

## **How laundries have coped during the pandemic and what the future may hold for customers** (articles published by Laundry and cleaning news)

Massive inflationary pressures' as costs and shortages hit commercial laundries have caused hospitality laundry businesses to warn their customers that prices for their services will rise. The commercial laundries serving the hospitality and leisure industries have been looking forward to the bounce back, following lockdowns that saw them suffer more than many sectors due to Government indifference. But now they are warning that cost increases and labour shortages are crippling the recovery, and that they are being forced into increasing their prices.

"There are massive inflationary pressures bearing down on our industry," said David Stevens, CEO of the Textile Services Association (TSA), which represents commercial laundries in the UK.

"Commercial laundries are already on their knees, having had virtually no government help through lockdowns, despite seeing volumes drop by up to 80%. Now they're being hit by price increases they can't absorb – they simply don't have the resources."

The cost increases faced by laundries cover just about every area of operation and amount to double digit inflation. Labour shortages have led to wages going up by between 10% and 25%. Chemical costs are up 15%. Many laundries also supply textiles services such as linen hire to the hospitality industry. Here the prices are skyrocketing, with sheeting and bedding up by 55% and container freight costs by 300%.

In response to the acute labour shortage the TSA is lobbying the Government to allow greater access to overseas workers and has requested further classifications of workers to be added to the shortage occupations list. Despite support from the CBI and UKHospitality, Stevens is not hopeful.

"Don't hold your breath," he said. "The Government's Brexit agenda means that, at least in the short term, it's highly unlikely that we will get access to the European labour market."

As if labour shortages weren't enough, the pingdemic has decimated the laundry workforce, putting even more pressure on the sector.

One thing we have learned in Covid-19 is that things move fast and plans can be overset in a moment. However, this spring, one year on from the original lockdown, there is a feeling that maybe, just maybe, we can indulge in a bit of positive, blue sky thinking.

Industry experts from across the textile care spectrum, as the UK gradually comes out of lockdown, give their frank and honest views on where we have been, where we are now and where we are going.

### **David Stevens, CEO, TSA**

"There's no getting away from it: the past year has been a disaster for commercial laundries servicing the hospitality sector. Now there's light at the end of the tunnel. What have we learned? Will we come out stronger, leaner, fitter?" asks the Textile Services Association's CEO David Stevens. Are there any silver linings to the Covid cloud?

Well, he reckons, the short answer is yes. "If the pandemic has shown anything it's just how resilient the industry is. Twelve months ago we were talking about business failures. Now we're talking about survival. In a recent TSA webinar Kate Nichols, the CEO of UKHospitality, confirmed what many believe: there will be a bounce back, and a strong one. She cautioned that it would be regional – strong performance for hospitality venues, and the supply chain, in the UK's staycation areas, such as Devon, Yorkshire and the Highlands. On the down side, she has much lower expectations for city centres and business areas.

The challenge is to ramp back up – and there's no doubt that hospitality laundries are keen to get on with the job. A note of caution was sounded by Kevin Godley of CLEAN, during a recent TSA webinar: "Ramping back up is going to be harder than ramping down was." But there are opportunities for commercial laundries, going forward. TSA held a virtual open day on 17 March, where more than 100 members registered for 300 sessions that focused on planning for the future. The topics ranged from financial management to certification schemes, as members looked at ways not just to survive but to thrive post-Covid, for example by moving into new sectors.

"In fact, it's clear that diversifying their business will help laundries spread the risk. That's why it's so encouraging that over 40 TSA member sites are registered, or are in the process of registering, for EN14065, the hygiene management system that's recognised not only by healthcare providers but also in the foodservice and pharma sectors. This is great news, because it's increasing customer confidence, raising standards and delivering quality solutions – which is exactly what our industry is all about," says Stevens.

Another example of resilience is the way in which many TSA members are getting involved in really important long-term projects that have nothing to do with the pandemic. They include the diversity project – looking at ways to encourage more women and people from ethnic minorities to get involved in the running of our industry. Another is end of life recycling for textiles, helping us progress our circular economy vision for the industry.

There have been other positives from the pandemic. The TSA has grown its network and influence enormously – the association now regularly engages with the cabinet office and other Government departments, and is working closely, often on collaborative projects, with organisations such as UKHospitality, the BCC (the British Cleaning Council), the PCIAW (the Professional Clothing Industry Association Worldwide), NHSI (NHS Improvement), the ETSA and TRSA (respectively the European and American equivalents of the TSA), and other European associations.

