

State of the Nation 2024:

Local to National, Mapping Opportunities for All

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Presented to Parliament pursuant to section 8B(6) of the Life Chances Act 2010



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About the Commission

The Social Mobility Commission is an independent 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:

Chair

Alun Francis OBE, Principal and Chief Executive of Blackpool and The Fylde College.

Deputy Chairs

Resham Kotecha, Head of Policy at the Open Data Institute.

Rob Wilson, Chairman at WheelPower – British Wheelchair Sport.

Commissioners

Dr Raghib Ali, Senior Clinical Research Associate at the MRC Epidemiology Unit at the University of Cambridge.

Ryan Henson, Chief Executive Officer at the Coalition for Global Prosperity.

Parminder Kohli, Chair Shell UK Ltd and Shell Group Executive Vice President Sustainability and Carbon.

The Rt Hon Baroness Tina Stowell of Beeston MBE.

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Note

The colour palettes for our charts and maps are consistent with industry standards and the accessibility guidance available on gov.uk. Colours at opposite ends of the colour spectrum provide a clear contrast which helps to make the data more accessible for the widest variety of user needs possible.

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Foreword

Alun Francis OBE

Chair of the Social Mobility Commission Our aim at the Social Mobility Commission is to improve opportunities for all, but particularly for those whose opportunities are most limited.

At this moment of change in the country, we believe it is important to set out the main challenges for social mobility and the steps needed to address these. Decisive and bold action is needed in key areas such as addressing regional inequalities and supporting the most vulnerable. We believe traditional approaches to social mobility have not always worked, and we want to make sure that initiatives are targeted at the right people and based on evidence-based practice.

There are now 4 overlapping challenges in the UK which frame our social mobility problem: low public confidence; a younger generation doing less well than their parents, particularly in terms of pay, progression and housing; insufficient attention to regional disparities and 'left behind' people and places; and the need for more successful and costeffective interventions. Each of these is critical and each needs urgent attention.

Over the past 3 years, the Social Mobility Commission (SMC) has fulfilled its duty to report to Parliament by setting out and implementing a long-term vision for monitoring social mobility outcomes in our annual report. In 2022, we developed and published a new Social Mobility Index for measuring mobility in the UK systematically over time. We reported a range of robust social mobility measures, looking at people's life outcomes in comparison with their parents' outcomes. In 2023, we took this a step further, with breakdowns by protected characteristics such as ethnicity, sex and disability, to reveal a more nuanced picture. We also emphasised the important role of geography in shaping opportunity by publishing our Data Explorer Tool.

In this year's State of the Nation report, we have taken the analysis a step further, extending our geographic breakdown of the UK. As a result, we are now looking at 203 Upper-Tier Local Authority (LA) areas, instead of 41 regions (as last year). We have done this using 4 summative measures, or composite indices: 'Promising Prospects', which covers intermediate outcomes (earlylife mobility outcomes): and 'Conditions of Childhood', 'Labour Market Opportunities for Young People', and 'Innovation and Growth', which cover the drivers (or enablers) of social mobility. This is a huge step forward in terms of providing a comprehensive evidence base – a set of measures and targets that can support place-based approaches to social mobility.

Our previous reports have shown that much of what people say about social mobility in our country can be simplistic and misleading. It's not true that social mobility is getting worse on all counts, nor does our country compare badly with others. In reality, the picture is complex. But we don't need a crisis to recognise that opportunity can be improved; the key is how to approach this.

The evidence suggests that a one-size-fitsall national strategy for social mobility is too broad a brush to make any real difference. We are keen to see place-based approaches, and a recognition of the close interplay between innovative economies, better opportunities and strong social mobility, rather than exclusively focusing on education in isolation from the need to solve fundamental economic problems.

Our State of the Nation report for 2024 brings this possibility a step nearer. The new composite indices demonstrate how each upper-tier LA performs on key social mobility indicators. They show the areas which are outliers, either because they perform especially well or particularly poorly. And they support our aim, which is to champion a wider variety of opportunities for a wider variety of people in a wider variety of places.

We hope we can now work with a whole range of stakeholders, including central government, employers, educators and local leaders to ensure that everyone has the opportunity to thrive, irrespective of their background or the place they grew up in.

Executive Summary

1: Introduction

- A person experiences social mobility when they have different life outcomes from their parents, for example, in income, occupation, housing, education or wealth.
- Our long-term vision is to report a consistent set of social mobility statistics over time – our Social Mobility Index. In line with this, we have created a new website to host it, and we have also updated most of the statistics reported there since last year's report.
- We have made further improvements to our geographical reporting by creating a composite index of intermediate (early-life) outcomes at the upper-tier local authority (LA) level.¹ This has allowed us to split the UK into 203 geographical areas, instead of 41, as we had last year.

1 In some areas of the UK, local government is divided between a county council (upper-tier LA) and a district council (lower-tier LA), which are responsible for different services. In other areas, there is a single-tier (or 'unitary') LA instead.

2: Mobility Since Last Year

- The attainment gap between pupils eligible for free school meals (FSM) and those not eligible remains largely unchanged from last year. For example, at age 5 years, there is a consistent gap of around 20 percentage points in the attainment of a 'good level of development'. However, in some cases it has widened, such as key stage 4 (KS4).
- Among disadvantaged children, girls still do better than boys. For example, at age 11 years, 47% of disadvantaged girls reach the expected standard in reading, writing and maths, compared with 41% of boys.
- FSM-eligible children from some ethnic backgrounds achieve very well. For example, FSM children of Chinese background perform better than the national average for non-FSM children at KS2 and KS4 (11 and 16 years). At age 11 years, 71% of FSM-eligible children of Chinese background reach the required standards.
- All the areas of London continue to do well in terms of educational attainment for FSM-eligible pupils at 5, 11 and 16 years.
- The percentage of children living in relative poverty in the UK (after accounting for housing costs) has risen since 2012 and is at about 30%. It is still below the levels reached in the 1990s (when the percentage was closer to the mid-30s), but is much higher than historical levels from the 1960s and 70s.
- The availability of high-quality education in the UK remains good. The UK has performed at or above the Organisation for Economic Co-operation and Development (OECD) average in the Programme for International Student Assessment (PISA) for mathematics, reading and science, but 2022 scores show decreases across the world.

- We see that unemployment levels among young people are now the lowest they have been since 2014, at 11% in 2022. This means that far fewer young people are suffering the negative effects of unemployment.
- However, for those young people who are unemployed, finding a job could be more difficult, as job vacancy rates have fallen from 0.9 to 0.7 vacancies for every unemployed person between 2022 to 2023.
- There appears to be a closing of the socio-economic background (SEB) gap in university enrolment between 2014 and 2022. In 2014, young people from higher professional backgrounds were 3.9 times more likely to be studying for a degree than those from lower working-class backgrounds. In 2022 they were only 2.2 times more likely. Data from the Department for Education, which goes back to 2006, suggests that this is an even longer-term trend.
- Young people with low qualifications may have closed the earnings gap with their more qualified peers. For example, there has been a 16% increase in real hourly earnings for people with lower-level qualifications between 2014 to 2016, and 2020 to 2022. This is higher than the increases for all groups with higher-level qualifications.
- Civic engagement participating in democratic processes, such as signing a petition or attending a public rally – has decreased from 40% to 34%.
- The percentage of premises with gigabit internet availability has increased sharply across the UK since 2020, potentially fostering better technical infrastructure for innovation and growth.
- We have not included a full range of breakdowns by protected characteristics in this document. These breakdowns are instead published in full on our website, <u>social-mobility.data.gov.uk</u>.

3: Mobility Across the UK

- We have developed new composite indices of intermediate outcomes (mobility outcomes earlier in life), and drivers (the enablers of mobility), at local authority (LA) level.
- We now have a single index for intermediate outcomes at the upper-tier LA level. This gives us 203 geographical regions across the UK, instead of the 41 regions that we had last year. This index, called Promising Prospects, covers highest qualifications, hourly earnings, and also professional and working-class occupations of young people.
- In common with other work on the topic, we have found that most LAs have similar levels of mobility, with a few at the top and bottom ends. The most favourable areas tend to be either in London or in the adjoining Home Counties.
- Similarly, we have developed 3 new composite indices of drivers (the background conditions that help or hinder mobility) at upper-tier LA level, giving the same 203 geographical regions.
- The first index based on drivers is called Conditions of Childhood. This covers childhood poverty, parental education, parental working-class occupation and parental professional occupation. The most favourable conditions of childhood tend to be found in affluent areas, mainly Greater London and the Home Counties but also parts of the North and Scotland.
- The second index based on drivers is Labour Market Opportunities for young people. This covers youth unemployment, youth professional employment, and youth working-class employment. Results are similar, although the LAs with the less favourable opportunities for young people tend to be in the North East and North West, as well as older industrial and port areas.
- We have retained our composite index that looks at research and development (R&D), but improved it so that it also gives us 203 regions. This index is now called Innovation and Growth. The most favourable areas are clustered around London, mainly in the South of England, but a few other areas score well on this index.



This year, we have developed new composite indices of intermediate outcomes and drivers at local authority level.

1: Introduction

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Highlights

- A person experiences social mobility when they have different life outcomes from their parents, for example, in income, occupation, housing, education or wealth.
- Our long-term vision is to report a consistent set of social-mobility statistics over time – our Social Mobility Index. In line with this, we have created a new website to host it, and we have also updated most of the statistics reported there since last year's report.
- We have made further improvements to our geographical reporting by creating a composite index of intermediate (early-life) outcomes at the upper-tier local authority (LA) level.² This has allowed us to split the UK into 203 geographical areas, instead of 41, as we had last year.

2 In some areas of the UK, local government is divided between a county council (upper-tier LA) and a district council (lower-tier LA), which are responsible for different services. In other areas, there is a single-tier (or 'unitary') LA instead.

The Social Mobility Commission

The Social Mobility Commission (SMC) exists to monitor social mobility across the UK and make recommendations on social mobility in England. We aim to understand how many people are socially mobile, in what parts of the country, and whether a person's background is limiting opportunity. Social mobility is important because it means the circumstances of birth do not limit what you can achieve: no matter what your starting point, you can go on to lead a fulfilling life.

Improving our reporting

Tracking and charting mobility is complex, so we have worked hard on improving how we show our findings. We have also looked for innovative ways to strengthen our monitoring by improving our Social Mobility Index (SMI).

In our 2022 annual report, we introduced our new, comprehensive Index, reporting for the first time on a full range of mobility outcomes and drivers, and laying the foundation for consistent reporting over time.

In our 2023 annual report, we published:

- new mobility outcomes, in addition to jobs and earnings, which look at people's education, home ownership, and wealth, in comparison with their parents'
- an improved range of intermediate outcomes, focusing on younger people's education and employment
- updated drivers of social mobility, giving us an idea of the background conditions that might help or hinder social mobility in the future, including those relating to

social capital and connections, as well as innovation and growth

 breakdowns of outcomes and drivers by geography and by protected characteristics, where possible, to better understand where social mobility was and wasn't working, and for whom³

Finally, to ensure our findings were more accessible, we developed an interactive Data Explorer Tool to help identify regional differences in mobility outcomes.

This year, we have taken things one step further. We continue to make improvements to our reporting by refining our composite indices (summative measures).⁴ We've also improved our geographical breakdowns, drilling down to the level of upper- or singletier LAs. This gives us much greater insight into how outcomes vary locally rather than regionally.

Our goal remains to provide a more comprehensive and accurate understanding of social mobility trends across the UK, ensuring that everyone has a fair opportunity to fulfil their potential, and to succeed regardless of their birth circumstances.

Overview of the Index

In 2022, we launched our new SMI to measure mobility clearly and systematically across a person's lifetime. Our Index includes over 40 indicators that cover early years through to late adulthood.

We include social mobility outcomes, looking at people's jobs and earnings at different life stages, in comparison with their parents'. We also report on some drivers or background conditions that might help or hinder social mobility in the future.

³ According to the Equality Act 2010, protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, religion or belief, sex, sexual orientation, and race (including colour, nationality, and ethnic or national origin). It is against the law to discriminate directly against someone with any of these characteristics.

⁴ A composite index is an analytical technique that allows you to group several measures together to create a composite score.

People in their 40s and 50s	Q Mobility outcomes Later-life social mobility outcomes, comparing people's starting and end point. Long-term trends in: Occupation, Income, Education, Housing and Wealth mobility		
People in their 20s and 30s Early-life outcomes that provide insights into prospects of social mobility	Q Intermediate Journal Annual Compulsory schooling (5 to 16) e.g. attainment at 16 Compulsory schooling e.g. destinations after compulsory schooling Mork in early adulthood (25 to 29) e.g. occupation Career progression e.g. class pay gap	<section-header><section-header><section-header><section-header><section-header><section-header><section-header><section-header></section-header></section-header></section-header></section-header></section-header></section-header></section-header></section-header>	
Children and young people Social and economic conditions that may help or hinder social mobility in the distant future	Conditions of childhood e.g. child poverty Educational opportunities and quality e.g. school quality	Work Social capital opportunities e.g. civic and quality e.g. engagement vacancy rates vacancy rates	Future social mobility (in 30 years)

Social Mobility Commission: State of the Nation 2024



What is social mobility?

The term 'social mobility' can have many meanings. In this report, we use it to refer to intergenerational social mobility. This means that a person experiences social mobility when they have different life outcomes from their parents.

This could mean a different income level, a different occupational class or other differences, such as housing or education. Mobility can also be upwards or downwards. But what all these approaches have in common is a concern with the chances for people born and brought up in one kind of situation to move up or down the social ladder to a higher or lower position than, or to stay in the same position as, their parents.

For example, if you have a professional occupation and your parents had a working-class occupation, you have experienced upward occupational mobility. Or if you have a high income and your parents had a lower income at the same age, you have experienced upward income mobility. The new framework has 2 types of measure: outcomes (mobility and intermediate) and drivers.

Mobility outcomes

Mobility outcomes compare your starting point in life, based on your parents' position, to your own eventual position as an adult. For example, we might compare the income of a person's parents with the person's own income around the age of 50 years. We look at occupation, income, education, housing and wealth, where the data allows.

Analysis of most mobility outcomes relies on data from panel or birth cohort studies, which aren't always updated yearly. We have therefore reported the same figures as last year for the mobility outcomes and included them in our online Data Explorer Tool that complements this report.

> In our report, 'social mobility' refers to intergenerational social mobility. A person becomes socially mobile if they experience a different life outcome, such as income or occupational class, compared to their parents.

Intermediate outcomes

For intermediate outcomes, we look at people's progress from their parents' position to their own position at an earlier point in life, such as employment in their 20s or educational attainment at age 16 years. We track this because a person's early outcomes can be a very good indicator of how their later life will turn out. It also means that we have an early snapshot of mobility without having to wait to assess outcomes much later in life.

We break both mobility and intermediate outcome measures down by people's socioeconomic background (SEB), so that we can see how different starting points might affect progress to later points.⁵

Drivers

Unlike the outcomes, drivers are forwardlooking. They represent the national or local background conditions that make social mobility easier (or more challenging). We include indicators that affect aggregate, not individual, rates of mobility. For example, the availability of good schools or work opportunities are drivers, because they help groups of people who wouldn't otherwise have the opportunity to be socially mobile. The question of what is or is not a driver is also distinct from the question of what might help an individual achieve upward mobility (like getting a good degree, for example).

With the drivers, we look at these conditions across the UK and not by SEB. This is an important distinction from the mobility and intermediate outcomes.

⁵ In our reporting, a person's SEB means the socio-economic situation of their parents. For example, this might be the parents' occupational class, income or education. So for instance, when we talk about someone with a "higher professional background", we mean that at least one of their parents had a higher professional occupation when this person was a child.

Absolute and relative mobility measures

Absolute measures capture the number of people who have experienced mobility. They are usually expressed as percentages of the population. For example, the absolute occupational mobility rate is the percentage of people who are in a different occupational class from their parents. For income mobility, a common absolute measure is the percentage of people whose income is higher than their parents' income was, at the same age. We can compare these rates across different regions of the UK.

Relative measures compare the chances that at least 2 groups have of reaching, versus avoiding, a particular outcome. It is this element of comparison that makes such measures relative. A relative mobility measure tells us that one group has better chances than another, rather than telling us the total number of socially mobile people. Low relative mobility means that those who start life in a particular position are more likely than others to be in the same position later in life. For that reason, low relative mobility can be thought of as 'stickiness', while high relative mobility can be thought of as 'fluidity'.

Our composite indices tell us how different geographical areas of the UK compare when it comes to social mobility. We measure socioeconomic background using a 5-part grouping based on occupational classes.

Composite indices

As in last year's report, we feature composite indices, covering some of our drivers and intermediate outcomes. We call them composite indices, because they summarise multiple drivers, or intermediate outcomes, in one score. They give us a summary of how different geographical areas of the UK compare on the main dimensions of mobility that we have identified from the data.

The composites also allow us to be more confident in drawing conclusions about any differences between geographical areas. Estimates for individual areas in most cases involve sampling errors (since they are based on sample surveys, like the Labour Force Survey (LFS)).⁶ There's therefore always a risk that differences between areas in respect of a single measure could be due to random sampling errors. To get around this imprecision, we summarise findings across multiple indicators that seem to be related. And, when multiple measures all give a similar picture, we can confidently say that there are real differences between the areas. We can then begin to ask whether these differences are due to the areas themselves or the individuals living within them.

6 "The LFS is a study of the employment circumstances of the UK population. It is the largest household study in the UK and provides the official measures of employment and unemployment". Office for National Statistics, <u>'Labour force survey'</u>, 2021. Published on ONS.GOV.UK.



Socio-economic background

We measure SEB using the same 5-part grouping that we introduced last year.⁷ This grouping uses the occupational classes in the Office for National Statistics' (ONS) National Statistics Socio-economic Classification system (NS-SEC).⁸ There are 8 'analytic' classes in the NS-SEC, and we grouped them into 5 categories: 'higher professional and managerial', 'lower professional and managerial', 'intermediate', 'higher working class', and 'lower working class'.

We use this grouping to look not only at a person's socio-economic or occupational

background – in other words, the job a person's parents had – but at what that person is doing currently. For example, if we say that someone has a 'higher professional background', this means that their parents had a higher professional or higher managerial occupation.⁹

Previous groupings included only 3 categories – 'professional and managerial', 'intermediate' and 'working class'. However, these categories were broad and did not provide enough information to understand short-range mobility. Using 3 categories also meant that there was considerable variation within each category.

⁷ Social Mobility Commission, 'State of the nation 2023: people and places', 2023. Published on GOV.UK.

⁸ The Office for National Statistics collects, analyses and shares statistics about the UK's economy, society and population. ONS, 'The national statistics socio-economic classification (NS-SEC)', 2021. Published on ONS.GOV.UK.

⁹ The LFS asks respondents what the occupation of the main earner in the household was when the respondent was aged 14 years. This is what we use when reporting SEB using the LFS.

How do we measure socio-economic background (SEB)?

SEB reflects a person's starting point. A person's SEB is measured by looking at their parent's socioeconomic situation when they were growing up. For example, this might be the parents' occupational class, income or education. So for instance, we might look at whether one or both of a person's parents had a degree when the person was a child.

Throughout our report, we often report on SEB, as it's recorded in the Labour Force Survey (LFS) a representative sample survey to provide information on the UK's labour market. In this survey, participants are asked about their current jobs and what job the main earner in the household did when they were age 14 years. This enables us to look back at someone's SEB without having to track the same individual across all the intervening years. The LFS also covers the whole of the UK, in line with the SMC's statutory obligations.

A person's socioeconomic background is their starting point in life. To measure this, we examine aspects of their parents' lives, such as occupational class, income or education. We can now look at short- and long-range mobility, as well as important differences within the professional and working-class groups with these 5 categories. For example, we can determine if someone from a lower working-class background now works in a higher working-class occupation.

NS-SEC	Previous 3-Part Grouping	5-Part Grouping	Example Occupations		
1	Professional	Higher professional including higher managerial, administrative and professional	Chief executive officer of large firm, doctor, clergy, engineer, senior army officer		
2	and managerial	Lower professional including lower managerial, administrative and professional	Teacher, nurse, office manager, journalist, web designer		
3	Intermediate ¹⁰	Intermediate including intermediate occupations, small employers and freelance workers	Clerical worker, driving instructor, graphic designer, IT engineer, shopkeeper, hotel manager, taxi driver, roofer		
5	Working class	Higher working class including lower supervisory, technical and semi-routine workers	Foreman, mechanic, electrician, train driver, printer, shop assistant, traffic warden, housekeeper, farmworker		
7 8		Lower working class and workless families	Cleaner, porter, waiter, labourer, refuse collector, bricklayer		

Table 1: Our 5-part grouping of occupational classes based on the NS-SEC.

