

# State of the Nation 2025

The evolving story of  
social mobility in the UK





# **Social Mobility Commission State of the Nation 2025**

**The evolving story of social mobility in  
the UK**

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



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Any enquiries regarding this publication should be sent to us at Social Mobility Commission, 1 Horse Guards Road, London, SW1A 2HQ.

Email: [contact@socialmobilitycommission.gov.uk](mailto:contact@socialmobilitycommission.gov.uk)

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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:

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

Tina Stowell MBE, The Rt Hon Baroness Stowell of Beeston.

## Acknowledgements

This report was written with contributions from the following people: Anthony Heath – Professor and Founding Director of the Centre for Social Investigation at Nuffield College, University of Oxford and Dr Yang Yu – Research Officer of the Centre for Social Investigation at Nuffield College, University of Oxford.

## 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



# **We are pleased to launch the 2025 State of the Nation report, fulfilling the Commission's statutory responsibility to report to Parliament on the condition of social mobility in the UK.**

This year also marks the 15th anniversary of the Child Poverty and Life Chances Act (2010), the legislation from which the Commission traces its origins.

This report should be read in the context of our work over the past 4 years. We began with a concern that the evidence on actual social mobility in the United Kingdom had not featured sufficiently in policy debates. Too often it is simply asserted that social mobility is in crisis, is declining, or compares badly with other countries. The evidence tells a far more nuanced story.

Our State of the Nation reports have provided an opportunity to present a coherent, consistent approach to monitoring social mobility, based on a robust and reliable body of evidence. In 2022, we introduced the Social Mobility Index to capture the 40 most reliable indicators across the drivers, intermediate and long-term outcomes of social mobility. In 2023, we added to this by breaking data down by demographics, including protected characteristics. In 2024, we added much more detailed geographical breakdowns by examining data at local authority level.

State of the Nation 2025 extends our analysis into 2 new areas: it collates evidence on historical performance and presents outcomes compared to other countries. This evidence shows a detailed picture, which defies simple caricatures. One clear conclusion is that the UK is neither terrible nor brilliant at social mobility. We have some areas which have improved, some strengths and some weaknesses. If we had an international league table, our country would come somewhere in the middle.

There are 2 areas of our previous analysis which State of the Nation strongly reinforces. The first relates to the changes in the labour market and the creation of more higher-skilled occupations. This challenge must now be considered with technological change and AI at the centre of our thinking. Such developments will almost certainly have significant disruptive effects, but will also create new opportunities, changing the landscape we have become used to. The second relates to the long-term, deep-rooted nature of regional disparities – which we have argued is the fundamental challenge, economically and socially, in the UK. We will be coming back to these challenges in our future work.

In the meantime, State of the Nation 2025 throws out another important challenge for social mobility policy. By comparing our performance with the past and with other countries, it compels us to think hard about why we believe the UK has a social mobility problem and what exactly we think this problem is. Time and again it is taken as a given that performance is declining or is inferior compared to other countries and improvement is urged, but without a clear view of the end game. How do we know when social mobility in the UK is 'good'? Is it when we perform better than our neighbours? Or is there some other measure? These are questions that have been neglected in the debate.

In the absence of clear targets and goals, the debate often defaults to an oversimplified 'equality of outcome' approach, which relies on identifying disparities in outcomes between groups and an assumption that they should be equalised. Disparity analysis can be helpful, but it also has substantial limitations. Much depends on the definition of the groups and differences in outcomes may be explained by a range of reasons, not all of which are 'unfair'.

A focus purely on closing outcome gaps can lead to unforeseen consequences and complications which may simply replace one 'problem' with others.

This methodology has been, and still is, strongly present in much thinking about social mobility policy. It underpins the focus on the 'lucky few' model of upward mobility, which this Social Mobility Commission has been keen to challenge. This is because it focuses far too narrowly on equality within elite groups, with increasing attention to detail (because it is easy to keep on finding new disparities) while ignoring the wider differences and disparities beyond that focal point. To be blunt, too much attention has been spent on improving the outcomes for a small number of people from lower socio-economic backgrounds who can get into elite occupations, and on tracking the proportions of people within these elites from different backgrounds. Far less attention has been spent on what social mobility means for everyone else.

Too much effort to improve social mobility has therefore been directed at the wrong problem. To use the technical term, it is focused on relative occupational mobility. But this is not where we are performing badly, either historically or compared to others.

There are social mobility trends which do appear more problematic. One simple measure is whether children, when they reach adulthood, earn more than their parents. The evidence here suggests that there is 'stickiness' and it is most marked among the bottom and the top. This has become more marked since the 2008 financial crisis, falling from 60 to 65% before the crash to just 44% since 2010.<sup>1</sup> This has also been a period of stagnating absolute incomes, changes in the labour market relating to the supply of higher-level occupations ('room at the top' growing more slowly); and increased pressure in the housing market. This is one aspect of a wider phenomenon whereby the younger generation appear to have more restricted opportunities than their parents, unless they have access to inherited rather than earned wealth.

At the same time, geographical disparities in economic wealth and opportunity, along with educational, health and a range of other outcomes, have become increasingly clear cut.

On this basis, we believe that promoting social mobility is still a vital aim, but only if it is redefined and considered in a different way. Our starting point is that social mobility is fundamentally about improvements in our overall collective prosperity. This is why we place such a focus on the economy, innovation and wealth creation across the country. It is also about how this can be done in ways which extend opportunity as widely as possible. This gives us our strong focus on geography, but also means that the traditional big themes of social mobility policy – early years and education – remain within our priorities. They are, however, viewed in a wider way. Instead of focusing the entire system on supplying the needs of elite professions within a narrow set of sectors, there is a need to refocus on the skills, knowledge and behaviours needed to support innovation, growth and enterprise. This means a focus on place and on the real obstacles to opportunity in different areas, along with the family, community, neighbourhood and cultural aspects of these.

We set out our overall approach in Innovation Generation (December 2024), where we argued that place-based approaches, supporting but also challenging the current trajectory of devolution, offer the best route to improving opportunity and delivering social mobility relevant to the whole country.

Each year, the State of the Nation report has built the strength and depth of our understanding of social mobility in the UK. We are using these insights to build a body of work and our recent publications from our Economic Growth and Investment Group and Regional Insights set out how we can better address social mobility through a place-based approach.

**Alun Francis,**  
**Chair of the Social Mobility Commission**

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<sup>1</sup> Jo Blanden and others, '[Trends in Intergenerational Home Ownership and Wealth Transmission](#)', 2021. Published on CEP.LSE.AC.UK







# Executive Summary



# The Social Mobility Commission is a statutory advisory body that reports on social mobility across the UK and makes recommendations relating to England.

Every year, we report to Parliament on the current state of social mobility. To improve reporting, we developed our Social Mobility Index, the most comprehensive summary of social mobility statistics in the UK. Over the past year, we have continued to enhance and update the Index, and this report shares our latest results.

The 2025 State of the Nation report provides the most comprehensive annual analysis of social mobility in the UK. Its strength lies in combining international comparisons with long-term tracking of trends, using our Index, which covers occupation, income, education, housing and wealth. Policymakers, researchers and stakeholders will find this report especially useful for understanding the current state of social mobility and identifying effective ways to deal with persistent inequalities.

The UK has similar levels of absolute occupational mobility to other major western European countries, but faces some worrying trends with decreasing upward income mobility and worsening housing mobility. Poor growth in real wages and increasing house prices are probably responsible for much of this.<sup>2</sup> Relative occupational mobility studies provide mixed findings; some see the UK as fairly mobile, while others place it in a more average position.<sup>3</sup> Despite these differences, all studies highlight significant opportunities for improvement.

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<sup>2</sup> 'Real wages' means wage statistics that have been adjusted for inflation, so they can be compared over time. For example, if nominal (unadjusted) wages grow by 4% at a time when inflation was also 4%, there has been no growth in real wages.

<sup>3</sup> Relative mobility measures compare the chances that people from different backgrounds have of reaching a particular outcome.



In terms of absolute income mobility, the UK performs well compared with Canada, Denmark and the USA, but faces a concerning decline over time. New generations are increasingly unlikely to earn more than their parents did at a similar age. Relative income mobility in the UK is not as good, consistently ranking near the USA, among the least mobile developed nations. By contrast, countries such as Australia, Canada, New Zealand and the Nordic states achieve higher levels of relative income mobility, pointing to the potential for valuable policy lessons.

Educational mobility presents a complex picture internationally. The UK is placed among countries where people have a good chance of upward educational mobility (like Belgium, France and Japan) but still faces fairly strong intergenerational links, meaning a child's education level heavily depends on their parents' background. Housing mobility data (based on renting versus owning a home) is less comprehensive, but available evidence clearly shows a sharp decline in the UK's housing mobility in recent years. The positive impacts of policies like the Right to Buy scheme from the 1980s have greatly diminished, restricting mobility opportunities today. Wealth mobility is another crucial area where data is unfortunately limited, highlighting a critical need for improved research and information.



**The UK ranks well  
in terms of absolute  
income, but faces a  
concerning decline  
over time.**

Within the UK, extreme regional differences persist. Areas that once thrived through industries such as mining and manufacturing – particularly in the North East, Yorkshire and the Humber, the West Midlands, Wales and Scotland – continue to experience significant disadvantage, showing little improvement since the early 2000s. It is likely that these areas are still suffering the after-effects of the de-industrialisation of the 1980s. Meanwhile, prosperous areas in London and surrounding regions consistently provide better conditions for social mobility. Rural areas face distinct challenges, including limited access to educational institutions and skilled jobs, which further deepens existing inequalities.

Intermediate outcomes, indicators that predict future mobility potential, confirm and reinforce these regional differences. The educational achievement gap, which had narrowed at age 11 and 16 years, widened during the COVID-19 pandemic and has shown little sign of closing. Additionally, disadvantaged students increasingly fall behind in higher education (HE) attainment. Despite improved employment opportunities for young people overall, significant socio-economic gaps remain in accessing professional and managerial roles.

Going on to HE still generally leads to better earnings, but recent minimum wage increases have narrowed this advantage. This suggests that, increasingly, we need more than better education to improve life chances for everyone – fair economic opportunities at all education and skill levels, and in all places, are critical.





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# Introduction





# Highlights

**This State of the Nation report updates our Social Mobility Index – the most comprehensive summary of social mobility statistics in the UK.**

**Over the past year, we have continued to improve and update the Index, which helps us report a consistent set of social mobility statistics over time.**

**To better understand how well the UK is doing in social mobility, we have carried out an extensive review of international comparisons on occupational, income, educational, housing and wealth mobility outcomes. This allows us to learn from the best and understand where we need to improve.**

**For similar reasons, we have taken a much more systematic approach to measuring change over time. This helps to realise one of the important benefits of the Index – providing early signs of success and problems that need to be addressed.**



# The Social Mobility Commission

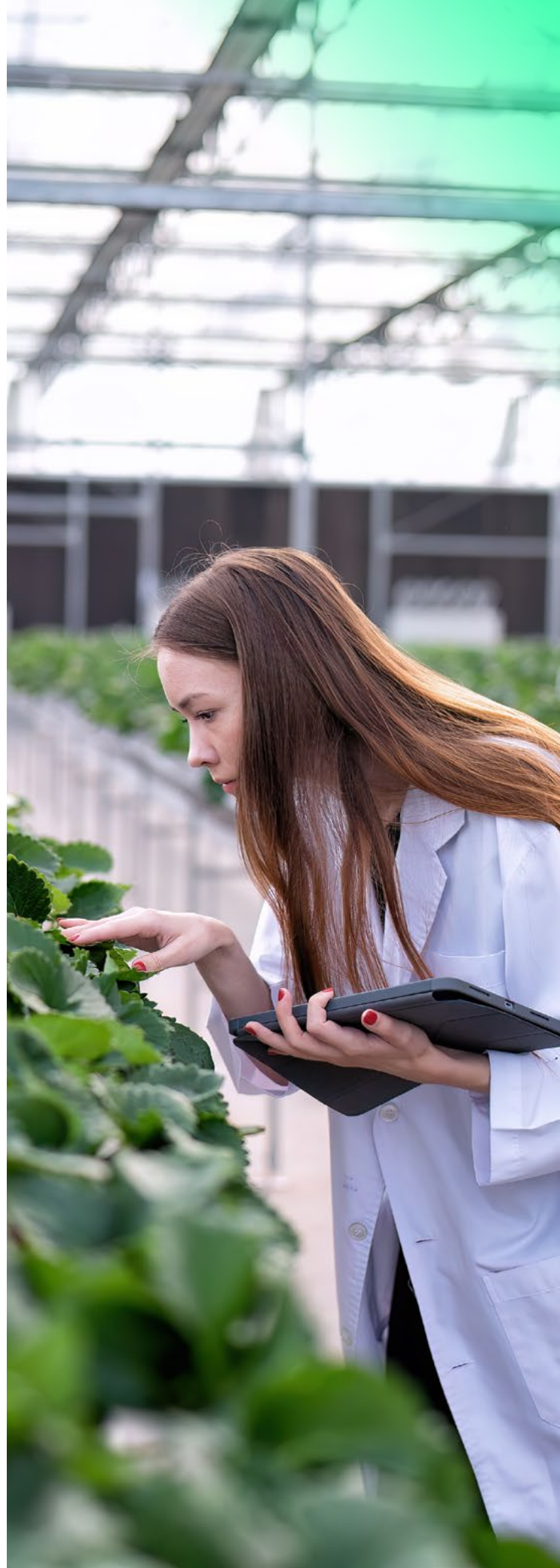
Social mobility is important because it means the circumstances of your birth do not limit what you can achieve – no matter what your starting point, you can go on to lead a fulfilling life. The Social Mobility Commission (SMC) monitors social mobility across the UK and makes recommendations for England.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

## What is social mobility?

Social mobility is a broad concept that can be measured across many different outcomes. In this report, we concentrate on 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 level. Mobility can 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 mobility ladder to a higher or lower position than their parents, or to stay in the same position.

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.

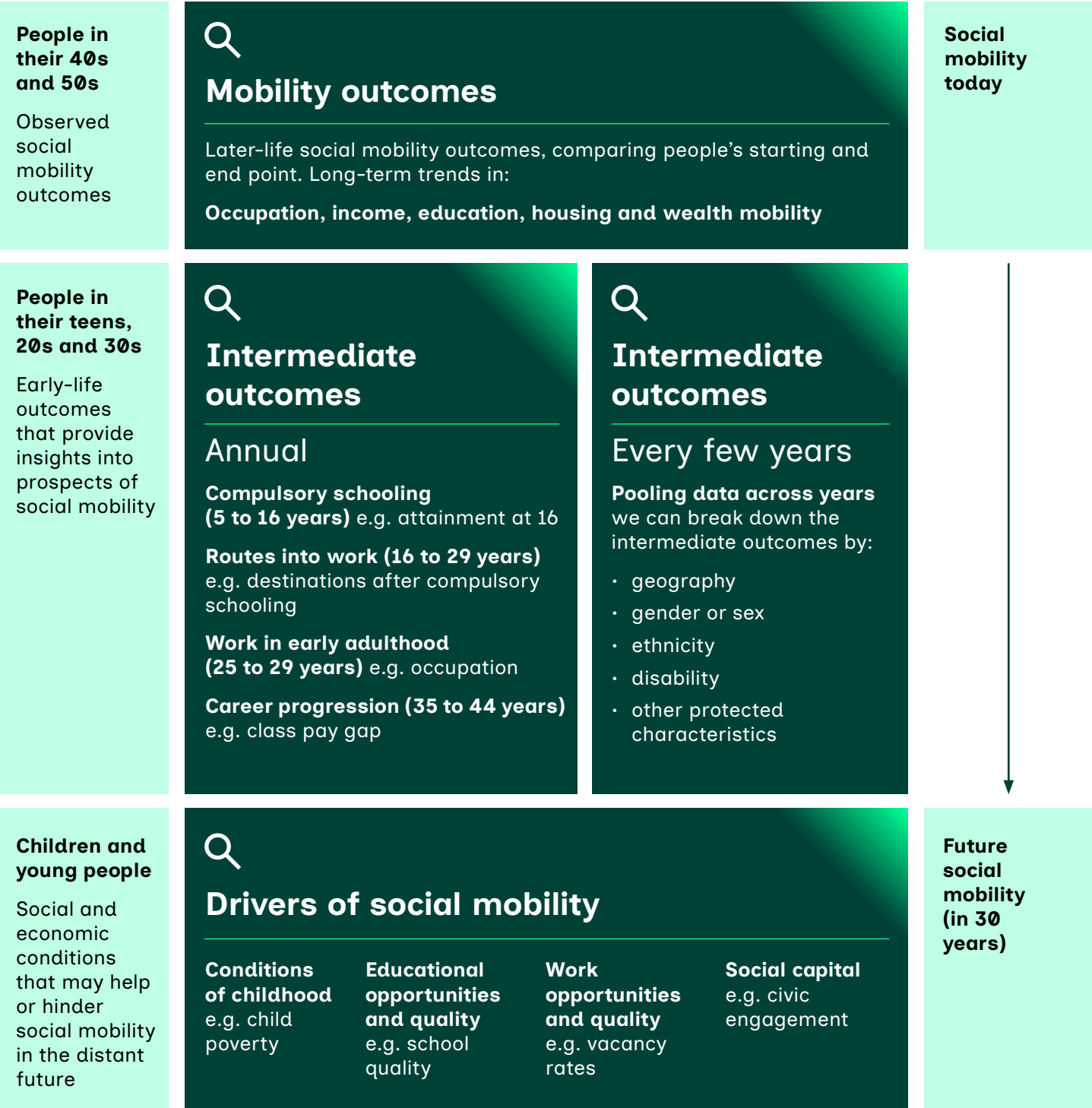




# The role of our Social Mobility Index

In 2022, we launched the Social Mobility Index to measure mobility clearly and systematically across a person’s lifetime. The Index shows where people end up in comparison with where they started, across a range of outcomes, including occupational class, income, education, wealth and housing.

Figure 1.1: The updated Social Mobility Index.



**Note:** ‘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.

Mobility outcomes are outcomes at a later stage in life, typically the 40s and 50s, while intermediate outcomes look at an earlier stage in life, typically when people are in their teens, 20s or 30s. We look across the life course to better understand both short and long-term mobility. Meanwhile, the drivers examine any UK-wide factors with evidence to show that they enable or slow down social mobility.

## Measures in the Social Mobility Index

**Mobility outcomes** show the progress that people make from their starting point in life to a later endpoint, such as employment or income when they are in their 50s. We break outcome measures down by people's socio-economic background (SEB), so that we can see how different starting points affect progress to endpoints.<sup>4</sup> Analysis of most mobility outcomes relies on data from panel or birth cohort studies, which aren't always updated yearly. For this reason, we don't update these figures annually.

**Intermediate outcomes** show the progress that people make from their start point to an earlier endpoint, such as employment in their 20s, or educational attainment at age 16 years. We also break these down by SEB. We track these figures because a person's early outcomes can be a very good indicator of how their later life will turn out. This gives us an early snapshot of mobility without having to wait to assess outcomes much later in life.

**Drivers** are the underlying social and economic conditions that make social mobility easier (or harder). For example, the availability of good education is a driver, because it helps people get better jobs and improve their circumstances (upward mobility). So our measures of drivers tell us about these nationwide background conditions. They do not tell us what the UK's rates of mobility have been, and they are not broken down by SEB.



Aside from looking at different stages in life, we also break the UK down geographically into upper-tier local authorities (LAs).<sup>5</sup> This gives us 203 geographical areas, the same as last year, allowing us to see regional patterns of mobility.

**Mobility outcomes show the progress that people make from their starting point in life to a later endpoint.**

<sup>4</sup> 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.

<sup>5</sup> 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.



## Measures of social mobility

All measures of social mobility have to start with a measure of socio-economic background (SEB). This is because, without knowing someone's starting point, we cannot say what progress they have made. This can present a challenge, because someone's starting point can be decades in the past, and finding appropriate data can be difficult. For this reason, we have to rely on a range of different measures of SEB, depending on the context, and some are better than others.

Once we have a measure of someone's SEB, we can then go on to measure their current status, whether they are at an earlier point in their life (for intermediate outcomes) or a later one (for mobility outcomes). When we do this for the whole population, or for a sample representing the population, we get the social mobility rates that feature in this report. These rates can either be absolute or relative, a distinction that is explained on page 24. Finally, we can combine several different measures to give us an overall picture of social mobility in a geographical area.



## Socio-economic background (SEB)

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

### How do we measure SEB?

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, but also what job the main earner in the household did when they were 14 years old. 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.

Sometimes, the LFS isn't available, so we have to use other measures of SEB. For example, for children still in school, the only measure of SEB available is their eligibility for free school meals.

While most of our social mobility measures use parents' occupational class as someone's SEB, not all do. It is important to consider other important aspects of SEB, like what parents earned or what level of education they had. For example, in some families, parents may be educated to university level but working in a routine job – this has historically been true in some immigrant communities, for instance.<sup>6 7</sup> In some cases, parents' occupational class simply isn't available, so we have to use other measures of SEB.

## Occupational class

Where possible, we measure occupational class using the same 5-part grouping that we introduced in 2023.<sup>8</sup> This grouping uses the occupational classes in the Office for National Statistics' (ONS) National Statistics Socio-Economic Classification system (NS-SEC).<sup>9</sup> There are 8 'analytic' classes in the NS-SEC and we have 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, what job a person's parents did – but also what jobs people are currently doing. 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.<sup>10</sup>

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.

<sup>6</sup> Yaojun Li and Anthony Heath, '[Class matters: a study of minority and majority social mobility in Britain, 1982–2011](#)', 2016. Published on JOURNALS.UCHICAGO.EDU.

<sup>7</sup> Carolina Zuccotti and Lucinda Platt, '[The paradoxical role of social class background in the educational and labour market outcomes of the children of immigrants in the UK](#)', 2023. Published on ONLINELIBRARY.WILEY.COM.

<sup>8</sup> Social Mobility Commission, '[State of the nation 2023: people and places](#)', 2023. Published on GOV.UK.

<sup>9</sup> 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.

<sup>10</sup> 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.



**Table 1.1: Our 5-part grouping of occupational classes based on the NS-SEC.**

| NS-SEC | Previous 3-part grouping           | 5-part grouping  | Example occupations   |
|--------|------------------------------------|--|---|
| 1      | <b>Professional and managerial</b> | <b>Higher professional</b><br>including higher managerial, administrative and professional       | Chief executive officer of large firm, doctor, clergy, engineer, senior army officer                                |
| 2      |                                    | <b>Lower professional</b><br>including lower managerial, administrative and professional         | Teacher, nurse, office manager, journalist, web designer  |
| 3      | <b>Intermediate<sup>11</sup></b>   | <b>Intermediate</b><br>including intermediate occupations, small employers and freelance workers | Clerical worker, driving instructor, graphic designer, shopkeeper, hotel manager, taxi driver, self-employed roofer |
| 4      |                                    |  |   |
| 5      | <b>Working class</b>               | <b>Higher working class</b><br>including lower supervisory, technical and semi-routine workers   | Foreman, mechanic, electrician, train driver, printer, shop assistant, traffic warden, housekeeper, farmworker      |
| 6      |                                    |  |   |
| 7      |                                    | <b>Lower working class</b><br>and workless families  | Cleaner, porter, waiter, labourer, refuse collector, bricklayer   |
| 8      |                                    |  |   |

## Occupational class versus earnings

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.

### Example occupations, their NS-SEC classes and median salaries

**Speech and language therapists:**  
NS-SEC 1 – higher professional.  
Median salary: £31,938.

**Train and tram drivers:**  
NS-SEC 5 – higher working class.  
Median salary: £63,853.

**Air conditioning and refrigeration installers and repairers:**  
NS-SEC 6 – higher working class.  
Median salary: £40,564.

**Large goods vehicle drivers:**  
NS-SEC 7 – lower working class.  
Median salary: £38,353.<sup>12</sup>

<sup>11</sup> Some routine occupations can count as intermediate if the worker is self-employed.

