

# The long shadow of deprivation

The effect of deprivation in dozens of English local authorities is now so persistent that some families face being locked into disadvantage for generations unless the right action is taken, a new report shows today.

In the most detailed study of regional social mobility ever conducted in the UK, the report from the Social Mobility Commission identifies local councils with the worst and the best social mobility in England. In the “coldest spots” those from disadvantaged backgrounds, entitled to free school meals, have little chance of making a better life for themselves or their children. They also earn much less than their more affluent peers.

These areas, which range across England, include:

- Chiltern
- Bradford
- Thanet
- Bolton
- Wolverhampton
- Kingston-upon-Hull
- Fenland
- Mansfield
- Walsall
- Gateshead
- Kirklees
- St Helens
- Dudley
- Bolton
- Wigan

Individuals aged 28 from disadvantaged families in these councils earn on average just over half the amount of those from similar backgrounds in the most mobile areas. They also earn much less than those of the same age from more affluent families living nearby.

Steven Cooper, interim co-chair of the commission said:

These findings are very challenging. They tell a story of deep unfairness, determined by where you grow up. It is not a story of north versus south or urban versus rural; this is a story of local areas side by side with vastly different outcomes for the disadvantaged sons growing up there.

Areas with high social mobility, where those from poorer backgrounds earn more and the pay gap with those from affluent families is smaller include:

- Forest Heath
- West Oxfordshire

- South Derbyshire
- Cherwell
- Kingston upon Thames
- South Gloucestershire
- Tower Hamlets
- North Hertfordshire
- Eden

The research, carried out by the [Institute for Fiscal Studies \(IFS\)](#) and [UCL Centre for Education Policy and Equalising Opportunities \(CEPEO\)](#), links educational data and HMRC earnings for the first time to identify young sons from disadvantaged families – those entitled to free school meals. The sons who were born between 1986 and 1988 and went to state schools in England, were followed from aged 16 to 28.

The results, covering around 320 local councils in England and 800,000 young adults, show a postcode lottery for disadvantaged people. In areas with high social mobility, disadvantaged young adults earn twice as much as those with similar backgrounds in areas with low social mobility – on average, over £20,000 compared with under £10,000. Annual earnings from this group range from £6,900 (Chiltern) to £24,600 (Uttlesford).

Councils with the lowest earnings for disadvantaged individuals include:

- Bradford
- Hyndburn
- Gateshead
- Thanet

But they also include:

- West Devon
- Sheffield
- Malvern Hills
- Kensington and Chelsea.

Those with the highest earnings include:

- Broxbourne
- East Hertfordshire
- Forest Heath
- Havering
- Uttlesford
- Wokingham

But those from poor backgrounds also face unfairness on their doorstep. Pay gaps between the most and least deprived individuals in local authorities with the poorest social mobility are 2.5 times higher than in areas of high social mobility.

Education, often blamed for social mobility differences, is only part of the answer. In areas with high social mobility, gaps in educational achievement account for almost the entire pay difference between the most and least

advantaged sons. On average it accounts for 80% of the difference.

However, in local authorities where social mobility is low it is much harder to escape deprivation. In such areas, up to 33% of the pay gap between the highest and lowest earners is down to non-education factors, like local labour markets and family background.

Disadvantaged workers are restricted by factors including limited social networks (fewer internships); inability to move to more prosperous areas; limited or no financial support from family; less resilience to economic turbulence due to previous crisis such as 2008 financial crash and less developed soft skills.

The commission is now urging regional and community leaders to use the findings to help draw up tailored, sustained, local programmes to boost social mobility, building on the approach in some Opportunity Areas. The commission will also ask the government to extend its current Opportunity Areas programme – which gives support to 12 councils – to include several more authorities identified as the areas with the most entrenched disadvantage.

Professor Lindsey Macmillan, Director of CEPEO at UCL and Research Fellow at IFS said:

This new evidence highlights the need for a joined up-approach across government, third sector organisations, and employers. The education system alone cannot tackle this postcode lottery – a strategy that considers the entire life experience, from birth through to adulthood, is crucial to ensuring fairer life chances for all.

Laura van der Erve, Research Economist at IFS and co-author of the report, said:

Not only do children from disadvantaged backgrounds have considerably lower school attainment and lower adult earnings than their peers from more affluent backgrounds, we also find large differences in the outcomes of children from disadvantaged backgrounds across the country. This highlights that children's opportunities in England are still defined by both the family they were born into and the area they grew up in.

## **Key findings**

- Social mobility in England is a postcode lottery, with large differences across areas in both the adult pay of disadvantaged adults, and the size of the pay gap for those from deprived families, relative to those from affluent families.
- Disadvantaged young adults in areas with high social mobility can earn

twice as much as their counterparts in areas where it is low – over £20,000 compared with under £10,000

- Pay gaps between deprived and affluent young adults in areas with low social mobility are 2.5 times larger than those in areas with high social mobility.
- In areas of low social mobility, up to 33% of the pay gap is driven by family background and local market factors, over and beyond educational achievement.
- Characteristics of the coldest spots: fewer professional and managerial occupations; fewer outstanding schools; higher levels of deprivation and moderate population density.

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.

## **Notes to Editors**

Tables on the best and worst social mobility areas are presented as a separate document. Regional maps and tables are set out at the back of the report.

The research only provides results for men as many women exit the labour market or are working part-time at age 28 because they start to have children and this is related to family background. Estimates for women would therefore not be comparable to men as we cannot adjust for this,

The commission board comprises:

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