



NHBF

Supporting safe, legal & profitable
businesses since 1942



NHBF MANIFESTO 2024
THE VALUE OF HAIR AND BEAUTY –
CAREERS, COMMUNITIES, WELLBEING



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FOREWORD

The UK hair and beauty sector is not just about cosmetics and skincare; it's about empowerment, self-expression, wellbeing and self-care. Beyond its cultural significance, the sector makes a substantial economic contribution, generating an important £4.6 billion to the UK economy and driving all-important footfall to our high streets, supporting jobs and fuelling growth across the country.

From iconic brands to emerging start-ups, the sector encompasses a wide range of businesses, including manufacturers, retailers, salons, spas, and freelancers. Together, these entities form a dynamic ecosystem that sustains livelihoods, stimulates consumer spending and fosters entrepreneurship.

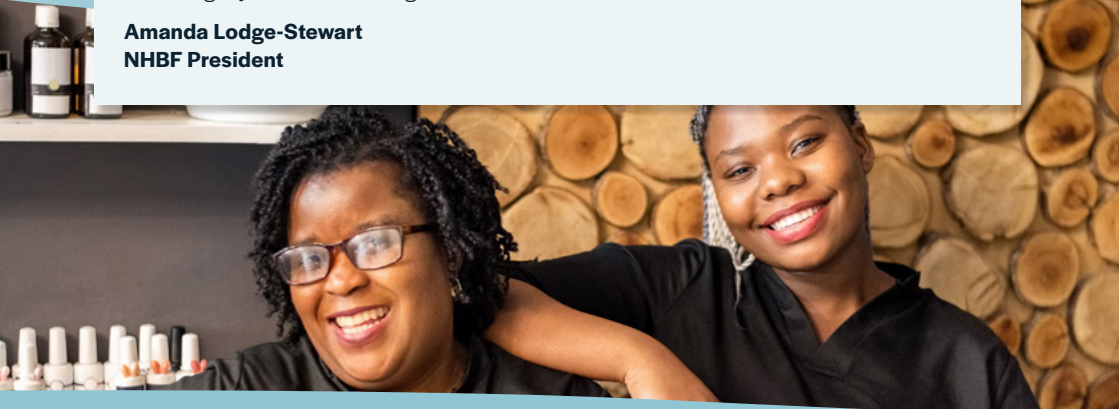
The hair and beauty sector is a global leader in innovation and creativity. Whether it's pioneering new products, embracing sustainable practices, or leveraging digital technologies, our industry sets trends on the global stage. Sector businesses, largely led by female entrepreneurs, want to inspire, employ and develop the next generation of talent and have historically offered significant numbers of young people careers in their communities.

The sector is creative, continually evolving and innovative with businesses using a range of technology solutions (e.g. apps, online booking and payment systems) to take their business to the next level.

As we celebrate the resilience and ingenuity of the UK hair and beauty sector, let us also recognise its immense potential to drive growth, foster inclusivity, and inspire positive change in our society.

Here's to a future where beauty knows no bounds and where the UK sector continues to shine brightly on the world stage.

Amanda Lodge-Stewart
NHBF President



INTRODUCTION

Our vision is for a thriving sector that is respected for the creative careers it provides and where its staffing needs are fully met. It continues to be a positive force in local communities, achieves its full potential in terms of supporting population wellbeing and is contributing to net-zero targets.

To achieve this, we need the support of the Government and Parliament. Ahead of a General Election, this document sets out our recommendations for the next government across four themes to ensure that the sector can thrive and grow:

- The **value of the sector to the UK economy** and communities.
- The **importance of apprenticeships** to the sector and support for employers.
- How the sector supports community **wellbeing and NHS services**, and how it could offer even more.
- **Sustainability** initiatives and contributing towards net-zero targets.



