

Under the Management of Health and Safety at Work Regulations 1999 and equivalent legislation in Northern Ireland, all employers, including those who are self-employed, are required to undertake a risk assessment of their workplace and work activities and to provide employees with adequate health and safety training. The Health and Safety Executive (HSE) has published a guide to carrying out a risk assessment at www.hse.gov.uk/risk/controlling-risks.htm.

Go to www.hse.gov.uk/risk/casestudies/hairdressers.htm for an example of a risk assessment carried out in this sector.

Anyone working in a hairdressing salon must maintain high standards of hygiene and infection control. Particular risks involved in providing haircuts and hair treatment include the transfer of head lice between clients and the transmission of contagious conditions such as scabies, ringworm and impetigo.

Hairdressers are at increased risk of dermatitis and skin conditions through regular contact with hair colourants, water, soap and equipment cleaning products, as a result of frequent hand

washing and cleaning of equipment such as hairbrushes, combs and scissors. The HSE provides guidance about preventing dermatitis at www.hse.gov.uk/skin.

Under the Control of Substances Hazardous to Health Regulations 2002 (COSHH) and equivalent legislation in Northern Ireland, hairdressing salon proprietors must have health and safety measures in place to protect themselves, their employees and clients from health risks arising from exposure to potentially harmful substances, including bleach, hair colours and equipment cleaning products.

The HSE has published a guide to COSHH specifically for hairdressers, which provides examples of practical measures required by COSHH for hairdressing salons, in order to reduce the risk of dermatitis, allergic reactions to hair products and asthma. For example, the workplace must be kept well ventilated and disposable gloves must be worn when shampooing, bleaching or colouring hair. The guide can be downloaded in full from www.hse.gov.uk/coshh/industry/hairdressing.htm.

According to guidance from the HSE, areas used for storing potentially harmful substances should be well organised and well ventilated and containers should be clearly labelled. Go to www.hse.gov.uk/pubns/guidance/ocm8.pdf to view the guidance.

Under the Electricity at Work Regulations 1989, hairdressing salon proprietors must regularly assess the safety of portable electrical appliances, such as hairdryers, hair straighteners, cash registers and kettles provided for employee use, for example by carrying out regular visual checks and arranging formal PAT (portable appliance testing) every 12 months (www.hse.gov.uk/electricity/faq-portable-appliance-testing.htm).

The Provision and Use of Work Equipment Regulations 1998 and the Personal Protective Equipment at Work Regulations 1992 and equivalent legislation in Northern Ireland set out requirements regarding the use and maintenance of work equipment and protective clothing, and the training of employees in their use. Hairdressers should wear protective clothing such as tabards and disposable gloves when appropriate.

There are guides to these regulations on the HSE's website at www.hse.gov.uk/pubns/indg174.pdf and www.hse.gov.uk/pubns/indg291.pdf.

The Workplace (Health, Safety and Welfare) Regulations 1992 and equivalent legislation in Northern Ireland place a duty on employers to ensure that their workplace meets the health, safety and welfare needs of all employees, including those with disabilities. The Regulations stipulate requirements for the maintenance of the workplace and equipment, including the provision of toilets and washing facilities.

Under the Regulatory Reform (Fire Safety) Order 2005 and equivalent legislation in Scotland and Northern Ireland, it is a legal requirement for hairdressing salon proprietors to carry out a fire risk assessment (which should focus on particularly flammable items such as hairspray and hair cuttings) and install appropriate fire detection and prevention equipment on their premises. This includes storage areas where stock is kept.

Under the Health and Safety (First Aid) Regulations 1981, employers are required to provide first-aid equipment for staff.

Waste disposal and trade effluent consent

Under the Environmental Protection Act 1990 and the Controlled Waste (Duty of Care) Regulations (Northern Ireland) 2002, hairdressing salons have a duty of care to ensure that any trade waste produced in the course of their business is properly and safely disposed of.