10 Some routine occupations can count as intermediate if the worker is self-employed.

Occupational class versus earnings

Types of jobs are not always tied to how much you earn. Sometimes people in lower occupational classes earn more than those in higher occupational classes. For example, speech and language therapists count as higher professionals, NS-SEC 1, because their job requires a first degree for entry and experience-related training, and the practical application of a body of knowledge to instruct others. Yet, their average salary is lower than that of many working-class occupations, including some routine manual occupations.

There can also be great variation in earnings within a class. For example, teaching assistants earn an average of £19,033, and rail travel assistants earn an average of £36,080, yet both occupations are classified as 'intermediate'.¹¹ Apart from different salaries, these jobs may also have very different working conditions.

And, finally, 2 people doing the same type of work can be in different classes if one is an employee and the other is self-employed since the self-employed tend to be classed as intermediate. For example, a bricklayer who is an employee would be in NS-SEC 7, lower working class, while a self-employed bricklayer would be in NS-SEC 4, intermediate class. The salaries in these 2 cases may also be very different.



Example occupations, their NS-SEC classes and median salaries

Speech and language therapists: NS-SEC 1 – higher professional. Median salary: £31,932.

Train and tram drivers:

NS-SEC 5 – higher working class. Median salary: £63,807.

Air conditioning and refrigeration installers and repairers:

NS-SEC 6 – higher working class. Median salary: £39,818.

Large goods vehicle drivers:

NS-SEC 7 – lower working class. Average salary: \pounds 36,847.¹²

11 Office for National Statistics, 'Earnings and hours worked, occupation by four-digit SOC: ASHE table 14a', 2023. Published on ONS.GOV.UK. 12 Office for National Statistics, 'Earnings and hours worked, occupation by four-digit SOC: ASHE table 14a', 2023. Published on ONS.GOV.UK.

Improvements this year

We have made significant improvements since last year's report, providing richer detail and greater insights. We outline these changes below.

New composite indices

Our Index remains comparable with the one we published last year. However, we keep our list of indicators under review to make sure that we are capturing what matters. We have updated some indicators and improved our summary measures, which we call composite indices.

We now have a single composite index for intermediate outcomes at the upper-tier LA level. This gives us 203 geographical regions across the UK, instead of the 41 regions that we had last year. This index, called Promising Prospects, covers highest qualifications, hourly earnings, and also the professional and working-class occupations of young people.

Similarly, we have developed 3 new composite indices of drivers at upper-tier LA level, giving the same 203 geographical regions. The first index based on drivers is called Conditions of Childhood. This covers childhood poverty, parental education, parental working-class occupation, and parental professional occupation. The second index based on drivers is Labour Market Opportunities for young people. This covers unemployment, professional employment, and working-class employment. Finally, we have retained our composite index that looks at research and development, but improved it so that it also gives us 203 regions. This index is now called Innovation and Growth. A more detailed explanation of our methodology can be found in our online technical annex.

New geographical breakdowns

In 2023, we provided new geographical breakdowns for some of our indicators. To do so, we used regions defined by the ONS' International Territorial Level (ITL) classification framework.¹³ We focused on breakdowns at the level known as ITL2, which divides the UK into 41 regions. Each region had between 800,000 and 3,000,000 inhabitants and contained about 4 upper-tier LAs.

This year, we improve upon this analysis and provide more detailed geographical breakdowns. We have divided the UK into 203 upper- or single-tier LAs.¹⁴ LA areas vary greatly in terms of the numbers of inhabitants, but they are more recognisable as geographical divisions, and they have policy responsibility for education and transport (among other things). In doing this, we have made significant progress on our policy framework objective of developing the data and methods for place-based approaches.

We provide this analysis by combining indicators into summary formulas (in other words, composited indices) and pooling together more years of the LFS data and wider age bands. Doing this allows us to increase the sample sizes so that we can publish separate figures for each upperor single-tier LA.

> This year, we have improved our analysis to provide more detailed geographical breakdowns. We have divided the UK into 203 upper- or single-tier LAs.

¹³ A code used to subdivide the UK geographically for statistical purposes. Office for National Statistics, <u>'Territorial levels UK, international territorial levels'</u>, 2021. Published on ONS.GOV.UK.

¹⁴ In some areas of England, local government is divided between a county council (upper tier) and a district council (lower tier), which are responsible for different services. In other areas, there is a single unitary authority instead.



Differences between International Territorial Level 2 (ITL2) and local authority (LA) breakdowns

In some areas of the UK, local government is divided between a county council (upper-tier LA) and a district council (lower-tier LA), which are responsible for different services. In other areas, there is a single-tier (unitary) LA instead. This year's analysis breaks the UK down by upper-tier and single-tier LAs. There are 203 such LA areas across the UK in our analysis. In Northern Ireland, data limitations have meant that we cannot provide further geographical

breakdowns, so instead we present Northern Ireland as a single geographical unit.

Last year, we provided breakdowns at ITL2, which included areas comprising roughly 4 upper-tier LAs for a total of 41 regions. At ITL2, for example, Herefordshire, Worcestershire and Warwickshire were grouped as one region. This year, they are considered separately.

Figure 1.1: The 203 LA levels of the UK included in our analysis.



Source: ONS Open Geography Portal, ITL geography hierarchy boundaries, January 2021.15

Note: The map shows the 203 LA areas of the UK in our analysis. Our data did not allow us to divide Northern Ireland into smaller geographical areas.

15 ONS Geography, 'ITL geography hierarchy boundaries', 2021. Published on GEOPORTAL.STATISTICS.GOV.UK.

Figure 1.2: The 203 LA levels of the UK split by larger regions of the UK.

East	East Midlands (England)	London			
And	Color Color				
North East (England)	North West (England)	Northern Iroland			
North East (England)	North West (England)	Northern Ireland			
	A MARINE AND A MAR				
Scotland	South East (England)	South West (England)			
		and the second s			
Wales	West Midlands (England)	Yorkshire and The Humber			
	A start				

Source: ONS Open Geography Portal, ITL geography hierarchy boundaries, January 2021.¹⁶ 16 ONS Geography, <u>'ITL geography hierarchy boundaries'</u>, 2021. Published on GEOPORTAL.STATISTICS.GOV.UK.







Source: ONS Open Geography Portal, ITL geography hierarchy boundaries, January 2021.¹⁷ 17 ONS Geography, <u>'ITL geography hierarchy boundaries'</u>, 2021. Published on GEOPORTAL.STATISTICS.GOV.UK.



Figure 1.2b: The 203 LA levels of the UK split by larger regions of the UK in detail.

Source: ONS Open Geography Portal, ITL geography hierarchy boundaries, January 2021.¹⁸

Note: Our data did not allow us to divide Northern Ireland into smaller geographical areas.

18 ONS Geography, 'ITL geography hierarchy boundaries', 2021. Published on GEOPORTAL.STATISTICS.GOV.UK.



Figure 1.2c: The 203 LA levels of the UK split by larger regions of the UK in detail.

Source: ONS Open Geography Portal, ITL geography hierarchy boundaries, January 2021.¹⁹

19 ONS Geography, 'ITL geography hierarchy boundaries', 2021. Published on GEOPORTAL.STATISTICS.GOV.UK.



Figure 1.2d: The 203 LA levels of the UK split by larger regions of the UK in detail.

Source: ONS Open Geography Portal, ITL geography hierarchy boundaries, January 2021.²⁰ 20 ONS Geography, <u>'ITL geography hierarchy boundaries'</u>, 2021. Published on GEOPORTAL.STATISTICS.GOV.UK.

Table 1.3: The 203 upper-tier LA areas of the UK in our analysis.

Number	Region	Number	Region	Number	Region	Number	Region
1	Camden and City of London	26	Barnet	51	St Helens	76	Sheffield
2	Westminster	27	Brent	52	Liverpool	77	Bradford
3	Kensington and Chelsea	28	Ealing	53	Sefton	78	Leeds
4	Hammersmith and Fulham	29	Harrow	54	Wirral	79	Calderdale
5	Wandsworth	30	Hillingdon	55	Durham	80	Kirklees
6	Hackney	31	Hounslow	56	Hartlepool	81	Wakefield
7	Newham	32	Richmond upon Thames	57	Stockton-on-Tees	82	Derby
8	Tower Hamlets	33	Manchester	58	Middlesbrough	83	Derbyshire CC
9	Haringey	34	Salford	59	Redcar and Cleveland	84	Nottinghamshire CC
10	Islington	35	Trafford	60	Darlington	85	Nottingham
11	Lewisham	36	Stockport	61	Northumberland	86	Leicester
12	Southwark	37	Tameside	62	Newcastle upon Tyne	87	Rutland
13	Lambeth	38	Bolton	63	North Tyneside	88	Leicestershire CC
14	Bexley	39	Wigan	64	South Tyneside	89	North Northamptonshire
15	Greenwich	40	Bury	65	Gateshead	90	West Northamptonshire
16	Barking and Dagenham	41	Oldham	66	Sunderland	91	Lincolnshire CC
17	Havering	42	Rochdale	67	Cumbria	92	Herefordshire
18	Redbridge	43	Blackburn with Darwen	68	Hull	93	Worcestershire CC
19	Waltham Forest	44	Blackpool	69	East Riding of Yorkshire	94	Warwickshire CC
20	Enfield	45	Lancashire CC	70	North East Lincolnshire	95	Telford and Wrekin
21	Bromley	46	Cheshire East	71	North Lincolnshire	96	Shropshire
22	Croydon	47	Cheshire West and Chester	72	City of York	97	Stoke-on-Trent
23	Merton	48	Warrington	73	Barnsley	98	Staffordshire CC
24	Kingston upon Thames	49	Halton	74	Doncaster	99	Birmingham
25	Sutton	50	Knowsley	75	Rotherham	100	Suffolk CC

Number	Region	Number	Region	Number	Region	Number	Region
101	Coventry	128	Surrey CC	153	Flintshire CC	179	Dundee City
102	Norfolk CC	129	West Sussex CC	154	Wrexham	180	East Ayrshire
103	Solihull	130	Portsmouth	155	Powys CC	181	East Dunbartonshire
104	Dudley	131	Southampton	156	Ceredigion CC	182	East Lothian
105	Sandwell	132	Isle of Wight	157	Pembrokeshire CC	183	East Renfrewshire
106	Luton	133	Hampshire CC	158	Carmarthenshire CC	184	City of Edinburgh
107	Walsall	134	Medway	159	Swansea	185	Falkirk
108	Wolverhampton	135	Kent CC	160	Neath Port Talbot	186	Fife
109	Peterborough	136	Bristol	161	Bridgend	187	Glasgow City
110	Cambridgeshire CC	137	Bath and North East	162	Vale of Glamorgan	188	Highland
111	Hertfordshire CC		Somerset ²¹	163	Rhondda Cynon Taf	189	Inverclyde
112	Bedford	138	Plymouth	164	Merthyr Tydfil	190	Midlothian
113	Central Bedfordshire	139	Torbay	165	Caerphilly	191	Moray
114	Southend-on-Sea	140	Swindon	166	Blaenau Gwent	192	North Ayrshire
115	Thurrock	141	Bournemouth, Christchurch	167	Torfaen	193	North Lanarkshire
116	Essex		and Poole	168	Monmouthshire CC	194	Orkney Islands
117	Buckinghamshire	142	Cornwall and Isles of Scilly	169	Newport	195	Perth and Kinross
118	Bracknell Forest	143	Devon CC	170	Cardiff	196	Renfrewshire
119	West Berkshire	144	Dorset	171	Aberdeen City	197	Shetland Islands
120	Reading	145	Gloucestershire CC	172	Aberdeenshire	198	South Ayrshire
121	Slough	146	Somerset CC	173	Angus	199	South Lanarkshire
122	Windsor and Maidenhead	147	Wiltshire	174	Argyll and Bute Islands	200	Stirling
123	Wokingham	148	North Yorkshire CC	175	Scottish Borders	201	West Lothian
124	Milton Keynes	149	Isle of Anglesey	176	Clackmannanshire	202	Na h-Eileanan Siar
125	Oxfordshire CC	150	Gwynedd	177	West Dunbartonshire	203	Northern Ireland
126	Brighton and Hove	151	Conwy	178	Dumfries and Galloway		
127	East Sussex CC	152	Denbighshire CC		-		

21 Bath and North East Somerset includes the 3 unitary authorities of Bath and North East Somerset, North Somerset and South Gloucestershire.

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Where the data doesn't allow us to break the UK down into smaller regions, we use the 41 ITL2 regions of the UK for our analysis.

Table 1.4: The 41 ITL2 regions of the UK in our analysis.

Number	ITL2 region (and the ITL1 region that contains it)
1	Inner London – West (London)
2	Inner London – East (London)
3	Outer London – South (London)
4	Outer London – East and North East (London)
5	Outer London – West and North West (London)
6	Bedfordshire and Hertfordshire (East of England)
7	Berkshire, Buckinghamshire and Oxford (South East England)
8	Cheshire (North West, England)
9	Cornwall and Isles of Scilly, (South West England)
10	Cumbria (North West England)
11	Derbyshire and Nottinghamshire (East Midlands, England)
12	Devon (South West England)
13	Dorset and Somerset (South West England)
14	East Anglia (East of England)
15	East Yorkshire and Northern Lincolnshire (Yorkshire and the Humber, England)
16	Essex (East of England)
17	Gloucestershire, Wiltshire and Bristol and Bath area (South West England)
18	Greater Manchester (North West England)
19	Hampshire and Isle of Wight (South East England)
20	Herefordshire, Worcestershire and Warwickshire (West Midlands, England)
21	Kent (South East England)
22	Lancashire (North West England)
23	Leicestershire, Rutland and Northamptonshire (East Midlands, England)
24	Lincolnshire (East Midlands, England)
25	Merseyside (North West, England)
26	North Yorkshire (Yorkshire and the Humber, England)
27	Northern Ireland (Northern Ireland)
28	Northumberland and Tyne and Wear (North East England)
29	Shropshire and Staffordshire (West Midlands, England)
30	South Yorkshire (Yorkshire and the Humber, England)
31	Surrey, East and West Sussex (South East England)
32	Tees Valley and Durham (North East England)
33	West Midlands (West Midlands, England)
34	West Yorkshire (Yorkshire and the Humber)
35	West Wales and The Valleys (Wales)
36	East Wales (Wales)
37	Highlands and Islands, (Scotland)
38	Eastern Scotland (Scotland)
39	West Central Scotland (Scotland)
40	Southern Scotland (Scotland)
41	North Eastern Scotland (Scotland)


2: Mobility Since Last Year

Highlights

- The attainment gap between pupils eligible for free school meals (FSM) and those not eligible remains largely unchanged from last year. For example, at age 5 years, there is a consistent gap of around 20 percentage points in the attainment of a 'good level of development'. However, in some cases it has widened, such as key stage 4 (KS4).
- Among disadvantaged children, girls still do better than boys. For example, at age 11 years, 47% of disadvantaged girls reach the expected standard in reading, writing and maths, compared with 41% of boys.
- FSM-eligible children from some ethnic backgrounds achieve very well. For example, FSM-eligible children of Chinese background perform better than the national average for non-FSM children at KS2 and KS4 (11 and 16 years). At age 11 years, 71% of FSM-eligible children of Chinese background reach the required standards.
- All the areas of London continue to do well in terms of educational attainment for FSM-eligible pupils at age 5, 11 and 16 years.
- The percentage of children living in relative poverty in the UK (after accounting for housing costs) has risen since 2012 and is at about 30%. It is still below the levels reached in the 1990s (when the percentage was closer to the mid-30s), but is much higher than historical levels from the 1960s and 70s.
- The availability of high-quality education in the UK remains good. The UK has performed at or above the Organisation for Economic Co-operation and Development (OECD) average in the Programme for International Student Assessment (PISA) for mathematics, reading and science, but 2022 scores show decreases across the world.

Highlights (continued)

- We see that unemployment levels among young people are now the lowest they have been since 2014, at 11% in 2022. This means that far fewer young people are suffering the negative effects of unemployment.
- However, for those young people who are unemployed, finding a job could be more difficult, as job vacancy rates have fallen from 0.9 to 0.7 vacancies for every unemployed person between 2022 to 2023.
- There appears to be a closing of the socio-economic background (SEB) gap in university enrolment between 2014 and 2022. In 2014, young people from higher professional backgrounds were 3.9 times more likely to be studying for a degree than those from lower working-class backgrounds. In 2022 they were only 2.2 times more likely. Data from the Department for Education (DfE), which goes back to 2006, suggests that this is an even longer-term trend.²²
- Young people with low qualifications may have closed the earnings gap with their more qualified peers. For example, there has been a 16% increase in real hourly earnings for people with lower-level qualifications between 2014 to 2016, and 2020 to 2022. This is higher than the increases for all groups with higher-level qualifications.
- Civic engagement participating in democratic processes, such as signing a petition or attending a public rally has decreased from 40% to 34%.
- The percentage of premises with gigabit internet availability has increased sharply across the UK since 2020, potentially fostering better technical infrastructure for innovation and growth.
- We have not included a full range of breakdowns by protected characteristics in this document.²³ These breakdowns are instead published in full on our website, <u>social-mobility.data.gov.uk</u>.²⁴

²² In our reporting, a person's SEB means the socio-economic status of their parents. For example, this might be the parents' occupational class, income or education. So for instance, when we talk about someone with a "higher professional background", we mean that at least one of their parents had a higher professional occupation when this person was a child.

²³ According to the Equality Act 2010, protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, religion or belief, sex, sexual orientation, and race (including colour, nationality, and ethnic or national origin). It is against the law to discriminate directly against someone with any of these characteristics.

²⁴ Social Mobility Commission, 'Data about social mobility in the UK', 2023. Published on SOCIAL.MOBILITY.DATA.GOV.UK.



The availability of high-quality education in the UK remains good. The UK has performed at or above the Organisation for Economic Co-operation and Development average in the Programme for International Student Assessment for mathematics, reading and science, but 2022 scores show decreases across the world.



Introduction

Social mobility has faced considerable challenges in recent years. COVID-19 caused prolonged disruption to education and employment, and real wage growth has been weak for more than a decade. The full effects of this will not be known until far into the future. However, we designed our Index to pick up early warning signs that future mobility may be affected, by looking at our intermediate outcomes and drivers.

Intermediate outcomes

An individual experiences intergenerational social mobility when their life outcomes, such as their type of occupation, differ from their parents. Change across generations, and the link between parents and children, are the core of social mobility. So our intermediate outcomes compare people's starting point with an endpoint in their teens, 20s, or early 30s, as they move through education and into the labour market. These early (or intermediate) endpoints give an indication of what people's later outcomes will be, because the skills, qualifications and work experience that young people have will affect their social mobility.

Understanding how these have been affected by recent events, such as the COVID-19 pandemic, is essential. We therefore report on them annually, since the experiences of each cohort of people leaving school and entering the labour market may change from year to year.

Outcomes split by background versus overall outcomes

To construct intermediate outcome measures, we need 2 elements. First, we need a measure of SEB – a starting point. And second, we need a socio-economic outcome – an ending point. The change between these 2 points is then the amount of mobility experienced.

However, it is also important to consider overall outcomes for the whole population, regardless of SEB, because these can be a good indicator of the level of opportunity available. For example, a high-performing education system indicates that there is a high level of opportunity to access good schooling. For this reason, our Index includes drivers, which are not split by SEB.

Drivers

We include drivers to give a sense of how good conditions are likely to be for social mobility in the future. We therefore measure what is happening to the background conditions that make social mobility easier or harder. We call these conditions the 'drivers' of social mobility.

Drivers, such as access to good-quality education and work opportunities, are included if there is a good reason for linking them to better overall rates of social mobility. This is different from what might benefit a particular individual. For example, it may be that going to grammar school will result in better outcomes for an individual than if the same individual went to a non-selective school in the same area. But this is a distinct question from whether a grammar school system would result in higher mobility rates overall (not least because, by definition, most people cannot go to a grammar school).

Finally, since the drivers are intended to show how much national or local circumstances help mobility, they aren't broken down by SEB, and they can't tell us the UK's rate of social mobility. We also report on these annually.

