



Social Mobility  
Commission

# State of the Nation 2018-19: Social Mobility in Great Britain

## Summary





## Foreword

Inequality is still deeply entrenched in Britain: there is a persistent gap in early literacy; the attainment gap at the end of secondary school has hardly shifted since 2014 and the better off are nearly 80 per cent more likely to end up in a professional job than those from a working-class background.

Our sixth State of the Nation report, and first since our 12 new commissioners were appointed last year, lays bare the stark fact that social mobility has stagnated over the last four years at virtually all stages from birth to work.

Being born privileged in Britain means that you are likely to remain privileged. Being born disadvantaged however, means that you may have to overcome a series of barriers to ensure that your children are not stuck in the same trap.

In our main report we have turned the spotlight on areas which stop disadvantaged people being able to fulfil their potential.

- Our research highlights the closure of hundreds of children's centres and we call for an extension of 30 hours childcare to more disadvantaged parents. It is shocking too that 45 per cent of childcare workers are on benefit or tax credits.
- School funding has been cut back by 8 per cent since 2010 which has affected schools' ability to deliver services. We call on the Government to consider whether the Pupil Premium is effectively targeted and whether differential levels of funding might be more beneficial for those with long term disadvantage.
- At 16 disadvantaged students are more likely to enter further education than school sixth forms but the FE sector is overlooked and needs funds to give students high quality education. We call for significant extra funding for all 16-19 years olds and a new student premium for disadvantaged young people.
- In the work place those with the least skills are the least likely to get training and degree apprenticeships tend to go to the better off. Those from working class backgrounds are also more likely to be paid less than the voluntary living wage. We want the Government to set an example by paying the voluntary living wage to its staff and contractors.

Our recommendations aim to give those from poorer backgrounds a better chance to succeed. But it needs school and university chiefs, politicians and employers to act to ensure that everyone has access to equal opportunities.

It is vital that young people have more choice to shape their own lives. This means not only ensuring they get better qualifications and are equipped with what they need to succeed. But it also means making sure they have an informed choice to take up an apprenticeship rather than taking a degree, to find a job which is fulfilling and the choice to stay where they grew up rather than moving away.



# Social Mobility – what state is the nation in?

Social mobility is about ensuring that a person's occupation and income are not tied to where they started in life. It is also about fairness across society and making sure that people of all backgrounds get equal opportunities in early years, at school, in universities and in work.

Using new data on parental occupation from the Office for National Statistics we have looked at the changing rates of social mobility since 2014. We have also analysed how class interacts with gender, ethnicity and disability for the first time, and the interaction between background and region, to see if people move to move up.

## Key Findings

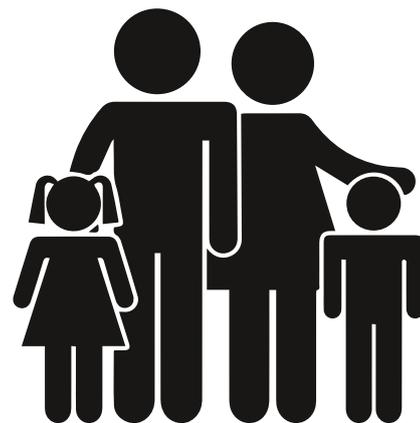
- Occupational and income mobility: Those from better off backgrounds are almost 80 per cent more likely to be in a professional job than their working class peers.
- Social mobility has remained virtually stagnant since 2014. Four years ago 59 per cent of those from professional backgrounds were in professional jobs, rising to 60 per cent last year.
- Migration: moving regions can often help social mobility, but those from working class backgrounds move regions less and are less likely to move to London, where the largest proportion of new jobs are created.
- People from more affluent backgrounds are 70 per cent more likely to move region than those from working class backgrounds and are three times more likely to move to London.
- The class pay gap: those from working class backgrounds earn 24 per cent less a year than those from professional backgrounds, predominantly due to the jobs they end up in.
- Even when those from working-class backgrounds are successful in entering professional occupations, they earn on average 17 per cent less than their more privileged colleagues.
- Double Disadvantage: class, disability, ethnicity and gender. Just 21 per cent of people with disabilities from working class backgrounds enter the highest occupations.
- Even within professional jobs, women from working class backgrounds are paid 35 per cent less than men from more affluent backgrounds.
- Unemployment and economic inactivity: people from working class backgrounds still face higher levels of unemployment, despite overall increases in employment.

