



Social Mobility
Commission

Monitoring social mobility

2013–2020: Is the government delivering on our recommendations?

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2013-2020: Is the government delivering on our recommendations?

Presented to Parliament pursuant to the Life Chances Act 2010

June 2020

About the Commission

The Social Mobility Commission is an advisory non-departmental public body established under the Life Chances Act 2010 as modified by the Welfare Reform and Work Act 2016. It has a duty to assess progress in improving social mobility in the UK and to promote social mobility in England.

The functions of the Commission include:

- Monitoring progress on improving social mobility.
- Providing published advice to ministers on matters relating to social mobility.
- Undertaking social mobility advocacy.

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Foreword

Successive Prime Ministers have committed themselves to give everyone in Britain the opportunity to succeed and to make the most of their talents.

This aspiration is shared by the Social Mobility Commission, which sees part of its role as being a critical friend of government – holding it to account for its efforts to create a more socially mobile society, while also offering a longer perspective, free from short-term political cycles.

To help inform this longer-term view of the government's work on social mobility, the Commission asked Whitehall departments to respond to some of the key recommendations it has made over the past seven years.

The responses paint a mixed picture. On nearly one in four recommendations, strong progress has been made; on nearly half, some progress has been made; and on nearly a third of the Commission's recommendations, little or no action has been taken.

Prior to the present crisis, there was some evidence of success: more disadvantaged pupils staying in education for longer, more disadvantaged students going into higher education, and more people in work than ever before. But the Commission also identified areas of major concern: an increasing number of children growing up in relative poverty, a crisis in the early years' workforce and a greater chance of disadvantaged young people getting stuck in low paid jobs.

A major worry for the Commission was the lack of joined up thinking across government departments, which is why it is now calling for a central unit to support its work and to help ensure action is taken.

The Prime Minister has set as his goal 'levelling up opportunity' across the country and he has outlined welcome proposals to transform infrastructure, especially in the north of England. But there remains work to be done to understand what levelling-up will mean

in practice – especially as this will now take place in the context of the major economic and social dislocation caused by COVID-19.

Social mobility has never been more important. It is the poor and the young who will suffer most from the economic downturn.

To succeed, action will need to be driven from the heart of government. Promoting equal opportunity, from birth to work, should be an explicit aim of every policy document, budget paper and Parliamentary bill – and departments should be held to account to ensure they deliver. The Commission does not have the executive powers to enforce cross-Whitehall mechanisms to deliver real change – that can only happen if the centre pushes it through.

At present there is no meaningful coordination between departments on the social mobility agenda, and no single force championing social mobility across government.

While the Department for Education is the Commission's sponsor, and the early and school years are clearly fundamental to the issue of social mobility, education is only part of the answer to achieving equal opportunity.

Our social mobility barometer 2020 showed that many people felt that they had been better educated than their parents, but this had not translated into improved outcomes in their careers, income and housing. In these areas, most young people felt they had done worse than their parents. The UK ranks 21st on a global social mobility index, well behind most European countries. It has a good score on access to education, but does poorly on labour market policies to help the unemployed and on fair wages.

To start to address this issue, the Commission has established a programme of support and advice to help employers recruit a more diverse workforce. It has also prepared a range of reports to be published over the next year, which will include new recommendations where it believes the government or others need to take further action.

This work will provide new insights into crucial areas for social mobility, including apprenticeships, the early years workforce, employment, and mental and physical health.

The Commission is also looking forward to new publications on regional social mobility in England and will set out its proposal for a 30-year plan to deliver and sustain equal opportunity.

Addressing regional inequalities in England is essential and the Commission will also pay more attention to outcomes in Scotland, Northern Ireland and Wales.

The Commission is here to help government, employers, educators and others achieve a fairer deal. It is offering its support and help, but needs government to invest in and to engage with its findings.

The Commission is urging government to put in place a more strategic and structured response to social mobility. By working together, by listening to the evidence and taking action, we can and should start to make a real difference to people's lives.



Dame Martina Milburn
Chair, Social Mobility Commission

Executive summary

Every year the Commission makes a series of recommendations to the government, aimed at giving everyone an equal chance in life. And every year, officials and ministers make policy pledges. But are they really taking action – and is it making a difference?

Our State of the Nation 2018 to 2019 report revealed social mobility had stagnated and we wanted to find out why. So we asked the government what they had done in response to recommendations drawn up by us since 2013.

The broad recommendations were split across both the areas where we have done significant recent work – education, training and employment – as well as health, transport and housing, where we have done less work, but intend to do more.

The later chapters in this report concern the areas where we want to broaden our reach. We also wanted to include people's own life stories to show why social mobility matters.

The government responses show that while some departments have made reasonable progress, others have achieved less. It was also rare to find departments working together in a joined-up approach.

Government score card, how well did they do?

Key findings: Of the 52 questions in this report based on our recommendations:

Nearly one in three (31%) were given a Red ■ RAG rating, suggesting 'little or no action' has been taken by successive governments

Nearly half (46%) were rated Amber ■, showing 'some, but insufficient progress'.

Nearly one in four (23%) were rated Green ■, showing 'strong progress or delivery'.

Process: We rated government responses for their progress on each recommendation on three relevant aspects: the intent to support social mobility; the process in place to do so; and evidence of any outcomes they achieved. Our scores were converted into RAG ratings (a traffic light model) where the bottom third of scores were Red ■, the middle third were Amber ■, and the top third were Green ■.

Questions/recommendations: We asked each department a different number of questions depending on the amount of work the Commission had done in their area. For a full explanation of the methodology, see p.95.

The need for a strategic approach to social mobility

RAG summary:

4 questions: Red ■ 2; Amber ■ 2; Green ■ 0

Several departments have an impact, but there is no mechanism for coordinating social mobility strategy across Whitehall. All departments are required to consider the impact on gender, race and disability when forming policy, but so far there is no requirement to consider socio-economic impact. There is no minister in charge of tackling social inequality or social mobility and no unit in central government to drive this policy. Given the impact of COVID-19, this issue could not be more important. It is time that a dedicated and empowered Social Mobility unit sat at the heart of government.

Too often also there is little transparency concerning the impact spending decisions have on poverty. The Treasury has made some efforts in this direction, but has so far declined to give the Office for Budget Responsibility (OBR) a proper role to monitor this. There should be more independent scrutiny to help ensure policy interventions across Whitehall genuinely support the most disadvantaged groups.

Poverty and inequality

Key fact: 600,000 more children are now living in relative poverty, compared to 2012. This is projected to increase markedly as a result of COVID-19.

RAG summary:

2 questions: Red ■ 1; Amber ■ 1; Green ■ 0

There is now mounting evidence that welfare changes over the past ten years have put many more children into poverty. This is likely to have a big impact on social mobility, as children living in poverty often have worse health, start school behind their peers developmentally,

and do less well once they get there. Poverty rates are tied to inequalities in wealth and living standards, which have increased in the UK over the past two decades. The top 10% of people hold almost half the total wealth. Average wealth has increased by 11% for the richest, compared with 3% for the poorest.

The government urgently needs to recognise that benefit cuts to families with children are increasing child poverty. The intention of Universal Credit was to lift more families out of poverty, but the DWP appears to have done little work to ensure it is not making child poverty worse.

Early years

Key fact: Only 57% of pupils entitled to free school meals achieve a good level of development when starting school, compared with 74% of all other pupils.

RAG summary:

8 questions: Red ■ 2; Amber ■ 4; Green ■ 2

By the age of five, children in disadvantaged areas already face limited life prospects. In some areas, childcare is well resourced. In others, poor pay and career prospects drive a drain of early years workforce talent to other sectors of the economy.

The government's refusal to implement our recommendation to extend the 30-hour free childcare offer to parents working eight hours is another roadblock. However, encouraging signs exist, including the Hungry Little Minds and Troubled Families programmes, as well as the Early Years Pupil Premium.

Stabilising the early years workforce is the essential foundation to improving children's life chances. Some good things are happening, but there is no consistent strategy.

Education

Key fact: At 16, only 24.7% of disadvantaged students get a good pass in English and Maths GCSE, compared with 49.9% of all other pupils.

RAG summary:

18 questions: Red ■ 5; Amber ■ 6; Green ■ 7

Education is seen as the key to boosting social mobility, but there are still persistent attainment

gaps between those from disadvantaged and better-off backgrounds at all stages of schooling. Further education, where poorer post-16 students cluster, is underfunded and overlooked.

There has been some success in eliminating innumeracy and illiteracy at primary school. But the attainment gap between rich and the poor at 16 is not closing, despite efforts to improve teaching and change the curriculum. There has been no move to give extra help to disadvantaged pupils aged 16-19 through a student premium.

Employment

Key fact: Half of adults from the poorest backgrounds receive no training at all after leaving school. Even in a professional role, they earn 17% less, on average, than more privileged colleagues.

RAG summary:

9 questions: Red ■ 4; Amber ■ 4; Green ■ 1

For many people from disadvantaged backgrounds, entering work can be difficult. There are no pre-existing networks, no paid internships and no mentors. Those who need training most are least likely to get it. Funding for adult education has also been cut by 45% over the past decade, and individuals now have to pay for a greater share of their training.

The announcement of a new £2.5 billion skills fund is welcome, but does not go far enough. The government has put substantial resources into improving apprenticeships, but they are not always going to the right people.

Place: a regional perspective

Key fact: Young people are twice as likely to go to university from a social mobility 'hot spot' (27%), compared with remote rural cold spots or former industrial areas (14%).

RAG summary:

2 questions: Red ■ 2; Amber ■ 0; Green ■ 0

Our Social Mobility Index identified a patchwork of 'hot' and 'cold' areas for social mobility. But uncoordinated national investments like HS2 and the Northern Powerhouse do little to even out opportunity. With decision-making still concentrated in Whitehall, there is little sign of investment going to the areas that need

it most. There is also no evidence of cross-government working on social mobility.

The £3.6 billion Town Fund supports an initial 100 deprived towns to a maximum of £25 million each. However, it can only partially reverse the impact of austerity on local councils and it is unclear whether the fund is really addressing social mobility. There seems to be no strategy at regional or local council level to promote equal opportunity.

Housing

Key fact: The number of 18-34 year olds owning their own homes almost halved between 1991 and 2013.

RAG summary:

5 questions: Red 0; Amber 4; Green 1

Housing can have a profound impact on social mobility. With home ownership out of reach for most young adults, many have to rent. But spiralling rents and benefit caps have pushed some of the poorest groups into the hands of rogue landlords or even into homelessness.

Successive governments have introduced initiatives to help first-time buyers, but few of these help those on low incomes or boost social mobility. Social housing reforms could improve prospects for tenants, yet there is simply not enough social housing and tenancies are too short to give stability or security. The government is failing to protect individuals and families in low-income households from the risk of homelessness.

Transport

Key fact: Poorer households spend 25% of their income on transport; nearly double the national average (13%).

RAG summary:

1 question: Red 0; Amber 1; Green 0

Good-quality education and training are the keys to social mobility for disadvantaged communities – but only if they can access them. Poorer people spend more on transport and live further away from the best facilities, so they depend on affordable, reliable public transport and buses in particular.

Investments in transport infrastructure are concentrated in more affluent areas. Connectedness is key – linking the most socially deprived areas to hot spots of job opportunities and education. Bus journeys have fallen by 40% outside London and there is little sign of joined-up thinking.

Health

Key fact: The gap in healthy life expectancy between the most and least deprived areas of England is around 19 years.

RAG summary:

3 questions: Red 0; Amber 2; Green 1

Recent research suggests that not only are poorer people living shorter lives, but that life expectancy for some is actually going down. There are similar mental health differences. Already, 9% of children in low-income households experience emotional problems, compared with 4.1% of those from wealthier backgrounds.

The government has started to address inequalities in physical and mental health in its NHS Long Term Plan. There is also more direct help for those with mental health problems. There is still concern, however, about the extent these policies reach those from disadvantaged backgrounds.

The way forward

We have made dozens of recommendations over the past seven years – some of which are highlighted in this report.

As we collectively deal with the shock of the pandemic, it is imperative that improvements in social mobility are integrated into the way we regroup and rebuild. We must design a recovery that ensures that the needs of the most vulnerable are met.

This should include:

- A common strategy across government to tackle inequality and promote social mobility. This should be co-ordinated and driven forward by a single unit at the centre of government.
- Ensuring that socio-economic background is considered in the design and delivery of all public policy, mirroring the arrangements currently in place for gender, race and disability.
- A welfare system that ensures children who can't fend for themselves are not living in impoverished households where neither food nor housing are affordable.
- Pursuing an early years strategy to ensure we help the helpers. Child minders and other key workers must be on a decent wage and given the respect they need for such crucial work.
- Creating a better social mix in schools. Children gain from the broad range of backgrounds of their peers, and this diversity particularly helps the academic achievement of less advantaged groups.
- Ensuring that further education is better resourced and targeted, and that attention is given to those aged 16-19 from disadvantaged backgrounds to improve outcomes.
- Improving apprenticeships and adult education so that more learners from disadvantaged backgrounds get the training they deserve.
- Devolving more powers and funding to the regions to ensure they can target more effectively areas of disadvantage and social mobility 'cold spots'.

This group of recommendations is not exhaustive. But if heeded and implemented, it would enable our country to take a significant step forward in achieving greater social mobility in the United Kingdom.

This would enable all our citizens to have genuine choice about the path and shape of their life outcomes.

The need for a strategic approach to social mobility

Government has struggled to make consistent progress on the social mobility agenda; in large part because it lacks a coherent cross-government strategy, coupled with the lack of a dedicated central team to coordinate action and solutions. There is an urgent need for a simple, but robust mechanism to coordinate policy and action on social mobility across Whitehall.

As our work shows, the government's efforts to advance social mobility have been skewed towards the work of only one department – the Department for Education (DfE). While education is key to boosting opportunities through life, social mobility is not determined by education alone. Opportunities to improve social mobility outcomes do not stop at age 19. Social mobility cuts across departmental silos, with many other delivery departments having the power to drive meaningful change:

The **Department for Business, Energy and Industrial Strategy** (BEIS) is responsible for setting industrial policy that promotes levelling-up across society

The **Department for Digital, Culture Media and Sport** (DCMS) ensures that citizens have the critical skills and access they need to thrive in a digital economy and live enriched lives

The **Department for Health and Social Care** (DHSC) has crucial responsibilities for tackling health inequalities that too often hold people back

Her Majesty's Revenue and Customs (HMRC) manages taxation policy, which impacts people's pay cheques and wealth transfers, which can perpetuate low social mobility

The **Ministry of Housing and Local Government** (MHLG) oversees home ownership and tenancy policy, which impact people's security and stability

The **Department for Transport** (DfT) holds policy levers that can open access to economic opportunity to people from less advantaged families and communities

The **Department for Work and Pensions** (DWP) is responsible for promoting an inclusive

labour market with good routes into employment and a safety net during tough times

Coordination is best done by the three departments at the centre of government. **Cabinet Office**, which ensures the effective development, coordination and implementation of policy and, in particular, oversees priority policy areas of the Government; **Her Majesty's Treasury** (HMT) which oversees the UK's economic policy and is a de facto strategy setter for government through its control of the spending review process; and **No.10**, which is officially within Cabinet Office, but has a great degree of autonomy and holds sway over other departments. It is essential that these three central departments work together to ensure that a social mobility strategy is not simply formulated, but delivered and assessed.

Coordinating policy

We asked Cabinet Office to address our recommendation that the cross-cutting nature of the social mobility challenge should be met with a single coordinated cross-Whitehall plan. Regrettably, there is no evidence that a strategy has been attempted.

The Commission is aware of the positive if small steps government is taking to break down departmental boundaries, such as the Treasury's Shared Outcomes Fund,¹ which incentivises cross-cutting work on entrenched and complex social issues. We also support examples of good joint working, such as that between DfE and DHSC on children and young people's mental health.² But this approach has not been applied to bigger streams of work, and is not by itself enough to drive the shift in day-to-day working. Horizontal approaches are moving into practice, but there is still too little of it and it is moving far too slowly.

Socio-economic duty

We also asked Cabinet Office to explain its current position on implementing the 'socio-economic duty' in England. Social diversity needs to be embedded across British society,

1 HM Treasury Budget, March 2020

2 DHSC and DfE. Transforming children and young people's mental health provision: a green paper, 2018

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so that everyone can have the opportunity to thrive. There are laws to ensure this, but regrettably no action to put them into practice.

The ‘socio-economic duty’ clause of the Equality Act 2010 requires strategic public bodies to have due regard to how they can reduce the impact of socio-economic disadvantage. Implementing this clause would send a strong signal that opportunities should be for everyone. But so far ministers have not introduced regulations to bring this duty into force.

Cabinet Office argued that the decision not to commence the socio-economic duty – which has already been implemented in Scotland and is due to be implemented later this year in Wales – was to allow localised solutions to addressing social mobility to be implemented. But there has been no meaningful place-based action on social mobility, other than the Opportunity Areas programme.

This reinforces the need for the duty to be implemented and for Cabinet Office to coordinate social mobility activity across Whitehall. We believe that ignoring this powerful tool for change is mistaken.

Measuring the social mobility impact

The Commission’s questions to the Treasury explored whether there was sufficient independent scrutiny of spending decisions and their likely impact on social mobility and child poverty.

The Treasury rejected our recommendation to extend the remit of the Office for Budget Responsibility (OBR) to report on the impact Budgets have on child poverty and social mobility. It argued there was a credibility risk and limited public benefit, since the Treasury itself published distributional analysis alongside each Budget.

We believe this is an error in judgement. The analysis currently undertaken and published does explore the current state of household incomes, employment rates across the income distribution, and earnings growth.³ But we believe there is inadequate scrutiny of the impact of fiscal events on both child poverty and social mobility. It only presents limited breakdowns and gives little information on potential social mobility impacts.^{4,5}

³ HM Treasury. Impact on households: distributional analysis to accompany Budget 2018, 2018

⁴ Because the majority of headline figures are not disaggregated by the socio-economic background of different groups, they do not reveal potential inequalities in social mobility.

⁵ The Treasury also produces analyses by protected characteristics under the Public Sector Equality Duty, but crucially socio-economic disadvantage is not considered under this equalities banner.

In some cases, the claims made are misleadingly incomplete. For example, the report accompanying the 2018 Budget shows that the largest gains in employment rates since 2007/08 have been made by the poorest households. However, this neglects the fact that the poorest households are more likely to be trapped in low-wage or unstable jobs.⁶

Likewise, the 2018 report indicates the percentage of jobs that are low paid declined from 2007 to 2018, with increases in household labour earnings for the least well-off households within the same period, yet it fails to take into account the changes to welfare over this time, which left more households below the poverty line.⁷

The Commission recognises the progress of the Treasury towards making some aspects of its decision making more transparent, but independent scrutiny is essential to reveal the full impact of public spending on people's lives.

We have seen no evidence that the Treasury uses distributional analysis effectively to inform policy development. We are concerned that Treasury does not do enough to act on the results of its own analysis to ensure that policy interventions made by departments that it finances genuinely support the most economically deprived.

What's the best way to deliver against social mobility objectives?

Advice and insight from an arms-length body is not enough to deliver change. The uneven and patchy performance of government regarding the Commission's recommendations in this monitoring report shows that the judgements, evidence and advice provided by an independent commission is neither integrated or considered sufficiently when the disparate parts of government are left to their own devices.

We do not suggest that government blindly accept the independent advice it receives, but it should at the very least have a clear process for considering and responding to expert advice.

There is evidence that the 'delivery unit' model can be highly effective at leveraging the centre to achieve outcomes when it has high-level sponsorship and support from senior leadership.⁸ Such a unit can focus on longer term strategic planning, coordination of policy across departments and monitor departmental performance on cross-cutting issues. It can also broker Treasury negotiations with spending departments; particularly where outcomes need multilateral negotiations and investment decisions spanning years.

The Cabinet Secretary has said that government's efforts should be about "building horizontal structures that are as strong as the traditional vertical structures of government departments".⁹ This is needed to make progress on social mobility.

There may be a reluctance at the centre to create new structures to champion the social mobility agenda when government inevitably has many serious challenges to address. But it is necessary. Precedent has been set, with bespoke units in the Prime Minister's office for the Union¹⁰ and Brexit – two other cross-cutting political priorities. Additionally, there are lessons learned from the setting up and evolution of the Equalities Hub in Cabinet Office – comprising the Government Equalities Office, the Race Disparity Unit and, most recently, the Disability Unit – that should be applied to other cross-cutting areas.

Without the right mechanisms in place to drive change and a strategy to guide it, the best policy advice and evidence will go unheard. Social mobility sits at the heart of the government's ambition to 'level up' for the whole of society. It is time that a dedicated, empowered social mobility unit sat at the heart of government to drive forward a cross-departmental social mobility strategy.

6 Social Mobility Commission. State of Nation 2017, 2017

7 Change in household labour earnings from 2008 to 2015 as a percentage of 2008 gross labour earnings. Circa 11% increase for lowest 10% of households compared to circa 2% decrease for highest 10% of households, defined by disposable income.



8 Institute for Government. Tracking delivery – global trends and warning signs in delivery units, 2017

9 Sir Mark Sedwill. Interview in Civil Service Quarterly, 13 February 2010

10 Before the 2019 election, the Prime Minister pledged to create a Union unit to vet government policy and make sure the devolved nations of the UK were at the heart of the Number Ten operation.

Our questions to government

To the Cabinet Office:

Q1	What progress has been made in putting together a single cross-departmental plan for the overall social mobility agenda?
Response Rating: Red 	<ul style="list-style-type: none"> The government is committed to levelling up opportunity for all people, no matter where they live or grow up. It has invested £14 billion so every child gets a world-class education wherever they live and invested more than ever before in towns via the £3.6 billion Towns Fund. As of February 2020, there are record numbers in work, employment is up in every region and nation of the UK, and the jobless rate remains the lowest in over 40 years.
Q2	What progress has the Cabinet Office made in ensuring social diversity in discussions of the implementation of the ‘socio-economic duty’ clause in the Equality Act? Why have successive governments been unwilling to implement it?
Response Rating: Red 	<p>Successive governments have declined to implement the duty. This is kept under review. They have taken the view it would be more effective to design specific programmes to address particular social mobility problems rather than placing a general duty on all bodies.</p>

To the Treasury:



Q3	What progress has the Treasury made in asking the Office for Budget Responsibility (OBR) to produce independent analyses of tax and spending decisions for their distributional and opportunity impacts upon social mobility?
Response Rating: Amber 	<p>Since 2010, the government has published distributional analysis of its tax, welfare and public spending decisions. This analysis records the impact of policies on households.</p> <ul style="list-style-type: none"> This analysis reviews the effects of tax and welfare decisions, and changes in public services – allowing consideration of ways to support vulnerable families.. The OBR does not assess tax and spending decisions for distributional and opportunity impacts on social mobility. In 2015, a Treasury OBR review recommended against expanding its remit in this way as: <ul style="list-style-type: none"> The OBR’s remit is to assess sustainability of public finances, so expanding its remit was a potential credibility risk. There was little link between OBR’s core remit and this proposed role. Distributional analyses are produced by the Treasury and institutions such as the Institute for Fiscal Studies. There would be no public benefit to additional OBR analysis.
Q4	What progress has the Treasury made in giving the OBR a role in reporting on social mobility and child poverty impacts of the decisions made at each Budget?
Response Rating: Amber 	<ul style="list-style-type: none"> The above review also recommended against expanding the OBR’s remit for assessing performance against the child poverty target for the same reasons. The reasons for recommending against an expanded OBR remit of OBR remain valid, so a decision has not been made to expand it. The Treasury’s distributional analysis rigorously assesses the effects of decisions made at fiscal events.