Indicators included in this report

In this report, we look at only a selection of indicators, for which we have seen important changes in recent years. The most up-to-date version of all indicators can be found in our online Data Explorer Tool.

> The full effects of COVID-19 will not be known until far into the future. However, we designed our Index to pick up early warning signs that future mobility may be affected, by looking at our intermediate outcomes and drivers.

Intermediate outcomes Compulsory school age (age 5 to 16 years)

The school years form a critical period in which children develop. These years build an important foundation for getting on in work and in life. Monitoring education and skills development is therefore important for understanding any early differences in outcomes by social background.

Social background measures and accountability systems vary across the UK. Therefore we only present the measures for England.²⁵

Free school meal eligibility as a measure of socio-economic background

The only SEB measure available is eligibility for FSM. FSM is a binary measure (eligible or not eligible) that captures roughly the poorest 20% of students. Previous work has found considerable overlap between the incomes of families eligible for FSM and those who are not.²⁶ While FSM eligibility is not ideal, it is the only SEB measure available in schools data.²⁷

A more serious problem is that, due to the transitional protections covering FSM eligibility as we move from old-style multiple benefits to Universal Credit, there is a greatly increased number of children now eligible for FSM. This means that the average child on FSM today is probably not as disadvantaged as the average child on FSM 10 years ago. So results from more recent years will tend to understate any gap in achievement, compared with results from 10 years ago. In other words, the measured gap may have closed, even with no underlying change in the pattern of achievement.

Proportions and absolute numbers

In much of our analysis, we contrast the proportions of pupils from various groups who achieve a certain level of attainment. This allows us to meaningfully compare groups of different sizes. For example, there are many more non-Chinese pupils in UK schools than there are Chinese pupils. If we were to look only at the raw numbers of pupils from each group achieving the expected standard, we would see that far more non-Chinese pupils do so (precisely because there are far more non-Chinese pupils in the first place). But if we look at percentages, this reveals that the performance of an average Chinese pupil is far higher.

Similarly, looking at percentages, we see that the performance of an average pupil classed as disadvantaged is lower than that of an average pupil who is not known to be disadvantaged. But it's important to remember that there are far more pupils who are not known to be disadvantaged than there are disadvantaged pupils - roughly 3 times as many are not FSM-eligible. This in turn means that, in terms of raw numbers, more nondisadvantaged pupils are failing to meet the expected standard than disadvantaged pupils. As a result, any policy action that is targeted mainly on SEB (such as the Pupil Premium) will, by design, ignore the majority of pupils who fail to meet the expected standard. The only sure way of targeting help on low attainers is to look directly at attainment.

²⁵ The lack of harmonised education statistics across England, Wales, Scotland and Northern Ireland means that the only option at present is to have separate (non-comparable) measures for each of the 4 nations. If harmonised measures are not possible, we hope to present data for the separate nations in future years. However, the devolved nations do have similar examinations. Wales does GCSEs. Northern Ireland has the Nationals 4 and 5 and Scotland has Nationals 3, 4 and 5 and also has Highers.

²⁶ Graham Hobbs and Anna Vignoles, 'Is children's free school meal 'eligibility' a good proxy for family income?', 2013. Published on BERA-JOURNALS, ONLINELIBRARY.WILEY.COM.

²⁷ In the 2022 to 2023 academic year, 23.8% of pupils were eligible for FSM. This represents over 2 million pupils. GOV.UK, <u>'School pupils and their characteristics'</u>, 2023. Published on EXPLORE-EDUCATION-STATISTICS.SERVICE.GOV.UK.

Level of development at age 5 years

Starting with the youngest pupils, we look at 'good level of development', as defined in the early years foundation stage (EYFS) profile. The EYFS profile is intended to provide an accurate representation of each child's development at the end of the EYFS to support their transition into year one. It is made up of an assessment of the child's outcomes in relation to 17 early learning goals (ELGs) across 7 areas of learning.²⁸

Children are defined as having a good level of development at the end of the EYFS if they are at the expected level for the 12 ELGs within the 5 areas of learning relating to: communication and language; personal, social and emotional development; physical development; literacy; and mathematics.²⁹

As with last year, due to the devolved nature of the education system, we can only monitor this measure for children in England.

Additionally, data from the 2021 to 2022 and 2022 to 2023 academic years is not directly comparable with previous years, due to changes to the EYFS framework.

Figure 2 shows that, overall, the percentage of children achieving a 'good' level of development at the age of 5 years increased in the 7 school years ending in July 2019. No data was collected in the following 2 school years because of the pandemic. Data collection then resumed, but the results cannot be directly compared with the previous ones because of changes in methodology. However, there was an increase of 2 points between 2021 to 2022 (65%) and 2022 to 2023 (67%) in the percentage achieving a good level of development (around 416,000 children). For a more reliable look at overall educational performance, see Driver 2.2, 'Availability of high-quality school education'.

This trend is consistent across both FSMeligible and non-FSM eligible backgrounds, as we reported last year. Overall, 72% of children (around 353,000 children) not eligible for FSM had a good level of development, compared to only 52% of children eligible for FSM (around 56,000 children). This also means that 28% (around 141,000 children) of those not eligible for FSM did not have a good level of development, while 48% (around 53,000 children) of those eligible for FSM did not have a good level of development.³⁰

At the age of 5:

72% of children not eligible for FSM had a good level of development.

52% of children eligible for FSM had a good level of development.

28 GOV.UK, 'Early years foundation stage profile handbook', 2018. Published on GOV.UK.

29 GOV.UK, <u>'Early years foundation stage profile results</u>', 2023. Published on EXPLORE-EDUCATION-STATISTICS.SERVICE.GOV.UK.
 30 GOV.UK, <u>"Headline measures by characteristics' from 'early years foundation stage profile results</u>", 2024. Published on EXPLORE-EDUCATION-STATISTICS.SERVICE.GOV.UK.

Figure 2: The gap in the percentage of children achieving a 'good' level of development between those eligible for FSM and those not eligible remains substantial.

Percentage of students achieving a 'good level of development' at age 5 years by eligibility for FSM in England, from the 2012 to 2013 academic year to the 2022 to 2023 academic year.



Source: DfE. EYFS profile results from the 2022 to 2023 academic year, 2023.

Note: The grey line represents all children. The percentage 'good level of development' tracks development at age 5 years in England only. Children are defined as having a good level of development at the end of the EYFS if they are at the expected level for the 12 early learning goals (ELGs) within the 5 areas of learning relating to: communication and language; personal, social and emotional development; physical development; literacy; and mathematics. The EYFS was significantly revised in September 2021 which means we cannot directly compare the outcomes for 2021 to 2022 and 2022 to 2023 with earlier years. Data collection during the 2 school years ending in July 2021 was cancelled due to the COVID-19 pandemic. FSM eligibility is defined as collected in the school census which states whether a child's family have claimed eligibility. Parents can claim FSM if they receive certain benefits.

The gap of approximately 20 percentage points between FSM and non-FSM eligible pupils remains largely unchanged from last year (20.4% in 2021 to 2022 and 19.9% in 2022 to 2023).

Figure 2.1: Children living in more deprived areas tend to achieve a worse level of development at age 5 years than those living in less deprived areas.

Percentage of students achieving a 'good level of development' at age 5 years by their income deprivation affecting children index (IDACI) decile in England, in the 2022 to 2023 academic year.



Source: DfE. EYFS profile results from the 2022 to 2023 academic year, 2023.

Note: Figures are based on where the child lives (in other words, the location of their residence). The IDACI deciles are calculated based on the percentage of children living in income-deprived households within a certain neighbourhood.³¹ These neighbourhoods are grouped into deciles so that the 10% of neighbourhoods with the highest scores (most deprived) make up decile 1, and the 10% of neighbourhoods with the lowest scores (least deprived) make up decile 10. The percentage 'good' level of development tracks development at age 5 years in England only. Children are defined as having a good level of development at the end of the EYFS if they are at the expected level for the 12 ELGs within the 5 areas of learning relating to: communication and language; personal, social and emotional development; physical development; literacy; and mathematics.

We find a similar trend when we look at levels of income deprivation based on a child's residence. The percentage of children with a good level of development is lowest for those who live in the 10% most deprived neighbourhoods of England and rises incrementally to being the highest for those who live in the 10% least deprived neighbourhoods. As with other relationships reported here, this is a correlation and a causal relationship cannot be assumed.

31 GOV.UK, 'Child characteristics', 2023. Published on EXPLORE-EDUCATION-STATISTICS.SERVICE.GOV.UK.

Differences between boys and girls

Girls continue to outperform boys. In the 2022 to 2023 school year, more girls than boys had a good level of development (74.2 % for girls compared to 60.6% boys overall), with the gap widening slightly compared with a year earlier

(by 0.4 percentage points; 13.2 % difference in 2021 to 2022 and 13.6% in 2022 to 2023). The gap between those eligible for FSM and those not eligible is also smaller for girls (21% for boys and 18% for girls).

Figure 2.2. There are substantial differences between boys and girls in achieving a good level of development at age 5 years. The gap by FSM eligibility is larger among boys.

Percentage of students achieving a 'good level of development' at age 5 years by eligibility for FSM and gender in England, in the 2022 to 2023 academic year.



Source: DfE. EYFS profile results from the 2022 to 2023 academic year, 2023.

Note: The percentage 'good level of development' tracks development at age 5 years in England only. Children are defined as having a good level of development at the end of the EYFS if they are at the expected level for the 12 ELGs within the 5 areas of learning relating to: communication and language; personal, social and emotional development; physical development; literacy; and mathematics. FSM eligibility is defined as collected in the school census which states whether a child's family have claimed eligibility. Parents can claim FSM if they receive certain benefits.

In the 2022 to 2023 school year, more girls than boys had a good level of development (74.2% for girls compared to 60.6% boys overall).

Differences among regions

We still see considerable variation in outcomes between different areas. Of the regions, in 2022 to 2023, parts of London, West Midlands and Lincolnshire had the highest percentage

of children eligible for FSM with a good level of development, while regions in the North West and Yorkshire and the Humber had the lowest.

Figure 2.3. FSM-eligible pupils in parts of London, Lincolnshire and the West Midlands are the most likely to achieve a good level of development at age 5 years.

Percentage of FSM-eligible pupils reaching a good level of development at age 5 years by ITL2 regions in England, in the 2022 to 2023 academic year.



Note: The DfE shows results for each LA in England. This data has been aggregated into ITL2 regions by weighting the LA results by the number of pupils in each authority.

Attainment at age 11 years

We now look at how children perform at the end of primary school. Meeting the expected standard in reading, writing and maths is important for success in secondary school and, ultimately, later mobility outcomes.

Figure 2.4 shows the proportion of all pupils who meet the expected standard. In all of reading, writing and maths (combined), 60% of all pupils (around 400,000 pupils) met or exceeded the expected standard, up from 59% in the 2021 to 2022 academic year (around 390,000 pupils). However, this is still below attainment in the 2018 to 2019 academic year, where 65% of pupils (around 418,000 pupils) met the standard. This decline in absolute overall performance is discussed further in Driver 2.2, 'Availability of high-quality school education'. These statistics also show that in 2022 to 2023 around 268,000 pupils did not meet the expected standard, compared to around 226,000 pupils in 2018 to 2019.

Considering the findings by disadvantaged status, we find that 44% of disadvantaged pupils (around 90,000 pupils) met the expected standard for reading, writing and maths in 2022 to 2023 compared to 66% of other pupils (around 310,000 pupils), a difference of 22 percentage points.^{32 33} This means around 114,000 disadvantaged pupils and 159,000 of other pupils did not meet the expected standard.³⁴

Figure 2.4: Children from disadvantaged backgrounds are less likely to reach the expected standard in reading, writing and maths at KS2. This gap has widened slightly since before the pandemic.

Percentage of students reaching the expected standard in reading, writing and maths at KS2 by disadvantage status in England, from the 2015 to 2016 academic year to the 2022 to 2023 academic year.



Source: DfE. National curriculum assessments at KS2 in England, 2023.

Note: The grey line represents all children. Disadvantaged pupils are defined as those who were registered as eligible for FSM at any point in the last 6 years, and children looked after by a LA or who left LA care in England and Wales through adoption, a special guardianship order, a residence order or a child arrangements order. Attainment in all of reading, writing and maths is not directly comparable to some earlier years (2016 and 2017) because of changes to teacher assessment frameworks in 2018. Between the academic years 2018 to 2019 and 2021 to 2022, there was a break in assessments due to the pandemic, though these last 2 data points are comparable.

- 32 Disadvantaged pupils are ordinarily defined as: those who were registered as eligible for FSM at any point in the last 6 years, children looked after by a LA or have left LA care in England and Wales through adoption, a special guardianship order, a residence order or a child arrangements order.
- 33 In 2023, 30% of pupils at the end of KS2 were considered disadvantaged.
- 34 GOV.UK, "Attainment by pupil characteristics' from 'key stage 2 attainment", 2024. Published on EXPLORE-EDUCATION-STATISTICS. SERVICE.GOV.UK.

Figure 2.5 shows the disadvantage gap index at KS2. This summarises the attainment gap between disadvantaged pupils and all other pupils.³⁵ A disadvantage gap of zero would indicate that pupils from disadvantaged backgrounds perform as well as pupils from non-disadvantaged backgrounds. The disadvantage gap index reduced between the 2010 to 2011 and 2018 to 2019 academic years, indicating that the attainment gap between disadvantaged pupils and their peers was becoming smaller. It remained at a similar level between 2018 and 2019 and increased in 2022 to the highest level since 2012. It remains largely unchanged from 3.23 in 2022 to 3.21 in 2023.

Figure 2.5. The disadvantage gap index at KS2 (age 11 years) remains unchanged and substantial.

Disadvantage attainment gap index for England at KS2, from the 2010 to 2011 academic year to the 2022 to 2023 academic year.



Source: DfE. National curriculum assessments at KS2 in England, 2023.

Note: Comparisons are made by ordering pupil scores in reading and maths assessments at the end of KS2 and assessing the difference in the average position of disadvantaged pupils and others. The mean rank of pupils in the disadvantaged and other pupil groups are subtracted from one another and multiplied by a factor of 20 to give a value between -10 and +10 (where 0 indicates an equal distribution of scores).³⁶ Disadvantaged pupils are defined as those who were registered as eligible for FSM at any point in the last 6 years, and children looked after by a LA or who left LA care in England and Wales through adoption, a special guardianship order, a residence order or a child arrangements order.

35 The gap index is more resilient to changes to assessment than attainment threshold measures and therefore offers greater comparability between years. The index ranks all pupils in the country and assesses the difference in the average position of disadvantaged pupils and others. A disadvantage gap of zero would indicate that there is no difference between the average performance of disadvantaged and nondisadvantaged pupils. We measure whether the disadvantage gap is getting larger or smaller over time. See the technical annex for further information.

36 GOV.UK, 'Key stage 2 attainment', 2023. Published on EXPLORE-EDUCATION-STATISTICS.SERVICE.GOV.UK.

Differences between boys and girls

Consistent with last year, and previous years, girls continue to outperform boys at the expected standard in reading, writing and maths.

Although girls are more likely than boys to achieve the expected standard, the gap between those from disadvantaged and nondisadvantaged backgrounds is similar for boys and girls at around 22 to 23 percentage points. These patterns of gender differences at age 11 years are very similar to those shown for age 5 years. At age 11 years, 71% of FSM-eligible children of Chinese background achieve the expected standard in reading, writing and maths.

Figure 2.6: In the 2022 to 2023 school year, girls were more likely than boys to reach the expected standard in reading, writing and maths at age 11 years.

Percentage of students reaching the expected standard in reading, writing and maths at KS2 by disadvantage status and gender in England, in the 2022 to 2023 academic year.



Source: DfE. National curriculum assessments at KS2 in England, 2023.

Note: Disadvantaged pupils are defined as those who were registered as eligible for FSM at any point in the last 6 years, and children looked after by a LA or who left LA care in England and Wales through adoption, a special guardianship order, a residence order or a child arrangements order.

Differences between ethnic groups

In figure 2.7 we see a similar we see a similar pattern in the overall achievement levels across different ethnicities as we did last year. FSM-eligible children of Chinese ethnicity represent the highest proportion achieving the expected standard (71%) and Gypsy or Roma ethnicity represent the lowest (14%). Given the uneven geographical distribution of children of different ethnicities, there may be regional effects contained in these different outcomes, for example, a 'London effect'. One major factor in this effect is the presence of high numbers of pupils with an ethnic minority background in such large metropolitan areas.

Differences among regions

Figure 2.8 shows that, among FSM-eligible students in England, there is a strong cluster of high performance in London, but not in the rest of the South East. Tees Valley and Durham also perform strongly. Some of this may be connected with the findings on ethnicity, as shown in figure 2.7, in the sense that the ethnicities that perform best may be more highly concentrated in these areas. However, this is unlikely to be the case for Tees Valley and Durham.

The pattern observed here is largely consistent with last year's findings, and a good level of development at age 5 years. It is also consistent with what has often been termed 'the London effect'.

Figure 2.7: The percentage of FSM pupils reaching the expected standard by age 11 years varies greatly by ethnic background.

Percentage of FSM-eligible pupils reaching the expected standard in reading, writing and maths at KS2 by ethnicity in England, in the 2022 to 2023 academic year.

White – Gypsy or Roma White - Traveller of Irish heritage White - Irish White – White British Mixed – White and Black Caribbean White - Any other White background Black – Black Caribbean Black – Any other Black background Mixed - Any other Mixed background Mixed - White and Black African Mixed – White and Asian Asian – Pakistani Asian – Any other Asian Black – Black African Asian – Indian Asian – Bangladeshi Asian - Chinese



Source: DfE. National curriculum assessments at KS2 in England, 2023.

Note: FSM eligibility is defined as collected in the school census which states whether a child's family have claimed eligibility. Parents can claim FSM if they receive certain benefits. Universal Infant Free School Meals and additional FSM provided in London are separate programmes and do not count towards these numbers.

Figure 2.8: FSM-eligible pupils in London and Tees Valley and Durham are the most likely to achieve the expected standard at KS2.

Percentage of FSM-eligible pupils reaching the expected standard in reading, writing and maths at KS2 by ITL2 regions in England, in the 2022 to 2023 academic year.



Source: DfE. National curriculum assessments at KS2 in England, 2022 to 2023.

Note: DfE shows results for each LA in England. This data has been aggregated into ITL2 regions by weighting the LA results by the number of pupils in each authority.

Attainment at age 16 years

A young person's educational outcomes at age 16 years help to shape their path onto higher or further education (HE or FE), training and employment. Good grades help to secure good jobs, and most importantly, options to follow a number of different routes after compulsory schooling.

Figure 2.9 shows that, overall, 45% of pupils (around 275,000 pupils) achieved a grade 5

or higher in both English and maths (grey line). This is a decrease of 4.8 percentage points (from 49.8%) compared to 2021 to 2022, but still an increase of 1.8 percentage points (from 43.2%) in comparison with 2018 to 2019. However, some drop was expected due to changes in assessment methods.³⁷ For a more reliable look at this decrease in performance, see Driver 2.2, "Availability of high-quality school education".

Figure 2.9: In the 2022 to 2023 school year, there was a drop in the proportion of pupils at KS4 achieving a grade 5 or above in GCSE English and maths, and the gap between disadvantaged and other pupils was similar to previous years.

Percentage of students achieving a pass (grade 5 or above) in both GCSE English and maths by disadvantage status in England, from the 2018 to 2019 academic year to the 2022 to 2023 academic year.



Source: DfE. National curriculum assessments at KS4 in England, 2023.

Note: Pupils are defined as disadvantaged if they are known to have been eligible for FSM at any point in the past 6 years (from year 6 to year 11), if they are recorded as having been looked after for at least 1 day or if they are recorded as having been adopted from care. Figures for the school years 2022 to 2023 are based on revised data. Figures for the 2018 to 2019 and 2021 to 2022 school years are based on final data. The 2021 to 2022 year assessment returned to the summer exam series, after they had been cancelled in 2020 and 2021 due to the impact of the COVID-19 pandemic. During this time alternative processes were set up to award grades (centre-assessment and teacher-assessed grades).

