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Foreword

As Registrar of the Hair and Barber Council, I am delighted to have commissioned this important research into the true economic value and impact the Hair and Beauty Sector has on the UK economy.

Working in association with the British Association of Beauty Therapy & Cosmetology (BABTAC), this report builds on the publication of the report into the economic impact and value of the Hair and Beauty Sector on the Welsh Economy published in 2017. It aims to provide a comprehensive view on the health and potential of the sector with specific reference to the number of people employed in the industry and the Gross Value Added (GVA) contribution to the economy overall and by the devolved nations.

Our members, who come from all corners of the UK, understand the value of the Hair and Beauty Sector; not just in terms of its economic contribution, but also in terms of job creation, providing a huge variety of excellent career choices and many exciting and engaging opportunities.

Hair, barbering and beauty salons provide the heartbeat of UK high streets, with barbershops showing the highest growth rates on the high street. Hair salons, barbershops and beauty salons significantly boost the local economy, increase foot-fall keeping communities alive and develop strong entrepreneurial skills whilst providing essential services we all need. Many of our members, particularly from the barbering community play an additional role, in supporting vulnerable people and combatting loneliness within their local communities.

Those that work within the sector have long appreciated the true value of the industry to the economy and fully understand the many and varied opportunities available to young people entering it.

As a hairdresser all of my working life, I have seen first-hand the many positives a career in hair and beauty can bring. What other career can open up opportunities in business, salon management, creative skills, session work, training and education, travel, entrepreneurship and a real feel good factor each day they go to work.

Yet, the industry as a whole is still undervalued, misunderstood and for too long has been side-lined or ignored.



This report now identifies for the first time that the GVA of the Hair and Beauty sector in the UK contributes up to a staggering £6.6 billion per annum and resoundingly affirms the sector's hugely positive economic value to the UK as a whole and in the devolved nations. With the UK transitioning to a new relationship with Europe, service sector industries are likely to play a huge part in the post-Brexit economy.

I am confident that this research will address existing misconceptions and help to earn the hair, barber and beauty industry the respect that the sector justly deserves as a professional craft and career choice leading to a lifetime of opportunities and success.

This report demonstrates the increasingly vital contribution the Hair and Beauty Sector makes and will continue to make to the future employment and prosperity in the UK. I commend this research as essential reading for all politicians, the hair and beauty industry, and anyone with a keen interest in the future prosperity of the Hair and Beauty Sector in the UK.

A handwritten signature in black ink, reading "K. V. L. Conniford". The signature is stylized and fluid.

Keith Conniford

CEO/Registrar – The Hair and Barber Council

May 2019

Supporting Statements

This research project has been endorsed by key organisations across the United Kingdom

"As the Chair of the All- Party Parliamentary Group on the Hair Industry, and a former barber, I warmly welcome the publication of this important report. For too long the economic and social value the hair and beauty industry contributes to the UK has been side-lined or ignored. The APPG is working hard to champion hairdressers, barbers and the beauty sector in Parliament and this report provides the research and evidence we need to make sure the sector gets the support from Government that it deserves".

*John McNally MP, Chair, All Party Parliamentary Group (APPG)
on the Hair Industry*



"This research highlights the significant contribution the Hair and Beauty Sector makes to the economy and labour market in different parts of the UK. I am pleased to endorse its findings, and to have been involved in supporting the Q-step programme."

Hefin Thomas, Director Arad Research

"The Professional Hair and Beauty Industry provides key employment opportunities across the whole of the UK. Skills learned in the industry are skills for life and can positively change outlooks and futures for many people. The industry is at the heart of a local commercial community and a lynchpin of the high street. What has been lacking though is clear data to support these statements. The publication of this report changes that and will allow stakeholders and government to make important decisions concerning investment and strategy. Aston & Fincher fully support the EIA report and its findings".

*Oliver Aston – Managing Director Aston & Fincher
(Professional Hair & Beauty Supplies)*



"This report is the most important picture in recent times to demonstrate the economic impact of the Hair, Barbering and Beauty Sector. It will finally show the true value of the sector to the high street and the wider community. It will give the data to the stakeholders and wider audience to show how vibrant and diverse the industry has become. As the Chair of the Barber Council, an employer, committed educator and practicing barber I am delighted to commend this excellent report it will be invaluable for the sector moving forward to our final goal of mandatory registration/licence".

Gary Machin – Chair of the Barber Council



A research project of this nature provides an invaluable insight into our industry and is an excellent indicator of just how extensive the financial contribution of the hair and beauty professions are to the UK economy. As a not for profit organisation whose main objective is raising the level of professionalism in the industry, we at The British Association of Beauty Therapy and Cosmetology (BABTAC) believe it is our duty to support a project that clearly demonstrates the value of this continually expanding and innovative sector. The report also highlights the ever-increasing skill set requirements of the industry, dispelling the notion that this is a sector not to be taken seriously, but rather emphasising its importance and the urgency for standardisation and regulation".

Lesley Blair, Chair, BABTAC & CIBTAC

"As the Founder and Director of the Freelance Hairdressers' Association (FHA) I fully endorse this publication. The service that self-employed freelance hairdressers provide for their clients complements hair salons and brings hairdressing directly to the client and supports the local economy. There is clearly a need for data such as this to raise awareness and profile of the industry".

Sheila A Abrahams Founder & Director – FHA





"City and Guilds work with a vast number of employers, industry experts and professional associations from across the Hair and Beauty Sector. Together we seek to continually raise professional standards and shape the future of the industry. The EIA report will further strengthen our knowledge and understanding of the important role that the Hair and Beauty Sector contributes to the U.K economy, therefore, extremely valuable".

Kirstie Donnelly Managing Director - City and Guilds

"HABIA fully endorses this report and recognises the contribution it will make to raise awareness of the Hair and Beauty Sector in the UK to key stakeholders and interested parties. Given the current political and economic environment, HABIA also recognises that stakeholder's and policy makers across government will continually need to make tough decisions on where best to invest its finite resource in the future. This report clearly demonstrates that the Hair and Beauty Sector is vibrant, community-centred, and increasingly highly skilled and more importantly, it allows the UK to grow its own talent and entrepreneurial spirit. It proves clearly the value of the Hair and Beauty Sector to the UK economy".

Bill Shaw MBE, Chairman HABIA UK



"This report will recognise the value of the Hair and Beauty Sector and provide an up-to-date overview of its importance and value to the UK economy, and the high street. Data is much needed by industry itself, and it will also give external stakeholders an insight in to the importance of the sector, and those working within it.".

Jayne Lewis-Orr - Executive Director HJI/Professional Beauty Group

"This report brings together contemporary sources of secondary data to provide a comprehensive, up to date overview of the Hair and Beauty Sector in the UK. The research offers valuable insights to the sector and its contribution to the UK economy. Specifically, it provides a clear and detailed evidence base for both those involved in the sector, but also for external stakeholders to engage with"

Professor Malcolm Williams, Director, Cardiff Q-Step Centre,
School of Social Sciences, Cardiff University



A step-change in
quantitative social
science skills
Funded by the
Nuffield Foundation,
ESRC and HEFCE



School of
Social Sciences
Ysgol y Gwyddorau
Cymdeithasol



"As an SME employer in the hairdressing industry, I would like to see Government, the education sector and the public in general, recognise the importance of hairdressing and beauty to the UK economy. For too long the economic and social value that the hair and beauty industry contributes to the UK has been side-lined or ignored. This report at last provides the long overdue evidence needed to make people not only sit up and take notice but enables Government make some important changes. Congratulations are due to the researchers and authors involved"

Keith Mellen, Managing Director ANNEVECK Limited

"I am delighted to commend this excellent report on the positive impact the hair and beauty sectors have on the UK economy, undertaken on behalf of The Hair and Barber Council and the industry. The research provides hard, empirical evidence that the hair and beauty profession throughout the UK is one that deserves recognition of its financial contribution to the economy, as well as to the vitality it brings to creative professions. At an individual level, the report also does much to dispel the myth that hair and beauty is a career for low achievers with little aspiration. Those within the industry not only inspire others through creative outlets, but also aspire to greater achievements and continual growth. This report continues to shine a light on the opportunities available throughout the hair and beauty sector illustrating career guidance, advice and general information. It is a profession that encourages people to embrace the entrepreneurial spirit at the heart of our culture. Many learners in this sector go on to achieve higher level skills in order to specialise within their chosen fields. The drive and ambition to achieve dreams is always deserving of being supported by all of us in education and economic development."

Alan Woods OBE, Chief Executive, VTCT, ITEC and Digital Assess



VTCT

Executive Summary

Following the successful launch and publication of '*The Economic Impact and Value of the Hair and Beauty Sector on the Welsh Economy*' report commissioned by ISA Training in 2017, The Hair & Barber Council commissioned research to examine the profile and economic value of the UK Hair and Beauty Sector. The research was undertaken by Cardiff University students as part of the Q-Step programme, a Nuffield Foundation, ESRC and HEFCE initiative which is designed to promote a step-change in quantitative social science training in the UK. The report was peer reviewed by Arad Research, an independent social research organisation based in Cardiff.

The analysis draws on the most reliable and robust secondary data available, using validated national statistics, alongside previous primary research undertaken on the Hair and Beauty Sector. These sources have been used to develop estimates of the size, value and nature of the Hair and Beauty industry in the UK and its constituent nations and regions.

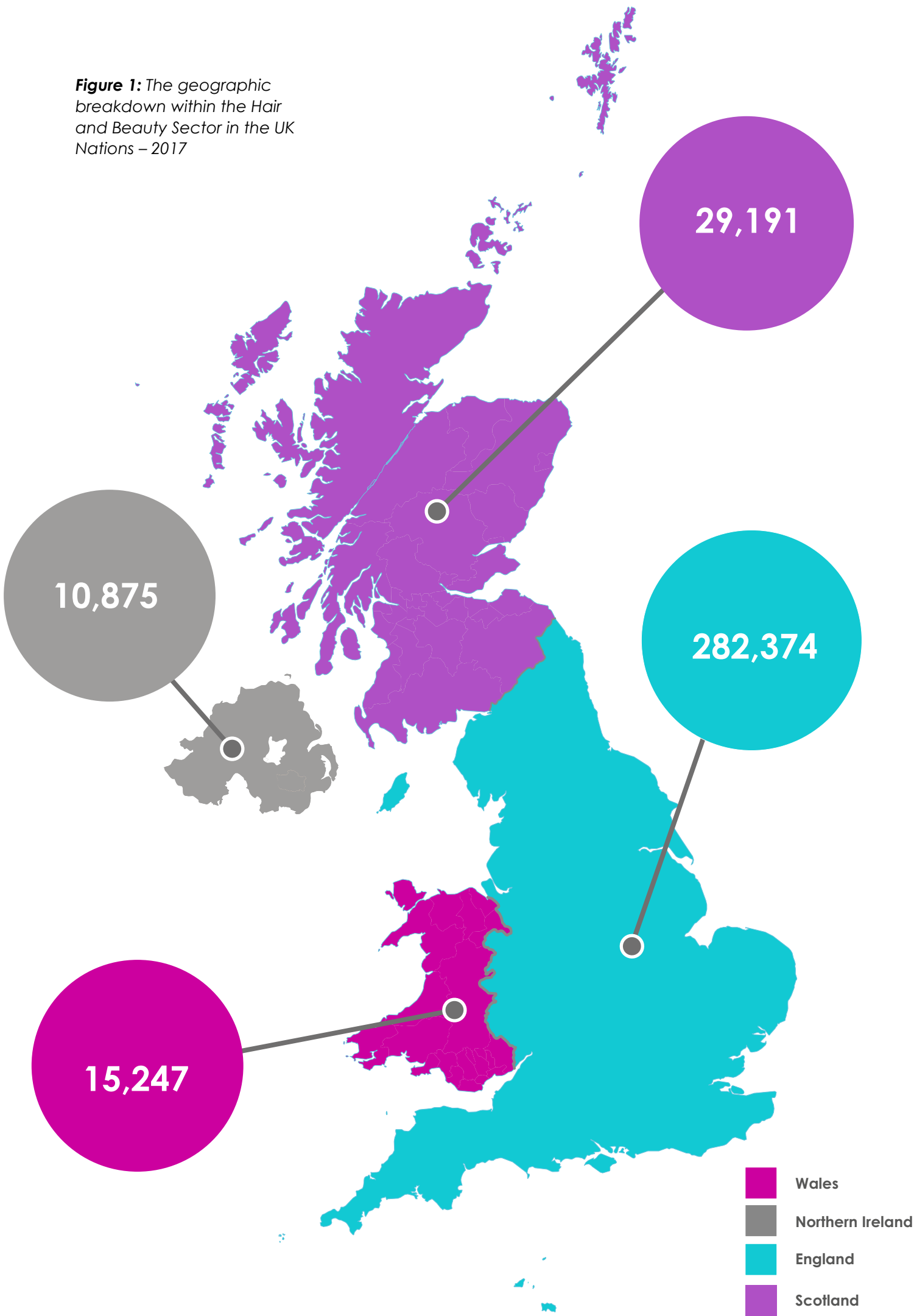
The analysis shows that the Hair and Beauty Sector is an important employer and includes a significant number of businesses, which make a notable contribution to GVA in the UK. Key findings from the analysis include:

- The Hair and Beauty Sector **employed** between **286,889** and **337,687** individuals across **49,371 businesses** in the UK in 2017, broken down as follows;
 - **England** – 239,386 to 282,374 in employment;
 - **Scotland** – 25,696 to 29,191 in employment;
 - **Wales** – 12,466 to 15,247 in employment;
 - **Northern Ireland** – 9,341 to 10,875 in employment; ¹
- The Hair and Beauty Sector had an estimated **total GVA** of between **£5.6 billion** and **£6.6 billion** in the United Kingdom in 2017, broken down as follows; ²
 - **England** – £4.9 billion to £5.7 billion;
 - **Scotland** – £395m to £448m;
 - **Wales** – £194m to £237m;
 - **Northern Ireland** – £108m to £125m;
- **GVA per worker** in the UK was estimated to be **£19,398** in 2017;
- Over **16,000 apprenticeships** in Hair and Beauty were being undertaken in the UK during 2017-18.