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Chapter 1




Poverty and inequality

Government scorecard

The Social Mobility Commission asked the government questions about its responses to recommendations made over the past seven years to improve social mobility.

Q	Rating
1	
2	

Rating system

- Green**  Strong progress or delivery
Amber  Some, but insufficient progress
Red  Little or no action

Find out more about the methodology used to score the government's responses on **p.95**

Poverty and inequality profoundly affect individuals' ability to be socially mobile. Social mobility gives people the ability to choose how they want to live, independently of their circumstances of birth. Yet our analysis shows slow movement of individuals from working class backgrounds into professional jobs; a class pay gap between individuals from working class and professional backgrounds doing the same jobs; and the profound impact of socio-economic disadvantage across the course of

a life.¹ It is clear that social mobility is not a lived reality in the United Kingdom today.

Poverty and inequality are at the centre of a constellation of issues limiting social mobility. Poverty is the most pressing of these issues. In the UK today, 8.4 million working age adults live in relative poverty; an increase of 500,000 since 2011/12.^{2,3,4} Things are no better for children. Whilst relative child poverty rates have remained stable over recent years, there are now 4.2 million children living in poverty –

1 Social Mobility Commission (2017). State of the Nation Report, www.gov.uk/government/publications/state-of-the-nation-2017

2 Households below average income: 1994/5 to 2018/19, www.gov.uk/government/statistics/households-below-average-income-199495-to-201819

3 This corresponds to approximately 1 in 5 working-age adults living in relative poverty after housing costs (21% in 2018/19). To note, this proportion has remained broadly unchanged for more than a decade, since 2007-08. However, this stationary proportion is underpinned by the fact that a higher number of adults overall are living in poverty over this period.

4 This is relative poverty after housing costs, which is the measure of poverty reported throughout this chapter unless stated otherwise. Relative poverty figures are assessed at a household income below 60% of median income in the current year. Relative poverty after housing costs assesses this household income after housing payments. Poverty after housing costs rather than before housing costs is reported here, as a clearer picture of what families have to live on.

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600,000 more than in 2011/12.⁵ Child poverty rates are projected to increase to 5.2 million by 2022.⁶ This anticipated rise is not driven by forces beyond our control, such as population changes or a weak economy, but results in part from planned benefit changes. It is even more concerning that these projections were made before the impact of COVID-19, which we expect to push more families into poverty.

“The expected increase in child poverty, and persistent poverty in working-age adults, are set against year-on-year growth in employment rates since 2012/13.”

The life chances of children growing up in poverty are severely constrained by their circumstances. There is compelling evidence demonstrating the negative impact of poverty on child development^{7,8} and subsequent opportunities to live a full life where they can thrive. This has clear implications for social mobility, which is lower in countries with a greater share of children living in poverty.⁹ The persistence, depth, and timing of children’s experience of poverty matters, and can cumulatively shape individuals’ lives.

The link between childhood and adult poverty also appears to be strengthening over time. Teenagers growing up poor in the 1980s were four times more likely to be poor as adults, whilst poor teenagers in the 1970s were only twice as likely to be poor as adults.¹⁰ This is deeply

5 Households below average income: 1994/5 to 2018/19

www.gov.uk/government/statistics/households-below-average-income-199495-to-201819

6 Institute for Fiscal Studies, Living standards, poverty and inequality in the UK www.ifs.org.uk/tools_and_resources/incomes_in_uk

7 Cooper, K. and Stewart, K. (2013). Does money affect children’s outcomes? A systematic review, York: Joseph Rowntree Foundation

8 Cooper, K. and Stewart, K. (2017). Does Money Affect Children’s Outcomes? An update, CASE paper 203, Centre for Analysis of Social Exclusion, London: LSE

9 Causa, O. and Johansson, Å. (2010). Intergenerational Social Mobility in OECD Countries, OECD Journal: Economic Studies, Paris: OECD Publishing

10 Blanden, J. and Gibbons, S. (2006). The persistence of poverty across generations. A report for The Joseph Rowntree Foundation, The Policy Press, Bristol.

concerning for the opportunities of the current generation of children to be socially mobile, when almost one in three live in relative poverty.¹¹

These facts tell a clear story: a large part of our society is being consistently left behind. The expected increase in child poverty, and persistent poverty in working-age adults, are set against year-on-year growth in employment rates since 2012/13, and annual growth in real household income almost every year over the same period.¹² This stark contrast makes it plain that this growth is not working for everyone.

“8.4 million UK working age adults live in relative poverty; an increase of 500,000 since 2011/12.”

These poverty rates are tied to inequality in wealth and living standards, which has increased in the UK over the last two decades.¹³ The disparity in wealth clearly shows this: the top 10% of people hold almost half of the total wealth, and average wealth has increased by 11% for the richest compared to 3% for the poorest.¹⁴ Similarly, incomes for the top 5% of households have pulled away from the bottom 10%, whose incomes have largely stagnated over the previous two decades.¹⁵ This pull-away of the higher earners¹⁶ matters for those at the bottom, who can experience unchanged or even falling living standards as a result of increased inequality.¹⁷

The ways in which poverty and inequality exert their effects across individuals' lives matters for social mobility. Less advantaged educational opportunities, weaker local labour markets in social mobility 'cold spots', material deprivation, poor housing, stress and social exclusion all weight resources and opportunity towards those born better off.¹⁸



Child poverty rates are projected to increase to 5.2 million by 2022.

In this way poverty and inequality are not only about income. They are about the lack of and disparity in resources, such as knowledge, longevity and living standards, to enable a decent life.¹⁹

The Commission recognises that social mobility, poverty and inequality are closely related. Together these issues constrict choice for people to shape where their lives are headed. There is a clear need for us to understand the government's progress towards tackling poverty and inequality to achieve sustained and genuine improvements and give people the opportunities they deserve.

11 This figure (30%) is relative poverty after housing costs. A later figure in this chapter refers to 20% of children living in relative poverty before housing costs. These figures differ because poverty rates are often higher after housing costs are taken into account.

12 Households below average income: 1994/5 to 2018/19 www.gov.uk/government/statistics/households-below-average-income-199495-to-201819

13 Karagiannaki, E. (2017). Understanding the links between inequalities and poverty www.sticerd.lse.ac.uk/dps/case/cp/casepaper206.pdf

14 ONS (2019). Total wealth in Great Britain: April 2016 to March 2018

www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/totalwealthingreatbritain/april2016tomarch2018

15 Institute for Fiscal Studies. Living standards, poverty and inequality in the UK www.ifs.org.uk/tools_and_resources/incomes_in_uk

16 To note, this is not necessarily 'top' earners. A household income after taxes (and before housing costs) of approximately £40,000 per year would give a household a higher income than around 80% of the UK population. In other words, this household would be in around the top 20% of the income distribution.


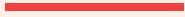
17 Karagiannaki, E. (2017). The empirical relationship between income poverty and income inequality in rich and middle income countries www.sticerd.lse.ac.uk/dps/case/cp/casepaper206.pdf

18 Organisation for Economic Cooperation and Development (2018). A broken social elevator? How to promote social mobility www.oecd.org/social/broken-elevator-how-to-promote-social-mobility-9789264301085-en.htm

19 Atkinson, T. 2007

Our questions to government

To the Department for Work and Pensions (DWP):

<p>Q1</p>	<p>To what extent has the government analysed the relationship between Universal Credit and child poverty?</p>
<p>Response</p> <p>Rating: Amber</p> 	<p>The department monitors poverty, including child poverty, annually through the Households Below Average Income (HBAI) publication. The most recent publication was released in March 2020.</p>
<p>Q2</p>	<p>What work is being done in order to ensure child poverty is not exacerbated by Universal Credit?</p>
<p>Response</p> <p>Rating: Red</p> 	<ul style="list-style-type: none"> • Universal Credit (UC) helps to encourage full-time work through incentives to increase hours, a general expectation that lone parents and partners should work (unless caring for young children or a disabled person), and generous childcare subsidies. • We reduced the UC taper rate from 65% to 63% in 2017, and there was an increase in UC work allowances for working parents and disabled claimants of £1,000 a year from April 2019. • This boosts incomes of some of the lowest paid, resulting in 2.4 million families keeping an extra £630 a year of what they earn. • This is alongside wider government measures to increase the National Living Wage and personal tax allowance.

Analysis

We asked the Department for Work and Pensions (DWP) to what extent the government has analysed the relationship between Universal Credit (UC) and child poverty, and what work was being done to ensure UC did not increase rates of child poverty.

In response, the DWP stated the purpose of UC was to incentivise full-time work, alongside an increase in work allowances to boost the incomes of 2.4 million families by £630 a year. With respect to assessing the impacts of UC on child poverty specifically, the department noted it monitors child poverty through the annual Households Below Average Income (HBAI) publication.

The transparency about child poverty rates in the HBAI is useful, particularly given the detailed breakdowns it provides. However, it is regrettable that the HBAI publication does not assess how changes in benefit levels or uptake may be linked to these changes in child poverty rates²⁰. As such, we appreciate that the HBAI functions as a valuable resource for describing the rates and characteristics of child poverty, which we acknowledge few other nations do to a similar level, but remain concerned that it does not present analysis showing the potential impacts of those benefits on poverty rates.

Child poverty

In 2010, the Child Poverty Act enshrined a child poverty target of fewer than 10% of children to be living in relative poverty before housing costs by 2020. There are currently 20% living in this level of poverty. What this has demonstrated is that work is not an automatic route out of poverty: almost three-quarters (72%) of children living in poverty live in households where at least one adult is in work.²¹ Levels of working poverty have been steadily increasing over two and a half decades: 44% of children living in relative poverty in 1996/97 were in working households;

55% in 2009/10; and 72% in 2018/19.²² While this trend partly reflects growing employment, it also demonstrates that employment does not provide a guaranteed route out of poverty.

Independent sources such as the Institute for Fiscal Studies predicted an increase in absolute child poverty of around 4% between 2015/16 and 2021/22, linked to planned welfare changes.²³ These changes included a continuation of the benefit freeze, removing the family allowance, and the two-child limit of UC and tax credits.

Benefit changes

The benefit freeze has been lifted as of this year, but the two-child limit will continue to have an impact. Poorer families with children are especially sensitive to these benefit changes because benefits make up a larger share of their household income. The two-child limit will also cause significant losses in household income for homes with three or more children.²⁴ In 2018/19, 44% of children living in poverty were in households with three or more children; indicating that the two-child limit will negatively affect almost half of children currently living in poverty.

Despite this, the DWP cite a series of additional changes to ensure child poverty is not exacerbated by UC. This includes an increase of in-work allowances – the amount that can be earned before the UC payment is affected – of £1,000 a year for working parents and disabled claimants, which allowed 2.4 million families to keep an additional £630 of their earnings. This is welcome, but there is an important question of scale: in 2018/19 the weekly household income of a family living at the poverty line was £308 per week (approximately £16,000 per year).

²⁰ We also recognise the challenge of having a sufficiently large sample of UC cases to provide robust poverty estimates specifically for those on the benefit.

²¹ Households below average income: 1994/5 to 2018/19. Table 4.3db, percentage of children living in households with income below 60% of the current median after housing costs www.gov.uk/government/statistics/households-below-average-income-199495-to-201819

²² Households below average income: 1994/5 to 2018/19. Table 4.6ts, composition of children living in households with less than 60 per cent of contemporary median household income, after housing costs www.gov.uk/government/statistics/households-below-average-income-199495-to-201819

²³ Institute for Fiscal Studies (2017). Living standards, poverty and inequality in the UK: 2017/18 to 2021/22, www.ifs.org.uk/publications/10028

²⁴ This refers to absolute child poverty after housing costs. It is estimated that three-quarters of this increase in child poverty will be due to benefit changes, affecting approximately 400,000 children. Relative poverty rates are estimated to rise by 7% by 2021-22.

²⁴ For the two-child limit, only children born after April 2017 are included, so the effects of the policy will not be felt fully for several years.

An increase of £630 per year therefore corresponds to keeping just over two weeks' additional wages²⁵ – no doubt valued, but not at the scale needed to significantly uplift families' quality of life.

The government urgently needs to recognise that benefit cuts to households with children are increasing child poverty. It is clear that the way UC will shape poverty rates is more nuanced than the current HBAI publication reports – both through its effect on household incomes and the characteristics of households affected.

“The government urgently needs to recognise that benefit cuts to households with children are increasing child poverty.”

The links between UC and child poverty are complex and include both benefit entitlement itself and transition protection as families move onto the system. The effects of the policy will not be uniform: estimates indicate UC will reduce the number of people in poverty in working families by 300,000, but will put 200,000 out of work families into poverty.²⁶

In sum, we recognise that the HBAI publication provides highly valuable insights into the rates and characteristics of child poverty, but also that it does not provide a detailed assessment of how benefit changes are tied to these poverty rates. We recognise the challenge of doing this, but given the details within UC, there is a clear need for transparent and robust analysis of its impact on child poverty. The intention of UC was to lift more families out of poverty and the DWP has a powerful tool at their disposal with the HBAI statistics to assess this. This publication, or a similar published analysis, could bridge that gap and provide the transparency needed on UC's impacts.

Summary

In the sixth richest country in the world, it is profoundly unacceptable that almost one in three children and one in six pensioners face relative poverty.²⁷

Whilst recognising the value and detail of the HBAI in its current form, we emphasise the pressing need for clear and transparent analysis to demonstrate how changes in income, living costs and welfare jointly impact poverty.

This would provide a foundation for evidence-based decision making, and a signal of intent for the government to give equal opportunities for a decent and fair quality of life.

25 This corresponds to around an extra £12 per week. Because of the high number of households which cluster around the relative 'poverty line' of earning below 60% of the current median income, small changes such as this to weekly earnings can in theory lift many households over that poverty line.

26 Joseph Rowntree Foundation (2019). Where next for Universal Credit and tackling poverty? www.jrf.org.uk/report/where-next-universal-credit-and-tackling-poverty

27 Public Spending on Children in England: 2000 to 2010. Children's Commissioner and the Institute for Fiscal Studies, June 2018.

Gemma's story

PHOTO REDACTED DUE TO THIRD PARTY RIGHTS OR OTHER LEGAL ISSUES

Name: **Gemma**

Location: **Lambeth**

Single mum Gemma struggles with debt, despite working full time and receiving benefits such as Universal Credit and childcare payments.

“ I was already £10K in debt when my car gave up the ghost. It wasn't worth anything, so I had to get a loan for a new one. Now my debt is £16K. I have to have a car for my job. I'm an investigator for the local council. I've done the sums on paper, but I might have to sell some stuff to make the payments. You do what you have to do.

I never expected to be a single parent, and I was always going to go back to work after my maternity leave. I had a job I loved with the police, but had to give it up because I couldn't combine the hours they wanted me to work with looking after my daughter. She's two years old now.

When you're in that situation, it's hard to be an individual. You can't just suit yourself when it comes to the sort of job you go for, good or bad. Your circumstances determine what jobs you can take. I get Universal Credit, but I'd be better off working less hours. They're supposed to subsidise 85% of your childcare, but you have to pay upfront and it's capped. My household bills before childcare, which costs around £800 per month, as well as loans and repayments, come to £1,200. I work part time and with childcare being capped it's hard to find the extra £200-300 a month to pay the difference, as well as my other bills. I appreciate the help, but I had to find out how things worked as I went along.

I don't splash out. If I buy clothes, they're always for my daughter. My friends give me clothes as hand me downs.

I've learned to budget. I still save when I can, and pay back when I can, but it's hard to look ahead. Child maintenance is a huge issue too. The amount you get is decided by the Child Maintenance Service and is completely beyond your control, which is another stress.

I found out I was entitled to the Warm Homes discount. If you're on Universal Credit, you can get £140 towards your utility bill. I only knew about it because I watched Martin Lewis' programme on TV.

We've not had to use foodbanks, but when I worked for the police, and for a women's charity after that, we sent a lot of clients to the local ones. I'm fortunate that my family is nearby and they've been very supportive.

There's only one of me earning now and every day is a stress. My daughter is the most important thing in my life, but I worry every day in case the childminder gets sick or doesn't turn up. There's no-one else to help.”

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Chapter 2

Early years

Government scorecard

The Social Mobility Commission asked the government questions about its responses to recommendations made over the past seven years to improve social mobility.

Rating system

Green — Strong progress or delivery
Amber — Some, but insufficient progress
Red — Little or no action

Find out more about the methodology used to score the government's responses on [p.95](#)

Q	Rating
1	—
2	—
3	—
4	—
5	—
6	—
7	—
8	—

We know the first five years of a child's life are fundamental. We also know that learning is shaped by family, community, culture, society – and wealth.

“Young people from less affluent backgrounds make less progress in early life and are less likely to be school-ready.”

Poverty pressures. Like a geological process, it changes everything over time: the relationships we form, the resources we have at our disposal, the hope we have for the future. Children are particularly susceptible to these pressures. Young people from less

affluent backgrounds make less progress in early life and are less likely to be school-ready than their more affluent contemporaries.

The early years' foundation stage profile provides a rough yardstick of children's levels of development by the time they start school.

Currently, the 'gap' between children from the most and least advantaged backgrounds is significant: 57% of pupils entitled to free school meals achieve a good level of development, compared to 74% of all other pupils. Only a quarter of children with special educational needs achieve this level of development, compared to 77% of those with no such identified need or disability.¹

¹ DfE, Achievement in early years foundation stage profile (EYFSP) teacher assessments by pupil characteristics, 2019

We all have a stake in giving children the best possible start in life.

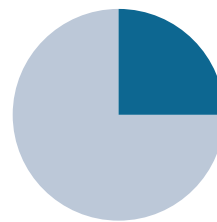


57% of pupils getting free school meals achieve a good level of development, compared with 74% of all other pupils.

Parents and carers have critical work to do. So too does a range of professionals – from health workers, nurses, and midwives to teachers, child minders and other specialist service providers. Each has a distinct and complementary role to play in delivering a coordinated and consistent service, ensuring that all our children – but especially the most vulnerable in our society – get the support they need to thrive.

Success for them depends on strengthening institutional structures and also respecting and celebrating the work of those who look after and educate them.

It cannot be acceptable that a child's start in life is dictated by how wealthy their family is or by the area in which they happen to grow up. All children deserve a good start in life – one which means when they start school they are ready and able to learn. That is the foundation for upward social mobility, and for a healthy, happy life.



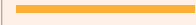


25% of pupils with Special Educational Needs and Disabilities are considered 'school ready' by five, compared with 77% of those with no such identified need.

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Our questions to government


To the Department for Education (DfE)


Q1	To what extent has the government worked on developing and delivering a coherent and long-term early years strategy, focused on improving outcomes for the least advantaged, since 2013?
Response Rating: Red 	<p>The government has spent around £3.5 billion in entitlement offers, such as the 15-hour and 30-hour childcare offers for certain ages and groups. It has provided further detail on: tax-free childcare provisions; reimbursement of 85% of childcare costs for those on Universal Credit; shared parental leave policies; childcare vouchers (a legacy programme); funding for an Early Years Pupil Premium, the Disability Access Fund; and the Special Educational Needs (SEN) Inclusion Fund. It acknowledges last year's slight widening of the attainment gap at age five and says the attainment gap is down 1.2% since 2013. Finally, the department's response discusses partnership with external stakeholders to reduce the attainment gap as part of its early years strategy, and also mentions a cross-government review of support for young people with Special Educational Needs and Disabilities (SEND).</p>
Q2	How and to what extent has increasing the quality, skill and retention of the early years workforce in disadvantaged areas, been a consistent focus for the department?
Response Rating: Amber 	<p>Since 2012, the number of nurseries and childminders who have achieved a good or outstanding inspection outcome has increased from 74% to 96%. Two professional development investments are detailed, including £5 million to the Education Endowment Foundation for 'what works' research and £20 million for the Early Years Professional Development Programme. This has funded free training for early years staff in disadvantaged areas, reaching an estimated 1,500 early years settings. There are a range of measures focused on qualifications: a workforce strategy detailing progression routes; a new Level 2 Early Years Practitioner qualification; a new Level 3 apprenticeship; a new T-level (Level 3) qualification; a SEND training programme, funded through voluntary community grants, which reaches 23 local authorities; and funding for a graduate programme through the Early Years Initial Teacher Training programme.</p>
Q3	How has the government committed to innovation in testing and evaluating policies which aim to improve parenting skills, particularly in the context of vulnerable families and communities which would not unquestioningly adopt the advice of government?
Response Rating: Amber 	<p>The Troubled Families programme run by MHCLG aims to work with 400,000 families with multiple complex needs by 2020, with £1,085,000 of investment – 81% of keyworkers say they have supported families with parenting once a week on this programme. Evaluation results show reductions in juvenile conviction and custody; a reduction in children going into care; and a reduction in working-age Jobseeker Allowance claims. The government's cost-benefit analysis shows that every £1 spent on the programme generates £2.28 of economic benefit.</p>

To the Department for Education (DfE) (continued)

<p>Q4</p>	<p>What funding has been provided by the department to support parents from lower socio-economic backgrounds to develop effective Home Learning environments?</p>
<p>Response</p> <p>Rating: Green</p> <hr style="border: 2px solid green;"/>	<p>The Hungry Little Minds campaign, launched with £1.35 million in 2019, is a three-year, evidence-based behavioural change programme. It uses social media to reach more than 1.4 million accounts, targeting disadvantaged parents. Separately, the department invested over £4 million in various trials, including home visits and text message nudges, with a goal of reporting results in 2021-22. It also detailed £8.5 million in local government partnerships, supporting a range of projects from joining up early years services to redesigning local maternity and early years systems.</p> <p>A further £6.5m was invested in 2018-19 through grants for voluntary and community sector organisations to work with families to support the home learning environment (and children with SEND).</p>
<p>Q5</p>	<p>To what extent has the government made progress in expanding the eligibility of the 30-hour child-care offer?</p>
<p>Response</p> <p>Rating: Red</p> <hr style="border: 2px solid red;"/>	<p>Single parents earning £7,000 (£14,000 for couples) are eligible for the 30-hour entitlement. Evaluation of the offer shows 26% of mothers worked more due to the entitlement. This increased to 56% of mothers on low incomes. The response details other outcomes and target groups the policy helps. It specifies that the department does not intend to increase the entitlement and gives details of other tax support systems covered in Q1 of this chapter.</p>
<p>Q6</p>	<p>What progress has been made on improving publicity and information about the offer?</p>
<p>Response</p> <p>Rating: Green</p> <hr style="border: 2px solid green;"/>	<p>The 2019 DfE communications campaign was targeted at all parents to raise awareness and understanding of the benefits and impact of 30 hours' free childcare. The 2019 DfE Parent Survey showed that awareness among parents in households between £10,000 and £20,000 rose from 67% to 73%.</p> <p>Other support mechanisms in place include professional development and home learning environment programmes. The response ends by discussing the decrease in families taking up the two-year-old childcare offer in 2019, from 72% to 68% (representing 6,200 two-year-olds). Work with local authorities and childminders is underway to counteract this.</p>

To the Department for Education (DfE) (continued)

Q7	What progress has been made on evaluating the impact of children’s centres?
Response Rating: Amber 	<p>The focus was the Evaluation of Children’s Centres in England (ECCE) (2010-2016), commissioned by the DfE and undertaken by NatCen Social Research, the University of Oxford and Frontier Economics. The ECCE did not support the prescription of a single children’s centre model. The ECCE did show that children’s centres had some positive impact on outcomes, especially for mothers and families, but effect sizes were not large, and the large number of models made it challenging to assess the impact. The ECCE stated that centres offering a greater number of evidence-based programmes tended to be more successful, and also that multi agency working gave beneficial results.</p> <p>In 2019, the DfE commissioned the Early Intervention Foundation (EIF) to review research and practice evidence with the aim of developing tools to help local authorities make informed choices about their children’s centre provision. EIF work is part of the DfE’s wider local government programme, and we expect work to conclude in 2020.</p>

Q8	What information does the Department have on how well the Early Years Pupil Premium (EYPP) is being used by providers to support outcomes for disadvantaged young people?
Response Rating: Amber 	<p>Research on EYPP in 2017 showed that nurseries and early years settings feel EYPP has had a positive impact. Most said it had helped them increase their services for disadvantaged children, and they would not be able to do as much to support disadvantaged children without EYPP. A second 2017 research study found two recurring themes across provider types. The first was the use of EYPP to support directly the speech, language and communication needs of EYPP-eligible children. The second was supporting children to play and learn outside. The original intention was to widen children’s experiences of the outdoors, their understanding of the natural world, and encourage healthy educational activities. Nurseries and childminders felt children and settings had benefited from EYPP; accessing resources and services that they may have been unable to afford otherwise.</p> <p>In 2020, the DfE will publish a new survey on awareness, experiences, applications and uses of the EYPP. Separately, the Local Government Association is conducting its own assessment on whether EYPP is helping close the attainment gap.</p>

Analysis

Our analysis groups the government's response into five areas: strategy and workforce; home learning and parenting; the 30-hour offer; children's centres; and the Early Years Pupil Premium.