<sup>12</sup> Office for National Statistics, 'Earnings and hours worked, occupation by four-digit SOC: ASHE table 14.7a', 2024. Published on ONS.GOV.UK.

Also, 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.

## 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** tell us the strength of the link between origin and destination. For example, with occupational class mobility, 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'.



## Geographical analysis using composite indices

Looking at geographical breakdowns of single indicators, 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 summary measures, or composite indices, in 2023. These provided a snapshot of how regions performed across a range of indicators. In this and last year's State of the Nation reports, we have 4 indices, one which is based on intermediate outcomes and the remaining 3 on drivers, with each index composed of 3 underlying measures. For example, the measure 'Promising Prospects' looks at qualifications, occupational level and the earnings of young people, and takes into account their SEB. These give a much more reliable picture of what is going well, and what could be improved, across the UK.

# Improvements in 2025

In 2025, we have added 2 important elements to our Index: systematic international comparisons and a more thorough analysis of change over time.

As we continue to monitor social mobility across the UK, we need to ask what a good level of social mobility is. In other words, what should the country be aiming for? We think there are 2 ways that we can check how the UK is doing on social mobility: first, we can compare ourselves with other countries; and second, we can compare the UK with itself over time.

## International comparisons

International comparisons are important because they allow us to see what is achievable by other countries. There is no reason that the UK should not aspire to the highest levels of social mobility seen in other advanced economies around the world, and also, a careful look at these countries may give ideas about how to achieve the best results possible.

## Change over time

Comparison over time is also vital, especially looking at social mobility for younger people. This is because it gives us early signs of where there is improvement and early warning of decline, so that we have the chance to take action.

By examining which cohorts have experienced greater or lesser mobility, researchers can identify potential factors contributing to these trends. This understanding helps to pinpoint areas and issues that have seen progress and guide future policymaking to increase social mobility further.

**Figure 1.2: State of the Nation 2025 improvements.**



# Data limitations in the UK

Tracing trends over extended periods offers deeper insights into how social mobility has evolved. However, analysing such changes at a granular level, for instance by protected characteristics or by area, remains challenging due to data limitations.<sup>13</sup> This highlights the critical need for better data to support social mobility analysis and broader discussions on data improvements for informing future reports.

## Linking parents' outcomes with children's

Linking parents' and children's tax records and educational records would give us a much more detailed and refined picture of mobility. Without this, researchers cannot look at the earnings or education of today's adults and compare them with the earnings or education of their parents. Countries such as Sweden and the USA already have linked tax records, enabling pioneering work on the causes of mobility.<sup>14</sup>

## A household-level dataset

Similarly, household-level data would help us to understand the socio-economic circumstances of schoolchildren more clearly. For example, an administrative household-level dataset would help target support on children who are most in need, rather than relying on the current, rather basic, free school meal (FSM) eligibility marker.

## Occupational data

There is currently no administrative data on people's occupation type in the UK. His Majesty's Revenue and Customs (HMRC) collects data on income, of course, but not on occupation, although it has consulted on this.

## Birth-cohort studies

There have only been 4 major birth-cohort studies in the UK since 1945, leaving huge gaps of up to 30 years between studies.<sup>15</sup>

## The Labour Force Survey (LFS)

As in the previous State of the Nation report, we rely on the LFS to understand trends in intermediate outcomes and drivers because it is the only UK data source that collects people's socio-economic backgrounds and other relevant labour market information. However, the reliability of this data has significantly decreased over the last 10 years. The number of people surveyed has roughly halved, falling from about 99,300 in 2014 to 50,800 today. This is largely due to a sharp decline in the survey's response rate, which dropped from 48% in 2014 to 39% in 2019, and further dropped to just 17% by early 2024.<sup>16</sup> To make our analysis stronger, we have used a 3-year rolling average to increase the effective sample size and smooth out large swings in the data. We've also carried out specific statistical checks that account for the smaller sample size to ensure that any observed changes are genuinely meaningful and not just random variations.

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<sup>13</sup> Analysis of intermediate outcome trends is exclusively reliant on the UK Labour Force Survey. Due to limited sample sizes, ranging from 30,000 to 90,000 respondents depending on the annual iteration, it's not possible to break down the data by year and demographic characteristics (for example sex, ethnicity, disability) or geographical area (for example local authority). Such granular analysis would give statistically unreliable estimates with high levels of uncertainty.

<sup>14</sup> Raj Chetty and others, '[Is the United States still a land of opportunity? Recent trends in intergenerational mobility](#)', 2014. Published on NBER.ORG.

<sup>15</sup> The Centre for Longitudinal Studies manages most of these studies. But the gaps are because maintaining long-term studies over decades is resource-intensive.

<sup>16</sup> Office for National Statistics, '[Labour Force Survey performance and quality monitoring report: January to March 2025](#)', 2025. Published on ONS.GOV.UK.







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# How does the UK compare with other nations?





# Highlights

The UK probably has similar rates of absolute upward and downward occupational mobility to other major western European countries. It has followed a similar path over time, with a declining rate of upward mobility and an increasing rate of downward mobility. This largely reflects the slowing down in the expansion of the professional and managerial classes.

Different data sources and methodologies produce varying levels of relative occupational mobility, with some studies ranking the UK as a high-fluidity country and others putting it in the middle.<sup>17</sup>

The UK's absolute income mobility rate is similar to that of Norway, Finland, Sweden and the Netherlands, and greater than Canada, Denmark and the USA. However, it appears to be declining.

On relative income mobility, we have 2 studies, which place the UK in a group of less mobile countries (along with the USA). The studies also show greater relative mobility in the Nordic countries, Australia, Canada and New Zealand than in the UK.

On educational mobility, 3 groups of countries can be identified:

1. Countries with low conditional probabilities of upward mobility and high levels of intergenerational persistence (strong link between parents' SEB and their children's) – Austria, Italy, Poland and Portugal.<sup>18</sup>
2. Countries with high conditional probabilities of upward mobility and medium levels of intergenerational persistence – Belgium, England, France, Ireland, Japan and New Zealand.
3. Countries with high conditional probabilities of upward mobility and lower levels of intergenerational persistence – Canada, Finland and Switzerland.

On housing mobility, there is just one study, using the European Union Statistics on Income and Living Conditions (EU-SILC 2011), which suggests that the UK was one of the most fluid countries, but this may reflect the Right to Buy scheme from the 1980s and so apply to earlier generations.<sup>19</sup> It is likely that relative housing mobility in the UK is now much lower.

Unfortunately, there are no cross-national comparisons of wealth mobility.

<sup>17</sup> High relative mobility can be thought of as 'fluidity' – when an individual's outcomes are not strongly determined by their parents' outcomes.

<sup>18</sup> The conditional probability of upward mobility is the likelihood of moving up, for people who start in a lower position. It is not the overall rate of mobility.

<sup>19</sup> The Right to Buy scheme was introduced by the Housing Act 1980, allowing council tenants to buy their homes at a significant discount. In England, the scheme continues, although the generosity of the discount and the number of eligible houses have fluctuated and reduced over time. The scheme ended in Wales in 2019 and Scotland in 2016. For more information, UK Parliament, '[Comparing the Right to Buy in England, Scotland, Wales and Northern Ireland](#)', 2017. Published on COMMONSLIBRARY.PARLIAMENT.UK.

**Table 2.1: Summary table of international comparisons of social mobility.**

| Dimension  | Type of measure   | Important references   | Findings   | Traffic light | Trend |
|------------|-------------------|--|--|---------------|-------|
| Occupation | Absolute mobility | OECD (2018), Erzsébet Bukodi and others (2020)   | The UK probably has similar rates of absolute upward and downward occupational mobility to other major western European countries. It has followed a similar path over time, with a declining rate of upward mobility and an increasing rate of downward mobility. This largely reflects the slowing down in the expansion of the professional and managerial classes. | 3             | ↓     |
|            | Relative mobility | OECD (2018), Erzsébet Bukodi and others (2020), and Florian Hertel and Olaf Groh-Samberg (2019)  | On relative occupational mobility, different sources disagree, with some ranking the UK as a high-fluidity country and others putting it in the middle.  | 2             | ↑     |
| Income     | Absolute mobility | Robert Manduca and others (2023)   | The UK's absolute income mobility rate is similar to that of Norway, Finland, Sweden and the Netherlands, and greater than Canada, Denmark and the USA. However, it appears to be declining.   | 2             | ↓     |
|            | Relative mobility | Miles Corak (2013), Jo Blanden and others (2023), and OECD (2018)  | On relative income mobility, we have 2 studies, which place the UK in a group of less mobile countries (along with the USA). The studies also show greater relative mobility in the Nordic countries, Australia, Canada and New Zealand than in the UK.  | 4             | ?     |
| Education  | Absolute mobility | World Bank (2018) and SMC analysis (2025)  | The UK had one of the highest rates of upward educational mobility, similar to those in France and Sweden and greater than the USA and Germany. These results reflect the great expansion of higher education in the UK at the end of the 20th century.  | 2             | ?     |
|            | Relative mobility | World Bank (2018), John Jerrim and Lindsey Macmillan (2015), Bastion Betthäuser and others (2021), Sarah McNamara and others (2024), and SMC analysis (2025) | England falls in a middling group along with other western European countries, is more fluid than Austria, Italy, Poland and Portugal but not as fluid as Canada, Japan or Finland.  | 3             | ?     |
| Housing    | Absolute mobility | No evidence  |  |               | ↓     |
|            | Relative mobility | Louis Chauvel and Anne Hartung (2019)  | On housing mobility, there is just one study, using EU-SILC 2011, which suggests that the UK was one of the most fluid countries, but this may reflect the Right to Buy scheme from the 1980s and so apply to earlier generations.   |               | ?     |
| Wealth     | Absolute mobility | No evidence  |  |               | ?     |
|            | Relative mobility |  |  |               | ?     |

**Notes:** In column 5, “1” indicates the most positive outcome and “5” the most negative outcome in terms of international comparisons. In column 6, the arrows indicate the direction of the UK national trend, and a red question mark indicates no agreement in the literature or no evidence available.

# Introduction

It is very difficult to say what an achievable level of social mobility is without looking at the situation in other countries. For this reason, we have done a comprehensive survey of the research to compare rates and patterns of mobility around the world. This is the starting point for both learning from the best and understanding what has gone wrong in countries where mobility is poor.

Since ‘social mobility’ is a term covering lots of socio-economic outcomes, we’ll consider them one by one. The analysis breaks social mobility into occupation, income, education and housing.

Unfortunately, there is very little comparative work on wealth mobility around the world, even though this is likely to be an increasingly important topic as wealth inequality grows. For example, the baby boomer generation is set to transfer a large amount of wealth to their children over the next 20 years.<sup>20</sup> This will lead to a divide between those who inherit and those who don’t.<sup>21</sup>

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<sup>20</sup> The baby boomers were born in the years following World War 2.

<sup>21</sup> Financial Times, [‘The great wealth transfer’](#), 2024. Published on FT.COM.





# Occupational mobility

## Summary

On absolute occupational mobility in the 2000s, we have rather contradictory results from the Organisation for Economic Co-operation and Development (OECD, 2018) and Erzsébet Bukodi and others (2020), despite their main data source being the same (the European Social Survey, ESS).<sup>22 23</sup>

<sup>24</sup> Our best guess is that the UK has similar rates of absolute upward and downward mobility as other major western European countries. It has also followed a similar path over time to them, with a declining rate of upward mobility and an increasing rate of downward mobility. This largely reflects the slowing down in the expansion of the professional and managerial classes (jobs such as senior executive or office manager).

On relative occupational mobility, various sources also give different results, even when using the same data (ESS). Two analyses suggest that the UK is now a high fluidity country, (OECD 2018, Erzsébet Bukodi and others, 2020) while another (Florian Hertel and Olaf Groh-Samberg, 2019) suggests that the UK is middling.<sup>25</sup> An analysis of a different source (EU-SILC 2011) also says that the UK is middling (but few details of the method are provided).<sup>26</sup> Using LFS data to replicate Richard Breen and Walter Müller's (2020) cross-national comparisons could help to clarify the UK's position.<sup>27</sup>

## Background

'Absolute occupational mobility' refers to changes in an individual's occupation compared with their main-earning parent's occupation. Measures generally consist of the percentage of people who experience upward or downward mobility, regardless of the relative distribution of classes.

'Relative occupational mobility' instead measures the ease with which individuals can move between different occupational classes. It examines how strongly individuals' occupational outcomes are influenced by their social class origins, assessing fluidity and barriers within the social structure.

Studies show that absolute occupational mobility is influenced by shifts in the workforce structure, while absolute income mobility depends on the growth rate of real household income.<sup>28</sup> For instance, during rapid economic growth, like in the 1950s in the UK, there were more high-level jobs, creating more vacancies at the top. If there are more professional-level positions than there are children from professional families to fill them, individuals from working-class backgrounds often fill these roles, resulting in increased upward mobility and decreased downward mobility rates.

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<sup>22</sup> Organisation for Economic Co-operation and Development, '[A broken social elevator? How to promote social mobility](#)', 2018. Published on OECD.ORG.

<sup>23</sup> Erzsébet Bukodi and others, '[Intergenerational class mobility in Europe: a new account](#)', 2020. Published on ACADEMIC.OUP.COM.

<sup>24</sup> European Social Survey, '[New version of Round 9 data now available](#)', 2018. Published on EUROPEANSOCIALSURVEY.ORG.

<sup>25</sup> Organisation for Economic Co-operation and Development, '[A broken social elevator? How to promote social mobility](#)', 2018. Published on OECD.ORG; Erzsébet Bukodi and others, '[Intergenerational class mobility in Europe: a new account](#)', 2020. Published on ACADEMIC.OUP.COM.

<sup>26</sup> Florian Hertel and Olaf Groh-Samberg, '[The relation between inequality and intergenerational class mobility in 39 countries](#)', 2019. Published on JOURNALS.SAGEPUB.COM.

<sup>27</sup> Richard Breen and Walter Müller, '[Education and intergenerational social mobility in Europe and the United States](#)', 2020. Published on ACADEMIC.OUP.COM.

<sup>28</sup> Richard Breen and Walter Müller, '[Education and intergenerational social mobility in Europe and the United States](#)', 2020. Published on ACADEMIC.OUP.COM; Erzsébet Bukodi and John Goldthorpe, '[Social mobility and education in Britain: research, politics and policy](#)', 2019. Published on CAMBRIDGE.ORG; Robert Manduca and others, '[Trends in absolute income mobility in North America and Europe](#)', 2020. Published on IZA.ORG.



In the UK, the job market, education participation, living standards and ethnic diversity have changed significantly over time. Particularly, the share of professional and managerial roles has increased considerably since World War 2, helping more people to advance their living conditions and experience upward occupational mobility. Also, more women have entered professional occupations, leading to a greater number of children growing up in households with both parents in professional roles. However, since 1991, this growth has slowed, and the availability of professional-level positions has expanded more gradually.<sup>29</sup>

Recent studies depict a consistent picture of absolute occupational mobility trends over the 20th and early 21st centuries. During this period, the total occupational mobility rate in the UK has remained stable, with most men moving into different social classes from those they grew up in.

There is some debate about whether relative occupational mobility has changed over time, with some researchers observing no change and others noting slight improvements.<sup>30 31</sup> However, contrary to some public opinion, there's no strong evidence of declining relative occupational mobility. There is a clear link between a person's original class and class destination. For instance, a man from a higher-professional family background has around a 20 times better chance than one from a lower working-class background of achieving a higher-professional position rather than a routine working-class one.

## Absolute occupational mobility: international studies

The analysis of absolute social class mobility shows varying trends across different studies and timeframes. Richard Breen and Ruud Luijkx (2004) conducted a comparative study of 11 European countries using harmonised national surveys, highlighting mobility in Great Britain during the 1990s.<sup>33</sup> Their findings show that 31.7% of British men experienced upward mobility while 19.0% faced downward mobility – both figures below the average for the surveyed countries. This shows fewer men experiencing upward mobility in Britain compared to most other countries during that period.

In contrast, the OECD's 2018 report, which used data from the ESS 2002 to 2014, presents a more favourable picture for the UK. Figure 2.1 shows that, with one of the higher rates of upward mobility (42.2%) and a lower rate of downward mobility (26.7%), the UK compared well internationally. These findings differ significantly from earlier analyses, showing similar mobility rates for men and women.

<sup>29</sup> Erzsébet Bukodi and John Goldthorpe, '[Social mobility and education in Britain](#)', 2019. Published on CAMBRIDGE.ORG.

<sup>30</sup> Economists have suggested that there has been a rise in within-class income inequality such as Jo Blanden and others, '[Intergenerational persistence in income and social class: the impact of within-group inequality](#)', 2013. Published on RSS.ONLINELIBRARY.WILEY.COM. Although this has been disputed by Erzsébet Bukodi and John Goldthorpe, '[Social mobility and education in Britain: research, politics and policy](#)', 2018. Published on CAMBRIDGE.ORG.

<sup>31</sup> Robert Erikson and John Goldthorpe, '[The constant flux: a study of class mobility in industrial societies](#)', 1992. Published on ACADEMIC.OUP.COM; John Goldthorpe and Colin Mills, '[Trends in intergenerational mobility class mobility in Britain in the late twentieth century](#)', in Richard Breen (editor), '[Social mobility in Europe](#)', 2004. Published on ACADEMIC.OUP.COM.

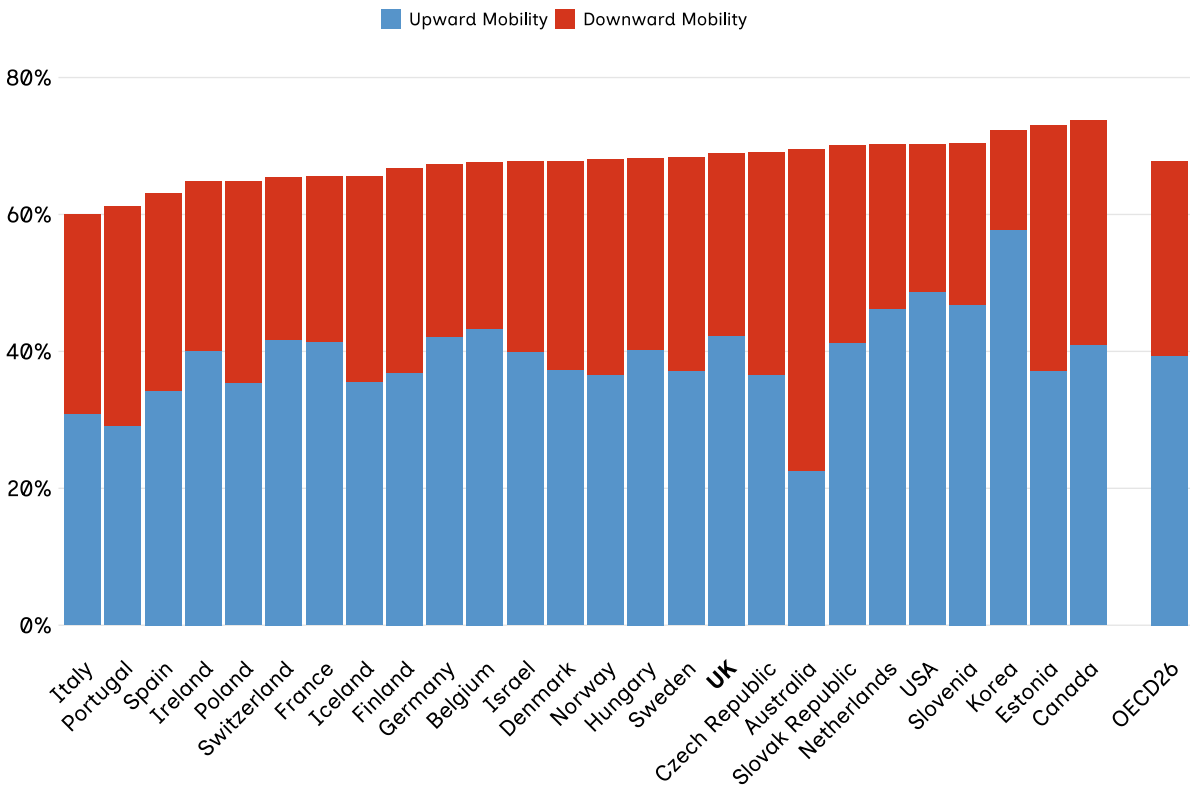
<sup>32</sup> Anthony Heath and Geoff Payne, Social mobility, in Albert Halsey and Josphine Webb (editors), '[Twentieth-century British social trends](#)', 2000. Published on SEMANTICSCHOLAR.ORG; John Ermisch and Marco Francesconi, '[Intergenerational mobility in Britain: new evidence from the British Household Panel Survey](#)', 2004. Published on CAMBRIDGE.ORG; Paul Lambert and others, '[By slow degrees: two centuries of social reproduction and mobility in Britain](#)', 2007. Published on JOURNALS.SAGEPUB.COM; Yaojun Li and Fiona Devine, '[Is social mobility really declining? Intergenerational class mobility in Britain in the 1990s and the 2000s](#)', 2011. Published on JOURNALS.SAGEPUB.COM; Erzsébet Bukodi and others, '[The mobility problem in Britain: new findings from the analysis of birth cohort data](#)', 2015. Published on DEPARTMENT OF SOCIAL POLICY AND INTERVENTION.OX.AC.UK; Franz Buscha and Patrick Sturgis, '[Declining social mobility? Evidence from five linked censuses in England and Wales 1971–2011](#)', 2017. Published on ONLINELIBRARY.WILEY.COM; Brian Bell and others, '[Where is the land of Hope and Glory? The geography of intergenerational mobility in England and Wales](#)', 2019. Published on CENTRE FOR ECONOMIC PERFORMANCE LSE.AC.UK.

<sup>33</sup> Richard Breen and Ruud Luijkx, '[Conclusions in social mobility in Europe](#)', 2004. Published on ACADEMIC.OUP.COM.

<sup>34</sup> In this context, harmonised national surveys mean that the researchers made sure the different surveys from each country asked similar questions and collected data in a consistent way.

**Figure 2.1: UK compares well internationally on absolute occupational mobility, with a higher rate of upward than downward mobility.**

Percentage of absolute upward and downward mobility for 26 OECD countries.



**Source:** OECD (2018) calculations based on all 7 waves of the European Social Survey (ESS) (2002 to 2014), Panel Study of Income Dynamics (PSID) for the USA (1999 to 2013), Cross-National Equivalent File (CNEF) for Australia and Korea (2000 to 2014) and the General Social Survey (GSS) cycle 15 for Canada.<sup>35 36 37</sup>

**Note:** Social class is based on the 9 European Socio-Economic Classification (ESEC) categories based on occupation.<sup>38</sup>

<sup>35</sup> The Panel Study of Income Dynamics is the longest-running longitudinal household survey in the world. The study began in 1968 with a nationally representative sample of over 18,000 individuals living in 5,000 families in the USA. For more information see: [The Institute for Social Research](https://www.isr.umich.edu) at the University of Michigan. Published on PSIDONLINE. ISR.UMICH.EDU.

<sup>36</sup> The Cross-National Equivalent File is a research project that takes information from large-scale household surveys conducted in different countries (like Australia and Korea) and makes the data comparable. For more information see: [The cross-national equivalent file](https://www.cnefdata.org). Published on CNEFDATA.ORG.

<sup>37</sup> The General Social Survey in Canada is a series of cross-sectional surveys conducted by Statistics Canada to gather data on social trends and monitor changes in the living conditions and wellbeing of Canadians. For more information see: [General social survey: Canadians at work and home](https://www.statcan.gc.ca). Published on STATCAN.GC.CA.

<sup>38</sup> The European Socio-Economic Classification is a system used to group people into different social classes based on their occupation and employment status. The aim is to provide a consistent way to compare social inequalities across European countries. See: European Commission, [‘Final report summary – ESEC \(European socio-economic classification\)’](https://ec.europa.eu/eurostat), 2024. Published on CORDIS.EUROPA.EU.