¹ ONS publishes two measures of employment for the Hair and Beauty industry, which are used as the basis of these figures. Further detail on how these data are derived is included in section 2.1 of this report.

² Details on the two approaches to assessing GVA are included in section 2 of this report.

Figure 1: The geographic breakdown within the Hair and Beauty Sector in the UK Nations – 2017

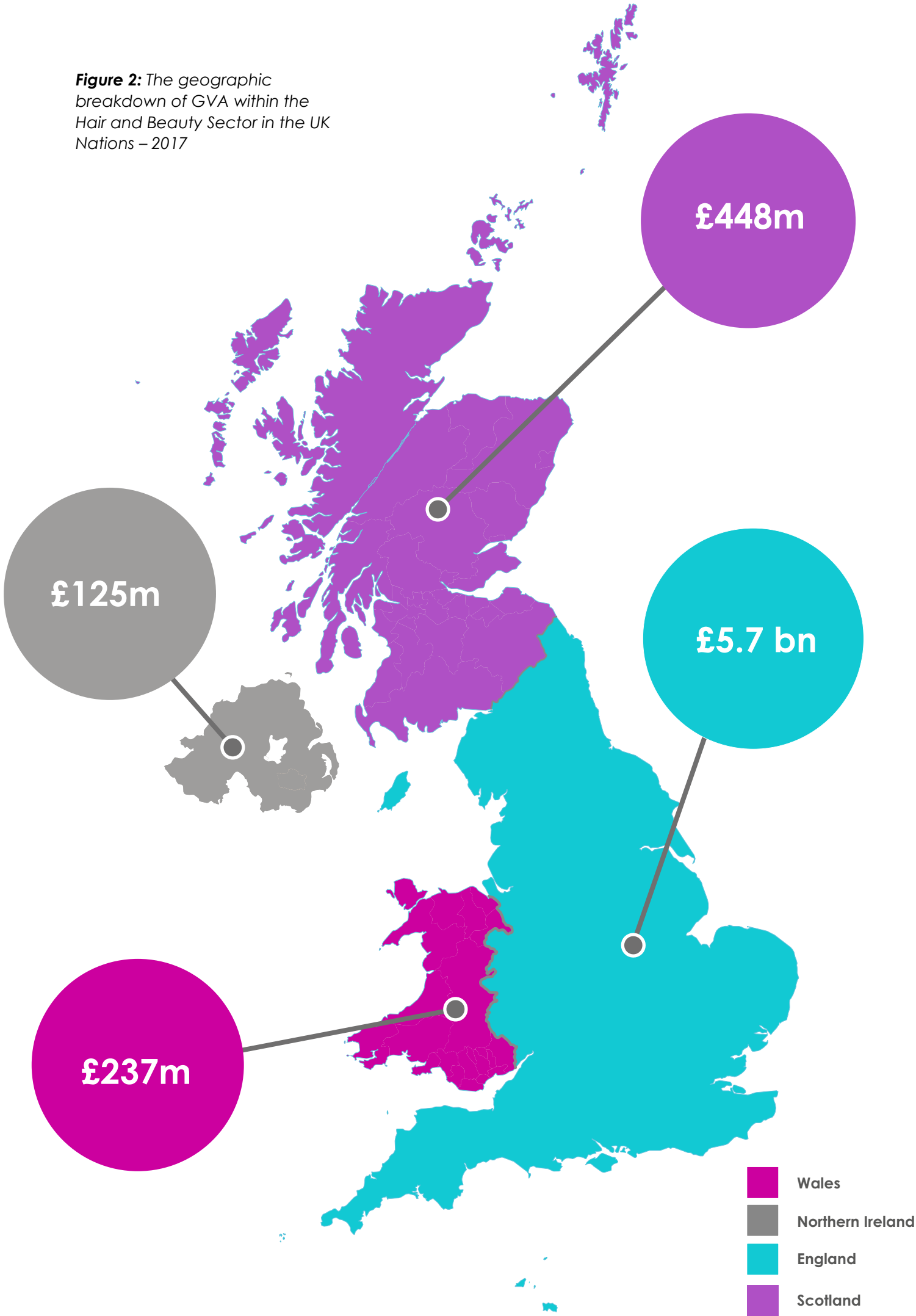


The research also illustrates that the Hair and Beauty Sector provides significant opportunities in terms of:

- reducing youth unemployment;
- increasing economic opportunities for women;
- skills development and progression;
- promoting entrepreneurship.

Additionally the research highlights that there are limitations to how accurately official statistics can reflect the characteristics of the Hair and Beauty Sector. In particular, the prominence of micro-businesses and self-employment mean that a significant portion of the sector is not fully captured in the official employment and GVA data. The research highlights that there could be opportunities to improve the availability of data on the sector in future.

Figure 2: The geographic breakdown of GVA within the Hair and Beauty Sector in the UK Nations – 2017



UK Recommendations

1

The Hair and Beauty Sector is a significant employer, contributing a large number of businesses to the national economy. To ensure the future health of the sector, it is important that services continue to be provided to the highest possible standard and that consumers are afforded adequate protection.

We recommend that the Government introduces mandatory licencing of hair dressers, barbers and the beauty sector throughout the UK.

2

The Government's Industrial Strategy and the subsequent Creative Industries Sector Deal, recognised the creative industries as an 'undoubted strength of our economy'. The Hair and Beauty Sector shares many attributes, such as high levels of entrepreneurialism and global standing, with other sectors represented in the deal such as fashion.

To effectively build on the UK's creative strengths, the Hair and Beauty Sector should be rightly recognised as a creative industry by the UK Government and as a Foundational economy sector in Wales and given the associated support it needs to continue to thrive.

3

The Hair and Beauty Sector offers exciting and fulfilling careers, with extensive opportunities and career prospects for skilled practitioners. The potential benefits and rewards of a career in the sector should be better understood by careers advisers, teachers and those formulating policy.

We call upon the Government to improve careers advice to accurately represent the realities and excellent professional opportunities available. We also call on Ministers and policymakers to reflect this in the comments they make about careers in the sector.



4

Although this research highlights the direct contribution of the Hair and Beauty Sector in terms of GVA and employment, there remains a lack of data on the broader contribution the sector makes to the high street

We therefore recommend that the Governments should commission detailed primary research into the value of the Hair and Beauty Sector. This should gather primary data from businesses on the direct, indirect and induced impact of the sector in terms of business expenditure, GVA and employment.

5

There is a lack of data available at UK level that fully examines the profile of the Hair and Beauty Sector and does not capture small businesses that are not PAYE or VAT registered. The report was therefore based on the most robust secondary data available as well as primary research undertaken with the sector in Wales.

To gain a more comprehensive understanding of the sector, particularly small businesses and sole traders, we recommend that the Government commissions' UK-wide primary research with hair and beauty employers.

6

Official GVA statistics are published for broad industry categories and do not provide the level of granularity required for regular analysis of the Hair and Beauty Sector's contribution to the economy.

We recommend that the Government asks the Office for National Statistics (ONS) to routinely publish more detailed GVA statistics for the Hair and Beauty Sector.



KEN PICTON
SALON

brp

1. Introduction

The Hair and Barber Council commissioned research to examine the profile and economic value of the UK Hair and Beauty Sector. The aim of the research was to analyse and evidence the size and economic value of the sector in the UK and its constituent nations and regions. The research sought to do this by examining the Sector's contribution to GVA, employment, skills and entrepreneurship.

The analysis draws on the most reliable and robust secondary data available, using validated national statistics, alongside previous primary and secondary research undertaken on the Hair and Beauty Sector. These sources have been used to develop estimates of the size, value and nature of the Sector in different parts of the UK.

The research was conducted by the Cardiff Q Step Centre Cardiff University between October 2018 and February 2019. This was led by Ross Goldstone, co-author of "The Economic Impact Assessment of The Hair and Beauty Sector on the Welsh Economy". Arad Research peer reviewed both EIA reports.

1.1 Previous research on the Hair and Beauty Sector

At UK level, published evidence relating to the size and nature of the Hair and Beauty Sector is fairly limited. The available data mainly consists of national statistics, which can only provide a partial picture of the sector (the reasons for these limitations are discussed in section 2 of this report). However, some reports have been published in recent years focusing in more detail on the profile and economic value of the Hair and Beauty Sector in Wales³. These publications illustrate that official statistics do not fully capture the size and nature of the Hair and Beauty Sector (particularly the contribution of micro businesses and self-employed individuals), and therefore they provide valuable reference points for developing a similar evidence base at UK level.

1.2 About this Report

The methodology used to undertake the analysis is outlined in section 2 of this report. Section 3 presents data on the profile of the Hair and Beauty Sector in terms of employment and the number of businesses. Analysis of the sector's value to the economy is outlined in Section 4. Section 5 focuses on the broader value of the sector in terms of skills development and entrepreneurship.

³ See for example: Goldstone and Arad Research, 2017, *The Economic Impact and Value of the Hair and Beauty Sector on the Welsh Economy*. ISA Training; Beaufort Research, 2016, *Research Report Hair and Beauty Industry in Wales: Labour Market Information 2016*. ISA Training; and Skills Active, 2014, *Wales State of the Industry Report Hair and Beauty*. Skills Active.



2. Methodology

The approach taken in estimating the economic value of the Hair and Beauty Sector in the UK is detailed in this section. It involved deriving the overall GVA of the Sector using a combination of data generated by the ONS and secondary data sources on employment in the sector. In addition, statistics have been provided on the number of businesses and apprenticeship qualifications to demonstrate the broader value the Hair and Beauty Sector brings to the UK.

The following sub-sections provide a description of the data used and data analysis conducted in each section.

2.1 Profile of the Hair and Beauty Sector

The data used in the section on the profile of the Sector is from official statistics provided by the ONS. The analysis is based on the most reliable and robust secondary data available, drawing on validated national statistics, such as the Business Register Employment Statistics (BRES) and the Annual Population Survey (APS). Data from these secondary data sources have been adjusted to reflect what is known about the characteristics of the Hair and Beauty Sector from the findings of previous primary research studies (these are discussed in more detail below). By using BRES and the APS, a range can be produced for total employment in the Sector.

When comparing ONS data, generated from BRES sampling, with robust primary research on the Welsh Hair and Beauty Sector ⁴, analysis demonstrates that the official statistics underestimate the number in employment by 44% and the number of businesses by 16%. This is because the sampling techniques used in BRES exclude businesses not registered for VAT and/or PAYE which includes many sole traders, self-employed individuals and micro-businesses ⁵; both of which are prominent in the Hair and Beauty Sector ⁶. Consequently, these national statistics do not capture the full profile of the Hair and Beauty Sector across the UK. To account for these underestimates, a multiplication factor of 1.7925 has been used to adjust BRES employment data and a multiplication factor of 1.1911 to adjust BRES data on the number of businesses. Employment data from the APS is also presented in the GVA analysis (Section 4). However, it has not been necessary to adjust employment data from the APS as this is based on surveying individuals across the UK (and includes those who are self-employed) rather than a survey of businesses.

⁴ Goldstone and Arad Research. 2017. *The Economic Impact and Value of the Hair and Beauty Sector on the Welsh Economy*; and Beaufort Research. 2016. *Research Report Hair and Beauty Industry in Wales: Labour Market Information 2016*. ISA Training.

⁵ ONS. 2014. *Business Register and Employment Survey Quality and Methodology Information*. ONS.

⁶ Goldstone and Arad Research. 2017. *The Economic Impact and Value of the Hair and Beauty Sector on the Welsh Economy*.

