



Two Million Jobs: How businesses play a crucial role in helping people from welfare into work

Executive Summary



HARTLEPOOL



SHEFFIELD



LOUGHBOROUGH



PEMBROKESHIRE



Hospitality students at Pembrokeshire College

Great Britain is a great country. This report demonstrates that fact, many times over. It was created by listening to the people across England and Wales who make things happen, day in and day out. This country has the talent and the determination to continue being special – but there are ways to make it even greater. This report contains the most relevant lessons learned, gleaned from discussions with hundreds of businesses and other organisations across Great Britain, both on how best to lift people out of poverty, but also the conditions businesses require to thrive. The report focuses on four areas: a city, a town, a coastal community, and a rural community.

Chapter 1 - Sheffield: Forging steel and embracing tech (see page 16) takes a deep dive into a British city through the lens of jobs and business. It was picked as an area of study for several reasons, one being it has got less attention than other cities that are relatively near to it, most notably Manchester and Leeds, and so there were more stories to be unearthed there. The city also has two large universities and an impressive technology sector, combined with large concentrations of both wealth and poverty,

and therefore had much to offer to the study we have undertaken.

This chapter delves into the positive things going on in the city in terms of entrepreneurship and employment, but also examines the challenges faced by the area. While Sheffield has an impressive level of business activity going on within its boundaries, so too does it have a lot of deprivation – and, of course, the problems that come with that. What we have attempted to do here is demonstrate how those problems are being overcome by the best hiring practices of many of the businesses within the city, as well as how those best practices can be used to ameliorate the challenges that Sheffield faces.

We also examine the key role played by the city's institutions in creating jobs and eliminating poverty through employment. The two universities are central to this, but just as important are programmes like Ascend, a project directly designed to lead the most socio-economically deprived individuals into work and out of poverty. While business is at the forefront of this process, these institutions are of immeasurable help.

Chapter 2 - Loughborough: Looking to the future (see page 44)

takes a deep dive into a British town through the lens of jobs and business. It was chosen due to several factors. One is that it is geographically in the middle of the country, as well as tending to trend in the centre of most economic measures, such as median salary. It is Middle England, both theoretically and literally. Another is that the town has a host of large employers, combined with a university and a thriving SME culture, which makes it stand out as a place to both understand what drives towns in Britain and what holds them back, as well as looking at what part institutions play in that equation.

The final reason for looking at Loughborough is that it is a classic “swing seat”, the type of constituency that goes to the election victors. The town’s vote is always up for grabs. It is a Labour seat after the 2024 general election – with the town’s new MP, Jeevun Sadher, being interviewed in this chapter – just as it was between 1997 and 2010, going Conservative for all the years the Tories were in government.

Chapter 3 - Hartlepool: The coalface of change (see page 68)

takes a deep dive into a seaside town with comparisons made with

two other coastal communities, Cromer and Redcar. Hartlepool was an interesting area of study due to the long history of the town, some of the atypical aspects of it as a coastal community (while still facing several of the most common issues facing towns by the sea in Britain), and its political context. Having been a Labour seat essentially since 1964 (when it was known as “The Hartlepoons”), the Conservative party won the seat in the 2021 by-election – yet it is once again a Labour-held constituency. Redcar, which is only 12 miles away, offers an interesting insight into the similarities and differences we see there as compared to Hartlepool, in addition to being politically interesting in and of itself: It is one of the few seats in Britain to have had a Labour, Lib Dem and Tory MP within the last 20 years.

Cromer was chosen as a comparator because, while it is very geographically removed from Hartlepool and Redcar, many of the problems it faces are similar. One of the themes of this chapter is that coastal towns should not be simply roped into whatever area of the country they sit in, be it the North East of England or East of England, but rather should be considered within a “coastal communities” context, which brings a unique set of challenges.