Strategy and workforce

The DfE's response to our questions shows a clear and energetic commitment to early years. It is clear the government has a policy focus on improving provision for our youngest children. We credit the intent behind the innovation, ideas, and collaborative working demonstrated in recent years. We have seen progress on developing an understanding of what works, a commitment to Special Educational Needs and Disabilities (SEND) and more drive behind the need to work together to give children the best start in life.

“The new government must commit long-term to early years.”

However, the impact of this energy and drive has been more limited than it could have been because of the absence of a consistent strategy – either for the workforce or for early years more broadly. As the Commission highlighted, the DfE's 2017 Early Years workforce strategy was a chance to address strategic issues but was derailed when a plan to conduct a feasibility study on encouraging more graduates to work in early years in disadvantaged areas was dropped.² The new government must commit long-term to early years.

Home learning and parenting

The DfE has taken significant steps to improve the quality of the home learning environment for those from disadvantaged backgrounds. It has also tried to engage more broadly with parents. We recommend that this area be a focus for innovation and receive more funding to sustain this progress.

Hungry Little Minds, the DfE's flagship campaign, is a three-year, evidence-based, funded, behavioural change operation to encourage

parents to engage in activities which support their child's early education and prepare them for school. The campaign has many positive features, such as innovative uses of technology, behavioural nudges and tailored messaging for parents living in specific areas.

Encouragingly, there is a real attempt to target this work. Social media advertising is designed to reach parents in challenging circumstances, and the DfE are working with partners to make the Hungry Little Minds campaign culturally relevant and locally embedded in different communities around the country. We look forward to seeing the outcomes of this programme.

The department has backed other initiatives with investment – notably the £4 million collaboration fund with the Education Endowment Foundation to trial projects aimed at improving the home learning environment.³ In our State of the Nation report last year,⁴ we stressed that this investment should be available to families with the fewest resources. The intent shown by Hungry Little Minds is encouraging and we urge the department to build positively on this good work.

The 30-hour offer

In 2018-19, we recommended the 30-hour childcare offer be extended to those working the equivalent of eight hours per week. We remain concerned that many families facing disadvantage who might benefit from additional support with childcare are not getting it under this policy.

“We remain concerned that many families facing disadvantage who might benefit from additional support with childcare are not getting it.”

The department does not intend to make this change. We understand that the DfE has built part of this policy around the goal of supporting mothers back to work. The Commission also acknowledges some success in this endeavour – 26% of mothers

2 SMC, State of the Nation 2018-19, 2019

3 See: <https://educationendowmentfoundation.org.uk>

4 SMC, State of the Nation 2018-19, 2019

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said they had increased their hours and more than one in ten (15%) stated they would not be working without the extended hours.

To this end, we recommended an extension of eligibility rather than the significant overhaul called for by others.⁵ The department does not agree – we urge them to reconsider.

The second part of our recommendation acknowledged that there were some families eligible under the current rules who were not aware of the offer. Late in 2019, the department launched a major communications campaign to reach parents from lower-income families. The government has shown good intent by implementing this aspect of our recommendation and targeting it at lower-income families.

It is too early to assess the impact of the campaign, but we encourage the government to think carefully about how to ensure that the families and communities eligible for support do not miss out because they do not know about the offer.

Children's centres

With the Sutton Trust, the Commission called for the government to complete its planned review of children's centres.⁶

The department's response to our question focused on the 2009-2014 Evaluation of Children's Centres in England (ECCE) Study, which did not support a single prescriptive model for children's centres.

Although the ECCE study is the building block upon which the review could have been built, the review itself has not happened and is no longer on the government's agenda. As a result, the opportunity to establish the position of children's centres in the national policy picture and provide clarity and consistency to local authorities on the objectives and purpose of the programme has not been taken.⁷

However, there is some positive progress. The DfE has commissioned the EIF to review research and practice evidence in order to create tools to help local authorities make choices about their children's centre programmes.

It is hoped that this work will serve part of the purpose for which the original review was intended.

Early Years Pupil Premium

The Early Years Pupil Premium (EYPP) – extra funding for providers educating the most disadvantaged children – could potentially improve early childhood outcomes. In our question, we tried to find out the extent to which the department knows how the EYPP is being used by providers. DfE research published in 2017 has already given us a relatively strong understanding of this.⁸

The department highlighted three pieces of recently commissioned work designed to refresh the evidence base. Two surveys have been commissioned to provide different perspectives on the awareness, experiences, uses and administration of the EYPP. A third survey is being carried out by the Local Government Association to discover whether the EYPP is reaching eligible children. Follow up will be crucial; along with the creation of guidance and support to enable providers to use the premium more effectively.

Summary

Government early years policy has been affected by changing ministerial priorities. Stability now gives a chance for it to plan a long-term strategy. This will not be easy.

We are calling for a coordinated strategy and will make specific recommendations on the workforce in the summer.

There now needs to be a clear plan which engages fully with local authorities and the various types of early education provider. This should be backed with significant investment. The green shoots of collaborative working can be built upon. Now is the time to do so.

5 APPG for Childcare and Early Education, Steps to sustainability, 2017

6 Sutton Trust, Stop Start: Children's Centres, 2018; SMC, State of the Nation 2018-19, 2019

7 Committee's Eleventh Report of Session (Science and Technology Committee)

8 DfE, Experiences of the early years pupil premium, 2019

Christina's story

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Name: **Christina Upjohn**

Location: **Lambeth**

Christina Upjohn is a single mother of four children. Childcare funding for two-year-olds helped her to work and support her youngest daughter, who has Special Educational Needs and Disabilities (SEND).

“ I first heard about the childcare funding for two-year-olds when I was working at my son's nursery as an early years practitioner. Now my youngest two are about to start in their new childcare settings. They will have a part-time place at a nursery in a children's centre with the 15-hour funding. I will top that up with five hours each.

The benefits for the children are that they have access to resources and activities I simply cannot provide them with at home. They also experience social interactions with other children and learn to trust and form relationships with other adults.

My children love to play outside and they love activities such as farm animals and dinosaurs. Also, they love messy play like painting, slime and flour.

It's great they can experience this outside home as no parent enjoys cleaning paint off the wall or picking trodden-in play dough out of a carpet!

My youngest daughter has Special Educational Needs and Disabilities – global developmental delay being one of her diagnoses – so for her, access to the funded hours is important. My four-year-old loves books and has started to recognise familiar words in print, enabling her to read earlier than expected.

When my children were in childcare, last year, I attended a voluntary work placement in a reception class. This year, I'll use the time to work on a community project and have a rest after years of studying alongside having babies. Having four children, especially two little ones 10 months apart is exhausting!

The 15 hours free childcare a week has enriched us as a lone parent family. It has connected us with a network of other families. I have formed relationships with other parents whose children are at the same setting. We meet up for play dates and trips and I no longer feel so isolated.

It has helped my children become confident and happy learners. It has also provided time and space for my own personal development, so that when my daughters reach school age, I will be ready to return to work with new qualifications.”

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Chapter 3

Education

Government scorecard

The Social Mobility Commission asked the government questions about its responses to recommendations made over the past seven years to improve social mobility.

Rating system

Green  Strong progress or delivery
Amber  Some, but insufficient progress
Red  Little or no action

Find out more about the methodology used to score the government's responses on [p.95](#)

Q	Rating
1	Green
2	Red
3	Red
4	Green
5	Green
6	Green
7	Amber
8	Red
9	Amber
10	Green
11	Amber
12	Amber
13	Green
14	Red
15	Green
16	Red
17	Amber
18	Amber

Our education system is meant to be the great leveller. Children gain knowledge, skills qualifications and attitudes that allow them to progress in life regardless of their socio-economic background.

Reality is messier. Social mobility cannot be fixed by educators or by the education system alone. Increases in absolute social mobility – broadly speaking, whether you have a better job than your parents – demand more, better-paid jobs in the labour market.

Without corresponding economic change, even an education system with no 'attainment gap' cannot 'fix' social mobility. For individuals, however, education can be transformative. Success in our education system correlates

with success in other aspects of life, including economic ones. So, there are good reasons to be worried about attainment gaps and mismatches in educational opportunity faced by those living in different parts of the country, or coming from different socio-economic backgrounds.

This chapter covers recommendations which we have made to government concerning education in schools and beyond. Our higher education recommendations are mainly aimed at universities, UCAS and the Office for Students, and so fall outside the scope of this report.

By the time they finish primary school, only 51% of disadvantaged pupils reach the expected standard in reading, writing and mathematics.



51% of disadvantaged pupils reach the expected standard in reading, writing and mathematics by the end of primary school, compared with 71% of all other pupils.

This compares with 71% of all other pupils.¹ At 16, the gaps have widened. Only 25% of disadvantaged pupils get a good pass in English and Maths GCSE, compared to 50% of all other pupils.² Similar gaps exist under other headline measures, such as Progress 8, Attainment 8 and the Ebacc average point score. At 18, and particularly at A-level, there is still a significant gap, which continues into students’ post-18 destinations.

Disadvantaged students aged 16 and over tend to cluster in further education – often the poor relation to schools and universities. The sector is underfunded and undervalued.

With the right support and a concerted effort to rebuild its reputation, however, this sector could transform lives for the better.

Outside the classroom, we see similar disparities between the haves and have nots. We published research in 2019 that showed young people from more affluent families are significantly more likely to participate in extra-curricular activities – particularly music and sport.³ Breadth of life experience should not be limited for those from less well-off backgrounds, or those living in areas with poor provision. Our education system can and should make the difference.

“Breadth of life experience should not be limited for those from less well-off backgrounds.”

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1 DfE, National Curriculum Assessments at Key Stage 2 in England, 2019
2 DfE, Key Stage 4 Performance (Revised), 2020
3 Social Mobility Commission, An Unequal Playing Field, 2019



To the DfE – Schools and under-16s: (continued)

<p>Q3</p>	<p>To what extent has the department thought about tackling social segregation in schools by, for example, encouraging high-performing comprehensives, grammar schools and independent schools to increase the numbers of pupils from lower socio-economic backgrounds?</p>
<p>Response</p> <p>Rating: Red</p> <hr style="border: 1px solid red;"/>	<p>Since 2014, all admissions authorities have been able to give priority for places to children eligible for the pupil premium. The fund for selective schools to expand – the Selective Schools Expansion Fund – is only available for schools that commit to increase access for disadvantaged pupils. The department is supporting independent and state schools to work in partnership, ensuring more pupils benefit from the resources and expertise of some of our country’s top schools. We have championed Boarding School Partnerships, an initiative to encourage greater collaboration between local authorities and boarding schools that offer 40% bursaries to vulnerable children. We have also announced a programme to create regional hubs to bring together independent schools and local authorities to support good placements for vulnerable children.</p>
<p>Q4</p>	<p>What progress has been made on removing the exemption from inspection for schools rated as Outstanding?</p>
<p>Response</p> <p>Rating: Green</p> <hr style="border: 1px solid green;"/>	<p>The department recently launched a public consultation on proposals to remove the exemption from inspection that applies to Outstanding schools. Subject to the outcome of the consultation, and to parliamentary approval, the intention is to lift the exemption from September 2020.</p>
<p>Q5</p>	<p>How important are destinations data in the government’s schools accountability framework?</p>
<p>Response</p> <p>Rating: Green</p> <hr style="border: 1px solid green;"/>	<p>At Key Stage 4, pupil destinations are one of six headline measures of schools’ performance. At Key Stage 5, student destinations are one of five headline measures of school and college performance. At school level, the measures also show detail on type of destination and breakdown for disadvantaged and non-disadvantaged students.</p>
<p>Q6</p>	<p>To what extent has social and emotional learning and careers advice been explicitly adopted as part of the curriculum in schools?</p>
<p>Response</p> <p>Rating: Green</p> <hr style="border: 1px solid green;"/>	<p>Relationships education has been made compulsory in all state-funded schools from September 2020. The new Health Education curriculum also has an explicit focus on mental wellbeing. Statutory guidance has set out the content schools should cover in teaching these subjects. On careers, the Gatsby Benchmarks have been developed to be the gold standard in careers advice, and there is a legal framework to ensure all secondary schools provide independent careers advice.</p>



To the DfE – Schools and under-16s: (continued)

<p>Q7</p>	<p>What progress has been made by the DfE on implementing a national extra-curricular bursary scheme?</p> <p>What progress, if any, has been made in providing funding to develop and extend third sector initiatives which successfully facilitate access to extra-curricular activities?</p> <p>What efforts have been made to support school to increase their organisational capacity to enable them to develop their extra-curricular provision?</p>
<p>Response</p> <p>Rating: Amber</p>	<p>Between 2017 and 2019, £22 million was invested in the 12 Opportunity Areas (OAs) through an Essential Life Skills (ELS) programme to allow young people to participate in extra-curricular activities. There are also a range of creative and performance arts education programmes, which are delivered outside of the curriculum. These have attracted £500 million of investment between 2016 and 2020. The School Sport and Activity Action Plan seeks to ensure that sport and physical activity are an integral part of both the school day and after-school activities. In addition, the DfE is engaging with DCMS on the development of Local Youth Partnerships to help build the capacity of schools to engage with local partners. Finally, in 2019 there was also a £9 million Holiday Activities and Food programme, targeted at FSM-entitled children in 11 areas, which reached around 50,000 children. Successful bids for the summer 2020 programme will be announced in early spring.</p>
<p>Q8</p>	<p>What progress has the Department for Education made on developing a more sophisticated measure of deprivation than Ever 6 FSM?</p>
<p>Response</p> <p>Rating: Red</p>	<p>Ever 6 FSM remains the best available proxy at individual pupil level for routing deprivation funding to schools based on the socio-economic characteristics of their pupil intake. Head teachers can use the funding to meet the identified needs of a broader group of pupils if they see fit. We remain committed to considering any and all options for better targeting of deprivation funding in the future.</p>
<p>Q9</p>	<p>What progress has the government made in considering the impact of pupil premium funding and what thought has been given into differential levels of funding for those who face long-term disadvantage?</p>
<p>Response</p> <p>Rating: Amber</p>	<p>The DfE routinely monitors the impact of the pupil premium on disadvantaged pupils' outcomes. The focus now is on helping schools spend pupil premium funding wisely. We are encouraging schools to use the EEF's pupil premium guide.</p> <p>Pupil eligibility for free school meals in the past six years (known as 'Ever 6 FSM') remains the best available proxy measure of economic deprivation at individual pupil level. As a result, funding is allocated for every year the child is claiming a free school meal, and for the following six years. There are also additional protections in place for those whose families are moving from legacy benefits to universal credit.</p> <p>The pupil premium policy remains under review, including the methodology for its allocation, and we are keen to consider all opportunities to support disadvantaged pupils more effectively.</p> <p>There is also an uplift in the National Funding Formula for disadvantage, which incorporates other economic deprivation factors. We also recognise that there may be longer-term changes needed to improve targeting of funding based on need, in relation to those with SEND and high needs.</p>





To the DfE – Schools and under-16s: (continued)

Q10	What progress has the Department for Education made on establishing an ‘avoiding exclusion’ fund for schools with pupils who are at risk of permanent exclusion?
Response Rating: Green 	The department launched a £10 million group of ‘behaviour hubs’ in September 2019. This programme enables schools with exemplary positive behaviour cultures to work closely with schools that need to turn around their behaviour record, alongside a wider programme of support. There are also considerable increases in high needs funding committed, as the department recognises this group is also likely to be at greater risk of exclusion.
Q11	How, and to what extent, has the DfE supported the increase of teachers’ wages in real terms?
Response Rating: Amber 	Last year, all teacher pay ranges were uplifted by 2.75%. To help schools implement this pay award, we have invested a further £105 million into the existing teachers’ pay grant this financial year. The DfE has set out plans to raise significantly starting pay to £30,000 by September 2022. We are proposing a package on teachers’ pay that will see pay ranges for all teachers uplifted, including those already in the profession. This will be affordable for schools thanks to government plans to invest an additional £2.6 billion in 2020-21, £4.8 billion by 2021-22, and £7.1 billion by 2022-23, compared to 2019-20 levels.


To the DfE – Post-16 education:

Q1	To what degree, if at all, has the department committed to increasing per student spending in the 16-19 education budget?
Response Rating: Amber 	The government is investing an extra £400 million in 16-19 education next year. As part of this, we will increase the base rate of funding for 16-19 year olds by 4.7%: from £4,000 to £4,188 in the 2020/21 academic year. This extra spending of £400 million includes funding for high-value and high-cost courses, as well as funding to support the study of English and mathematics where needed. Overall, this extra funding will mean a significant increase in the average level of funding per student. We will continue to address the needs of 16-19 education in future spending reviews.
Q2	To what extent has the government made any changes to disadvantaged block funding by updating the methodology underpinning the Discretionary Bursary Fund to ensure allocations are based on current data?
Response Rating: Green 	The department agrees that the methodology for distributing the Discretionary Bursary Fund to institutions should ensure resources allocated to institutions are based on current data, which is why we are changing how we allocate 16-19 discretionary bursary funding from the academic year 2020-21. We will be using up-to-date patterns of disadvantage, and the expected level of support required for travel and industry placement costs, as the basis for funding. This will create institution-level allocations better matched to student need across the country. The change will be phased in so that institutions can continue to support current students in receipt of the bursaries and have time to adapt their policies.

To the DfE – Post-16 education: (continued)

Q3	Has the department introduced or is it intending to introduce a student premium for disadvantaged students that models the pupil premium in schools?
Response Rating: Red 	<p>The national funding formula for 16-19 year olds includes disadvantage uplifts to ensure that disadvantaged students are supported in their post-16 education. This provides extra funding for disadvantaged students – specifically for those with low prior attainment or who live in the most disadvantaged areas – and over £500 million has been allocated for this purpose in the current academic year.</p> <p>The 16-19 bursary fund helps disadvantaged 16-19 year olds with costs such as travel, and further funding is allocated for free meals in FE institutions. We will continue to consider how we can most effectively support disadvantaged students in post-16 education, including as part of future spending reviews.</p>
Q4	To what extent has the government reformed data sharing between schools and colleges?
Response Rating: Green 	<p>The department has put arrangements in place to enable data sharing so that post-16 institutions can identify disadvantaged students more easily. General further education colleges, sixth form colleges, school sixth forms, 16-19 academies and specialist post-16 institutions can check the ‘key to success’ site to find out if new students were in receipt of pupil premium funding in year 11 or received SEND support. Schools and colleges can use this information to identify students who may also need additional support in their post-16 education.</p>
Q5	What, if any, commitment has the department made to commit to ‘what works’ style research in technical education to help providers make evidence-based decisions with their funding for disadvantaged students?
Response Rating: Red 	<p>The department has not committed to the use of ‘what works’ style research for technical education. However, wherever possible, it seeks to understand what works from the analysis it conducts. It does this through data collection and analysis, data matching, trials and quasi-experimental research designs and qualitative analysis. This allows findings to be used to improve policy and make evidence-based decisions. The response goes on to cite a feasibility study on the FE workforce, the FE Learners and Apprentices survey, which features questions on socio-economic background, analysis of the LEO database, and work completed by the Centre for Vocational Education Research, funded by DfE.</p>
Q6	To what extent is it a strategic ambition of the department to halve the attainment gap in Level 3 qualifications and what progress has been made in taking steps towards achieving this?
Response Rating: Amber 	<p>While the department has not set a public target to halve the attainment gap at Level 3, we have set out our intention to support more people to achieve at this level. We describe this aim specifically in the post-16 Level 3 and below qualifications review consultation. In addition, we are introducing the T-level transition programme from September 2020 to help students who face barriers accessing a T-level due to prior attainment, pastoral issues or personal development needs. We are also introducing the Level 3 programme maths and English payment for the 2020/2021 Academic Year.</p>

To the DfE – Post-16 education: (continued)

<p>Q7</p>	<p>Did the government review the issue of whether prior qualifications were an unnecessary barrier to progression for disadvantaged students in the scope of its post-16 qualifications review? Have clear transitions between technical and academic routes for all students been created as a consequence of this review?</p>
<p>Response</p> <p>Rating: Amber</p> 	<p>The post-16 Level 3 and below qualifications review is ongoing. The first stage consultation closed in June 2019, with the first stage consultation response, with the second-stage consultation planned for spring 2020.</p> <p>We are looking at the routes students take through the education system. We want all students to achieve their full potential, whatever their starting point, and ensure good quality progression routes into further study or work. A student's prior qualifications can affect the next course they go onto. Pre-requisites for courses tend to be set by schools, colleges or other providers themselves, though the government does require students to continue English and maths study if they have not achieved Level 2 in those subjects. Through the review, we want to achieve clear and coherent progression routes for all students, whether they follow technical or academic education.</p>

Analysis

The government has invested at primary level and made progress on eliminating innumeracy and illiteracy. In Year 1, 82% of children now pass the phonics screening check.⁴ For disadvantaged pupils, this number is 71%. In mathematics, the government now take a ‘mastery’ approach to the curriculum. This is designed to give young people the depth of knowledge to develop their mathematical confidence and fluency. This is a positive development, along with other recent curricular reforms such as EBacc and reformed GCSEs and A-levels. Developing deep knowledge can enhance longer-term prospects for those facing disadvantage.