Therefore, the analysis presented is based on an assumption that the under-representation observed in previous research on the Welsh Hair and Beauty Sector applies in each of the other nations and regions of the UK. Furthermore, the ratio for employment given above is calculated using 2016 data from the ONS and primary research (Beaufort Research, 2016). The most recent employment data used in this report is taken from 2017 ONS statistics. We are therefore assuming that ratios calculated in 2016 will be the same in 2017. This is justified because of the absence of any other robust primary data on the Sector in 2017.

This means that data from BRES on employment and the number of businesses in the sector has been adjusted to more accurately reflect the profile of the Hair and Beauty Sector. Data on employment and the number of businesses before and after adjustment are presented in Section 3 of this report.

2.2 Establishing the Economic Value of the Hair and Beauty Sector

There are a variety of ways, or proxies, to establish the value of a sector on the wider economy and society. The value of a sector can be estimated based on primary data by conducting a survey of businesses within a sector to gather data on turnover, expenditure and employment in order to calculate aggregate figures for the whole sector. It can also be estimated based on secondary data by drawing on previous studies and available labour market data. Conducting primary research with employers was beyond the scope of this project. As a result, this research is based on the most robust secondary data that is available.

GVA provides a measure of the contribution made by an individual producer, industry or sector to the economy. It provides a measure of the value of goods and services produced by a Sector. Two estimates of GVA have been provided in this report for the purposes of providing a 'range'.

1. Firstly, the GVA of the sector has been estimated by deriving the GVA contribution per worker within the Hair and Beauty Sector from ONS business data ⁷ and using this alongside derived estimates of total employment to calculate the aggregate GVA of the Hair and Beauty Sector in the UK. The GVA per worker data has been adjusted using provisional ONS GVA deflators for all industries for 2017. This is because the GVA data used is taken from 2016 ONS data, while the latest employment data is available

⁷ Annual Business Survey (ABS) and Inter Departmental Business Register (IDBR), ONS.

for 2017. A similar approach was used in previous research investigating the economic value of the Hair and Beauty Sector in Wales ^{8 9}.

2. Secondly, the GVA of the sector has been estimated by deriving the GVA contribution per job within the Hair and Beauty Sector from ONS business data ¹⁰, and using this alongside ONS estimates of employment from the 2016 APS to calculate the aggregate GVA of the Hair and Beauty Sector in the UK. Total GVA calculated using the APS has been adjusted using provisional ONS GVA deflators for all industries in 2017. This is because this report provides a GVA range for 2017 and the latest available employment data for the sector from the APS is from 2016. The APS ¹¹ is based on surveying individuals across the UK rather than a survey of businesses registered for VAT and/or PAYE. To some extent, this means that the APS is less likely to underestimate the number of individuals in employment in the sector, as it is likely to include some individuals who are self-employed or work in micro-businesses in the sector. However, the APS data analysed does not provide more detailed regional data (e.g. local authority level data) for Northern Ireland, Scotland, or Wales, unlike the Inter-Departmental Business Register (IDBR).

2.3 Education, Skills and Entrepreneurship in the Hair and Beauty Sector

In this section, multiple data sources are used to provide data on apprenticeship qualifications provided in the sector in England ¹², Wales ¹³, Scotland ¹⁴ and Northern Ireland ¹⁵ in 2017. These are collated in table 11 to provide UK-level statistics. Data has also been taken from other sources of primary data to detail the contribution of the sector to entrepreneurship in the UK. Where sources have been used, they have been cited.

⁸ Skills Active, 2014. *Wales State of the Industry Report Hair and Beauty*. Skills Active;

⁹ Goldstone and Arad Research, 2017. *The Economic Impact and Value of the Hair and Beauty Sector on the Welsh Economy*.

¹⁰ Inter Departmental Business Register (IDBR). ONS.

¹¹ ONS, 2012. *Annual population survey (APS) QMI*. ONS.

¹² Department for Education, 2018. *Apprenticeship Programme Starts by Sector Framework/Pathway and Apprenticeship Standard, Level and Age, 2014/15 to 2017/18*. Department for Education.

¹³ Welsh Government, 2018. *Lifelong Learning Wales Record, Learning Programmes for Foundation Apprenticeships, Apprenticeships and Higher Apprenticeships (2017/18)*. Welsh Government.

¹⁴ Skills Development Scotland, 2017. *Modern Apprenticeship Statistics, 2016/2017*. Accessed at: <https://www.skillsdevelopmentscotland.co.uk/media/43282/modern-apprenticeship-statistics-quarter-4-2016-17.pdf>

¹⁵ Department for the Economy, Northern Ireland, 2018. *Statistical Bulletin Apprenticeships NI, 2013/2017*. Accessed at: <https://www.economy-ni.gov.uk/sites/default/files/publications/economy/ApprenticeshipsNI-statistical-Bulletin-Aug-18.pdf?fbclid=IwAR3rEEJ9qddV7edvsLXrAixA0fJuPXzwCd8a51aGm0iGWZPPvOVn7OqqL8>



Image courtesy of Tristan Eves
(Corporate Member of The Hair Council)

3. Profile of the Hair and Beauty Sector

The Hair and Beauty Sector employed between 286,889 and 337,687 individuals across 49,371 businesses in the UK in 2017. This illustrates the Sector is an important employer and includes a significant number of businesses, including a large number of small- and medium-sized enterprises (SMEs) and micro-businesses, operating in the UK.

This section provides a breakdown of the number of businesses and individuals in employment in the Hair and Beauty Sector in England, Scotland, Wales and Northern Ireland. Additional data is presented showing the age and gender profile of the sector.

The data on employment in this category is used in Section 4 to calculate the GVA of the sector.

3.1 Number of Businesses

Table 1 shows that there is a total of 49,371 businesses in the Hair and Beauty Sector in the UK in 2017. The ONS estimates that there were 41,445 Hair and Beauty businesses in the UK in 2017. As outlined in section 2, the ONS data is likely to significantly underestimate the number of businesses as a result of excluding those not registered for VAT and PAYE – a significant proportion of Hair and Beauty businesses. This data has therefore been adjusted by combining it with additional robust data (see section 2.1 of this report) to provide a more accurate estimate of the number of businesses.

This table displays the total number of businesses across the UK, stratified by each nation. Of these, the vast majority of businesses are in England (83%), followed by Scotland (9%), Wales (5%), and Northern Ireland (4%).

Table 1: Number of businesses in the Hair and Beauty Sector by Nation of the UK in 2017

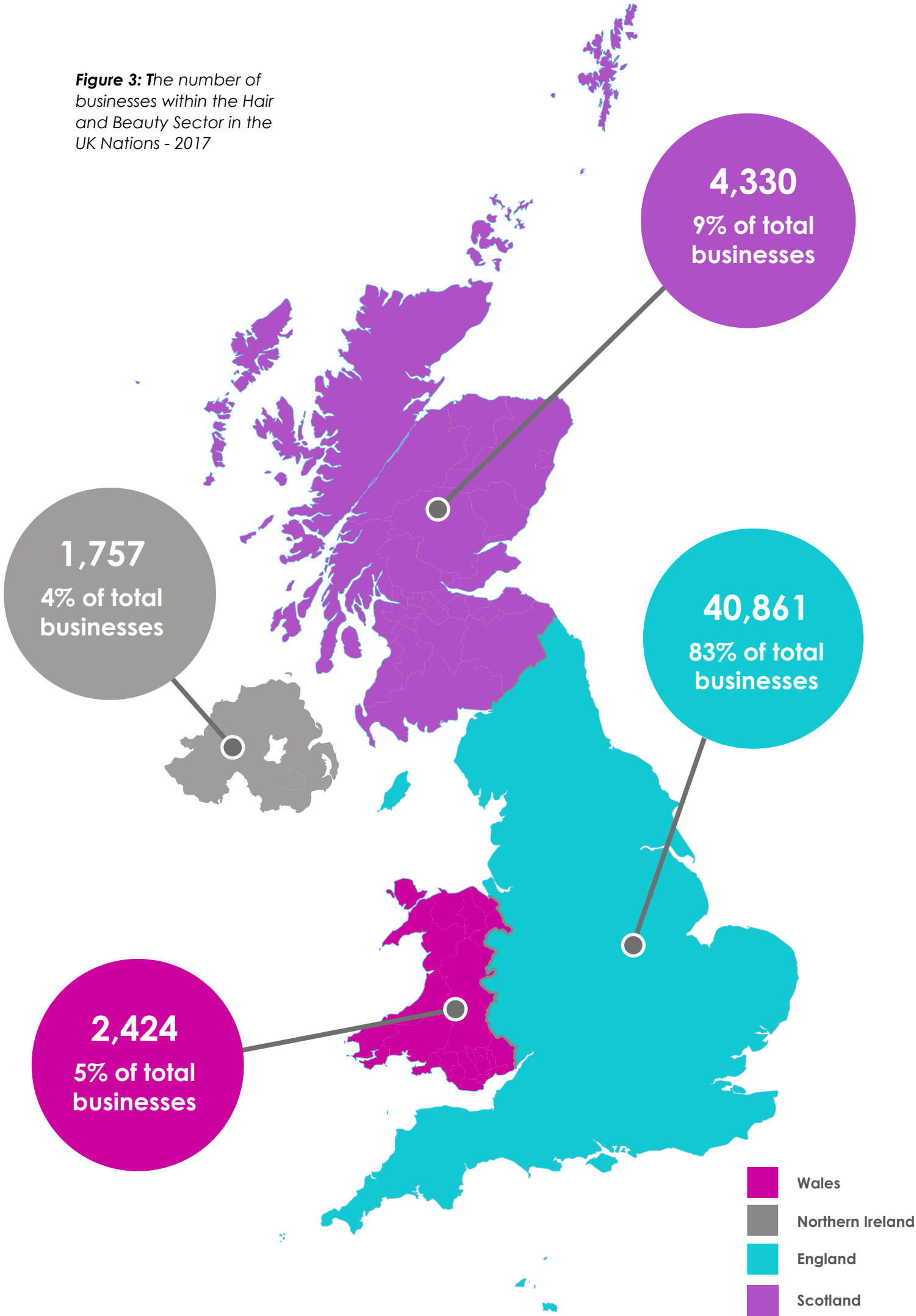
Nation	Number of businesses (un-adjusted)	Number of businesses (adjusted)	Proportion of total businesses (%)
England	34,305	40,861	83
Northern Ireland	1,475	1,757	4
Scotland	3,635	4,330	9
Wales	2,035	2,424	5
UK Total	41,450	49,371	-

Source: Inter Departmental Business Register (IDBR), ONS ¹⁶ and author's calculations.

*These figures have been rounded

¹⁶ ONS, 2018. Analysis showing the count, employment and turnover of VAT and/or PAYE based enterprises in Regions of the United Kingdom for UK SIC 2007 Class 96.02 – Hairdressing and other beauty treatment. ONS.

Figure 3: The number of businesses within the Hair and Beauty Sector in the UK Nations - 2017



3

3.1.1 Number of businesses in England

The following section presents figures for the number of businesses in England within the Hair and Beauty Sector in 2017. The ONS estimates that in 2017 there were 34,305 hair and beauty businesses in England. As outlined in section 2, the ONS data is likely to significantly underestimate the number of businesses as a result of excluding those not registered for VAT and PAYE – a significant proportion of Hair and Beauty businesses. This data has therefore been adjusted by combining it with additional robust data (see section 2.1 of this report) to provide a more accurate estimate of the number of businesses.

Our analysis of the adjusted data shows that there are 40,861 businesses within the Hair and Beauty Sector, the largest proportion located in London (18%). This is closely followed by 6,003 hair and beauty businesses located in the North West, accounting for 15% of the overall number of businesses in England.

Table 2: Number of businesses in the Hair and Beauty Sector in England in 2017

Region	Number of businesses (un-adjusted)	Number of businesses (adjusted)	Proportion of total businesses (%)
North East	1,905	2,269	6
North West	5,040	6,003	15
Yorkshire and The Humber	3,415	4,068	10
East Midlands	2,785	3,317	8
West Midlands	3,550	4,228	10
East	3,580	4,264	10
London	6,100	7,266	18
South East	4,945	5,890	14
South West	2,985	3,555	9
Total	34,305	40,861	-

Source: Inter Departmental Business Register (IDBR), ONS ¹⁷ and author's calculations.

*These figures have been rounded

¹⁷ ONS, 2018. Analysis showing the count, employment and turnover of VAT and/or PAYE based enterprises in Regions of the United Kingdom for UK SIC 2007 Class 96.02 – Hairdressing and other beauty treatment. ONS.

3.1.2 Number of businesses in the Hair and Beauty Sector in Scotland

The following section presents figures for the number of businesses in Scotland within the Hair and Beauty Sector in 2017. The ONS estimates that in 2017 there were 3,630 hair and beauty businesses in Scotland. As outlined in section 2, the ONS data is likely to significantly underestimate the number of businesses as a result of excluding those not registered for VAT and PAYE – a significant proportion of hair and beauty businesses. This data has therefore been adjusted by combining it with additional robust data (see section 2.1 of this report) to provide a more accurate estimate of the number of businesses.