Waste that may be infectious, such as cotton pads used in ear piercing and contaminated by blood, is classified as 'clinical waste'. Clinical waste (other than sharps) must be stored in an orange clinical waste bag prior to disposal and disposed of by incineration or an alternative method. Any waste classed as clinical waste must be taken to an authorised disposal site by a licensed clinical waste carrier.

Used razor blades and any other sharps (for example used for body piercing) must be placed in a clearly marked sharps container that meets British Standard BS 7320 1990 and disposed of by incineration by a licensed clinical waste carrier.

Waste that is not known to be infectious but may be offensive in appearance or smell, such as haircuttings, is classed as offensive/hygiene waste. Offensive/hygiene waste must be stored in a tiger stripe waste bag (a yellow bag with a black stripe) prior to disposal.

Human hair cuttings can be recycled as compost. For an example of a waste disposal service licensed to receive and recycle human hair, go to www.keenanrecycling.co.uk/2012/05/07/hair-raising-compost.

Trade waste must be taken to an authorised disposal site by a licensed waste carrier. Most local authorities provide clinical and offensive/hygiene waste collection services; go to www.gov.uk/request-clinical-waste-collection for more information or to www.rbkc.gov.uk/environment/environmental-health/clinical-waste-collection-service for an example. Alternatively, hairdressing salons can engage an independent waste collection service such as www.srcl.com/clinical-waste.

Tiger stripe waste bags that are used for offensive/hygiene waste can be sourced from suppliers including MediSupplies (www.medisupplies.co.uk) and Medisave (www.medisave.co.uk).

Habia guidance document 'Hygiene in Beauty' provides information about waste disposal for the hair and beauty sector. It can be downloaded from www.preston.gov.uk/businesses/health-and-safety/business-specific-information/beauty.

Under the Water Industry Act 1991, which applies in England and Wales, the Sewerage (Scotland) Act 1968 and the Water and Sewerage Services (Northern Ireland) Order 2006, all waste water produced by hairdressing salons is classed as 'trade effluent' and proprietors may require formal consent to dispose of this at their premises.

In England and Wales, salon proprietors should find out whether they need trade effluent consent by contacting their local water company, for example Northumbrian Water (www.nwl.co.uk/business/trade-effluent.aspx) or Welsh Water (www.dwrcymru.com/en/Business/Trade-Effluent.aspx). In Scotland, this is handled by Scottish Water (www.scottishwater.co.uk/business/our-services/compliance/trade-effluent), and in Northern Ireland by Northern Ireland Water (www.niwater.com/trade-effluent-charges).

Promoting the salon

Opportunities for promoting a hairdressing salon include:

- Advertising in specialist directories such as:

- Ukhairdressers.com (www.ukhairdressers.com/global4.asp), which provides a free basic listing.
- FreelanceHair.co.uk (www.freelancehair.co.uk), which provides a free basic listing.
- Beauty Finder (www.beautyfinder.co.uk), which charges £25 a year for a basic listing.
- The Salon Web (www.the-salon-web.co.uk), which charges £45 per year for a basic listing and £90 per year for an enhanced listing (both prices excluding VAT).
- Joining a quality assurance scheme such as the Good Salon Guide (www.goodsalonguide.com). Individual hairdressers can demonstrate their professional skills and competence by registering with the Hair Council (www.haircouncil.org.uk).
- Listing the salon on an app that enables smartphone users to find salons and other services near their current location. Go to www.vagaro.com/vagaro-app for an example. Alternatively, a salon proprietor can approach a developer to create a bespoke app for the salon; go to www.thesalonappcompany.co.uk for an example of an app developer specialising in the hair and beauty sector.
- Adding details of the salon to Google Maps and Apple Maps, which enable clients to find hairdressing salons near to them using their smartphone or tablet. Go to www.business2community.com/social-business/add-business-google-maps-01094521 for a step-by-step guide explaining how to add a business to Google Maps. Information about how to add business details to Apple Maps is available at <https://mapsconnect.apple.com>.
- Registering with online portals that enable potential clients to search for hair and beauty treatments and book appointments, such as Treatwell (www.treatwell.co.uk/business-info/welcome), INAA ('I need an appointment', www.inaa.com) and WhatClinic (www.whatclinic.co.uk). Portals usually charge a monthly fee and/or take commission for bookings made by clients via their websites.
- Participating in discount and voucher schemes for hairdressing salons in the UK. Examples include Wowcher (www.wowcher.co.uk), Groupon (www.grouponworks.co.uk) and Lavish (www.lavish.co.uk). Voucher schemes typically negotiate with the salon to establish a discounted price for a hairstyling treatment. The salon usually receives payment upfront once the deal has been negotiated, based on how many vouchers the scheme expects to sell - the voucher scheme deducts a percentage of this as commission (typically 25% to 50%).
- Providing 'package' treatments offering discounts on a selection of hairstyling services, such as bridal/groom, mum to be, hen, and birthday pamper packages.
- Offering a loyalty scheme that rewards regular clients and incentivises them to refer friends and family members, and selling gift vouchers, particularly at key times of the year such as the run-up to Christmas and Mother's Day.
- Networking with related local service providers, such as beauty salons, nail bars, tattoo and piercing studios and UV tanning salons, to encourage referrals.
- Creating a five-minute video presentation about hairstyling offered at the salon, uploading it onto video-sharing websites such as YouTube and including a link back to the salon's website. Go to www.youtube.com and enter 'hairdressing salon UK' in the search box for examples of other hairdressing salons doing this.

- Creating a Facebook business page to encourage customer referrals. Facebook pages can be customised with the salon's name, logo and other information, and regularly updated with special offers, competitions, availability and details of new products. Go to www.facebook.com/LisaShepherdSalonsUK and www.facebook.com/SaksHairandBeautyUK for examples of hairdressing salons with Facebook business pages. Go to www.facebook.com/business for further information about how to use Facebook for business promotion.
- Uploading images of the salon or hairstyling treatments to social media platforms and photo-sharing websites such as, Instagram (www.instagram.com/?hl=en) and Pinterest (www.pinterest.com). Go to www.instagram.com/?hl=en and enter 'hair salons UK' in the search box for examples of other salons doing this.
- Entering local or national hairdressing competitions to gain exposure and displaying any awards on posters and window stickers at the salon. Go to www.hji.co.uk/hair/mane-events-hairdressing-competitions-2015 for details of hairdressing competitions in the UK.
- Advertising in the hard copy and online versions of local business directories such as Yellow Pages (www.yell.com) and Thomson Local (www.thomsonlocal.com). Google My Business (www.google.co.uk/business) and Yahoo Local (<https://uk.search.yahoo.com/yp>) provide free listings for hairdressing salons by location.

Insurance

A hairdressing salon proprietor requires a number of insurance policies, including:

- Public and product liability insurance, which covers the salon against claims for compensation from clients, suppliers and members of the public injured or adversely affected by the salon's activities or by hair products used or sold by the salon.
- Treatment risks insurance, which covers a salon against claims for compensation from clients who are injured or adversely affected as a result of a hair treatment such as a perm. This cover may be included in specialist professional indemnity insurance policies.
- Professional indemnity insurance, which covers a salon against claims of negligence (for example by failing to carry out a patch test before providing hair colouring), breach of the Data Protection Act 1988 or breach of copyright (for example by playing music in the salon without a PRS for Music or PPL licence).
- Employers' liability insurance, which is mandatory as soon as the salon employs staff.
- Legal expenses insurance, which provides cover for pursuing or defending claims arising from contractual disputes with suppliers or landlords, or to defend employment tribunal cases.
- Building and contents cover, which will be needed to cover the salon premises and equipment, office and IT systems and data against accidental loss, damage, fire, flood and theft.
- Cover for business interruption and loss of trade, for example resulting from fire, flood or power failure at the salon.
- Cover for the theft of stock or cash by staff, as well as cover for loss of cash and cheques from the premises.