Erzsébet Bukodi and others (2020) further explored the topic using the ESS 2002 to 2010, concentrating on men and some findings for women in full-time employment.<sup>39</sup> These results positioned the UK around the average among European countries, with no marked difference between upward and downward mobility rates. This contrasts with the OECD's analysis and emphasises the complex nature of mobility studies.

## Relative occupational mobility: international studies

Relative social class mobility evaluations also show diverse results. Richard Breen and Ruud Luijkx's (2004) examination places Great Britain in the mid-range concerning fluidity for men in the 1990s, being more fluid than Germany and France but less so than Sweden and the Netherlands. For women, however, the UK was nearly as fluid as the leading countries.<sup>40</sup>

The OECD (2018) identifies the UK as one of the most fluid countries in terms of relative social mobility, a perspective that challenges earlier research like Richard Breen's findings.<sup>41</sup> Erzsébet Bukodi and others (2020) also categorised the UK within a group of high-fluidity nations, noting no significant gender differences in mobility.

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<sup>39</sup> Erzsébet Bukodi and others, '[Intergenerational class mobility in Europe: a new account](#)', 2020. Published on [ACADEMIC.OUP.COM](#).

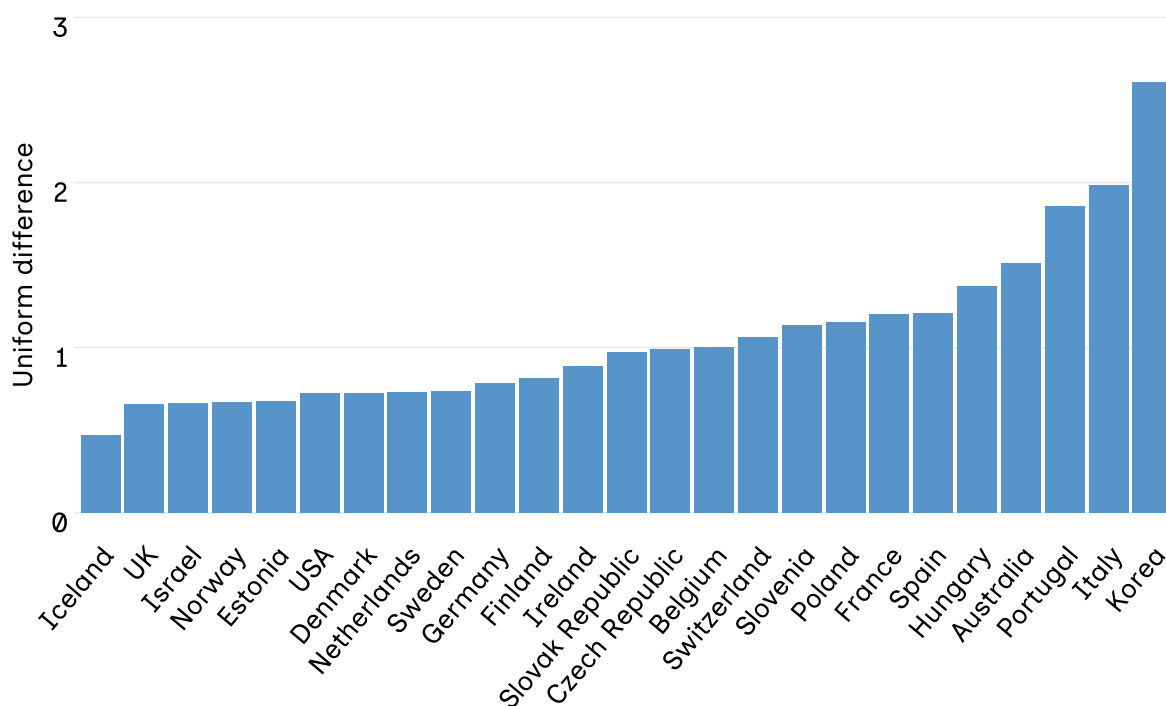
<sup>40</sup> Richard Breen and Ruud Luijkx, "'[Conclusions](#)' in [social mobility in Europe](#)", 2004. Published on [ACADEMIC.OUP.COM](#).

<sup>41</sup> Organisation for Economic Co-operation and Development, '[A broken social elevator? How to promote social mobility](#)', 2018. Published on [OECD.ORG](#).



**Figure 2.2: OECD (2018) indicates the UK demonstrates strong relative occupational mobility compared to other countries.**

Relative occupational mobility for 25 OECD countries, uniform difference (UNIDIFF) parameter estimates.



**Source:** OECD (2018). Estimates based on ESS (2002 to 2014), CNEF for Australia and Korea (2000 to 2014) and PSID for the USA (1999 to 2013).

**Notes:** UNIDIFF parameter estimates, social class is based on the 9 European Socio-Economic Classification (ESEC). The value of 1 can be thought of as the average across all countries. Countries with a value of less than 1 have better relative occupational mobility (a weaker link between parents' and children's occupational classes). Countries with a value of greater than 1 have worse relative occupational mobility (a stronger link between parents' and children's occupational classes).

Florian Hertel and Olaf Groh-Samberg (2019) offer a more complex view, suggesting the UK has slightly greater fluidity than average, particularly for women. However, they warn that these results, using a specific model, may not match other findings.<sup>42</sup>

<sup>42</sup> Florian Hertel and Olaf Groh-Samberg, 'The relation between inequality and intergenerational class mobility in 39 countries', 2019. Published on JOURNALS.SAGEPUB.COM.

## Summary

On relative income mobility, we have 2 studies, which both place the UK in a group of less mobile countries (along with the USA). Both studies also show greater relative mobility in the Nordic countries, Australia, Canada and New Zealand than in the UK.

‘Absolute income mobility’ refers to the upward or downward movement of an individual’s income compared with their parents’, usually taking inflation into account.<sup>43</sup> The most typical measure is the percentage of people who earn more than their parents did at a similar age.

Like the rise in professional jobs in the labour market, economic growth and living standards have shown upward trends. However, economic trends tend to be more volatile compared to changes in occupational structure. For example, living standards fell following the 2007 to 2008 financial crisis, and both poverty and unemployment rates have varied noticeably since 1980.<sup>44</sup> As a result, income mobility trends can be more unstable, at least in the short term, than occupational mobility trends.

Measuring income mobility presents different challenges from measuring occupational mobility. While individuals might remember their parents' jobs during their childhood, it's unlikely they could accurately know their parents' income. This makes large surveys, like the LFS, which rely on memory for childhood data, less suitable for studying income mobility. Instead, panel surveys, which follow the same people over time, are preferred. Another method involves combining panel study results with regular cross-sectional surveys, like the LFS. Unfortunately, an important data gap in the UK is the absence of linked parent-child tax records (researchers could look at the earnings of today's adults and compare them with their parents'). These are available in the USA. If we had this data, we would be able to carry out much more accurate research into the causes of income mobility and regional variations.

Analysis of these surveys typically shows that, unlike the relative success seen in occupational mobility, the UK has below-average levels of both absolute and relative income mobility compared to other developed countries.<sup>45</sup>

<sup>45</sup> The Organisation for Economic Co-operation and Development, **'A broken social elevator? How to promote social mobility'**, 2018. Published on OECD.ORG. Erzsébet Bukodi and others' findings based on the European Social Survey.

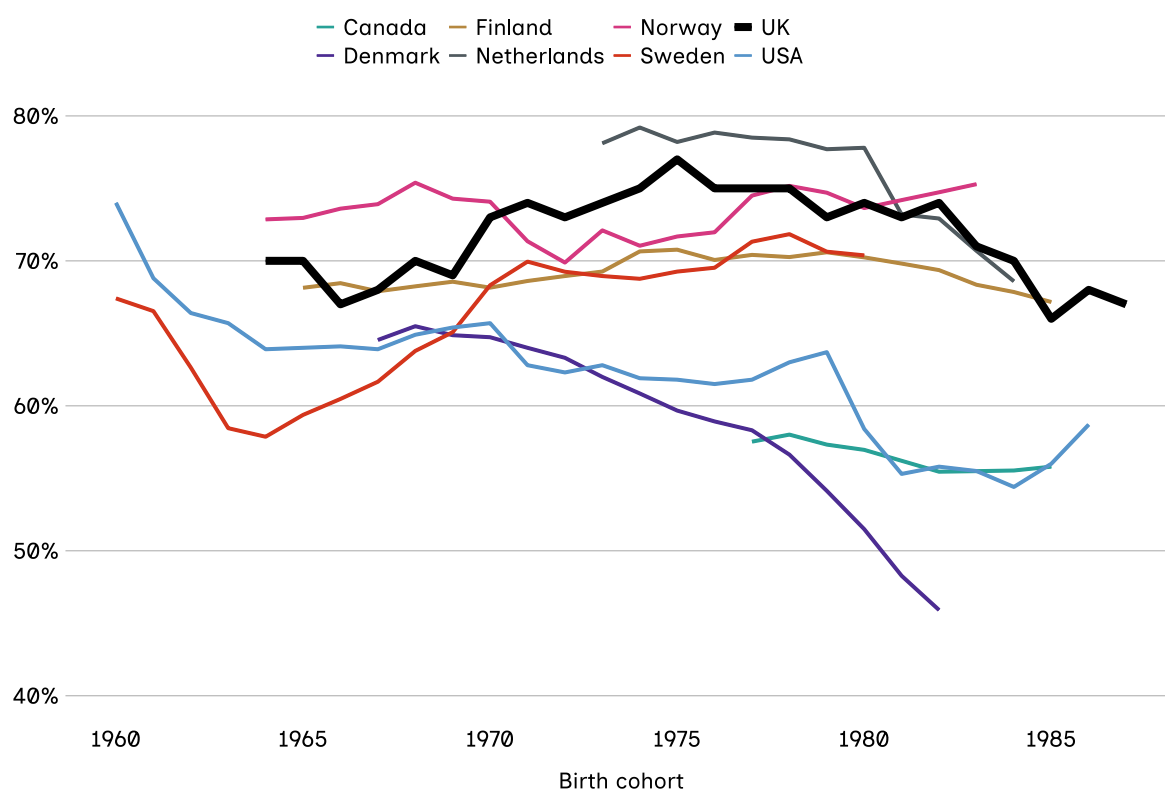
## Absolute income mobility: international studies

Robert Manduca and others (2023) investigated absolute income mobility utilising the copula and marginals method.<sup>46</sup> This estimates trends over time across several countries, including the UK.

Their results show the UK's mobility levels are similar to Nordic countries and higher than those observed in the USA, which has experienced a strong decline due to increasing income inequality.

**Figure 2.3: Absolute income mobility in the UK was good for those born in the mid-1970s, but has since declined.**

**Estimates of upward absolute income mobility by country and birth cohort from 1960 to 1987.**



**Source:** Trends in absolute income mobility in North America and Europe.<sup>47</sup>

**Note:** The upward absolute mobility rate is the percentage of children in each birth cohort whose pre-tax, post-transfer family income at age 30 years, adjusted for inflation, was higher than their parents' family income at age 30 years.<sup>48</sup> Incomes are measured using a combination of register and survey data in each country.

<sup>46</sup> Robert Manduca and others, '[Measuring absolute income mobility: lessons from North America and Europe](#)', 2023. Published on AEAWEBSITE.ORG. The copula and marginals method is used when we have the distributions of parents' and children's incomes, but we don't have the linkages between individual parents and children. It is a method of estimating these links.

<sup>47</sup> Robert Manduca and others, '[Trends in absolute income mobility in North America and Europe](#)', 2020. Published on IZA.ORG.

<sup>48</sup> Post-transfer means before paying taxes but after receiving government transfers (known as benefits in the UK).



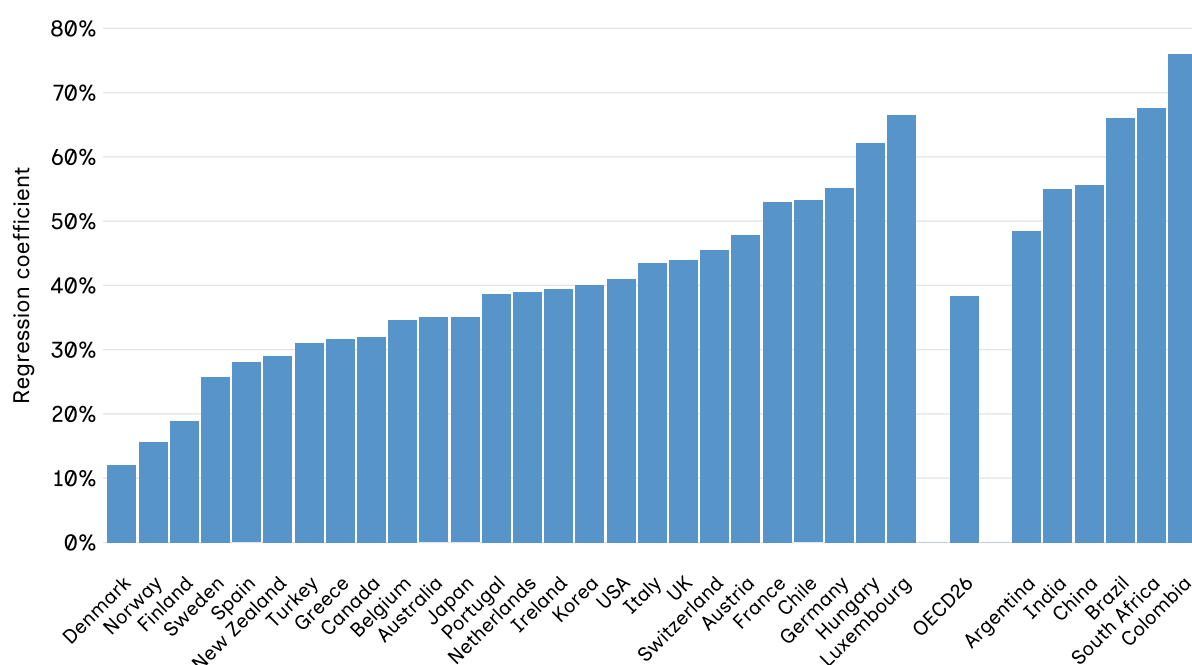
## Relative income mobility: international studies

Concerning relative income mobility, Miles Corak (2013) highlighted a relatively high income persistence in the UK, the same as Italy and the USA.<sup>49</sup> More recent research using different methodologies suggests a lower intergenerational elasticity (IGE) for the UK.<sup>50</sup> This brings it closer to Germany's figures but still lagging behind Nordic countries.

The OECD's 2018 assessment in figure 2.4 also shows lower fluidity in the UK compared to the OECD average, yet similar to the USA and other comparable nations. The variety of statistical techniques used across studies presents challenges in making direct comparisons.

**Figure 2.4: OECD indicates lower fluidity in the UK compared to the OECD average.**

**Relative mobility measured by IGE for father to son, for the late 2000s in OECD and 6 other countries.**



**Source:** OECD (2018).<sup>51</sup>

**Notes:** The higher the parameter, the higher the persistence of earnings across generations and the lower the intergenerational mobility (less change between different family generations).

<sup>49</sup> Miles Corak, '[Inequality from generation to generation: The United States in comparison](#)', 2016. Published on IZA.ORG.

<sup>50</sup> Jo Blanden and others, '[Intergenerational home ownership](#)', 2023. Published on LINK.SPRINGER.COM. Intergenerational elasticity is a measure used in economics to understand how much a child's economic success or standing is influenced by their parents' economic background.

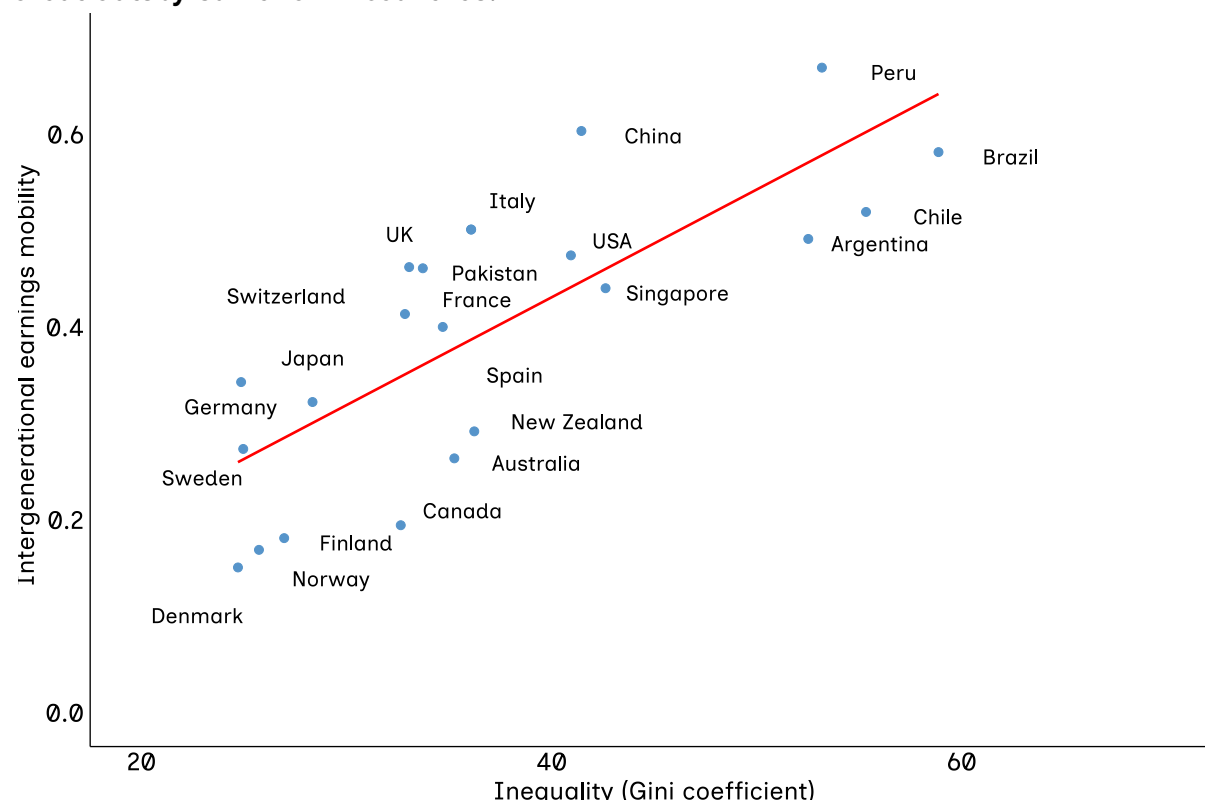
<sup>51</sup> The Organisation for Economic Co-operation and Development, '[A broken social elevator? How to promote social mobility](#)', 2018. Published on OECD.ORG.

Miles Corak's (2013) results in figure 2.5 suggest that income persistence is quite high in the UK, similar to Italy, Switzerland and the USA, while the Nordic countries, New Zealand, Australia and Canada have lower levels.<sup>52</sup> The horizontal axis shows scores on the Gini coefficient, a standard measure of economic inequality (using disposable household income for about 1985 as provided by the World Bank).

The vertical axis shows scores on intergenerational earnings mobility. This measures the strength of association between fathers' and adult sons' earnings for a cohort of children born during the mid-to-late 1960s and measuring their adult outcomes in the mid-to-late 1990s. The specific measure used in figure 2.4 is the IGE – the coefficient from the regression model described above. So it is affected by changes in income inequality, as well as changes in relative income mobility.

**Figure 2.5: Income persistence is high in the UK (like Italy, Switzerland and the USA) but lower in Nordic countries, New Zealand, Australia and Canada.**

**Great Gatsby Curve for 21 countries.**



**Source:** Miles Corak, '[Here is the source for the “Great Gatsby Curve” in the Alan Krueger speech at the Center for American Progress on January 12](#)', 2012. Published on MILESCORAK.COM.

**Notes:** The Great Gatsby Curve describes an inverse relationship between income inequality and intergenerational social mobility, when higher income inequality is associated with lower social mobility. This means that in countries with larger income gaps, it's harder for individuals to improve their socio-economic status compared to their parents, regardless of effort.

More recent research by Jo Blanden and others (2023) using the British Cohort Study data from 2000, and a direct measure of a father's income, shows a lower IGE of 0.27 for men and 0.38 for their daughters.<sup>53</sup>

<sup>52</sup> Miles Corak (2013), '[Inequality from generation to generation: The United States in comparison](#)', in Robert Rycroft (editor), *The Economics of Inequality, Poverty, and Discrimination in the 21st Century*, ABC-CLIO.

<sup>53</sup> Jo Blanden and others, '[Intergenerational home ownership](#)', 2023. Published on LINK.SPRINGER.COM.

# Educational mobility

## Summary

Three groups of countries can be distinguished:

1. **Countries with low conditional probabilities of upward mobility and high levels of intergenerational persistence** – Austria, Italy, Poland and Portugal.
2. **Countries with high conditional probabilities of upward mobility and medium levels of intergenerational persistence** – Belgium, England, France, Ireland, Japan and New Zealand.
3. **Countries with high conditional probabilities of upward mobility but lower levels of intergenerational persistence** – Canada, Finland, Switzerland.

On absolute educational mobility, we just have one study, using the ESS 2016 for the UK and most European countries (plus our analysis of the Programme for the International Assessment of Adult Competencies (PIAAC), cycle 2 – see table 2.2). The UK had one of the highest rates of upward educational mobility, similar to those in France and Sweden, and greater than in the USA and Germany. These results reflect the great expansion of higher education (HE) in the UK at the end of the 20th century. However, using surveys to measure absolute rates of mobility brings a high risk of response bias, since people's interpretation and recall are not perfect.

On relative educational mobility, we have 4 studies; 3 using ESS and one using PIAAC 2011 (plus, again, our own analysis of PIAAC 2022 to 2023). The results are rather different depending on the data source, but our new analysis shows a similar pattern to John Jerrim and Lindsey Macmillan (2015) and Sarah McNamara and others (2024) – namely that England falls in a middling group along with other West European countries, and is more fluid than Italy, Poland and Portugal, but not as fluid as Canada, Japan or Finland.<sup>54</sup>

<sup>54</sup> John Jerrim and Lindsey Macmillan, '[Income inequality, intergenerational mobility, and the Great Gatsby Curve: is education the key?](#)', 2015. Published on ACADEMIC.OUP.COM; Sarah McNamara and others, '[Intergenerational mobility of education in Europe: geographical patterns, cohort-linked measures, and the innovation nexus](#)', 2024. Published on ECINEQ.ORG.





## Background

‘Absolute educational mobility’ refers to the situation where individuals achieve higher (or lower) educational levels than their parents. The most typical measure is the percentage of people who go beyond their parents’ education, often showing overall progress in educational attainment across generations.

‘Relative educational mobility’ refers to the degree to which an individual’s education level is influenced, or predicted, by their parents’ education. It assesses how strongly educational attainment is determined by a person’s family background, reflecting equality of educational opportunities and societal barriers.

Just as the growth in the proportion of professional jobs has allowed higher levels of upward absolute occupational mobility, the growth in the number of university places has allowed higher levels of upward absolute educational mobility. The high numbers of first-generation students that result from this also affect relative mobility rates, making it less likely that someone born to non-graduate parents will miss out on university.

However, improvements in relative mobility won’t always follow in this way. For example, as more people took up HE during the late 20th century, the number of first-generation university students grew substantially. However, wealthier families seized these new opportunities quicker than less affluent ones. So although children from poorer families did better in getting to university, those from wealthier backgrounds improved even more, widening the HE participation gap. This situation reflects a decline in relative mobility, while absolute upward educational mobility actually increased.<sup>55</sup>

## Absolute educational mobility: international studies

The World Bank (2018) explores absolute educational mobility, illustrating that the UK’s upward mobility is comparable to many developed countries.<sup>56</sup> The cohort born in the 1980s exhibited an upward mobility rate of 63.1%, placing it favourably against nations like Germany and the USA.

Initial analyses from PIAAC cycle 2 suggest that England maintains high levels of upward educational mobility, the same as Belgium and France. However, response biases could misrepresent results.

