

Written evidence submitted by the Social Mobility Commission

Key points of the Social Mobility Commission's response to the inquiry

- The role of the Commission is to monitor levels of Social Mobility in the UK and promote the adoption of policies and interventions that improve social mobility outcomes. We do this because we believe that everyone a decent chance of a better future. Those chances should not be inhibited by gender, geography or ethnicity.
- This written evidence sets out the Commission's key views on the drivers of poor outcomes for individuals from socioeconomically disadvantaged backgrounds.
- We take a life-course approach looking across early years and education, to journeys through higher education and technical education, and how these translate into opportunities in the labour market.
- The inquiry's approach is usefully focused on a number of what we recognise as some of the most important drivers of poor social mobility, including educational underachievement, alongside the areas of early years provision, the role of place, the home learning environment and the impact of role models. Beyond this, evidence the Commission has gathered suggests that addressing the root causes of poor mobility requires an integrated approach utilising multiple levers *in combination*, with a strategic approach that cuts across silos. This includes, for example, a need not just to narrow the attainment gap but to enable pupils from disadvantaged backgrounds to enter post-16 routes with higher value in the labour market, and develop skills in genuine demand by locally accessible employers. There is a risk that if labour market interventions are not properly appreciated for their impact on outcomes that there may be an imbalance of investment on a more restricted sub-set of levers, which are *necessary but not sufficient* to address poor lifetime outcomes.
- White youth make up the vast majority of the disadvantaged people that come into the scope of the Social Mobility Commission's studies. The evidence we have generated to date on what works for social mobility does not at this stage suggest that the most effective remedies for social mobility differ significantly by ethnic group. In other words: we believe that white disadvantaged pupils do not require different policy interventions to those redressing disadvantage across most ethnic groups. We are interested to see if the outcomes of the inquiry will shed new light on whether drivers of underachievement overall are tied to ethnic category, rather than other characteristics which happen to be associated with this group. We speculate that the cultural and geographical segregation of disadvantaged White communities outside London may be a significant factor in educational and labour market disadvantage. We think this is a fruitful area evidence and set of questions for the inquiry and the select committee to consider.
- We recognise that there are specific White groups, specifically, Gypsy, Roma and Traveller (GRT) communities, likely have very different experiences of education and employment to the White ethnic group as a whole. There is a systemic challenge in understanding the experiences of this group in existing survey data due to small sample sizes. It is likely that GRT communities require distinct policy responses to address educational and labour market disadvantage. Focused exploration would assist understanding of the unique challenges sufficiently.

- Finally, we have not commented in detail on the extent to which current DfE statistical releases capture the extent of underachievement for White FSM-eligible pupils or the variation in this group (as DfE has addressed this separately). However, we would like to raise two questions here that the Committee may wish to consider in its appraisal of the written evidence.
 - The first is whether the use of the FSM eligibility is sufficient to capture the spectrum of pupils facing socioeconomic disadvantage. We think it likely that it excludes a substantial number of children who live in similar circumstances to those meeting FSM eligibility but who do not live in households which qualify for FSM. The implication of this is the lack of a sufficiently nuanced measure of disadvantage to track the achievement of these ‘just above threshold’ children, and therefore evaluate whether a different policy response is needed to support them. This is a question of the *extent* of disadvantage captured in the FSM measure.
 - The second question is whether a metric of disadvantage beyond household income (which FSM eligibility is a proxy for) is needed to adequately capture the complex drivers of underachievement, and effectively monitor and *address* poor pupil outcomes. From the disadvantage gap index it is clear that the approximately 15% of pupils who are FSM eligible¹ have significant variation in attainment; and, crucially, the 85% of children who are not FSM eligible are not a homogeneous group either.

We believe it is an important question as to whether a more nuanced disadvantage index would allow a clearer monitoring of poor attainment to inform policy responses. For example, this could be an index encompassing FSM eligibility alongside other risk factors for poor attainment, such as area-level deprivation, parental qualifications, disability, and housing tenure. We recognise the significant technical challenge of such a ‘multiple disadvantage index’, and that small sample sizes may make it inappropriate for public release in DfE statistics.² We nonetheless believe this is a question worth exploring. This is a question of the *variability* of disadvantage captured in the FSM measure.