37 Comparisons are made with 2022 and with 2019. The more meaningful comparison is with 2019, the last year that summer exams were taken before the pandemic, as 2023 saw a return to pre-pandemic grading. Caution is needed when considering comparisons over time, as they may not reflect changes in pupil performance alone. Differences in attainment may also reflect changes in the approach to grading over time. To look at the connection between SEB and this early outcome, we consider the overall levels of attainment for disadvantaged pupils and all other pupils.³⁸ In terms of group comparisons, 25% of disadvantaged pupils (around 40,000 pupils) achieved a grade 5 or above in both subjects, compared with 52% of all other pupils (around 235,000 pupils). This is a gap of 27.2 percentage points, which is similar to the previous 2 years when the gap was 27.4 and 27.5 percentage points. These results show that around 119,000 disadvantaged pupils and around 213,000 of all other pupils do not achieve a grade 5 or above in both subjects.³⁹

> In the 2022 to 2023 school year, girls were more likely than boys to achieve a pass in both GCSE English and maths across both disadvantaged and nondisadvantaged groups.

38 Pupils are defined as disadvantaged if they are known to have been eligible for FSM at any point in the past 6 years (from year 6 to year 11), if they are recorded as having been looked after for at least 1 day or if they are recorded as having been adopted from care.
39 GOV.UK, <u>"National characteristics data' from 'key stage 4 performance"</u>, 2024. Published on EXPLORE-EDUCATION-STATISTICS.SERVICE. GOV.UK.

We also report the KS4 disadvantage gap index for schools in England, in figure 2.10. The disadvantage gap index summarises the relative attainment in GCSE English and maths between disadvantaged pupils and all other pupils. It provides a more resilient measure of changes over time in attainment that may have been affected by, for example, the GCSE reforms introduced in 2017 and associated changes to headline measures (for example, moving away from 5 or more GCSEs to average attainment 8 scores, where performance in a set of 8 GCSEs is measured).⁴⁰ In 2022, as exams were re-introduced, the disadvantage gap index continued to widen and now stands at its highest level since 2012. As with the findings from the last academic year, this widening likely reflects the effects of the disruptions to learning that many pupils experienced during the pandemic.

Figure 2.10: The disadvantage gap index at age 16 years has widened further, and is the largest gap since the 2011 to 2012 academic year.

The disadvantage attainment gap index for England at KS4, from the 2010 to 2011 academic year to the 2022 to 2023 academic year.



Source: DfE. National curriculum assessments at KS4 in England, 2023

Note: The disadvantage gap index summarises the relative attainment gap (based on the average grades achieved in English and maths GCSEs) between disadvantaged pupils and all other pupils. The index ranks all pupils in state-funded schools in England and asks whether disadvantaged pupils typically rank lower than non-disadvantaged pupils. A disadvantage gap of 0 would indicate that pupils from disadvantaged backgrounds perform as well as pupils from non-disadvantaged backgrounds. Pupils are defined as disadvantaged if they are known to have been eligible for FSM at any point in the past 6 years (from year 6 to year 11), if they are recorded as having been looked after for at least one day or if they are recorded as having been adopted from care. Figures for the school years 2022 to 2023 are based on revised data.

40 GOV.UK, 'Key stage 4 performance revised', 2024. Published on EXPLORE-EDUCATION-STATISTICS.SERVICE.GOV.UK.

Differences between boys and girls

Figure 2.11 shows the proportion of pupils achieving a pass in both GCSE English and maths by sex and disadvantage status in the 2022 to 2023 school year. Overall both non-disadvantaged and disadvantaged girls have higher rates of passing GCSE English and maths than boys. 55% of non-disadvantaged

girls passed both subjects, compared with 50% for boys. Similarly, 27% of disadvantaged girls passed both subjects compared with 24% of boys. At 28 percentage points, the disadvantage gap for girls is fairly similar to that for boys, who have a gap of 26 percentage points.

Figure 2.11: In the 2022 to 2023 school year, girls were more likely than boys to achieve a pass in both GCSE English and maths regardless of their disadvantaged status.

Percentage of pupils achieving a pass (grade 5 or above) in both GCSE English and maths by disadvantage status and gender in England, in the 2022 to 2023 academic year.



Source: DfE. National curriculum assessments at KS4 in England, 2023.

Note: Pupils are defined as disadvantaged if they are known to have been eligible for FSM at any point in the past 6 years (from year 6 to year 11), if they are recorded as having been looked after for at least one day or if they are recorded as having been adopted from care. Figures for 2023 are based on revised data.

Differences between ethnic groups

Figure 2.12 shows the proportion of FSM-eligible pupils who achieve a pass in both GCSE English and maths. The figure shows substantial variation between the most disadvantaged ethnic group (Gypsy or Roma at 3%) and the top-performing ethnic group (Chinese at 75%). Overall, FSM-eligible pupils of South Asian ethnicities (such as Indian and Bangladeshi) have much higher rates of achieving a pass in both subjects compared with White British or Mixed White and Black Caribbean FSM-eligible pupils (18% and 19%, respectively).

Work by Professor Steve Strand for the Commission of Race and Ethnic Disparities examines this pattern of achievement.⁴¹ It suggests that some minority groups may see education as a way to escape poverty, while others are less optimistic, a distinction that may be connected to the minority's 'voluntary' or 'involuntary' status. It may be that immigrant groups that have lived in the UK for a long time become gradually less optimistic. Patterns of migration from different countries are also different – for example, Indian migrants are often of a high socio-economic status in their country of origin.

Although the outcomes of high-SEB children are not considered here, mainly due to data limitations, it is notable that Strand finds relative underperformance among Black Caribbean and Black African boys, and among Pakistani girls, from high SEBs.

Figure 2.12: There is great variation across ethnicities in the attainment of pupils eligible for FSM.

Percentage of FSM-eligible pupils achieving a strong pass (grade 5 or above) in both GCSE English and maths by ethnicity in England, in the 2022 to 2023 academic year.



Source: DfE. National curriculum assessments at KS4 in England, 2023.

Note: Figures for 2023 are based on revised data. FSM eligibility is defined as collected in the school census which states whether a child's family have claimed eligibility. Parents can claim FSM if they receive certain benefits.⁴²

41 Steve Strand, <u>'Ethnic, socio-economic and sex inequalities in educational achievement at age 16'</u>, 2021. Published on GOV.UK.
 42 See DfE guidance for more information on FSM eligibility, <u>'Early years foundation stage profile results'</u>, 2023. Published on GOV.UK.



Differences among regions

Figure 2.13 shows a similar geographical pattern to figure 2.8, and to what was reported last year. In particular we see a similar 'London effect', with other densely populated urban areas also showing good results, like the West Midlands.

There is also a fairly clear and consistent pattern for lower percentages of FSM-eligible pupils in rural areas of England, such as Cornwall and Cumbria, achieving passes (grade 5 or higher) in English and maths. There is also a cluster of low performance in other areas of the North West, such as Lancashire and Cheshire.

Figure 2.13: FSM-eligible pupils in London and the West Midlands are the most likely to achieve passes (grade 5 or above) in English and maths at GCSE.

Percentage of FSM-eligible pupils achieving a pass (grade 5 or above) in both GCSE English and maths by ITL2 region in England, in the 2022 to 2023 academic year.



Source: DfE. National curriculum assessments at KS4 in England, 2023.

Note: DfE shows results for each LA in England. This data has been aggregated into ITL2 regions by weighting the LA results by the number of pupils in each authority.



Skills at age 15 years

PISA aims to assess the knowledge and skills of students in maths, science and reading. It uses an internationally agreed metric to collect data from students, teachers, schools and systems to understand performance differences. The tests "explore how well students can solve complex problems, think critically and communicate effectively" at age 15 years.⁴³ "This gives insights into how well education systems are preparing students for real-life challenges and future success."⁴⁴

We include parental education as a measure of socio-economic status, as no direct measure of parental occupational class background is available. Parental educational attainment refers to the highest educational qualification ever reported by either parent.

Figures 2.14, 2.15 and 2.16 show that students in the UK scored higher than the OECD average in mathematics, reading and science, on average. This is true across almost all levels of parental education. We also see a clear socio-economic gradient in scores for maths, reading and science, with pupils of higher-educated families (for example, master's degrees) obtaining the highest scores, and those of the lowest educated families obtaining the lowest scores. Pupils from level 1 families in the UK scored significantly lower than those from level 7 families. For example, there is a 107 score point difference in mathematics between the most disadvantaged group and the least disadvantaged groups (levels 1 and 7).

The OECD also calculates outcomes split by the SEB of pupils. It finds that, in the UK, "socio-economically advantaged students (the top 25% in terms of socio-economic status) outperformed disadvantaged students (the bottom 25%) by 86 score points in mathematics. This is similar to the average difference between the 2 groups (93 score points) across OECD countries".

⁴³ PISA assesses young people aged 15 years as this is the last point at which most children are still enrolled in formal education. 44 PISA 2022 results: <u>'Factsheets, UK'</u>, 2023. Published on OECD.COM.

Case Study

Leah Johns 21, Belfast, Northern Ireland

I was brought up by a single mother. She left school with a few GCSEs and worked as a cleaner most of her life. We lived in rural Wales on the poverty line.

At school, I got mostly Bs and Cs in my GCSEs. Then, at A-level, I did a Level 3 qualification in Health and Social Care which really piqued my interest.

I did it through the pandemic. That was quite tough. I worked in a burger van 50 hours a week because I wanted to contribute to household expenses as I wasn't able to eat school dinners. I was using my auntie's really old laptop. It was quite hard because you didn't have teachers pushing you. When you sit in the classroom you're being told off if you're talking or on your phone. But at home you're alone on your laptop.

Originally, I wasn't going to go to university. I was going to stay home and get a job. But then I got the predicted grades I needed so on a whim I put in a late application and got five offers.



While I was doing my degree I worked as a carer, then in nurseries which I really enjoyed, then for the university as a student ambassador. I got the maximum student loan which was a massive help but in my first year it just covered my rent so I had to work to have the normal student experience.

To start with I found it difficult getting used to being in a classroom again after the pandemic but the support from the tutors really helped. I have just graduated with a first-class degree in Health and Social Care. Now I've moved to Belfast and am hoping to get my master's so I can apply for jobs in public health for a local authority.

Where I'm from, there's a sense that if your parents live there their whole lives then you will as well. I know a lot of people who go to university near where they live and don't move away. I am the first person, even among all my cousins and aunties, to go to university. I love my family but wanted to do something out of the normal narrative.

Figure 2.14: On average, parental education is related to children's mathematics scores at age 15 years.

Average pupil attainment scores on PISA mathematics assessments by highest level of education of parents (the International Standard Classification of Education (ISCED)), UK and OECD average, for 2022.⁴⁵



Source: OECD, PISA, 2022 mathematics assessment.

Note: ISCED refers to the international classification for organising education programmes and related qualifications by levels. Level 1 = primary education, level 2 = lower secondary education (lower than GCSE level but having gone to secondary school), level 3.3 = upper secondary education with no direct access to tertiary education, level 3.4 = upper secondary education with direct access to tertiary education, level 4 = post-secondary non-tertiary education (such as a HE Access course), level 5 = short-cycle tertiary education (below degree-level qualifications of a minimum of 2 years study such as a level-4 apprenticeship), level 6 = bachelor's degree or equivalent, level 7 = master's degree or equivalent.⁴⁶ For the UK only, the item response rate is below 85%. Missing data has not been explicitly accounted for. The results for those with parents educated to level 8 (doctoral degree) have been omitted, as this is a small group. PISA scores do not have a maximum or minimum, instead they are scaled so that the mean for OECD countries is around 500 score points and one standard deviation is around 100 score points.

45 UNESCO, Institute for Statistics, 'The international standard classification of education'. Published on UIS.UNESCO.ORG.

46 For an explanation of the classification for parents' highest level of education see, PISA, <u>'PISA 2022 results (volume II): learning during – and from – disruption</u>', 2022. Published on OECD-ILIBRARY.ORG.

Figure 2.15: On average, parental education is related to children's science scores at age 15 years.

Average pupil attainment scores on PISA science assessments by highest level of education of parents (ISCED), UK and OECD average, for 2022.



Source: OECD, PISA, 2022 science assessment.

Note: ISCED is the reference international classification for organising education programmes and related qualifications by levels. Level 1 = primary education, level 2 = lower secondary education (lower than GCSE level but having gone to secondary school), level 3.3 = upper secondary education with no direct access to tertiary education, level 3.4 = upper secondary education with direct access to tertiary education, level 3.4 = upper secondary education with direct access to tertiary education, level 4 = post-secondary non-tertiary education (such as a HE Access course), level 5 = short-cycle tertiary education (below degree-level qualifications of a minimum of 2 years study such as a level-4 apprenticeship), level 6 = bachelor's degree or equivalent, level 7 = master's degree or equivalent.⁴⁷ For the UK only, the item response rate is below 85%. Missing data has not been explicitly accounted for. The results for those with parents educated to level 8 (doctoral degree) have been omitted, as this is a small group. PISA scores do not have a maximum or minimum, instead they are scaled so that the mean for OECD countries is around 500 score points and one standard deviation is around 100 score points.

47 For an explanation of the classification for parents' highest level of education see, PISA, <u>'PISA 2022 results (volume II): learning during – and from – disruption</u>', 2022. Published on OECD-ILIBRARY.ORG.



Figure 2.16: On average, parental education is related to children's reading scores at age 15 years.

Average pupil attainment scores on PISA reading assessments by highest level of education of parents (ISCED), UK and OECD average, for 2022.



Source: OECD, PISA, 2022 reading assessment.

Note: ISCED is the reference international classification for organising education programmes and related qualifications by levels. Level 1 = primary education, level 2 = lower secondary education (lower than GCSE level but having gone to secondary school), level 3.3 = upper secondary education with no direct access to tertiary education, level 3.4 = upper secondary education with direct access to tertiary education, level 4 = post-secondary non-tertiary education (such as a HE Access course), level 5 = short-cycle tertiary education (below degree-level qualifications of a minimum of 2 years study such as a level-4 apprenticeship), level 6 = bachelor's degree or equivalent, level 7 = master's degree or equivalent.⁴⁸ For the UK only, the item response rate is below 85%. Missing data has not been accounted for. The results for those with parents educated to level 8 (doctoral degree) have been omitted, as this is a small group. PISA scores do not have a maximum or minimum, instead they are scaled so that the mean for OECD countries is around 500 score points and one standard deviation is around 100 score points.

48 For an explanation of the classification for parents' highest level of education see, PISA, <u>'PISA 2022 results (volume II): learning during – and from – disruption</u>', 2022. Published on OECD-ILIBRARY.ORG.

Routes into work (age 16 to 29 years)

Entry of young people into higher education

Figure 2.17 shows the proportion of young people aged 18 to 20 years who began studying in HE by socio-economic background in 2022. 32% of all young people aged 18 to 20 years were studying in HE in 2022.

Overall, young people from a higher professional background (47%) still had significantly better chances of participating in HE than people from other SEBs (including those from a lower professional background). And, people from a lower working-class background had significantly lower chances (21%) even when compared with those from a higher working-class background (34%). However, from 2021 to 2022, the HE participation gap between those from the higher professional and the lower working classes has remained roughly the same: 30 percentage points in 2021 to 26 percentagepoint difference in 2022.

Figure 2.17: Young people from lower working, higher working, intermediate and lower professional backgrounds have lower HE entry rates than those from a higher professional background.

Percentage of young people aged 18 to 20 years in the UK studying for degree-level qualifications, 2022, by SEB.



Socio-economic background

Source: ONS, LFS 2022, respondents aged 18 to 20 years in the UK.

Note: Being in HE is defined as currently studying degree-level qualifications, including foundation degrees. The data refers to participation rates of young people aged 18 to 20 years. A formal test was conducted to test for differences in HE participation rates by SEB.⁴⁹ The data used is weighted using the LFS person weights. The error bars show 95% confidence intervals.

49 A logistic regression model was used to test whether there were differences in the likelihood of being in HE by socio-economic background. The likelihood of being in HE was significantly lower for all SEBs when compared to the likelihood of those from higher professional backgrounds. Note that the difference in the participation rates between those from lower professional backgrounds and higher professional backgrounds was only significant at the 10% level. However, looking at longer-term trends, things are more positive. On average, enrolment rates are up. We also see that the gap between those from lower working-class and higher professional backgrounds has almost halved. In 2014, young people from higher professional backgrounds were 3.9 times more likely to be studying for a degree than those from lower working-class backgrounds. In 2022 they were only 2.2 times more likely (see figure 2.18). Figures from the Higher Education Statistics Agency (HESA) suggest a similar pattern. It has found that "the disparities in degree attainment between those from the most and least deprived areas (based on HESA's deprivation measure) has narrowed by approximately 2 percentage points during COVID-19 (in other words, the academic years 2019 to 2020 and 2020 to 2021)."50

The trend emerging from LFS and HESA data is confirmed by data from the DfE, which compares the participation in HE of students who were eligible for FSM at age 15 years.⁵¹

According to this data, the HE progression rate for FSM-eligible pupils has risen from 14.2% for the 2005 to 2006 cohort to 29.2% for the 2021 to 2022 cohort. Meanwhile, the progression rate for non-FSM eligible pupils has risen from 33.5% for the 2005 to 2006 cohort to 49.4% for the 2021 to 2022 cohort. This means that, among those turning 19 years in the 2005 to 2006 academic year, students who were not eligible for FSM were about 2.4 times more likely to progress to HE. For those turning 19 years in 2021 to 2022, they were only 1.7 times more likely.

The narrowing of this gap is good news, in the sense that there is no longer such a tight link between a person's SEB and their chances of going to university. However, on top of the efforts that have been made to broaden HE access, we should also consider what happens to young people who do not attend university. The existence of good-quality, non-university paths to employment is very important.

Figure 2.18: The HE enrolment gap between those from lower working-class and higher professional backgrounds has almost halved.

Ratio of the proportion of young people from a higher professional background to those from a lower working background, aged 18 to 20 years, studying for degree-level qualification in 2014 versus 2022.



Source: ONS, LFS 2014 versus 2022, respondents aged 18 to 20 years in the UK.

Note: Being in HE is defined as currently studying degree-level qualifications, this includes foundation degrees. The data refers to participation rates of young people aged 18 to 20 years. The ratios were obtained by dividing the proportion of those from a higher professional background in HE by the proportion of those from a lower working background.

50 HESA, <u>'Degree attainment by socioeconomic background: UK, 2017/18 to 2020/21'</u>, 2023. Published on HESA.AC.UK.
 51 GOV.UK, <u>'Widening participation in higher education, academic year 2021/22'</u>, 2023. Published on EXPLORE-EDUCATION-STATISTICS. SERVICE.GOV.UK.



Work in early adulthood (age 25 to 29 years)

Early stages of a person's work experience can play an important role in shaping their career path. In this section, we look at differences in occupational levels and earnings by SEB to highlight how findings differ from last year. We then break down these findings further to understand the influence of education. We look first at differences in earnings by educational level controlling for SEB.⁵² That is, how earnings differ for people with the same SEB but different qualifications. We then flip this around and explore differences in earnings by SEB controlling for education. In other words, how earnings differ for people with the same educational level but different SEBs.

Earnings are not the only thing that matters. We capture the full range of early labour market outcomes in our Data Explorer Tool, including unemployment, occupational level and economic activity. The measures cover ages 25 to 29 years to capture young people who have typically gone through HE or FE. We must emphasise that patterns of socioeconomic differences vary when we look at different outcomes. The patterns shown for earnings here may be different to those for other measures like economic activity, for example. Young adults from a higher professionalclass background are more than 4 times more likely to be in a higher professional occupation (32%) than those from a lower working-class background (7%).

⁵² To control for a variable means that we remove its effect. So, for example, if we look at how different educational levels are associated with different levels of earnings, while controlling for SEB, it means we have removed the effect of SEB. We could also think of this as considering the earnings of people with different education levels but the same SEB.

Occupational level of young people aged 25 to 29 years

Figure 2.19 shows clear SEB differences in the occupations taken by young people, but with no significant change from last year. SEB is strongly related to young people's occupational class. One of the biggest proportional differences is in the percentage of young adults from a lower working-class background who are in lower working-class jobs (34%). It may be that young people from a lower working-class background are being held back, not only by lack of access to professional jobs, but also by the range of jobs above a routine manual level.

Young adults from a higher professional-class background are more than 4 times more likely to be in a higher professional occupation (32%) than those from a lower working-class background (7%). And 34% of young people from a lower working-class background work in a lower working-class occupation, compared with only 12% of young people from higher professional backgrounds. For those from lower working-class backgrounds who do make it to a professional occupation, they are still 3 times as likely to be in a lower (rather than higher) professional occupation.