“Together we are stronger. Partly as a result of its higher profile and intense lobbying on behalf of the industry, the TSA’s membership has grown by 50%. The bigger we are, the more influence we can wield and recently we have engaged with a much wider range of media than before, helping to push the case for commercial laundries not only with government but also within our members’ prospective markets.

“Perversely, in many ways lockdown has actually increased networking opportunities and industry engagement. TSA has run over 35 webinars in recent months, with over 1,200 participants. In the past, the two annual conferences would have attracted around 250 attendees. Of course, everyone misses socialising and face to face meetings, but the webinars have attracted a much wider audience. For example, attendees at the 17 March Open Day included production managers and engineers – they would never have come to a physical event.

“Recovery is going to take time and effort. Kate Nicholls estimates that it could be 2024 before the hospitality industry fully recovers to pre-Covid levels, due to a variety of factors, ranging from the trend to work from home to the massive reduction in largescale events. It’s going to take time for the supply chain, including laundries, to get back to full speed, not only because of the reduction in commercial opportunities but also because of the high levels of borrowing that many businesses have incurred over the pandemic. That’s why it’s so important to look for new opportunities in different sectors.

“The road ahead is long and it’s hard. But we can do it. This past year has shown the resilience, adaptability and sheer determination to survive of commercial laundries up and down the land. Now we look forward. Now we bounce back. Now we build a new industry that’s even stronger, more resilient and diverse than before. And we work together to make sure it’s sustainable,” concludes Stevens.

## **David Grimshaw, The Society of Hospital Linen Service and Laundry Managers**

According to SHLSM national chairman David Grimshaw the NHS was ill-prepared for the seismic shock of the Covid pandemic; the service was running at nearly full capacity before coronavirus hit, all healthcare laundries were very busy at this time, he tells LCN.

“The decision by the NHS to create bed capacity for Covid patients meant that they began to cancel normal activities and send patients home. In the first instance that led to a 20% reduction in activity for some healthcare plants. Then as the number of Covid patients began to increase so did the activity in laundries. However, it soon became apparent that Covid itself did not create a massive increase in linen returns as very ill Covid patients’ beds were not changed as often and the rest of the hospital activity did not return initially.

“Although a letter was sent out from NHS in April 2020 asking the Trusts to manage stocks of scrubs, gowns, alginate bags and linen cages carefully and not to dispose of the items incorrectly or to hoard, it soon became apparent that there was a major problem with circulation and supply which, the NHS could not respond to initially.”

He says that some laundries managed to convince some of their customers that to ensure continued supply they would need to, and indeed some did, purchase a contingency stock of these items. The NHS eventually started to catch up and had a scheme for isolation gowns that they introduced to laundry linen pools.

“The NHS started to have dialogue with linen providers which has led to a greater understanding of the industry needs and has led to greater cooperation and a learning which will help them with any similar kind of situation moving forward.

“What this all shows is that a more comprehensive plan needs to be in place nationally and in all regions of the UK whereby laundries and Trusts can utilise, and have immediate access to, stocks of all essential linen items. All healthcare laundries and the Society of Hospital linen Service and Laundry Managers should be involved in the drawing up of that plan to both share their vast experiences.

“I think what the pandemic has shown is that NHS laundries in particular are a very resilient bunch and have coped well in a very trying climate, have shown flexibility and resource in adapting to the varied demands and the way they thought outside the box in sourcing scrubs and gowns in such a very short period of time, a special mention should go out to the linen suppliers who all helped as best they could. I cannot remember one piece of bad press where a laundry was found wanting.

“This is a very exciting and momentous year for the society. It is exactly 70 years since the society was formed, by a group of like-minded people who thought that by getting together they could share information and therefore help the industry.

“There have been a lot of changes for the society and it is now in the hands of an almost completely new committee made up of experienced members of our industry and who are all of one mind to modernise and move the society forward. They are all extremely enthusiastic and determined people who want only the best for the society.

“We are going to completely update our website and give our members every opportunity to get involved and have their say through the various platforms available to us. We intend to have a combined forum and celebratory event later in the year around the end of October, at which we would like to see as many of you as possible.”