Main factors driving underachievement

Terms of reference: Early years provision, role of place, home learning environment, and role models

A complex set of factors accumulate across the life-course, at the individual, family and environmental levels, to influence both educational underachievement and the translation of qualifications into labour market outcomes. Here we present the key drivers of underachievement across the life-course from the Commission’s research.

Those within the terms of reference are:

- **Early years provision:** By the time children are five, there is a well-reported skills gap between children from disadvantaged homes and their affluent peers. Fifty-seven percent of children entitled to free school meals achieve a good level of development aged 5, compared to 74% of all other pupils.³ High-quality early years (EY) provision is key to reducing this gap. However, the EY workforce is facing high instability. There is a turnover rate of 11-15% in the sector, which results from factors including low pay, demanding work, and insufficient training or clear progression. The demographic makeup of the workforce is also a factor, where 96% are women and 40% are under

¹ Department for Education (2019) – Schools, pupils and their characteristics: January 2019

² It may also be the case that simply using the existing FSM measure to capture duration and recency of time on FSM in attainment statistical releases could help identify pupils facing more persistent disadvantage.

³ Early Years Foundation Stage Profile statistics, 2018-19

30, which makes the sector vulnerable to instability from parental leave and career breaks among young parents.⁴ This instability impacts the quality of provision, which matters particularly in disadvantaged areas.

- On the **home learning environment (HLE)**, there is a robust body of evidence showing the importance of the HLE in the development of early cognitive and language skills. DfE is taking steps to address this through the Hungry Little Minds campaign. We also recognise that both high-quality early years provision and poverty alleviation are key parts of the picture to support children's early development before age 5.
- **The role of place:** There is significant variability in opportunity across England. The Commission has a history of doing work on 'hot spots and cold spots' of area characteristics to support good life outcomes, and we recently published a report looking at education and adult earnings outcomes by local authority for the first time.⁵ This showed that disadvantaged sons in the most mobile areas earn 2 times more than in the least mobile areas (over £20,000 annually compared to under £10,000), with a pay gap 2.5 times larger in the least mobile areas compared to the most mobile ones.

Crucially, educational attainment at age 16 contributed an equal amount to the pay gap across local authorities, but the difference *between* places was driven by factors outside educational achievement – the lasting effect of family background, and the role of the labour market. This indicates that the role of place is likely not a primary driver of educational achievement age 16 over and above the characteristics of children living in different areas, but it does play a crucial role in the translation of qualifications into good jobs in the labour market.

Compounding this, evidence from internal migration shows that individuals from deprived backgrounds struggle to move areas and, when they do, it is frequently to areas facing similar levels of disadvantage rather than to those with greater education or employment opportunity.⁶ It is in this way disadvantage can become entrenched in local areas, with the need for targeted education interventions (such as those being trialled by Opportunity Areas) and industrial strategies to deliver opportunities in these areas.

There are further areas the Commission has identified which are not in the inquiry's terms of reference but are crucial when understanding the knock-on impacts of underachievement. This is the 'what happens next'; disadvantage does not end at age 16 and we believe it is vital to recognise how underachievement at this juncture impacts individuals' later options.

- **Further education (FE):** Further education is a key link between the educational achievement of pupils from lower socioeconomic backgrounds at KS4 and their place in the labour market. Pupils from disadvantaged backgrounds are overrepresented in FE but there is limited understanding of what works to improve attainment⁷ and take-up of courses with higher value in the labour market. The Commission is engaging in ongoing work on this area.
- **Adult skills, apprenticeships and routes into employment:** Individuals from disadvantaged backgrounds are the least likely to engage in adult skills training, despite being the group who could most benefit their earnings potential by doing so. The apprenticeship system offers a key pivot point for individuals from disadvantaged backgrounds who did not get sufficient Level 2 or Level 3 (GCSE or A-Level equivalent) qualifications at school, but there are gaps at every stage of the system – from apprenticeship starts, through to retention, attainment, and the labour market value of course

⁴ SMC (2020) – The stability of the early years workforce in England: An examination of national, regional and organisational barriers

⁵ SMC (2020) – The long shadow of deprivation: Differences in opportunity across England

⁶ SMC (2020) – Moving out to move up: Internal migration and social mobility

⁷ SMC (2020) – Investing in 'what works' activity in further education and adult learning

take-up – for these pupils.⁸ In our Apprenticeships report earlier this year we recommended a set of targets for government to work towards for the apprenticeship system to work better for those from disadvantaged backgrounds.