## Relative educational mobility: international studies

Relative educational mobility analyses present differing insights. World Bank research estimates favourable results for the UK compared with other countries. In contrast, John Jerrim and Lindsey Macmillan (2015) rank the UK as relatively more immobile, spotlighting significant educational gaps that are influenced by parental background.<sup>57</sup>

Bastian Betthäuser and others (2021) and Sarah McNamara and others (2024) provided more context, with recent analyses by PIAAC offering evidence of England’s fluidity relative to specific international counterparts.<sup>58</sup>

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<sup>55</sup> Jo Blanden and others, ‘Educational inequality and intergenerational mobility’, in Stephen Machin and Anna Vignoles (editors) **‘What’s the good of education? The economics of education in the UK’**, 2005. Published on PRESS.PRINCETON.EDU.

<sup>56</sup> Development Research Group, World Bank. **‘Global Database on Intergenerational Mobility’**, 2023. Published on WORLDBANK.ORG.

<sup>57</sup> Jerrim John and Lindsey Macmillan, **‘Income inequality, intergenerational mobility, and the Great Gatsby Curve: is education the key?’**, 2015. Published on ACADEMIC.OUP.COM.

<sup>58</sup> Bastian Betthäuser and others, **‘Regional variation in inequality of educational opportunity across Europe’**, 2021. Published on JOURNALS.SAGEPUB.COM; Sarah McNamara and others, **‘Intergenerational mobility of education in Europe: geographical patterns, cohort-linked measures, and the innovation nexus’**, 2024. Published on ECINEQ.ORG.

## Social Mobility Commission new analysis

We use the second cycle of the OECD's PIAAC data (collected 2022 to 2023) to measure intergenerational educational mobility. The data comes from nationally representative probability surveys in a large number of OECD countries, but the first release only covers 31 countries. For some of these countries the data does not include any measure of respondents' highest qualification and is therefore unusable. After excluding these countries, we are left with 25 countries of which we have so far analysed 14.<sup>59</sup> In this second cycle, note that we only have data for England, not for the whole of the UK.

Because of the major expansion of HE in many countries (especially England) in recent years, we restrict the analysis to respondents aged 25 to 44 years. We include respondents who were born in England or who arrived before age 11 years (and received secondary education in England). Migrants who arrived at age 11 years or later are excluded. Because of the relatively small sample sizes, we pool the results for men and women.

Our 2 main variables are the respondent's highest level of education and the highest level of education of their parent(s). The data shows 3 levels of parental education:

1. At least one parent had a tertiary qualification
2. At least one parent had an upper secondary education but not a tertiary qualification
3. Neither parent had upper secondary or tertiary qualification

Respondents are similarly classified into tertiary, upper secondary and lower secondary or below, along with a more detailed classification in some countries.

Our main measure of absolute educational mobility is the percentage of those from a non-tertiary background (level 1 or 2 of the parental qualification measure) who obtained a tertiary qualification. This is shown in table 2.2 in column 1. This should be thought of as the conditional probability of obtaining a tertiary qualification, not as the overall (unconditional) probability of upward mobility. The unconditional probabilities are shown in column 2 but are harder to understand as the percentages upwardly mobile will depend on the size of the 'risk set'.<sup>60</sup> So we concentrate on the conditional probabilities.

We have 2 measures of relative educational mobility. The first measure (shown in column 3) is the odds ratio using a binary measure of tertiary or non-tertiary education both for parents and respondents. The second measure (shown in column 4) is the Spearman Rank Order Correlation between the 3 category measures of highest parental qualification and respondents' highest qualification.<sup>61</sup> A larger odds ratio, and a higher correlation, indicate greater intergenerational educational persistence (that is, lesser relative mobility). A smaller odds ratio or correlation indicates lesser intergenerational persistence (that is, greater relative mobility, sometimes described as greater fluidity).

**Comparing educational mobility across countries helps us understand how family background shapes opportunities in those countries.**

<sup>59</sup> Due to time constraints and the specific analytical focus, 14 western European comparators were chosen for their existing familiarity and relevance to Britain. This is consistent with other cross-national studies focusing on the UK.

<sup>60</sup> The risk set consists of people who, in principle, could be upwardly mobile educationally. This excludes all those who come from the top category of education and who, therefore, cannot be upwardly mobile. But it would include all those from lower categories.

<sup>61</sup> The Spearman Rank Order Correlation is a statistical technique that measures strength and direction between 2 ranked variables.

**Table 2.2: Absolute and relative educational mobility for men and women aged 25 to 44 years, PIAAC second cycle (2022 to 2023).**

| Country           | Percentage of people from non-tertiary families who obtained a tertiary qualification | Percentage of people with a higher level of education than their parents | Tertiary: non-tertiary odds ratio (confidence interval) | Rank order correlation between parental and respondent level of qualification | Sample size |
|-------------------|---|--|---|---|-------------|
| Austria           | 29.8%   | 30.7%  | 6.31<br>(4.96 – 8.02)                                   | 0.50 (0.52)   | 1,641       |
| Belgium (Flemish) | 47.6%   | 30.1%  | 4.24<br>(3.26 – 5.52)                                   | 0.34 (0.38)   | 1,141       |
| Canada*           | 44.0%   | 21.5%  | 2.44<br>(2.10 – 2.83)                                   | 0.24  | 3,064       |
| England           | 43.6%   | 33.7%  | 3.87<br>(3.02 – 4.96)                                   | 0.32 (0.32)   | 1,410       |
| Finland           | 42.4%   | 27.8%  | 2.39<br>(1.90 – 3.00)                                   | 0.20 (0.21)   | 1,378       |
| France*           | 46.8%   | 40.4%  | 3.84<br>(3.05 – 4.83)                                   | 0.30  | 1,715       |
| Ireland           | 46.5%   | 42.9%  | 3.38<br>(2.53 – 4.51)                                   | 0.29 (0.29)   | 1,134       |
| Italy             | 23.5%   | 46.4%  | 7.22<br>(4.60 – 11.34)                                  | 0.38 (0.40)   | 952         |
| Japan             | 41.7%   | 19.1%  | 3.11<br>(2.52 – 3.81)                                   | 0.27 (0.30)   | 1,810       |
| New Zealand       | 37.3%   | 31.4%  | 3.70<br>(2.81 – 4.87)                                   | 0.31 (0.34)   | 919         |
| Poland            | 32.3%   | 33.6%  | 7.60<br>(5.44 – 10.61)                                  | 0.34 (0.35)   | 1,963       |
| Portugal          | 30.5%   | 49.3%  | 8.07<br>(5.19 – 12.57)                                  | 0.40 (0.39)   | 859         |
| Spain             | 46.7%   | 43.4%  | 3.41<br>(2.69 – 4.34)                                   | 0.35 (0.38)   | 1,722       |
| Switzerland*      | 43.0%   | 31.4%  | 2.32<br>(1.89 – 2.86)                                   | 0.21  | 1,701       |

**Source:** SMC analysis based on OECD's PIAAC data (collected 2022 to 2023).

**Notes:** In column 4, the figures in brackets show the correlations when the more detailed scale of respondents' qualifications is used (if available in the dataset). Those countries marked with an asterisk only have 3 categories for the respondent education level. Percentages are derived from weighted data (column 1 and 2); sample size (column 5), odds ratios and confidence intervals (column 3 and 4) come from unweighted data. The percentage of people with a higher level of education than their parents (column 3) and rank order correlation (column 5) is calculated based on 3 categories for both respondents and parents.





These results are broadly in line with previous research, using the first cycle of PIAAC.<sup>62</sup> This also found a group with higher levels of persistence (Czechia, Italy, Poland), a large middling group with average levels of persistence (Belgium, UK, France, Ireland, Japan plus Austria, Spain and Germany) and a mainly Nordic group with lower levels of intergenerational persistence (Canada, Finland plus Ireland, Denmark, Norway and Sweden). Results found by Sarah McNamara and others (2024) using the ESS are similar, with a group showing higher levels of intergenerational persistence (Austria, Bulgaria, Poland, Belgium, Hungary, Ireland, Italy), a middling group (France, Germany, Spain, Switzerland, UK, Spain, Portugal, Czechia), and a predominantly Nordic group with lower levels of intergenerational persistence (Denmark, Finland, Iceland, Norway, Sweden).<sup>63</sup> It should be noted that the positions of individual countries vary from study to study and also within studies according to the method for estimating relative mobility. But overall results show that the UK belongs to the middling group.

It's not surprising that countries with high levels of intergenerational persistence see a strong link between parents' and children's education. This is found in countries with lower levels of upward mobility from the bottom, but is possibly a new finding. It may reflect the fact that these high-persistence countries are at an earlier stage of tertiary education expansion. The finding that higher conditional probabilities of upward mobility are shared both by the middling-persistence countries like the UK and the low-persistence Nordic countries raises interesting explanatory questions.

We are currently developing our research by analysing data from the joint European Values Survey and World Values Survey (2017 to 2022).<sup>64</sup> This will allow us to expand our geographical scope and potentially provide a more refined understanding of intergenerational educational mobility across a wider range of countries. We are also refining our methodological approach to enhance the strength and accuracy of our findings. We will report further developments in this research, incorporating the expanded dataset and refined methodology.

<sup>62</sup> John Jerrim and Lindsey Macmillan, '[Income inequality, intergenerational mobility, and the Great Gatsby Curve: is education the key?](#)', 2015. Published on ACADEMIC.OUP.COM

<sup>63</sup> Sarah McNamara and others, '[Intergenerational mobility of education in Europe: geographical patterns, cohort-linked measures, and the innovation nexus](#)', 2024. Published on ECINEQ.ORG.

<sup>64</sup> The [European Values Study](#) and [World Values Survey](#) are extensive, cross-national research programmes that track changes in people's values, beliefs and attitudes over time. Both surveys use standardised methods, and their combined data provide researchers and policymakers with comprehensive insights into global value trends.

# Housing mobility

## Summary

Louis Chauvel and Anne Hartung (2019), who looked at people aged between 25 and 60 years, show the UK as among the more fluid countries, perhaps due to the 1980s' Right to Buy schemes.<sup>65</sup> However, when statistical controls are introduced, the UK falls to an average position among the surveyed countries, stressing variations influenced by different methodological approaches. It is almost certain that relative housing mobility has fallen since the early 1990s, because the Right to Buy scheme gave a one-off boost, which cannot be repeated since a lot of social housing was sold at once.

## Background

'Housing mobility' refers to the ease with which individuals or families can change their housing tenure, measured by transitions from renting to homeownership, or the other way around. It is an important component of social mobility, influencing and reflecting economic opportunities available to individuals, especially since the majority of most homeowners' wealth is tied up in their house. Like other forms of social mobility, housing mobility is affected by both individual circumstances and broader structural factors.


Upward absolute housing mobility is normally measured by the percentage of people who grow up in a rented home, but go on to buy their own home. Relative housing mobility compares the homeownership chances of those whose parents rented, against those whose parents owned their home.

## Absolute housing mobility: international studies

Unfortunately, there are no studies comparing absolute housing mobility across countries, so we are unable to comment on how the UK might compare internationally.

## Relative housing mobility: international studies

There is just one study, using EU-SILC 2011, which suggests that Britain was one of the most fluid countries, but this may reflect the Right to Buy scheme from the 1980s and so apply to earlier generations.<sup>66 67</sup> The SMC reported in 2023 that relative housing mobility has declined in the UK, and other work agrees that relative housing mobility is now much lower.<sup>68</sup>



**Housing mobility  
shapes how easily  
people can move from  
renting to owning,  
shaping lifetime  
opportunity.**

<sup>65</sup> Louis Chauvel and Anne Hartung, '[Intergenerational mobility in Europe: home ownership as a facet of social reproduction?](#)', 2019. Published on GESIS.ORG.

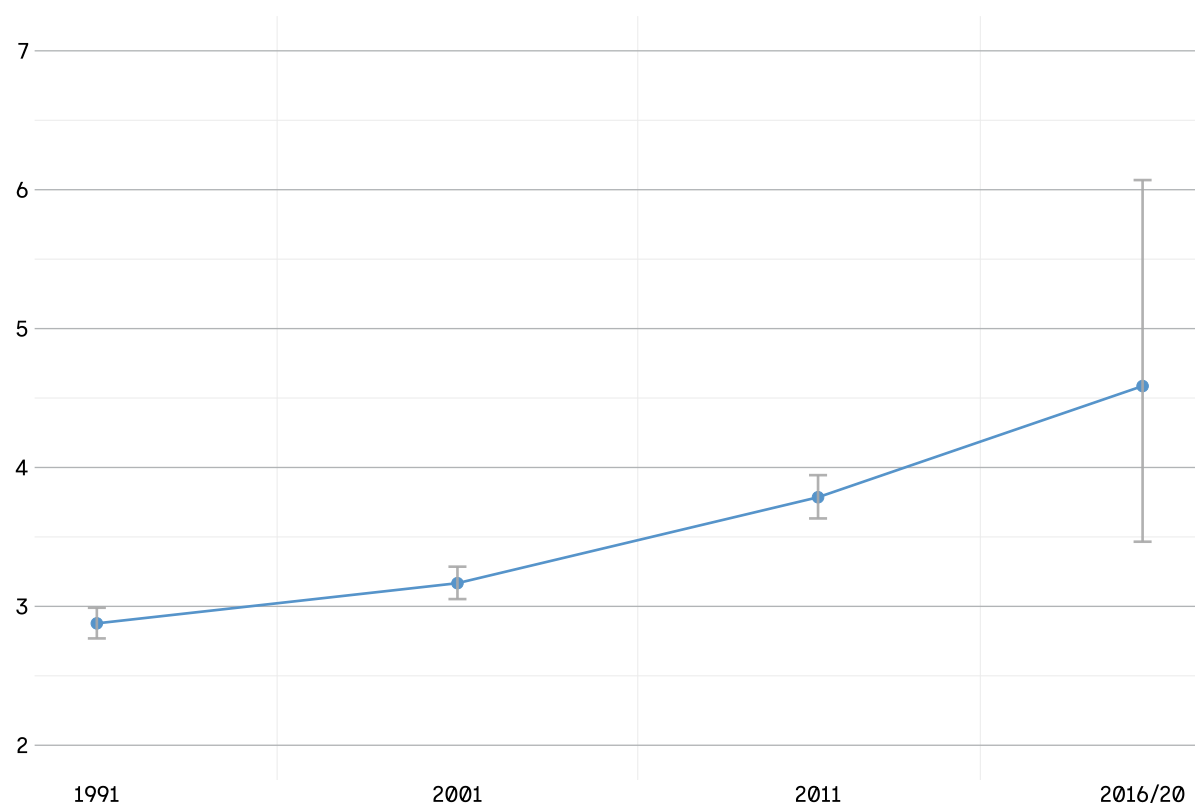
<sup>66</sup> [EU statistics on income and living conditions](#) is a comprehensive data source used to collect information on income, poverty, social exclusion and living conditions within the EU.

<sup>67</sup> The Right to Buy scheme was introduced by the Housing Act 1980, giving council tenants the opportunity to buy their home at a significant discount. In England, the scheme continues, although the generosity of the discount and the number of eligible houses have fluctuated and reduced over time. The scheme was ended in Wales in 2019 and in Scotland in 2016. UK Parliament, '[Comparing the Right to Buy in England, Scotland, Wales and Northern Ireland](#)', 2017. Published on COMMONSLIBRARY.PARLIAMENT.UK.

<sup>68</sup> Jo Blanden and others, '[Intergenerational home ownership](#)', 2023. Published on LINK.SPRINGER.COM.

**Figure 2.6: Relative housing mobility has declined steadily since 1991.**

Odds ratios of the relationship between parental and respondent homeownership in the UK, from 1991 to 2016 and in 2020, among younger respondents.



**Source:** Wealth and Assets Survey (WAS) waves 6 and 7 (respondents aged 30 to 34 years) and Bell and others (2022, table 6, UK respondents aged 28 to 37 years).<sup>69 70</sup>

**Notes:** The error bars show the 95% confidence intervals for each estimate. The odds ratio is a measure of relative mobility. It is the ratio of the odds (of owning a house or not) among those whose parents owned a house to the odds among those whose parents had not. The data used is weighted using the WAS individual weights.

<sup>69</sup> The [Wealth and Assets Survey QMI](#), conducted biennially (every 2 years) by the ONS in Great Britain since 2006, is a key data source on the economic wellbeing of households and individuals. It gathers comprehensive information on assets (property, savings, physical possessions, pensions), debts and financial planning behaviours to inform policy development and understand wealth distribution over time.

<sup>70</sup> Brian Bell and others, '[Where is the land of hope and glory? The geography of intergenerational mobility in England and Wales](#)', 2018. Published on CENTRE FOR ECONOMIC PERFORMANCE.



# Jack Matthews

Age 22, Trainee Solicitor, Tozers LLP, Plymouth



**“Your background is not a barrier – be proud of where you come from.”**

I grew up in the south-west of England. My mum was a carer and a housewife, while my stepdad worked as a taxi driver. I lived in a flat with my sister and 3 stepbrothers – one of whom was severely disabled, so we were young carers for him as well. Caring for Alfie was normal for me, but it meant that my upbringing was different. Understandably, lots of my mum’s time was dedicated to caring for Alfie, so it meant I had to develop independence very early on – often getting myself ready for school and assisting with my brother’s medication and tube feeding.

As a child, I struggled with my hearing and was diagnosed with 50% hearing loss in both ears. I wore hearing aids for most of my time at primary school and received therapy to develop my speech and language. I struggled communicating with others and found myself gravitating towards English and drama at school. Looking back, I believe they gave me the tools to express myself and I don’t think I would be as confident a speaker and writer today if it hadn’t been for my love of language and performing.

I decided I wanted to pursue a career in law while I was still quite young. There was a particular documentary I watched which simulated a murder trial using real barristers. I was captivated – not just by the drama of the courtroom, but by the way the defence counsel managed to shape the jury’s perception. It made me realise how powerful a lawyer’s words can be.

Despite my surety that I wanted to be a lawyer, I had no clue how to get there or what a career in law really entailed. Neither of my parents went to university and I had no connections in the legal field. That all changed when I started sixth form. I was fortunate enough to complete widening participation programmes, which developed my soft skills and supported me in accessing higher education and understanding careers in law. I also participated in the Social Mobility Foundation’s Aspiring Professionals Programme, which gave me the opportunity to travel to London for the first time and experience working at a Silver Circle law firm.<sup>71,72</sup>

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<sup>71</sup> The Social Mobility Foundation, ‘[Unlock your potential with the Aspiring Professionals Programme](https://socialmobility.org.uk/unlock-your-potential-with-the-aspiring-professionals-programme)’. Published on SOCIALMOBILITY.ORG.UK.

<sup>72</sup> A Silver Circle law firm is an industry leader and is often considered a top-tier law firm, working in the corporate and financial industries.

**“I had to develop independence very early on – often getting myself ready for school and assisting with my brother’s medication and tube feeding.”**

I went on to study law at the University of Exeter. Alongside my studies, I volunteered as the social mobility officer for the university’s Law Society. I also had the privilege of mentoring students from working-class backgrounds and supporting them with their UCAS applications. In my second year I was nominated for a Social Impact Award and realised I could combine my passion for the law and social mobility by introducing new ways to keep the ladder down for the next generation.

I faced challenges at university. I struggled financially and had to work throughout to support myself. Student housing in Exeter was particularly expensive and without a family safety net the pressure was constant. I was also self-conscious of my accent and background. I had never been surrounded by students who had not attended a state school.

In my final year I started applying for training contracts and was offered a job with Tozers LLP. They offered me a bursary to contribute towards the cost of my Legal Practice Course (LPC) and a paralegal role to continue working alongside my postgraduate studies – I would not have been able to continue with a legal career without this.

Having successfully completed my LPC LLM, I’m now a trainee solicitor in my second ‘seat’ with the Property Litigation team.<sup>73</sup> I am yet to decide where I wish to qualify but contentious probate, wills and trusts has sparked my interest. These cases are deeply personal – often involving people who have been excluded from a will due to a breakdown in relationships. My upbringing instilled a strong sense of justice, and I try to bring empathy and integrity to every case I work on.

I’d advise anyone from the same background who wanted to work in law to never be afraid to be yourself. Be proud of where you come from, because it has shaped the talented individual that you are today. Your background is not a barrier – it is your strength. The legal profession, like every other, thrives on diversity and you, and your experiences, add value.

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<sup>73</sup> LPC LLM is both a legal practice course and masters-level qualification.

3

# How have social mobility conditions changed across the UK?



# Highlights

Our main data source, the Labour Force Survey (LFS), allows us to look at changes in intermediate outcomes (mobility outcomes in younger people) going back to 2018. Mobility patterns across local authorities (LAs) have remained broadly the same over this short period, but we will continue to monitor them.

However, we can look at changes in the drivers, or enablers, of mobility over a much longer period, going back to the year 2000. Across this longer period, there is still considerable stability, with most movements being short-range. Results for the 3 composite indices of drivers (Conditions of Childhood, Labour Market Opportunities for young people, and Innovation and Growth) show considerable overlap between the 3 lists of disadvantaged LAs. This means that several LAs are facing disadvantages across 2 or 3 indices.

**Entrenched disadvantage, and decline into disadvantage, are particularly clear in the former mining and industrial areas in the North East of England, Yorkshire and the Humber, the West Midlands, Wales and Scotland. Our results show little sign of the gap closing in the first 2 decades of the 21st century.**

**In contrast, the advantage is most evident in London and its commuter belt. London boroughs dominate among areas of persisting advantage on both the indices of Conditions of Childhood and Innovation and Growth.**

**As with any analysis, we should be careful not to infer a causal connection between place and outcome. For example, within all major conurbations (built-up areas of towns joined together), some places attract wealthier residents who can afford the higher house prices. Is there something particular about the area that's leading to its good outcomes or is it simply that already-successful people are moving there? This type of selective migration is referred to by economic geographers as 'sorting', and it may play a role in generating more affluent neighbourhoods outside London and the South East. Similar processes may also generate less affluent areas in the south of England.**

**The Labour Market Opportunities for young people index showed that several rural LAs in Scotland have declining opportunities. Rural areas in other parts of the UK also regularly show up as disadvantaged on the other indices. They generally involve long and expensive travel distances to major centres for further education (FE), and for high-skilled jobs and training. With the continuing shift to a post-industrial economy, young people may fall further behind their peers in areas of the country with greater access to high-skill training and employment.**

**The Innovation and Growth index includes some new areas outside London with favourable conditions: Aberdeen, Brighton, Bristol, Cheshire West and Chester, Edinburgh, Oxfordshire, Reading and West Berkshire. These suggest that there are other potential development hubs in addition to London.**

# Introduction

## Composite indices

As with last year's report, we include 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 identified in the data.

The composites also allow us to be more confident in concluding any differences between geographical areas. Estimates for individual areas, in most cases, involve sampling errors (since they are based on sample surveys, like the LFS).<sup>74</sup> So there's always a risk that differences between areas for a specific measure could be a result of random sampling errors. To get around this imprecision, we summarise findings across multiple indicators that seem to be related. And, when they all give a similar picture, we can confidently say that there are real differences between the areas. We can then ask whether these are due to the areas themselves or the individuals living within them.

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<sup>74</sup> 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, '[Labour force survey](#)', 2021. Published on ONS.GOV.UK.



## Intermediate outcomes since 2018

Our State of the Nation 2024 report shows the results from a new composite index of early-career mobility, called Promising Prospects. This index covers the highest qualifications, hourly earnings, and professional and working-class occupations of young people. It divides people up according to which upper-tier LAs they had grown up in.<sup>75</sup> We found that most LAs were near the average, but a few were significantly better or worse. Those who had grown up in prosperous parts of London and the adjoining Home Counties had the most favourable mobility prospects, while those from rural counties, and former mining and shipbuilding towns had the least.<sup>76</sup>

Our data source for these indices, the LFS, only allows us to go back to 2018. This is because the questions about where people grew up were first included in the LFS in 2018, and measures of socio-economic background (SEB) are only available from 2014.