1. VALUE TO THE ECONOMY AND COMMUNITIES



There are **49,000 hair and beauty businesses** across the UK, predominantly small and micro, generating a combined turnover of **£4.56 billion¹** in 2023 with consumer spending across the whole sector totalling **£24.5 billion²**.

The **resilience** of the sector has shone through over the last few, particularly challenging, years. After navigating Covid-19 lockdowns and restrictions, businesses have battled through the 'cost of doing business crisis', crippling energy costs and high inflation.

The sector is on a long, slow road to recovery building on early positivity in the Spring of 2023. Half of businesses are still working to clear pandemic-related debts with 45% saying that it will take between two and five years to clear³.

The sector is still packing a punch in terms of its contribution to the high street, with barbers, nail bars and beauty salons in the top ten retail categories of growth⁴, although the number of hair salons is declining. As self-employment in the sector grows, the number of smaller businesses is increasing and larger businesses declining.

BUSINESS CASE STUDY

Hair & Co in Newtownards near Belfast is a local business of 43 years, active in its local community and employing a team of 17 staff.

They make particularly effective use of technology including an online appointment booking system and e-commerce through an online shop where they sell a range of hair care and skin products from several different brands. They also make online gift vouchers available. The owner makes strong use of social media in the business and each member of the staff team has iPads that they use for customer consultations and post social media content to drive interest and market the business. The owner says that, unlike some other businesses in the area, they do not have issues with staff recruitment and retention.



¹NHBF Industry Statistics (2022)

²British Beauty Council 'Value of Beauty' Report, Oxford Economics (April 2023)

³NHBF State of the Industry survey (January 2024)

⁴Local Data Company (September 2023)





RECOMMENDATIONS

- **VAT REFORM:** a lower VAT rate for labour-intensive service industries, raising the threshold or tiered VAT rates so a large VAT bill is not payable as soon as the threshold is reached⁵. The VAT threshold acts as a disincentive to growth for many small businesses including in the hair and beauty sector, by requiring them to pay £17,000 when they cross the threshold.
- **BUSINESS RATES REFORM:** Government support with fixed overheads such as business rates relief and discounts has been invaluable in recent years. Further reform is needed to level the playing field between 'bricks and mortar' and online businesses.
- **RESTRAINT ON RISING WAGES:** a recognition that evidence shows that rises to the National Minimum Wage (NMW) and National Living Wage (NLW) have deterred sector employers from taking on staff and apprentices. Future increases should be implemented more gradually.
- **POSITIVE HIGH STREET POLICIES AND INVESTMENT:** for this high street stalwart, active support by local authorities to create and maintain a positive environment and community spaces of the future, enhancing wellbeing where people want to visit, socialise and interact.



- **FURTHER TARGETED SUPPORT ON ENERGY:** Energy costs are either the first or second largest outgoing for two-thirds of sector businesses. High prices endure and we welcome further action to improve the customer service of energy suppliers and ensure flexibility in repayment plans.
- **CRACKDOWN ON TAX-EVADING BUSINESSES:** We welcome collaboration with HMRC on a communications and enforcement campaign to encourage tax compliance. An ongoing reality for the sector is informal businesses operating on a cash basis in the margins, not paying tax or VAT, meaning they charge lower prices, undercut and threaten the survival of responsible businesses and undermine legislative requirements through disguised employment practices (self-employed who are employed staff).

⁵ Avoiding the cliff-edge: considering possible options for a VAT smoothing mechanism (January 2024), Pragmatix Advisory Ltd report for NHBF

INDUSTRY ACTION

- The NHBF offers a wealth of support so that sector businesses can run safe, profitable and successful businesses including business support, employment advice, insurance, a health and safety toolkit, guidance on chair/space/room renting and an online skills zone for support on education and training.

EMPLOYMENT, SKILLS & APPRENTICESHIPS

The sector employs some 240,000 people, **around half of which (46%) are young people aged 16-34 and 86% are female**⁶. It is a sector with a strong proportion (some estimates say up to 60%) of neurodiverse individuals and is passionate about providing meaningful careers to more young people.