Despite the government’s ambition, however, the situation on the ground is not getting better. The attainment gap, measured through performance at KS4, remains wide. Fewer than a quarter of disadvantaged pupils achieve good pass grades at GCSE, compared to nearly half of their more advantaged peers. Deeper curricula and efforts to improve teaching quality have not yet made much difference. The problem is entrenched and multi-faceted. Disadvantaged pupils face deep challenges, requiring a corresponding level of strategic effort to address them.

“Despite the government’s ambition, however, the situation on the ground is not getting better.”

We believe that it is in the interests of social mobility for schools to have a more socio-economically diverse blend of pupils. The government has not committed itself, either in intent or process, to this goal. It has encouraged some partnership working, to try to ensure good school placements for particularly vulnerable children.

The literature already makes clear that the current admissions system disadvantages thousands of already disadvantaged children and families.⁵ Later this year, the Commission will make a stronger case on this point. We will add to the existing body of work on this subject, when we publish our report on socio-economic diversity

within the school system. In this research, we will explore the importance of the diversity of the school-population for long-term social mobility.

Accountability measures

In the past, we made a recommendation to incorporate destination measures into the headline accountability measures for schools and colleges. The practice is now firmly embedded at post-16 and at post-18, for which the Department for Education must be credited. In our State of the Nation, 2018-19 report, we discussed the impact of Ofsted inspections on schools facing disadvantage. Among other things, we found that the exemption for outstanding schools did not contribute to a balanced system of accountability.⁶ We are pleased to see that a consultation has now begun on removing this exemption. The wider picture of accountability, discussed in last year’s report, falls outside the scope of this report.

Non-core curriculum

Breadth of learning and experience matters just as much as depth. In the context of a deeper but narrower school curriculum, our findings on the wide differences in availability of extra-curricular opportunities is a major concern.

A young person’s ability to develop crucial skills, including confidence and resilience, depends on the range of experiences available to them. Yet your chance of taking part in such activities largely depends on how much money your parents have, and where you happen to live.

We proposed a household-specific bursary scheme for extra-curricular activities. This would enable disadvantaged families and children to take advantage of local opportunities as flexibly as possible. Although the department has shown positive general intent, matched by ringfenced pockets of investment, there has not been a pilot of such a scheme. We strongly encourage the DfE, in collaboration with DCMS, to use the opportunity presented by the Local Youth Offer to take our recommendation forward.

4 The bulk of academic opinion regards phonics as a key feature

5 Vignoles, et. al. for the Sutton Trust, *School Places – a fair choice?*, 2020

6 SMC, *State of the Nation 2018-2019*, 2019

On relationships and careers education, the early work of the department has been good. Health and relationships education is now compulsory; the focus on wellbeing is welcome and there is statutory guidance to accompany it. It will now be up to those leading and delivering on the ground to make this positive policy intent work in practice, particularly in the most challenging contexts.

Pupil premium funding, measures of disadvantage and vulnerability

The pupil premium policy – providing extra funding for schools with students facing the greatest hardship – is potentially one of the most transformative in recent generations. The department has recognised, however, that schools do not always know how to use this funding most effectively.

To this end, it has carried out positive work in collaboration with the EEF to develop and distribute its pupil premium toolkit, and we would encourage more schools to use this. Our forthcoming work on the Progress 8 gap will give schools further useful information on context-specific resources to support students.

“Free school meal entitlement tends to rest on benefit entitlements, but there are often other complex pupil characteristics and circumstances.”

In the second part of our recommendation, we asked the department to consider whether differential or graded levels of funding for those facing longer-term disadvantage might enable those resources to be used more effectively.

Some children at secondary school have lived well below the poverty line for their entire school career. For those suffering the effects of cumulative disadvantage, greater resources will be needed than for some pupils who may have been entitled to free school meals for a briefer period.

Pupils in Middlesbrough, for example, tend to have been eligible for free school

meals four times as long as those in Buckinghamshire.⁷ Pupil premium eligibility has not been reviewed with this in mind, but we are encouraged that the department is keeping the policy under review. We will be asking them again to look again at this.

Back in 2017, we asked the department whether it could use a more sophisticated measure of disadvantage than Ever 6 FSM. We know free school meal entitlement tends to rest on benefit entitlements, but there are often other complex pupil characteristics and circumstances that may be considered in developing measures of disadvantage.

Disadvantage has multiple, overlapping components,⁸ and all pupils must be given the right support to succeed. We are encouraged that head teachers have the freedom to set budgets as they feel appropriate. Policy makers should ensure funding is channelled where it is most needed. Given the department’s positive statement of intent, we are hopeful that this will happen.

We asked the DfE to establish an ‘avoiding exclusions’ fund to help those at risk of exclusion remain in school. The behaviour hubs policy initiative goes some way towards achieving this. We will monitor how these hubs work in practice, especially in more deprived areas, and how they may change schools’ behaviour policies to reduce school exclusions.

The department is taking the findings of the Timpson review of school exclusion seriously, although it is too early to address outcomes.⁹ There is a recognition that schools can support each other with behaviour, and real value in trying to keep children within the mainstream education system. The policy also seeks to ensure high-quality provision is in place for excluded students.

Teachers’ wages

The government intends to increase the pay of school teachers to a projected starting salary of £30,000 by 2022. The higher wage bill will be covered by the general increase in school funding.

7 S. Gorard, *Education Policy: Evidence of Equity and Effectiveness*, 2019

8 P. Vizard, T. Burchardt et. al., *Child poverty and multidimensional disadvantage: tackling ‘data exclusion’ and extending the evidence base on ‘missing’ and ‘invisible’ children*, 2018

9 Edward Timpson, *Timpson Review of Exclusion*, 2019

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The new funding formula will allocate money to schools differently. Some will be better off than before, and others worse off. For those that lose out, increased wage costs will be a significant challenge. Some schools may have to make difficult staffing decisions. Senior leaders' wages are not expected to rise by the same proportion, which will reduce the difference between the bottom and top of school pay scales.

Post-16 education

In this section, we analyse the government's response to our recommendations on post-16 education – most of which relate to the further education sector. Most of our higher education recommendations focused on universities and other regulatory bodies, and so fall outside of the scope of this report.

Reductions in public spending over the past decade have had an impact on school budgets, but no group within the education system has been hit harder than 16-19 year olds.¹⁰ We have made three recommendations on spending: to raise significantly the base rate of funding for 16-19 students; to update the Discretionary Bursary Fund's methodology; and to introduce a 16-19 student premium.

Starting with the most positive scores, we welcome the Department for Education's actions to update the Discretionary Bursary Fund, which allocates resources to post-16 providers to support disadvantaged students. The system was dispersing funds to the wrong students, through a methodology which was over 10 years out of date. Colleges that did not need an uplift were receiving it, while those that did were missing out. The methodology will be updated from the academic year 2020/21, a year after we made our recommendation, but it will not be possible to assess its impact on disadvantaged students until it is fully phased in. Nevertheless, it is a positive step that will target support at students facing disadvantage today, and not those who faced it a decade ago.

We are pleased to see the government uplift 16-19 education through a £400 million package; and its response that it would consider future funding for this age group as part of the anticipated spending review process. This demonstrates clear intent to achieve an early outcome. However, while we welcome this increase, this uplift was not 'significant' and so we have scored the government amber on this recommendation. According to the Institute for Fiscal Studies, the funding

¹⁰ IFS, 2018 annual report on educational spending in England, 2018

amounts to a real-terms increase in spending per pupil of over 4% in 2020/21, but will still leave spending per student over 7% below the 2010/11 level in colleges and over 20% below in sixth forms.¹¹ We hope there is a commitment to deliver more for 16-19 funding through the upcoming spending review.

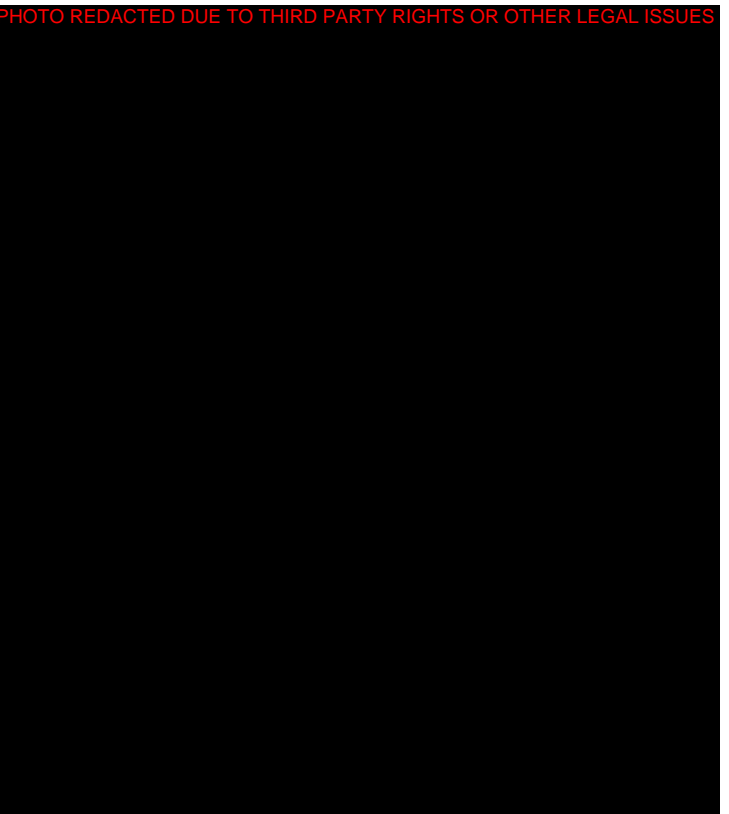


The final response on spending is not as positive. We were disappointed to see no action to implement a student premium for 16-19 students. Disadvantage does not end at age 16. Yet the pupil premium and ‘what works’ centre activity, which have shown demonstrable impacts in closing the attainment gap in schools, ends after secondary school.

The government outlined other ways disadvantaged students are supported, post-16. While these measures are indisputable, we do not believe they incentivise colleges and schools to focus explicitly on the disadvantage attainment gap as the pupil premium does in schools. The unwillingness to implement a student premium signals a wider problem: a reduced strategic focus on disadvantage in post-16 education. We call on the government to reconsider the evidence from the pupil premium and consider extending it throughout compulsory education as part of the upcoming spending review.

On transparency, we recommended that data sharing between schools and post-16 providers should be automatic. Previously, FE colleges and other providers had no automatic way of knowing which of their students come from a disadvantaged background, as pre-16 institutions did. This means that much of the discretionary disadvantaged funding, discussed above, relied on students to self-identify.

The department has now implemented a website, Key to Success, available to post-16 providers, that enables them to see which students were in receipt of free school meals



and special educational needs support. We welcome this response and look forward to seeing how the implementation works, as we believe you can’t solve a problem you can’t see.

In our final 16-19 recommendations, we address the quality of post-16 education. We called on government to close the attainment gap at Level 3 by half; to implement a what works’ centre for technical education; and review whether entry requirements bar disadvantaged students from progression up to Level 3 in technical education. (See chapter 7 for further analysis on Apprenticeships.)

Disadvantaged students have, on average, lower levels of qualifications at the end of every key stage. This attainment gap has enormous implications for the final qualification a student can expect to achieve before entering the labour market, and hence their social mobility prospects. The Department for Education has a strategic focus on closing the attainment gap at earlier key stages, but this weakens by Level 3.

We welcome the government’s review of progression paths up to Level 3, as well as its invitation to engage with us on this issue. We recognise the work going into the review, but it is also true to say that progression can only happen alongside attainment.

11 Institute for Fiscal Studies, 2019 annual report on education spending in England, 2019

Korede's story

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Name: **Korede Oduwole**

Age: **17**

Location: **London**

Korede comes from an immigrant family and receives a study bursary. She has also been offered a place at Cambridge, but her family social housing has been moved to Dagenham, leaving her with a long commute to her college.

“ My family moved here from Nigeria when I was eight, because my parents wanted my sister and I to have a better education. They've always been supportive of my studies and open-minded about my passions.

My father is a social worker and my mother is unemployed. We've lived in social housing all over London – Streatham, Catford, Bermondsey, for example – and we have recently been rehoused in Dagenham. My older sister was on free school meals funding, and although I'm now 17, I have a post-16 education bursary for things like books and travel.

The teachers at Harris Academy Bermondsey introduced us to Target Oxbridge, which encourages black students to apply to Oxford and Cambridge. It's the only reason I applied in the first place. I was initially afraid

that I would feel isolated in an environment full of private school kids, but I was given a mentor, Amy, who is a third-year Philosophy student at Cambridge. Like me, her family is from Africa, but she grew up in London.

That made me feel better, and now I think that my background helps me. It gives me a resilience and diligence that kids from private schools don't have – like being able to balance a job and studying. I'm in a sixth form with friends and teachers who make me feel proud of my background.

Travelling in from Dagenham every day is frustrating and it gets tiring. It's two trains and a bus and takes an hour and a half each way. But I've learned to make the most of the time by revising during the journey.

Funding places a huge limit on ambitions and learning, like trying to read a newspaper or article online, but it being behind a paywall. I'm actively trying to learn more and find that information, but can't access it because of that money barrier. That wouldn't happen to kids in a private school.

Extra-curricular activity is important too – particularly for those that aren't academic. A friend of mine is a dancer, but she couldn't afford to go to dance classes, and that had a knock-on effect on her grades. Her passion would have propelled her to do well in the rest of her life and do better academically. Opportunities shouldn't be limited just to those that are good academically. Even in our school, schemes like Target Oxbridge focus attention on those at the top, so those in the middle can feel left out.

It's good that I have a bursary, but also frustrating because it's on a reimbursement basis and you need to pay out the money initially. The reclaim process is so long that sometimes you can't be bothered to buy things like books in the first place.

I've been offered a place at Cambridge University to study Philosophy – the philosophy of empathy is so interesting, and it's something we need more of as humans. I would love to do some work that helps Nigeria, but maybe I will spend some time doing a mentorship role, like Amy did for me. ”

There is growing concern that entry requirements for classroom-based courses and apprenticeships may prevent many disadvantaged students from accessing these courses. For example, apprentices at Level 3 must secure an English and maths Level 2 qualification or above to pass¹² their end point review; concurrently, providers are penalised for non-completion rates. This can cause a perverse incentive; it can be risky to take on an apprentice who may struggle to achieve their English and maths but who may otherwise complete their apprenticeship.

Additionally, employers play a large role in setting pre-requisites for an apprenticeship. We have recommended that employers remove unnecessary qualification barriers on entry for all jobs, not just apprenticeships.¹³ An effective review by the department would help establish the prevalence or scale of this phenomenon. However, there appears no clear intention to review the extent to which pre-requisites put in place by schools, colleges, providers or employers in both classroom-based provision and apprenticeships impact disadvantaged students – and how policy may drive this. For these reasons, we scored the department amber on both measures.

We regret having to score the government low on investing in a ‘what works’ centre.¹⁴ A what works centre is not a typical academic research centre. It tests practical, hands-on interventions to see ‘what works’ to reach a specific goal, such as improving educational outcomes for disadvantaged students. Crucially, a what works centre also translates that evidence back to practitioners. For that reason, it is often created by practitioners and for practitioners.

Within FE, the result of a what works centre would be evidence-based interventions that close the attainment gap between disadvantaged students and their peers. Schools have a well-endowed what works centre – the Education Endowment Foundation – which has shown its ‘promising programmes’ to give disadvantaged students four months additional progress. Further, its interventions have netted gains three times higher than the cost of delivering and evaluating them.¹⁵

This makes a well-run what works centre not only evidence-based to drive student outcomes but also efficient public spending. The government’s response focused on evidence-based policy analysis which, while important, was not the core of our recommendation. We call on government to implement this recommendation.

Summary

The government has made some progress in implementing our recommendations to improve social mobility through education. There have been pockets of success, of which increasing school teacher salaries with a matching financial commitment is one. There is also a new focus on curriculum depth, which should support disadvantaged students, as well as developments in accountability mechanisms.

However, for there to be real progress in closing attainment gaps, these interventions must be consolidated and unintended consequences dealt with. Where depth in curriculum comes at the cost of breadth, for example, the government should act. Closing gaps also requires an acknowledgment that social mobility is complex. There are huge challenges for schools working in contexts of entrenched disadvantage. The whole system needs to recognise its role and act in a focused way.

The strategic focus on disadvantaged students weakens in post-16 education, which means we miss a significant opportunity to improve social mobility outcomes. School and college leaders must be given enough funding and support to implement evidence-based interventions. A strategic focus on closing the attainment gap at Level 3 would align with initiatives like T-levels and the ongoing Level 3 review. The government should implement all of these recommendations and put disadvantaged students at the heart of policy design in post-16 education.

¹² Education and Skills Funding Agency. Apprenticeship funding rules. The latest rules (2019 to 2020), 2019. www.gov.uk/guidance/apprenticeship-funding-rules

¹³ Social Mobility Commission, Socio-economic diversity and inclusion: employers’ toolkit, 2020

¹⁴ Social Mobility Commission, Investing in ‘what works’ activity in further education and adult learning, 2020

¹⁵ Education Endowment Foundation, The Attainment Gap, 2017, p1

Tyreke's story

PHOTO REDACTED DUE TO THIRD PARTY RIGHTS OR OTHER LEGAL ISSUES

Name: **Tyreke Holness**

Age: **17**

Location: **Sunderland**

Tyreke moved from London to Sunderland when he was young. He did well at school and has now gained a place at Oxford University to study medicine.

“ My secondary school, Southmoor Academy in Sunderland, is about 10 minutes' walk down a long, straight road from where I live, across the railway tracks. The first day I went there, I was nervous and my step-dad walked me there. We've never had a car since my mum moved us up to the city from London when I was six.

We live in Hendon, an area of the city with a tough reputation. There isn't a gang problem as such, like there is in London, but drugs are an issue, and some of the houses near ours have had dealers working out of them from time to time.

My mum works part-time as a nurse in the RVI: the Royal Victoria Infirmary. She went down to one or two days a week to look after my younger brother and sister, with my step-dad.

I was never aware that my circumstances meant my school got the pupil premium when I arrived. In fact, I'd never even heard of it until recently.

Southmoor is a good school, but it wasn't easy for me in the first few years. It was hard to concentrate sometimes, so it was up to me to work hard.

There were after-school clubs, though. There was one for maths, one for basketball. My favourite was table tennis. There were quite a few of us who played that, and we were pretty good as well. We could have represented the school, but unfortunately the school eventually had to put the area where we played to other uses.

In the past few years, there was a massive improvement. We had more experienced teachers and more clubs giving us extra help for English and GCSEs.

In the sixth form, the teachers really pushed us. Mr Wright, the English teacher, would have talks with small groups of us. He always encouraged us to aim high and told us we had just as much chance as anyone else.

He encouraged us to think about applying to Oxbridge. He'd say there was no harm in applying. It wasn't something I was considering, although I knew I wanted to do medicine. We had a programme of seminars, called OxNet, that he encouraged me to try.

We had three or four mock interviews. I thought it was pretty pointless as I hadn't even been offered an interview yet, but then it came. Apparently, I was flagged up as part of an outreach programme called Opportunity Oxford, which is aimed at disadvantaged students.

A friend drove us down to Oxford on 15 December. You have to stay in Oxford for 26 hours, and I had two interviews on 16 and 17 December. One was science-based, and the other one was about fitness to practise. One interview panel was quite smiley. The other one was poker-faced. There weren't any black people on the panels.

When the offer of a place to study medicine came through, my mum was over the moon. My grandparents in Jamaica were crying. I start in October. I was always going to spread my wings and now I have. ”

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Chapter 4

Employment and routes into work

Government scorecard

The Social Mobility Commission asked the government questions about its responses to recommendations made over the past seven years to improve social mobility.

Rating system

Green — Strong progress or delivery
Amber — Some, but insufficient progress
Red — Little or no action

Find out more about the methodology used to score the government's responses on **p.95**

Q	Rating
1	Amber
2	Red
3	Red
4	Green
5	Amber
6	Amber
7	Amber
8	Red
9	Red

The change from full-time education and into employment is a critical moment for social mobility. Choices made by individuals and employers at this point set the pattern for the rest of a person's life.

Once in work, continued education and training, or the chance to work for an inclusive firm, can make the difference between getting stuck in low pay and progressing up the workplace ladder – breaking the cycle of low social mobility.

For many people from low socio-economic backgrounds, entering work can be hard. They may have no networks and connections to navigate the world of work. They may also

be burdened with lower school attainment and are more likely to cluster in employment areas with low average wage returns.

Both government and employers have levers to correct this. A poor entry into the labour market and stunted progression through it can wipe out the hard-fought gains made in the education system and elsewhere.

Adult education and training should be the 'second chance' opportunity for many from disadvantaged backgrounds. In 2019, 56.5% of disadvantaged young people¹ left school without a Level 2 qualification (GCSE equivalent) in English and maths.² They face a staggering

¹ Those receiving free school meals

² Department for Education, Level 2 and 3 attainment in England: Attainment by age 19 in 2018, 2019

75% of employers who ask for Level 2 English and maths qualifications even for entry-level roles. In this way, employers may unintentionally create barriers to entry into the labour market.³

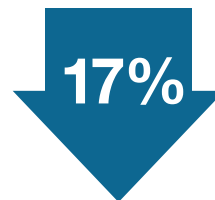
“A poor entry into the labour market and stunted progression... can wipe out... hard-fought gains made in the education system.”

A Level 2 or Level 3 qualification can make an enormous difference to a person’s labour market and social mobility prospects. But even for those who miss this mark in school, there is tremendous potential to improve social mobility through access to a well-functioning adult skills provision.