**Our Promising Prospects index has revealed stark differences in early-career mobility between local areas.**

## Drivers of mobility across the UK since 2000

We also developed 3 composite indices of the drivers – the conditions that help or stop social mobility:

**4. The Conditions of Childhood index, which aims to measure the socio-economic situation of parents with dependent children.<sup>77</sup>**

**5. The Labour Market Opportunities for young people index, which looks at the job types and salaries of young adults.**

**6. The Innovation and Growth index, which tries to capture the conditions that help local economic growth.**

Our research has shown that these 3 drivers account for much of the variation in the Promising Prospects index. Of the 3, the Conditions of Childhood index is the most statistically important.<sup>78</sup> In this chapter, we consider how these composite indices have changed over time, across the UK.

Questions about a person's current residence and LA, rather than childhood residence, are available back to 2000. We can therefore develop composite indices of the drivers of social mobility from 2000 to 2024. This is because the drivers are the current conditions that favour or stop social mobility.

<sup>75</sup> Social Mobility Commission, '[State of the Nation 2024: local to national, mapping opportunities for all](#)', 2024. Chapter 3: mobility across the UK. Published on GOV.UK.

<sup>76</sup> Home Counties refers to those bordering or near London, namely Hertfordshire, Sussex, Essex, Kent, Surrey, Berkshire and Buckinghamshire.

<sup>77</sup> A dependent child is aged 0 to 15 years in a household (regardless of family setting) or a young person aged 16 to 18 years within full-time education or still living with parents or guardians.

<sup>78</sup> See our technical annex for detailed information on this research.

# Intermediate outcomes since 2018

## Introduction

For our 2024 report, we developed a composite index called Promising Prospects, which allowed us to compare mobility prospects across LAs. The index was based on 4 intermediate outcomes: university degrees, professional jobs, working-class jobs and average hourly earnings, taking SEB into account. Promising Prospects tries to answer the question: “if you take people of the same SEB, but who grew up in different places, who has the best prospects?”

We found (similarly to other researchers) that most upper-tier LAs had middling prospects, but a few LAs showed prospects that were particularly favourable or unfavourable. The LAs with favourable prospects were concentrated in London and the Home Counties. Those with the least favourable prospects were more geographically diverse – some were large rural areas with no cities (such as Dumfries and Galloway) and others were former mining or heavy industry areas in the north of England and Scotland.

## Changes since 2018

To construct this index of intermediate outcomes, we have to be able to measure SEB and identify where people grew up. This limits us to the period from 2018 to 2024, when the LFS (the data source for all 4 indicators) included the relevant questions.

To maintain sample sizes and gain reliable estimates, we pool (combine) the data into 2 blocks of years: from 2018 to 2020 and from 2021 to 2024. This allows us to examine how things have changed across LAs. This is not enough to show a trend over time, given the presence of only 2 data points, but it is a starting point.

**Table 3.1: Summary of the composite Promising Prospects index, based on intermediate outcomes.**

| Index               | Indicator   | Data used  |
|---------------------|---|--|
| Promising Prospects | Intermediate outcome (IN) 2.3 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.                    |



Our main finding is that there was considerable stability between these 2 periods. The overall correlation between scores in the 2 periods was high at 0.80. In the case of the most favourable LAs, 8 were in the top 10 in both periods.

Two dropped out of the top 10 (Buckinghamshire and Hertfordshire) but continued to have relatively favourable scores in the second period. Two entered the top 10 (Enfield and Lewisham), having already had fairly favourable scores in the first period. So the overall picture of favourable prospects being concentrated within London remains unchanged.

**Table 3.2: Top and bottom 10 local authorities (LAs) for the 2018 to 2020 and 2021 to 2024 periods.**

|   |  |  |                       |           |                  |        |                  |            |
|---|--|--|-----------------------|-----------|------------------|--------|------------------|------------|
| <b>Among 10 most favourable in both periods</b> ✓ <ul style="list-style-type: none"> <li>Barnet</li> <li>Brent</li> <li>Ealing</li> <li>Harrow</li> <li>Hillingdon</li> <li>Hounslow</li> <li>Richmond upon Thames</li> <li>Surrey</li> </ul> | <b>Moved up out of bottom 10 in second period</b> ↑ <ul style="list-style-type: none"> <li>Cornwall</li> <li>Newcastle upon Tyne</li> <li>North Lanarkshire</li> <li>South Tyneside</li> </ul> | <b>Entered top 10 in second period</b> ↑ <ul style="list-style-type: none"> <li>Enfield</li> <li>Lewisham</li> </ul>   |                       |           |                  |        |                  |            |
|   | <b>Dropped out of top 10 in second period</b> ↓ <ul style="list-style-type: none"> <li>Buckinghamshire</li> <li>Hertfordshire</li> </ul>   | <b>Dropped into bottom 10 in second period</b> ↓ <ul style="list-style-type: none"> <li>Barnsley</li> <li>Hull</li> <li>Rhondda Cynon Taf</li> <li>South Ayrshire</li> </ul> |                       |           |                  |        |                  |            |
| <b>Among 10 least favourable in both periods</b> ✗ <table> <tr> <td>Dumfries and Galloway</td><td>Gateshead</td><td>Scottish Borders</td></tr> <tr> <td>Durham</td><td>Northern Ireland</td><td>Sunderland</td></tr> </table>                 |  |  | Dumfries and Galloway | Gateshead | Scottish Borders | Durham | Northern Ireland | Sunderland |
| Dumfries and Galloway   | Gateshead  | Scottish Borders   |                       |           |                  |        |                  |            |
| Durham  | Northern Ireland   | Sunderland   |                       |           |                  |        |                  |            |

**Source:** Our calculations based on pooled LFS data from 2018 to 2024.

**Notes:** In both periods, the top 10 had z-scores above 1.90, and the bottom 10 had scores below -1.40.<sup>79</sup> This asymmetry reflects the asymmetry of the overall distribution that our State of the Nation 2024 report showed.

There was somewhat more turnover among the least favourable LAs – 6 were among the 10 in the least favourable category in both periods. The 4 which entered the bottom 10 in the second period all had relatively unfavourable scores in the first period, so there was considerable continuity. And 3 of the 4 that moved up out of the bottom 10 in the second period also continued to have relatively unfavourable scores. One striking exception was Newcastle upon Tyne, which came close to the national average in the second period.

<sup>79</sup> A z-score is a statistical measure of how far a given observation is from the average, without units and relative to other data. Positive values are above average, negative values are below. Mathematically, it tells us how many standard deviations the observation is from the arithmetic mean. For example, a z-score of +1 means the observation is one standard deviation above the mean.

# The drivers of mobility since 2000

Although we cannot measure actual levels of social mobility by area further back than 2018, we do have the data to show the drivers of social mobility from 2000. The drivers are the socio-economic conditions that help or stop social mobility for the young people who grew up in different LA areas.

Similar to last year's annual report, we have produced composite indices of 3 drivers – Conditions of Childhood, Labour Market Opportunities for young people, and Innovation and Growth. Last year, the Conditions of Childhood index measured socio-economic conditions in an area, such as the rate of childhood poverty; the Labour Market Opportunities for young people index measured the occupational positions and unemployment rates of young people in an area; and the Innovation and Growth index measured conditions such as the level of business expenditure in an area.

Our research suggests that, from a statistical point of view, the first of these 3, the Conditions of Childhood index, is the most important for understanding differences between LAs in the levels of mobility achieved by young people, although the second and third drivers provide additional insights.

To produce consistent indices for the whole of the 2000 to 2024 period, we made some changes to them, which are described in more detail in this footnote. However, the conceptual basis and methodology of the 3 remain the same as before.<sup>80</sup> One important aspect of the indices is that they are designed to help users compare LAs. They tell us which areas had the most and least favourable socio-economic conditions for the future mobility prospects of young people who grew up there.

We would normally expect considerable stability over time in these indices, especially for the Conditions of Childhood index.<sup>81</sup> This is because many socio-economic conditions are constrained by the geography of the area and its natural resources and built environment (such as housing, factories and offices, and other aspects of infrastructure such as roads and railways). While investment can bring change, this is typically a slow process and there is considerable continuity over time. However, since the composite indices compare the relative positions of LAs within each period, we would expect to find some movement both up and down between periods.

In our State of the Nation 2024 report we ranked LAs as having 'most favourable', 'favourable', 'middling', 'unfavourable' and 'least favourable' conditions. We follow the same basic classification with the revised index, but have now further distinguished 'lower middling', 'middle middling' and 'upper middling' groups. We find that there is a high level of stability over time in the composition of these 3 middling groups. In the figures below we use the following colour-coding: ■ Most favourable, ■ favourable, ■ upper middling, ■ middle middling, ■ lower middling, ■ unfavourable, ■ least favourable.

The measures for each LA are estimated using a multilevel model which shrinks values from LAs with small sample sizes to reduce the risk of implausibly extreme results.<sup>82</sup>

Finally, we must emphasise that these composite measures are designed to compare LAs. In this sense, they are relative measures, telling us about young people's mobility (in the case of Promising Prospects), or the drivers of mobility (in the case of other composites).

<sup>80</sup> There is considerable similarity between the new results and what was published in our State of the Nation (SON) 2024 report for the Conditions of Childhood index. Of the 32 LAs scored in SON 2024 as having 'favourable' or 'most favourable' positions, 26 also have 'favourable' or 'most favourable' positions with the revised index for the 2018 to 2024 period. Similarly, of the 33 LAs scored in SON 2024 as having 'unfavourable' or 'least favourable' positions, 25 also have 'unfavourable' or 'least favourable' positions with the revised index. Some changes would be expected anyway, as the revised index covers a longer period than the SON 2024 index.

<sup>81</sup> For example, Henry Overman and Xiaowei Xu, '[Spatial disparities across labour markets](#)', 2024. Published on ACADEMIC.OUP.COM. This shows considerable continuity over time in the spatial dispersion of average wages and employment rates across the UK over the first 2 decades of the 20th century.

<sup>82</sup> A multilevel model takes account of the results for all LAs when looking at the result for an individual LA. So, if an LA ends up with an extreme value, and especially if the sample size for that LA is small, the model adjusts the estimated value to be closer to the average for all LAs.

# Changes in the Conditions of Childhood index

## How the measure works

The first composite index based on drivers is called Conditions of Childhood. It measures the socio-economic conditions of families with children. This covers childhood poverty, parental education, parental working-class occupation and parental professional occupation.

Research shows that children growing up in disadvantaged socio-economic conditions have poorer chances of obtaining high-level occupations in their careers than those growing up in more advantaged conditions.<sup>83</sup> There are also likely to be spillover effects, with poorer mobility outcomes even for people with more advantaged family backgrounds who live in the same neighbourhoods. These effects can act through, for example, peer influences, or exposure to violence.<sup>84</sup>

Therefore, areas with higher levels of disadvantage typically have lower levels of overall social mobility.

The revised index uses the following 4 indicators, which have been consistently measured in the nationally representative LFS's across the whole 2000 to 2024 period. The main change we made is to replace the indicator used previously on children in poverty (for which the data at LA level does not go back to 2000) with a new measure of the income levels of households with children.

**Table 3.3: Summary of the Conditions of Childhood index, based on drivers.**

| Index                   | Indicator   | Data used  |
|-------------------------|---|--|
| Conditions of Childhood | Driver (DR) 1.2 Childhood poverty                           | Estimated hourly pay for individuals aged over 21 years with dependent children in their family.                                     |
|                         | DR 1.3 Distribution of parental education                   | Estimated proportion of degree-level education among individuals aged over 21 years with dependent children in their family.         |
|                         | DR 1.4a Distribution of parental occupation (professional)  | Estimated proportion of professional-class occupations among individuals aged over 21 years with dependent children in their family. |
|                         | DR 1.4b Distribution of parental occupation (working class) | Estimated proportion of working-class occupations among individuals aged over 21 years with dependent children in their family.      |

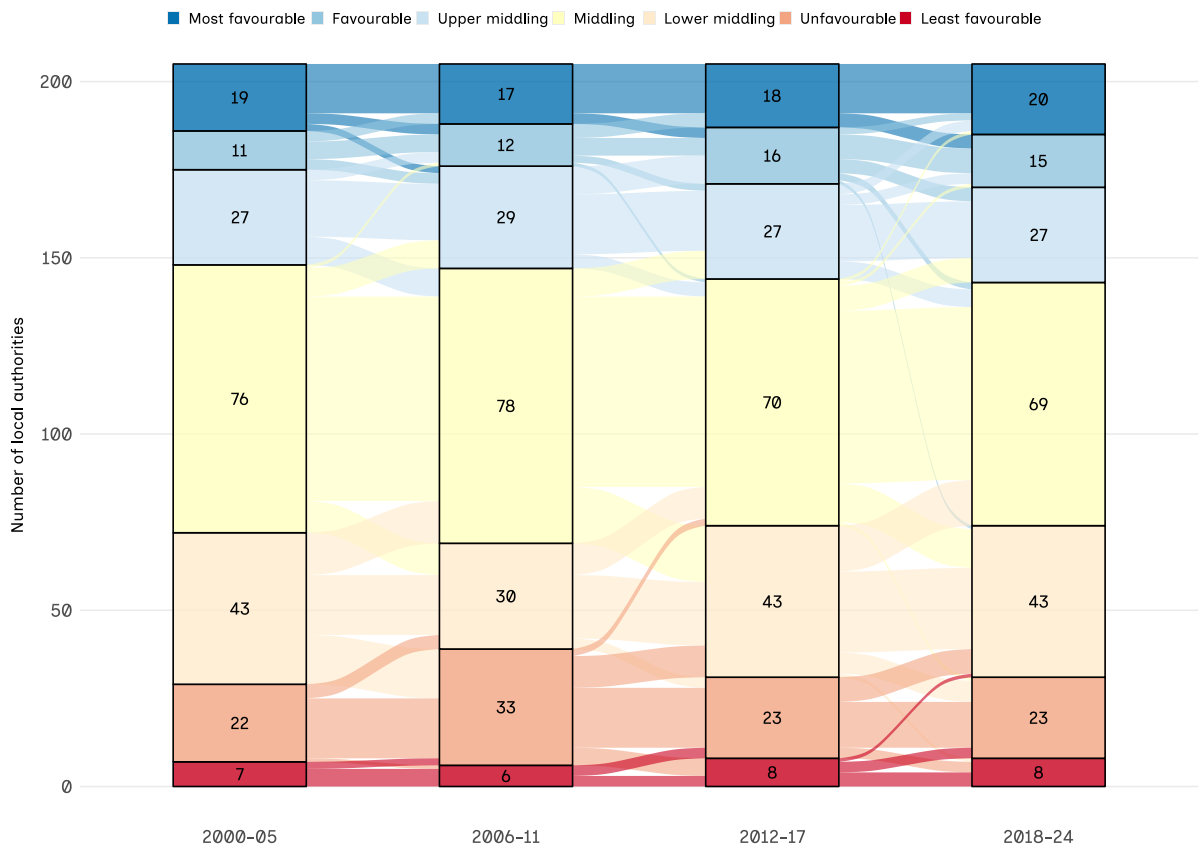
<sup>83</sup> Raj Chetty and Nathaniel Hendren, '[Impacts of neighborhoods on intergenerational mobility I: childhood exposure effects](#)', 2018. Published on ACADEMIC.OUP.COM.

<sup>84</sup> Eric Chyn and Lawrence Katz, '[Neighborhoods matter: assessing the evidence for place effects](#)', 2021. Published on AEAWEB.ORG.

Trends over time

Figure 3.1: There is stability over time in LAs’ positions on the Conditions of Childhood index.

Change over time in the number of LAs across categories for the Conditions of Childhood index.



**Source:** Our calculations based on pooled LFS data from 2000 to 2024.

**Notes:** See the technical annex for details of the construction of the index.

Entrenched disadvantage

In table 3.4, we show the LAs which largely remained in an ‘unfavourable’ or ‘least favourable’ position throughout the 24-year period. In order to increase sample sizes, we distinguish 4 periods, the first 3 covering 6 years each, and the fourth (when LFS samples dropped in size) covering 7 years.<sup>85</sup>

For local authorities, their standings on the Conditions of Childhood index are pretty consistent year after year.

<sup>85</sup> For more detailed information on the LFS sample size drop, please refer to chapter 1, page 26.



**Table 3.4: Most of the LAs experiencing ‘entrenched disadvantage’ over time on the Conditions of Childhood index were in the West Midlands or north of England.**

**LAs that were in ‘unfavourable’ or ‘least favourable’ positions both in the 2000 to 2005 and 2018 to 2024 periods on the Conditions of Childhood index.**

■ Most favourable ■ Favourable ■ Upper middling ■ Middling ■ Lower middling ■ Unfavourable ■ Least favourable

|                         | 2000 to 2005 | 2006 to 2011 | 2012 to 2017 | 2018 to 2024 |
|-------------------------|--------------|--------------|--------------|--------------|
| Hartlepool              | -1.19        | -0.75        | -1.33        | -1.27        |
| Oldham                  | -1.02        | -1.04        | -1.40        | -1.45        |
| Doncaster               | -1.37        | -1.48        | -1.18        | -1.32        |
| Barnsley                | -1.36        | -1.10        | -1.24        | -1.25        |
| Walsall                 | -1.13        | -1.26        | -1.17        | -1.38        |
| Sunderland              | -1.25        | -1.10        | -1.25        | -1.20        |
| Redcar and Cleveland    | -1.25        | -1.13        | -1.13        | -1.46        |
| North Lincolnshire      | -1.35        | -1.10        | -1.04        | -1.43        |
| Merthyr Tydfil          | -1.20        | -1.54        | -1.18        | -1.15        |
| Wolverhampton           | -1.23        | -1.05        | -0.81        | -1.53        |
| Blackburn with Darwen   | -1.17        | -1.16        | -1.06        | -2.14        |
| North East Lincolnshire | -1.43        | -1.31        | -1.73        | -1.87        |
| Leicester               | -1.37        | -1.49        | -1.74        | -1.80        |
| Newham                  | -1.62        | -1.62        | -1.27        | -1.03        |
| Stoke-on-Trent          | -1.71        | -1.59        | -1.60        | -1.21        |
| Blaenau Gwent           | -1.96        | -1.79        | -1.59        | -1.23        |
| Middlesbrough           | -1.62        | -1.14        | -1.27        | -1.75        |
| Sandwell                | -1.65        | -1.49        | -2.01        | -1.65        |
| Kingston upon Hull      | -1.76        | -1.91        | -2.03        | -1.93        |

**Source:** Our calculations based on pooled LFS data from 2000 to 2024.

**Notes:** These scores are estimates based on survey data, so may not be exact for every LA. Please use them as a guide, rather than precise measurements. See the technical annex for details of the construction of the index.

In total, 19 LAs were classified as having either ‘most unfavourable’ or ‘unfavourable’ positions both in the first and last period. These were:

- Hartlepool, Middlesbrough, Redcar and Cleveland, and Sunderland in the North East of England
- Oldham and Blackburn with Darwen in the North West of England
- Barnsley, Doncaster, Kingston upon Hull, North East Lincolnshire, North Lincolnshire in Yorkshire and the Humber
- Sandwell, Stoke-on-Trent, Walsall and Wolverhampton in the West Midlands
- Leicester in the East Midlands
- Merthyr Tydfil and Blaenau Gwent in South Wales

There was only one LA classified as ‘most unfavourable’ or ‘unfavourable’, Newham, in London, and none in Scotland or South West and South East England.

Several of these areas were formerly important centres where coal mining was a major industry in the first half of the 20th century, while many of the others were cities which had histories of manufacturing and shipbuilding. Relatively few were rural areas. While the decline of mining and manufacturing as major employers dates back 40 or 50 years, it is likely that these areas are still suffering the after-effects of the de-industrialisation of the 1980s.

#### Relative decline

In table 3.5, we show the LAs which had moved down over the 21st century into the ‘unfavourable’ and ‘least favourable’ categories.

Most of these changes are fairly modest, such as the 9 LAs that moved from the ‘lower middling’ category in the 2000 to 2005 period down to the ‘unfavourable’ category in the most recent 2018 to 2024 period. For example, the scores for Blackpool, Durham and Pembrokeshire shift from just below the threshold to just over the threshold for being classed as ‘unfavourable’. Of perhaps more concern is Rochdale, which moved from the ‘lower middling’ down to the ‘least favourable’ category.

Conwy and Denbighshire in north Wales are also notable, both moving the longer distance from the middle category down to the ‘unfavourable’ category.

A distinct process might be involved in the cases of rural and sparsely populated LAs compared to those in former industrial centres. Detailed case studies are required to gain more understanding of these changes.

**Table 3.5: LAs where conditions of childhood became unfavourable over time included both rural areas in Wales as well as former mining and industrial areas.**

**LAs that moved down from a ‘middling’ into an ‘unfavourable’ or ‘least favourable’ position by the 2018 to 2024 period on the Conditions of Childhood index.**

■ Most favourable ■ Favourable ■ Upper middling ■ Middling ■ Lower middling ■ Unfavourable ■ Least favourable

|                     | 2000 to 2005 | 2006 to 2011 | 2012 to 2017 | 2018 to 2024 |
|---------------------|--------------|--------------|--------------|--------------|
| Conwy               | -0.29        | -0.40        | -0.86        | -1.03        |
| Denbighshire        | -0.30        | -0.07        | -0.61        | -1.19        |
| West Dunbartonshire | -0.79        | -0.63        | -0.39        | -1.19        |
| North Lanarkshire   | -0.82        | -0.57        | -0.57        | -1.05        |
| Durham              | -0.92        | -0.77        | -0.61        | -1.04        |
| Bradford            | -0.78        | -0.93        | -1.03        | -1.06        |
| Pembrokeshire       | -0.99        | -1.21        | -0.70        | -1.08        |
| Luton               | -0.66        | -1.16        | -1.10        | -1.05        |
| North Ayrshire      | -0.71        | -1.31        | -1.05        | -1.45        |
| Blackpool           | -0.85        | -1.36        | -1.57        | -1.00        |
| Rhondda Cynon Taf   | -0.80        | -1.00        | -0.63        | -1.17        |
| Rochdale            | -0.82        | -0.67        | -1.25        | -1.55        |

**Source:** Our calculations based on pooled LFS data from 2000 to 2024.

**Notes:** These scores are estimates based on survey data, so may not be exact for every LA. Please use them as a guide, rather than precise measurements. See the technical annex for details of the construction of the index.

## Escape from disadvantage

Table 3.6 shows LAs that have moved up into more favourable conditions. As with table 3.5, table 3.6 shows that most movement is short-range. Eight LAs moved the short distance from the 'unfavourable' category into the 'lower middling' category.

More strikingly, however, Tower Hamlets moved from the 'least favourable' category at the beginning of the century to a lower middling position 2 decades later. Encouragingly, progress was spread across the country and not confined to London.

## Table 3.6: Progress was not confined to London but was spread across parts of the UK.

**LAs that moved out of 'unfavourable' or 'least favourable' positions in the 2000 to 2005 period into 'middling' positions in the 2018 to 2024 period on the Conditions of Childhood index.**

■ Most favourable ■ Favourable ■ Upper middling ■ Middling ■ Lower middling ■ Unfavourable ■ Least favourable

|                      | 2000 to 2005 | 2006 to 2011 | 2012 to 2017 | 2018 to 2024 |
|----------------------|--------------|--------------|--------------|--------------|
| Neath Port Talbot    | -1.11        | -1.27        | -0.42        | -0.33        |
| Caerphilly           | -1.06        | -0.96        | -0.95        | -0.84        |
| Torbay               | -1.13        | -0.67        | -0.73        | -0.75        |
| South Tyneside       | -1.08        | -0.87        | -0.90        | -0.58        |
| Nottingham           | -1.32        | -1.05        | -0.96        | 0.94         |
| Manchester           | -1.07        | -1.05        | -0.71        | -0.60        |
| Barking and Dagenham | -1.13        | -1.06        | -1.08        | -0.86        |
| East Ayrshire        | -1.14        | -1.21        | -1.34        | -0.54        |
| Knowsley             | -1.34        | -1.47        | -1.17        | -0.89        |
| Tower Hamlets        | -1.89        | -1.52        | -1.07        | -0.68        |

**Source:** Our calculations based on pooled LFS data from 2000 to 2024.

**Notes:** These scores are estimates based on survey data, so may not be exact for every LA. Please use them as a guide, rather than precise measurements. See the technical annex for details of the construction of the index.