These gaps between groups are not statistically different from last year. And, if we look over time, we see that more people are likely to be in professional jobs (see Driver 3.3 in our accompanying online tool) but we do not see huge improvements in terms of the gaps. In 2014, for example, young people from higher professional backgrounds were 4.3 times more likely to be in a higher professional job than young people from a lower workingclass background. This has remained relatively unchanged at 4.5 times in 2022.

Figure 2.19: Socio-economic background is strongly related to young people's occupational class.

100% 7% 13% 20% 20% 22% 32% 21% 75% 27% 23% 28% 20% 33% 33% 50% 20% 22% 18% 18% 16% 20% 15% 15% 14% 25% 13% 34% 8% 20% 21% 20% 17% 12% 0% Lower Higher Intermediate Higher Total Lower working working professional professional Socio-economic background Higher professional Lower professional Intermediate Occupational level Higher working Lower working

Percentage of young people aged 25 to 29 years in the UK in different occupational levels, 2022, by SEB.

Source: ONS, pooled LFS 2022, respondents aged 25 to 29 years in the UK.

Note: Due to rounding errors, in some instances, the totals may not add up to 100%. Formal tests were conducted to test for differences in the chance of being in a higher professional occupation and for the likelihood of being in a lower working-class occupation.⁵³ The data used is weighted using the LFS person weights.

53 A logistic regression on the likelihood of being in a higher professional occupation by SEB and year shows that compared to those from higher professional backgrounds, young people from all other SEBs are less likely to be in a higher professional occupation. A similar model on the likelihood of being in a working-class occupation shows that compared to those from a higher professional background, young people from all backgrounds except for a lower professional one have a significantly higher chance of being in a lower working-class occupation.

Earnings of young people aged 25 to 29 years

Again this year, we see a fairly smooth relationship between SEB and young people's earnings, in other words the higher the background, the higher the earnings. Figure 2.20 shows that, on average, young people from lower working-class backgrounds earned £13 an hour, compared to £17.8 for those from higher professional backgrounds. However, young people from higher workingclass backgrounds do not earn significantly more than those from lower working-class backgrounds.

Figure 2.20: Socio-economic background is strongly related to the level of young people's earnings.

Mean hourly earnings of young people aged 25 to 29 years in the UK, 2022, by SEB.



Source: ONS, LFS 2022, respondents aged 25 to 29 years in the UK.

Note: Due to slight revisions to the methodology and a change in the inflation base year, the results for this indicator are not directly comparable to last year's. Self-employed respondents and those without earnings are excluded. Earnings have been adjusted for inflation with a base year of 2022. A formal test was conducted to test for differences in earnings by SEB.⁵⁴ The data used is weighted using the LFS person weights. The error bars show 95% confidence intervals.

54 A logistic regression model of real hourly income by SEB shows that compared to young people from lower working-class backgrounds, those from all SEBs apart from higher working-class backgrounds have significantly higher earnings.

Case Study

Jon Marston 45, Walsall, West Midlands

I was a good student but I wasn't very productive. I left school with only 3 Cs at GCSE or above and I got Ds for everything else. My parents divorced while I was going through my GCSEs and it distracted me a little bit.



My dad was an oil refiner, then he was a bailiff, then he was a prison officer, then he went into nursing. My mum worked for a contractor that worked for a bank.

I did my NVQ in bricklaying as a hobby. When I was young, my uncle was a builder. I sometimes helped him at weekends and I loved the lifestyle of the self-employed builder. They seemed really relaxed and happy. I enjoyed the outside work and the pride of building things, but soon I had a son and I wasn't earning what I should. Things were tight and I felt working for an employer would take the pressure off. I applied for four jobs and got one in the water sector providing jetting services. From there, I moved to Severn Trent, working in different roles such as technical operator and maintenance. My first management job was maternity cover managing 14 people and all the pumping stations in Wolverhampton. Then I ended up moving to managing around 145 sites and £4.5m, double the budget.

After a few more moves, I ended up being promoted to business lead for the south. The secret is mainly hard work and doing pretty much what I said I was going to. I've had a different career to most of the senior management team. I've had to gain credibility. If you do your GCSEs well and A-Levels


that will give you more credibility earlier in your career because it shows you can apply yourself. What I've had to do throughout my career is compete with these people who on paper had a better chance than me.

I get paid more than when I was a builder and it's a lot more secure so that gives the family security and you can plan for things. I think the trade-off is you're doing a few more hours so I try to enjoy the family time.

The step up from managing 20 to 200 people is huge. It's a different mindset and you have to have empathy. "I've had a different career to most of the senior management team. I've had to gain credibility... throughout my career [I've had to] compete with people who on paper had a better chance than me."

Income returns to education: returns in earnings

Figure 2.21 illustrates the link between education and earnings, not the link between SEB and earnings. It can usefully be compared with figure 2.20, which illustrates the link between SEB and earnings for people with the same level of education.

Figure 2.21 shows the difference between what 2 different young people of the same SEB would earn on average, if one had no GCSEs and the other had a higher level of qualifications. If we consider 2 young people from the same SEB, we would expect young people with a higher degree – such as a master's degree – to earn 58% more than those with no GCSEs. Similarly, we would expect young people with a first degree (an undergraduate degree) to earn 48% more. Those with qualifications at GCSE, A level or FE below degree level, earn approximately 3, 16 and 29% more than those with the lowest levels of education.

Figure 2.21: Young people with higher levels of education earn much more than those with lower levels of education.

Percentage differences in hourly earnings of young people aged 25 to 29 years in the UK, from 2020 to 2022 (combined), relative to those with lower level (below GCSE grade 1 or equivalent), controlling for SEB, sex and age.



Source: ONS, pooled LFS from 2020 to 2022, respondents aged 25 to 29 years in the UK.

Note: Due to slight revisions to the methodology and a change in the inflation base year, the results for this indicator are not directly comparable to last year's. We adjusted earnings for inflation with a base year of 2022. We estimated the percentage differences from a linear regression model of log hourly earnings by educational level, controlling for, SEB, sex and age.⁵⁵ The percentages shown are the differences in income for men aged 27 years from lower working-class backgrounds by level of qualification when compared to similar men with lower level qualifications (below GCSE grade 1 or equivalent). We pooled the data for the years 2020 to 2022 to obtain more accurate estimates. The data used is weighted using the LFS person weights.

⁵⁵ The model shows that when compared to lower-level qualifications, the estimated effect of a qualification on earnings is significantly higher for all qualifications with the exception of O level, GCSE and equivalents.

Figure 2.22 shows that, after adjusting for inflation, the earnings have increased significantly over time for young people with all qualifications, apart from those with higher degrees and GCSEs or equivalent. For example, there has been a 16% increase in real hourly earnings for people with lower-level qualifications between 2014 to 2016 (first point on the chart), and 2020 to 2022 (last point on the chart). This is the highest of all groups over the same period. We also see that the earnings gaps between young people with different levels of education have remained more or less constant since 2014 to 2016 (first point on the chart), and from 2020 to 2022 (last point on the chart). However, our most recent estimate from 2020 to 2022 shows that the gap in earnings between those obtaining higher and first degrees is significantly smaller than it was in 2014 to 2016. We also find that the earnings gap between those with O-level, GCSE or equivalent qualifications and lower-level qualifications is significantly smaller in the years 2020 to 2022 than in 2014 to 2016.

Figure 2.22: Higher qualifications continue to be strongly associated with higher earnings, although the premium for higher degrees appears to have declined.

Real hourly earnings in pounds (£) of young people aged 25 to 29 years in the UK, 3-year moving averages from 2014 to 2016 until 2020 to 2022, by highest qualification controlling for SEB, sex and age.



Source: ONS, pooled LFS from 2014 to 2022, respondents aged 25 to 29 years in the UK.

Note: Due to slight revisions to the methodology and a change in the inflation base year, the results for this indicator are not directly comparable to last year's. We adjusted earnings for inflation with a base year of 2022. Each year refers to the last year of the 3-year moving average, for example 2016 refers to the 2014 to 2016 period. We estimated hourly earnings from a linear regression model of log hourly pay, controlling for educational level, SEB, sex and age. Formal tests were conducted to test for differences in earnings by qualification over time.⁵⁶ The estimates shown are the hourly earnings of men aged 27 years who were from a lower working-class background. The data used is weighted using the LFS person weights. The error bars show 95% confidence intervals.

56 A similar logistic regression model with a sample consisting of the years 2014 to 2016 and 2020 and to 2022 is used to test for differences in the effect of qualifications on earnings over time. The model finds that the gap between first degrees and higher degrees is significantly smaller in the years 2020 to 2022 when compared to 2014 to 2016. A similar model shows that the gap between low-level qualifications and O level, GCSE and equivalent qualifications is also significantly smaller in 2020 to 2022 when compared to 2014 to 2016.

Direct effect of social origin on earnings

Now we look at how hourly earnings differ for people with the same educational level but different social origins.

We find that the earning gap across SEBs holds true even when comparing young people with the same educational level (figure 2.23). Those from higher professional backgrounds earn 13% more than those from a lower working-class background with the same qualification level. Higher qualifications are strongly associated with higher earnings, yet those from higher professional backgrounds still earn 13% more than those from lower working-class backgrounds with the same qualification level.

Figure 2.23: Young people from professional backgrounds earn significantly more than those from other backgrounds but with the same level of education.

Percentage differences in hourly earnings of young people aged 25 to 29 years in the UK, from 2020 to 2022 (combined), relative to those from lower working-class backgrounds, controlling for highest educational level, sex and age.



Source: ONS, pooled LFS from 2020 to 2022, respondents aged 25 to 29 years in the UK.

Note: Due to slight revisions to the methodology and a change in the inflation base year, the results for this indicator are not directly comparable to last year's. We adjusted earnings for inflation with a base year of 2022. We estimated percentage differences from a linear regression model of log hourly pay by SEB, controlling for educational level, sex and age.⁵⁷ The reference group is men who are aged 27 years who were from a lower working-class background and had lower-level qualifications (below CSE grade 1 or equivalent). We pool the data for years 2020 to 2022 to obtain more accurate estimates. The data used is weighted using the LFS person weights.

57 The model shows that when compared to lower working class, the estimated effect of your SEB on earnings is significantly higher for higher and lower professional backgrounds. The effect on earnings for intermediate and higher working-class backgrounds is not significantly different to that of a lower working-class background.

Figure 2.24 shows that real earnings have improved significantly from 2014 to 2016 (first point on the chart) to 2020 to 2022 (last point on the chart), particularly for those from lower working, higher working and intermediate SEBs. It also shows that the earnings gaps between young people from different SEBs but who have the same level of education have remained more or less constant since 2014 to 2016, and from 2020 to 2022. The difference from 2020 to 2022 is around £1.2 per hour. We do not see any convincing long-term trend in terms of the differences between young people from different SEBs. For example, the earnings gap between those from higher and lower working-class backgrounds is similar to what it was in 2016.

Figure 2.24: The earnings gaps across SEBs have remained roughly constant between 2014 to 2016, and 2020 to 2022.

Real hourly earnings in pounds (£) of young people aged 25 to 29 years in the UK, 3-year moving averages from 2014 to 2016 until 2020 to 2022, by SEB, controlling for highest qualification, sex and age.



Source: ONS, pooled LFS from 2014 to 2022, respondents aged 25 to 29 years in the UK.

Note: Due to slight revisions to the methodology and a change in the inflation base year, the results for this indicator are not directly comparable to last year's. We adjusted earnings for inflation with a base year of 2022. We estimated hourly earnings from a linear regression model of log hourly pay by SEB, controlling for education level, sex and age. Formal tests were conducted to test for differences in earnings by SEB over time.⁵⁸ The reference group is men who were from a lower working-class background and had lower-level qualifications (below CSE grade 1 or equivalent). Estimates are shown for men aged 27 years. The data used is weighted using the LFS person weights. The error bars show 95% confidence intervals.

58 A similar logistic regression model with a sample consisting of the years 2014 to 2016 and 2020 to 2022 is used to test for differences in the effect for each SEB on earnings over time. These models show that the real hourly earnings for higher and lower professionals are not significantly different in the period 2020 to 2022 compared to 2014 to 2016. However during the same period, real hourly earnings significantly increased for both lower and higher working class and the intermediate class.

Case Study

Naomi Spence

20, Greenwich, London

When I was looking at my post-16 education options, I didn't ever really think about attending a Further Education College - it just didn't feature in my thought process at all. I think there's a lot of stigma attached to FE colleges and there's a false narrative that FE colleges are for less intelligent students or are an easy option, and that couldn't be further from the truth.

After my GCSEs in 2020, I enrolled at a local sixth form, and had just completed a week on a media course when I realised that this was a subject I wanted to focus on in more depth. I've always enjoyed creating content, being on stage and performing, so media seemed like a good match for me. I searched out my options, and found that London South East Colleges, part of a group of FE colleges, could offer me a course that better suited my passions - a level 3 Creative Digital Media Production course.

College was a really big change from school, but from the very first day, I realised that the FE college and course I was on were meant for me. The environment felt very egalitarian and I was encouraged to be more independent. Being in a room of people who were really passionate about the subject and just enjoying my course made me feel really comfortable.



I have so many interests, and I'm a huge advocate for not pushing young people down just one path. I want to do many things in the future. I'm very entrepreneurial, and I think having the freedom to really explore my subject has given me more motivation to set up my own businesses – I provide oratory and public speaking services for organisations and I also work as a wellbeing workshop facilitator.

The thing that most don't realise about FE colleges is the sheer diversity of the people they attract and the many options available. FE colleges are a home for students who want to follow different pathways. We had people in their 60s studying at our college, people who were starting over and looking for new opportunities, and the college was supporting them all to achieve their goals.

While I was there, alongside my course, I re-sat my maths GCSE. I think there's a lot of pressure put on children to get their maths and English GCSEs, which can be damaging to young people's mental health. I was really lucky with the support I had from the charity, Get Further, who helped me to prepare. They understood me and my learning style, adapting their approach to meet my needs.



Getting my maths GCSE has made me more confident and it was a real relief when I passed – I was just so overjoyed.

I completed my course in 2022, and I took a gap year because I wanted to consider my options. I had a good offer from the police and managed to get some great overseas work experience, and also got the chance to work with different media companies. There are lots of great pathways out there, but I decided that for me, a degree in Marketing Management at university was the right way forward.

Neither of my parents went to university my father worked on the railways and my mum in social work. My family highly valued education and my parents made significant sacrifices to invest in my education, providing me with numerous tutors over the years they created a very nourishing environment for myself and my three siblings. My parents have always been my biggest cheerleaders and their encouragement has really helped me to believe in myself and has given me the confidence to go on to achieve everything I want to do in life. "College was a really big change from school, but from the very first day, I realised that the FE college and course I was on were meant for me. The environment felt very egalitarian and I was encouraged to be more independent."

Drivers

Conditions of childhood

A child's chances for mobility are influenced by the availability of their families' material and cultural resources. We look at the distribution of these resources by concentrating on childhood poverty. Proxies for cultural capital, including parental occupation and education, are featured in our online tool.⁵⁹ The percentage of children living in relative poverty in the UK (after accounting for housing costs) has increased since 2012.^{60 61} It is still below the levels reached in the late 1990s, but much higher than in the 1960s or 1970s, when the rate was roughly half of what it is today.

Childhood poverty

Figure 2.25: In the past 5 years, the proportion of children living in relative poverty in the UK has remained around 30%.

Percentage of children living in relative poverty after housing costs, by country over time (UK, 1997 to 2023).



Source: Department for Work and Pensions, Households Below Average Income statistics, Table 4.16.62

Note: Data is calculated using 3-year averages (including the current year and 2 previous years). For example, the figure for 2022 represents the average of the financial years (FY) starting in 2020, 2021 and 2022. FY are reported by the year in which they start. For example, 2022 represents the FY ending in 2023 (FY 2022 to 2023). A household is said to be in relative poverty if their equivalised income is below 60% of the median income. 'Equivalised' means adjusted for the number and ages of the people living in the household.

- 59 'Cultural capital' loosely means the social and cultural knowledge that can help an individual to be socially mobile.
- 60 Relative poverty covers families where 'equivalised' household income is less than 60% of the median. 'Equivalised' means adjusted for the number and ages of the people living in the household.
- 61 The major advantage of the relative poverty measure used by the DWP is that it is updated annually and is available at a granular geographic level. It is very practical for monitoring purposes. While some of the measures developed by academics may have other strengths, they are unfortunately neither updated regularly nor available at a detailed geographical level.
- 62 Department for Work and Pensions, 'Households below average income (HBAI) statistics', 2013. Published on GOV.UK.



Availability of high-quality school education

Education is seen as one of the primary drivers of good social mobility outcomes, and equality of opportunity demands that everyone have access to a good-quality education regardless of their background, socio-economic status or any other personal characteristic. This helps to ensure that all students have a fair chance to succeed and achieve their full potential.

The PISA findings allow us to look at the UK as a whole (rather than just England), and understand how our students perform compared with similar countries. Figure 2.26 shows the latest trends.

The UK has performed at or above the OECD average since 2006. And in 2022, students in the UK continued to score significantly above the OECD averages in maths (489 score points), reading (494 score points), and science (500 score points). In maths, the UK is 11th in the world out of 81 that took part. However, the UK's ranking in reading and science has remained relatively unchanged. England's performance is the best of the 4 home nations. The UK's position therefore remains strong, with above average scores in all 3 subjects. Some have even noted that the UK stands out among European countries as a place where migrant pupils perform better than non-migrant pupils in maths and reading.⁶³

But we do see some recent decreases in attainment over time, both in the UK and across the OECD. While average scores in maths and reading were increasing before the pandemic, they have declined in 2022. There were significant 13 and 10 point drops in maths and reading between 2018 and 2022. Similarly, average science scores have been falling slightly since 2012, but not significantly between 2018 and 2022. The OECD averages have also seen similar significant decreases over the same period. While some of this may be due to the pandemic, many of these trends started before this time.⁶⁴

⁶³ Economics Observatory, 'What can the UK learn from the latest global data on pupil performance?', 2024. Published on ECONOMICSOBSERVATORY.COM.

⁶⁴ Economics Observatory, <u>'What can the UK learn from the latest global data on pupil performance?'</u>, 2024. Published on ECONOMICSOBSERVATORY.COM.

Figure 2.26: The UK has performed at or above the OECD average in PISA for mathematics, reading and science, but 2022 scores have decreased across the world.

Average pupil attainment scores on PISA mathematics, reading and science assessments over years, UK and OECD average, from 2003 to 2022.



Source: OECD, PISA, 2003 to 2022 mathematics, reading and science assessments.

Note: Red lines represent the UK average, and blue lines represent the OECD average. Assessment occurs every 3 years from 2003 to 2022. However, there is no available data for the 2003 science assessment. Average scores for young people aged 15 years on PISA's assessments. Due to small sample sizes in the UK, the OECD advises against comparisons between the UK and other countries for the year 2003. PISA scores do not have a maximum or minimum, instead they are scaled so that the mean for OECD countries is around 500 score points and one standard deviation is around 100 score points.

The PISA findings allow us to look at the UK as a whole (rather than just England), and understand how our students perform compared with similar countries.

Work opportunities for young people

Job vacancy rate

Figure 2.27 illustrates the number of vacancies per jobseeker over time. This ratio serves as a proxy measure of how easy it is for young people who are seeking work to find it.⁶⁵ A higher ratio indicates that there are more vacancies per jobseeker and greater ease in finding a job for those seeking one. This trend provides estimates of the overall state of the labour market, as we cannot identify vacancies specifically aimed at young people. Recently we have seen the highest number of vacancies for every jobseeker in the last 20 years. This year, however, we see a decrease from 0.9 to 0.7 vacancies for every unemployed person. This should be considered alongside lower youth unemployment levels (as shown in figure 2.27), but it means that for those young people who are unemployed, finding a job could be more difficult.

Figure 2.27: The estimated number of vacancies per jobseeker fell from 2022 to 2023.

Number of vacancies per unemployed person in the UK (seasonally adjusted), quarter 4 from 2001 to 2023.



Source: ONS, Vacancy Survey and LFS (respondents aged 16 to 64 years).66

Note: A proxy for job opportunities is calculated by ONS as the ratio of the number of unemployed (as estimated from the LFS) relative to the number of vacancies (as estimated in the Vacancy Survey) and published here as the reciprocal. Ratios were calculated using quarter 4 (October to December) from 2001 to 2023. A higher value indicates greater opportunities for jobseekers.