Yet this potential is not being realised. Since 2010, participation in adult education has fallen by 31% for those studying up to a Level 2 in English and maths, with a 30% decline in those achieving this qualification.⁴ A recent report from Learning and Work showed just 35% of adults had participated in learning over the past three years: the lowest figure since the survey began in 1996.⁵ Funding for adult education has been cut by 45% over a similar period, since 2009/10.⁶ These declines are harming social mobility.

Apprenticeships could be a bright spot here. In recent years they have attracted renewed attention and significant funding – both as a route into work and, increasingly, a way to upskill existing workers. A strong apprenticeship system could enable people from low socio-economic backgrounds to enter and progress in the workplace.

But it is not just about who can access an organisation. We must also remove barriers that limit people from low socio-economic backgrounds from making progress in work. The class pay gap is larger than the gender pay gap, but receives much less attention. When an individual from a working-class background is in a professional job they earn on average 17% less than more privileged colleagues.⁷



17% less earned by working-class-origin professionals compared with more privileged colleagues.

This chapter focuses on recommendations we have made to government to improve social mobility for those entering into work, those seeking a second chance, and those who hope to make progress.⁸ These are all critical areas for reform if we are to reap the economic and social rewards social mobility can bring to our country.

3 Ofqual, Perceptions of Vocational and Technical Qualifications, 2018

4 Department for Education, Further Education and Skills, England: 2017/18 academic year, 2018

5 Whieldon, F, Adult education slumps to lowest since major survey began more than 20 years ago, FE Week, September 2019


6 IFS, 2018 annual report on educational spending in England, 2018

7 Social Mobility Commission, State of the Nation 2018-19, 2019


8 Please note that some areas which impact on an individuals’ employment prospects, such as local labour markets and place-based strategies, are covered in other chapters of this report.


Our questions to government


To the Department for Work and Pensions (DWP):


Q1	Has the government set a specific target of eliminating youth unemployment? What proportion of young people are NEET and how does this compare to European and OECD averages? What level of financial support has been invested into NEET prevention schemes?
Response	The DWP does not have a target of eliminating youth unemployment. The response discusses current statistics, outlining low youth unemployment relative to 2010. It goes on to outline four programmes. The first is the Jobcentre Plus Support for Schools Programme to help those at risk of becoming NEET. The second is the Youth Obligation Support Programme to help those aged 18-21 making a new claim to Universal Credit achieve their job goals. The third is Mentoring Circles, which aims to help 16-24 year olds move closer to employment by raising aspiration. Finally, it cites Youth Employability Coaches, a trial programme in the West Midlands for young people with significant disadvantages in their lives.
Rating: Amber 	

To Cabinet Office (CO):





Q2	What action has the government taken in considering social mobility, and in particular the living wage in its social value framework for procurement?
Response	The Social Value model provides a list of agreed priority policy outcomes for departments to choose from when running their procurement activity. Many of the outcomes implicitly reflect aspects of social mobility, such as skills and employment, inclusion and workforce diversity. The model also enables buyers to consider how modern slavery risks can be reduced, which considers labour and workforce conditions.
Rating: Red 	

Q3	What progress have government departments made in becoming voluntary living wage employers?
Response	Government departments have delegated authority to set their own pay arrangements to allow them to put in place reward arrangements for civil servants that best suit their business needs. Pay for outsourced staff is a matter for their employer.
Rating: Red 	

Q4	What progress has the government made in making socio-economic diversity a priority in the Civil Service?
Response	The Civil Service has made considerable progress in its commitment to making socio-economic diversity a priority. Significant detail was provided on actions, including measurement of the workforce, creating board-level champions, setting priorities, creating networks and a cross-government social mobility action plan. Government departments accounted for a record number of 15 entries in the Social Mobility Foundation's employer index in 2019.
Rating: Green 	

Q5	To what extent has the government incentivised public sector bodies and private companies to base themselves in social mobility cold spots?
Response	The Places Foundation, built into the 2017 Industrial Strategy, aims to create prosperous communities across the UK by building on local strengths and knowledge in cities, towns and rural areas. The government, through the Places for Growth Programme, will work with departments and public bodies to move significant numbers of Civil Service roles into the regions and nations of the UK. Local Industrial Strategies and Town Deals are the means to boost private sector activity.
Rating: Amber 	

To the Department for Education (DfE):

<p>Q6</p>	<p>To what extent is the government working to drive up the status and quality of apprenticeships?</p>
<p>Response</p> <p>Rating: Amber</p> 	<p>The response focused on significant reforms to the apprenticeship system. It also cited the roles of actors such as Ofsted, the OfS and the Institute for Apprenticeships and Technical Education in driving up quality. Finally, it referred to programmes such as a PR campaign; the National Apprenticeship Service, which runs the Apprenticeship Support and Knowledge (ASK) programme in schools; and a legal mandate on schools to allow colleges and training providers a platform to discuss alternative education pathways.</p>
<p>Q7</p>	<p>How focused has the government been to ensure there is a good range of apprenticeship options up to Level 3?</p>
<p>Response</p> <p>Rating: Amber</p> 	<p>The response discussed the role of the Institute's occupational maps to support sector-based plans for Levels 2 and 3 apprenticeship options. It also discussed the National Career Services' role in providing advice, as well as a programme in five local authorities to generate more opportunities for higher-level apprenticeships. Finally, it cited additional financial support and more lenient rules for learners with Education, Health and Care Plans and the availability of the Traineeships programme.</p>
<p>Q8</p>	<p>What progress has the government made to increase funding for adult education, particularly at Levels 2 and 3?</p>
<p>Response</p> <p>Rating: Red</p> 	<p>The response summarised entitlements to adult education, including a new basic digital skills entitlement up to Level 1. It added that there has been sufficient funding to meet Adult Learner Loans demand, and stated that, while participation in adult education is in decline, overall achievement rates are up. Finally, it referenced the £100 million National Retraining Scheme and a £3 billion pledge over this Parliament for a new National Skills Fund to help people prepare for the economy of the future.</p>
<p>Q9</p>	<p>What progress has the government made in improving the quality of information available on adult skills, training and careers?</p>
<p>Response</p> <p>Rating: Red</p> 	<p>The National Careers Service provides free careers information, advice and guidance to people of all ages through a website and telephone helpline. There is a new service coming that will prioritise those adults who need it most, including people with low qualification levels and those with learning difficulties and disabilities, providing bespoke support. Adults are also supported through the local community based service, where face to face guidance is available.</p>

Analysis

This analysis groups the government's response to our recommendations into three areas: routes into work; training and adult skills; and reviewing government as an employer.

Routes into work

For many people, finding work is not a simple task. Without networks, connections, or informed support, it can be difficult to navigate the world of work after finishing full time education.

Those who fall into the category NEET (Not in Education, Employment or Training) have an acute need for interventions to improve their social mobility prospects. In its response, the government has set out its intention to address this group. While we are disappointed it has not set a target in this area, we welcome the decline between 2010 and February 2020 in young people in this category and the UK's average performance, compared with EU countries.

However, the government is only investing a small amount of funding to target this cohort of young people. Furthermore, the reductions in the number of young NEETs over this period could be a result of a strong economy at near full employment, and not directly due to government's actions. This is particularly concerning, given the imminent recession arising from COVID-19.

Most of the programmes mentioned in the DWP's response support general routes into the labour market. The only programme specifically aimed at young NEETs (Jobcentre Plus Support for Schools) has a relatively low funding remit. There are worrying trends in the data. Over the past three years, the rate of young male NEETs has remained flat while female rates continue to fall. The number of inactive young men has been rising in recent years.⁹ Furthermore, the ratio of unemployed 16-17 year olds and 18-24 year olds compared to the ratio of the working population is also rising.¹⁰ This suggests the government's interventions might not be doing enough.

We think targeted support is important to

ensure the rates of young people not in education, employment or training remain low. It is not clear how the government has embedded learning from previous policy responses, nor what it is doing to prepare for the inevitable rises in young NEETs during the post-pandemic recovery period.

Ultimately, we appreciate the government's efforts, but feel much more could and should be done to ensure disadvantaged young people do not bear a disproportionate burden as the economy recovers.

Training and adult skills

Government funding for adult education has been declining for years. From 2004–11, the UK's spending on adult training was one of the lowest in the G7 by a significant amount.¹¹ Such funding provides a critical resource for those seeking a second chance; who wish to retrain; or who want to progress in work, but do not get a chance from their employer.

“From 2004–11, the UK's spending on adult training was one of the lowest in the G7 by a significant amount.”

Our 2019 adult skills report found that the poorest adults with the lowest qualifications are the least likely to access training, despite being the group who would benefit from it most. Graduates are more than three times more likely to participate in training than those with no qualifications (30% vs 8% in 2017). Previous research has shown that half of adults from the lowest socio-economic groups received no training since leaving school.¹² This inhibits their abilities to improve their skills and progress in work or retrain as the world of work changes.

Worse still, the adult education system has been in steady decline for years.

9 Office for National Statistics, Young people not in education, employment or training (NEET), 27 February 2020

10 Labour Force Survey, Table A05: Labour market by age group: People by economic activity and age (seasonally adjusted), 18 February 2020

11 Social Mobility Commission, Adult Skills Gap: is falling investment in UK adults stalling social mobility? 2019

12 Ibid.

The number of adult learners studying up to a Level 2 in English and maths has fallen by 31%, and 30% fewer achieve this qualification.¹³ Poor adult education provision limits people's ability to fulfil their potential and the government must do more to correct the landscape to improve both social mobility and economic productivity.

3x

Graduates are 3 times as likely to participate in workplace training compared with colleagues with no qualifications.

We have recommended that the government significantly increases investment in the adult education budget and improves the quality of careers advice given to adults across the education system. The National Careers Service (NCS) offer of bespoke support to those with low skills is welcome. However, this amounts to little more than throwing a rock into a roaring river and expecting it to change course. The NCS offer does not measure outcomes for low-skilled or disadvantaged adults, which means there is no way to assess its impact for this supposed target group.

Our research shows that, since 2010, individuals have had to take on a greater share of the cost of their training.¹⁴ This is a problem for low-paid adults. The people most in need of a second chance education are least likely to be able to afford it. The system both creates barriers for adults in low pay and has fuelled the declines in participation of these groups.¹⁵ The Augar report made clear connections between changes to funding rules and decreased participation in adult education and made several sensible recommendations to address this.¹⁶ The department has not yet responded to the review.

The government's response shows little intention of addressing these funding disparities or the decrease in participation in adult education.

We welcome the announcement of a new £3 billion skills fund over the course of this Parliament, along with a £100 million National Retraining Scheme, but these do not go far enough or address the funding mechanisms driving the participation decreases. Additionally, it is not yet clear how these new bodies will interact with each other or with the NCS to deliver on outcomes for disadvantaged adults. Without a strategic focus on increasing disadvantaged participation and attainment in the core adult skills system, social mobility will likely not improve.

The apprenticeship system is a ray of potential hope in the adult training landscape. In its response, the government showed a clear intention to prioritise and promote apprenticeships. While missing its target of three million starts by 2020, it has nonetheless put significant resources into improving the quality and stature of apprenticeships. Yet there are ominous signs that the outcomes of these efforts are not delivering for social mobility. Because of this, both scores on the apprenticeship system are amber.

In our 2018-19 State of the Nation report, we noted that a two-tier system has formed in apprenticeships. Reforms have incentivised employers to upskill their existing workforce with more expensive and higher-level apprenticeship options over entry-level routes at Levels 2 and 3 (although Levels 2 and 3 account for a majority of starts).¹⁷ Regardless, disadvantaged learners are 'stuck' at lower levels of apprenticeships and are more likely to be concentrated in lower-returning apprenticeship subjects.^{18, 19}

Since the apprenticeship levy was introduced in 2017, all groups have seen a fall in starts. Of these, falls at Level 2 are the most concerning for social mobility. If the parts of the system that mainly support those from disadvantaged backgrounds are choked off, we will embed an imbalanced system that supports more privileged people at the expense of those from lower socio-economic backgrounds.

13 Department for Education, Further Education and Skills, England: 2017/18 academic year, 2018

14 Social Mobility Commission, Adult Skills Gap: is falling investment in UK adults stalling social mobility? 2019

15 Ibid.

16 Department for Education, Independent panel report: post-18 review of education and funding, 2019

17 Social Mobility Commission, State of the Nation 2018-19, 2019

18 Social Mobility Commission, State of the Nation 2018-19, 2019, p76

19 Department for Education, Post-16 education: outcomes for disadvantaged students, 2018

A driver of this imbalance is that social mobility is too implicit a goal within the programme. Apprenticeships should deliver both skills and social value by providing alternative pathways to qualifications for people from disadvantaged backgrounds alongside delivering for the skills agenda. But, the barriers that disadvantaged people face within the system are not being addressed through policy mechanisms; apprenticeships are not living up to their potential to deliver for social mobility. Pilots that we have previously featured, such as the Opportunities through Apprenticeship programme, are welcome but are too small in scale and do not impact on core policy levers.

To address this, and offer areas in which the government should focus attention, we will soon release the most comprehensive and detailed report to date on the impact of apprenticeships on social mobility.

Government as an employer

As one of the UK's largest employers the government has a significant role – both as an employer in practice, and as a model employer – in setting the standard to which others aspire. This section will review the government's ability to increase social mobility as an employer. With over 5.36 million people employed in the public sector in the UK, the social mobility impacts of improved employer practices could be immense.²⁰

From a strategic perspective, we are disappointed in the government's apparent lack of desire to wield its powers to improve social mobility. There is one major success: a cross-government plan to boost the Civil Service's diversity and inclusion by socio-economic background.

The Civil Service employs over 419,000 full time workers and expanding the diversity and inclusion agenda is an important step to improving outcomes for those workers.²¹ It also signals to other public sector employers and large employers across the country how this can be achieved.

The Civil Service's effort to collect socio-economic background in a workforce-wide survey will yield one of the biggest-ever datasets on a UK workforce and is welcomed as a first step in the government's strategic plan to remove barriers based on socio-economic background. It is too early to assess the outcomes of this work, but early signs indicate positive movement, such as the number of departments reaching the top of the Social Mobility Employers Index.

Our research finds moving to London is often a highly important factor in becoming socially mobile. Yet, the high prices associated with life in the capital mean that people from lower socio-economic backgrounds overwhelmingly lose out to more privileged peers.²² Relocating the Civil Service to the regions and nations is to be welcomed – a demonstration that you do not have to move out to move up. However, the extent to which this will help revitalise social mobility cold spots, or whether there is a strategic desire to do so, remains unclear.

20 Office for National Statistics, Public sector employment, UK: March 2018, 2018

21 Institute for Government, Civil service staff numbers, 2020

22 Social Mobility Commission, State of the Nation 2018–19, 2019

It is also unclear whether progression opportunities are fully embedded into regional plans. For example, could a permanent secretary be based in Sheffield? We note there is no corresponding initiative to encourage private sector firms to relocate out of London through indirect influencing activities. Taken together, we feel the government lacks a desire to lead strategic, cross-sector initiatives to improve social mobility.

While the Civil Service is doing well for its own employees, those benefits do not extend to people employed by third-party contractors who serve government departments. It is disappointing that no department has taken up our recommendation to become an accredited voluntary living wage employer. To date, the Cabinet Office has not shown any intent to encourage departments to move in this direction.²³ Addressing low pay through the voluntary living wage would ensure that potential adverse impacts on businesses and the economy were not felt nationwide.

“Relocating the Civil Service to the regions and nations is to be welcomed.”

Those in low pay disproportionately come from low socio-economic backgrounds.²⁴ The voluntary living wage would increase individual workers’ absolute income mobility. But more than that, it could have ripple effects by lowering child poverty, raising living standards and increasing wages.²⁵ Cumulatively, these could have a social mobility impact.

Approximately 69,000 people are employed by third-party contractors in cleaning, servicing, and securing government buildings across the country. Many are defined as critical workers in the current crisis. And yet, they are paid at a rate below the cost of living, as defined by the voluntary living wage – working indirectly for the public and yet paid less than what is deemed by some to be adequate to live on.

As noted in our 2018-19 State of the Nation report, a relatively small £25-75 million investment would ensure government departments led by example.

We assess that the Cabinet Office has no intention, processes or outcomes in place to use the power of the public purse through procurement to address social mobility.

Summary

Policies that impact a person’s outcomes as they seek an entry way into work, as they look for a new or second chance, and as they seek to make progress through work are critical to social mobility.

While there has generally been little targeted movement by the government on taking up our recommendations, the Civil Service’s actions as an employer are a beacon of hope. Apprenticeships also show considerable potential. However, more needs to be done to achieve their potential.

We call on the government to consider how it can improve social mobility through its own practice as employers by adopting the voluntary living wage and by reviewing its public procurement practices. We ourselves committed to this work by launching an employers’ programme to take this message to employers across the country.²⁶

23 Living Wage Foundation, Low Pay Spotlight: Public Sector, 2019

24 Social Mobility Commission, State of the Nation 2018-19, 2019

25 Resolution Foundation and IPPR, Beyond the Bottom Line: The challenges and opportunities of a living wage, 2013

26 Social Mobility Commission. Socio-economic diversity and inclusion: employers’ toolkit, 2020

Sofia's story

PHOTO REDACTED DUE TO THIRD PARTY RIGHTS OR OTHER LEGAL ISSUES

Name: **Sofia Lewis**
Age: **22**
Location: **Port Talbot**

Sofia comes from a working-class family in Wales. She received a first-class degree from Bristol in languages, but has found it hard to progress her career because entry-level internships are unpaid and mostly based in London.

“ I never thought of myself as working class until I went to university. My dad worked at the steelworks like many in Port Talbot, and my mam worked as a teaching assistant.

They were always supportive and encouraging of my interests, and often took me to the library because I loved reading. Their generation tended to grow up and stay in Port Talbot because there was secure work, but with the decline of the manufacturing industry in South Wales, they supported my decision to go to university all the more.

Like a lot of my friends, I was the first in my family to attend uni. I went to the University of Bristol to study Italian and Spanish. I did some internships during that time, working at a film festival in Trieste, Italy, supported by an Erasmus+ grant, and in Nicaragua, thanks to a Santander grant.

After graduating with a First, I worked at a language summer school to pay off my overdraft and then began looking for jobs in journalism and marketing. There were none in Port Talbot and only limited language graduate opportunities in Swansea and Cardiff. Then the Jobcentre told me they could pay me £60 a week through Job Seekers Allowance for a six-week unpaid internship.

I spent five days a week doing an unpaid internship in Swansea, where I learned about content creation, digital marketing, and the specialist skills of translation. After that, I was hired as a freelancer. If it weren't for the internship and JSA funding, I'd have no idea what I'd be doing now. I'd probably have given up on looking for writing and translating opportunities altogether and worked in the local café.

I still live in Port Talbot doing freelance work, and much of it comes through the people I met during that internship. I wouldn't have had the confidence to do what I'm doing now without it.

Now I'm looking for a staff role to build my experience and grow my network, but so much of what's out there is unpaid internships. They make me feel undervalued in what I do, and employers take advantage of the murkiness in legislation. Many unpaid internships are actually illegal.

There was a PR company in London who wanted to hire me for my writing and language skills. We had a phone interview, then I was offered the role the same day via e-mail. When I asked about the salary, they seemed surprised I'd assumed I'd be paid – even though they expected me to move to London and work five days a week!

Many people from my uni cohort are doing or have done similar unpaid internships. Most of them are either from London or have families paying for their rent and living costs. It seems clear that working-class young people and graduates are always on the back foot, particularly if they aren't from London, because the graduate and internship industry is focused there. So that leads to massive under-representation of working-class people, particularly in the creative industries. ”

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Chapter 5




Place: a regional perspective

Government scorecard

The Social Mobility Commission asked the government questions about its responses to recommendations made over the past seven years to improve social mobility.

Q	Rating
1	
2	

Rating system

Green  Strong progress or delivery
Amber  Some, but insufficient progress
Red  Little or no action

Find out more about the methodology used to score the government's responses on **p.95**

Where you are born in this country and where you live makes a significant difference to your social mobility. However we define geography – nations, districts, towns, cities, counties or combined authorities – there is an intimate connection between ‘place characteristics’, and the characteristics of the people living there.^{1,2} Coastal areas, for example, often have poor educational outcomes for young people from disadvantaged backgrounds.³

They also have labour markets with a greater share of low-skilled, low-paid employment than elsewhere in England.⁴

In our 2017 State of the Nation report, we showed that the UK has greater regional disparities in economic performance than any other European country. Using our Social Mobility Index, we identified places in England that currently offer good opportunities for social progress – social mobility ‘hotspots’ – and those that did not: the ‘cold spots’.

1 Examples of place characteristics include political leadership, schools, labour markets, transport and housing
 2 Characteristics of people include educational achievement, income or age distribution and ethnicity
 3 Social Mobility Commission. State of the Nation 2017: Social Mobility in Great Britain, 2017
 4 Corfe S. Living on the Edge: Britain's coastal communities, Social Market Foundation, 2017

We found:

- The biggest divide in England is between London and the commuter belt areas around it and the rest of the country
- Inner cities are neither the worst-performing areas for social mobility nor engines of social mobility
- New social mobility cold spots are concentrated in remote rural or coastal areas, and in former industrial areas, especially in the Midlands
- There is no direct association between an area's affluence and its ability to sustain high levels of social mobility

Places with poor social mobility usually have few well-paying jobs, regardless of whether educational attainment levels are high or low. Regionally focused education and economic policies are needed to tackle this geographic divide.

“Places with poor social mobility usually have few well-paying jobs, regardless of whether educational attainment levels are high or low.”

Addressing social mobility through education policy is still in its infancy. In 2016, the government started its Opportunity Areas programme. Local authorities in 12 of the most disadvantaged areas in England have discretion on how to spend a total funding pot of £90 million, over a period of four years. The government's manifesto commitment to “cement the Opportunity Areas programme” is positive and we would welcome greater cross-government working to holistically support young people's transition to the workplace.

£90m funding for 12 Opportunity Areas run by local authorities.

Economic policy has not been utilised to create a spatially balanced economy. Over the past 40 years, successive governments have done little to stop the nation's agricultural and manufacturing sectors declining, as the services sector – retail and finance – rose to dominate the economy. Without state intervention to smooth out this seismic shift, regional effects have been felt differently throughout the country.

London's economic dominance has led the UK to become one of the most spatially unequal economies in the developed world.⁵ The lack of support for the rural economy was described as “systemic and structural” by a House of Lords Select Committee. It gave examples such as funding settlements not reflecting the additional costs of service provision; poorer broadband and mobile connectivity; and economic development policy biased towards urban areas.⁶ Elsewhere, former industrial areas have not recovered from decades of decline.