Our analysis of the adjusted data shows that the largest proportion of businesses in the Hair and Beauty Sector in Scotland in 2017 are located in Glasgow City, amounting to 13%. Our analysis shows the City of Edinburgh accounts for 10% of all hair and beauty businesses in Scotland, followed thereafter by Fife (7%), South Lanarkshire (7%), and North Lanarkshire (6%). The data shows that there is a geographical spread of businesses across Scotland.

Table 3: Number of businesses in the Hair and Beauty Sector in Scotland in 2017

Region	Number of businesses (un-adjusted)	Number of businesses (adjusted)	Proportion of total businesses (%)
Aberdeen City	145	173	4
Aberdeenshire	135	161	4
Angus	75	89	2
Argyll and Bute	45	54	1
City of Edinburgh	350	417	10
Clackmannanshire	25	30	1
Dumfries and Galloway	110	131	3
Dundee City	125	149	3
East Ayrshire	85	101	2
East Lothian	45	54	1
East Renfrewshire	70	83	2
Falkirk	110	131	3
Fife	250	298	7
Glasgow City	485	578	13
Highland	125	149	3
Inverclyde	60	71	2
Midlothian	55	66	2
Moray	60	71	2
Na h-Eileanan Siar	10	12	0
North Ayrshire	90	107	2
North Lanarkshire	220	262	6
Orkney Islands	10	12	0
Perth and Kinross	95	113	3
Renfrewshire	130	155	4
Scottish Borders	50	60	1
Shetland Islands	10	12	0
South Ayrshire	100	119	3
South Lanarkshire	250	298	7
Stirling	60	71	2
West Dunbartonshire	65	77	2
West Lothian	105	125	3
Total	3,630	4,324	-

Source: Inter Departmental Business Register (IDBR), ONS ¹⁸ and author's calculations.

*These figures have been rounded

¹⁸ ONS. 2018. Analysis showing the count, employment and turnover of VAT and/or PAYE based enterprises in Regions of the United Kingdom for UK SIC 2007 Class 96.02 – Hairdressing and other beauty treatment. ONS.



3.1.3 Number of businesses in Wales

The following presents figures for the number of businesses in Wales within the Hair and Beauty Sector in 2017. The ONS estimates that in 2017 there were 2,035 hair and beauty businesses in Wales. As outlined in section 2, the ONS data is likely to significantly underestimate the number of businesses as a result of excluding those not registered for VAT and PAYE – a significant proportion of hair and beauty businesses. This data has therefore been adjusted by combining it with additional robust data (See section 2.1 of this report) to provide a more accurate estimate of the number of businesses.

Our analysis of the adjusted data shows that many businesses in the Hair and Beauty Sector in Wales in 2017 are in the two biggest cities - Cardiff and Swansea - representing a fifth of all hair and beauty businesses in Wales (11% and 9% respectively). A significant number of businesses are also located in Rhondda Cynon Taf (179 or 7% of the total). Excluding the two largest cities previously mentioned, there is a more even distribution of businesses within the Hair and Beauty Sector in Wales compared with other parts of the UK.

Table 4: Number of businesses in the Hair and Beauty Sector in Wales in 2017

Region	Number of businesses (un-adjusted)	Number of businesses (adjusted)	Proportion of total businesses (%)
Blaenau Gwent	40	48	2
Bridgend	90	107	4
Caerphilly	105	125	5
Cardiff	225	268	11
Carmarthenshire	95	113	5
Ceredigion	40	48	2
Conwy	90	107	4
Denbighshire	70	83	3
Flintshire	95	113	5
Gwynedd	75	89	4
Isle of Anglesey	50	60	2
Merthyr	35	42	2
Monmouthshire	70	83	3
Neath Port Talbot	90	107	4
Newport	110	131	5
Pembrokeshire	80	95	4
Powys	95	113	5
Rhondda Cynon Taf	150	179	7
Swansea	190	226	9
Torfaen	65	77	3
Vale of Glamorgan	85	101	4
Wrexham	90	107	4
Total	2,035	2,424	-

Source: Inter Departmental Business Register (IDBR), ONS ¹⁹ and author's calculations.

*These figures have been rounded

¹⁹ ONS. 2018. Analysis showing the count, employment and turnover of VAT and/or PAYE based enterprises in Regions of the United Kingdom for UK SIC 2007 Class 96.02 – Hairdressing and other beauty treatment. ONS.

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3.1.4 Number of businesses in Northern Ireland

The following presents figures for the number of businesses in Northern Ireland within the Hair and Beauty Sector in 2017. The ONS estimates that in 2017 there were 1,470 hair and beauty businesses in Northern Ireland. As outlined in section 2, the ONS data is likely to significantly underestimate the number of businesses as a result of excluding those not registered for VAT and PAYE – a significant proportion of hair and beauty businesses. This data has therefore been adjusted by combining it with additional robust data (See section 2.1 of this report) to provide a more accurate estimate of the number of businesses.

Our analysis of the adjusted data shows there is a total of 1,751 businesses within the Hair and Beauty Sector in Northern Ireland in 2017. The largest proportion of businesses are located in Belfast, accounting for 20% of businesses. This is followed by 12% of businesses in Newry Mourne and Down and 11% of businesses in Armagh City Banbridge and Craigavon. These two locations together make up 23% of all businesses in Northern Ireland.

Table 5: Number of businesses in the Hair and Beauty Sector in Northern Ireland in 2017

Region	Number of businesses (un-adjusted)	Number of businesses (adjusted)	Proportion of total businesses (%)
Antrim and Newtownabbey	110	131	7
Ards and North Down	125	149	9
Armagh City Banbridge and Craigavon	165	197	11
Belfast	300	357	20
Causeway Coast and Glens	95	113	6
Derry City and Strabane	100	119	7
Fermanagh and Omagh	95	113	6
Lisburn and Castlereagh	85	101	6
Mid and East Antrim	105	125	7
Mid Ulster	120	143	8
Newry Mourne and Down	170	202	12
Total	1,470	1,751	-

Source: Inter Departmental Business Register (IDBR), ONS ²⁰ and author's calculations.

*These figures have been rounded

²⁰ ONS, 2018. Analysis showing the count, employment and turnover of VAT and/or PAYE based enterprises in Regions of the United Kingdom for UK SIC 2007 Class 96.02 – Hairdressing and other beauty treatment. ONS.



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3.2 Number in employment

The following presents figures for the number of individuals in employment in the UK within the Hair and Beauty Sector in 2017. The ONS estimates that in 2017 there were 188,389 in employment in the Hair and Beauty Sector in the UK. As outlined in section 2, the ONS data is likely to significantly underestimate the number of individuals in employment as a result of excluding businesses not registered for VAT and PAYE – a significant proportion of hair and beauty businesses. This data has therefore been adjusted by combining it with additional robust data to provide a more accurate estimate of the number of individuals in employment. Nation level data on hair and beauty apprenticeships is presented according to the different subjects and levels in Section 5 of this report.

Our analysis of the adjusted data shows that the total number of individuals in employment in the UK Hair and Beauty Sector was 337,687 in 2017. Table 6 shows that England has the largest proportion of employment in the Sector (84%), followed by Scotland (9%), Wales (5%), and Northern Ireland (3%).

Table 6: Number in employment in the Hair and Beauty Sector by Nation of the UK in 2017

Nation	Number in employment (un-adjusted)	Number in employment (adjusted)	Proportion of total businesses (%)
England	157,531	282,374	84
Northern Ireland	6,067	10,875	3
Scotland	16,285	29,191	9
Wales	8,506	15,247	5
UK Total	188,389	337,687	-

Source: Inter Departmental Business Register (IDBR), ONS ²¹ and author's calculations.

*These figures have been rounded

²¹ ONS. 2018. Analysis showing the count, employment and turnover of VAT and/or PAYE based enterprises in Regions of the United Kingdom for UK SIC 2007 Class 96.02 – Hairdressing and other beauty treatment. ONS.

3.2.1 Number in employment in England

The following presents figures for the number of individuals in employment in England within the Hair and Beauty Sector in 2017. The ONS estimates that in 2017 there were 57,531 in employment in the Hair and Beauty Sector in England. As outlined in section 2, the ONS data is likely to significantly underestimate the number of individuals in employment as a result of excluding those not registered for VAT and PAYE – a significant proportion of hair and beauty businesses. This data has therefore been adjusted by combining it with additional robust data (see section 2.1 of this report) to provide a more accurate estimate of the number of individuals in employment.

Our analysis of the adjusted data shows that the Hair and Beauty Sector employed a total of 282,374 people in England in 2017. Of these, 19% were based in London and the South East. The smallest proportion of individuals in employment were located in the North East at 5%.

Table 7: Number in employment in the Hair and Beauty Sector in England in 2017

Region	Number in employment (un-adjusted)	Number in employment (adjusted)	Proportion of total in employment (%)
North East	8,317	14,908	5
North West	20,479	36,709	13
Yorkshire and The Humber	13,481	24,165	9
East Midlands	11,876	21,288	8
West Midlands	17,116	30,680	11
East	16,796	30,107	11
London	29,223	52,382	19
South East	25,774	46,200	16
South West	14,469	25,936	9
Total	157,531	282,374	-

Source: Inter Departmental Business Register (IDBR), ONS ²² and author's calculations.

*These figures have been rounded

²² ONS, 2018. Analysis showing the count, employment and turnover of VAT and/or PAYE based enterprises in Regions of the United Kingdom for UK SIC 2007 Class 96.02 – Hairdressing and other beauty treatment. ONS.

3.2.2 Number in employment in Scotland

The following presents figures for the number of individuals in employment in Scotland within the Hair and Beauty Sector in 2017. The ONS estimates that in 2017 there were 16,285 people in employment in the Hair and Beauty Sector in Scotland. As outlined in section 2, the ONS data is likely to significantly underestimate the number of individuals in employment as a result of excluding those not registered for VAT and PAYE – a significant proportion of hair and beauty businesses. This data has therefore been adjusted by combining it with additional robust data (see section 2.1 of this report) to provide a more accurate estimate of the number of people in employment.

Our analysis of the adjusted data shows that the number of people in employment in the Hair and Beauty Sector in Scotland as of 2017 is 29,191. Over 3,500 (3,601) individuals are based in Glasgow City, followed closely by 3,325 individuals located in the City of Edinburgh. Excluding the two most highly populated cities of Scotland, a notably large number of individuals in employment in the Hair and Beauty Sector are located in Fife (2,194) and South Lanarkshire (1,961). These four areas combined make up almost 40% of people employed in the Hair and Beauty Sector in Scotland.

Table 8: Number in employment in the Hair and Beauty Sector in Scotland in 2017

Region	Number in employment (un-adjusted)	Number in employment (adjusted)	Proportion of total in employment (%)
Aberdeen City	861	1,543	5
Aberdeenshire	590	1,058	4
Angus	292	523	2
Argyll and Bute	195	350	1
City of Edinburgh	1,855	3,325	11
Clackmannanshire	93	167	1
Dumfries and Galloway	467	837	3
Dundee City	550	986	3
East Ayrshire	442	792	3
East Dunbartonshire	308	552	2
East Lothian	198	355	1
East Renfrewshire	318	570	2
Falkirk	451	808	3
Fife	1,224	2,194	8
Glasgow City	2,009	3,601	12
Highland	555	995	3
Inverclyde	254	455	2
Midlothian	211	378	1
Moray	283	507	2
Na h-Eileanan Siar	28	50	0
North Ayrshire	363	651	2
North Lanarkshire	764	1,369	5
Orkney Islands	27	48	0
Perth and Kinross	428	767	3
Renfrewshire	544	975	3
Scottish Borders	162	290	1
Shetland Islands	53	95	0
South Ayrshire	420	753	3
South Lanarkshire	1,094	1,961	7
Stirling	582	1,043	4
West Dunbartonshire	254	455	2
West Lothian	410	735	3
Total	16,285	29,191	-

Source: Inter Departmental Business Register (IDBR), ONS ²³ and author's calculations.

*These figures have been rounded

²³ ONS. 2018. Analysis showing the count, employment and turnover of VAT and/or PAYE based enterprises in Regions of the United Kingdom for UK SIC 2007 Class 96.02 – Hairdressing and other beauty treatment. ONS.



Image courtesy of Jonathan Andrew SRH

3.2.3 Number in employment in Wales

The following presents figures for the number of individuals in employment in Wales within the Hair and Beauty Sector in 2017. The ONS estimates in 2017 there were 8,506 in employment in the Hair and Beauty Sector in Wales. As outlined in section 2, the ONS data is likely to significantly underestimate the number of individuals in employment as a result of excluding those not registered for VAT and PAYE – a significant proportion of hair and beauty businesses. This data has therefore been adjusted by combining it with additional robust data (see section 2.1 of this report) to provide a more accurate estimate of the number of businesses.