65 A proxy measure is a stand-in used to estimate or represent something else that is difficult to measure directly. 66 Office for National Statistics, <u>'Vacancy survey'</u>, 2021. Published on ONS.GOV.UK.

Case Study

Hafsa Anwar

19, Manchester, North West England

I'm Hafsa, a first-year technology degree apprentice on a Tech Consulting pathway. I'm from Pakistani descent, and grew up in Birmingham until I moved to Manchester in September 2023 for this opportunity.

My cousin told me about the degree apprenticeship routes, so I did some research and found one in the industry I was most interested in. Not having to pay for my degree was a big motivator for me – especially with the cost of university fees becoming so high. Earning both a degree and a level 6 qualification, alongside 3 years of industry experience sounded too good to be true. This opportunity sets me up for the rest of my career and gives me a sense of security for my future. And earning a salary while learning allowed me to become financially independent at 18.



Now that I have experience in the tech industry I would love to progress my career and work as a tech consultant. My employer gives tech degree apprentices the opportunity to be part of a variety of different projects, allowing us to use and develop different skills. This really helps us figure out what we enjoy and what we're good at, so we can start to plan where we would like to specialise as our career progresses.

Having a qualification and experience means that I've already started my career and learnt valuable skills I need and that employers look for. Working full time, studying and having financial responsibility, has meant that I have matured faster than some of my peers who perhaps don't have that level of responsibility yet.



I come from a working-class family, in a very low-income area and attended underfunded schools, and so growing up, I never thought opportunities like this would be open to me. I am passionate about giving other people the same opportunity that I have benefitted from, so I make the time to volunteer at events to educate and inform those from lower socioeconomic backgrounds on routes into roles like mine.

"This opportunity sets me up for the rest of my career and gives me a sense of security for my future. And earning a salary while learning allowed me to become financially independent at 18."

Youth unemployment

Youth unemployment has varied considerably over time, with spikes in levels following the 2008 financial crisis and COVID-19 pandemic. But, this year, we see clear improvements in terms of unemployment. Levels are now the lowest they have been since 2014, at 11% in 2022. This means that far fewer young people are suffering the negative effects of unemployment.⁶⁷ We see clear improvements in youth unemployment with levels at their lowest since 2014, at 11% in 2022.

Figure 2.28: Youth unemployment rates are the lowest they have been since 2014.

Percentage of young people aged 16 to 24 years in the UK, from 2014 to 2022, who were unemployed.



Source: ONS, LFS, from 2014 to 2022, weighted data, economically active respondents aged 16 to 24 years, 95% confidence intervals.

Note: The LFS follows the internationally agreed definition for unemployment recommended by the International Labour Organisation – a UN agency. Unemployed people are those without a job, who have actively sought work in the last 4 weeks and are available to start work in the next 2 weeks; or are out of work, have found a job and are waiting to start it in the next 2 weeks. Those who are economically inactive are excluded from the calculations (for example, in full-time education, looking after the home, or permanently sick and disabled). The data used is weighted using the LFS person weights.

67 Recent experimental statistics (November 2023 to January 2024) from the ONS suggest that the unemployment rate is above estimates of a year ago (November 2022 to January 2023) but largely unchanged compared to the latest quarter. However these estimates account for all those aged 16 years and older, and not just young people aged 16 to 24 years. Additionally, they should be treated with extra caution, given the ongoing challenges with response rates to the LFS.

Social capital and connections

Social capital refers to the social connections and the relationships that come from them, which enable a society to function well. Social capital's role in social mobility is less well understood than that of education or work. However, it has been suggested that it can promote a more dynamic economy and society.

Civic engagement

Civic participation is defined as engagement in democratic processes, both in person and online. This includes contacting a local official (such as a local councillor or MP), signing a petition, or attending a public rally (but not voting).

Our findings show that civic participation remained broadly stable from 2014 to 2021, despite decreases during the years most impacted by the COVID-19 pandemic. The most recent estimates, shown in figure 2.29, reveal another dip. Here, 34% of respondents said they had engaged in some form of civic participation at least once in the last 12 months; a decrease compared to levels in 2020 to 2021 (41%).⁶⁸

Figure 2.29: Between 2014 and 2021, civic participation remained broadly stable, but decreased in 2022.

Percentage of adults who have engaged in democratic processes within the last 12 months in England, 9 years to March 2022.



Source: Table C1, Community Life Survey 2021 to 2022, Department for Culture Media & Sport.⁶⁹

Note: The plot shows the percentages of adults who were civically engaged. This means engagement in democratic processes, both in person and online, including signing a petition or attending a public rally within the last 12 months. This does not include voting. Data is taken for the 9 financial years to March 2022. There are 95% confidence intervals available for 2019 to 2020, 2020 to 2021, and 2021 to 2022 only.

68 The 95% confidence intervals are indicated by error bars on the charts. They show the range that we are 95% confident the true value for the population falls between. When there is no overlap between the error bars for 2 or more groups, we can be more confident that the differences between groups represent true differences between these groups in the population. For more information see Department for Culture, Media & Sport, 'Community life survey 2021/22: civic engagement and social action', 2023. Published on GOV.UK.

69 Department for Culture Media & Sport, 'Community life survey 2021/22: civic engagement and social action', 2023. Published on GOV.UK.

Environment favouring innovation and growth

Innovation and its commercial application have long been integral to national industrial strategies. A supportive educational, technical, and economic infrastructure can foster local economic growth, encouraging investment and broadening professional and business opportunities in the area, thereby offering pathways for upward mobility. The impact on social mobility tends to be indirect, but remains potentially significant. It is crucial to assess the innovation environment and determine whether a supportive environment can enhance growth and future upward mobility.

Three indicators – broadband speed, business research and development (R&D) expenditure, and postgraduate education – reflect different components of an environment conducive to innovation and growth:

- Broadband speed indicates the technical infrastructure essential for firms in high-tech sectors. A lack of this infrastructure may deter investment and hamper productivity.
- 2. Business R&D expenditure represents investment in applying and implementing innovations, which is likely crucial for economic growth.

 Postgraduate education reflects the availability of advanced human capital that drives innovation. This indicator is not limited to science, technology, engineering and mathematics (STEM) subjects, as the humanities may also play a significant role in the creative and media sectors. These indicators represent various inputs that might enhance business activity, particularly in high-tech areas. Although these are experimental statistics and we cannot yet confirm a causal link between these indicators and an area's potential for innovation, growth, and upward mobility, they could begin to illuminate the role of innovation in advancing social mobility in the UK.

Below, we present broadband speed, measured as the percentage of premises with gigabit internet availability since 2020.

Broadband speed

As shown in figure 2.30, the percentage of premises with gigabit internet availability has increased sharply across the UK since 2020.

As part of our work, we want to understand the relationship between innovative environments and upward social mobility.



Figure 2.30: Across all UK nations, the percentage of premises with gigabit internet availability has increased sharply since 2020.

The percentage of premises (including residential and business) that have gigabit availability.



Source: The Office of Communications (Ofcom), Connected Nations Report (2023).70

Note: Data represents the percentage of premises (including both residential and business premises) that have gigabit capability in each of the UK nations. Data was collected in September of each year.

70 Data extracted from Ofcom, <u>'Connected nations 2023: interactive report'</u>, 2024. Published on OFCOM.ORG.UK.

Case Study

Carolyn Jay

52, Hampshire, South East England

Community and place manager, Ringway

No-one wakes up in the morning and thinks 'I know, I'll go and work in highways.' But it has great advantages. It's very stable as our roads will always need fixing.

Ringway has a contract for 10 years in Surrey and need to make sure we've got people we can employ. There's a national lack of groundworkers but especially so in the South East as it's an area of high employment and high demand.

After doing some work in schools I realised there was a gap in the 16-to-18 space. You tend to lose a lot of teenagers at that point. When I was having a conversation with Surrey Careers Hub they said Ringway should set up a course. I had no idea this was possible!

She said I think Nescot College Surrey is your best partner, let's set up a meeting. I got on a Teams call and found about 12 people from Nescot sat around a table. I could immediately see how meaningful this was to them.

I was insistent we didn't rely on maths and English as a requirement. It forces some young people out of the system. Ringway wanted it to be a hands-on course aimed at hands-on people who don't want to be in a classroom or behind a desk.



The model is going to be two year-long standalone courses delivered in Nescot's construction faculty using an accredited construction curriculum which they've adapted to highways. Ringway will support with employer engagement. We'll take the students to a live site and have a supervisor talking about what's happening and giving them a chance to ask questions. They'll get practical training on the course. They'll be doing things like bricklaying and slab-laying and we want to give young people a sense of the exciting machinery we're working with.

Nescot had the first recruitment day in April and one of the years is already full. The hope is we'll be able to line people up for apprenticeships. Ringway's goal is to employ people from the end of this course but there are fibre, water and gas companies who will be able to make use of qualifications like this, especially in Surrey where there's a lot of construction and a lot of roads.

Ringway has guaranteed to interview anyone who completes year 13. In a year or two I would love to be taking on people who've done a qualification like this, and have a commitment to working in highways and a clear idea of what it involves.

Julie Kapsalis

46, Hampshire, South East England

Principal and Chief Executive of Nescot (North East Surrey College of Technology)

The Pathways to Highways programme is a great example of 3 organisations coming together to address an opportunity and a need: Nescot, as a FE college, Ringway as a major local employer and Surrey County Council, who contracts with Ringway for highways work and who also have a priority around social mobility.

What I often find happens in these situations is there's a lot of great intentions and shared objectives but somehow it doesn't quite get going. What I'm really proud of about this project is pretty quickly we've come together to get something off the ground and in a couple of months' time we'll have students on 2 new courses, a level 1 course and an entry level course in construction skills for highway maintenance.

Ringway has been brilliant at coming to open day events, bringing all kinds of incredible pieces of equipment and vehicles, because actually that does really inspire young people to understand if you are going to go on that programme this is the kind of work you'll be doing.

We are also really lucky that through our work with careers organisations they're able to go out through their networks to local schools. It's about giving young people another pathway they might not have been considering.



Where we're located in Surrey, one of the challenges is that young people who've been to school here are attracted by living and working in London or a big city. Of course, people will make all kinds of decisions based on a variety of personal circumstances but from the perspective of Surrey as a county we need people to stay in the region and fulfil jobs in all kinds of sectors.

One of the barriers is that Surrey is a very expensive county to live in and that's often why we do sometimes lose people so when you have courses where there's a progression pathway and an outcome into a job where you know what the salary will be, often that does help people who might be thinking: can I afford to stay here?

We've been fortunate that through the Local Skills Improvement Fund, Nescot has secured a significant investment in immersive suites which includes simulators so that young people on this course can get the basic skills and knowledge that are critical to these jobs before they can legally drive a car or specialist machinery. We want the learners to be really inspired because the best marketing channels will be the young people on the course themselves telling their friends and family about their experience.

3: Mobility Across the UK

ALL SHA

- Marchart

Highlights

- We have developed new composite indices of intermediate outcomes (mobility outcomes earlier in life), and drivers (the enablers of mobility), at local authority (LA) level.⁷¹
- We now have a single composite index for intermediate outcomes at the upper-tier LA level.⁷² This gives us 203 geographical regions across the UK, instead of the 41 regions that we had last year. This index, called Promising Prospects, covers highest qualifications, hourly earnings, and also professional and working-class occupations of young people.
- In common with other work on the topic, we have found that most LAs have similar levels of mobility, with a few at the top and bottom ends. The most favourable areas tend to be in London or in the adjoining Home Counties.
- Similarly, we have developed 3 new composite indices of drivers at the upper-tier LA level, giving the same 203 geographical regions.
- The first index based on drivers is called Conditions of Childhood. This covers childhood poverty, parental education, parental working-class occupation and parental professional occupation. The most favourable conditions of childhood tend to be found in affluent areas, mainly Greater London and the Home Counties but also parts of the North and Scotland.
- The second index based on drivers is Labour Market Opportunities for young people. This covers unemployment, professional employment and working-class employment of young people. Results are similar, although the LAs with the less favourable opportunities for young people tend to be in the North East and North West of England, as well as older industrial and port areas.
- We have retained our composite index that looks at research and development (R&D), but improved it so that it also gives us 203 regions. This index is now called Innovation and Growth. The most favourable areas are clustered around London, mainly in the South of England, but a few other areas score well on this index.

⁷¹ Composite indices summarise multiple drivers or intermediate outcomes in one score. They give us a summary of how different geographical areas of the UK compare on the main dimensions of mobility that we have identified from the data.

⁷² In some areas of England, local government is divided between a county council (upper tier) and a district council (lower tier), which are responsible for different services. In other areas, there is a single unitary authority instead.

Our measurement framework has shown that there are differences in mobility prospects for people from different backgrounds, with, for example, parental education, occupation and ethnicity playing important roles. But there is an increasing realisation that geography – where people grow up – can also affect mobility chances. This is why we introduced geographical breakdowns of mobility chances and drivers in last year's report.

However, looking at geographical breakdowns of single indicators of social mobility, like unemployment or highest qualification, could be misleading, for 2 reasons. Firstly, results have to be estimated from sample surveys, and sample sizes at a regional or local level can be small. Secondly, we need to take a holistic view of conditions in an area, rather than using only one indicator, no matter how reliable.

To deal with these problems, we introduced 5 summary measures last year (composite indices). These provided a snapshot of how regions performed across a range of indicators. Two of these indices were based on intermediate outcomes and the remaining 3 on drivers, with each index composed of 3 underlying measures. These gave a much more reliable picture of what was going well, and what could be improved, across the UK.

Using these indices, we learned that Greater London and some adjoining areas stand out as places where young people do particularly well. Someone growing up in London was more likely to have promising prospects – attain higher qualifications, higher earnings and a professional job – than someone from the same socio-economic background (SEB) who grew up in a more rural or remote area. However, their risk of facing precarious situations such as unemployment, economic inactivity and lower working-class employment was also higher in London. Where people grow up can also affect mobility chances. This is why we introduced geographical breakdowns of mobility chances and drivers in last year's report.

This year, we have increased the number of areas from 41 to 203. This increases both granularity and statistical power for investigating why areas differ in their mobility prospects.



Measuring social mobility in local authorities A new approach to monitoring social mobility by local authority

We have built on this work by constructing a composite index of mobility prospects at LA level, instead of the regional level (International Territorial Level 2, ITL2) that we used last year.^{73 74} By moving from ITL2 to upper-tier LA level, we have increased the number of areas from 41 to 203. This increases both granularity and statistical power for investigating why areas differ in their mobility prospects. Additionally, this type of breakdown aligns more closely with policy responsibilities than any other breakdowns at ITL, since LAs have responsibility for local services, including maintained schools.

A new composite index for the intermediate outcomes

Like the previous Promising Prospects composite index, the new index is based on 3 intermediate outcomes (4 measures): highest qualification, occupational level, and hourly earnings among young people in the UK. As with all intermediate outcomes, we control for SEB. This means that the new index identifies the LAs where the young people who grew up there do better (or worse) than people with the same SEB who grew up elsewhere. We should think of this index as providing a measure of absolute mobility chances, not of relative mobility.⁷⁵

73 A code used to subdivide the UK geographically for statistical purposes. Office for National Statistics, <u>'Territorial levels UK, international</u> <u>territorial levels'</u>, 2021. Published on ONS.GOV.UK.

74 Unfortunately our data source, the LFS, does not enable us to make any distinctions within Northern Ireland, which we treat as a single unit. We have replicated our analyses using the Office for National Statistics' ITL3 measure, which approximates to LAs, but we prefer to show results for LAs as these are of more relevance to policymakers and stakeholders.

75 Please see the definitions for absolute and relative mobility in the State of the Nation report 2023, <u>'State of the Nation 2023: people and places/chapter 2 mobility outcomes'</u>, 2023. Published on GOV.UK.

Index	Indicator	LFS data used
Promising Prospects	IN2.3 Highest qualification (university degree)	Net levels of a university degree among young people in each area after controlling for SEB
	IN3.3a Occupational level (professional occupation)	Net proportions of young people in professional-class jobs in each area after controlling for SEB
	IN3.3b Occupational level (working-class occupation)	Net proportions of young people not in working-class jobs in each area after controlling for SEB
	IN3.4 Hourly earnings	Mean hourly earnings among young people in each area after controlling for SEB

Table 3: Summary of composite indices for the intermediate outcomes this year.

We pooled Labour Force Surveys (LFS) from several years, with areas based on where the respondent was living when aged 14 years. However, LA areas have much smaller sample sizes than the ITL2 areas (which approximate to groups of about 4 upper-tier LAs) that we used in our report last year.⁷⁶ We have therefore made various changes to improve the precision of the estimates. We have also changed the methodology to provide a stronger statistical foundation.⁷⁷

Increasing the precision of the estimates

To compensate for the much smaller sample sizes at LA level than at ITL2, we have made the following changes:

- We have added one extra year of data, so that we now use pooled LFS data for 2018 to 2022.
- We have broadened the social class categories by merging the higher and lower working classes, and the higher and lower professional classes.
- We have added one extra indicator to the index. We now include a working-class position in the index in addition to the professional class indicator that we used previously. As a result, we are no longer reporting on the 'precarious situations' composite index from last year.
- We have broadened the age range of young people from 25 to 29 years to 25 to 44 years. This increases the sample sizes by a factor of 4.

⁷⁶ Social Mobility Commission, 'State of the nation 2023: people and places', 2023. Published on GOV.UK.

⁷⁷ To produce this index, we rely mainly on a technique called a principle component analysis (PCA). This technique distils several correlated variables into a single dimension associated with the largest amount of variation in the outcomes of interest. Please see our technical annex for more detailed information.



We should still emphasise that, even with these changes, there remain some LAs where the sample size is very small; in a few cases, it is fewer than 50 respondents. In these cases, we cannot be sure whether the LA shows better prospects, average prospects or poorer prospects.

As previous work has shown, most LA areas have similar mobility chances for the people who grew up in them.^{78 79} Since we are reporting estimates based on survey data, the estimates are not precise enough to give a rank order of LAs. Instead, the main interest is which areas fall into the 2 distinctive 'tails' of the distribution: the LAs with the most and least favourable scores.

In our findings, there are a number of very small LAs, with correspondingly small sample sizes. In these cases, we cannot be confident about their position in the distribution. They might be disadvantaged or alternatively highly advantaged, rather than average or near the middle, but we cannot be sure either way. The LAs with the smallest sample sizes are Clackmannanshire (45), East Renfrewshire (40), Hammersmith and Fulham (43), Kensington and Chelsea (26), Midlothian (41), Na h-Eileanan Siar (27 – Outer Hebrides), Rutland (33), Orkney Islands (19), Shetland Islands (28) and Westminster (37). We should also note that the LFS does not allow us to distinguish LAs within Northern Ireland, which we therefore treat as a single entity

Composite indices for the drivers of social mobility

We have made several changes to the composite indices for the drivers. In last year's report we included 3 composites at ITL2: sociocultural advantage, childhood poverty and disadvantage, and R&D.⁸⁰

We explored whether we could build equivalents of the first 2 indices at LA level. For the first 2 indices, we have largely used the same indicators as in our State of the Nation 2023 report, but have made a few changes, consistent with those described in the previous section. First, we have expanded the age ranges for some indicators to increase sample sizes. For consistency with the new index of intermediate outcomes, we also include the percentage of young people with a working-class occupation as an additional indicator of the labour market situation facing young people. For the Conditions of Childhood index, we've added parental education and professional jobs, and omitted youth unemployment. The list of indicators used this year is shown in table 3.1.

⁷⁸ Social Mobility Commission, <u>'The long shadow of deprivation: differences in opportunities across England'</u>, 2020. Published on GOV.UK. 79 Richard Breen and Jung In, <u>'Regional variation in intergenerational social mobility in Britain'</u>, 2024. Published on ONLINELIBRARYWILEY.COM. 80 Social Mobility Commission, <u>'State of the nation 2023: people and places'</u>, 2023. Published on GOV.UK.