Chapter 4 - Pembrokeshire: The cutting edge of Britain (see page 92)

looks at the most southwesterly corner of Wales, a county that is a rural community while also being coastal, surrounded, as it is, on three sides by sea. It is a beautiful place with a thriving tourism sector, containing within it one of the most important ports in Britain and featuring a still vital agricultural sector. It is also a place filled with pockets of poverty and a region which is badly served by transportation infrastructure, with both trains and roads in and out of the county being inadequate.

This chapter examines: the oil and gas sector through the lens of Valero, one of Pembrokeshire's biggest and most important employers; the tourism sector, via the seaside town of Saundersfoot; and the agricultural sector, with interviews with representatives of two of the county's numerous dairy farms being detailed. This chapter also looks at the village of Lawrenny, one that is being revitalised, bringing in new denizens and businesses alike. There is also a delve into Pembrokeshire College, a vital institution that trains the leaders of tomorrow in all the sectors covered in this chapter.

The best way to get people out of welfare is to get them into work. What we have done

throughout this report is ask employers, large and small, across Great Britain, in cities, towns and rural areas, how this can best be done. This is covered in detail in **Chapter 5 - Lessons on helping people from welfare into work** (see page 120), but here are the headline findings:

5a. People from socio-economically deprived background have specific needs for entering the workforce

Those who grew up in socio-economic deprivation have barriers to employment that do not exist for people who were raised in households higher up the wealth ladder. An important aspect to this is that it is likely they have not been raised around people who are successfully in employment. This often effects them in three main ways:

- They don't learn how to be a successfully employed person first-hand.
- They miss out on gaining the confidence that comes from knowing what being a success in a vocation looks like.
- They aren't connected to anyone in the world of work who can help them find a job.





A worker at Evolution Power Tools in Sheffield

5b. Post-secondary institutions play a large role in helping get people out of poverty and into work

Places like the Further Education (FE) and Sixth Form colleges in Hartlepool are not only training people of all ages and helping them find apprenticeships and other employment opportunities, but also running an impromptu public transport service and helping feed the students as well (see page 78). Given the socio-economic background of so many of those who attend the institution, the FE college in Hartlepool focuses its attention on things like behaviour, attitude and confidence – understanding what the students' backgrounds will not have naturally provided for them, but nonetheless remains vital to obtaining and then staying in employment.

5c. Coastal communities have a specific set of concerns

We need to think about how coastal communities are different to every other part of the UK. Somewhere like Cromer has way more in common with Hartlepool than it has with towns in Norfolk, 10 miles inland from it. The government needs to start looking at coastal communities as a portion of the United Kingdom in their own right, separate from the surrounding territories they reside within. The needs of these kinds of communities need to be thought of as a unit.

We learned a great deal from speaking to people in Hartlepool, Redcar and Cromer (as well as a few other seaside towns dotted around the country, outside the scope of this report). The intention is to have dialogues with businesses in other coastal communities, as part of our next phase of activity, into 2025 and beyond.



Josh at the Ascend Programme

5d. The interconnectedness of institutions is vital

A big element that helps create prosperity and, with it, gets people out of welfare and into work, is when an area has a decent mix of SMEs and larger companies, varying the employment field to a favourable extent. Take Pembrokeshire, that there are so many entrepreneurs there is greatly to the county's credit (see page 92). While there are several large employers in the region, such as Valero, who play a vital role, the SMEs are the beating heart of the place.

The links between institutions, employers and employees are a key element of any region's prosperity – and by extension, its ability to get people from lower socio-economic backgrounds into work.

5e. Young people face specific challenges in terms of entering the workforce

Hiring young people from any socio-economic background can be a challenge for a lot of employers, mostly due to distinct cultural differences between them and older generations. While some younger people can struggle with work culture in general, a lot of them are both very adaptable and naturally entrepreneurial. If employers can look past the surface, they could find some employees for life (or at least, the long-term). In fact, some of the challenges young people face and the issues those from socio-economically deprived backgrounds suffer under are often very similar in nature, usually made all the worse for people who fit into both categories. This is why many of the solutions for getting people from deprived backgrounds into work map neatly onto how to get more young people into meaningful employment. All the participants at the Sheffield roundtable agreed on this (see page 38).