- Cover for use of any vehicles for business purposes, which must include a minimum of third-party cover. Cover can also be obtained for equipment stored in the salon's vehicle.

The British Association of Beauty Therapy & Cosmetology (BABTAC) salon and spa proprietor membership (which includes hair salons) includes professional indemnity, public liability, malpractice and treatment risk cover for claims up to £6 million. Go to www.babtac.com/insurance for further information about insurance available to BABTAC members.

Specialist insurance for hairdressing salons is also available from insurers and brokers such as Salon Gold (www.salongold.co.uk), Salon Saver (www.salonsaver.co.uk) and Salon Secure (www.salonsecure.co.uk).

Legislation

This section provides an at-a-glance list of the legislation that hairdressing salons must comply with. Professional advice about the impact of legislation should always be taken before making any business decisions. Relevant legislation includes the following:

Consumer and business protection

- The Business Protection from Misleading Marketing Regulations 2008 make it a criminal offence for hairdressing salon proprietors to promote their business in ways that are misleading or unfair to other traders, for example by making unfair comparisons between their own salon and staff and those of other salons or hairdressers.
- The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 (CCRs) require hairdressing salons accepting telephone or online bookings for appointments to provide clients who are consumers with specific pre-contract information, such as their pricing, payment and cancellation terms.
- The Consumer Protection from Unfair Trading Regulations 2008 and the Consumer Protection from Unfair Trading (Amendment) Regulations 2013 protect clients by prohibiting unfair commercial practices. For example, if a hairdressing salon proprietor provides misleading information about their hairdressers' qualifications, they will have committed a criminal offence.
- Under the Consumer Rights Act 2015, hairdressing salons must provide their services with reasonable care and skill. Under the Act, consumers can claim a full refund within 30 days if hairstyling or a hair treatment has not been carried out with reasonable care and skill, for example if permanent colour washes out within a few days of application. Consumers can also claim a refund if a hair product used during a treatment or an item that they buy from a salon is not of a satisfactory quality, not as described or not fit for purpose.
- The Cosmetic Products Enforcement Regulations 2013 make it an offence to supply or use a cosmetic product that may cause harm to human health when applied as intended or in a way that could reasonably be foreseen. They also prescribe what must be included on labels, ban the sale of cosmetics containing certain ingredients and prohibit testing on animals.
- The Data Protection Act 1998 (DPA) places controls on the management and use of personal information, for example relating to employees or staff. It stipulates that information must be used only for its clearly intended purpose and held securely. The General Data Protection Regulation (GDPR) will replace the DPA in May 2018.

- The Disability Discrimination Act 1995 (as amended by the Equality Act 2010) makes it an offence for service providers to discriminate against anyone with a disability and requires hair salons to make reasonable adjustments that are necessary to meet the needs of customers with disabilities.

Workplace health and safety

- The Control of Substances Hazardous to Health Regulations 2002 (COSHH) and the Control of Substances Hazardous to Health Regulations (Northern Ireland) 2003 (COSHH) require employers and the self-employed to reduce the risk posed to clients, employees, suppliers or the general public by identifying potential health hazards, for example hair colourant, bleach and products used to clean hairdressing equipment.
- The Electricity at Work Regulations 1989 place duties on employers, employees and the self-employed to ensure that all electrical equipment such as hairdryers and straighteners used in the workplace is suitable for its intended use and properly maintained and operated. The Regulations apply in England, Scotland and Wales. In Northern Ireland, similar provisions are made under the Electricity at Work Regulations (Northern Ireland) 1991.
- The Health and Safety at Work etc. Act 1974 and the Health and Safety at Work (Northern Ireland) Order 1978 place a general duty of care on salon proprietors to protect the health and safety of their employees, clients and anyone else that may be affected by their business activities.
- The Health and Safety (First-Aid) Regulations 1981 require salon proprietors to provide first-aid equipment for staff.
- The Management of Health and Safety at Work Regulations 1999 require all employers, and those who are self-employed, to carry out a risk assessment of their workplace and work activities and to provide adequate health and safety training for employees. In Northern Ireland, the Management of Health and Safety at Work Regulations (Northern Ireland) 2000 apply.
- The Personal Protective Equipment at Work Regulations 1992 and the Personal Protective Equipment at Work Regulations (Northern Ireland) 1993 specify the circumstances in which protective equipment, such as gloves, must be used by hairdressers, for example when applying hair colourants.
- Under the Regulatory Reform (Fire Safety) Order 2005, it is a legal requirement for hairdressing salon proprietors to install appropriate fire detection and prevention equipment on their premises.