The longstanding regional inequalities were exacerbated by the austerity policies undertaken following the 2008 financial crisis. There was a decade of deep cuts in public spending following a bailout of banks which cost the tax payer £137bn.⁷ In 2018 the UN's rapporteur on extreme poverty and human rights concluded that the driving force behind the government's austerity policies had not been economic but rather a commitment to achieving radical social re-engineering leading to a change in the values underpinning the welfare state.⁸ Whilst the government has vigorously denied this charge, the adverse impact on child poverty and household income is well documented.⁹ Consequently, those most economically disadvantaged have had pathways to social mobility reduced.

Overall, the cumulative impact of economic policies has harmed the social mobility prospects of a generation. Nonetheless, there are some green shoots. The concept of an inclusive economy is gaining traction with politicians and policy makers.

5 UK 2070 Commission. Make No Little Plans: Acting At Scale For A Fairer And Stronger Future, 2020

6 House of Lords. Select Committee on the Rural Economy, Report of Session 2017-19, Time for a strategy for the rural economy, 2019

7 Full Fact. £1 trillion was not spent on bailing out banks during the financial crisis, 4 July 2019

8 Statement on Visit to the United Kingdom, by Professor Philip Alston, United Nations Special Rapporteur on extreme poverty and human rights, London, 16 November 2018

9 Child Poverty Action Group, The Austerity Generation: the impact of a decade of cuts on family incomes and child poverty, 2017

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This means economic growth that benefits all segments of society – particularly the poorest and most disadvantaged.

“The concept of an inclusive economy is gaining traction with politicians and policy makers.”

In theory, with adequate political will, we could live in a society with a far more inclusive economy than at present. The Treasury Select Committee inquiry on regional imbalance, although concluded prematurely due to the 2019 election, was a positive development.¹⁰

Distributional impact analysis, i.e. assessing the winners and losers of policy decisions, is part and parcel of government decision-making. The Treasury’s Green Book on the appraisal and evaluation of policy proposals explicitly states that “distributional analysis is necessary where an intervention either has a redistributive objective or where it is likely to have a significant impact on different groups, types of business, parts of the UK or Devolved Administrations.”

Green Book assessments, for example, must take into account impacts on the nine protected characteristics under the Equality Act 2010.¹¹ Being economically disadvantaged is not, however, a protected characteristic and is therefore not given due consideration. This oversight in everyday policy making needs to be addressed urgently, particularly as the government has consistently refused to enact the socio-economic duty (see The need for a strategic approach to social mobility, p.12).

The first serious attempt to rebalance the economy away from London and the southeast can be seen in the Northern Powerhouse and Midlands Engine programmes. These were conceived during the Coalition period but delivered by the Conservative government following the 2015 General election.¹²

The programmes are now framed in the language of the government’s Industrial Strategy – unlocking the potential of these regions to boost productivity and deepen labour markets. They help regions attract foreign direct investment and build regional identities.

¹⁰ Treasury Committee, Regional Imbalances in the UK Economy inquiry – publications, 2019, www.parliament.uk

¹¹ The protected characteristics are: sex, age, race, religion or belief, sexual orientation, gender reassignment, disability, marriage or civil partnership, and pregnancy or maternity.

¹² Bradley-Depani, N., Butcher, L. and Sandford, M. The Northern Powerhouse. Briefing Paper CBP7676, 1 November 2016, House of Commons Library, 2016

However, the criticism that both initiatives are brands rather than actual programmes is borne out when looking at its funding which is opaque.

Published figures on spend are hard to compare due to projects spanning different time periods. It is also unclear how much new money is invested as announced projects can be linked to other national programmes which have their own funding pots and/or would have spent anyway. Given this lack of transparency, the government's claim that investment in these regions is higher than under previous administrations is hard to prove or disprove. It is equally difficult to assess whether this spend is proportionate to addressing longstanding economic issues.

“The 2017 Industrial Strategy policy could balance the geographic divide by developing local industrial strategies.”

The 2017 Industrial Strategy policy was a step change for the government with its national attempt to boost regional economies and specific sectors of the economy. The strategy holds out the possibility of balancing the geographic divide by developing local industrial strategies (LIS). These would be led by Local Economic Partnerships (LEPs) and Mayoral Combined Authorities, with support from Skills Advisory Panels. More recently, Town Deals and Free Port policies indicate the government recognises the need for specific policies to boost the economic development of places other than cities.

Regional devolution, a Labour Party manifesto commitment in 1997, is now more of a reality, though in a different form than first envisaged. Powers, budgets and responsibilities have been transferred to new legislative institutions such as the Scottish Parliament, the National Assembly for Wales, and the Northern Ireland Assembly.

Within England, 10 combined authorities have been created – eight of which have directly elected mayors. English devolution deals have provided much-needed long-term investment funding and given mayors decision-making powers over housing, transport and skills – all crucial areas for unlocking social mobility, particularly in an individual's working life.

It has delivered on two of its three overarching policy objectives – improving democratic accountability and enabling closer alignment of policy design and spending decisions with local needs. However, in terms of promoting greater economic growth and equality (i.e. inclusive growth), the picture is mixed. Wales, for example, has fallen behind England on some health and education indicators.¹³ Within England, West Midlands and Greater Manchester are considered success stories. Their high-profile mayors and booming economies are often cited as signs of devolution's success. Less attention is paid to their persistent high levels of deprivation and low social mobility.


Our 2017 report found that:

- the Midlands is the worst region for social mobility for those from disadvantaged backgrounds – half the local authority areas in the East Midlands and more than a third in the West Midlands are social mobility cold spots
- Oldham, part of the Greater Manchester combined authority, is in the bottom 20 when measured against early year social mobility indicators

Summing up, devolution in its current form has neither tackled regional imbalances nor improved social mobility outcomes.

Our questions to government

To the Department for Business, Energy and Industrial Strategy (BEIS) and the Department for Work and Pensions (DWP):

Q1	What progress has BEIS and DWP made on collaborating with the DfE on the Opportunity Areas programme to provide concentrated investment in skills, jobs and infrastructure in these areas of low social mobility?
Response Rating: Red 	<p>BEIS recognises the important role of the Opportunity Areas programme in improving opportunities for people and increasing social mobility. Our role has been to consider the holistic challenges faced by places and to understand the barriers that limit opportunities for local people. To support this there is an on-going programme for places across England to formulate Local Industrial Strategies – long term strategic plans to identify local strengths, opportunities and challenges that drive or inhibit economic growth. Town Deals are another route to support long term economic and productivity growth through investment in connectivity, land use and economic assets including skills and enterprise infrastructure.</p> <p>There is no specific Opportunity Area offer provided by DWP. It does provide support for individuals in the Opportunity Areas in addition to providing support across England Wales and Scotland. At national level, the DWP is currently responsible for the European Social Fund, which seeks to reduce inequalities between communities in all four nations. This fund will be replaced by the UK Shared Prosperity Fund.</p> <p>The DWP works in collaboration with other departments in England:</p> <ul style="list-style-type: none"> • MHCLG/BEIS: in coordinating delivery of Local Industrial Strategies and coordination of the Towns Fund • DfE: implementing Skills Advisory Panels to help Mayoral Combined Authorities (MCA) and Local Enterprise Partnerships (LEPs) understand their current and future skills needs and labour market challenges.

To the Ministry for Housing, Communities and Local Government (MHCLG):

Q2	To what extent has the government taken steps to devolve powers and funding to city regions so that they can address social mobility challenges / barriers in their areas?
Response Rating: Red 	<p>There are now eight mayoral devolution deals and one non-mayoral devolution deal (Cornwall). The deals have transferred significant powers and funding to mayors and their combined authorities over transport, skills, housing and planning. Mayoral combined authorities have devolved access to funding streams such as the Transforming Cities Fund, the Adult Education Budget and Innovation Employment Pilots, which contribute towards tackling social mobility challenges.</p>

Analysis

Opportunity areas

The economic regeneration and support programmes led by MHCLG, BEIS and DWP have a significant effect on people who are economically disadvantaged. Yet none of the departments explicitly seeks to improve social mobility. This is a lost opportunity on levelling up the country.

Local industrial strategies have been designed with cross-government working in mind. However, their potential to improve social mobility is less likely to be realised due to their policy design.

Firstly – although the government’s LIS Policy Prospectus sets out the need for places to consider ‘challenges’ as well as ‘opportunities’ – there is a risk that too much focus on the latter could exacerbate existing inequalities. There is also no information about the additional funding and powers that would be needed for a local industrial strategy to reduce local economic inequality. Such funding is needed to ‘level up’ the weaker regions to avoid a situation where investment disproportionately empower places with stronger economic foundations and/or leadership. Without these, local industrial strategy will only reinforce the current geographic divide on social mobility.

27%



loss of spending power by local authorities in England between 2010/11 and 2015/16 in real terms.

Secondly, there is no explicit requirement for local authorities to consider social mobility in developing a local industrial strategy. It is generally left to the authority to decide if this is a priority. The Greater London Authority (GLA) evidence base for its LIS shows what is possible when a local authority puts inclusive growth at the centre of its planning. More direction and analytical support is needed from government on supporting local authorities to address social mobility through their local industrial strategy.

Impact of austerity

Finally, there is the impact of austerity on local government to consider. Local authorities in England lost 27% of their spending power between 2010/11 and 2015/16 in real terms with some services, such as planning and ‘supporting people’ (discretionary social care with a preventative or enabling focus) experiencing cumulative cuts of about 45%.¹⁴

In having to make tough decisions on frontline service delivery, local authorities have invariably cut back on in-house policy capability. The government’s capacity funding of £200,000 per LEP to support the development of LISs does not adequately address the different in-house policy capabilities within local authorities. The GLA’s ability to draw on the collective strength of London boroughs to gather and analyse information for its local industrial strategy and engage with academics is not replicated across the rest of the country. Additional funding support is needed for authorities experiencing long-term economic problems.

The £3.6 billion Town Fund has been designed to support an initial 100 deprived towns to a maximum of £25 million each. However, in the context of local authorities losing core funding of nearly £16 billion over the past decade,¹⁵ and the resulting impact on deprivation, the programme will only partially reverse the impact of past budget reductions.

Unlike the Opportunity Areas programme, little information is available concerning the basis of selection for Town Deals, or how the programme will be evaluated. As a result, it will be difficult to determine to what extent the funding will increase social mobility.

Milton Keynes stands out as an unexpected beneficiary of the Town Fund. The town has a middle ranking on the multiple index of deprivation and already benefits from significant investment arising from its location within the Oxford-Milton Keynes-Cambridge arc.¹⁶ We believe the government should be more transparent about the extent to which the

14 Joseph Rowntree Foundation. The cost of the cuts: the impact on local government and poorer communities, 2015

15 Local Government Association. Local government funding: Moving the conversation on, 3 July 2018

16 MHCLG and HMT. The Oxford-Cambridge Arc: government ambition and joint declaration between government and local partners, Policy paper, 2019

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Town Fund will boost social mobility – particularly with more deals anticipated.

The Shared Prosperity Fund (SPF) is expected to replace the £2.4 billion from European Union Structural Funds and Investment Funds. Collectively, the Structural Fund comprises the European Regional Development Fund, European Social Fund, Cohesion Fund, European Agricultural Fund for Rural Development and European Maritime and Fisheries Fund.

No detail is available about how the SPF will operate in practice. This is particularly challenging for English local authorities, given that their block grant will mostly have been phased out after 2020, which in turn will make it harder for them to implement a local industrial strategy. We encourage the government to actively consider how the fund will support regions to promote social mobility.

Devolution

The government's response here highlights an intention for devolution to address social mobility challenges. However, while

the intent may be there, it is not backed up by clear processes or outcomes.

Regarding process, the absence of a mayoral 10-year social mobility strategy with clear progress measures, as previously recommended by us, means that combined authorities are not putting social mobility at the heart of economic development. Whilst the extent to which there is a focus on social mobility is for local leaders to decide, we expect government to do more in reframing devolution and local industrial strategy as an opportunity to improve social mobility through the forthcoming English Devolution White Paper.

Regarding outcomes, given the White Paper, now is the time to gather evidence on the extent to which devolution has rebalanced the economy geographically and led to a more inclusive economy. It is also high time that the “devolution deception”, as described by the UK 2070 Commission, whereby a Mayor has accountability for an issue but lacks the powers or funding to properly address it, is resolved.¹⁷

17 Devo Connect. The Devo 3.0 Review: Laying the Foundations for More and Better Devolution, 2020

A different type of devolution is needed to improve social mobility. We hope that the UK 2070 Commission's recommendations on devolution being explicitly about rebalancing the economy geographically, for there to be a systematic and coherent approach and for the policy to be led by a Secretary of State are acted upon by the government.

Summary

The government's narrative of inclusive growth and levelling up has not so far been matched by a consistent or coherent effort to improve social mobility through economic policies or devolution. To address this agenda effectively, it must coordinate cross-government activity on social mobility and ensure this approach is built into policy design.

Funding is an issue that cuts across local industrial strategy and devolution. At present, there are single pots of money relating to specific problems, allocated with short spending time frames. Short-term thinking applied to long-term problems address only symptoms rather than root causes.

Improving social mobility means taking a generational approach rather than one based around election cycles. If the government is serious about improving social mobility while delivering on its localism agenda, it should look at how it funds local authorities – whether the use of pooled budgets, the period of funding and/or use of multi-year settlements – as well as the actual amounts involved.

The government should also revisit the Treasury Green Book's appraisal process for infrastructure investment projects as it has a London bias and reinforces existing regional imbalances.¹⁸

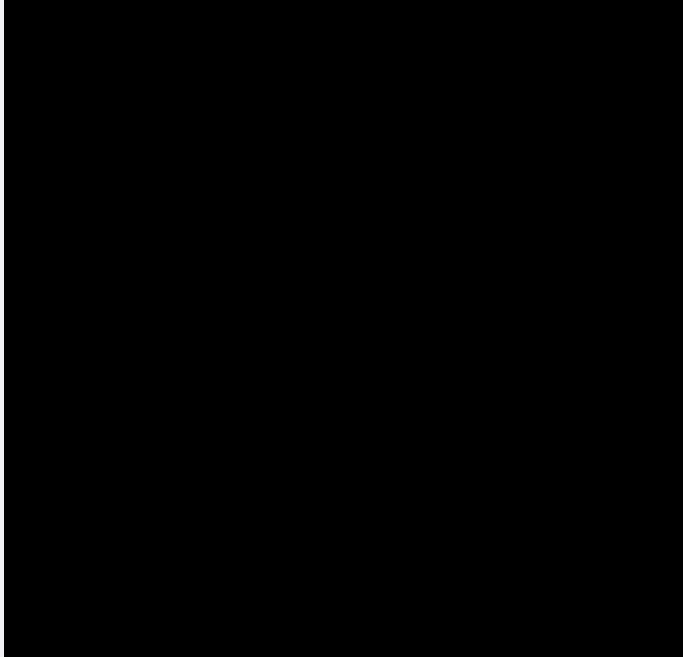
The government's economic policy response to COVID-19 has shown what the state can do in the face of an acute situation. This type of imagination now needs to be applied to the more chronic issue of social mobility. We will continue to offer support to the government, along with challenge, through our forthcoming research publications concerning geographical inequality.

'Moving on to move up' focuses on the extent to which people move, and need to move, in order to be socially mobile. Our study on regional variations in inter-generational income mobility is modelled on the seminal work of the Harvard economist Raj Chetty. It has helped us identify cities and towns with poor social mobility prospects, and their key characteristics, for a generation of English boys born in the 1980s. Finally, for our Next Generation project, we are developing an empirically grounded theory of change to see how social mobility prospects can be improved over the next 30 years. We are open to collaborating with the Treasury on the funding implications of our work.

18 Bennett Institute for Public Policy. *The Imperial Treasury: appraisal methodology and regional economic performance in the UK*, University of Cambridge, 2018

Liam's story

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Name: **Liam Symonds**

Age: **24**

Location: **London**

Liam left school with a single GCSE. After starting college as a plumber, he changed course and eventually qualified as a lawyer. He is now training at one of the top law firms in London.

“ My mum had me when she was 17 and I never knew my dad. She raised me in Manchester, on her own with state support, and we moved homes quite a lot. I went to four different primary schools.

I was a typical class clown. I had no goals and wasn't at all invested in my future. I left high school with a single GCSE in dance. I went to college to study plumbing, as I knew it was practical and would provide me with steady work. Plus I wanted to make a fresh start.

One of my plumbing tutors was retraining to become a psychotherapist. One day she pulled me aside and asked me why I wasn't aiming for university. She said I had the capability and should raise my aspirations.

I couldn't do A-levels because of my GCSE results, so I had to do a BTEC in business instead.

I aimed for – and achieved – a triple starred distinction, which gave me the same UCAS points as three A* A-levels.

During my BTEC, I had a mentor from the Career Ready employment charity who told me about a marketing internship with a sports retail company. I got the role and impressed my managers enough for them to offer me a graduate job, even though I didn't have a degree.

I noticed all the people on the company board were professionals, such as lawyers or accountants. I'd enjoyed the contract law element of my BTEC, so when I finished it, I went on to study for a Law degree at BPP University in Manchester.

While I was an undergraduate, I won a place on the Freshfields Stephen Lawrence Scholarship Scheme. This had been set up in 2013 to address the under-representation of black men from less socially mobile backgrounds in large commercial law firms. The scholarship gave me access to some brilliant mentors, as well as several paid internships and other work experiences.

The scheme also offered a tailored 15-month programme, where I learned key skills from business professionals, such as presenting, business writing, networking, and commercial awareness. All this helped me gain a legal training contract at Freshfields against stiff competition. I'm on track to qualify as a solicitor there next year.

All of this happened because a plumbing tutor spotted my potential and encouraged me. I persevered despite numerous setbacks and being told by careers advisors to lower my expectations. If it hadn't been for her encouragement, those setbacks could have finished my career before it started. I'd be very pleased to see more programmes aimed at other young people at risk of falling through the gaps.”

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Chapter 6

Housing






Government scorecard

The Social Mobility Commission asked the government questions about its responses to recommendations made over the past seven years to improve social mobility.

Rating system

Green  Strong progress or delivery
Amber  Some, but insufficient progress
Red  Little or no action

Find out more about the methodology used to score the government's responses on **p.95**

Q	Rating
1a	
1b	
2	
3	
4	

Housing is a fundamental right in people's lives. It is a key driver of social mobility as, simply put, "without stable shelter, everything else falls apart".¹ Social mobility and housing are linked through multiple lenses: housing security, location, cost, risk of homelessness, and marked inequalities in housing wealth being inherited through generations.

There is a clear need for government to take seriously housing's major role in shaping people's life chances. Secure housing can mitigate the impacts of poverty; particularly in the case of social renting. The decline of the

use of this form of housing, however, exposes more lower-income homes to the risks of insecure private rents. Insecure housing tenure increases the probability of frequent moves, making it more difficult to sustain education, employment, training and social connections. This disruption also matters for children and can have long-term consequences on their educational outcomes, friendships and security.

Home ownership often provides greater stability relative to private renting² – yet widening inequality has increased house prices and priced lower-income households out of the

¹ Desmond, M. *Evicted: Poverty and Profit in the American City*, New York, Crown, 2016.

² However, it should be noted that lower income owner-occupiers still face insecurity given the very limited support for them to meet their housing costs through the social security system: www.jrf.org.uk/report/home-owners-and-poverty The social rented sector (not the private rented) may provide greater stability in these cases.

possibility of ownership. This matters because inequalities in home ownership translate to inequalities in housing wealth, and this wealth is also likely to be important for children's outcomes. Critically, the inheritance of housing wealth across generations sets up stark inequalities in opportunities for social mobility.

“The number of households in England reporting the end of a private tenancy as the main reason for homelessness almost doubled between 2011 and 2013.”

The impact of housing on social mobility stretches beyond simply housing tenure. Rising house prices can turn houses from a home into an asset, in a relationship that sees housing inequality exacerbate economic inequality. Recent years have seen an accumulation of housing wealth for the most advantaged households and a withdrawal from the housing ladder for younger generations and those on low and middle incomes.³

The number of 18-34 year olds owning their own homes almost halved between 1991 and 2013.⁴ While this affects all socio-economic groups, young people whose parents were not homeowners and those whose parents were in lower-skilled occupations are now less likely to be homeowners.⁵ Housing wealth has also become more concentrated geographically in London and the south-east, rather than throughout the rest of the country.

The effects of this on social mobility are diverse but pervasive. Home owners and higher income households are often in better geographical locations to access amenities such as high-quality schools and higher-skilled employment.⁶ Conversely, lower-income households priced out of these areas often face poorer quality housing and less access to services.

Yet it is important to emphasise home ownership is not a silver bullet to improve life chances. Half of all UK households in poverty are headed by home-owners, but the dynamics of poverty are different for this group: they experience more frequent, shorter spells of poverty and are likely to live in poorer quality housing than social tenants.

Low-income households overburdened with housing costs are also likely to suffer deprivation in other areas of their lives. Those on lower incomes have to rely more on private rented housing which, combined with reforms to housing benefits, increases their risk of homelessness. The number of households in England reporting the end of a private tenancy as the main reason for homelessness almost doubled between 2011 and 2013.⁷



70,000 households in England are homeless or threatened with homelessness at any one time.

Housing is not always part of the social mobility debate, but it is the scaffolding from which all else follows. There is no more painful reminder of inequality than the fact that the UK is the world's sixth-largest economy, but almost 70,000 households in England are homeless or threatened with homelessness at any one time.^{8,9} The government has a clear economic and moral responsibility to enable safe and secure housing for all.

3 Corlett, A., Finch, D. and Whittaker, M. Living Standards 2016: The experiences of low to middle income households in downturn and recovery, Resolution Foundation Report, 2016.

4 Green, A. The Crisis for Young People. Generational Inequalities in Education, Work, Housing and Welfare, Palgrave Macmillan, 2015.

5 Blanden, J. and Machin, S. Home Ownership and Social Mobility, CEP Discussion Paper No.1466, London School of Economics, 2017; Lindley, J. and McIntosh, S. The Social Mobility of Home Ownership: To What Extent Have the Millennials Fared Worse?, Sheffield Economic Research Paper Series, SERPS No.2019012, 2019.

6 Burgess, S., Greaves, E. and Vignoles, A. School places: A fair choice? School choice, inequality and options for reform of school admissions in England, The Sutton Trust, 2020




7 Beatty, C. and others. The impact of recent reforms to Local Housing Allowances: Summary of key findings, DWP research, 2014

8 Based on International Monetary Fund 2019 estimates in the World Economic Outlook Database, October 2019. To note, the World Bank (2018) and United Nations (2017) ranked the UK 5th by GDP.



