# <u>Press release: Class privilege remains</u> <u>entrenched as social mobility</u> <u>stagnates</u>

Inequality is now entrenched in Britain from birth to work, and the government needs to take urgent action to help close the privilege gap, the Social Mobility Commission says today (Tuesday 30 April).

The commission's sixth comprehensive <u>State of the Nation report</u> looking at early childhood, schools, universities, further education and work reveals that social mobility has been stagnant for the last 4 years.

Extensive analysis of new Office for National Statistics (ONS) data shows the wide gap in school attainment and income between the rich and the poor has barely shifted. Being born privileged still means you usually remain privileged.

The better off are nearly 80% more likely to end up in professional jobs than those from a working-class background.

Even when people from disadvantaged backgrounds land a professional job, they earn 17% less than their privileged colleagues.

Dame Martina Milburn, chair of the commission, says:

Our research suggests that being able to move regions is a key factor in being able to access professional jobs. Clearly moving out is too often necessary to move up. At a time when our country needs to be highly productive and able to carve out a new role in a shifting political and economic landscape, we must find a way to maximise the talent of all our citizens, especially those that start the furthest behind.

To help address this inequality, the commission calls on the government to:

- extend eligibility and uptake of the 30 hour childcare offer to those only working 8 hours a week, as a first step to make it available to more low-income families
- raise per pupil funding by a significant amount for those aged 16 to 19, and introduce a new pupil premium for disadvantaged students in that age group
- become an accredited voluntary living wage employer so that government departments pay the voluntary living wage to civil servants and all contracted workers including cleaning and catering staff

Dame Martina says:

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

#### Early years (chapter 2)

The research shows that the most disadvantaged families are least likely to be aware of or benefit from the offer of 30 hours free childcare.

At present the offer is only given for 3 and 4 year olds when one parent works for 16 hours or more a week, but the middle classes benefit most.

The commission calls on the government to extend the offer to all those parents working 8 hours per week as a first step to giving it to more low income families.

The research also reveals that much of the childcare workforce is poorly paid and underskilled. A shocking 45% of child care workers are on benefits or tax credits.

Farrah Storr, commissioner and editor-in-chief of Elle magazine, says:

Extending the current 30 hours of free childcare to those who earn the equivalent of 8 hours rather than 16 hours per week will help those who need it most.

#### Schools, further education and universities (chapters 3, 4 and 5)

Disadvantaged pupils start school years behind their peers in terms of attainment, but they can catch up with good schooling.

However, the latest figures show a 14 percentage point gap at aged 11, rising to a 22.5 percentage point gap at 19.

Twice the number of disadvantaged 16 to 18 year olds are in further education than in school sixth forms, but funding has fallen by 12% since 2011 to 2012.

The commission calls for a significant increase in funding for all 16 to 19 year olds, and a special student premium for the disadvantaged.

Increasing numbers of students from disadvantaged families are entering university, but they are more likely to drop out before they graduate.

Five years after graduating, students who were eligible for free school meals were paid 11.5% less than their peers.

Alastair da Costa, commissioner and chair of Capital City Group, says:

Further education provides alternative life chances for all 16 plus age groups. Consistent budget cuts have made it more difficult to provide opportunities for everyone. But as 75% of disadvantaged 16 to 19 year olds choose vocational education, the cuts represent a class-based segregation of the school system.

### Skills and living wage (chapter 6)

49% of the poorest adults have received no training since leaving school, compared to 20% of the richest.

Automation is also predicted to disproportionately impact low-skilled workers, whose jobs are most at risk of being automated.

People from working class backgrounds are more likely to be paid below the voluntary living wage than those from more advantaged backgrounds (27% versus 17%).

We recommend that government departments should become accredited voluntary living wage employers to include contracted staff.

Katherine Chapman, director of the Living Wage Foundation, says:

We know there is cross-party and widespread public support for the real (voluntary) living wage, but there are still cleaners, caterers and security staff, working in vital public sector jobs, who are struggling to get by. It's time for our major public institutions to lead by example.

### Other key findings

- social mobility has remained virtually stagnant since 2014. Four years ago, 59% of those from professional backgrounds were in professional jobs, rising to 60% last year
- in 2014 only 32% of those from working class backgrounds got professional jobs, rising marginally to 34% last year
- those from working class backgrounds earn 24% less a year than those from professional backgrounds, even if they get a professional job they earn 17% less than more privileged peers
- by age 6 there is a 14% gap in phonics attainment between children entitled to free school meals and those more advantaged
- by age 7 the gap has widened to 18% in reading, 20% in writing and 18% in mathematics
- only 16% of pupils on free school meals attain at least 2 A levels by age 19, compared to 39% of all other pupils
- twice the number of disadvantaged 16 to 18 year olds are at further education colleges compared to sixth-forms, and this segregation within the education system has risen by 1.2% since 2013
- student funding for 16 to 19 year olds has fallen 12% since 2011 to 2012, and is now 8% lower than for secondary schools (11 to 15 year

olds), leading to cuts to the curriculum and student support services that harm disadvantaged students

• graduates who were on free school meals earn 11.5% less than others 5 years after graduating

## Key recommendations

- the government should extend the eligibility of the 30 hour childcare offer by lowering the lower income limit of eligibility to those earning the equivalent of 8 hours per week, as a first step towards making it available to more parents
- the government should consider whether pupil premium funding is effectively targeted at supporting disadvantaged students, and whether differential levels of funding might benefit those with long-term disadvantage
- the government should increase per student spending in the 16 to 19 education budget by a significant amount within the upcoming spending review
- the government should introduce a student premium for disadvantaged students aged 16 to 19 that models the pupil premium in schools, with a goal of targeting funding and focus on raising attainment for disadvantaged students
- the Universities and Colleges Admissions Service (UCAS), working closely with the Office for Students (OfS), universities and others, should develop a system which displays all financial support (bursaries, scholarships and ad-hoc funds) available to undergraduates alongside their eligibility criteria
- universities should only make pre-qualification unconditional offers where it is clearly in the interests of the individual students to do so. In terms of widening access, universities should make more use of contextualised offers
- government departments should lead the way by becoming accredited voluntary living wage employers.

## Notes to editors

The Social Mobility Commission is an advisory, non-departmental public body established under the Life Chances Act 2010, as modified by the Welfare Reform and Work Act 2016.

It has a duty to assess progress in improving social mobility in the UK and to promote social mobility in England.

The Commission board includes:

- Dame Martina Milburn, Chair
- Alastair da Costa, Chair of Capital City College Group
- Farrah Storr, Editor-in-chief, Elle
- Harvey Matthewson, Aviation Activity Officer, Aerobility
- Jessica Oghenegweke, Project co-ordinator at the Diana Award
- Jody Walker, Senior Vice President at TJX Europe (TK Maxx and Home Sense in the UK)

- Liz Williams, Group Director of Digital Society at BT
- Pippa Dunn, Founder of Broody, helping entrepreneurs and start ups
- Saeed Atcha, Founder and Chief Executive Officer of Xplode magazine
- Sam Friedman, Associate Professor in Sociology at London School of Economics
- Sammy Wright, Vice Principal of Southmoor Academy, Sunderland
- Sandra Wallace, Joint Managing Director Europe at DLA Piper
- Steven Cooper, Chief Executive Officer C.Hoare & Co

The functions of the commission include:

- monitoring progress on improving social mobility
- providing published advice to ministers on matters relating to social mobility
- undertaking social mobility advocacy