Our analysis of the adjusted data shows that the trend for the number of individuals in employment in Wales in the Hair and Beauty Sector in 2017 is very similar to that of the number of businesses. The number of individuals in employment in Cardiff and Swansea amount to around 3,500 (3,630). A total of 15,247 people are employed in the Hair and Beauty Sector in Wales as of 2017, which amounts to the equivalent of the number of individuals in employment in the North East of England.

Table 9: Number in employment in the Hair and Beauty Sector in Wales in 2017

Region	Number in employment (un-adjusted)	Number in employment (adjusted)	Proportion of total in employment (%)
Blaenau Gwent	150	269	2
Bridgend	361	647	4
Caerphilly	452	810	5
Cardiff	1,106	1,983	14
Carmarthenshire	378	678	4
Ceredigion	136	244	1
Conwy	318	570	4
Denbighshire	284	509	3
Flintshire	384	688	5
Gwynedd	307	550	3
Isle of Anglesey	195	350	2
Merthyr Tydfil	150	269	2
Monmouthshire	315	565	4
Neath Port Talbot	333	597	4
Newport	434	778	5
Pembrokeshire	391	701	5
Powys	330	592	4
Rhondda Cynon Taf	587	1,052	7
Swansea	919	1,647	11
Torfaen	242	434	3
Vale of Glamorgan	344	617	4
Wrexham	390	699	5
Total	8,506	15,247	-

Source: Inter Departmental Business Register (IDBR), ONS ²⁴ and author's calculations.

*These figures have been rounded

²⁴ ONS. 2018. Analysis showing the count, employment and turnover of VAT and/or PAYE based enterprises in Regions of the United Kingdom for UK SIC 2007 Class 96.02 – Hairdressing and other beauty treatment. ONS.

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3.2.4 Number in employment in Northern Ireland

The following presents figures for the number of individuals in employment in Northern Ireland within the Hair and Beauty Sector in 2017. The ONS estimates that in 2017 there were 6,067 in employment in the Hair and Beauty Sector in Northern Ireland. As outlined in section 2, the ONS data is likely to significantly underestimate the number in employment as a result of excluding those not registered for VAT and PAYE – a significant proportion of hair and beauty businesses. This data has therefore been adjusted by combining it with additional robust data (see section 2.1 of this report) to provide a more accurate estimate of the number of those in employment.

Our analysis of the adjusted data shows that the Hair and Beauty Sector employed 10,875 people as of 2017. Almost a quarter (24%) of the total in employment for the Hair and Beauty Sector were based in Belfast. The smallest proportion of those in employment (543) were based in Fermanagh and Omagh.

Table 10: Number in employment in the Hair and Beauty Sector in Northern Ireland in 2017

Region	Number in employment (un-adjusted)	Number in employment (adjusted)	Proportion of total in employment (%)
Antrim and Newtownabbey	449	805	7
Ards and North Down	544	975	9
Armagh City Banbridge and Craigavon	642	1,151	11
Belfast	1,459	2,615	24
Causeway Coast and Glens	311	557	5
Derry City and Strabane	372	667	6
Fermanagh and Omagh	303	543	5
Lisburn and Castlereagh	412	739	7
Mid and East Antrim	417	747	7
Mid Ulster	408	731	7
Newry Mourne and Down	750	1,344	12
Total	6,067	10,875	-

Source: Inter Departmental Business Register (IDBR), ONS ²⁵ and author's calculations.

*These figures have been rounded

²⁵ ONS, 2018. Analysis showing the count, employment and turnover of VAT and/or PAYE based enterprises in Regions of the United Kingdom for UK SIC 2007 Class 96.02 – Hairdressing and other beauty treatment. ONS.

3.3 The contribution of apprenticeships to employment in the Hair and Beauty Sector in the UK

The Hair and Beauty Sector in the UK also provides many educational opportunities via apprenticeship qualifications. Table 11 presents data on the number of apprenticeships delivered in the sector in 2017 across the UK. The majority of these were provided in hairdressing (76%), with a proportion also provided in barbering (15%) and beauty therapy (9%).

Table 11: Number of apprenticeships by subject in the United Kingdom in 2017 ²⁶

Apprenticeship framework or standard	Number of apprenticeships
Hairdressing	13,724
Barbering	1,156
Beauty Therapy	14,224
Nail services	212
Total	16,521

Source: England – Apprenticeship Programme Starts by Sector Framework/Pathway & Apprenticeship Standard, Level and Age (2014/15 to 2017/18); Wales – Lifelong Learning Wales Record, Learning programmes for Foundation Apprenticeships, Apprenticeships and Higher Apprenticeships; Scotland – Skills Development Scotland All Modern Apprentice Performance Report; Northern Ireland – ApprenticeshipsNI 2013/2017 Statistical Tables

²⁶ Includes number of learning programmes at December 2017 in Wales, number of participants at July 2018 in Northern Ireland, Number in training at 31st March in Scotland and number of starts during 2017/18 in England.



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3.4 Age profile of the Hair and Beauty Sector in the UK

This section provides an overview of the age profile of the Hair and Beauty Sector in the UK.

Table 12 shows that the Hair and Beauty Sector employs individuals from across the age spectrum. It also illustrates that the sector employs a large proportion of young people, with analysis showing that over half (55%) of all those in employment are between the ages of 16-34. Those aged between 25-34 are the largest group of individuals in employment, representing 32% of the total employment. The data shows 7% of all those in employment are aged over 55

Table 12: Hair and beauty individuals in employment by age group

UK	Total in Employment	%
16-24	65,628	22.8
25-34	91,459	31.8
35-44	49,254	17.1
45-54	52,108	18.1
55-64	22,424	7.8
65+	5,916	2.1
Total	286,889	100%

Source: Annual Population Survey, ONS ²⁷

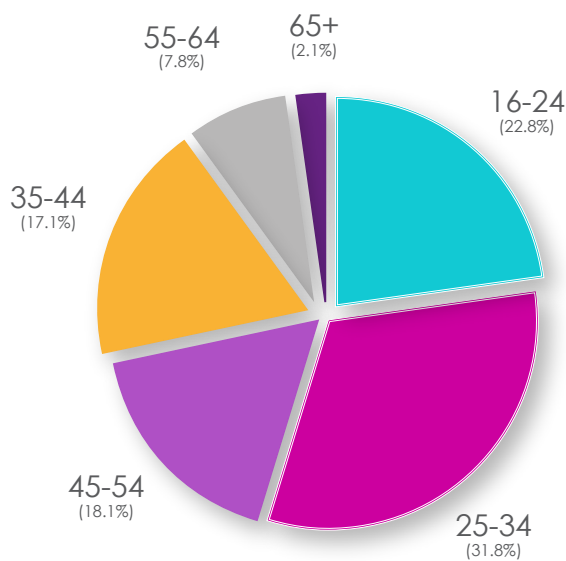


Figure 4: Age profile of the Hair and Beauty workforce in the UK

²⁷ APS, Summary of analysis: 4 Digit Occupation (SOC) and 4 Digit Industry (SIC) by age bands (16-24, 25-34, 35-44, 45-54, 55-64, 65+ and total age bands) in England, Wales, Scotland, Northern Ireland and UK and GB totals (JD 2016). Office for National Statistics.

3.5 Gender profile of the Hair and Beauty Sector in the UK:

Table 13 provides data on the number of males and females who are employed in the sector. When the employment data is stratified by gender, the evidence shows that the majority of those working within the Hair and Beauty Sector are female, with females aged 25-34 being the largest group (33%). Data in table 14 also shows that only 11% of those working within the sector are male.

Table 13: Hair and Beauty individuals in employment by age and gender

Age	Female	% of all females	Male	% of all males
16-24	60,874	23.9	4,754	14.5
25-34	84,197	33.1	7,262	22.2
35-44	42,979	16.9	6,375	19.4
45-54	44,709	17.5	7,399	22.6
55-64	17,995	7.1	4,429	13.5
65+	3,439	1.4	2,477	7.6
Total	254,193	100%	32,696	100%

Source: Annual Population Survey, ONS ²⁸

Table 14: Hair and Beauty individuals in employment by gender

Gender	%
Female	88.6
Male	11.3

Source: Annual Population Survey, ONS ²⁹

²⁸ APS. Summary of analysis: 4 Digit Occupation (SOC) and 4 Digit Industry (SIC) by age bands (16-24, 25-34, 35-44, 45-54, 55-64, 65+ and total age bands) in England, Wales, Scotland, Northern Ireland and UK and GB totals (JD 2016). Office for National Statistics.

²⁹ APS. Summary of analysis: 4 Digit Occupation (SOC) and 4 Digit Industry (SIC) by age bands (16-24, 25-34, 35-44, 45-54, 55-64, 65+ and total age bands) in England, Wales, Scotland, Northern Ireland and UK and GB totals (JD 2016). Office for National Statistics.

Table 15: Gender profile of the hair and beauty workforce in the UK

Nation	Male	Female
England	26,563	21,283
Northern Ireland	1,099	8,242
Scotland	3,298	22,398
Wales	1,726	10,730
Total	32,696	254,193

Source: Annual Population Survey, ONS ³⁰

Figure 5: Male profile

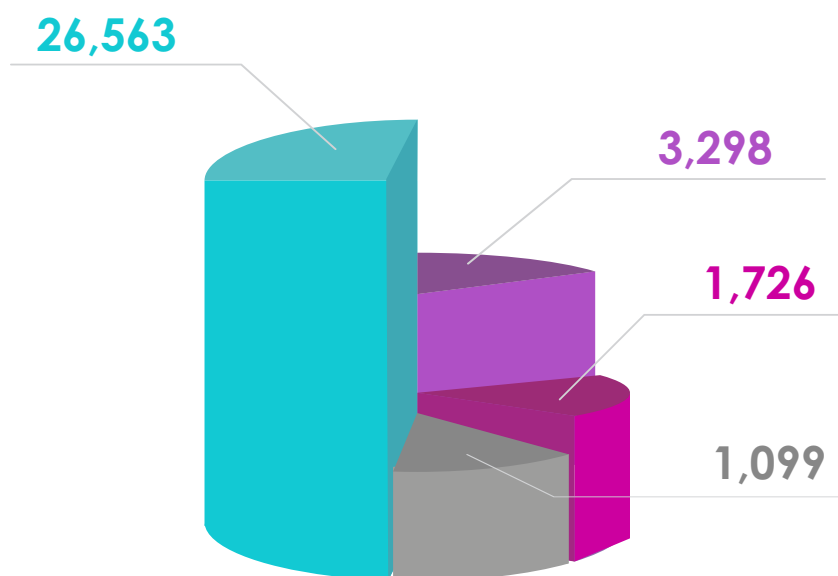
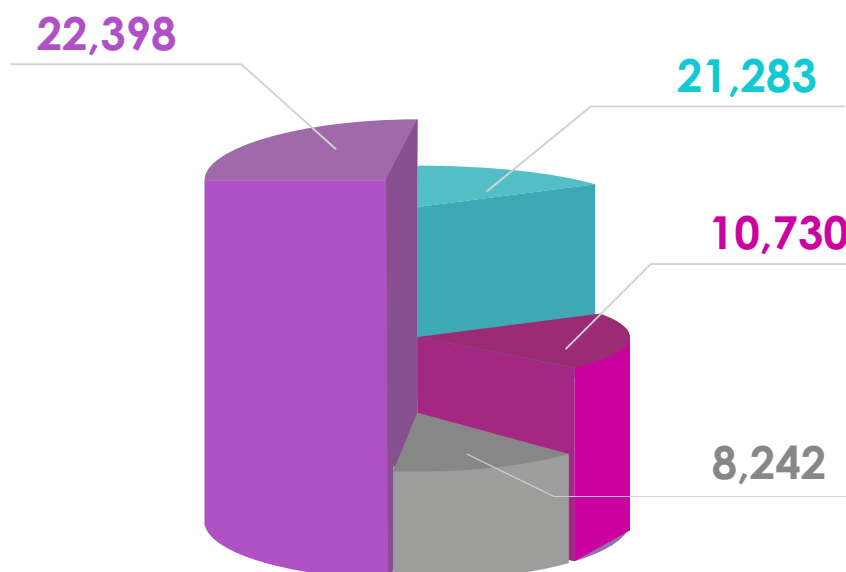


Figure 6: Female profile



³⁰ APS. Summary of analysis: 4 Digit Occupation (SOC) and 4 Digit Industry (SIC) by age bands (16-24, 25-34, 35-44, 45-54, 55-64, 65+ and total age bands) in England, Wales, Scotland, Northern Ireland and UK and GB totals (JD 2016). Office for National Statistics.



4. The Economic Value of the Hair and Beauty Sector

This section outlines the economic value of the Hair and Beauty Sector in the UK and provides a breakdown for its constituent nations. This is presented in terms of GVA and has been estimated using GVA data from secondary sources alongside the derived estimates of employment presented in Section 3.

GVA provides a measure of the contribution made by an individual producer, industry or sector to the economy. It delivers a measure of the value of goods and services produced by a Sector. The methodology used to calculate the GVA in this section is detailed in section 2.