Different social and economic processes may bring these changes. One process is that of 'gentrification' as younger professionals who cannot afford the (rising) house prices in, for example, central London move into neighbouring boroughs with slightly more affordable housing. A rise in house prices (and rents) may be a response to the economic dynamism of London as a post-industrial global city.

Again, case studies are required to understand this in more detail, but there are likely to be population movements between neighbouring boroughs in large metropolitan areas with effective transport networks.

Population movements of this kind could also explain some of the declines into disadvantage. Rural areas might see an exodus of young people with high qualifications moving out into expanding metropolitan areas with greater opportunities for professional work, leaving behind a somewhat more disadvantaged population.<sup>86</sup>

<sup>86</sup> Further research has shown that moving out of disadvantaged areas is strongly associated with social mobility. For example, Antony Fielding, '[Migration and social mobility: south-east England as an escalator region](#)', 1991. Published on TANDFONLINE.COM; Ian Gordon and others, '[Urban escalators and intergenerational elevators: the difference that location, mobility, and sectoral specialisation make to occupational progress](#)', 2015. Published on JOURNALS.SAGEPUB.COM; Henry Overman and Xiaowei Xu, '[Spatial disparities across labour markets](#)', 2024. Published on ACADEMIC.OUP.COM.

## Persistent advantage

We can also look at movements of LAs into and out of favourable positions on the Conditions of Childhood index. Table 3.7 shows the LAs that remained in a 'favourable' or 'most favourable' position.

**Table 3.7: Persistent advantage is most clear in and around London but also occurs around other major cities.**

**LAs that were in 'favourable' or 'most favourable' positions both in the 2000 to 2005 and 2018 to 2024 periods on the Conditions of Childhood index.**

■ Most favourable ■ Favourable ■ Upper middling ■ Middling ■ Lower middling ■ Unfavourable ■ Least favourable

|                              | 2000 to 2005 | 2006 to 2011 | 2012 to 2017 | 2018 to 2024 |
|------------------------------|--------------|--------------|--------------|--------------|
| Richmond upon Thames         | 4.26         | 3.85         | 3.48         | 2.56         |
| Kingston upon Thames         | 2.29         | 2.30         | 1.93         | 1.94         |
| Kensington and Chelsea       | 2.03         | 2.39         | 1.69         | 2.05         |
| Hammersmith and Fulham       | 1.63         | 2.25         | 1.96         | 2.17         |
| Wandsworth                   | 2.75         | 2.43         | 3.10         | 2.64         |
| Windsor and Maidenhead       | 2.71         | 1.95         | 2.31         | 2.19         |
| Surrey                       | 2.21         | 2.19         | 1.92         | 2.08         |
| Wokingham                    | 2.36         | 2.45         | 2.50         | 2.38         |
| Edinburgh                    | 1.69         | 1.55         | 1.72         | 1.52         |
| East Dunbartonshire          | 1.66         | 1.69         | 2.10         | 1.69         |
| East Renfrewshire            | 2.29         | 1.53         | 1.22         | 1.62         |
| West Berkshire               | 1.54         | 1.13         | 1.69         | 1.59         |
| Buckinghamshire              | 2.00         | 2.00         | 1.67         | 1.48         |
| Barnet                       | 1.79         | 1.83         | 1.72         | 1.37         |
| Hertfordshire                | 1.58         | 1.71         | 1.48         | 1.42         |
| Harrow                       | 1.61         | 0.89         | 0.66         | 1.24         |
| Brighton and Hove            | 1.52         | 1.37         | 1.41         | 1.24         |
| Bath and North East Somerset | 1.60         | 1.40         | 1.17         | 1.44         |
| Camden                       | 1.45         | 2.48         | 2.18         | 2.14         |
| Bromley                      | 1.48         | 1.63         | 1.77         | 1.60         |
| Oxfordshire                  | 1.38         | 1.35         | 1.60         | 1.60         |
| Ealing                       | 1.18         | 0.98         | 0.52         | 1.58         |
| Merton                       | 1.24         | 1.20         | 2.01         | 1.27         |
| Solihull                     | 1.35         | 1.03         | 0.91         | 1.23         |

**Source:** Our calculations based on pooled LFS data from 2000 to 2024.

**Notes:** These scores are estimates based on survey data, so may not be exact for every LA. Please use them as a guide, rather than precise measurements. See the technical annex for details of the construction of the index.



In table 3.7 we see that 12 LAs were in the ‘most favourable’ category (coloured blue) both in the 2000 to 2005 and 2018 to 2024 periods whereas table 3.4 showed only a few LAs were in the least favourable category (coloured red) throughout.

Table 3.7 reflects the findings reported in our State of the Nation 2024 report, that the most favoured LAs tend to be in London and the Home Counties. However, they are joined by Edinburgh and 2 authorities in the commuter belt around Glasgow, as well as Solihull (in the Birmingham commuter belt).

### Progress towards greater advantage

Table 3.8 shows the 11 LAs that had improved their position over time and moved up into ‘favourable’ or ‘most favourable’ positions. This has some parallels with table 3.6 (showing progress out of unfavourable positions into middling positions) and table 3.7 (showing persistent advantage). Several London boroughs made great progress over the 2 decades moving from middling positions to relatively advantaged ones. This perhaps reflects the same processes of gentrification that we mentioned in the context of Tower Hamlets. While London boroughs once again appear in table 3.8, similar changes are also happening in the Manchester commuter belt (Stockport, Cheshire West and Chester, and Trafford).

### Table 3.8: Progress towards greater advantage is clear in the commuter belt around Manchester as well as in London and its commuter belt.

LAs that moved up from a ‘middling’ position in the 2000 to 2005 period to a ‘favourable’ or ‘most favourable’ position in the 2018 to 2024 period on the Conditions of Childhood index.

■ Most favourable ■ Favourable ■ Upper middling ■ Middling ■ Lower middling ■ Unfavourable ■ Least favourable

|                           | 2000 to 2005 | 2006 to 2011 | 2012 to 2017 | 2018 to 2024 |
|---------------------------|--------------|--------------|--------------|--------------|
| Westminster               | 0.71         | 1.05         | 1.89         | 1.24         |
| Sutton                    | 0.94         | 0.85         | 1.33         | 1.70         |
| Cheshire West and Chester | 0.59         | 0.57         | 0.70         | 1.61         |
| Trafford                  | 0.62         | 1.42         | 1.13         | 1.47         |
| Lewisham                  | 0.58         | 0.76         | 1.29         | 1.35         |
| Reading                   | 0.78         | 0.71         | 1.20         | 1.04         |
| Aberdeenshire             | 0.71         | 0.49         | -0.11        | 1.02         |
| Islington                 | 0.62         | 1.49         | 0.46         | 1.60         |
| Stockport                 | 0.33         | 1.06         | 1.09         | 1.13         |
| Lambeth                   | 0.40         | 0.72         | 0.86         | 1.77         |
| Southwark                 | 0.27         | 0.37         | 0.83         | 1.44         |

**Source:** Our calculations based on pooled LFS data from 2000 to 2024.

**Notes:** These scores are estimates based on survey data, so may not be exact for every LA. Please use them as a guide, rather than precise measurements. See the technical annex for details of the construction of the index.

Different processes might be involved with the rising position of Reading. Although the London Underground Elizabeth Line brings Reading within commuting distance of the city, social geographers normally assign it to a separate commuting zone from London.<sup>87</sup> The Reading travel-to-work area includes Wokingham and Bracknell Forest, and parts of West Berkshire, Hampshire and Oxfordshire. This area should be thought of as a separate economic centre and labour market from London.

As we shall read later, Reading also scores highly on the Innovation and Growth index.

**Decline from advantage**

Table 3.9 shows the 6 areas that declined from their favourable positions at the turn of the 21st century. As before, most of the movement is only short distances and nearly all areas remained relatively advantaged throughout.

**Table 3.9: The areas that dropped out of the favourable category are all outside London.**

**LAs that moved down from a ‘favourable’ or ‘most favourable’ position in the 2000 to 2005 period to a ‘middling’ position in the 2018 to 2024 period on the Conditions of Childhood index.**

Most favourable   Favourable   Upper middling   Middling   Lower middling   Unfavourable   Least favourable

|                  | 2000 to 2005 | 2006 to 2011 | 2012 to 2017 | 2018 to 2024 |
|------------------|--------------|--------------|--------------|--------------|
| Rutland          | 1.62         | 0.79         | 1.13         | 0.64         |
| Stirling         | 1.35         | 1.60         | 1.41         | 0.93         |
| Bracknell Forest | 1.37         | 0.96         | 0.54         | 0.77         |
| Cambridgeshire   | 1.12         | 1.29         | 0.92         | 0.83         |
| Cheshire East    | 1.13         | 1.26         | 1.22         | 0.61         |
| Monmouthshire    | 1.39         | 0.72         | 0.86         | 0.42         |

**Source:** Our calculations based on pooled LFS data from 2000 to 2024.

**Notes:** These scores are estimates based on survey data, so may not be exact for every LA. Please use them as a guide, rather than precise measurements. See the technical annex for details of the construction of the index.

**6 local authorities, all outside of London, lost their top spots in the Conditions of Childhood index from the early 2000s.**

<sup>87</sup> Office for National Statistics, ‘[Travel to work area analysis in Great Britain: 2016](#)’, Published on ONS.GOV.UK. For a detailed analysis of spatial variation across travel-to-work areas please see Henry Overman and Xiaowie Xu, ‘[Spatial disparities across labour markets](#)’, 2024. Published on ACADEMIC.OUP.COM.

## Conclusions

In summary, our analysis shows that there is considerable stability over time in LAs' positions on the Conditions of Childhood index. Twenty-four LAs have been persistently advantaged, outnumbering the 11 that moved up out of the middling categories and the 6 that moved down into middling ones. Where there is movement up or down, change has been gradual rather than transformational.

While detailed case studies are needed to fully understand why particular authorities have changed their position, some patterns do seem to be reasonably clear. First, we see the long shadow of history – in particular a history of de-industrialisation.<sup>88</sup> Many of the areas experiencing entrenched disadvantages were ones where mining and traditional manufacturing have declined or disappeared. Second, we see the impact of post-industrialism with global cities and their service economies leading the way.

Furthermore, while London is the UK's pre-eminent global city, the shift to post-industrialism is not restricted to London but can be seen elsewhere, both in other parts of the South East outside London and around Manchester in the North West of England. For more information, take a look at the discussion about the Innovation and Growth index on page 78.<sup>89</sup>

We also need to remember that in large metropolitan areas such as London, Birmingham, Glasgow and Manchester there will be complex processes of migration between neighbouring boroughs within the commuting zones. This reflects a variety of factors such as stage in the life-cycle (early careers through to retirement), housing and rental prices, and affordability of transport.

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<sup>88</sup> Patricia Rice and Anthony Venables, '[The persistent consequences of adverse shocks: how the 1970s shaped UK regional inequality](#)', 2021. Published on ACADEMIC.OUP.COM. It shows that the 1970s shock to male employment, a result of declining numbers of jobs in mining and manufacturing, was spatially concentrated and still visible in the same areas in 2015.

<sup>89</sup> In addition to London, other British cities in the world top 200 for both economics and education are Edinburgh, Bristol, Leeds, Cambridge, Glasgow, Manchester, Birmingham and Oxford. Oxford Economics, '[Oxford economics global cities index 2025](#)', Published on OXFORDECONOMICS.COM.





**“Rather than  
reject me  
outright, the  
business looked  
at my potential  
and decided to  
support me.”**





# Anastacia Jamfrey

Age 35, Project Manager, BAE Systems, Lancashire

**“Doing the apprenticeship opened so many doors for me – doors I never even knew existed.”**

I didn't really know what I wanted to do when I was younger. A lot of the people around me weren't working and I suppose it was hard to know what was possible. I grew up on a council estate in County Durham. My dad was a security guard and my mum was unemployed for most of my childhood. We didn't have very much money and the carpets and curtains I saw in other people's houses seemed like a real luxury to me.

My teachers said I was bright, but I had a lot going on in my life and I wasn't really interested in studying. I got pregnant when I was age 15 years and gave birth just 2 days after I sat my final GCSE exams. After a year, I tried to carry on at sixth form, but childcare was a problem and I ended up dropping out halfway through.


Over the next few years, I completed lots of level 1 and level 2 courses, everything from food hygiene to childcare and even a level 1 Electrics and Plastering course. I tried everything. I eventually got a job in a call centre, but I hit a really difficult point after my father died and I began to struggle with my mental health. I decided to move to Blackpool to get a fresh start.

I was unemployed and losing confidence, but I was soon put in touch with Movement to Work (which helps young people aged 16 to 30 years gain employment and opportunities) through the job centre and was placed on a programme with The Prince's Trust (now The King's Trust).

Here, I completed a work placement and secured a subcontractor role as a quality engineer at BAE Systems (a UK-based multinational aerospace, arms and information security company). Movement to Work helped me to learn more about apprenticeships. I'd never really considered an apprenticeship before, I just didn't think it was for me. But the course helped me to realise what opportunities were out there. Even though my confidence was low, I decided to have a go and apply for a business management apprenticeship at BAE Systems.

I didn't have a maths GCSE which was a requirement for the programme, but rather than reject me outright, the business looked at my potential and decided to support me to get my maths level 2 functional skills qualification so that I could eventually take up the role. It was an absolutely life-changing decision for me and I realised that this was where I wanted to work for the rest of my life. Through the business, I've completed my Association of Project Management Qualification and am now working towards a degree in project management and chartered status.

I've been at BAE Systems for 10 years, but if you had told me when I was age 15 years what kind of life I'd be living now, I would never have believed you. I still wake up every day and think, is this actually my life? I look at everything I'm doing, my career, where I live, my family, and my entire life has been completely transformed. Doing the apprenticeship opened so many doors for me – doors I never even knew existed.



**“We realised  
that many young  
people from  
disadvantaged  
backgrounds  
didn’t have a good  
understanding of  
how to prepare  
for the interview  
process.”**



# Richard Hamer

Age 61, Education Director, BAE Systems

**“If we give people a chance, they will often succeed and thrive.”**

Throughout my career, I've always found that young people are very appreciative of the help and support you give them. I've worked for BAE Systems for 21 years as an HR professional, developing young people, and I'm very privileged to do the work I do.

The development of young people is absolutely critical to the success of our business and is a key part of our investment in skills, training and education. Last year we spent £230 million on skills. A lot of our roles require complex engineering skills that can't always be recruited for on the open market. Apprenticeships have been core to how BAE Systems and its predecessors have nurtured these skills for many years.

Twenty years ago, we had fewer than 1,000 apprentices; the figure currently stands at around 4,600. Approximately 88% of our latest cycle of apprenticeship roles are engineering and manufacturing focused, but we have an increasing number spanning HR, business administration and project management.

We've found there is a large and rising demand for apprenticeship roles. This year, we received more than 30,000 applications for 1,200 apprenticeship roles, and 60,000 applications overall, including those for graduate roles. We liaised with the Universities and Colleges Admissions Service to create a landing page where we can direct unsuccessful apprentice applicants to other live vacancies.

We used to rely quite heavily on assessment centres to recruit apprentices, but it's not a system that works for everyone and it can be hard to get a true understanding of our applicants.

We've been working with the Prince's Trust, now the King's Trust, who have helped us to really examine our traditional recruitment processes. We realised that many young people from disadvantaged backgrounds didn't have a good understanding of how to apply or prepare for the interview process or assessment centres.

Through the King's Trust, we have introduced an additional route based on work placements with the Movement to Work programme, where we can actually see young people do the job. We've found that explaining your ability to do a task at an interview, and actually doing a task in real life are 2 very different skills. And with work placements taking place over the course of several weeks, we get a very good understanding of that individual, their needs, and their potential.

Since 2014, we've offered more than 1,000 placements through Movement to Work. We've gained more than 300 apprentices or recruited for roles through this route (300 others either went on to further training or gained employment elsewhere). We've also worked to lower our grade entry requirements where possible. Lowering the grade requirements has not led to a drop in programme completion rates – more than 90% of apprentices complete their courses. We've found that if we give people a chance, they will often succeed and thrive.

We can usually train people to have the right skills, but the thing that makes apprentices thrive and succeed will always be their mindset. Our best apprentices not only show great care for their work, but are caring and understanding of others. Ultimately, we are a team and we succeed because we support each other.

# Changes in the Labour Market Opportunities for young people index

## How the measure works

The Labour Market Opportunities for young people index measures the economic situation in each LA of young people at the start of their careers. There is substantial evidence that there are long-term scarring effects of early-career unemployment and low-skilled work on people’s future prospects for upward mobility.<sup>90</sup> The concern is that some local labour markets may have fewer entry-level vacancies or are focused on low-skilled work that provides little training or skill development and fewer pathways for career progression.

The ideal measure of labour market opportunities for young people would cover the number and type of vacancies for entry-level jobs. Unfortunately this data is not currently available across LAs. So we developed a proxy measure for our State of the Nation 2024 report based on the actual unemployment rates and occupational levels of young people in each area.<sup>91</sup> For technical reasons, this measure proved unsuitable for time series analysis and so we revised the index. We replaced the indicator of young peoples’ unemployment rates with a measure of their earnings to ensure comparison over time.<sup>92</sup>

**Table 3.10: Summary of the Labour Market Opportunities for young people index, based on drivers.**

| Index  | Indicator   | Data used   |
|--|---|---|
| Labour Market Opportunities for young people | DR 3.3a Type of employment opportunities for young people (professional)  | Estimated proportion of young people aged 16 to 29 years with a professional occupation.  |
|  | DR 3.3b Type of employment opportunities for young people (working class) | Estimated proportion of young people aged 16 to 29 years with a working-class occupation. |
|  | DR 3.4 Hourly pay for young people  | Estimated hourly pay for economically active individuals aged 16 to 29 years.             |

<sup>90</sup> Paul Gregg and Emma Tominey, ‘[The wage scar from male youth unemployment](#)’, 2005. Published on RESEARCHPORTAL.BATH.AC.UK; Yaojun Li and Anthony Heath, ‘[Persisting disadvantages: A study of labour market dynamics of ethnic unemployment and earnings in the UK \(2009-2015\)](#)’, 2018. Published on TANDFONLINE.COM.

<sup>91</sup> A proxy measure is a stand-in used to estimate or represent something else that is difficult to measure directly.

<sup>92</sup> Principal Component Analysis (PCA) showed that the relationship, at the LA level, between unemployment rates and occupational levels was much weaker in the 2018 to 2024 period than in the 3 earlier periods. A composite index based on unemployment rates and the 2 occupational indicators did not have equivalence of meaning over time. PCA technique distils several correlated variables into a single dimension associated with the largest amount of variation in the outcomes of interest. Details of the PCA are shown in the technical annex.



The Labour Market Opportunities for young people index, which combines indicators driver 3.3 and driver 3.4, benefits from comprehensive data availability. Data for drivers 3.3 and 3.4 is accessible from the LFS for the period 2000 to 2024 by LA level. These extensive datasets allow a straightforward trend analysis.

### Trends over time

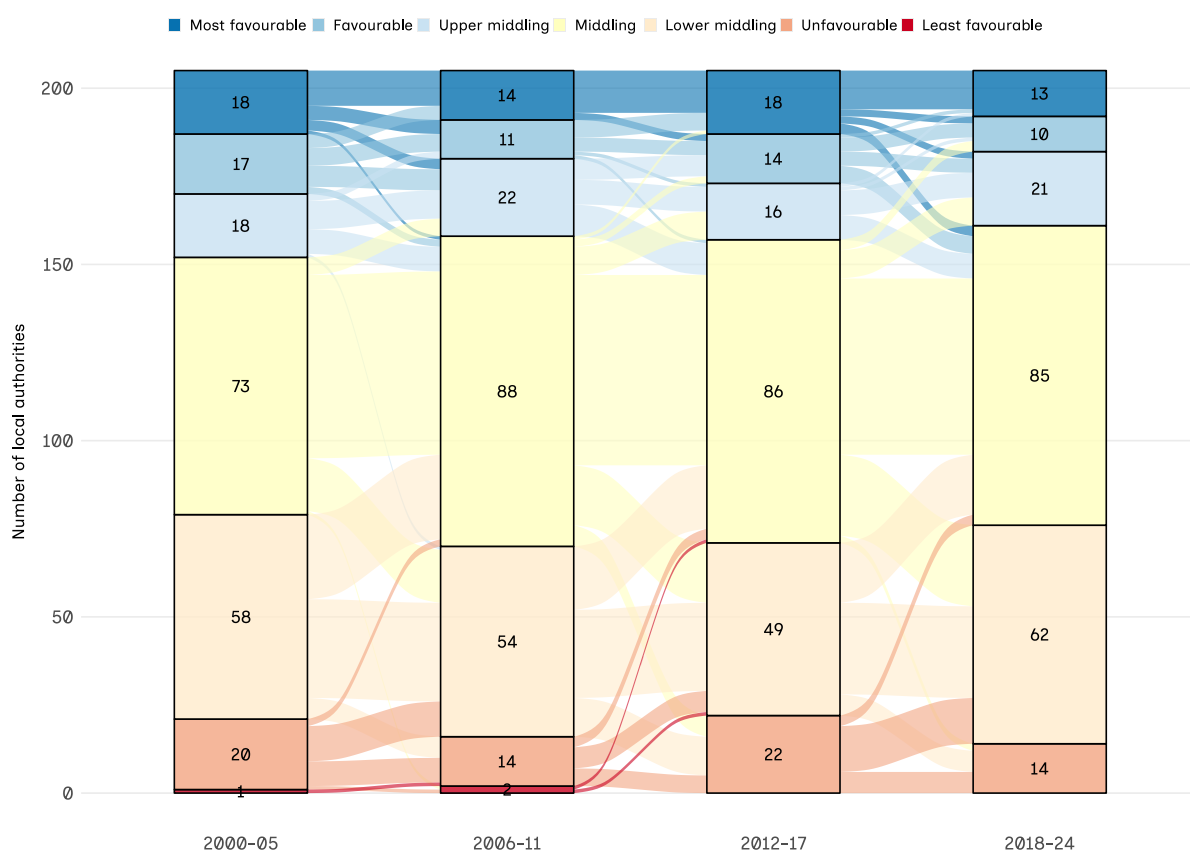
The results for the Labour Market Opportunities for young people index are quite similar to those for the Conditions of Childhood index.

Many of the same LAs appear in both lists of entrenched disadvantages and persistent advantages.<sup>93</sup> However, there are more ‘middling’ LAs on the Labour Market Opportunities for young people index and fewer ones at the extremes of ‘most favourable’ or ‘least favourable’. This means that LAs are more equal on labour market opportunities than on conditions of childhood.

There is also more change in LA scores on the Labour Market Opportunities for young people index than for the Conditions of Childhood index.<sup>94</sup> This could reflect that the pattern of opportunities for young people is often more sensitive to the ups and downs of the economy than for older people.<sup>95</sup>

**Figure 3.2: The Labour Market Opportunities for young people index features more ‘middling’ LAs and fewer extreme cases.**

**Change over time of the number of LAs across categories for the Labour Market Opportunities for young people index.**



**Source:** Our calculations based on pooled LFS data from 2000 to 2024.

**Notes:** See the technical annex for details of the construction of the index.

<sup>93</sup> The LA correlation between the indices of Conditions of Childhood and Labour Market Conditions for young people was 0.70 in the 2000 to 2005 period, 0.64 in the 2006 to 2011 period, 0.62 in the 2012 to 2017 period and 0.61 in the 2018 to 2024 period.

<sup>94</sup> The correlations between LA scores in the first period and scores in the following periods were 0.90, 0.86 and 0.81.

<sup>95</sup> Anthony Heath and others, ‘[Social progress in Britain](#)’, 2018. Published on GLOBAL.OUP.COM.

Entrenched disadvantage

Turning to the detailed results, we focus on the LAs with unfavourable labour market conditions. First, in table 3.11, we show the LAs which were in an ‘unfavourable’ or ‘least favourable’ position both in the earliest and most recent of our 4 periods.