- Living standards: there are now 500,000 more children in poverty than in 2012. Those from working class backgrounds are less likely to own a home than those from more privileged backgrounds. Young people are less likely to own a home, and typically earn less than in previous generations.
- Wellbeing: individuals from more disadvantaged areas are more likely to suffer from lower levels of wellbeing.
- Scotland and Wales appear to be slightly more socially mobile than Great Britain overall, with a person's occupation less determined by their background. In Great Britain overall, people from professional backgrounds are around 80 per cent more likely to be in a professional job than those from working class backgrounds. In Scotland this gap is around 70 per cent and in Wales it is around 60 per cent.



500,000 more children are in poverty since 2012

Child poverty has an important influence on social mobility, as children living in poverty can often have worse health, worse education outcomes and start school developmentally behind their more advantaged peers.



# Early Years – Ensuring all children have a fair start

## Key Findings

- Gaps between advantaged and less advantaged children open up before birth and persist throughout life. Children from poorer backgrounds still have persistently lower birthweights than those from richer backgrounds.
- The Early Years workforce faces a skills gap, is low paid, and has poor career progression. A staggering 45 per cent of childcare workers claim benefits or tax credits.
- The Government's 30-hour childcare offer for those who work 16 hours or more was well-intentioned, but risks impeding social mobility. Many poorer families lose out because they are either not eligible for the support or unaware of it.
- In 2018 forty-three per cent of children entitled to free school meals did not reach a good level of development at age five, compared to 26 per cent of their more advantaged peers
- Given the closing of hundreds of children centres and the scaling back of hundreds more it will be challenging to ensure the hardest to reach parents and families benefit from the significant investment in the home learning environment

## Recommendations

- The Government should:
  - Extend the eligibility of the 30-hours offer by lowering the lower income limit of eligibility to those earning the equivalent of eight hours per week, as a first step to making it available to more parents.
  - Introduce a national marketing campaign to promote the revised 30-hour child care offer, working with local authorities to specifically target low-income households.
- The Department for Education should complete its review of children's centres as soon as is practicable. Following this review, the Government should ensure the investment in the home learning environment reaches disadvantaged and vulnerable families.



# Schools: The attainment gap widens as disadvantaged children fall further behind

## Key findings

- By the age of six (Year 1) there is a 14 percentage point gap in phonics<sup>1</sup> attainment between children entitled to free school meals and their more advantaged peers.
- By seven (end of Key Stage 1) larger gaps are evident in reading (18 percentage points), writing (20 percentage points) and mathematics (18 percentage points).
- By eleven, (end of Key Stage 2), less than half (46 per cent) of pupils entitled to free school meals reach the standards expected for reading, writing and mathematics, compared to 68 per cent of all other pupils.
- Only 16 per cent of those on free school meals attain at least two A levels compared to 39 per cent of all other pupils.
- Schools with better Ofsted ratings do not tend to have a lower gap in attainment between less advantaged children and their peers.<sup>2</sup> Ofsted inspection outcomes largely reflect the socio-economic makeup of a cohort.
- Recent reforms to the curriculum, although well-intentioned, were implemented too quickly, and disadvantaged students lost out disproportionately during the implementation, at Key Stage 2 in particular.
- Schools have had to face an eight per cent real terms funding cut from 2010 – 2018 which has affected their ability to deliver important services.

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1 The phonics assessment is a headline target at Key Stage 1 as it represents the basis for children's literacy  
2 Education Endowment Foundation, *The Attainment Gap 2017, 2018*

## Recommendations

- The DfE should reconsider its policy of exempting outstanding schools from inspection which would enable more balanced oversight of schools.
- Ofsted should use the opportunity given by the formulation of its new inspection regime to improve the accountability regime for schools by:
  - Continuing to provide descriptions of what it has found during school inspections and find an effective approach to move beyond historical use of its four-tier categories of inspection outcomes
  - Carefully monitoring the implementation of its new arrangements and report on the impact its new approach is having on schools in more disadvantaged areas
  - Identifying educational excellence in schools operating within the constraints of poverty, which peer-led school review structures could then explore and champion.
- Ofsted and the DfE should work together with others to find ways to publicly acknowledge schools which attempt to genuinely tackle long term educational inequality.
- The Government should commission a review into whether pupil premium funding is effectively targeted at supporting disadvantaged students and whether differential levels of funding might be more beneficial for those with long-term disadvantage.



