

Textile Services Association's open letter to the Government on Covid-19 outbreak and the response to the textile care hospitality industry



15 April 2020

For the attention of

The Rt Hon Rishi Sunak MP, Chancellor of the Exchequer

The Rt Hon Alok Sharma MP, Secretary of State for Business, Energy & Industrial Strategy

Dear Sirs,

I am writing this additional open letter as the Chief Executive of the Textile Services Association (TSA), the trade association for the industrial and commercial laundry industry.

We represent over 29,000 employees of which 24,000 have been furloughed, as per our most recent industry survey. We are extremely appreciative of the Job Retention Scheme and congratulate the government on its implementation. However, as the numbers suggest, we are an industry in crisis. The survey also discovered that over 50% of our members have received no additional government aid and 70% do not expect to survive the next 90 days without support. This would be catastrophic for the hotels and restaurants sector who depend on our industry to supply them with the clean towels, bed and table linen they need every day, over 15m pieces a week! They cannot reopen without us.

We are conscious we are not alone in this business landscape to be lobbying for further support. However, we do believe our industry should be treated fairly; we have identified two key messages as follows that could be the difference between many in our industry surviving or not.

Hospitality Grant (Small Business Grant Fund) and Business Rate relief 2020-2021

When our members' business is totally dependent on the hospitality sector, why are laundries not included within this sector enabling some to benefit from the SBGF and all to benefit from the business rates relief? Our members in Scotland have been rightly given access to this support and laundry is clearly identified as a benefactor. When restaurants, hotels, pubs and leisure clubs were shut, so were hospitality laundries. I believe this is an oversight which could easily be put right and provide some breathing space for our industry enabling and motivating more of our member companies to continue to fight to come out the other side.

Ramp Up

We need assurance that the furlough scheme (CJRS) will be maintained during the ramp back up, post lock down. As a service provider, our factories will only return at the rate the hospitality industry picks up. This will be the most critical time for many laundries, as they will need to be open for business but with exceptionally low volumes to begin with. They will need ongoing financial support for as long as the ramp up takes. The key point here will be a more flexible approach to the furlough rules around the ability to phase the staff back into their jobs during the ramp up period.

I have deliberately kept this letter short and to the point but unless there is a more strategic approach to support the businesses - not just the employees- there will be no businesses left to re-employ the thousands of furloughed workers.

Yours faithfully

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CEO

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