Table 3.11: Few LAs experienced entrenched disadvantage, although all were outside London and the South East.

LAs that were in ‘unfavourable’ or ‘least favourable’ positions both in the 2000 to 2005 and 2018 to 2024 periods on the Labour Market Opportunities for young people index.

|                    | 2000 to 2005 | 2006 to 2011 | 2012 to 2017 | 2018 to 2024 |
|--------------------|--------------|--------------|--------------|--------------|
| Stockton-on-Tees   | -1.07        | -0.25        | -0.35        | -1.30        |
| Cornwall           | -1.25        | -0.92        | -0.87        | -1.06        |
| Durham             | -1.20        | -0.54        | -0.94        | -1.11        |
| North Ayrshire     | -1.11        | -1.30        | -0.97        | -1.04        |
| Middlesbrough      | -1.20        | -1.06        | -0.61        | -1.13        |
| North Lincolnshire | -1.00        | -0.76        | -1.29        | -1.23        |

Source: Our calculations based on pooled LFS 2000 to 2024.

Notes: These scores are estimates based on survey data, so may not be exact for every LA. Please use them as a guide, rather than precise measurements. See the technical annex for details of the construction of the index.

Whereas 19 LAs appeared in the parallel table for the Conditions of Childhood index (table 3.4 on page 59), only 6 appear in table 3.11 for the Labour Market Opportunities for young people index.

No LA meets the threshold score for counting as ‘most unfavourable’. This partly reflects the greater instability of the labour market for young people as well as the great equality between LAs that we noted in figure 3.2.

Of the 6 in table 3.11, 3 were in the north of England – a region that is also over-represented in table 3.4. The tables both include former mining areas such as Durham and North Ayrshire, although it also includes the rural area of Cornwall.



## Relative decline

**Table 3.12: Labour market conditions became less favourable for young people in several rural districts of Scotland and one in Wales.**

**LAs that dropped down into an 'unfavourable' position by the 2018 to 2024 period on the Labour Market Opportunities for young people index.**

■ Most favourable ■ Favourable ■ Upper middling ■ Middling ■ Lower middling ■ Unfavourable ■ Least favourable

|                                     | 2000 to 2005 | 2006 to 2011 | 2012 to 2017 | 2018 to 2024 |
|-------------------------------------|--------------|--------------|--------------|--------------|
| Moray                               | 0.00         | -0.74        | -1.17        | -1.26        |
| Dundee                              | -0.99        | -0.19        | -0.28        | -1.07        |
| Neath Port Talbot                   | -0.92        | -0.57        | -1.26        | -1.03        |
| Fife                                | -0.73        | -0.70        | -0.54        | -1.11        |
| Argyll and Bute Islands             | -0.74        | -0.26        | -1.15        | -1.19        |
| Scottish Borders                    | -0.99        | -1.32        | -0.83        | -1.04        |
| Shetland Islands                    | -0.70        | -0.43        | -1.08        | -1.08        |
| Na h-Eileanan Siar (Outer Hebrides) | -0.90        | -0.61        | -1.03        | -1.10        |

**Source:** Our calculations based on pooled LFS data from 2000 to 2024.

**Notes:** These scores are estimates based on survey data, so may not be exact for every LA. Please use them as a guide, rather than precise measurements. See the technical annex for details of the construction of the index.

Fewer LAs dropped down into an unfavourable situation than was the case with the Conditions of Childhood index (shown in table 3.5 on page 60). A major difference, however, is the presence of a number of rural areas, especially in Scotland – Argyll and Bute Islands, Moray, Scottish Borders, Shetland Islands and Na h-Eileanan Siar (Outer Hebrides).

These results should be treated with caution as estimates are volatile and there are few steady trends across periods.<sup>96</sup> Nonetheless, the pattern does suggest that there is an emerging problem of lack of opportunity for young people in more rural areas with long travel distances to major centres of FE and employment. The cost of commuting is particularly heavy for young people given their lower wages (and benefits).

<sup>96</sup> Volatile estimates indicate significant, often unpredictable, fluctuations from period to period, making it difficult to discern steady trends. This volatility in LFS data is primarily driven by: declining survey response rates, which impact sample representativeness; reduced sample sizes, which lead to increased sampling error and challenges or changes in survey methodology that can introduce further variability; and hypercyclical patterns in young people's economic fortunes. Younger individuals often experience greater cyclical variation in their economic fortunes compared to older, more established workers. During economic downturns, young people tend to be disproportionately affected, while those in mid-career with settled jobs are less impacted.

## Escape from disadvantage

There are more examples of LAs that have moved up out the ‘unfavourable’ category than have moved down into it. This reflects the finding that there was an increase in the proportion of ‘middling’ LAs on this index over time.<sup>97</sup>

A notable feature of table 3.13 is the progress made by council districts in Wales. Blaenau Gwent, Swansea, Ceredigion, Gwynedd, Isle of Anglesey, Merthyr Tydfil, Rhondda Cynon Taf and Pembrokeshire all improved their positions. This list covers a mix of urban and rural areas, and is not the reverse of the Scottish case shown in table 3.12. One factor differentiating the Scottish and Welsh cases might be the travel distances to major urban centres, but more in-depth studies are required.

**Table 3.13: Several districts of Wales moved out of unfavourable positions on the Labour Market Opportunities for young people index.**

**LAs that moved up from ‘unfavourable’ or ‘least favourable’ positions in the 2000 to 2005 period into ‘middling’ positions in the 2018 to 2024 period on the Labour Market Opportunities for young people index.**

■ Most favourable ■ Favourable ■ Upper middling ■ Middling ■ Lower middling ■ Unfavourable ■ Least favourable

|                         | 2000 to 2005 | 2006 to 2011 | 2012 to 2017 | 2018 to 2024 |
|-------------------------|--------------|--------------|--------------|--------------|
| West Dunbartonshire     | -1.08        | -0.65        | -0.82        | 0.03         |
| Stoke-on-Trent          | -1.18        | -0.60        | -0.55        | -0.56        |
| Swansea                 | -1.15        | -0.90        | -0.89        | -0.62        |
| Gwynedd                 | -1.05        | -0.81        | -0.42        | -0.87        |
| Isle of Anglesey        | -1.33        | -0.88        | -0.70        | -0.94        |
| Lincolnshire            | -1.03        | -0.83        | -0.64        | -0.93        |
| Rhondda Cynon Taf       | -1.28        | -0.95        | -1.02        | -0.66        |
| Merthyr Tydfil          | -1.07        | -1.06        | -0.06        | -0.79        |
| Hartlepool              | -1.08        | -0.40        | -1.25        | -0.83        |
| Kingston upon Hull      | -1.28        | -1.28        | -0.52        | -0.93        |
| Blaenau Gwent           | -1.16        | -1.26        | -1.34        | -0.79        |
| Ceredigion              | -1.31        | -1.45        | -1.36        | -0.65        |
| East Ayrshire           | -1.00        | -1.32        | -1.18        | -0.64        |
| Pembrokeshire           | -1.05        | -1.53        | -0.42        | -0.90        |
| North East Lincolnshire | -1.68        | -1.16        | -0.42        | -0.40        |

**Source:** Our calculations based on pooled LFS data from 2000 to 2024.

**Notes:** These scores are estimates based on survey data, so may not be exact for every LA. Please use them as a guide, rather than precise measurements. See the technical annex for details of the construction of the index.

<sup>97</sup> In the first 3 periods, 149 LAs were classified as ‘middling’ on the Labour Market Opportunities for young people index but this increased to 168 in the 2018 to 2024 period. For example, Henry Overman and Xiaowei Xu, ‘[Spatial disparities across labour markets](#)’, 2024. Published on ACADEMIC.OUP.COM. This shows some decline in spatial differences in wages, after an initial increase in the early 2000s.






**“More areas moved up from ‘unfavourable’ than fell into it, with notable progress in Welsh council districts.”**

## **Conclusions**

In summary, labour market opportunities for young people trends differ noticeably between Wales and rural Scotland. This might be because greater distances in rural areas of Scotland make access to major cities or large conurbations especially difficult and costly. The same is also true for larger rural authorities in England such as Cornwall.





**“Often the value of  
getting people back  
into education is  
that it’s a chance to  
change mindsets.”**



# Valy Ely

Age 65, Wakefield, Yorkshire

**“A lot of people yearn for the good old days, but I don’t. We live in very different times.”**

I live in Castleford, but I grew up in a mining village called Kippax in West Yorkshire. I did my A levels at the sixth form and I was thinking about going to university, but my parents didn’t want me to go. They were very loving parents, but their horizons just didn’t stretch that far. I applied to nursing and was accepted to train at Pontefract Hospital. I was lucky to have a 40-year career there, but this wouldn’t have happened today because I didn’t have my maths CSE or O level.

I had a very rewarding career, but I took early retirement and I was miserable. I went back out to work and was offered a job at a local further education college, helping young people with their studies. It was a challenging role where many students were trying to get their maths and English GCSE resits and I decided it was finally time to get my maths GCSE too. It meant that I would be able to give better support to the students. It was a huge boost to my esteem when I passed and I spent 3 years using the new skills I’d learnt helping others.

I’ve lived in my local area for a long time and seen a lot of change. A lot of people yearn for the good old days, but I don’t. We live in very different times. Many young people in the area still struggle to get work. There’s a lot of zero-hours contract agency work in the warehouses, people work for a few weeks and then the contracts end, often very abruptly and it’s very demoralising.

It’s not easy for young people here. There are some local opportunities, such as funded apprenticeships, but they are few and far between and a lot of the opportunities ask for GCSE maths and English, which not everyone can get.

There is a lot of unmet need in Castleford and there needs to be more investment. When you talk about poverty, of course some people will suffer from financial hardship, but there is also poverty of experience and expectation, and that can be intergenerational. It’s so much more than just money, it’s about how people feel about themselves and how they believe they can change.

Often the value of getting people back into education is that it’s a chance to change mindsets. Working in the college made me see there is opportunity. The trick is to get people to find and enjoy those opportunities. The people here are very industrious and want to work, but we need to ensure there are enough local opportunities for them.

# Changes in the Innovation and Growth index

## How the measure works

A favourable educational, technical and economic infrastructure often promotes local growth, encouraging investment and expanding professional and business opportunities in the area. This provides opportunities for upward mobility.

In contrast, areas with lower levels of human capital, a weaker infrastructure and less investment are more likely to miss out on economic growth.<sup>98</sup> The impact on social mobility tends to be indirect, operating via local growth rates, but is nonetheless potentially important. It is important to measure an area's capacity for innovation and test whether a favourable environment can promote growth and upward mobility in the future.

**Table 3.14: Summary of the composite Innovation and Growth index, based on drivers.**

| Index                 | Indicator                      | Data used  |
|-----------------------|--------------------------------|--|
| Innovation and Growth | DR 5.3 Postgraduate education  | Estimated proportion of higher degrees among economically active individuals aged 25 to 64 years.          |
|                       | DR 5.4 New economy occupations | Estimated proportion of new economy occupations among economically active individuals aged 25 to 64 years. |
|                       | DR 5.5 Economic output         | Gross value added per head.  |

The concept of 'new economy' occupations refers to those roles at the leading edge of research, innovation and development across the growth areas of a post-industrial economy. As well as natural and social scientists, this includes engineers and technologists, scientific technicians, IT and computer specialists, graphic, industrial and other creative designers, and business and financial professionals.<sup>99</sup> The data for driver (DR) 5.3 and 5.4 is accessible from the LFS for the period 2000 to 2024 by LA level.

Data for the DR 5.5 indicator is accessible from the Office for National Statistics' Gross Value Added dataset for the period 2000 to 2022.<sup>100</sup>

The resulting composite index has acceptable technical properties and 'equivalence of meaning' over time. However, it is more unbalanced than the previous 2 drivers: it has a longer tail of areas with favourable circumstances (25 to 28 LAs) and a shorter tail of areas with unfavourable circumstances (11 to 15 LAs).<sup>101</sup>

<sup>98</sup> Human capital refers to the skills and knowledge that help people to be economically productive.

<sup>99</sup> We based this concept on the work of the Centre for Cities. See Centre for Cities, '[Cities Outlook 2025](#)', Published on CENTREFORCITIES.ORG. While the Centre for Cities work examined the characteristics of firms using web-scraping methods (extracting data from websites), we have used occupational titles as these are available at LA level in the LFS for the full 2000 to 2024 period. For more details on how we constructed the new indicator 'New economy jobs,' see our technical annex.

<sup>100</sup> Gross value added is the measure of the value of goods and services produced in an area, industry or sector of an economy.

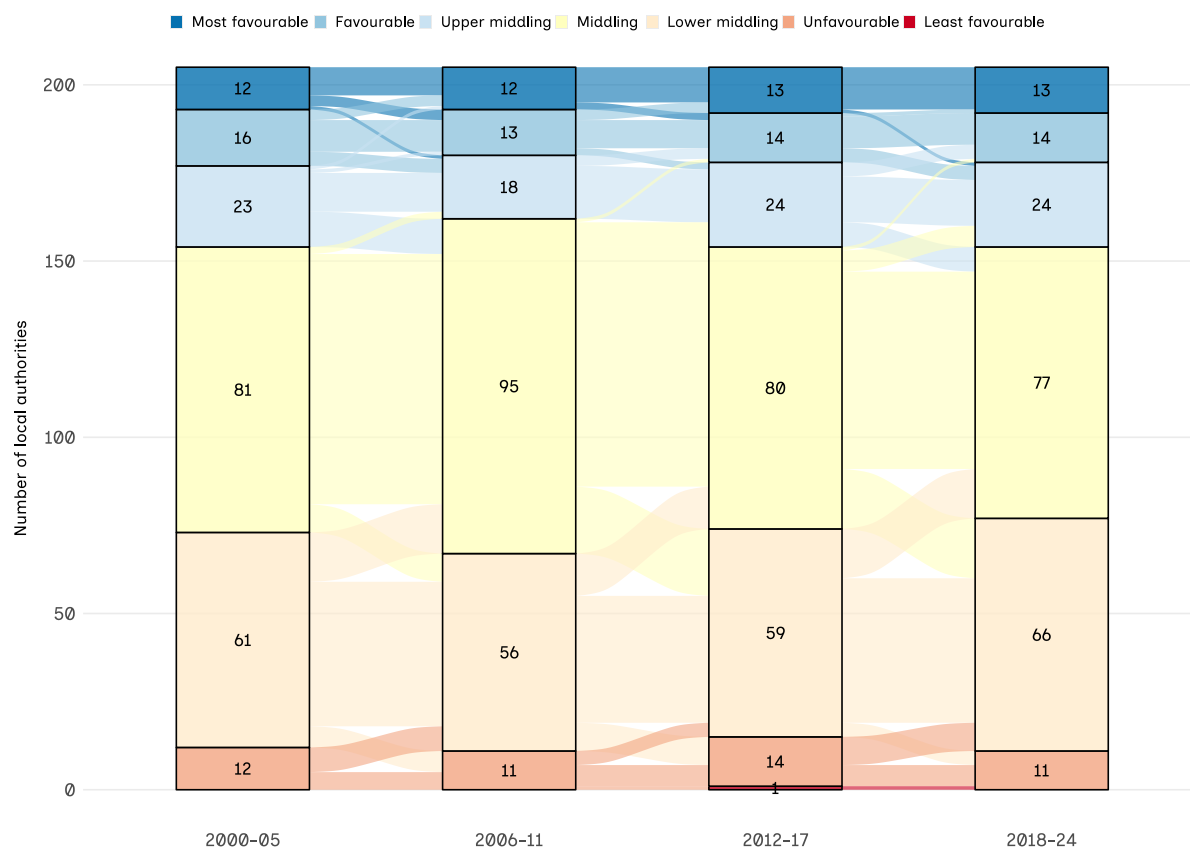
<sup>101</sup> The Innovation and Growth index contains more 'middling' areas than the other 2 indices. It also shows considerable stability over time with mainly small changes from period to period and very high correlations (around 0.95) between periods. See the technical annex for further details.



## Trends over time

**Figure 3.3. The Innovation and Growth index skewed towards the positive: many areas are favourable, but only a few are unfavourable.**

**Change over time of the number of LAs across categories for the Innovation and Growth index.**



**Source:** Our calculations based on pooled LFS data from 2000 to 2024.

**Notes:** These scores are estimates based on survey data, so may not be exact for every LA. Please use them as a guide, rather than precise measurements. See the technical annex for details of the construction of the index.

Entrenched disadvantage

We start with those LAs that experienced entrenched disadvantages in the Innovation and Growth index. There were in fact only 5 LAs in this situation – Merthyr Tydfil and Blaenau Gwent in south Wales along with Barnsley, Doncaster and North-East Lincolnshire in Yorkshire and the Humber. Four of the 5 had formerly been major centres of coal mining. As table 3.4 showed, all 5 also experienced entrenched disadvantage on the Conditions of Childhood index.

**Table 3.15: The LAs experiencing entrenched disadvantages for the Innovation and Growth index also experienced the same disadvantage on the Conditions of Childhood index.**

**LAs that were in ‘unfavourable’ or ‘least favourable’ positions both in the 2000 to 2005 and 2018 to 2024 periods on the Innovation and Growth index.**

Most favourable

Favourable

Upper middling

Middling

Lower middling

Unfavourable

Least favourable

|                         | 2000 to 2005 | 2006 to 2011 | 2012 to 2017 | 2018 to 2024 |
|-------------------------|--------------|--------------|--------------|--------------|
| Merthyr Tydfil          | -1.12        | -0.98        | -0.96        | -1.06        |
| Barnsley                | -1.17        | -1.02        | -1.07        | -1.10        |
| Blaenau Gwent           | -1.17        | -1.17        | -1.52        | -1.23        |
| Doncaster               | -1.03        | -1.01        | -1.30        | -1.14        |
| North East Lincolnshire | -1.03        | -0.90        | -1.38        | -1.38        |

**Source:** Our calculations based on pooled LFS data from 2000 to 2024.

**Notes:** These scores are estimates based on survey data, so may not be exact for every LA. Please use them as a guide, rather than precise measurements. See the technical annex for details of the construction of the index.





### Relative decline

There were also 6 LAs that dropped down from a 'middling' to an 'unfavourable' position between the 2000 to 2005 and 2018 to 2024 periods. All 6 had been 'lower middling' in the first period, and so the movements were quite small. It is also notable that 4 of the 6 – Blackburn with Darwen, North Lincolnshire, Redcar and Cleveland and Sandwell – had also appeared in the list of authorities experiencing entrenched disadvantage on childhood conditions.

**Table 3.16: The LAs dropping down into unfavourable positions on the Innovation and Growth index were also disadvantaged on the Conditions of Childhood index.**

**LAs that dropped from a 'middling' into an 'unfavourable' position by the 2018 to 2024 period on the Innovation and Growth index.**

■ Most favourable ■ Favourable ■ Upper middling ■ Middling ■ Lower middling ■ Unfavourable ■ Least favourable

|                       | 2000 to 2005 | 2006 to 2011 | 2012 to 2017 | 2018 to 2024 |
|-----------------------|--------------|--------------|--------------|--------------|
| Blackburn with Darwen | -0.91        | -0.67        | -0.76        | -1.12        |
| North Lincolnshire    | -0.72        | -0.70        | -0.92        | -1.14        |
| Redcar and Cleveland  | -0.86        | -0.63        | -0.73        | -1.21        |
| Sandwell              | -0.85        | -0.88        | -1.18        | -1.02        |
| North Ayrshire        | -0.83        | -1.08        | -1.06        | -1.07        |
| East Ayrshire         | -0.96        | -1.06        | -1.20        | -1.13        |

**Source:** Our calculations based on pooled LFS data from 2000 to 2024.

**Notes:** These scores are estimates based on survey data, so may not be exact for every LA. Please use them as a guide, rather than precise measurements. See the technical annex for details of the construction of the index.



### Escape from disadvantage

Table 3.17 shows that there were 7 LAs that had moved in the opposite direction, up from an unfavourable position in the first period to a middling position in the most recent period. Again, these movements were small and there was little evidence of major sustained progress over time.

**Table 3.17: Most upward movements on the Innovation and Growth index were modest.**

**LAs that move up from ‘unfavourable’ positions in the 2000 to 2005 period into ‘middling’ positions by the 2018 to 2024 period on the Innovation and Growth index.**

Most favourable Favourable Upper middling Middling Lower middling Unfavourable Least favourable

|                                     | 2000 to 2005 | 2006 to 2011 | 2012 to 2017 | 2018 to 2024 |
|-------------------------------------|--------------|--------------|--------------|--------------|
| Isle of Wight                       | -1.10        | -0.71        | -0.06        | -0.65        |
| North Lanarkshire                   | -1.09        | -0.87        | -0.83        | -0.94        |
| Knowsley                            | -1.17        | -1.03        | -1.04        | -0.86        |
| Hartlepool                          | -1.03        | -0.59        | -1.26        | -0.96        |
| Na h-Eileanan Siar (Outer Hebrides) | -1.10        | -0.67        | -0.29        | -0.99        |
| Pembrokeshire                       | -1.15        | -1.16        | -0.91        | -0.99        |
| Walsall                             | -1.05        | -0.78        | -1.09        | -0.92        |

**Source:** Our calculations based on pooled LFS data from 2000 to 2024.

**Notes:** These scores are estimates based on survey data, so may not be exact for every LA. Please use them as a guide, rather than precise measurements. See the technical annex for details of the construction of the index.

### Persistent advantage

Just as in the case of the Conditions of Childhood index, London boroughs figure prominently among those consistently advantaged over the 21st century on the Innovation and Growth index. Several LAs outside London such as Aberdeen, Brighton and Hove, Bristol, Edinburgh, Oxfordshire and Reading also appear on the list. All of these cities were identified by the Centre for Cities as being in the top 20 leading the economy.<sup>102</sup> Bristol, Edinburgh and Oxford were also identified by Oxford Economics as global cities in the world top 200.<sup>103</sup>

**Only 7 areas moved from ‘unfavourable’ to ‘middling’ on the Innovation and Growth index since 2000 – and gains were modest.**

<sup>102</sup> Centre for Cities, ‘[Cities Outlook 2025](#)’, figure 10. Published on CENTREFORCITIES.ORG. The other cities in the top 20 were Aldershot, Bournemouth, Cambridge, Cardiff, Exeter, Leeds, London, Manchester, Milton Keynes, Southend, Warrington and Worthing.

<sup>103</sup> Oxford Economics, ‘[Oxford economics global cities index 2025](#)’, Published on OXFORDECONOMICS.COM.



**Table 3.18: In addition to London boroughs, favourable centres for innovation and growth include Aberdeen, Brighton and Hove, Bristol, Edinburgh, Oxfordshire and Reading.**

**LAs that were in ‘favourable’ or ‘most favourable’ positions in the 2000 to 2005 and 2018 to 2024 periods on the Innovation and Growth index.**

■ Most favourable ■ Favourable ■ Upper middling ■ Middling ■ Lower middling ■ Unfavourable ■ Least favourable

|                        | 2000 to 2005 | 2006 to 2011 | 2012 to 2017 | 2018 to 2024 |
|------------------------|--------------|--------------|--------------|--------------|
| Camden                 | 6.84         | 6.79         | 6.45         | 5.82         |
| Westminster            | 4.80         | 5.37         | 4.70         | 5.16         |
| Islington              | 2.99         | 3.15         | 2.64         | 2.83         |
| Tower Hamlets          | 2.34         | 2.67         | 2.97         | 2.50         |
| Richmond upon Thames   | 2.34         | 1.96         | 1.91         | 2.06         |
| Hammersmith and Fulham | 2.06         | 1.74         | 1.71         | 2.13         |
| Edinburgh              | 1.90         | 1.46         | 2.09         | 1.69         |
| Reading                | 1.74         | 1.62         | 1.57         | 1.58         |
| Oxfordshire            | 1.53         | 1.46         | 1.60         | 1.68         |
| Kensington and Chelsea | 2.15         | 1.95         | 1.47         | 1.49         |
| Brighton and Hove      | 1.52         | 1.04         | 1.38         | 1.09         |
| Hackney                | 1.40         | 1.15         | 1.35         | 2.07         |
| Wandsworth             | 1.39         | 1.97         | 1.87         | 1.66         |
| Southwark              | 1.14         | 1.86         | 2.04         | 1.82         |
| Lambeth                | 1.39         | 1.40         | 1.83         | 1.89         |
| Haringey               | 1.50         | 1.08         | 1.09         | 1.46         |
| Bristol                | 1.23         | 1.06         | 1.13         | 1.49         |
| Aberdeen               | 1.24         | 1.44         | 1.12         | 1.11         |
| Kingston upon Thames   | 1.09         | 1.32         | 1.22         | 1.39         |
| Barnet                 | 1.10         | 1.46         | 1.41         | 1.38         |
| Merton                 | 1.33         | 1.48         | 0.93         | 1.16         |

**Source:** Our calculations based on pooled LFS data from 2000 to 2024.

**Notes:** These scores are estimates based on survey data, so may not be exact for every LA. Please use them as a guide, rather than precise measurements. See the technical annex for details of the construction of the index.