Only 16 % of those on free school meals attain at least two A levels by the age of 19

Compared to 39% of all other pupils





## Further Education and Apprenticeships – Overlooked and underfunded

### Key Findings

- Twice the number of disadvantaged 16-18-year-olds are in Further Education colleges compared to school sixth forms and this segregation within the education system has risen by 1.2 per cent since 2013.
- Disadvantaged students still do worse in improving their scores when they resit Level 2 exams compared to their more affluent peers and the gap between disadvantaged and advantaged students is growing.
- Per student funding for 16-19-year olds has fallen 12 per cent since 2011-12 and is now eight per cent lower than for secondary schools (11-15-year olds), leading to cuts to the curriculum and student support services that harm disadvantaged students.
- Driven by funding shortfalls and a £2,500 difference in pay between FE and school teachers, recruiting and retaining teachers in FE colleges is a major problem. Ninety per cent of colleges report difficulty recruiting and the average college had 16 vacancies at the start of the 17/18 school year, creating volatility for students and impacting on student attainment.
- Apprenticeships have the potential to be a powerful vehicle for social mobility but the reality is not as clear cut; those from lower socio-economic backgrounds are clustered in lower-returning and lower level apprenticeships and are thus not benefitting as much from apprenticeships as their more affluent peers.
- The benefits that many disadvantaged students do receive from apprenticeships may also be at risk. Starts at Levels 2 and 3, which offer a stepping stone into work, have decreased by 16 per cent and 38 per cent respectively since 2016/17, which could further reduce options for disadvantaged students if this trend continues.

## Recommendations

- The Government should increase per student spending in the 16-19 education budget by a significant amount within the upcoming spending review.
- The Government should immediately make the following changes to existing disadvantaged funding mechanisms for 16-19 students:
  - Reform how data can be shared automatically across schools into 16-19 institutions so disadvantaged students are automatically identified by administration officials
  - Rapidly update the methodology underpinning the Discretionary Bursary fund to ensure resources are allocated to institutions based on current data
- The Government should introduce a Student Premium for disadvantaged students aged 16-19 that models the Pupil Premium in schools, with a goal of targeting funding and focussing on raising attainment for disadvantaged students. At the same time the Government should commit to significant ‘what works’ style research in technical education to help providers make evidence-based decisions with their funding for disadvantaged students
- The Commission welcomes the Government’s announced review of post-16 qualifications and believes additional items should be added to its scope to ensure social mobility is considered in the review:
  - Assess ways to improve progression of disadvantaged students beyond Level 2, including reviewing whether prior qualifications and other course requirements asked for by providers create barriers to entry and progression for disadvantaged students
  - Create seamless and clear transitions between technical and academic routes for all students
  - Assess the availability of options up to Level 3 across the broad range of provisions, including apprenticeships





# Higher Education – Overcoming barriers to career choice

## Key Findings

- Increasing numbers of students from low-income families are entering university by age 19, although they are still much less likely to do so than others (26 per cent versus 43 per cent of better-off peers).
- Regional variations persist. The HE entry gap by free school meal entitlement is widest in the south east (25 per cent) and south west (23 per cent). In Inner London it is only nine per cent.
- Only five per cent of disadvantaged young people enter the most selective HE institutions compared to the national average of 12 per cent. Once there, disadvantaged students are more likely to drop out than better-off peers (8.8 per cent versus 6.3 per cent overall).
- Graduates who were on free school meals earn 11.5 per cent less than others five years after graduating.
- The Commission supports the targets set by the Office for Students to close access and participation gaps. We urge universities to act decisively to achieve them.
- The higher education application and admissions system remains too complex, and fierce competition between institutions is resulting in too many universities making increasing numbers of unconditional offers which are frequently not in the best interests of students, particularly those from disadvantaged backgrounds.