Sector businesses are disproportionately present in **more deprived areas**⁷ offering flexible ways of working for individuals to manage caring commitments and providing opportunities for reskilling older workers. Some 62% of workers in hairdressing and barbering, and 65% in beauty⁸ are now self-employed, primarily driven by an intention to have more autonomy over their working lives.

Over time, the sector has been a significant provider of **apprenticeships**, offering skilled roles and careers to young people across the UK. Several hair and beauty businesses were listed, once again, in the top 50 SME Apprenticeship employers⁹.

However, apprenticeship starts are in general decline due to several factors. These are young people staying on in education, lower levels of government funding and the sector



shift to self-employment, in turn providing fewer opportunities for the employment of apprentices.

Affordability is a big issue for small and micro businesses, with rising wages and apprentices taking two to three years to cover the cost of a full-time minimum-wage employee. Our skills report sets out that qualified employees or salon managers spend 16 hours a week training each apprentice, equating to an additional cost of around £6000.

Our Careers at the Cutting Edge, report in 2022¹⁰ set out a 'skills crisis' in the sector with issues ongoing around recruitment, retention, qualifications and training and financial pressures. Our State of the Industry quarterly survey results show that recruitment intentions for both staff and apprentices remain muted, which is a concern for the future, particularly given that apprenticeships are the preferred entry route as young people arrive with 'job-ready' skills for the shop floor.

CASE STUDY:

BUSINESSES AND TRAINING ACADEMIES

An NHBF member based in West Yorkshire runs a training academy, working with around 70 employers locally; some of these businesses employ more than one apprentice.

Due to the challenging economic conditions, the business needed to reduce the hours of their apprentice and many businesses in their network were considering doing the same. In Q1 2023, seven employers using the academy made apprentices redundant due to the challenging economic climate.

The uplift in funding agreed in 2023 for the Hair & Barbering apprenticeship standards was welcomed by the sector.

This is an important move to ensure that training providers can fully fund apprenticeships going forward, however further targeted support is still needed to support employers directly..



RECOMMENDATIONS

- **MORE EFFECTIVE REDISTRIBUTION OF LEVY FUNDING:** Small and micro-employers need further support through redistributing unspent levy funds, offering apprenticeship incentives up to £3,000 per employee. This would particularly help fund the gap between the apprentice wage and the national minimum wage for older apprentices aged 19+.
- **FLEXI-APPRENTICESHIPS:** with the rise of the self-employed in the sector, develop a bespoke option for hair and beauty flexi-apprenticeship models, reducing the cost burden for businesses.
- **JOINT PROMOTION OF THE BEAUTY T-LEVEL:** after the cancellation of the Hair T-level, work with DfE to ensure a T-level qualification enabling learners to progress into advanced beauty therapy and aesthetics.
- **MODERNISE CAREERS ADVICE:** DfE to help support and develop career advice to the sector promoting a modern view of the options available.



Sector roles not only include those in salons or barbershops but also wider opportunities available in theatre, film and session work with international travel and also in product design and manufacturing, retail, sales and marketing.

- **IMPROVING DFE LIAISON WITH SCHOOLS:** to encourage an apprenticeship champion in every school and a wider range of providers into schools including those representing STEM (Science, Technology, Engineering and Mathematics) careers in the hair & beauty sector.

⁶ NHBF Industry Statistics (2022)

⁷ The effects of the pandemic on the hair & beauty sector, Pragmatix Advisory Ltd report for NHBF (2021)

⁸ NHBF Industry Statistics (2022)

⁹ www.topapprenticeshipemployers.co.uk

¹⁰ NHBF Careers at the Cutting Edge skills report by Pragmatix Advisory (April 2022) [NHBF report confirms skills crisis in hair & beauty](#)

¹¹ NHBF Careers at the cutting edge: [one year on report](#) (August 2023)

INDUSTRY ACTION

- NHBF will continue to collaborate with other sector organisations through the Beauty Industry Group (BIG) including coordinating a Sector Skills Action Plan to promote positive sector recruitment campaigns and address the range of challenges outlined in the Careers at the Cutting Edge skills report¹¹.