5f. Businesses play a hugely important role, even without specific schemes

In terms of best practice, once employees are in the job and embedded in the culture of the company, we found three things that were applicable in every location and every sector across the country:

- A friendly culture where people want to work is vital. Making the office a nice place to come in to, filled with people who get on and like being in a team with one another, is a huge part of retaining staff.
- Active team building is key as well. Offering rewards for hard work which also revolve around bringing the staff closer together can be an important staff retention tool.
- Probably most important of all, creating methods of advancement that are transparent and easy to grasp, while making internal promotion a big part of the company's culture. If people understand that by staying and working hard for the organisation they will be rewarded with more money and status, most of them will stick around. On the flipside, if they see their colleagues either staying in the same job forever or the best and brightest moving on while people are constantly installed into positions of power from outside of the organisation, then high attrition will likely follow.

5g. Apprenticeships can play a vital role in helping get people into work

The importance of apprenticeships, in terms of organisations finding the staff they require and how they can often be the best way to get and keep young talent, was continually stressed by all participants – including as a way of getting the poorest applicants into work. It was generally agreed that apprenticeship schemes are best when:

- The bureaucracy involved in them is kept to a minimum.
- The scheme in some way makes it easier to take on riskier hires. Being able to take risks often leads to people from deprived backgrounds being given employment they might otherwise not have received.



Jane Reed, Campus Principal at Hartlepool Sixth Form College



William Bateman, Curriculum Area Manager, Pembrokeshire College, with a student and Nick Tyrone

What's clear from the research is that there are few easy solutions. If there were more, someone surely would have enacted them already. However, there are answers out there. This is covered in detail in **Chapter 6 - Findings on the policy conditions businesses need to thrive** (see page 132), but here is a brief overview of the findings:

6a. The climate for business isn't positive enough. We need to see business people as the "good guys" once again

The most common thing heard when travelling across Great Britain, speaking to business people, be they CEOs of large companies or one-man band entrepreneurs, is that the climate for doing business in this country is not positive enough. "It's like we're not seen as the good guys anymore," one person said to us.

This is important in both policy terms as well as culturally ("vibes" as one might put it these days). On the policy front, many businesses complain about there being not nearly enough clearly pro-business policies to point to. When George Osborne was chancellor, there was at least a feeling of policies moving in the right

direction to help businesses out – a reduction in corporation tax, for instance. In the latter part of the Conservative Party's most recent period in office, many business people across the country felt that this positive attitude towards business had been missing. From our conversations during and after the general election, people were heartened that the Labour Party placed an emphasis on the importance of wealth creation and economic growth in their plans. But they are now beginning to have concerns about whether this will be reflected in the legislative agenda.

6b. Across the country, transport infrastructure is a long way from good enough

A common complaint from business people is that transportation infrastructure is not up to scratch. Whether they are travelling locally by train – Sheffield to Manchester takes as long by rail as either city to London – taking local transport in their area, such as the bus service not being ideal, or the poor state of some of the main roads, businesses in Britain feel increasingly marred by an inability to get around. This has negative effects for their employees, potential investors, and getting their goods from one place to another.

6c. Good connectivity between government policy, local institutions, and businesses – as well as connectivity between large and small enterprises – is a key component for a thriving economy

Businesses do not exist in isolation. Beyond their need to have customers and employees, enterprises large and small need elements that are external to them to work at an optimal level. That could be regulatory. Or it could be post-secondary institutions there to train staff being present or not. Or it could be the level of taxation being appropriate.

This is why institutions are vital to businesses. A good example of this, evident throughout this report, is the connection between post-secondary educational institutions and businesses, large and small. So many colleges, for example, act as training academies for local employers – and so many apprenticeships would not exist without this connection between colleges and businesses, big and fledgling.