Index	Indicator	Data used
Conditions of Childhood	Driver (DR) 1.2 Childhood poverty	% of children in relative poverty (Department for Work and Pensions (DWP) and Households Below Average Income (HBAI) statistics, pooled years 2018 to 2022)
	DR 1.3 Distribution of parental education	% of families (with a dependent child) containing a graduate parent or adult (pooled LFS 2014 to 2022)
	DR 1.4a Distribution of parental occupation (professional)	% of families with a professional parent or adult (pooled LFS 2014 to 2022)
	DR 1.4b Distribution of parental occupation (working class)	% of families with a working-class parent or adult (pooled LFS 2014 to 2022)
Labour Market Opportunities for young people	DR 3.2 Youth unemployment	% of young people in employment (pooled LFS 2014 to 2022)
	DR 3.3a Type of employment opportunities for young people (professional)	% of young people with a professional occupation (pooled LFS 2014 to 2022)
	DR 3.3b Type of employment opportunities for young people (working class)	% of young people with a working-class occupation (pooled LFS 2014 to 2022)
Innovation and Growth	DR 5.1 Broadband speed	% of premises with gigabit-capable broadband (Ofcom)
	DR 5.2 Business expenditure on R&D	Business expenditure (logged) per 100,000 people on R&D
	DR 5.3 Postgraduate education	% of working-age (age 25 to 64 years) people with a postgraduate education (pooled LFS 2014 to 2022)

Table 3.1: Summary of composite indices for the drivers (DR) this year.

Please see our online technical annex for a detailed account of our methodology.

Results

Intermediate outcomes: promising prospects

This index brings together 4 measures capturing promising prospects for young people, as measured by their levels of education, occupational positions and earnings. The index adjusts for SEB, and measures how well young people from similar backgrounds do in education and the labour market.

In table 3.3 we list the LAs with the most favourable, favourable, near average, unfavourable and least favourable outcomes. Within each of the bands listed we order

the names alphabetically, as it would be misleading to rank-order them, given the imprecision of the estimates. Since the distribution is skewed towards more favourable outcomes, we show 32 LAs with the more favourable outcomes and 22 LAs with the less favourable outcomes (corresponding to the two tails shown in figure 3.2). We must also emphasise that there is more uncertainty about the membership of the 'favourable' and the 'unfavourable' bands than about the 'most favourable' and 'least favourable' bands.

Figure 3.2: Most LAs have scores in the middle or average on the index of Promising Prospects but there are two tails with distinctively favourable or unfavourable prospects.

LAs' scores in the composite index of Promising Prospects, covering 4 intermediate outcomes. LAs with near-average outcomes are shown in grey.



Source: LFS, from 2018 to 2022. Source data used from the following indicators: intermediate outcomes 2.3, 3.3a, 3.3b and 3.4.

Note: The histogram shows the distribution of scores for the unitary and upper-tier LAs where respondents lived when they were age 14 years. For more information on how each LA was scored, please see the technical annex.

Case Study

Conor Warren

18, Devon CC, South West England

I grew up in Tiverton in mid-Devon. In Year 6 my parents divorced. Me and my sister moved from mid-Devon to north Devon with my mum who is a teacher. When I was younger, we were comfortable but after my parents split up, we had to be a bit more careful.

I really enjoyed school. I did as many different clubs as I could. I was head boy. I did OK in my GCSEs, not amazingly, but I scraped passes. I preferred the social aspects.

When I was 14, I founded my own mental health organisation. Me and a group of friends were ranting about the mental health system and what it would be like in an ideal word. And then we thought why are we saying "in an ideal world"? Why don't we make it happen? We started creating resources such as worksheets and PowerPoints on subjects including anxiety and self-care. We've now got over 300 schools using our resources. We also created a digital advent calendar campaign around mental health with celebrities like Judi Dench, Emma Thompson and Stephen Fry giving tips.



After my GCSEs, I decided to stay on at sixth form to do business, media and drama because they were all coursework-focused and I didn't do amazingly well in my GCSEs.

At the same time, I got involved in Young Enterprise. I built a greetings card company with friends as part of their company programme and we made it to the UK finals.

Running my own business has helped me grow my contacts and learn lots of skills. I am someone who learns by doing and everything I've learned in business has been by making mistakes and learning on the job.

You don't have to quit education or your job straight away. It's about starting small and building up over time. I'm now travelling across the world through work. Being 18, living in north Devon, there are not so many opportunities and it's allowed me to see the wider world. I have decided not to go to university for the time being. In the future, I want to carry on with the business and grow it as much as I can. I love the freedom. I am a very ambitious person and it means if I have an idea, I can run with it and see where it leads. "I have decided not to go to university for the time being. In the future, I want to carry on with the business and grow it as much as I can.

I love the freedom. I am a very ambitious person and it means if I have an idea, I can run with it and see where it leads."

Table 3.3: The LAs with the most favourable, favourable, unfavourable and least favourable scores on the index of Promising Prospects. LAs with near-average outcomes are omitted.

Most favourable outcomes				
Barnet Brent Camden and City of London	Ealing Harrow Hillingdon	Hounslow Redbridge Richmond upon Thames Surrey CC		
Favourable outcomes				
Bexley Bedford Brighton and Hove Buckinghamshire Central Bedfordshire Cheshire East Enfield	Hackney Hammersmith and Fulham Haringey Hertfordshire CC Islington Kensington and Chelsea Kingston upon Thames	Lambeth Lewisham Luton Newham Southwark Tower Hamlets Wandsworth Warwickshire CC		
(LAs with near-average outcomes are omitted)				
Unfavourable outcomes				
East Ayrshire Hartlepool Hull Kirklees	Northumberland Newcastle upon Tyne North Ayrshire North East Lincolnshire	North Tyneside Renfrewshire Rochdale Wakefield		
Least favourable outcomes				
Barnsley Cornwall and Isles of Scilly Dumfries and Galloway	Durham Gateshead Northern Ireland	North Lanarkshire Scottish Borders South Tyneside Sunderland		

Source: LFS, from 2018 to 2022. Source data used from the following indicators: intermediate outcomes 2.3, 3.3a, 3.3b and 3.4.

Note: The index of Promising Prospects is a composite index covering 3 intermediate outcomes (4 measures) for unitary and upper-tier LAs, based on the LA where respondents lived when they were aged 14 years. The suffix CC indicates that the authority is a two-tier county council. Data constraints mean that Northern Ireland has to be treated as a single unit and in a few other cases LAs have had to be combined. The distinctions between the 5 categories (most favourable, favourable, near-average, unfavourable and least favourable) are based on their positions within the overall distribution. LAs with near-average outcomes are omitted.

The most striking finding is that nearly all the most favourable and favourable areas are either in London or in the adjoining Home Counties of Surrey, Hertfordshire and Buckinghamshire. As shown in figure 3.4, these Home Counties are often included in the London travel-to-work area and in the London Metropolitan area (alongside parts of other counties adjoining London, such as Kent CC and Essex CC). Broadly speaking, these areas all have good transport links to London and can be thought of as a commuter belt around London.

However, there are 2 notable exceptions to the dominance of London and the Home Counties: Cheshire East and Warwickshire. These two authorities outside the London area with favourable scores might also constitute commuter areas for their nearby metropolitan areas of Manchester and Birmingham respectively.

Figure 3.4: Index of Promising Prospects: London boroughs and LAs in adjoining Home Counties of Surrey CC, Hertfordshire CC and Buckinghamshire have the most promising prospects for young people.



Source: LFS, from 2018 to 2022. Source data used from the following indicators: intermediate outcomes 2.3, 3.3a, 3.3b and 3.4. Note: Areas are where respondents lived when they were aged 14 years. For more information on how each area was scored, please see the technical annex.

Figure 3.4 (continued): Index of Promising Prospects: London boroughs and LAs in adjoining Home Counties of Surrey CC, Hertfordshire CC and Buckinghamshire have the most promising prospects for young people.



Source: LFS, from 2018 to 2022. Source data used from the following indicators: intermediate outcomes 2.3, 3.3a, 3.3b and 3.4.

Note: Areas are where respondents lived when they were aged 14 years. For more information on how each area was scored, please see the technical annex.

We can get a sense of the nature and magnitude of the differences between the most favourable and the least favourable areas from figures 3.5a and b. In the figure, we show the relationship between SEB and the intermediate outcome of occupational class (a component of the composite index), in the most favourable and least favourable LAs. To create the top panel of figure 3.5a, we pool the results for the top 10 LAs with the most favourable outcomes (Barnet to Surrey CC) and in the bottom panel (figure 3.5b) we pool the results for the 10 LAs with the least favourable outcomes (Barnsley to Sunderland). We pool the results from 10 LAs because the results for individual LAs are too imprecise for separate analysis.

Both panels show a strong relationship between SEB and occupational outcomes, with young people who come from workingclass backgrounds having the lowest chances of reaching the professional class, and those from professional backgrounds having the highest chance. This pattern applies more or less equally to people who grew up in the most favourable areas and those brought up in the least favourable areas.⁸¹

We also see from figures 3.5a and b that 31% of people from working-class backgrounds who grew up in the least favourable areas experienced long-range upward mobility to the professional class, whereas 50% of people from working-class backgrounds who grew up in the most favourable areas experienced long-range upward mobility – a difference of 19 percentage points.

We must, however, remember that these are simply descriptions of the differences in mobility chances in the most and least favoured areas; they are not causal claims about the effects of place on mobility. Almost certainly some of the variation between areas will be due to unmeasured characteristics of the individuals who lived there, such as their educational background or ethnicity.

⁸¹ Levels of relative mobility, as measured by odds ratios, are broadly similar in the most favourable, favourable, middling, unfavourable and most unfavourable areas. However, there could be larger area differences in relative mobility if we explicitly sorted areas by relative rather than by absolute mobility.







Source: LFS, from 2018 to 2022. Source data used from the indicator of intermediate outcomes 3.3a.

Note: Areas are where respondents lived when they were aged 14 years. The areas in each panel correspond to those shown for the LAs with the most favourable and least favourable scores in figures 3.5a and b. For more information on how each area was scored, please see the technical annex.

Turning to the specific areas that are included as having more or less favourable intermediate outcomes, one notable finding is that young and mid-career people who grew up in some less affluent London boroughs – such as Hackney, Haringey, Southwark and Wandsworth – have favourable outcomes. This pattern may be driven by the expanding opportunities that the London Metropolitan area as a whole has seen, rather than by the policies and conditions of specific boroughs. In effect, the London economic environment can be thought of as a 'rising tide that raises all ships'.

Turning to the less favourable areas, there is no single pattern comparable to the London effect. The closest parallel to the London effect is a negative 'North East effect' comprising less favourable prospects for people who grew up in Newcastle upon Tyne, Sunderland, Gateshead, Hartlepool, South Tyneside, Northumberland and Durham.

The less favoured areas tend to be relatively remote from London, pointing to a possible centre or periphery distinction. There do, however, seem to be several different types of less-favoured areas. Some of them – such as Cornwall and Isles of Scilly, Dumfries and Galloway, and the Scottish Borders – are predominantly rural and are relatively distant from major metropolitan areas. Northumberland and Durham also share some features with this rural type of cluster. A second type of less-favoured area comprises of former mining areas, such as Barnsley, Wakefield, and North Lanarkshire. A third type consists of manufacturing areas, such as Kirklees and Rochdale, and a fourth type consists of east coast ports such as Hartlepool, Hull and Grimsby (North East Lincolnshire).

These patterns probably reflect the shift of the UK's economy away from the primary sectors of agriculture and mining, as well as away from the secondary sector of traditional manufacturing and shipbuilding, towards hightech and service sectors. Even though some of these changes have been long-standing, the declining size of the primary and some components of the secondary sector appear to have left an enduring legacy.

These findings are broadly in line with those that we reported last year at a regional level (ITL2), but provide greater granularity.⁸² They are also broadly in line with those shown in the SMC's report The Long Shadow of Deprivation, which covered income mobility among young people across both upper and lower-tier LAs in England (but which excluded Scotland, Wales and Northern Ireland).83 84 This report showed that the 10 most advantaged lowertier LAs were nearly all in the Home Counties surrounding London. For example, these included districts in Berkshire (Wokingham), Essex, Hertfordshire, Oxfordshire, Suffolk and Surrey. The 10 most disadvantaged LAs included Hartlepool and Gateshead in the North East of England, Bradford, Nottingham and Sheffield, alongside rural districts in Devon, Worcestershire, Lancashire and Buckinghamshire.⁸⁵ Researchers Breen and In's recent study of regional variation in intergenerational social mobility in Britain also shows a very similar geographical pattern of absolute mobility.86

85 Social Mobility Commission, 'The long shadow of deprivation: differences in opportunities across England', 2020. Published on GOV.UK.

86 Richard Breen and Jung In, <u>'Regional variation in intergenerational social mobility in Britain'</u>, 2024. Published on ONLINELIBRARYWILEY.COM. Breen and In also use the LFS but there are several differences in their methodology. In particular they look at educational and occupational mobility outcomes for the whole of the adult population whereas the results of our index of Promising Prospects applies only to younger people and those in mid-career. They also look at ITL3 areas, which do not always coincide with individual LAs. They do identify many of the same areas as being advantaged or disadvantaged as we do with respect to absolute mobility, although their results for relative mobility diverge.

⁸² Social Mobility Commission, 'State of the nation 2023: people and places', 2023. Published on GOV.UK. Please see figures 2.5 and 3.2.

⁸³ Social Mobility Commission, <u>'The long shadow of deprivation: differences in opportunities across England</u>', 2020. Published on GOV.UK. 84 The Long Shadow of Deprivation report is based on the Longitudinal Educational Outcomes dataset (LEO). The LEO is restricted in coverage

to England and to those who had attended maintained schools. The data come from administrative rather than survey sources. This provides a much larger sample size than the LFS, but also means that its measure of SEB is based on free school meal eligibility. The outcome measures are earnings at age 28 years in the 2013/14 to 2016/17 tax years. The report covers both absolute and relative mobility but our summary of the findings relates to those on absolute mobility, not relative mobility.



However, we must be very careful about attributing causal relationships to these descriptive findings. Almost certainly, some of the variation between areas will be due to the unmeasured characteristics of the individuals who lived there, such as their educational background or ethnicity. Some variation between areas, especially in the case of small neighbouring districts within the same travel-to-work area, may reflect processes of families relocating to provide more favourable environments for their children. Families who earn more can move to more desirable areas with higher housing prices while families who earn less will be forced into areas with cheaper housing. Indeed, our report The Long Shadow of Deprivation shows that the level of house prices in an area is one of the best predictors of absolute mobility chances in the area.⁸⁷ Other important predictors were found to be the level of deprivation in an area as measured by the Index of Multiple Deprivation, population density (an indication of the degree of urbanisation), the percentage of 'outstanding' schools as rated by Ofsted, and the percentage of the labour force in a professional occupation.^{88 89}

87 Social Mobility Commission, <u>'The long shadow of deprivation: differences in opportunities across England'</u>, 2020. Published on GOV.UK.
88 Ministry of Housing, Communities & Local Government, <u>'English indices of deprivation 2019'</u>, Published on GOV.UK.
89 Ofsted is the Office for Standards in Education, Children's Services and Skills.

Drivers: Conditions of Childhood index

We turn to the composite indices of the drivers, beginning with Conditions of Childhood index.⁹⁰ These composite indices are built in the same way as the index of Promising Prospects described earlier in the report. There are, however, 2 important differences between the composite indices for drivers and that for intermediate outcomes. First, in the case of the intermediate outcome index of Promising Prospects we controlled for SEB. However, in the case of the drivers, we do not control for SEB, but instead, use data on the overall conditions in each area. This is because the drivers try to capture the overall level of opportunity, or lack of opportunity, in each area. The composite indices for the drivers resemble our original index from 2016, and other indices such as those of the World Bank.^{91 92} This is because they look at conditions that might help mobility, rather than actual levels of mobility.

The second important difference is that the index of Promising Prospects was based on where young people had grown up, whereas the 3 composite indices of drivers are based on people's current location. This is because the drivers are intended to provide a forward look at where future mobility chances might be more or less good for those currently living there, rather than a backward look at the areas from which people had already gone on to better or worse outcomes.

Table 3.6 shows the unitary and upper-tier LAs that have favourable and unfavourable scores on the Conditions of Childhood index. As with the new composite index of intermediate outcomes, we distinguish between areas with the most favourable, favourable, middle (near-average), unfavourable and least favourable conditions. Areas in the middle group comprise roughly two-thirds of the total number of

authorities. We do not attempt to make any finer distinctions within this middling group, as the scores are close together and will be subject to considerable measurement error. In effect, they would be distinctions without a difference.

The more favourable conditions of childhood tend to be found in affluent areas, predominantly in the Greater London area (such as Kingston upon Thames and Richmond upon Thames), the Home Counties around London (Surrey CC, and Windsor and Maidenhead), as well as affluent areas in or around Manchester (Trafford), and Glasgow (East Dunbartonshire).⁹³ Conversely, less favourable conditions of childhood tend to be found in the North East of England, in coastal cities, industrial and former mining areas (for example, Oldham, Stoke-on-Trent), as well as some inner-city areas in London.

These patterns are well-known. They correspond fairly well to those found, for example, by the Legatum Institute in its 2021 Prosperity Index of LAs and districts across the UK.⁹⁴ The government's Levelling-Up White Paper also shows a similar pattern with coastal cities, parts of the North and Midlands with industrial legacies, and rural parts of Scotland, Wales and Northern Ireland being left behind.⁹⁵

The map for conditions of childhood shown in figure 3.7 demonstrates that, within all parts of Great Britain – that is within Scotland, Wales, the North of England, the Midlands and the South (including London) – there are both advantaged and disadvantaged areas. While the advantaged areas predominate in London and the South of England, there are also areas of high deprivation in London too. The same applies in Scotland and Wales. Childhood deprivation cannot be characterised solely along North and South lines.

⁹⁰ The drivers give a sense of how good conditions are for social mobility in the future. Drivers are included if evidence has linked them to better overall rates of social mobility.

⁹¹ Social Mobility Commission, 'The social mobility index', 2016. Published on GOV.UK.

⁹² World Bank Group, 'World development indicators', Published on DATABANK.WORLDBANK.ORG.

⁹³ This year, the composite index of Conditions of Childhood looks at a slightly different mix of conditions, including favourable conditions. This explains the improved performance of London.

⁹⁴ Legatum Institute, 'The United Kingdom prosperity index overview 2022', 2022. Published on MYWOKINGHAM.CO.UK.

⁹⁵ Department for Levelling Up, Housing and Communities, <u>'Levelling up the United Kingdom'</u>, 2022. Published on GOV.UK. See figure 1.13 and commentary on page 16.
We should, however, recognise that the geographical pattern may be partly driven by 'geographical sorting'. In other words, areas with larger houses and gardens and within easy commuting distance to major centres of employment will tend to attract higher-wage families who can afford the high house prices. Concentrations of affluent families in such areas may well have broader spillover benefits, especially if the quality of local schools is greater. This is consistent with our The Long Shadow of Deprivation report, which showed that higher house prices and more schools rated as outstanding were associated with improved mobility chances for children who grew up there.⁹⁶

Table 3.6: The LAs with the most favourable, favourable, unfavourable and least favourable scores on the Conditions of Childhood index. LAs with near-average conditions are omitted.

Brighton and Hove	Brighton and Hove		Ovfordshire CC			
East Dunbartonshire East Renfrewshire Kingston upon Thames		Richmond upon Thames Surrey CC Trafford		Windsor and Maidenhead Wokingham		
Favourable con	ditions of cl	nildhood				
Barnet	Barnet		City of Edinburgh		Rutland	
Bath and North East	Bath and North East Somerset		Hammersmith and Fulham		Stockport	
Bromley	Bromlev		Hampshire CC		Sutton	
Buckinghamshire	Buckinghamshire		Kensington and Chelsea		Vale of Glamorgan	
Camden and City of London		Merton		West Berkshire		
Cheshire West and Chester		Reading		Wiltshire		
middle-ranked LAs not	listed)					
Unfavourable co	onditions of	childhood				
Barking and	rking and Bradfo genham Donca		Newham	Rotherham		
Dagenham			North Ayrshire	Sunderland		
BarnsleyHartler		bool	North Lincolnshi	re Torfaen		

Rochdale

Redcar and Cleveland

Sandwell

Stoke-on-Trent

Source: DWP – HBAI statistics, and LFS, from 2014 to 2022. Source data used from the following indicators: DR 1.2, 1.3, 1.4a and 1.4b.

North East Lincolnshire

Middlesbrough

Oldham

Note: Areas are those where respondents were currently living at the time of data collection. The Conditions of Childhood index is a composite index covering 3 drivers (4 measures) for unitary and upper-tier LAs (DR 1.2, 1.3, 1.4a, 1.4b). Data constraints mean that Northern Ireland has to be treated as a single unit and in a few other cases LAs have had to be combined. The distinctions between the 5 categories (most favourable, favourable, near-average, unfavourable and least favourable) are based on their positions within the overall distribution. LAs with near-average outcomes are omitted.