2. HEALTH AND WELLBEING



Hair, beauty and barbering is a people-centric sector with a big heart and the value of the hair, beauty and wider complementary therapies industries in terms of health and wellbeing is wide-ranging.

Hair and beauty practitioners offer an informal counselling service when carrying out treatments although some individuals train and achieve more formal counselling qualifications. Practitioners can also be trained to pick up on the warning signs of domestic abuse and sensitively signpost individuals to support.

Many businesses also work with hair loss charities and collaborate with local doctors on wellbeing events to tackle stress. The NHBF collaborates with skin cancer charities to share advice and guidance on picking up issues during treatments.



The generosity of the sector is exemplified through charities such as the **Hair & Beauty Charity** offering help to sector professionals on hard times and **Haircuts 4 Homeless** who, through their kindness and pro-bono work, have improved the self-esteem of their customers as a core focus.



CASE STUDY: LIONS BARBER COLLECTIVE

In terms of improving mental health, the Lions Barber Collective¹², led by Tom Chapman, is an international group of barbers trained in recognising mental health issues and signposting clients to support services. They help raise awareness and aim to prevent suicide by creating training that enables barbers to recognise symptoms.

Barbershops in South Yorkshire have also been used for mobile blood pressure checks in the local community¹³.

¹²[The Lions Barber Collective | Lions | Barbers | Suicide Prevention](#)

¹³[NHS England » NHS blood pressure checks at the barbers to prevent killer conditions](#)



SUPPORTING NHS SERVICES

Complementary and alternative therapies¹⁴ are used by many people with existing health conditions in different ways and find relief when doing so. There are opportunities to further support the sector to ensure these services are accessible to complement those services provided by the NHS. Most people (9 in 10)¹⁵ have tried a complementary therapy and most of this happens outside the NHS. Cancer research¹⁶ has also suggested that up to 40% of people with cancer, use a complementary therapy during their illness.

There are also skincare issues and hair loss resulting from mental health or medical conditions¹⁷. A parliamentary report¹⁸ highlighted a lack of mental health support for skin disease patients, setting out a lack of NHS provision. The sector is in a unique position to support the integration of social prescribing across beauty, offering alternative and complementary therapies to support the NHS as it employs skin and hair (trichology) specialists, who have a wealth of knowledge in supporting clients and providing bespoke treatments.

¹⁴ Note: some examples include acupuncture, homeopathy, alternative medicine, massage, yoga, tai chi, reiki, herbal medicine, nutrition/diet.

¹⁵ [BMJ Complementary therapies and the NHS](#)

¹⁶ [About complementary and alternative therapy research](#) [Cancer Research UK](#)

¹⁷ [Mental health and wellbeing report](#)

¹⁸ [APPGS Mental Health and Skin Disease](#)

¹⁹ [Complementary-Therapies-Report](#)

²⁰ [Salon | Belong Study Uk](#)

RECOMMENDATIONS

- **ENCOURAGE SOCIAL PRESCRIBING:** The Department for Health and Social Care (DHSC) could play a more active role in encouraging social prescribing or signposting to local qualified practitioners either under the NHS or as private treatment, as recommended by the All-Party Parliamentary Group (APPG) on Beauty, Aesthetics and Wellbeing report on complementary therapies¹⁹. There are also positive examples of local authorities in Derbyshire who offer access to complementary therapy courses.
- **LEVEL PLAYING FIELD THROUGH AESTHETICS LEGISLATION:** ensure that the secondary legislation through the Health & Care Act 2022 designed to improve public health, raises standards across the industry and creates a level playing field for all entry and progression routes for practitioners, either medical or via a beauty route.