9 Statutory homelessness statistics for England, April to June 2019: 68,170 households were assessed as threatened with homelessness or homeless. Details on MCHLG statistical release, 2019

Our questions to government

To the Ministry for Housing, Communities and Local Government (MHCLG):

Q1a	To what extent has the department maintained/retained access to emergency funds to minimise the risk of homelessness for those in low-income households?
Response Rating: Amber 	<p>The government recently confirmed £263 million funding for local authorities to prevent and relieve homelessness in their areas through the Homeless Reduction Act, a £23 million increase on the previous financial year. This gives local authorities the flexibility to respond to homelessness pressures in their areas. The funding includes the £63 million Homelessness Reduction Grant. This grant replaces the Private Rented Sector Access Fund, which was a one-off £19.5 million funding scheme for 54 million homes in 2019-20.</p> <p>Financial support from the benefits system, where the government has committed an extra £40 million in Discretionary Housing Payments for 2020-21 to help those facing affordability challenges in the private rented sector.</p> <p>Affordable homes will also help prevent people falling into homelessness. A total of 250,000 new affordable homes will be built by March 2022 through the Affordable Homes Programme.</p>
Q1b	What is the department's general strategy for protecting low-income families and individuals from the risk of homelessness?
Response Rating: Green 	<p>The Homelessness Reduction Act allows local authorities, public services and the third sector to work together to prevent homelessness for people at risk.</p> <p>Local authorities are working with people at risk of homelessness to develop personal housing plans. This is supported by the Homelessness Reduction Grant, along with a team of specialist advisers in MHCLG.</p> <p>In October 2018, the Duty to Refer came into effect. This requires named public authorities to refer service users who are homeless or threatened with homelessness to a local housing authority. In Q2 2019, 33,450 secured housing through this route – 65% were single households compared to 30% prior to the Homelessness Reduction Act (Q4 2017).</p>
Q2	How and to what extent has the department considered social mobility in developing its policy and strategy on housing supply as it relates to (a) home ownership and (b) social housing?
Response Rating: Amber 	<p>There are a range of programmes to make home ownership more affordable, such as Help to Buy, Right to Buy, and Shared Ownership.</p> <p>On 7 February 2020, the government published a consultation on the First Homes policy, enabling local first-time buyers the chance to get onto the property ladder, with a discount of at least 30%.</p> <p>Since 2010, the government has delivered 464,500 new affordable homes, some of which were funded by the Affordable Homes Programme. The government has committed to renewing the AHP, with £12 billion confirmed for 2021-22 to 2025-26.</p> <p>The government has committed to bring forward a social housing white paper that will set out further measures to empower tenants and support the continued supply of social homes. This will include measures to provide greater redress, better regulation and improve the quality of social housing</p>

To the MHCLG: (Continued)

Q3	What action has the department taken to ensure longer-term tenancies have become the norm in the private rented sector?
Response Rating: Amber 	<p>An increasing proportion of families and older people now rent their homes. There is a need for longer and more stable tenancies. The government has encouraged longer-term tenancies in the build to rent sector through changes to national planning policy and guidance.</p> <p>The department consulted on overcoming the barriers to longer private tenancies in 2018, asking for a three-year tenancy model, but there was no consensus for this model. As a result, the government instead proposed to improve security for tenants by ending 'no fault' evictions and repealing Section 21 of the Housing Act 1988.</p> <p>Responses to a recent consultation on how this should operate will inform the Renters' Reform Bill. This will improve protections for short-term tenants.</p>
Q4	Did the department match-fund the Heseltine Panel's proposals to improve prospects for social tenants?
Response Rating: Amber 	<p>The government launched the Estate Regeneration National Strategy in 2016 with the aim of developing estates in poor conditions.</p> <p>This included a funding package of £32 million, which was given to local authorities and housing associations to work collaboratively on 105 estates.</p> <p>This package also included £140 million of recoverable loan finance to support estate regeneration and encourage private sector investment and partnerships. This built on the £150 million of loan funding provided under the 2014/15 Estate Regeneration Programme.</p>

Analysis

Our first set of questions to the government concerned the general strategy for reducing homelessness, and the use of emergency funds to stop those most at risk of falling into homelessness. It remains profoundly unfair that some people run the risk of homelessness. Those most likely to do so are from single-person households, and there are increasing numbers of children experiencing homelessness.

“There are increasing numbers of children experiencing homelessness.”

We recognise the government’s strong intent to minimise the risk of homelessness through multiple routes. These include the Homelessness Reduction Act, the associated Grant, and the Duty to Refer that came into effect in October 2018. However, we are concerned that this positive legislation of the Homelessness Reduction Act in particular, which adds two new statutory duties on local authorities to help prevent and relieve homelessness, will not be sufficient to reduce homelessness without accompanying structural changes to support longer-term stable tenancies and more affordable housing.

We support the intent behind these programmes, but regret that they lack the reach needed given the scale of the problem. Protecting individuals and families in low-income households from the risk of homelessness is an absolute priority, and the government is failing to adequately do so.

Our next recommendation sought to understand how MHCLG considered social mobility in its policy and strategy on housing supply, particularly with respect to home ownership and social housing. The housing tenures of owner-occupiers (those living in and owning their own homes), private renters, and social renters have all seen marked shifts since the 1980s.

The percentage of owner-occupiers initially increased, but has been falling since 2003. Over the same period, there has been an increase in private renters and a fall in social renters.¹⁰

These declines in both home ownership and social renting are pressing issues, given that they disproportionately affect lower income households, which are less likely to be home owners. Only 38% of households with the lowest 10% of household incomes (in the region of £13,312 a year and below) own their own home, in contrast to 93% of the top 10% of households (with incomes in the region of £53,820 and above).¹¹

We are therefore supportive of the intent behind the multiple programmes to support home ownership noted in the response, including Help to Buy, Right to Buy, and Shared Ownership. Unfortunately, in practice these schemes have shown limited effectiveness in opening up home ownership to lower income households to support social mobility.

“Declines in both home ownership and social renting... disproportionately affect lower income households.”

This is clearly demonstrated by Help to Buy. Help to Buy has no minimum income threshold, but in practice only 2% of purchases are made by households with an annual income of £20,000 or less (in the region of the bottom 25% of household incomes), compared to 64% of purchases being made by households with an annual income of £40,001 or more (in the region of the top 25% of household incomes).

Despite this evidence that Help to Buy is overwhelmingly used by better-off households, it constitutes almost half of current housing public investment.¹²

10 MHCLG. English Housing Survey 2018 to 2019: headline report, 2020.

11 These data are drawn from different sources covering different time periods, so are indicative of the relationship between household income and home ownership rates, but are not definitive statistics. Home ownership statistics: Household ownership rates by total household net equivalised income decile, July 2012–June 2014. ONS release on Wealth in Great Britain Wave 4, Chapter 3. Household income: DWP Households below average income release, March 2020. Figures derived from weekly net equivalised household income before housing costs by percentile for 2018–2019.

12 Perry, J. Housing Expenditure Plans. In: Stephens, M. and others (eds). UK Housing Review, Coventry, CIH, 2019.

It lacks the reach to genuinely assist people on lower incomes, and is predominantly used by households who would have been able to afford a similar home without a subsidy.¹³ Crucially, it is consequently thought to have worsened overall housing affordability by increasing housing demand without a matched increase in supply.¹⁴

Similarly, Shared Ownership also aims to provide a more affordable route to home ownership, and fares slightly better than Help to Buy: 20% of Shared Ownership purchases have an annual household income of £20,000 a year or below¹⁵. The scheme works through a lower deposit and people being able to buy their own home through buying incremental shares. However, the growing disconnect between earnings and house prices is a significant barrier to people being able to afford to buy their home in this way through the scheme.¹⁶

Right to Buy also has a welcome premise to give social tenants the ability to own their home. However, its reach is relatively restricted and it remains less accessible for those on very low incomes. Social housing can be a springboard for social mobility, and it is unfortunate that the use of Right to Buy has declined since the 1980s.

However, it is important to recognise that Right to Buy has also impacted on social housing. It has both reduced the stock of social housing and decreased the quality of available housing, where higher-quality homes are bought up and there is subsequently an increased stigma attached to being a social tenant.¹⁷

The replacement rate of social homes bought under Right to Buy has been under 40% in the past two years.¹⁸ This amounts to both a shortcoming in building enough genuinely affordable rental housing and a redirection of public spending away from those on the lowest incomes (where Right to Buy is only accessible for those with sufficient incomes to be prospective homeowners).

We recognise the intent behind the government's push to enable home ownership, but are clear this does not go far enough for those on lower incomes and is not being met by a matched supply of affordable homes.

In social housing policy more broadly, the Social Housing White Paper and the Estate Regeneration National Strategy have the potential to improve prospects for social tenants and the effectiveness of our social housing policy. However, the small size of this sector suggests these reforms are reaching a lower proportion of people than needed.

Cross-cutting issues

There are also cross-cutting issues with social housing that present barriers to social mobility. Area characteristics such as high criminality and drug misuse present risks for children and young people growing up there. The concentration of low-income households in deprived areas, which often offer lower quality public services and access to job opportunities, can compound disadvantage.

“Property hoarding’ – where housing is bought up as an asset – has not been adequately tackled and exacerbates inequality by decreasing affordability for those at the bottom.”

We have also asked the government about its progress on increasing longer-term tenancies in the private rented sector. For some, renting privately is a choice that provides flexibility. For others it is not a choice: those who cannot afford to buy must rent and face steeper housing costs compared to other forms of tenure. We welcome the government's recognition that more families and older people now rent their homes, shining a light on the need for these tenancies to be secure.

13 Crisp, R. and others. Tackling poverty through housing and planning policy in city regions, York, Joseph Rowntree Foundation, 2017; Provan, B., Belotti, A., Lane, L. and Power, A. Low Cost Home Ownership Schemes, Social Mobility Commission, 2017.

14 Analysis by the OECD, 2015a; Office of Budget Responsibility, 2013; Shelter, 2015.

15 Savills. Spotlight on Shared Ownership, 2019.

16 Cowan, D., Wallace, A. and Carr, H. Exploring experiences of shared ownership housing: reconciling owning and renting, University of Bristol, Bristol, 2015; Tunstall, R. and others. The Links between Housing and Poverty: An Evidence Review, York, Joseph Rowntree Foundation, 2013.

17 Disney, R. and Luo, G. The Right to Buy public housing in Britain: A welfare analysis, Journal of Housing Economics, 35, 51-68, 2017.

18 An estimated 90,000 homes a year at social rent are needed to meet the current and future demand for social housing, but since 2010 there has been a decline in the levels of homes at social rent being built: the proportion of new affordable homes for social rent fell from 65% in 2010/11 to 11% in 2018/19.

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However, progress towards this aim has been limited. MHCLG noted that they sought consensus for a three-year tenancy model, but this had not been agreed. The UK private rental sector is both unsubsidised and unregulated, and an agreement on three-year tenancies would have provided welcome stability for renters.

Despite this, the ending of 'no fault' evictions, by repealing Section 21 of the Housing Act 1988, represents good progress and we will seek to see the implementation of this in practice.

A wider strategic concern across our recommendations is the need to recognise how what is happening at the top of the housing market influences what is happening at the bottom. For example, the issue of 'property hoarding' – where housing is bought up as an asset – has not been adequately tackled and exacerbates inequality by decreasing affordability for those at the bottom. The possibility of accumulating housing wealth is now increasingly limited to young people from better-off families. For the foreseeable future, this is likely to remain one of the biggest sources of intergenerational inequality and a challenge for social mobility.

Summary

We welcome the government's recognition of housing issues relating to social mobility and the programmes it has put in place, but we are disappointed to see that these are not sufficient to meet the challenges faced in the sector. We particularly recognise how this culminates in stark inequalities in housing wealth, which are being set up in this generation and have the potential to significantly impact social mobility for future generations.

The efforts to reduce homelessness are necessary, but dwarfed by the scale of the problem. Its persistence is a painful sign of the inadequacy of the government's response to this issue.

Programmes to encourage home ownership are well-intentioned, but in practice do little for those on lower incomes genuinely struggling to afford a home. Efforts to improve the stability of private tenancies are underway, but face a substantial challenge where growing proportions of people privately rent, and with the sector remaining unregulated and more precarious than for homeowners. Prospects for social tenants have the potential to improve, but aspects of this sector still present social mobility barriers.

We recognise the critical need for stable, secure housing to mitigate the impact of disadvantage in other areas of people's lives by providing homes in which they can thrive. Considerable progress has been made, but there remains significant work to do to make this a reality.

Darren's story

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Name: **Darren Parker**

Age: **46**

Location: **Barnsley**

After becoming homeless, Darren found it hard to access services and get work. Once he was given housing, he was able to rebuild his life. He's now completed his MBA and is working as a coach.

“ I grew up in a coal-mining village near Rotherham. My dad worked in the pit and my mum was a housewife. I remember the 1980s coalminers' strike like it was yesterday.

My parent split up when I was 13, and I moved to Sheffield with my mum and her new partner. Things weren't good at home, and the upheaval meant I went from getting As and Bs at school, to not going at all. I liked the structure of cadets and joined the Army when I was 16, to get away from home. I did tours of Northern Ireland and Bosnia, where we witnessed horrible things. That led to panic attacks, hallucinations and sleeplessness, and I chose to leave in 1995. Twenty years later, I was diagnosed with PTSD.

I worked in the steel industry and did my GCSEs, A-levels and access course through college, then a BSc in Youth Sports at Sheffield Hallam.

I was teaching at a Youth Offenders Institute until a road traffic accident led to me being on life support and losing my job. My relationship fell apart, debts started to mount up and I ended up being homeless.

During those nine months, I couldn't see anything getting any better and I was in a dark place. I started sofa surfing with old friends, although I slept rough a couple of times, which was absolutely awful. Because I had no fixed abode, it was hard to access finances and services. I was still 'on the sick' and unable to get any work. When I got my health back, it was hard to find work because I didn't know where I'd be from one week to the next.

I wanted my own independence and to have my kids visit, but I couldn't get a place of my own because I didn't have any cash. Sheffield Council could only offer me a one-bed flat in the worst area of the city, where drugs and crime were high, which was the last thing I needed because of my hyper-vigilance from PTSD.

Eventually I went on the national housing register and was given a three-bedroom house in Barnsley. I didn't know anyone there, but it allowed me to dig my feet in and start again. I knew that it were mine and it wasn't going away. It made me feel proud of myself again, rather than a waste of space, and I worked my way up into management at one of the UK's largest companies.

A mental health crisis got me in touch with some military charities. I started getting treatment for my PTSD at last. Since then, I've become an advocate for veterans speaking openly about their experiences. I did an executive MBA in London for two years and have recently started at Action Coach UK. It's brilliant, as it's back to doing what I love: teaching and helping people.

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Chapter 7




Transport

Government scorecard

The Social Mobility Commission asked the government questions about its responses to recommendations made over the past seven years to improve social mobility.

Q	Rating
1	

Rating system

- Green**  Strong progress or delivery
- Amber**  Some, but insufficient progress
- Red**  Little or no action

Find out more about the methodology used to score the government's responses on **p.95**

Transport policy is a key means to support upward social mobility. Investment in a well-functioning public transport network enables those from low-income backgrounds to access education, training and employment. Transport is the vital lynchpin through which opportunities in education and employment are realised.

Disadvantaged communities rely heavily on public transport; especially bus travel. People in lower income households make 2.5 times as many bus journeys as those in higher income households,¹ and poor-quality transport is often a barrier rather than the enabler it should be to finding work.²

The effects of transport poverty are not distributed equally, however. It is often worse in rural areas, with sparser services which are harder to run and more costly for these communities.³

It is crucial that transport is viewed as part of an overall system to support social mobility, tied to the nature and location of opportunities. One reason the transport system often does not work to the advantage of those on lower incomes is because the majority of investment goes towards projects such as rail, high-speed rail and road infrastructure, which do not match closely the daily travel needs of

1 DfT. Mode of travel, Statistical dataset NTS0705, Travel by household income quintile and main mode or mode: England.
 2 Joseph Rowntree Foundation. Tackling transport-related barriers to employment in low-income neighbourhoods, 2018.
 3 NatCen. Transport and inequality: A review for the Department for Transport, 2019.

poorer communities. The projected spend of rail projects alone from 2018/19 to 2020/21 is £17.5 billion, more than twice as much as any other transport sector.⁴ These are modes of travel that, whilst valuable, are often not the form of transport needed to get many low-income users to local education, training and employment.⁵

“Disadvantaged communities rely heavily on public transport; especially bus travel.”

Whilst this difference is clearly due in part to the significant investment required for large infrastructure projects, there have also been successive cuts in local authority bus funding. Indeed, this has nearly halved since 2010.⁶ The effect has been to reduce the mileage of valuable bus services, affecting people living in rural areas and on urban peripheries the most.^{7,8,9} Frequently, these are also social mobility cold spots,¹⁰ suggesting fragmented transport options increase the difficulty of finding stable, well-paid work. Travel to work is also disproportionately expensive for lower income households, which spend approximately 25% of their income on commuting compared with the average of 13%.¹¹

The end result is that people around the country do not have equal ability or access to use public transport, which can profoundly affect the choices they make. For example, over a third of young people in rural areas say they would have continued their education after age 16 if they had received more financial support to cover the cost of transport. In addition, disadvantaged pupils report not attending extra-curricular activities outside school locations because travel is unaffordable.¹² This is deeply unfair both on pupils and their families, who carry this knock-on burden.

“Travel to work is.. disproportionately expensive for lower income households, which spend approximately 25% of their income on commuting compared with the average of 13%.”

Given this evidence, we are concerned that poor transport services – whether unreliable, poorly connected, infrequent or simply unaffordable – limit the pool of opportunities available to disadvantaged people. Historically, the Commission has not engaged extensively with the interaction between transport policy and a region’s social mobility prospects – yet we recognise that gains made in education and work must be met by the transport system that serves them. The planning and delivery of services that work for local people is crucial, as transport is the key to people reaching these opportunities and ‘levelling up’ in practice.

4 Infrastructure and Projects Authority. Analysis of the National Infrastructure and Construction Pipeline, 2018. This is with the exception of high-speed rail (HS2) with a projected spend of £11 billion.

5 NatCen. Transport and inequality: A review for the Department for Transport, 2019.

6 Campaign for Better Transport. The future of the bus: Future funding arrangements, 2019.

7 Ibid.

8 DfT. Statistical datasets BUS02, Local bus vehicle distance travelled, 2013.

9 It is important to note here that subsidised services have declined but the mileage of commercial bus services has increased.

10 Social Mobility Commission. State of the Nation report, 2017.

11 Lucas, Stokes, Bastiaanssen and Burkinshaw. Inequalities in Mobility and Access in the UK Transport System, 2019.

12 Commission for Rural Communities. Barriers to education, employment and training for young people in rural areas, 2012.

Our questions to government

To the Department for Transport (DfT):

Q1	To what extent has the department considered social mobility in its planning of the transport budget?
Response	<p>We use a number of approaches, which give us a good assessment of how new schemes affect social mobility related issues, including our appraisal guidance and the use of social research in business cases.</p> <p>On appraisal guidance</p> <p>Our guidance sets out how scheme promoters can assess the extent to which the scheme could potentially move individuals into the labour market or higher-productivity employment. Transport appraisal also incorporates an assessment of accessibility – the extent to which transport interventions can assist individuals in connecting with jobs, services and social networks – and affordability, the monetary cost of travel, especially for low-income groups. These factors are considered when determining the value for money of the scheme and are also an important element of distributional analysis.</p> <p>Social research and impact on people</p> <p>The DfT Think People programme puts users and communities at the centre of decision-making. A key element of this is people-centred business cases. This includes:</p> <ul style="list-style-type: none"> • Developing new metrics to understand the impact of a scheme from the perspective of an individual • Adopting an enhanced approach to distributional and spatial analysis • Presenting analysis in a more salient and innovative way, using maps for example. <p>On rebalancing the national transport budget to deliver a more equal share of investment per person</p> <p>To ensure that rebalancing is considered in investment decisions, DfT launched a rebalancing toolkit in 2017. This aims to improve the focus, quality and transparency of evidence presented in the strategic case for rebalancing to be considered more consistently.</p> <p>On a rebalanced transport budget contributing to a more regionally balanced economy</p> <p>We regularly set out analysis of our planned expenditure across regions. The regional analysis of the Infrastructure and Project Authority’s National Infrastructure and Construction Pipeline 2018 shows that planned central government transport investment is similar across regions.</p> <p>In each of the three years from 2018/19 to 2020/21 we will invest an average of £248 per person per year in the North, and £236 per person in the South, Midlands and East of England. We continue to analyse this as our spending plans develop.</p>

Rating: **Amber**

Analysis

Our recommendations to the DfT concentrated on how it was incorporating social mobility into the planning of the transport budget. This was through rebalancing the national transport budget to deliver a more equal share of investment per person, and to support an economy more evenly balanced across regions.

Overall, we support the clear steps taken by the DfT to understand the impacts of transport planning on outcomes tied to social mobility. However, we note that the rigour of these processes does not seem matched by evidence showing explicit use of the findings in decision making to support lower-income users.

The DfT also provides welcome evidence that central government transport investment is becoming more regionally balanced. The Infrastructure and Project Authority's National Infrastructure and Construction Pipeline analysis, cited in the DfT's response, estimates a projected spend up to 2021 of £236 per person in the South, Midlands and East of England, balanced with £248 per person in the North.¹³

■ **People in lower income households make 2.5 times as many bus journeys as those in higher income households.**

Yet we recognise that achieving a more equal transport service is not just about equalising per person spend in a vacuum, but critically requires strategic, systemic planning to improve transport to areas of educational and employment opportunity.

One component of this strategic planning is robust evidence about the impact of transport spending. In this vein we commend the DfT for their processes to understand the potential impacts of a scheme on people's connectivity. Their appraisal guidance sets out how scheme promoters can assess the extent to which schemes can move individuals into employment or more productive jobs.

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Similarly, we welcome their use of social research to understand the impact of transport schemes on people and communities.

However, we have seen limited evidence that planning decisions are explicitly and transparently prioritised for transport schemes to meet the needs of people on lower incomes. For example, in its appraisal guidance, the DfT notes it provides a framework for considering affordability and accessibility as part of a scheme's value for money; where it is relevant and proportionate to do so. But the DfT does not have a clear stated policy as to how strategic transport priorities should be chosen.

This is particularly important as the characteristics of deprived areas often mean they may present lower-value options for investment, even after the above criteria are assessed. Whilst all regions are able to bring forward schemes assessed as high value for money,¹⁴ schemes in more deprived or remote areas may have weaker economic returns, despite their social value.

The second component of strategic planning is having the structures in place to use evidence to deliver transport services that meet the day to day needs of their users. Here we recognise that the governance and regulation of local

¹³ Infrastructure and Projects Authority. Analysis of the National Infrastructure and Construction Pipeline, 2018. These figures are average annual per capita projected central government transport spend across super regions from 2018/19 to 2020/21.

¹⁴ DfT. Value for money indicator, 2017.

transport services – mechanisms well outside the planning of transport spend – play a vital role in shaping the design of transport services.

