

Fact Sheet: The True Value of Your Intervention

Why One Hire in an SME is Worth More Than You Think: When a London SME opens its doors to a young person from a **disadvantaged background**, it triggers a chain reaction of economic and social benefits. This isn't just "charity"—it is high-impact economic intervention.

1. The Macro-Economic Value (The "Mayfield" Impact)

According to social mobility research and the Mayfield recommendations, the "Cost of Inaction" (leaving a young person NEET—Not in Education, Employment, or Training) is staggering.

- **Lifetime Saving to Society:** Every young person successfully moved into a stable career represents a lifetime saving of approximately **£120,000** in public spending (healthcare, justice, and welfare).
- **The Productivity Gap:** Bridging the social mobility gap could increase UK GDP by **£39 billion per year**. By hiring one person, your SME is a direct contributor to the "London Legacy"—making the capital's economy more resilient.

2. The SME "Return on Investment" (The Business Case)

SMEs often fear that a young person with no experience is a "drain" on resources. The data shows the opposite over a 12-month period:

The "Pro vs. Apprentice" Efficiency Curve

- **Month 1-2:** The recruit is a "net cost" (Time taken to train vs. output).

- **Month 3-6:** The recruit hits "**The Break-Even Point.**" They are now handling routine tasks, freeing up senior staff for high-value billing or business development.
- **Month 12+:** The recruit is a "**Net Profit Generator.**" Having been trained in **your** specific company culture, they are often 20% more productive than an external hire who has to "unlearn" old habits.

3. Social Value & Tendering Advantage

In 2026, **Social Value** is no longer optional in UK procurement.

- **Winning Contracts:** If your SME bids for local authority work (GLA, Borough Councils, or NHS), you are often required to demonstrate your "Social Value" (The Social Value Act 2012).
- **The "Evidence Goldmine":** Participating in this C&G pilot gives you the verified data you need for tenders. Being able to say, "**We successfully mentored and employed a young person from a disadvantaged background,**" can be the "deciding factor" that wins you a contract over a larger competitor.



4. The “Hidden” Benefits: Innovation & Retention

- **The Digital Native Bonus:** 70% of SMEs report that young hires improve the company’s digital capabilities. They bring intuitive knowledge of AI, social trends, and software that can save you thousands in external consultancy fees.
- **The Loyalty Factor:** Employees who start their careers in an SME that supports them from a disadvantaged background show **higher rates of loyalty**. You are “growing your own” talent, significantly reducing future recruitment fees (which currently average £3,000–£5,000 per hire in London).

5. The Human Cost vs. The Human Potential

- **Cost to Society:** A young person stuck in a cycle of unemployment is at a 3x higher risk of mental health struggles and long-term benefit dependency.
- **The Intervention Gain:** Employment provides **Identity, Purpose, and Financial Independence**. You are not just providing a “job”; you are providing the “First Rung” on a ladder that leads to a lifetime of contribution.



30-Day Plan: Orientation & Settling In

Feature	The Intervention Value
Direct Cost Saving	0% Employer NI and £1,000 cash incentive (for eligible recruits).
Recruitment Saving	£0 agency fees + “Levy Transfer” covers 100% of training.
Strategic Gain	Verified “Social Value” data for use in business tenders.
Cultural Gain	Fresh, diverse perspectives that drive innovation and “Reverse Mentoring.”