The most recent data shows that the **UK Hair and Beauty Sector has a total estimated GVA of between £5.6 billion and £6.6 billion in 2017**³¹. In the forthcoming section, the data utilised to inform this estimate is explained.

4.1 Estimating the GVA of the Hair and Beauty Sector

As shown in table 16, the analysis shows that GVA per worker in the UK Hair and Beauty Sector was £19,398 in 2017. This was calculated by dividing ONS data on approximate GVA for the UK Hair and Beauty Sector in 2016 (the most recent approximate GVA data published by ONS) by the total number people in employment in the sector in 2016 according to the ONS data from BRES. This figure was then adjusted for inflation to provide a GVA per worker figure for 2017. ONS data also provides GVA estimates for countries and regions of the UK which we can analyse to provide regional GVA per worker estimates for the Hair and Beauty Sector.

³¹ These figures have been rounded.



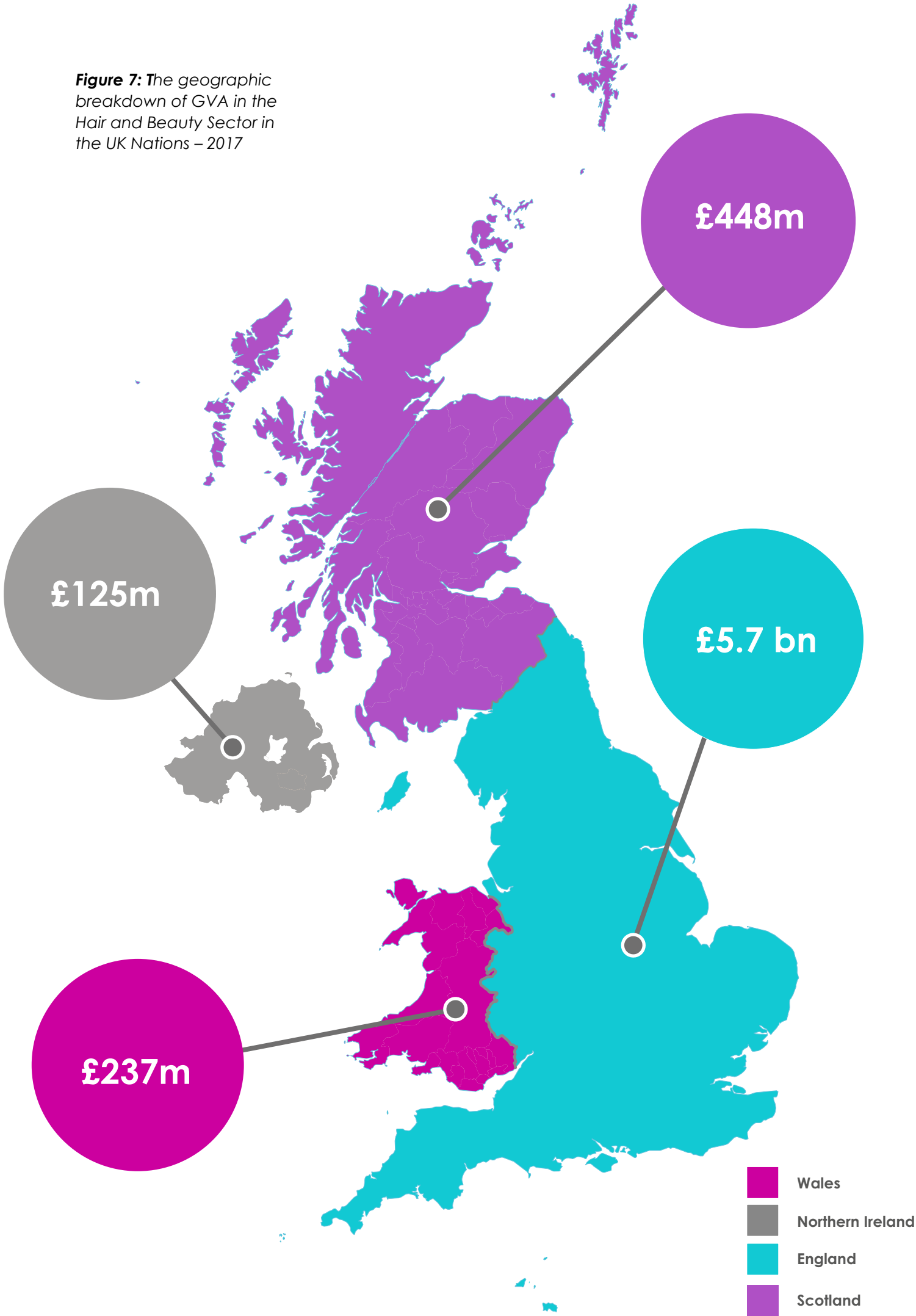
Table 16: Total GVA and GVA per worker by nation and region of the UK 2017.

Nation/Region	Average GVA per worker (£) (adjusted for inflation) 2017	Total GVA (£) 2017
UK	19,398	6,550,322,316
England	20,298	5,731,569,842
North East	21,488	320,354,880
North West	24,713	907,182,265
Yorkshire and The Humber	19,403	468,873,232
East Midlands	19,835	422,250,099
West Midlands	14,157	434,341,844
East	24,292	731,343,757
London	16,698	874,657,563
South East	28,882	1,334,340,030
South West	16,037	415,931,397
Northern Ireland	11,567	125,797,214
Scotland	15,354	448,210,690
Wales	15,548	237,067,536

Source: Inter Departmental Business Register (IDBR), Annual Business Survey, ONS provisional GVA deflators (all industries), ONS ³² and author's calculations.

³² ONS. 2018. Analysis showing the count, employment and turnover of VAT and/or PAYE based enterprises in Regions of the United Kingdom for UK SIC 2007 Class 96.02 – Hairdressing and other beauty treatment. ONS.

Figure 7: The geographic breakdown of GVA in the Hair and Beauty Sector in the UK Nations – 2017



4.2 Calculating Total GVA for the Hair and Beauty Sector

The GVA per worker estimates can be used alongside derived estimates of employment to calculate the total GVA of the sector in the UK. The employment data in Section 3 of this report estimates that a total of 337,687 individuals were employed in the sector in 2017. This figure is used as it is the most recent data available on employment in the UK Hair and Beauty Sector.

By multiplying the GVA per worker figures outlined above by the total number of individuals in employment in the sector, the total GVA of the Hair and Beauty Sector in the UK and its constituent nations and regions in 2017 can be estimated. Table 17 below, summarises the findings of the analysis.

Table 17: GVA per worker, total number of individuals in employment and total GVA by country and region of the UK 2017.

Nation/Region	GVA per worker (Nation/Region) (£) 2017	Number in employment 2017(adjusted)	Total GVA using adjusted employment data (£)
England	20,298	282,374	5,731,569,842
North East	21,488	14,908	320,354,880
North West	24,713	36,709	907,182,265
Yorkshire and The Humber	19,403	24,165	468,873,232
East Midlands	19,835	21,288	422,250,099
West Midlands	14,157	30,680	434,341,844
East of England	24,292	30,107	731,343,757
London	16,698	52,382	874,657,563
South East	28,882	46,200	1,334,340,030
South West	16,037	25,936	415,931,397
Northern Ireland	11,567	15,247	125,797,214
Scotland	15,354	29,191	448,210,690
Wales	15,548	10,875	237,067,536
United Kingdom	19,398	337,687	6,550,322,316

Source: Inter Departmental Business Register (IDBR), BRES, Annual Business Survey, ONS provisional GVA deflators (all industries), ONS ³³ and author's calculations.

³³ ONS. 2018, Analysis showing the count, employment and turnover of VAT and/or PAYE based enterprises in Regions of the United Kingdom for UK SIC 2007 Class 96.02 – Hairdressing and other beauty treatment. ONS.



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4.3 Regional differences in GVA Contribution

As table 17 illustrates, there is much regional variation in the GVA contribution of the Hair and Beauty Sector in the UK. This is a product of the different level of employment and GVA per worker for the sector found in each region (see section 2). To compare the sub-regions of England with Scotland, Wales and Northern Ireland they were combined as shown in Figure 1:

Table 18: GVA according to breakdown of UK Nations and regional areas of England 2017.

		GVA per worker (£) 2017	Number in employment 2017 (adjusted)	Total GVA using adjusted employment data 2017 (£)
Regional area One	North East	21,488	14,908	320,354,880
	North West	24,713	36,709	907,182,265
	Yorkshire and The Humber	19,403	24,165	468,873,232
	East Midlands	19,835	21,288	422,250,099
	Total	-	97,070	2,118,660,476
Regional area Two	West Midland	14,157	30,680	434,341,844
	South West	16,037	25,936	415,931,397
	Total	-	56,616	850,273,241
Regional area Three	East of England	24,292	30,107	731,343,757
	London	16,698	52,382	874,657,563
	South East	28,882	46,200	1,334,340,030
	Total:	-	128,689	2,940,341,350
	Northern Ireland	11,567	15,247	125,797,214
	Scotland	15,354	29,191	448,210,690
	Wales	15,548	10,875	237,067,536
Total:		19,398	337,687	6,550,322,316

Source: Inter Departmental Business Register (IDBR), Annual Business Survey, ONS provisional GVA deflators (all industries), ONS ³⁴ and author's calculations.

³⁴ ONS. 2018. Analysis showing the count, employment and turnover of VAT and/or PAYE based enterprises in Regions of the United Kingdom for UK SIC 2007 Class 96.02 – Hairdressing and other beauty treatment. ONS.

Figure 8: The geographic breakdown of the GVA per region in England in the Hair and Beauty Sector – 2017



4.4 Calculating GVA Using the APS

In this section a second estimate of the Hair and Beauty Sector's GVA is calculated using APS data on employment instead of BRES employment data used above. As noted in section 2, APS employment data is based on a survey of individuals rather than of businesses (in contrast to BRES which is based on a survey of businesses), and it therefore provides an alternative measure of employment in the sector. The benefit of doing this is that a range of GVA estimates for the UK Hair and Beauty Sector can be derived. The most recent APS employment data published by ONS for the Sector was for 2016. This employment data has therefore been multiplied by GVA per worker values for 2016, and the resulting estimated GVA figures for 2016 have been adjusted for inflation using ONS provisional GVA deflators for all industries in 2017.

Table 19: GVA of the Hair and Beauty Sector according to Nations of the UK using APS employment data.

Nation	GVA per worker (Nation) (£) 2016*	Number in employment 2016 (APS)	Total GVA (£million) (adjusted for inflation) 2017
England	19,998	239,386	4,859
Northern Ireland	11,363	9,341	108
Scotland	15,113	25,696	395
Wales	15,289	12,466	194
United Kingdom	19,073	286,889	5,565

Source: Inter Departmental Business Register (IDBR), Annual Business Survey, ONS provisional GVA deflators (all industries), Annual Population Survey ONS ³⁵.

*GVA per worker data in Table 17 are different to those in tables 14-16 as they are based on 2016 data and have not been adjusted for inflation.

Table 19 illustrates the GVA contribution of the Hair and Beauty Sector in each nation of the UK. England contributes the largest amount of GVA to the Sector (£4,859m), followed by Scotland (£395m), Wales (£194m) and Northern Ireland (£108m).

³⁵ ONS, 2012. Annual population survey (APS) QMI. ONS.

4.5 Summary of the GVA analysis

The analysis above shows that two approaches have been used to estimate the GVA of the UK Hair and Beauty sector; the first using IDBR/BRES employment data (see sections 4.1-4.3) and the second using APS employment data (see section 4.4). The two approaches enable the following range of estimated GVA values to be produced for the Sector in each nation of the UK:

- UK – £5,565m to £6,550m;
- England – £4,859m to £5,732m;
- Wales – £194m to £237m;
- Scotland – £395m to £448m;
- Northern Ireland – £108m to £125m.

4.6 Indirect and Induced Economic Impact

The above analysis focuses on the direct economic value of the Hair and Beauty Sector in the UK and its constituent nations and regions. Alongside having direct economic value to the UK economy, the Hair and Beauty Sector can have indirect and induced impacts. An induced economic impact refers to the 'knock on' effects caused by businesses spending money on supplies, as well as their employees spending their wages on goods and services within the economy. This type of expenditure becomes income for recipient businesses, which subsequently spend a portion of this income locally and, in turn, induce further rounds of expenditure. An indirect impact arises through activity in one business indirectly stimulating demand for goods or services in another business. For example, customers may be drawn onto the high street by their need for services from one business (e.g. a salon), but subsequently spend money in other high street businesses (e.g. a café) as a result.