A key example of this for disadvantaged users is local authority run bus services. Local governments are unable to plan strategically and manage their routes so as to cross-subsidise less profitable, but socially important routes.¹⁵ This, alongside reductions in local authority funding, has meant that local authority run routes have been steadily declining.

From 2011/12 to 2017/18 there was a 47% drop in the miles travelled on local authority supported bus services in England (excluding London). Over the same period, there was a 31% drop in passenger journeys.^{16,17} The greater proportional decline in vehicle miles compared to passenger journeys suggests that longer bus routes, which are often rural, have been cut. This demonstrates the need for local areas to have more power to deliver bus services in a way that safeguards socially valuable but less profitable routes.

There are encouraging steps in place for regions to plan their transport schemes more systematically. However, all have limits in the genuine powers they give local regions for long-term strategic planning. For example, the 2017 Bus Services Act offers Combined Authorities the option to choose more regulated bus networks in their metropolitan area. However, the Act also prevents the creation of new municipal bus companies, which are an effective way for local authorities to more directly plan and supply bus services.¹⁸

The Transforming Cities Fund, which was similarly launched in 2017 to promote local growth within metropolitan regions, provides metro mayors with £1 billion to invest in local transport priorities. However, the other £1.3 billion of the fund is available for other city regions to bid into on a competitive basis.

Further, the funding is for a three-year period which, whilst relatively long for central government funding, is a significantly shorter term than that needed for effective planning and delivery of long-term transport projects. Whilst the intent behind the Transforming Cities Fund and the funding itself is undoubtedly welcome, it therefore remains too limiting to deliver the transformative change to transport planning needed.¹⁹

Summary

It is encouraging that the DfT generates comprehensive evidence of its scheme impacts as part of its transport planning and spending decisions. However, there is less indication that this valuable evidence is used in decision making in such a way that explicitly values social mobility and the connectivity of lower-income places and people.

We acknowledge that multiple lines of evidence are fed into decision-making. Still we emphasise that a strategic, systemic focus on connecting deprived areas with education, training and employment opportunities is crucial for transport to help unlock the social mobility potential of left-behind regions. We also emphasise a crucial building block is the power of places to strategically plan and deliver their services, which is still limited in the majority of England.

The Commission is interested in engaging more on the role of transport in the future. We will seek to take a strategic view where transport is part of the wider system for social mobility, for it to help people access the education and employment opportunities they deserve.

15 Joseph Rowntree Foundation. Tackling transport-related barriers to employment in low-income neighbourhoods, 2018.

16 Bus Statistics BUS0205 (vehicle miles). Vehicle mile statistics currently run up to 2018-19, but the earlier year was used for a comparable timeframe with the bus passenger statistics.

17 Bus Statistics BUS0112 (passenger journeys).

18 This contrasts with the current deregulation of bus market, which splits it into commercially viable routes and those that are less profitable. The less profitable routes are often run by local authorities, but funding is an issue in these being sustainable. Sufficient money remains a broader issue for local areas to take up the powers from the Bus Services Act; because in many areas concessionary travel makes up a very high proportion of passengers there is limited revenue to then be redistributed.

19 Urban Transport Group. The Local Transport Lottery: The costs and inefficiencies of funding local transport through ad hoc competitions, 2020a.

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Chapter 8




Health

Government scorecard

The Social Mobility Commission asked the government questions about its responses to recommendations made over the past seven years to improve social mobility.

Q	Rating
1	
2	
3	

Rating system

- Green**  Strong progress or delivery
Amber  Some, but insufficient progress
Red  Little or no action

Find out more about the methodology used to score the government's responses on **p.95**

Socio-economic inequalities in mental and physical health are a familiar concept, and it is well known that such inequalities often present throughout childhood and persist into adulthood.¹

In 2020, The Marmot Review 10 Years On report showed that health inequalities have persisted, where the increases in life expectancy at birth have slowed since 2010, with this slowdown greatest in the more deprived areas of the country.² In some cases shockingly so: female life expectancy declined in the most deprived 10% of neighbourhoods between

2010-12 and 2016-18. Many of the social determinants of these health differences have remained unchanged over the past decade.

Health inequalities undermine social mobility. They affect childhood development, limiting opportunities for good educational outcomes and reducing the chance to secure sustaining and gainful work in adulthood.³ This is crucial for both current inequalities and the future intergenerational impact of these health inequalities on social mobility.

- 1 Rougeaux, E. et al. Have health inequalities changes during childhood in the New Labour generation? Findings from the UK Millennium Cohort Study, *BMJ Open*, 2017.
- 2 Health Equity in England: The Marmot Review 10 Years On. It is important to note that life expectancy at birth in England is increasing and currently at its highest ever, but what these figures show is a relative slowdown in the year-on-year gains in life expectancy, where this slowdown in life expectancy is greatest in the most deprived areas. Further figures can be found in the ONS statistical release: National life tables, UK: 2016 to 2018, 2019.
- 3 DHSC and DfE. Consultation outcome, Transforming children and young people's mental health provision: a green paper, 2017.

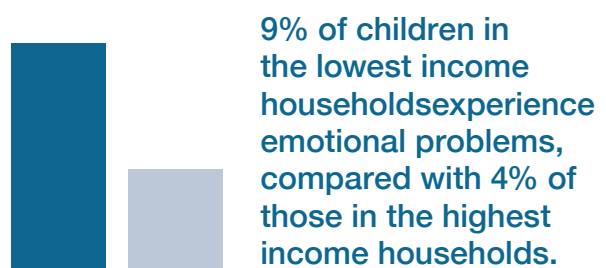
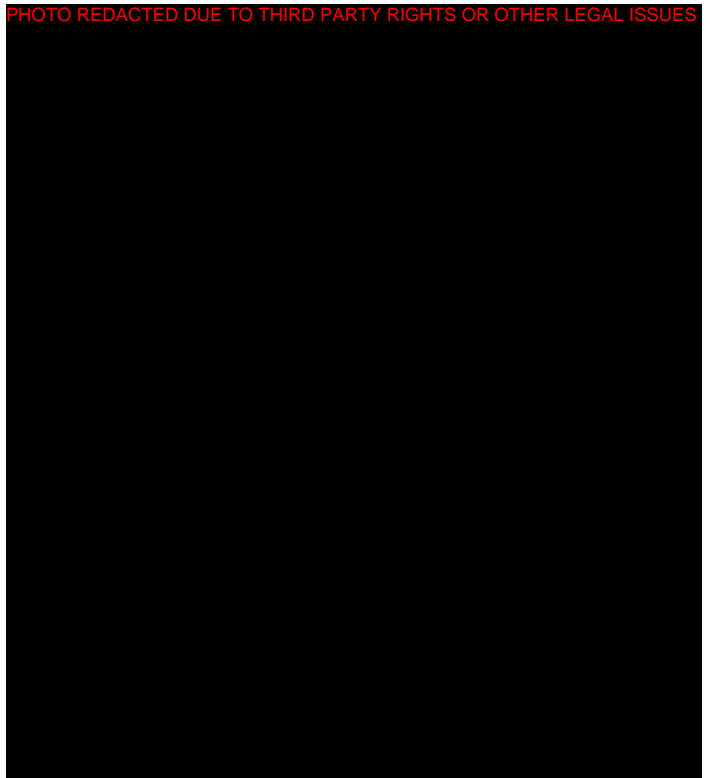
Socio-economic inequalities are well-established for both physical and mental health. The gap in healthy life expectancy between the most and least deprived areas of England is around 19 years.⁴ Growing evidence for mental health shows a similar pattern, where 9% of children in the lowest income households experience emotional problems compared with 4% of those in the highest income households.⁵

“Socio-economic inequalities are well-established for both physical and mental health.”

Importantly, there are also clear associations between certain health conditions and life chances in adulthood. People with five or more health conditions have an employment rate of 23%, compared to 76% for the UK population as a whole.⁶

Further, the probability of poor health is not equally distributed across the population: there are higher rates of limiting long-term illnesses among both men and women in routine and semi-routine occupations, compared to their peers in professional and managerial positions.⁷

This social gradient in mental and physical health is driven in part by inequalities in the conditions into which people are born and live. While the relationship between socio-economic background and health is complex and reflects multiple underlying causes, there is a clear need to address these drivers of persistent health inequalities.



These disparities are stark, unfair, and avoidable. In this chapter, we look at progress towards addressing socio-economic inequalities in both physical and mental health, with a view to engaging more on these issues in the coming year.

4 This estimate is for 2014-2016 and is for both males and females. Source: Public Health England. Research and analysis, Chapter 5: inequalities in health, 6. Inequalities in mortality from specific causes, 2018.

5 NHS Digital. Mental Health of Children and Young People in England, Emotional Disorders briefing, 2017. It should be noted these figures may have limited representativeness due to some non-responses to questions on household income in the survey.

6 Public Health England. Guidance. Health matters: health and work, 2019. Data are as of September 2018.


7 The Marmot Review: Strategic review of health inequalities in England post-2010, p.50.

Our questions to government

To the Department for Health and Social Care (DHSC):

<p>Q1</p>	<p>What is the department doing to reduce mental health inequalities between those of different socio-economic backgrounds?</p>
<p>Response</p> <p>Rating: Green</p> <hr/>	<ul style="list-style-type: none"> • Mental Health: Since April 2019, NHS England has been using a more accurate assessment of need for community health and mental health services to inform funding and ensure the allocation formula is more responsive to unmet needs in areas of deprivation: <ul style="list-style-type: none"> • The independent review of the Mental Health Act has made recommendations to improve legislation and practice. • Following this independent review, NHS England and NHS Improvement will also develop, test and roll-out a Patient and Carer Race Equality Framework to improve access, experience and outcomes for black and minority ethnic people • The government is funding new Mental Health Support Teams to provide early intervention and ongoing support for mild to moderate mental health needs in children and young people. Applications from Clinical Commissioning Groups to implement teams must set out how they will take account of disadvantage and need and seek to reduce health inequalities. • Successful bids for MHST sites are expected to demonstrate knowledge, understanding and consideration of the local needs and inequalities of an area. This includes looking at levels of Free School Meal eligibility as well as populations of BAME, LGBT and Looked After Children. • As part of the NHS Long Term Plan, there will be an additional £2.3 billion each year invested in mental health by 2023/24. This is with the aim that, among other targets, 345,000 additional people will access children and young people's mental health care and 370,000 more adults will have better community support. • Young carers: Up to 20,000 young carers will benefit from the NHS rolling out top tips for general practice, such as access to preventative health and social prescribing, by 2023-24 • Homelessness and mental health: An additional £30 million has been identified within the NHS Long-Term Plan for specialist mental health services for people experiencing rough sleeping. Public Health England is also delivering £2 million to test access to community services for people experiencing co-occurring rough sleeping, mental health and substance misuse needs. Budget 2020 further announced £262 million for substance misuse treatment services, which, when fully deployed, is expected to help more than 11,000 people a year.

To the DHSC: (continued)

Q2	What is the department doing in order to reduce physical health inequalities between those of different socio-economic backgrounds?
<p>Response</p> <p>Rating: Amber</p> 	<ul style="list-style-type: none"> • The NHS Long-Term Plan: The NHS has set out its priorities up to 2023-24 in the NHS Long-Term Plan, which has a focus on reducing health inequalities, both locally and nationally • Local level: clinical commissioning groups are being supported through investment, data and an online menu of interventions, jointly produced by NHS England and Improvement and Public Health England • Prevention of health inequalities: DHSC's Prevention Green Paper was published in July 2019. DHSC is currently analysing the responses from the consultation to understand how to secure improvements for people living in poorer communities or excluded groups. The key ambition is for improvements in disability-free life expectancy alongside reducing the gap between rich and poor by 2035 • Offender health: The National Partnership Agreement for Prison Healthcare in England 2018-21 has five signatories, including DHSC. This agreement acknowledges the need for health and justice partners to work together to ensure care that reduces health inequalities for offenders

To the Department for Digital, Culture, Media and Sport:

Q3	To what extent has the department considered the importance of socio-economic diversity as it sponsors sport in the UK?
<p>Response</p> <p>Rating: Amber</p> 	<ul style="list-style-type: none"> • The government's 2015 sports and physical activity strategy, Sporting Future, targets people in groups with lower levels of participation, including those from lower socio-economic backgrounds. • In 2016, Sport England published its own strategy, which commits itself to spending at least a quarter of its budget on tackling inactivity and focusing on supporting groups which are traditionally under-represented. Initiatives include 12 local delivery pilots across England and a Tackling Inactivity and Economic Disadvantage fund. • Sport England is actively promoting diversity within sports and the physical activity workforce, by requiring funded organisations to collect data and monitor progress and change. This includes creating a £1 million workforce diversity fund to support individuals with diverse backgrounds to thrive in sporting workplaces, as well as investing up to £400,000 to increase diversity in sports leadership roles by 2021 • Since April 2019, UK Sport has created a £6 million Talented Athlete Scholarship Scheme to support young athletes from disadvantaged backgrounds. Sport England also funds Backing the Best with £5.5 million of National Lottery funding over four years to support early stage athletes facing the greatest financial challenges

Analysis

We welcome the government's clear recognition of physical and mental health inequalities, and the packages to address them. The NHS Long Term Plan sets clear intentions to reduce healthy inequalities both locally and nationally.⁸ The focus is on communities and groups most affected by significant causes of poor health, such as smoking, drinking problems and Type 2 diabetes.

Other groups are setting out their own five-year strategies, including local NHS organisations, councils and other partners. This also has the potential to improve the quality and accessibility of health services in more disadvantaged communities.

Similarly, the Prevention Green Paper has an explicit intent of reducing the gap in healthy independent life expectancy between the most and least deprived individuals by 2035. This is a significant goal, aligning with the recommendations of the original 2010 Marmot Review on health inequalities. These focused on prevention, which had historically been lacking compared to the focus on acute services, access and waiting times.

“The Prevention Green Paper and NHS Long Term Plan face a substantial challenge in reducing social inequalities in health.”

The Prevention Green Paper and NHS Long Term Plan face a substantial challenge in reducing social inequalities in health, given that many of the causes of health inequalities sit outside DHSC's remit. Time is needed to assess whether delivery of these programmes meets this ambition, but we welcome the explicit focus on reducing health inequalities.

This ambition is also evident in DCMS's efforts to increase socio-economic diversity in sport. Since 2016, socio-economic diversity has been embedded in the design and delivery of programmes by Sport England and UK Sport. Evaluation of these initiatives and time will show whether the ambitions of

increasing the participation of disadvantaged young people in sport have been realised, but we welcome the explicit goals and clear progress in DCMS's programmes.

Mental health has come under a growing focus in recent years, following a cross-sectoral push for equal footing with physical health. Although the determinants of poor mental health and physical health can be intertwined, the acute need for better mental health support throughout childhood, adolescence and adulthood has prompted several building blocks for change in this area. Developments noted in the response include the new Mental Health Support Teams (MHSTs), where one criterion for selecting sites is an area's level of pupils on Free School Meals, together with a more sensitive funding allocation to identify areas of unmet need in local mental health services.

These actions demonstrate a clear intent and process for reducing socio-economic inequalities in mental health. In particular, the MHSTs recognise the need to prevent the onset of mild-to-moderate mental health needs in childhood and adolescence. This is important because approximately 50% of adult mental health problems begin by age 14 and the slightly higher prevalence of emotional disorders in children and young people from more deprived backgrounds suggests an enhanced need for prevention in these groups.⁹ Basing the location of MHSTs partly on deprivation scores recognises this overlap between socio-economic disadvantage and mental health needs.

Despite these positive advances, one area of concern is the genuine extent to which these policies will have equal reach for those from more deprived backgrounds on the ground. The extent to which there is sufficient data to evaluate the socio-economic impact of health policies is also of concern. There are additional constraints to meeting need in populations with greater demand, and barriers such as perceived stigma, reduced help-seeking and accessibility of services could result in fewer individuals from disadvantaged backgrounds

8 NHS Long Term Plan, www.longtermplan.nhs.uk.

9 Mental Health Foundation. Mental health statistics: Poverty, <https://www.mentalhealth.org.uk/statistics/mental-health-statistics-poverty>.

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getting the help they need. It will be valuable to monitor the socio-economic characteristics of the populations that mental health support reaches to assess whether 'invisible barriers' in the system mean it is harder for those from less advantaged backgrounds to obtain help.

Health inequalities intersect across multiple social groups – many of which overlap with low socio-economic backgrounds, but not exclusively so. This is important because in DHSC's response their activities reference young carers, offenders and people experiencing homelessness. This suggests that socio-economic disadvantage is not necessarily the lens through which activity is organised, but rather through these groupings that reflect more complex clusters of need. It is important for our future engagement in this area to reflect on the overlap between socio-economic background and the underlying drivers of health inequalities.

Summary

The government has shown explicit intent to reduce health inequalities via the NHS Long Term Plan and the Prevention Green Paper. There is also progress on mental health support, particularly for children and young people. Taken together, this indicates a strong commitment to reducing socio-economic health inequalities. We recognise, however, that it will take several years for outcomes from these policies to become visible, and mental and physical health inequalities currently remain.

The limitations here are the multitude of pathways through which social, economic and environmental factors affect health and vice versa. This means that many of the factors impacting health inequalities sit outside DHSC's direct remit. We recognise, as the department notes, that this is not as straightforward as organising healthcare around socio-economic deprivation because of the overlap with other needs, such as experiences of caring, offending or homelessness. Closing the gap requires both cross-government coordination on responses to these root causes, and delivery mechanisms through the health services to prevent and improve physical and mental health problems.

Josh's story

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Name: **Josh Amanor**

Age: **17**

Location: **London**

Josh comes from a working-class immigrant background and started playing table tennis through a charity. It has improved his soft skills, helped him get better grades and become more ambitious.

“ My parents are from Ghana and I grew up in Wembley, then Harlesden. My dad works in security and my step-mum sometimes works, too. I have two older brothers and a half-sister.

I started playing table tennis six or seven years ago, at Crest Academy with the Greenhouse Sports charity, then came to the main Greenhouse Centre in Marylebone. Now I'm captain of the performance team, and I've been in the top 30 in the country for my age group. I used to love football, but table tennis is special: when I hit the ball, it feels like I'm one with it. Connected.

It's taken me into a completely different environment. I've met people from different backgrounds, learned about their cultures, and even learned how to say hello in other languages,

like Chinese. I never knew people from such varied backgrounds before table tennis. But we're all in the same place and care about the same thing, so we automatically have something in common. It's like a family, and I know the names of all the young kids here.

I've travelled to places I never thought I'd go, like to Holland for a training camp. I go to tournaments at weekends and recently went to Edinburgh to coach some staff from The People's Postcode Lottery, which supports our charity. Without table tennis, I'd be stuck in Harlesden.

I was quite a shy guy, but now I'm more open. The sport has improved my confidence: younger players look up to us, and I can share my knowledge with them. And when I socialise with the coaches, I learn how to interact with older people.

As players, we umpire corporate events, coaching people who are 30 or 40 years old. We give them presentations about Greenhouse Sports, and ask them about their work and businesses, so it's a great opportunity to learn about the wider world. A creative agency came in to do some promotional work recently, and I asked if I could do some work experience with them, because I was interested in marketing. Through interactions like that, I've learned how to get outside the box.

Now I'm in sixth form, studying Business, Maths and Film Studies as part of an International Baccalaureate. I want to go to university to study business marketing, and I'm hoping to go to Loughborough because the sport is so good there, and I want to play internationally.

When I was younger, I just played console games and didn't really care about education. I would say that I was lazy and didn't really value life or my time. Now I'm more committed and ambitious. Not just in table tennis, but outside it too. It's taught me to work hard, to be dedicated, committed, to balance my time and achieve greater things in life. I think I'd be a very different person without it. ”

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Methodology

Our analysis approach for rating government responses to questions based on our recommendations

This report monitored the government's progress across a selection of historical recommendations made by the Social Mobility Commission.

We wrote to government departments with 52 questions based on these recommendations, asking to what extent they had met the asks set out in each question. Where appropriate, we combined or aggregated similar recommendations into a single question for consistency.

Departments had a minimum of two weeks to respond; after which we wrote to them again, seeking any further clarification on their responses where necessary. We then analysed how far departments' responses showed evidence of progress towards implementing them.

Finally, following our analysis we wrote to departments in February 2020 to ask them to comment on its accuracy and our interpretation (set out below).

Our analysis framework scored each response on how far it met three relevant aspects of each recommendation:

1. The **intent** to meet the recommendation
2. The **process** in place to do so
3. If applicable, any evidence of **outcome** achieved

We rated recommendations on these three aspects to recognise departmental commitments to social mobility or putting certain recommendations into practice (intent); and the steps they had taken to achieve this (process); even if these recommendations were not yet fully in place or did not have demonstrable deliverables (outcome).

Firstly, we assessed each recommendation on which aspects it asked for out of intent,

process and/or outcome. In our subsequent scoring of the government response, we scored only for the aspects relevant to each recommendation. This was important to ensure we scored progress on meeting each recommendation relative to what it asked for, so that the response to each recommendation was assessed on its own merits.

Next, we analysed the government responses to each recommendation and rated each of these aspects of intent, process and outcomes on a 0-3 scale. This scale captured no demonstration through to a strong demonstration of meeting the recommendations (Table 1). Two independent raters scored each recommendation, and then checked and moderated their ratings to come to a final score. These moderated scores were then converted into a percentage of how far the recommendation had been met, based on the points achieved out of the possible maximum. Recommendations assessed on one aspect out of intent, process or outcomes had a maximum score of three. Those scored on two aspects had a maximum score of six. Those scored on all three aspects had a maximum score of nine.

These percentage scores were translated into red, amber or green (RAG) ratings to capture the relative progress made on each recommendation. Recommendations scoring in the bottom third were rated as red (0-33%); those scoring in the middle third were rated as amber (34-66%); and the top third were rated as green (67-100%). Scores falling on the boundaries of these cut-offs were assessed independently by the two raters as to which RAG category they should be allocated.

In sum, this means that a red RAG rating corresponds to 'little or no action', amber corresponds to 'some, but insufficient progress' and green corresponds to 'strong progress or delivery'.

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Finally, we sent our written analysis of departments' responses to external experts for review. Departments were also sent their chapters and given one week to respond to our analysis and interpretation of their responses. We modified each chapter based on this feedback where appropriate to ensure the accuracy of our final RAG ratings.

Table 1

Response element	Score
Intent	0 = No intent 1 = Some demonstration of intent 2 = Reasonable demonstration of intent 3 = Good to strong demonstration of intent
Process	0 = No steps towards implementing recommendation 1 = Some steps taken, but a way to go 2 = Reasonable steps taken, but not fully met 3 = Almost or fully implemented steps for recommendation
Outcome	0 = No demonstration of outcome specified in recommendation 1 = Some demonstration of outcome 2 = Reasonable demonstration of outcome 3 = Almost or full demonstration of outcome

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