Environmental and waste

- The Environmental Protection Act 1990 and the Controlled Waste (Duty of Care) Regulations (Northern Ireland) 2002 place a legal duty on hairdressing salons to ensure that any trade waste produced in the course of their business is properly and safely disposed of.
- The Water Industry Act 1991, the Sewerage (Scotland) Act 1968 and the Water and Sewerage Services (Northern Ireland) Order 2006 class all waste water produced by hairdressing salons as 'trade effluent'. Salon proprietors may require formal consent to dispose of this at their premises.

Local authority and licensing regulation

- The Hairdressing Act (Northern Ireland) 1939 requires all hairdressing salon premises in Northern Ireland to be registered with the environmental health department of the local authority in the area where the salon is located. This is to ensure cleanliness and hygiene of the premises and equipment and to minimise the risk of infections being transmitted. An equivalent registration requirement for salon premises also applies in some areas of England, Wales and Scotland, depending on local by-laws and procedures in each area.
- In Scotland, premises where body piercing is provided must be licensed by their local authority under the Civic Government (Scotland) Act 1982 (Licensing of Skin Piercing and Tattooing) Order 2006. An equivalent requirement applies in England and Wales, and Northern Ireland, under the Local Government (Miscellaneous Provisions) Act 1982.
- The Local Government (Miscellaneous Provisions) Act 1982 provides local authorities outside London with the power to create by-laws requiring individuals who provide certain special treatments to hold a massage and special treatment (MST) licence. Some local authorities also require premises to be registered. In London, this is covered by the Local Authorities Act 1991; in Scotland, by the Local Government in Scotland Act 2003; and in Northern Ireland, by the Local Government (Miscellaneous Provisions) (Northern Ireland) Order 1985.
- The Licensing Act 2003 governs the licensing of the supply of alcohol in England and Wales. Licensing in Scotland is regulated by the Licensing (Scotland) Act 2005, and in Northern Ireland, the Licensing (Northern Ireland) Order 1996 applies.
- The Copyright, Designs and Patents Act 1988 requires hairdressing salon proprietors to obtain consent before playing copyright-protected music in public. In practice, this means a proprietor who plays background music in their salon must hold licences from collecting societies PRS for Music and PPL.

Further information

SEC003 Hair and Beauty - Sector Update

UK Market Synopsis 073 Hair and Beauty

BOP029 Mobile Beauty Therapist

BOP127 Tanning Salon

BOP128 Nail Technician

BOP175 Nail Salon

BOP189 Barber Shop/Male Grooming Salon

BOP303 Mobile Hairdresser

BOP374 Make-up Artist

BOP443 Massage Therapist

BOP500 Afro-Caribbean Hairdresser

BOP519 Beauty Salon

BIF439 A Compliance Guide for the Hair and Beauty Sector

Useful contacts

National Hairdressers' Federation (NHF)

Tel: (01234) 831965

Website: www.nhf.info

British Association of Beauty Therapy & Cosmetology (BABTAC)

Tel: (01452) 623110

Website: www.babtac.com

Hair Council

Tel: (020) 8760 7010

Website: www.haircouncil.org.uk

Good Salon Guide

Tel: (023) 9229 5000

Website: www.goodsalonguide.com

Habia

Tel: 0845 230 6080

Website: www.habia.org

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