## Recommendations



- UCAS, working closely with the Office for Students, universities and others, should develop a system which displays all financial support (bursaries, scholarships and ad-hoc funds) available to undergraduates alongside their eligibility criteria which can be accessed in a simple, centrally accessible, user-friendly and digitally-smart format.

This system should allow current and prospective students, and their parents, to be informed of all forms of financial support during the process of researching courses and making applications, as well as during the course of their studies.

- Universities should only make pre-qualification unconditional offers where it is very clearly in the interests of the individual students to do so. In terms of widening access, universities should make more use of ‘contextualised offers.’



## Working Lives: The slow train to a top job

### Key Findings

- Getting into professional occupations is largely dependent on parental occupation. People from professional backgrounds are 80 per cent more likely to get into a professional job than their less privileged peers.
- This starts from an uneven playing field – over half (52 per cent) of disadvantaged youth leave school without basic qualifications and many get stuck in low paid work.
- The adult education system could help to redress this but almost all forms of adult education have been in decline since 2010, including a 45 per cent decline in Level 2 English and maths courses and a 60 per cent decline in adults achieving this qualification.
- In fact, adult education appears to widen the gap – those who then get training or education as adults are more likely to be affluent; 49 per cent of the poorest adults have received no training since leaving school, compared to 20 per cent of the richest adults.
- It is therefore the case that people starting in low pay tend to get stuck, and those who experience low pay are more likely to be from working class backgrounds – 27 per cent are paid below the voluntary living wage compared to 17 per cent from more advantaged backgrounds.
- One of the routes to a better paid job is moving region – young people who moved region over a four-year period were 12 per cent more likely to experience wage progression than those who stayed.
- But moving is dependent on background – those from professional backgrounds are more likely to move, utilising their resources to stay ahead.
- As automation changes the world of work, these divides could worsen, as workers in low pay and with low qualifications are most at risk of their work being automated, whilst at the same time are the least likely to access training to reskill.

## Recommendations

- Government departments should lead the way in being model employers by becoming accredited voluntary Living Wage employers. The Government should embed the Living Wage Foundation's recommendations for public procurement systems, including assessing the voluntary living wage as part of the new social value framework for procurement.
- When considering what qualifications to require in recruitment, employers should only require those academic and technical qualifications which are actually and demonstrably necessary to perform the advertised job.
- The Department for Work and Pensions and the Department for Business, Energy and Industrial Strategy should work collaboratively with the Department for Education on the Opportunity Areas programme; providing concentrated investment in the skills, jobs and infrastructure in these areas of low social mobility and low pay – and expanding the reach to more cold spots.
- Employers and the Government should follow the action plan the Commission has set out in its January 2019 report on adult skills. In particular, the Government should equalise adult education funding with EU statistical averages and reduce the underspend of its adult education budget through more flexible funding structures.



Graduates who  
were on free school  
meals earn 11.5%  
less than others  
after 5 years



# 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 Commission board comprises:

- Dame Martina Milburn (Chair)
- Alastair da Costa, Chair of Capital City College Group
- Farrah Storr, Editor-in-chief, Elle
- Harvey Matthewson, Aviation Activity Officer, Aerobility
- Jessica Oghenegweke, Project co-ordinator at the Diana Award
- Jody Walker, Senior Vice President at TJX Europe (TK Maxx and Home Sense in the UK)
- Liz Williams, Group Director of Digital society at BT
- Pippa Dunn, Founder of Broody, helping entrepreneurs and start ups
- Saeed Atcha, Founder and Chief Executive Officer of Xplode magazine
- Sam Friedman, Associate Professor in Sociology at London School of Economics
- Sammy Wright, Vice Principal of Southmoor Academy, Sunderland
- Sandra Wallace, Joint Managing Director Europe at DLA Piper
- Steven Cooper, Chief Executive Officer C.Hoare & Co

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

The Commission is supported by a secretariat comprising: Rajab Baig, Brian Corbett, Ali Jaffer, Rachael Millar, Sasha Morgan, James Murphy Corkhill, Jill Sherman, Lindsay Turner Trammell, Gene Ward.