INDUSTRY ACTION

- The NHBF is also supporting research projects such as the [Belong Study](#)²⁰ via Kings College London, which is researching the viability of salons and barbershops and GPs working together in the community to promote support for a range of conditions such as heart health and cancer care.



3. SUSTAINABILITY

With natural resources core to the products used by the sector, and energy usage as an important part of the business, action to respond to the climate emergency is important to businesses within the sector.

There is a wealth of positive sector-based sustainability initiatives from those led by brands such as L'Oréal **For the planet** sustainability strategy to 2030 to the Cosmetic Toiletry & Perfumery Association (CTPA) 'Net Positive' Sustainability Strategy and the British Beauty Council's Sustainable Beauty Coalition.

The sector take-up of energy efficiency measures is widespread. The vast majority (82%) of businesses are already implementing a range of energy-saving measures in their business to save money on energy, including switching to LED or energy-saving bulbs, improving insulation and using compostable towels to avoid the energy costs of washing and drying.

The NHBF promotes a range of accessible guidance in our Business Hub Sustainability Toolkit²¹, from the award-winning Salon ReSource²² to membership of the Green Salon Collective²³ for specialist salon recycling services and the Net Zero Salons Climate Playbook²⁴.

There is also a role for the sector in being an 'advocate for change' as outlined through the Green Salon Collective 'mirror talkers'²⁵ initiative promoting practitioners to have sustainability conversations with clients.

CASE STUDY: BROOKE EVANS, BE IRONBRIDGE

Brooke is a salon owner and winner of 'Green Salon of the Year' who has put sustainability at the heart of her business and hosted the NHBF 'Shines On' podcast.

She says 'We fitted the salon with an air source heat pump, up-cycled furniture, we have an authentic beauty refill station for clients to refill their bottles with cleanser and conditioner; these being just some of the changes we made. BE Ironbridge has been recognised for its efforts having been awarded several credits by different competitions. We will continue to strive for a greener way of life'.



RECOMMENDATIONS

- **GREEN INCENTIVES:** The implementation of further government incentives to support greater energy efficiency and the installation of renewable energy options in businesses to strengthen resilience in the medium to longer-term.
- **SOCIAL IMPACT:** We welcome the government's work with the sector around the enforcement of Modern Slavery issues and sharing intelligence around the trade in ethical hair extensions and look forward to this continuing.

²¹ [NHBF Sustainability toolkit - National Hair & Beauty Federation](#)

²² [Sign Up for Salon RE: Source \(mailchi.mp\)](#)

²³ [Salon Waste Disposal | Holistic Sustainability | Salon Recycling \(greensaloncollective.com\)](#)

²⁴ [Net Zero Now | Help Your Hair Salon Go Net Zero](#)

²⁵ [QR Mirror Talkers - Green Salon Collective](#)

INDUSTRY ACTION

- Continue to signpost businesses to the latest accessible and sector-specific advice on running a sustainable salon. Promoting training and sustainable salon and stylist certificates by Southampton University.
- Continue to share positive business stories and collaborate on sustainability issues through the Beauty Industry Group and the drive towards net zero.
- Continue working with the Institute for Apprenticeship and Technical Education (IfATE) in making sure that apprenticeships and technical education help the UK to develop the right skills focus to achieve the UK's net-zero targets.

CONCLUSION

With the targeted support as outlined, the sector, which already offers so much to the economy and local communities, can continue to play a central role in the UK's economic recovery, youth employment, apprenticeships, and the enhancement of people's wellbeing and sustainability into the future.

ABOUT US

Established in 1942, the National Hair & Beauty Federation (NHBF) has circa 5,000 Members and is the UK's largest trade body for the hair and beauty sector. The NHBF focuses on helping Members to run safe legal and profitable businesses by providing advice, specialist support and tailored services to meet the unique challenges of running a salon, barbershop or clinic.





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