- **Poverty:** The rates of child poverty and deprivation faced at by households at the bottom of the income distribution is fundamental to understanding educational underachievement and later life chances. Almost one in three children live in relative poverty in the UK⁹ and without alleviating this – which has cumulative impacts over a child and young person’s life – it will be impossible to close the attainment gap through in-school levers alone.

The impacts of underachievement for individuals and communities

We see a clear chain of impacts of educational underachievement on individuals’ life chances. Our analysis of socioeconomic background and adult earnings¹⁰ show those from working class backgrounds in the labour force as a whole earn 24% less than those from professional backgrounds. This gap was unchanged from 2014 to the time of our analysis in 2018-19. Strikingly, this gap persists even when individuals from different backgrounds *are both in professional occupations*: individuals whose parents are from working class backgrounds earn an average of 17% less than their colleagues whose parents had professional jobs. This evidence shows that there is not only a lasting impact of underachievement for individuals in terms of their earnings, but an invisible barrier of family background of those who do manage to achieve equivalent qualifications and enter professional occupations.¹¹

There is also a persistent impact on communities. The intergenerational persistence of low educational attainment and labour market opportunities is well-documented, and our recent work has shown the lasting impact of family background on earnings in the most unequal areas. Combined with the difficulty of moving from disadvantaged areas, partly due to housing costs but also from the value and importance of community ties despite lack of employment opportunities, this calcifies the cycle of disadvantaged within communities. However, it is important to emphasise that educational underachievement is not the only route through which this happens; it is also through lack of local well-paid jobs and cascading impacts on housing tenure, physical and mental health and wellbeing that individuals and communities are affected.

Priorities for the Government in tackling this issue

Following our annual monitoring report this year, and the evidence across our research programme, there are four priorities to bring to the Committee’s attention.

- **A co-ordinated strategy across Government departments to tackle root causes:** Our monitoring of government action on the Commission’s recommendation from 2013 to 2020 found there was no coordinated strategy across government to tackle the persistence and impacts of socioeconomic disadvantage. There was some evidence of positive steps to cross departmental boundaries on complex social issues, but a more systematic approach is needed. This is particularly given the clear evidence that even for discrete issues such as KS4 attainment, underachievement is associated with a cumulative set of factors both inside and outside school.¹² This highlights the need for a coordinated strategy and we think this should be driven forward by a single unit at the centre of government.

⁸ SMC (2020) – Apprenticeships and social mobility: Fulfilling potential

⁹ DWP (2020) – HBAI statistics

¹⁰ SMC (2019) – State of the Nation, 2018-19

¹¹ See also SMC (2020) – The long shadow of deprivation: Differences in opportunity across England

¹² DfE (2018) – LSYPE2 analysis: Understanding multiple disadvantage and KS4 attainment

We also recognise that socioeconomic background does not currently need to be considered in the design and delivery of policy, unlike the duty for gender, ethnicity and disability. We believe that considering the impact of socioeconomic background throughout policy making would help tackle the impacts of disadvantage more systematically than is currently possible.

- **Connecting education to local labour markets, particularly through technical education routes:** Educational routes, particularly skills training, need to both be accessible for individuals for disadvantaged backgrounds but crucially deliver the skills needed by employers. Our research on differences in social mobility across England suggests that the link between educational opportunities *and* labour market opportunities in an area is central to translating school achievement into good life outcomes.
- **Focusing on ethnic groups where the drivers of underachievement likely require different policy responses.** The litmus test of looking at disadvantaged White pupils is whether a different policy response is needed to address the causes of underachievement in this group. For the majority of the White ethnic group we believe it likely this is not the case. But for Gypsy, Roma and Traveller communities we recognise there are likely significantly different experiences of education and employment, which current policy responses are not sufficiently nuanced to address. It is a priority to understand this – for example through bespoke research which circumvents the challenge of small sample sizes in routine surveys – to adequately tackle underachievement in these groups.

October 2020