Measuring these induced and indirect impacts has been beyond the scope of this study but evidence suggests that the Hair and Beauty Sector increasingly supports the vitality of town centres and high streets across the UK. Research has identified a shift on high streets from retail towards leisure (e.g. cafes and bars) and services, including Hair and Beauty ³⁶. Furthermore, Hair and Beauty businesses were reported to be among the most popular start-up businesses in the UK in 2015 ³⁷. The relative resilience of Hair and Beauty therefore is likely to make it more important to the high street in future. This could be considered important in seeking to reverse a reported decline in footfall across high streets in UK. This decline, prompted in part through the trend to shop out-of-town, has prompted Government action, seeking to increase the support available for businesses in UK high streets ³⁸.

The fact that salons tend to be located on the high street means that the Hair and Beauty Sector is likely to have an indirect impact on local economies by bringing customers into town centres, and thereby stimulating demand for other goods and services. For instance, cafés and shops are able to remain open due to many of those visiting Hair and Beauty businesses

³⁶ See Wrigley & Lambiri (2015) *British High Streets: from Crisis to Recovery? A Comprehensive Review of the Evidence*. University of Southampton. Available at: <https://thegreatbritishhighstreet.co.uk/pdf/GBHS-British-High-Streets-Crisis-to-Recovery.pdf>

³⁷ Simply Business, 2015. In: National Hair Federation, 2016, *Hair and Beauty Industry Statistics October 2016*. National Hairdressing Federation.

³⁸ Welsh Government, 2017. Mark Drakeford announces details of High Street Rates Relief Scheme. Welsh Government.

also visiting them. Furthermore, a high proportion of the expenditure of businesses within the Hair and Beauty Sector is spent on staffing; who likely live within the local community within which the business is located. This means that a high proportion of the income generated by businesses is channelled back into the local economy and contributes to the vitality of local communities and economies in UK.

Of similar importance is the induced impact generated by Hair and Beauty businesses' expenditure on goods and services in the supply chain. In order to effectively deliver the services provided in this sector, businesses are required to purchase products from other suppliers. For instance, equipment, such as electrical shaving and trimming equipment, are produced externally from the businesses and purchased by local businesses. Channelling capital into supply chains thus provides an additional way through which the sector has an indirect impact on the economy, both locally and nationally, as it contributes to the income of various businesses within its supply chain. However, these indirect and induced impacts are not currently measurable, due to the absence of any data on these in the Hair and Beauty Sector.

The evidence suggests that the UK Hair and Beauty Sector has a wide-ranging indirect and induced economic value to the UK economy and wider society. Indeed, as the UK prepares to leave the European Union (EU) there is much economic uncertainty, with regards to finance and investment. Unlike other sectors, the Hair and Beauty Sector is not impacted as highly by inward investment and trade. Thus, industries such as Hair and Beauty, which forms part of the ubiquitous foundational economy, will provide a useful source of stability during a period of projected instability.

4.7 Improving our Future Understanding of the Value of the Hair and Beauty Sector

This study and previous research on the economic value of the Hair and Beauty Sector have relied upon secondary data analysis to estimate GVA in the Sector. Whilst this provides valuable evidence for policymakers and representative bodies, it is limited by the level at which data is collected and published by the UK and devolved governments. This means that previous studies have relied on assumptions that GVA per worker is consistent across different sectors (e.g. sub-sectors within the 'other service activities' category) and different areas (e.g. in different parts of the UK). In addition, this and previous studies have focused only on the direct value of the sector (i.e. the total value of the businesses in the Sector) and have not sought to estimate the impact Hair and Beauty businesses induce through their expenditure on goods and services in the wider economy.

Furthermore, previous studies have not attempted to capture the indirect and induced economic impacts of Hair and Beauty businesses in local economies which could be seen to accrue through:

- customers spending in other town centre businesses because of visiting a Hair and Beauty business;
- staff and owners spending their earnings in the local economy.

A richer understanding of the economic value of the Hair and Beauty Sector to the UK could be gained from conducting more primary research on the value of the Sector in UK. This could involve conducting surveys of Hair and Beauty Sector businesses and their staff to gather information on their turnover and expenditure on goods and services within their local economy. It could also include surveys of Hair and Beauty businesses' customers to gather data on their indirect expenditure in other high street businesses (e.g. cafés). This type of primary research would enable more bespoke data to be produced for the sector at different geographic levels. It would also enable a better understanding of the broader contribution the Health and Beauty Sector makes to the health and vitality of local economies across the UK.



Image courtesy of Patrick Cameron SRH

5 Education, Skills and Entrepreneurship in the Hair and Beauty Sector

As well as the overall contribution made by the Hair and Beauty Sector to GVA and employment as outlined in Sections 3 and 4, the sector also provides valuable benefits in terms of its contribution to skills and entrepreneurship. An overview of the positive contribution made by the Sector to each of these is outlined in this section.

5.1 Impact on Education and Skills

Alongside the direct economic value of the sector, the Hair and Beauty Sector contributes to the wider UK economy and society through increasing the skill levels of the workforce.

Since 2016 the Government has announced a commitment to create 3 million new apprenticeships by 2020, with the Enterprise Act of 2016 providing the Secretary of State with the power to set targets for apprenticeships in public bodies in England to contribute towards meeting the national targets ³⁹. The Welfare Reform and Work Act of 2016 placed an obligation on the Government to report annually on its progress towards meeting this target. ⁴⁰

However, apprenticeships are a devolved matter and therefore systems across the UK are different in their approach. For example, in response to the UK Government Apprenticeship Levy introduced in May 2017, the Scottish Government has set out for the £221m of levy funding over 2017/18 to be used to support skills, training and employment in Scotland ⁴¹. The Welsh Government have recently focused on higher apprenticeships in the sector, which has resulted in the development and launch of a higher apprenticeship in hair and the forthcoming launch of a higher apprenticeship in beauty.

The importance of these qualifications for the Welsh economy was previously highlighted, in June 2016, by the then Welsh Government's Minister for Skills and Science, Julie James AM ⁴²

³⁹ HM Government. 2015. English Apprenticeships: Our 2020 Vision. Accessed at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/482754/BIS-15-604-english-apprenticeships-our-2020-vision.pdf

⁴⁰ HM Government. 2015. English Apprenticeships: Our 2020 Vision. Accessed at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/482754/BIS-15-604-english-apprenticeships-our-2020-vision.pdf

⁴¹ Scottish Government. 2017. Scottish Apprenticeships: Seven things you need to know. Accessed at: <https://www.gov.scot/publications/scottish-apprenticeships-seven-things-you-need-to-know/>

⁴² James, J. 2016. The Senedd. Available at: <http://www.assembly.wales/en/bus-home/pages/rop.aspx?meetingid=3608&assembly=5&c=Record%20of%20Proceedings#411378> [date accessed: 26 January 2017].

“All-age apprenticeships, together with the all-age employability programme, are central to our proposed skills reforms. Apprenticeships are a proven route to sustainable employment and prosperity”.

Welsh Government's Minister for Skills and Science (2016).

Moreover, Northern Ireland have also advocated for higher apprenticeships and youth training that will form a wider landscape of skills that provide a spectrum of support from entry level up to level 8, facilitating lifelong learning, allowing participants to move in and out of professional education and training at their own pace. ⁴³

Table 20: Number of Apprenticeships per UK Nation 2017-18*.

Nation	Number of Apprenticeships
England**	13,068
Northern Ireland	358
Scotland	1,275
Wales	1,820
Total	16,521

*Data in each part of the UK is for different points of the year. England – starts during 2017-18; Wales - December 2017; Scotland – March 2018; NI – July 2018.

**Data for England is based on the number of starts rather than the total number of apprenticeships.

Sources: England - Apprenticeship Programme Starts by Sector Framework/Pathway & Apprenticeship Standard, Level and Age (2014/15 to 2017/18); Wales - Lifelong Learning Wales Record, Learning programmes for Foundation Apprenticeships, Apprenticeships and Higher Apprenticeships; Scotland - Skills Development Scotland All Modern Apprentice Performance Report; Northern Ireland – Apprenticeships NI 2013/2017 Statistical Tables

⁴³ Department for Employment and Learning, 2014, Securing our Success: The Northern Ireland Strategy on Apprenticeships. Accessed at: <https://www.researchonline.org.uk/sds/search/download.do%3Bjsessionid=D552B3ED4318AC7826E57D527CF5ABF3?ref=B38107>

Between 2017 and 2018 in England the number of apprentices starting Intermediate or Advanced Hairdressing Apprenticeships in the Hair and Beauty Sector was 13,068; with 9,124 engaging in an Intermediate Apprenticeship and 3,944 engaging in an Advanced Apprenticeship ⁴⁴.

In Scotland, a total of 1,275 people were undertaking apprenticeships in hairdressing and barbering at the end of March 2018. This comprised 1,170 women and 105 men. There were 831 apprenticeship starts – 89% of which were female and 11% were male ⁴⁵. More generally in Scotland an increase in the number of modern apprenticeship starts was recorded with over 26,000 starts in 2016/17 ⁴⁶.

Recent research has shown that almost half of all Hair and Beauty businesses (47%) in Wales in 2016 provided apprenticeships which was an increase of 10% since 2012 ⁴⁷. The research also indicated that almost half of hair and beauty businesses (45%) expect to offer a greater number of apprenticeship places in the coming years, with half expecting activity to remain the same and very few (5%) expecting numbers to fall ⁴⁸. In Wales the devolved Government which helps to identify further trends in the area, provides apprenticeship data for the Hair and Beauty Sector ⁴⁹. The total number of hair and beauty apprenticeship programmes (levels 2, 3, 4 and above) being undertaken in Wales in December 2017 was 1,820 ⁵⁰. Of the 1,820 apprenticeships being undertaken in Wales, 20% of these people were barbering apprenticeships, 12% were beauty therapy apprenticeships, 66% hairdressing, and 2% nail services. A total of 210 of the hair and beauty apprenticeships were being undertaken by males, the majority studying barbering (64%) and all were studying apprenticeships at level 2 (foundation) or 3. In comparison there were 1,605 apprenticeships being undertaken by women, with 70% specialising in hairdressing. Around two thirds (67%, 1,075) of the hair and beauty apprenticeships being undertaken by women were foundation (level 2) qualifications and around a third (31%, 500) were level 3 apprenticeships in hair and beauty.

⁴⁴ Department for Education. 2018. Apprenticeship Programme Starts by Sector Framework/Pathway and Apprenticeship Standard, Level and Age. 2014/15 to 2017/18. Department for Education.

⁴⁵ Skills Development Scotland. 2018. All Modern Apprentice Performance Report. 2017/18. Skills Development Scotland. Accessed at: <http://www.skillsdevelopmentscotland.co.uk/media/44710/ma-supplementary-tables-quarter-4-2017-18-1.xlsx>

⁴⁶ Skills Development Scotland Modern Apprenticeship Statistics. (2016/2017). Accessed at: <https://www.skillsdevelopmentscotland.co.uk/media/43282/modern-apprenticeship-statistics-quarter-4-2016-17.pdf>

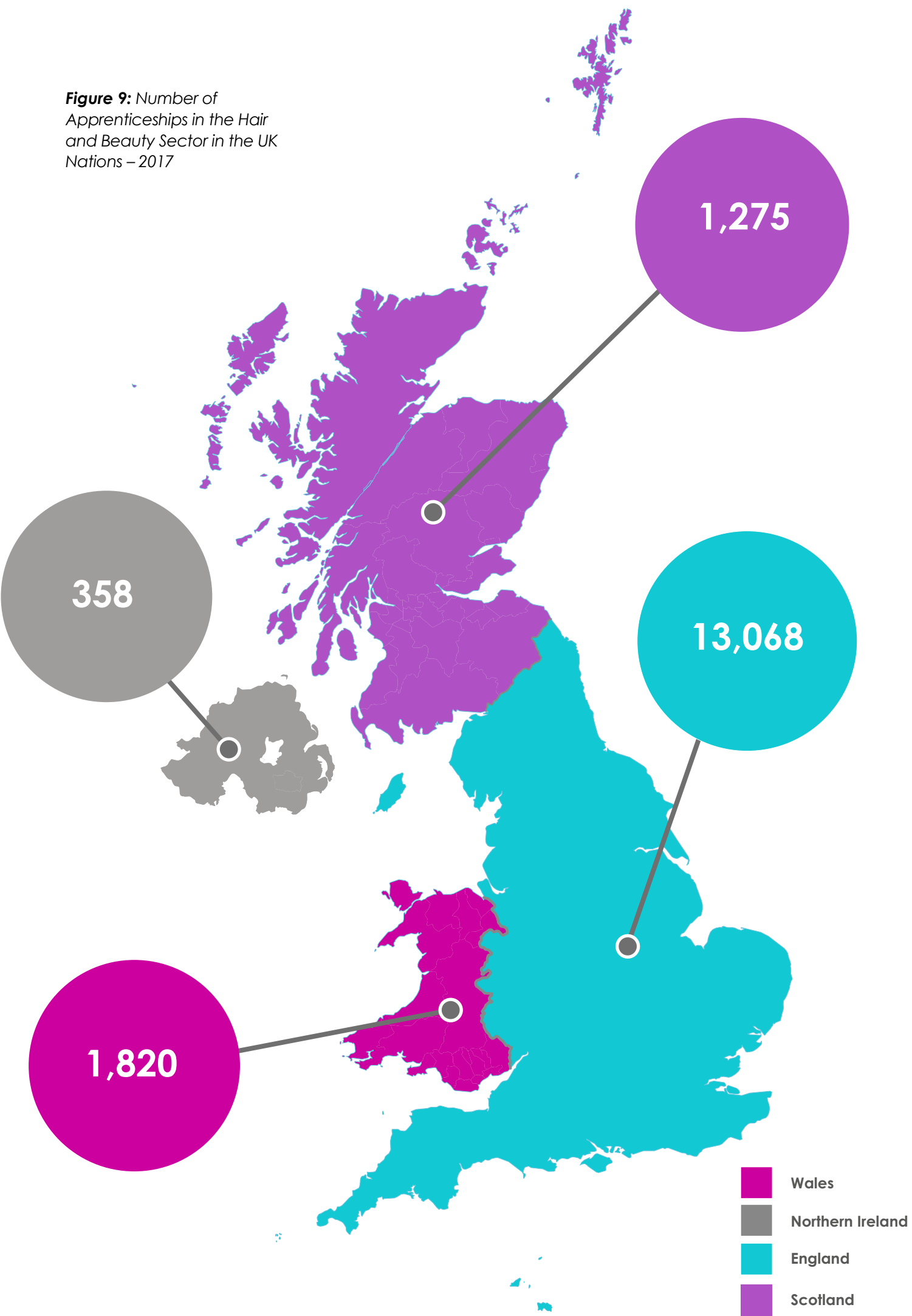
⁴⁷ Beaufort Research. 2016. Research Report Hair and Beauty Industry in Wales: Labour Market Information 2016. ISA Training.