6d. Businesses are happy with employment laws that provide protection for employees – but worry about regulation that would stifle more risky hires

All the businesses we spoke to care about their employees very deeply. Contrary to a commonly rolled out narrative, most employers are perfectly happy with the employment rights currently held by British workers. Yet they are concerned about those rights becoming more restrictive in a way that will cause them to make fewer hires – and, worse than that, cause companies to make much fewer risky hires, those being the ones that take people out of poverty most regularly.

Of particular concern would be a policy of giving everyone full employment rights on day one of the job. Allowing employers a probation period, where they are allowed to try people out, gives them the leeway to take chances. Probation periods are vital for jobs continuing to be a route out of poverty in Great Britain. It is the poorest in society who will suffer the most if employment rights become too restrictive for companies.



The Access Group, Loughborough

6e. Businesses would like apprenticeships to be easier to use and for there to be more incentives to hire apprentices

Apprenticeships are widely used across the UK – every business we spoke to beyond a certain size had used them at some point. They can be a great way for young people and those with little or no experience in a sector to enter a new profession. Therefore, they are a great route out of poverty and into employment.

Yet every business we interviewed of a similar size also said they found using the apprenticeship levy overly bureaucratic. Smaller companies without a dedicated HR team (where this function would be carried out by a COO, or a COO's assistant), found the levy difficult to navigate in terms of paperwork and rules. Apprenticeships should be encouraged by rewarding firms that use them and making it as straightforward to employ apprentices as possible, while obviously still screening out anyone trying to misuse the system. It needs to be less bureaucratic.

6f. Businesses would like green targets and incentives to be clear and certain

Most British businesses, large and small, accept the idea of Britain transitioning to green energy over a reasonable period. What they don't like are the goalposts constantly shifting. The lack of clarity leads to the idea that the deadlines imposed for steps towards a green transition are hazy or perhaps even downright false, simply to be ignored in most cases.

The green transition, if done correctly, can mostly be done by the private sector. A good case in point is one already detailed in this report, Teesworks near Redcar ([see page 84](#)). This is a huge initiative that is going to create tens of thousands of jobs in an area that desperately needs them, all while creating vast amounts of clean energy. And it is almost entirely powered by the private sector.



Work on one of Pembrokeshire's many windfarms



Andres Urena, Loughborough-based entrepreneur

6g. Businesses in Britain need better access to homegrown funding

It was remarkable hearing so many tales of success from British businesses across the country. Yet getting to the part about where they spoke about how they got their initial capital often had the same disillusioning close. Over and over again, when speaking to the entrepreneurs who populate this report, we heard the same basic story: they looked for capital in Britain; they were either turned down cold, or offered a sum of money which would have been insufficient to do their project justice; they then hopped on a plane to America to find investment, and then found it quickly, either in the amount asked for, or an even greater sum (see page 36). Figuring out how to fix this will be difficult, but we certainly need to consider how we build a better, more entrepreneur-friendly investment culture in Great Britain.

Chapter seven, the final portion of the report, concludes with an affirmation that Britain's best days are ahead of her, not behind. If businesses are given the correct conditions to thrive, they will drive growth and take millions of people out of poverty. This report is simply the start of something – in 2025 and beyond, the Jobs Foundation will expand on our research, delving deeper into best practice when it comes to

businesses taking people from welfare into work. We'll also be examining in deeper detail the conditions businesses need to grow and flourish.

"When I was a kid, we learned about and celebrated people like Isambard Kingdom Brunel. You know, people who built things. We don't have that culture anymore," Adrian Lort-Phillips said.

That's the crux of everything. We need to reward and encourage the doers in our society. Britain needs to reward hard work and determination. That's the way towards growth. That's the way out of poverty for our poorest citizens. That's the way back towards the greatness this country always has deep within itself. We hope you enjoy reading this report – and look out for us deepening what is laid out here in greater detail in the Jobs Foundation's research in 2025 and beyond.

"When I was a kid, we learned about and celebrated people like Isambard Kingdom Brunel. You know, people who built things. We don't have that culture anymore."