96 Social Mobility Commission, 'The long shadow of deprivation: differences in opportunities across England', 2020. Published on GOV.UK.

Least favourable conditions of childhood

Blackburn with Darwen

Hull

Leicester

West Dunbartonshire

Figure 3.7: Conditions of Childhood index: more favourable conditions of childhood tend to be found in affluent areas in and around the Greater London area, the Home Counties, and Manchester, Glasgow and City of Edinburgh.



Source: DWP – HBAI statistics, and LFS, from 2014 to 2022. Source data used from the following indicators: DR 1.2, 1.3, 1.4a and 1.4b. Note: Areas are based on current residence. For more information on how each area was scored, please see the technical annex.

Drivers: Labour Market Opportunities for young people index

The composite index of Labour Market Opportunities is designed to show which areas offer more or less favourable employment opportunities for young people. While it would be expected that these employment opportunities would have some similarities with the Conditions of Childhood index, there is not a one-to-one correspondence between them.

Table 3.8 and figure 3.9 show that there is a similar over-representation of favourable areas in and around London in both lists of favourable areas, but that there are also some striking differences. For example, few of the areas in Scotland and Northern England with favourable conditions of childhood appear in the list of areas with favourable labour market opportunities for young people. So Vale of Glamorgan in Wales, East Dunbartonshire, East Renfrewshire, City of Edinburgh and Stirling in Scotland, Cheshire West and Chester, Stockport and Trafford in the north of England all obtain favourable scores on the Conditions of Childhood index, but only 3 of these appear in the list of areas with favourable scores on the index of Labour Market Opportunities. This means that the latter index has a much more explicit North and South division than the former index.

Table 3.8: The LAs with the most favourable, favourable, unfavourable and least favourable scores on the index of Labour Market Opportunities for unitary and upper-tier LAs. LAs with near-average conditions are omitted.

Bristol Hackney Hammersmith and Fulham	Havering Islington Lambeth	Lewisham Southwark	Tower Hamlets Wandsworth
Favourable labour mark	tet opportunities		
Bath and North East Somerset Bracknell Forest Bromley Buckinghamshire	Camden and City of London City of Edinburgh Essex CC Hertfordshire CC Kensington and Chelsea	Merton Oxfordshire CC Reading Stockport Surrey CC	Sutton Trafford West Berkshire Westminster Windsor and Maidenhead
middle-ranked LAs not listed)			
Unfavourable labour ma	arket opportunities		
Argyll and Bute Islands Carmarthenshire CC Darlington Doncaster	Dumfries and Galloway Durham Gwynedd Hartlepool	Moray Neath Port Talbot Northumberland Oldham	Sandwell Shetland Islands West Lothian
Least favourable labour	market opportunities		
Birmingham Middlesbrough	North Lincolnshire Redcar and Cleveland	Stockton-on-Tees Sunderland	

Source: Source data used from the following indicators: DR 3.2, 3.3a, and 3.3b.

Note: Areas are based on current residence. The index of Labour Market Opportunities is a composite index covering 3 drivers for unitary and upper-tier LAs (DR 3.2, 3.3a and 3.3b). Data constraints mean that Northern Ireland has to be treated as a single unit and in a few other cases LAs have had to be combined. The distinctions between the 5 categories (most favourable, favourable, near-average, unfavourable and least favourable) are based on their positions within the overall distribution. LAs with near-average outcomes are omitted.

Case Study

Amy Stevens

35, Mansfield, Nottinghamshire CC

My dad was in the navy. My mum did a bit of everything – part time working around us, a few odd jobs, then after that they went into pub management. I'm a bit of a wildcard. I left school and worked with my parents in the pub trade. Then I decided I wanted to do something of my own and find a profession where I could continually develop. So I thought... nursing!

I applied to do a course but I had to take a step back. I had two children and my life was taken up by looking after them. Once my daughter was old enough, I looked into it again but realised the entry requirements had changed and I needed a maths GCSE. I contacted a couple of the local secondary schools to see if they had places and ended up taking the exam in a room full of 15 and 16-year-olds thinking, "what am I doing?" The anxiety was indescribable!

Once I had that GCSE, I realised I wanted to try nursing again. It's the variety. It ticked so many boxes for me. I took a university access course at West Notts College, then a general nursing degree at Nottingham Trent. I was



in my 30s, juggling taking my youngest to nursery and my oldest to school. If I had any upcoming assignments or exam practice, I had to be quite disciplined and take myself to the university library then get back to pick up the children, make dinner and do the evening routine. There have been a lot of late nights, sometimes working until two in the morning and then getting up again at half past six or seven for the school run. There are times when I've been pulling my hair out because I can't split myself into three different people.

There have been times where I was not sure whether I would be able to continue

but I've managed to grit my teeth and weather the storm. I am now on the final placement of the programme and currently job searching, with a potential job lined up. If you'd come to me five years ago and said "in five years' time this is where you're going to be and this is what you will have achieved" I would have laughed and said I don't believe you.

Retraining will make things much more financially comfortable. There was a lot of anxiety involved in retraining all over again but I'm so glad I did it. "I was in my 30s, juggling taking my youngest to nursery and my oldest to school. If I had any upcoming assignments or exam practice, I had to be quite disciplined and take myself to the university library then get back to pick up the children, make dinner and do the evening routine."

Figure 3.9: A North and South divide is more evident regarding the index of Labour Market Opportunities than with the Conditions of Childhood index.



Source: LFS, from 2014 to 2022. Source data used from the following indicators: drivers 3.2, 3.3a and 3.3b. Note: Areas are based on current residence. For more information on how each area was scored, please see the technical annex.



Comparing conditions of childhood with labour market opportunities for young people

The 2 lists of favourable areas for these 2 indices have some interesting differences. The list of areas with favourable conditions of childhood includes several in Scotland (East Dunbartonshire, East Renfrewshire, City of Edinburgh, Stirling), in the North West of England, in and around Manchester (Cheshire West and Chester, Trafford, Stockport), and one from Wales (Vale of Glamorgan). In contrast, there are fewer Scottish or North Western authorities in the list of areas with favourable opportunities for young people, and none from Wales (Labour Market Opportunities index). A North and South divide is therefore even more marked in the case of the Labour Market Opportunities index than the Conditions of Childhood index.

These differences between these indices may be due to the different underlying mechanisms involved. Geographical sorting is likely to occur everywhere in and around major urban areas across the UK and is likely to lead to areas with more and with less favourable conditions of childhood. In contrast, labour market opportunities for young people may depend on factors such as investment, economic growth and expansion of the professional and managerial classes, that have been concentrated in the South of England in recent years.

Turning to the 2 lists of less favoured areas, we also see both similarities and differences between the Conditions of Childhood index and index of Labour Market Opportunities. While older industrial and port areas in the North and Midlands of England are present in both indices (Birmingham, Hartlepool, Sunderland), the Labour Market Opportunities index also contains some largely rural areas (Northumberland, Shetland Islands) whereas rural areas are not strongly represented in the corresponding list for the Conditions of Childhood index. We also see a greater concentration of LAs with unfavourable conditions in the North East of England for the Labour Market Opportunities index. Again, as with the favourable areas, mechanisms of geographical sorting (in the case of conditions of childhood) and of economic growth (or its lack in the case of labour market opportunities) can plausibly account for the patterns. In this context, it is noteworthy that rates of economic growth over the last decades show a clear North and South gradient, with the rate of growth (gross value added) being markedly higher in London than in the rest of the South of England or Scotland, and being markedly lower in the North of England, Midlands and Wales.97 98

97 Gross value added is the measure of the value of goods and services produced in an area, industry or sector of an economy. 98 Stephen Fisher, Martha Kirby and Eilidh Macfarlane, 'Socio-political consequences of regional economic divergence in Britain: 1983-2018', 2021.

Published on BSG.OX.AC.UK.

Drivers: Innovation and Growth index

Last year we introduced an experimental set of indicators to measure environments that potentially were favourable to innovation and growth and so for future social mobility. We have changed the name of this composite index because it is more focused on the conditions that can help economic growth and innovation rather than entrepreneurship or R&D. Apart from changing the geographical level of the index - it now breaks the UK down into LA areas – we have also made 2 changes to the method used to calculate it. Firstly, the postgraduate research indicator now focuses on the proportion of people with postgraduate skills, rather than the number of research students. Secondly, the broadband speed metric now tracks the proportion of premises with gigabit internet availability rather than broadband speed itself.

To develop the composite index for this driver, we use 3 indicators: broadband speed, business R&D expenditure and the number of people in the area with postgraduate degrees – to tap into different potential components of an environment that is helpful for innovation and growth. Because of the lack of data availability for business expenditure at the LA level, the details of the indicators differ from those used last year, although the general principles are the same.

Table 3.10 shows that, once again,LAs in London and the Home Counties predominate in the list of those with favourable environments

for innovation and growth. However, there are interesting differences between the 3 indices with respect to the authorities that have favourable scores. In particular, there are several 'new entries' outside London in the list of authorities with favourable environments for innovation and growth, notably Cambridgeshire CC, Cardiff, Milton Keynes, Slough, Southampton and Warrington (interestingly, all with good transport links).

On the unfavourable side, we also see an even larger number of new entries, mainly from Wales and Scotland. These include the more rural and less densely-populated areas like the Isle of Anglesey, Caerphilly, Ceredigion CC, Cornwall and Isles of Scilly, Highland, Lincolnshire CC, Na h-Eileanan Siar (Outer Hebrides), Orkney Islands, Pembrokeshire CC, Powys and the Scottish Borders. Given the inclusion of fixed broadband as one of the indicators, this is hardly surprising, although both the other indicators for this index also show strong rural-to-urban differences.

More surprising perhaps is that the North-East disadvantage that was evident with the Conditions of Childhood index and index of Labour Market Opportunities is not so strongly evident in the case of the environment for innovation and growth. Areas such as Hartlepool, Sunderland City, Middlesbrough and Redcar and Cleveland (which had unfavourable scores on both the other indices) do not have unfavourable scores on this third index.

Innovation and growth

Innovation and its commercial development have long been part of national industrial strategy. A favourable educational, technical and economic infrastructure can promote local economic growth, stimulating investment and expanding professional and business opportunities in the area. This provides opportunities for upward mobility. Conversely, areas with lower levels of what economists term 'human capital' (people available to work), a less favourable infrastructure and less investment are more likely to miss out on economic growth. The impact on social mobility will tend to be indirect, operating via local growth rates, but is potentially important. It is of considerable interest to measure the innovation environment and to test whether a favourable environment promotes growth and upward mobility in the future.



Table 3.10: The LAs with the most favourable, favourable, unfavourable and least favourable scores on the index of Innovation and Growth for unitary and upper-tier LAs. LAs with near-average conditions are omitted.

Most favourable for	innovation and grow	/th	
Camden and City of Lo Hammersmith and Fulh	ndon Kensingto nam Richmond	n and Chelsea upon Thames	Wandsworth Westminster
Favourable for inno	vation and growth		
Barnet Bracknell Forest Brighton and Hove Bristol Cambridgeshire CC Cardiff	Cheshire East Cheshire West and Chester City of Edinburgh Ealing Hackney Hertfordshire CC	Hounslow Islington Lambeth Milton Keynes Oxfordshire CC Reading Slough	Southampton Warrington West Berkshire Windsor and Maidenhead Wokingham
niddle-ranked LAs not listed	(b		
Unfavourable for in	novation and growth		
Barnsley Caerphilly Carmarthenshire CC Ceredigion CC	Durham East Ayrshire Gwynedd Isle of Anglesey	Lincolnshire CC Merthyr Tydfil Neath Port Talbo North Ayrshire	Powys CC Rhondda Cynon Taf t South Ayrshire
Least favourable for	r innovation and grow	wth	
Argyll and Bute Islands Blaenau Gwent Cornwall and Isles of S	Highland Moray cilly Na h-Eilea	inan Siar	Pembrokeshire CC Scottish Borders Shetland Islands

Source: Source data used from the following indicators: DR 5.1 (OfCom), 5.2 (NESTA) and 5.3 (pooled LFS 2014 to 2022).

Note: Areas are the current ones at the time of data collection. NESTA only provides data for ITL2 areas. We have therefore given each LA within a given ITL2 area the score of that ITL2 area. The distinctions between the 5 categories (most favourable, favourable, near-average, unfavourable and least favourable) are based on their positions within the overall distribution. LAs with near-average outcomes are omitted.

Figure 3.11: London and the Home Counties predominate in the list of LAs with favourable environments for innovation and growth, but several outside London have favourable environments too, notably Cambridgeshire CC, Cardiff, Milton Keynes, Slough, Southampton and Warrington.



Source: Ofcom, NESTA, LFS, from 2014 to 2022. Source data used from the following indicators: DR 5.1, 5.2 and 5.3.

Note: Areas are based on current residence. For more information on how each area was scored, please see the technical annex.

Comparing the 3 composite indices of drivers

There are some consistent geographical axes on all 3 composite indices, with London and the Home Countries predominating among the more favourable areas and the Midlands, Northern areas of England, Wales and Scotland predominating among the less favourable areas. Particularly notable is the finding that 4 London boroughs and 4 authorities near London (Bracknell Forest, Hertfordshire CC, Oxfordshire CC and Reading) score favourably on all 3 indices. They are joined by the City of Edinburgh, while Trafford, Stockport and Cheshire West and Chester also score favourably on 2 of the 3 indices. Table 3.12 provides a summary of the broad geographical distribution of favourable and unfavourable scores on the 3 indices. The table departs however from the usual regional analyses of England in one respect: given our previous findings about the favourable results for areas in the South and East of England which are within commuting distance of London, we distinguish between the Home Counties (defined as those adjoining London) and other areas of the South and East of England further from London.

Table 3.12: Numbers of favourable and unfavourable scores in each region across all3 composite indices of drivers.

	Favourable	Unfavourable
North East England	0	13
Midlands (East and West)	1	10
Wales	2	18
Scotland	6	18
Other Northern England	8	15
Other Southern and Eastern England	14	3
London Boroughs	37	3
Home Counties ⁹⁹	23	0

Source: Data derived from the 3 composite indices for drivers.

Note: Favourable includes all regions which are either 'Favourable' or 'Most favourable'. Unfavourable includes all regions which are either 'Unfavourable' or 'Least favourable'. 'Other Northern England' consists of all regions in the ITL1 region of Yorkshire and the Humber and North West England. Regions in the ITL1 region of South East England and the East of England are split between 'Home Counties' and 'Other Southern and Eastern England'.

99 Traditionally, the Home Counties refer to the ceremonial counties of Berkshire, Buckinghamshire, Hertfordshire, Kent, Essex and Surrey. For analytical purposes, we have used the following groupings. From the ITL1 region of the East of England the following regions are grouped into the Home Counties: Hertfordshire, Thurrock and Essex. From the ITL1 region of the South East of England the following regions are grouped into the Home Counties: Buckinghamshire, Bracknell Forest, West Berkshire, Reading, Slough, Windsor and Maidenhead, Wokingham, East Sussex, Surrey, West Sussex, Medway and Kent. All regions in the ITL1 regions of the East and South East of England and all of the South West of England regions are grouped into 'Other Southern and Eastern England'. The table shows a clear pattern of differentiation, with the North East of England, the Midlands and Wales having LAs with predominantly unfavourable or average scores. Then come Scotland and the rest of Northern England whose authorities' scores are skewed towards the unfavourable more than the favourable side, but not as severely as with the North East, Midlands and Wales. The scores in the other Southern and Eastern England regions are markedly skewed in the opposite direction, while the most favoured regions are London and the Home Counties.

In this context, it is noteworthy that this pattern of inter-regional disadvantage broadly parallels that which concerns rates of economic growth (measured by per capita gross value added) over the last 2 decades, and in the changes in house prices (which are likely proxies for the changes in spending power).¹⁰⁰

In other respects, there are some important differences between the results of the 3 composite indices. The list of areas with favourable conditions of childhood includes several in Scotland (East Dunbartonshire, East Renfrewshire, City of Edinburgh, Stirling), in and around Manchester, and one from Wales (Vale of Glamorgan). In contrast, there are fewer Scottish or Northern areas in the list of areas with favourable labour market opportunities for young people and none from Wales. A North-South divide is therefore even more marked in the case of the Labour Market Opportunities index than the Conditions of Childhood index.

Turning to the less favoured areas, we also see both similarities and differences between the indices of Conditions of Childhood and Labour Market Opportunities for young people. While older industrial and port areas in the North and Midlands of England tend to have unfavourable scores on both indices (Birmingham, Hartlepool, Sunderland), the Labour Market Opportunities for young people index also shows several rural areas with unfavourable scores, whereas rural areas are not especially disadvantaged on the Conditions of Childhood index. We also see a somewhat greater concentration of areas with unfavourable conditions in the North East of England for the Labour Market Opportunities index. In contrast, there are many more rural Welsh and Scottish areas with unfavourable scores on the index of Innovation and Growth.

Creating an innovative generation requires a shift in thinking about the pathway to a better life.

This includes developing skills and knowledge, from technical to academic, as a way to provide the enterprising, inventive and innovative qualities we now need.

100 Stephen Fisher, Martha Kirby and Eilidh Macfarlane, <u>'Socio-political consequences of regional economic divergence in Britain: 1983-2018</u>', 2021. Published on BSG.OX.AC.UK. See figures 1 to 3.



These differences between the scores on the indices may be due to the different underlying mechanisms involved. Geographical sorting is likely to occur everywhere in and around major urban areas across the UK and could well account for the geographical distribution of more and less favoured areas on the Conditions of Childhood index. By contrast, labour market opportunities for young people may depend on mechanisms such as the recent economic growth and expansion of the professional and managerial classes. In recent years, this has been concentrated in the South of England in comparison to the deindustrialisation of the Midlands and the North. In the case of the third index, factors such as current business expenditure or R&D, broadband, and concentrations of postgraduates may be indicative of areas with potential for growth in the new digital and high-tech economy.

There are some consistent geographical axes on all 3 composite indices, with London and the Home Countries predominating among the more favourable areas and the Midlands, northern areas of England, Wales and Scotland predominating among the less favourable.

4: Next Steps

AGHOPPERS

Eat & Drink at Hargareaves elax & unwind in our first floor Dining Room pon

Next Steps

The innovative composite indices and geographic breakdowns set out in this report bring us one step closer to identifying the specific social mobility challenges across the UK. We aim for this information to be used widely across government and within the broader social mobility community.

One of our main aims in developing the Social Mobility Index was to have a consistent, evidence-based set of indicators, allowing us to track change over time, acknowledge progress where it has been made, and get early warning if any aspects of mobility seem to be regressing. We are now starting to see some examples of this change.

At university level, the socio-economic background (SEB) enrolment gap has narrowed over time. The earnings gap between young people with different levels of qualifications has also narrowed. Our intermediate (early-life) outcomes at school age show a familiar pattern: children and young people from lower SEBs achieve worse on average, at all ages, but there are notable exceptions to this. For example, children eligible for free school meals (FSM) of Chinese background perform better than the national average for non-FSM children at key stage (KS) 2 and KS4 (age 11 and 16 years).

Our new geographical analysis has found, in common with other studies, that most local authorities have similar levels of mobility prospects and outcomes, but with some outliers at the top and bottom ends.¹⁰¹ The most favourable areas for mobility tend to be either in London or the adjoining Home Counties, meaning that people who grew up in these areas have gone on to experience better mobility than people of similar SEBs who grew up in other areas. But these findings are just the first step. Data alone does not prescribe policy solutions. In our forthcoming policy framework, we use the evidence from this report and others to set out the contemporary social mobility challenges that our country must address, and the additional data and analysis we need to develop a coherent approach. We hope that our framework will provide local and national policymakers with advice that helps them to explore how to improve opportunities across the UK, and particularly how a placebased focus, led by devolved authorities when appropriate, can shape good outcomes for all.

The Social Mobility Commission has a significant part to play in delivering the challenges we raise here, as well as the actions that we outline in our policy framework. That is why we have also committed to new programmes of work to support our local and national partners to drive forward the changes needed.

It is an exciting time to be part of this change. We hope to rise to the challenge and show how together we can all make a bigger difference.

101 Outliers are values or points that are extreme and different from most other parts of a dataset.

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