⁴⁸ Beaufort Research. 2016. Research Report Hair and Beauty Industry in Wales: Labour Market Information 2016. ISA Training.

⁴⁹ Learning Programmes for Foundation Apprenticeships, Apprenticeships and Higher Apprenticeships (2017/18)

⁵⁰ Welsh Government. 2018. Lifelong Learning Wales Record, Learning Programmes for Foundation Apprenticeships, Apprenticeships and Higher Apprenticeships (2017/18). Welsh Government.

Figure 9: Number of Apprenticeships in the Hair and Beauty Sector in the UK Nations – 2017



Within Northern Ireland, there were 358 hair and beauty apprenticeship framework participants in July 2018 ⁵¹. A total of 128 participants were engaged in a Level 2 hair and beauty framework - with 7% engaging in the barbering framework, 15% in beauty therapy, 75% in hairdressing and 2% in nail services. The number of participants engaging in a Level 3 hair and beauty framework was 216 - with 5% engaging in the barbering framework, 17% in beauty therapy, 76% in hairdressing and 2% in nail services. A further 14 participants were engaged in a Level 2/3 Framework.

Around a fifth (21%) of those undertaking apprenticeships in Northern Ireland in either hairdressing, barbering or the beauty sector between 2013 and 2017 were male compared with 79% who were female ⁵². This trend can also be found in 2017, where 90% of participants who engaged in a Level 2 hair and beauty framework, and 94% of those who engaged in a Level 3 qualification were female.

This contrasts with the trend across the nation, where 82% of apprenticeship frameworks were undertaken by men compared with 18% undertaken by women. It is therefore apparent that the Hair and Beauty Sector in Northern Ireland has a positive impact on inclusivity through giving women the opportunity to undertake apprenticeships.

Overall, government initiatives are introduced with the aim of increasing the number of apprenticeships across the UK. The Hair and Beauty Sector plays an important role in providing apprenticeships and increasing apprenticeship standards across the UK. In addition to this, apprenticeships within the Hair and Beauty Sector have high levels of female participation and this is a positive step forward in bridging the gender imbalance that prevails within apprenticeships across the UK.

⁵¹ Department for the Economy, Northern Ireland. 2018. Northern Ireland – Apprenticeships NI 2013/2017 Statistical Tables. Accessed at: <https://www.economy-ni.gov.uk/publications/apprenticeshipsni-statistics-august-2013-october-2017>

⁵² Statistical Bulletin Apprenticeships NI. (2013/2017). Accessed at: <https://www.economy-ni.gov.uk/sites/default/files/publications/economy/ApprenticeshipsNI-statistical-Bulletin-Aug-18.pdf?fbclid=IwAR3rEEJ9qddV7edvsLXrAIXA0fJuPXzwCd8a5taGm0iGWZPPvOVn7OqqL8>

5.2 Entrepreneurship in the Hair and Beauty Sector

As this report has highlighted, the Hair and Beauty Sector provides young people with the opportunity to enter the labour market whilst undertaking training. The significant levels of self-employment within the sector also mean that the sector fosters entrepreneurial skills among many people.

Within Wales, in recent years, there has been a drive to expand the entrepreneurial skills of young people. An example of this is the Youth Entrepreneurship Strategy (YES) which aimed to engage, empower and equip young people with the requisite skills to create the business leaders of the future. In this context, the Hair and Beauty Sector makes a significant contribution to the Welsh economy and wider society. Two-thirds of those working within the sector (70%) are aged below 35, with a large proportion (41%) aged 24 or below⁵³. Many of the young people enter the sector with the intention of creating their own business in the future meaning that the entrepreneurial skills, which the Welsh Government seek to develop within society, are being nurtured through the Hair and Beauty Sector. Whilst there is a lack of evidence for the rest of the UK, the assumption can be made that this is the case for England, Scotland and Northern Ireland, too.

The scale of entrepreneurship in the Hair and Beauty Sector is evident in data examining the vibrancy of high street businesses of different types. Data for 2017 shows that the high street sector with the greatest number of stores opening in Great Britain were barbering shops, with beauty salons and nail salons also ranked in the top ten (Local Data Company, 2017). This demonstrates the importance of the Hair and Beauty Sector in sustaining the high street in a turbulent economic environment (see Table 21). Both barbering shops and beauty salons have remained in the top 5 classifications of stores ranked by net opening numbers for the past 5 years which highlights the scale and reliability of the Hair and Beauty Sector for entrepreneurs.

⁵³ Welsh Assembly, 2010. Youth Entrepreneurship Strategy an Action Plan for Wales 2010-15. Welsh Government.

Table 21: Top 10 classifications ranked by numbers of net openings across GB, 2017

Rank	Classification	Up/Down/ Equal/New	Category
1	Barbers	Up	Service Retail
2	Beauty Salons	Up	Service Retail
3	Cafes and Tea rooms	Up	Leisure
4	Convenience stores	New	Convenience Retail
5	Tobacconists/ Vaping shops	Down	Convenience Retail
6	Restaurants and bars	New	Leisure
7	Mobile phones	Equal	Comparison Goods Retail
8	Coffee shops	Down	Leisure
9	Nail salons	Down	Service Retail
10	Pizza takeaway	Up	Leisure

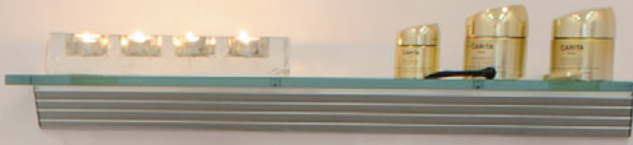
Source: LDC ⁵⁴.

The significance of the Hair and Beauty Sector in fostering entrepreneurial skills is further evidenced by research conducted by Barclays Business ⁵⁵. This showed that 6% of all SMEs in the Hair and Beauty Sector are owned by an individual under 25 years of age. This rate of business ownership among young people is more than double the UK average (2.3%) ⁵⁶, and is indicative of the positive performance of the sector to the UK average. This demonstrates that the Hair and Beauty Sector has an important role to play in contributing to the UK's objectives regarding entrepreneurship.

⁵⁴ LDC. 2017. Retail and Leisure Trends Report H1 2017. LDC.

⁵⁵ Hayden, N. 2014. UK Salons enjoy period of rapid growth [Online]. Accessed on: <http://www.i-salonssoftware.co.uk/blog/uk-salons-enjoy-period-of-rapid-growth/>

⁵⁶ Hayden, N. 2014. UK Salons enjoy period of rapid growth [Online]. Accessed on: <http://www.i-salonssoftware.co.uk/blog/uk-salons-enjoy-period-of-rapid-growth/>



6. Conclusion

The findings presented in this report clearly demonstrate the sizeable contribution made by the Hair and Beauty Sector to the UK economy.

It is now time for the value of the industry to be recognised and embraced. We are therefore calling on the UK Government to implement our recommendations, including introducing mandatory licencing of all hairdressers, barbers and beauty salons. This will ensure that the sector remains safe for consumers, with only the best standards being maintained. It will also further promote the growth of professional establishments which in turn encourages entrepreneurship and high levels of employment. The absence of this mandatory licencing threatens the health of the sector and by association the prosperity of the high street.

We welcome the support for this report from across the sector and from key stakeholders.



Appendix I

Cardiff Q-Step Centre, School of Social Sciences, Cardiff University

The Cardiff Q-Step Centre, is based in the School of Social Sciences at Cardiff University. The Centre aims to develop social science students' expertise and ability to critically engage with number and to undertake quantitative data analysis. The Centre is one of fifteen Q-Step Centres across the country funded by the Economic Social Research Council, Nuffield Foundation and the Higher Education Funding Council for England to promote a stepwise change in quantitative methods teaching and training of social science students. Specifically, in Cardiff Q-Step, School of Social Sciences, Cardiff University, the Social Analytics (BSc) programme has been designed, developed and implemented to provide students with the opportunity to investigate social issues, including educational inequalities, crime rates and poverty, through the analysis of quantitative data. Students following this pathway are guaranteed a work placement in a relevant organisation, such as the Welsh Blood Service or Welsh Government. During this placement, students undertake a data driven project which consolidates their learning and gives them an insight into some of the challenges of undertaking a research project in the real-world context.

The Cardiff Q-Step Centre, School of Social Sciences, Cardiff University is pleased to have worked collaboratively with the Hair and Beauty Council to produce an Economic Impact Assessment of the sector. The students working on this report, have produced a thorough and detailed statistical analysis of the Sector. Along the process, they have encountered obstacles and, at times, been frustrated, particularly with the limited availability of data. Yet, the students have embraced these challenges and have learnt a lot about both the value and limitations of secondary data analysis, as well as a great deal about the presentation and dissemination of quantitative research findings. This experience has further demonstrated to the students the value of advanced quantitative skills outside of academia and the role of number in gaining a better understanding of our society.

The Cardiff Q-Step School of Social Sciences, Cardiff University team would like to thank the Hair and Beauty Council for this unique and valuable opportunity. The team would also like to extend their thanks to Arad Research for reviewing the students' work.

Appendix II

About the Authors



Esther Barrott is a third-year student at Cardiff University studying Social Analytics (BSc). Esther is currently undertaking a quantitative skills-based dissertation project examining the motives behind student blood donors in Wales. She has recently completed a six-months placement with the Welsh Blood Service carrying out root cause analysis and has worked in the NHS for the last seven years. After completion of her degree, Esther will be working as an improvement analyst for Public Health Wales.



Ross Goldstone is an ESRC-funded PhD student at Cardiff University, School of Social Sciences studying the way social class mediates further education (FE) participation and experience. His research interests are broadly in the sociology of education and social inequality. He was co-author of '*The Economic Impact and Value of the Hair and Beauty Sector on the Welsh Economy*', which was an economic impact assessment of the Welsh Hair and Beauty Sector.



Jodie Luker recently graduated with a first-class honours degree in Social Analytics (BSc) from Cardiff University. She is currently undertaking a Social Science Research Methods (MSc) programme (+1 phase) before she commences her PhD in October 2019. The project seeks to examine the unique online representations for distinct LGBT+ identities and explore the potentially differing impacts of online hate speech on this community. Despite her research interest being multidisciplinary (LGBT+ Studies and Criminology) they broadly sit within the field of Big Data.



Emily Maule is a third-year student at Cardiff University studying Social Analytics (BSc). Currently, Emily is completing a final year dissertation project exploring the impact of the Q-Step initiative which has been designed to improve social science students' ability to analyse and critically consume numerical data. Throughout her studies, Emily has undertaken a number of research projects, including a placement with Welsh Government.

About the peer reviewer



Hefin Thomas has been a director at Arad Research for 15 years and was one of the company's founders. He has considerable experience in designing and directing evaluations, economic impact studies, regeneration and labour market analysis. Hefin is a graduate of the London School of Economics and has managed economic impact analysis for government departments, local authorities and private sector organisations. In 2017, he peer reviewed '*The Economic Impact and Value of the Hair and Beauty Sector on the Welsh Economy*'. His experience includes assessing the economic value of public service broadcasting (BBC and S4C), wind farm developments, regional rugby teams, theatres and creative industries centres, youth organisations, festivals and labour market initiatives.