### Progress towards greater advantage

There was also progress outside London as well as within London on the Innovation and Growth index, notably in Wokingham and West Berkshire (which both fall into the Reading travel-to-work area) and in Hounslow (which is part of the Slough and Heathrow labour market, not the main London travel-to-work area).<sup>104</sup> Cheshire West and Chester (which falls in the Greater Manchester travel-to-work area) is the only LA on this list that is not in the south of England.

**Table 3.19: There was progress outside London on the Innovation and Growth index as well as within London.**

**LAs that moved up from ‘middling’ positions in the 2000 to 2005 period to a ‘favourable’ position in the 2018 to 2024 period on the Innovation and Growth index.**

■ Most favourable ■ Favourable ■ Upper middling ■ Middling ■ Lower middling ■ Unfavourable ■ Least favourable

|                           | 2000 to 2005 | 2006 to 2011 | 2012 to 2017 | 2018 to 2024 |
|---------------------------|--------------|--------------|--------------|--------------|
| Wokingham                 | 0.82         | 1.67         | 1.46         | 1.44         |
| Lewisham                  | 0.68         | 0.70         | 1.27         | 1.28         |
| Hounslow                  | 0.58         | 1.04         | 0.93         | 1.14         |
| West Berkshire            | 0.82         | 0.87         | 0.54         | 1.20         |
| Cheshire West and Chester | 0.50         | 0.51         | 0.61         | 1.20         |
| Sutton                    | 0.28         | 0.23         | 0.48         | 1.01         |

**Source:** Our calculations based on pooled LFS data from 2000 to 2024.

**Notes:** These scores are estimates based on survey data, so may not be exact for every LA. Please use them as a guide, rather than precise measurements. See the technical annex for details of the construction of the index.

<sup>104</sup> Travel-to-work areas broadly correspond to geographical labour markets. For further details see Mike Coombes and the ONS, ‘[Travel to work areas](#)’, 2015.

### Decline from advantage

The indices show the relative ranking of LAs within each period rather than their ‘absolute’ position, so some authorities show a decline because they’ve been overtaken by other LAs. Seven LAs declined from a ‘favourable’ or ‘most favourable’ position in the first period to an ‘upper middling’ position in the most recent period. Most of these changes were rather small, but it is notable that 5 of the 7 were outside London. This parallels the findings for the Conditions of Childhood index where the declining areas were also predominantly outside London and its commuter belt (table 3.9 on page 64).

**Table 3.20: Decline on the Innovation and Growth index was uncommon but typically short-range.**

**LAs that moved down from a ‘favourable’ or ‘most favourable’ position in the 2000 to 2005 period to an ‘upper middling’ position in the 2018 to 2024 period on the Innovation and Growth index.**

|                              | 2000 to 2005 | 2006 to 2011 | 2012 to 2017 | 2018 to 2024 |
|------------------------------|--------------|--------------|--------------|--------------|
| Windsor and Maidenhead       | 1.54         | 0.75         | 1.09         | 0.95         |
| Surrey                       | 1.20         | 0.87         | 1.06         | 0.79         |
| Bath and North East Somerset | 1.08         | 0.56         | 0.79         | 0.87         |
| Cambridgeshire               | 1.03         | 1.62         | 1.51         | 0.82         |
| Cardiff                      | 1.45         | 1.06         | 1.03         | 0.85         |
| Ealing                       | 1.22         | 0.84         | 0.53         | 0.96         |
| Harrow                       | 1.19         | 0.96         | 0.81         | 0.97         |

**Source:** Our calculations based on pooled LFS data from 2000 to 2024.

**Notes:** These scores are estimates based on survey data, so may not be exact for every LA. Please use them as a guide, rather than precise measurements. See the technical annex for details of the construction of the index.

**Only 7 areas fell from ‘favourable’ to ‘upper middling’ on the Innovation and Growth index since 2000 – most outside London.**

### Conclusions

Overall, there is extensive overlap between the LAs that were in unfavourable positions on the Innovation and Growth index and those in unfavourable positions on the Conditions of Childhood and Labour Market Opportunities for young people indices. All 18 LAs listed in tables 3.15, 3.16 and 3.17 have already appeared in the earlier tables for disadvantaged areas in relation to the other indices, Conditions of Childhood or Labour Market Opportunities for young people. So these areas can be thought of as the most ‘challenged’ LAs regarding future mobility prospects.

Tables 3.15, 3.16 and 3.17 also reinforce the story told by the other 2 indices – that former mining and industrial areas face particular problems alongside challenges facing sparsely populated rural areas where young people have long distances to travel to major centres for FE and high-skilled employment.



## Summary

On all 3 indices, there is considerable stability over time, with most movements up or down being short-range. Results for the 3 indices are broadly in line with each other, with a great deal of overlap between the 3 lists of disadvantaged LAs.

Entrenched disadvantage and decline into disadvantage is particularly evident in the former mining and industrial areas in the North East of England, Yorkshire and the Humber, and the West Midlands. Former mining areas in Wales and Scotland are also notably disadvantaged. This pattern almost certainly reflects the long shadow of de-industrialisation, lasting for 50 years or more.<sup>105</sup> What is deeply shocking is that these scars have persisted for so long.<sup>106</sup> The problems of areas with poor mobility prospects are not going away. Our results show little sign of the gaps closing in the first 2 decades of the 21st century.

In contrast, long-term advantage is most evident in London and the commuter belt around London. There is notable overlap between the areas of persisting advantage on the indices of Conditions of Childhood and of Innovation and Growth, with London boroughs dominating both lists.<sup>107</sup>

However, there are also some important differences between the results for the 3 indices. First, it is notable that there are LAs with favourable conditions of childhood in the commuter belts around major metropolitan areas such as Birmingham, Manchester and Glasgow. It is likely that within all major conurbations some specific localities will attract more wealthier residents who can afford the higher house prices. We should not underestimate the importance of this kind of ‘sorting’ process in generating more prosperous neighbourhoods in all the regions of the country outside London and the South East. This point is very important when drawing policy-related conclusions from the analysis, because if sorting is the main reason for the differences we observe among areas, different interventions might be needed to improve outcomes in some areas. Sorting processes will also generate less affluent neighbourhoods even within the most affluent parts of the south of England.<sup>108</sup>

Secondly, the Labour Market Opportunities index showed several rural LAs in Scotland having declining opportunities for young people. Rural areas in other parts of the UK also regularly show up as disadvantaged on the other indices too. Living in rural areas involves long (and expensive) travel distances to major centres for FE and for high-skilled jobs and training. With the continuing shift to an economy dominated by professional services, young people in rural areas may fall further behind their peers in areas of the country with greater access to high-skill training and employment.

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<sup>105</sup> Patricia Rice and Anthony Venables, ‘[The persistent consequences of adverse shocks: how the 1970s shaped UK regional inequality](#)’, 2021. Published on ACADEMIC.OUP.COM.

<sup>106</sup> Internal migration by younger workers from economically declining areas of the country towards developing areas at the forefront of the post-industrial revolution might have been expected, on standard theories of the operation of free markets, to equalise opportunities across the country even without government intervention. But there is little evidence that this will be achieved in our lifetimes. For a detailed discussion and critique of the economics of levelling up (to increase opportunities across the UK) see Paul Collier, ‘[Left behind: a new economics for neglected places](#)’, 2024. Published on PENGUIN.CO.UK.

<sup>107</sup> London is also predominant on the list of LAs with persistent advantage on the Labour Market Opportunities for young people index.

<sup>108</sup> Social Mobility Commission, ‘[The long shadow of deprivation: differences in opportunities across England](#)’, 2020. Published on GOV.UK; The Sutton Trust, ‘[The opportunity index](#)’, 2025. Published on SUTTONTRUST.COM. For more detailed analysis of the roles of sorting processes between places and the effects of place, see Henry Overman and Xiaowei Xu, ‘[Spatial disparities across labour markets](#)’, 2024. Published on ACADEMIC.OUP.COM.

Thirdly, the Innovation and Growth index includes some new areas outside London with favourable conditions – Aberdeen and Bristol – that are not present in the lists for the Conditions of Childhood or Labour Market Opportunities for young people indices. In addition, several other areas outside London have favourable conditions for innovation and growth – Brighton and Hove, Cheshire West and Chester, Edinburgh, Oxfordshire, Reading and West Berkshire. These suggest that there are other potential development hubs in addition to London.

This is consistent with the evidence that a number of other British cities such as Bristol, Edinburgh and Manchester count as ‘world cities’, which are magnets for international businesses and highly skilled migrants. Research also suggests that there are additional ‘escalator’ city-regions across the UK that are associated with superior mobility chances for those who move there.<sup>109</sup>

Finally, as summarised in the introduction to chapter 3, all of these composite measures are relative, in the sense that they tell us whether mobility, or the drivers of mobility, are relatively better in one LA than another. For a look at the absolute levels of mobility, and how they have changed over time, we turn to chapter 4.

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<sup>109</sup> Tony Champion and others. ‘[How far do England’s second-order cities emulate London as human-capital ‘escalators’?](#)’ 2013. Published on [ONLINELIBRARY.WILEY.COM](#).



# Dr Rob Ward

Age 40, CEO at DigitalCNC and Industrial Research  
Fellow at the University of Sheffield



**“Being an entrepreneur wasn’t on the cards, but that’s changed now I understand the rewards.”**

I had a difficult childhood. I grew up in Boroughbridge, North Yorkshire. My mum had 2 kids before she was age 19 years. We had no money. My dad was a farmhand. Mum was working 3 or 4 jobs at any one time. I never really knew my dad back then because they separated quite early. Mum then entered an abusive relationship. We managed to get away and she married a lovely man who was a joiner. But we had no money. I never saw the adults as they were always at work.

I joined the Army Cadets at age 13 years and it completely changed my life. It was so cheap. A weekend away cost 4 quid. You were given a uniform which meant everyone was the same. Whereas at school we got our clothes from the market, here, everyone was on a level-playing field.

I loved it so much I thought: this is what I’m going to do for a career. At age 17 years I passed the exam to become an officer – which was unheard of for anyone in my family – and went to university. After I completed my studies, I joined the Navy, but it was very difficult to have a family while in the forces. I was away all the time and it was time for a change.

I decided to become an academic. I came to Sheffield and went to the Advanced Manufacturing Research Centre doing research for companies like Rolls-Royce and Boeing. I started building a network incredibly quickly.

I did an engineering doctorate while working on industrial research projects and started lecturing at the university. I now lead the Robotics and Autonomous Manufacturing Systems Lab [at the University of Sheffield]. We’re doing amazing things – advanced manufacturing, artificial intelligence, robotics. In the end, we applied my research to a project with Rolls-Royce and I received funding to develop the research into commercial software.

From last November we started getting serious and partnered with Yorkshire AI Labs. It takes people like me who haven’t got any idea about the real world when it comes to business and teaches them how to scale a company properly.

I’ve dropped down to one day a week at university and taken on the CEO role. No one told me about the process of owning a business. Now I’m in the community and these guys have done it, they’ve scaled. For me that was alien. You don’t have access to that skillset from my background.

**“Funding remains challenging. There needs to be more access to capital in the north... Some of the research grants we’ve proposed and been rejected from – I’m seeing other start-ups in America bring this out and I’m thinking: that should have been us! It could be us!”**

I’ve had vital mentorship. Traditionally, an academic will start a business. They don’t know what they’re doing and they make all the mistakes, and then try to go to investors again and ask for more money. What these guys at AI Labs do is try to do as much as we can before taking investment. This minimises the rounds of investment so we keep more of the company, and ultimately keep more control and make more money.

As a kid, there was the electricity being cut off, bills piling up. If things went wrong, I couldn’t ring my mum and say I need help with the rent. I had no one to fall back on so I wanted that security. I always wanted stability so being an entrepreneur wasn’t on the cards. But that’s changed now I understand the rewards.

We’re manufacturing software using AI to help companies become more productive and we’re in a really lucky position. Sheffield has built an innovation ecosystem through the Advanced Manufacturing Research Centre.

Funding remains challenging. There needs to be more access to capital in the north and more funding for prototyping. Some of the research grants we’ve proposed and been rejected from – I’m seeing other start-ups in America bring out similar projects and I’m thinking: that should have been us! It could be us!



4

# How have intermediate outcomes changed over time?



# Highlights

In this chapter we track changes in intermediate outcomes over the past decade.

The educational gap between those who are socio-economically disadvantaged and advantaged has widened on some measures, notably at GCSE level and in the attainment of higher degrees. However, the earnings premium for those who go on to post-secondary education has decreased. This is probably due to the minimum wage pushing up earnings of lower-paid jobs.

Measures of the ‘disadvantage gap’ at age 16 years – that is, the gap in educational attainment between children of high and low socio-economic backgrounds (SEB) – increased during the pandemic and show little sign of closing. This supports the idea that a good school system helps social mobility and disruption to schooling stops it.

The proportion of young people aged 16 to 24 years who are not in education, employment or training (NEET) increased to 14% in 2022 and 2024, a return to pre-COVID-19 levels. Individuals from lower working-class backgrounds are more likely to be NEET – 22% compared with 9% for those from higher professional backgrounds. This gap has remained mostly unchanged since 2014.

The SEB gap in attainment of higher degrees (master’s degrees and PhDs) has widened, from 17.6 to 19.6 percentage points, in the last decade.

Economic activity rates for young people aged 25 to 29 years have improved to 87.5% in 2022 and 2024. The gender gap has halved over the last decade. However, women from lower SEBs continue to face significant barriers. These are shown in much lower economic activity rates than for women from higher SEBs or their male peers.

Between 2022 and 2024, 48% of young people aged 25 to 29 years were in higher and lower professional occupations – up from 36% between 2014 and 2016, but the gap between SEB groups in securing these positions has widened. Individuals from professional backgrounds have benefitted more from increased opportunities.

While higher education (HE) is still associated with higher earnings, the earnings of those with the lowest qualifications have increased relatively quickly in recent years. This means that the earnings premium from HE is less than it was as the hourly wage for people with degrees has remained stable during the same period. This is probably due to increases in the minimum wage.

**“Our intermediate outcomes compare a person’s life at a starting point in childhood with an endpoint in their teens, 20s or early 30s.”**

**Table 4.1: Summary of the key findings of the trend analysis of intermediate outcomes.**

| Outcome  | Finding  | Traffic light |
|--|--|---------------|
| 1.1 to 1.3 Educational attainment (age 5 to 16 years)            | Measures of the ‘disadvantage gap’ – that is, the gap in educational attainment between children of high and low socio-economic background (SEB) – jumped up during the pandemic and showed little sign of closing.  | 4             |
| 2.1 Destinations after compulsory education (age 16 to 24 years) | The proportion of young people aged 16 to 24 years who are not in education, employment or training (NEET) increased to 14% in 2022 to 2024 – reflecting a return to pre-COVID-19 levels. Individuals from lower working-class backgrounds have a NEET rate of 22% compared with 9% for those from higher professional backgrounds. This gap has remained fairly unchanged in 2014 and 2016. | 4             |
| 2.2 Entry to HE (age 18 to 20 years)                             | Between 2022 and 2024, 37% of young people aged 18 to 20 years were enrolled in HE – a significant increase from 29% between 2014 and 2016, while the gap in likelihood for HE entry between higher professional and lower working-class backgrounds has narrowed from 28 to 23 percentage points in the last decade.  | 1             |
| 2.3 Highest level of qualification (age 25 to 29 years)          | Between 2022 and 2024, 52% of young individuals aged 25 to 29 years held higher degrees (first degrees and above) – up from 40% between 2014 and 2016 – while those with lower-level qualifications decreased from 13% to 8% in the same period.   | 2             |
|  | Significant SEB gaps persist, particularly at the highest degree levels where the gap increased from 17.6 to 19.6 percentage points in the last decade. While the gap for first degrees narrowed, and the gap at lower qualification levels decreased from 19 to 12 percentage points, disparities remain.   | 5             |
| 3.1 Economic activity (age 25 to 29 years)                       | Between 2022 and 2024, economic activity rates for young people aged 25 to 29 years improved to 87.5% – up from 85.5% between 2014 and 2016. Women from lower working-class SEBs continue to face significant barriers, but the gender gap has halved over the last decade.  | 2             |
| 3.2 Unemployment (age 25 to 29 years)                            | Between 2022 and 2024, unemployment for young people aged 25 to 29 years fell to 3.8% – down from 5.8% between 2014 and 2016. However, the SEB gap in unemployment rates has remained significant.   | 3             |
| 3.3 Occupational level (age 25 to 29 years)                      | Between 2022 and 2024, 48% of young people aged 25 to 29 years were in higher and lower professional occupations – up from 36% between 2014 and 2016, but the gap between SEB groups in securing these positions has widened. Individuals from professional backgrounds have benefitted more from increased opportunities.   | 5             |
| 3.4 Earning (age 25 to 29 years)                                 | The earnings gaps across SEBs have remained roughly constant over the last 10 years.   | 3             |
| 3.5 Income returns to education (age 25 to 29 years)             | While HE is still associated with higher earnings, the earnings of those with the lowest qualifications have increased relatively quickly in recent years. This means that the earnings premium from HE is less than it was.   | 1             |
| 4.1 to 4.3 Career progression (age 25 to 44 years)               | After conducting the trend analysis, we have not found any significant difference between the SEB gaps in career progression in the last decade. The patterns are the same as previously reported.   | 3             |

**Note:** In column 3, “1” indicates the most positive outcome and “5” the most negative.

# Introduction

Our intermediate outcomes compare a person's life at a starting point in childhood with an endpoint in their teens, 20s or early 30s. These intermediate endpoints suggest future outcomes because the skills, qualifications and work experiences that young people have will affect their social mobility. The starting points can vary depending on the data available. For example, data on educational performance in England from the Department for Education (DfE) tells us whether a child has been deemed eligible for free school meals (FSM) or not. This is a rough indicator of their family circumstances. Data from the Labour Force Survey (LFS) relies on a person's recall of the job that their parents did when they were 14 years old.

Understanding how these have been affected by recent events, such as the COVID-19 pandemic, is essential. We 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.

Since we rely mainly on the LFS for our data on these outcomes, and questions on people's SEB only began in 2014, that is where we've started most of our data series. This year, our analysis of intermediate outcomes primarily involves comparing results from between 2014 to 2024.





# Compulsory school age (age 5 to 16 years)

## Summary

Patterns of attainment at school age remain the same as last year. As an example, GCSE results at age 16 years are shown in figure 4.1, broken down by SEB, then by gender and ethnic background. The widening of the gap shows the importance of a good school system to social mobility – it boosts the upward mobility of those who might not get a fair chance. And when the system is disrupted, as it was by COVID-19, it is those from lower SEBs who are hardest hit.

**We see that, unfortunately, the widening of the gap in attainment between those of higher and lower SEB that emerged during COVID-19, has continued. The disadvantage gap index at age 16 years has widened recently, and is around the largest gap since the 2010 to 2011 academic year.**

**In the 2023 to 2024 school year, girls were more likely than boys to achieve a pass in both GCSE English and maths.**

**There continues to be huge variation by ethnicity in the performance of socio-economically disadvantaged children, with disadvantaged children of Chinese background performing better than the average for non-disadvantaged children.**



## Illustrative results

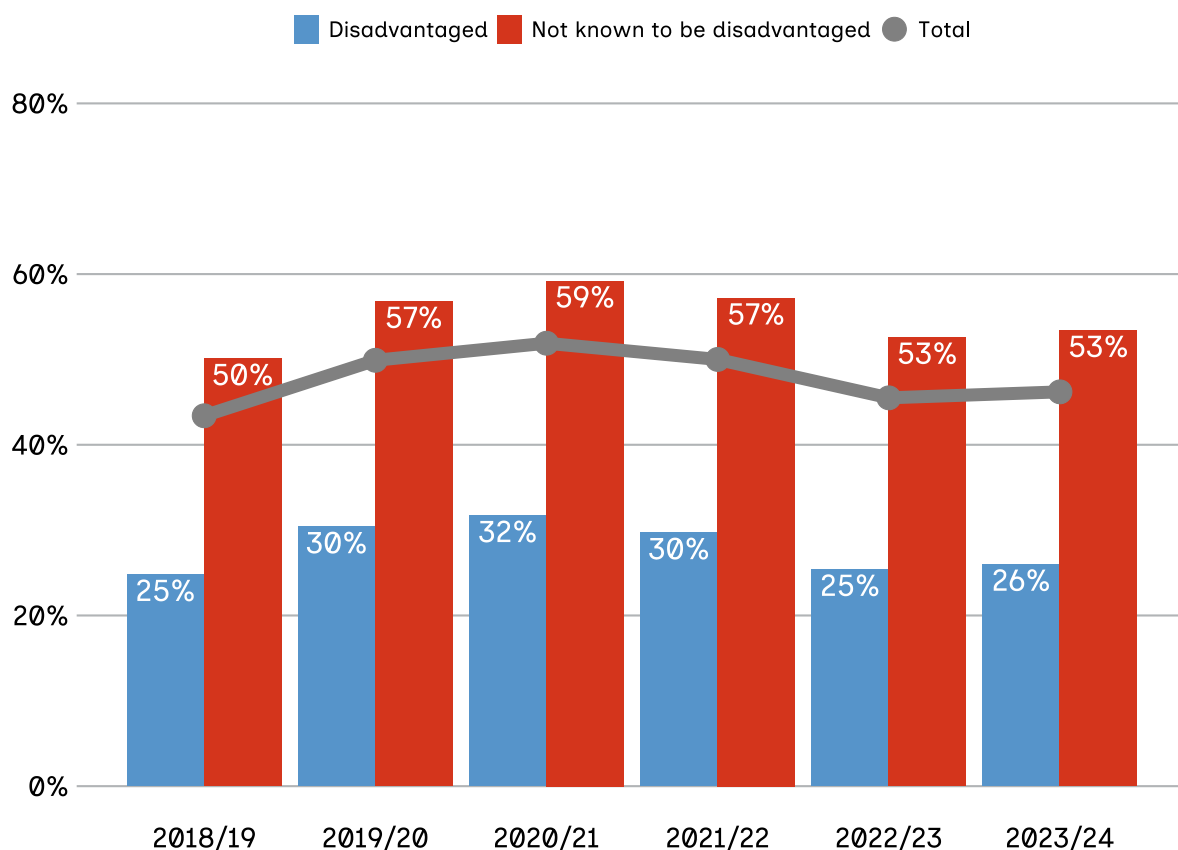
### Attainment at age 16 years

In the 2023 to 2024 school year, 26% of disadvantaged pupils in key stage 4 (KS4) achieved a grade 5 or above in GCSE English and maths, compared with 53% of all other pupils.<sup>110</sup> This is a gap of 27.2 percentage points, which is similar to the previous 2 years.

<sup>110</sup> Key stage 4 covers students aged 14 to 16 years, typically in years 10 and 11, who are usually preparing for their GCSE examinations.

**Figure 4.1: In the 2023 to 2024 school year, there was no change in the proportion of pupils at key stage 4 (KS4) achieving a grade 5 or above in GCSE English and maths. 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 2023 to 2024 academic year.



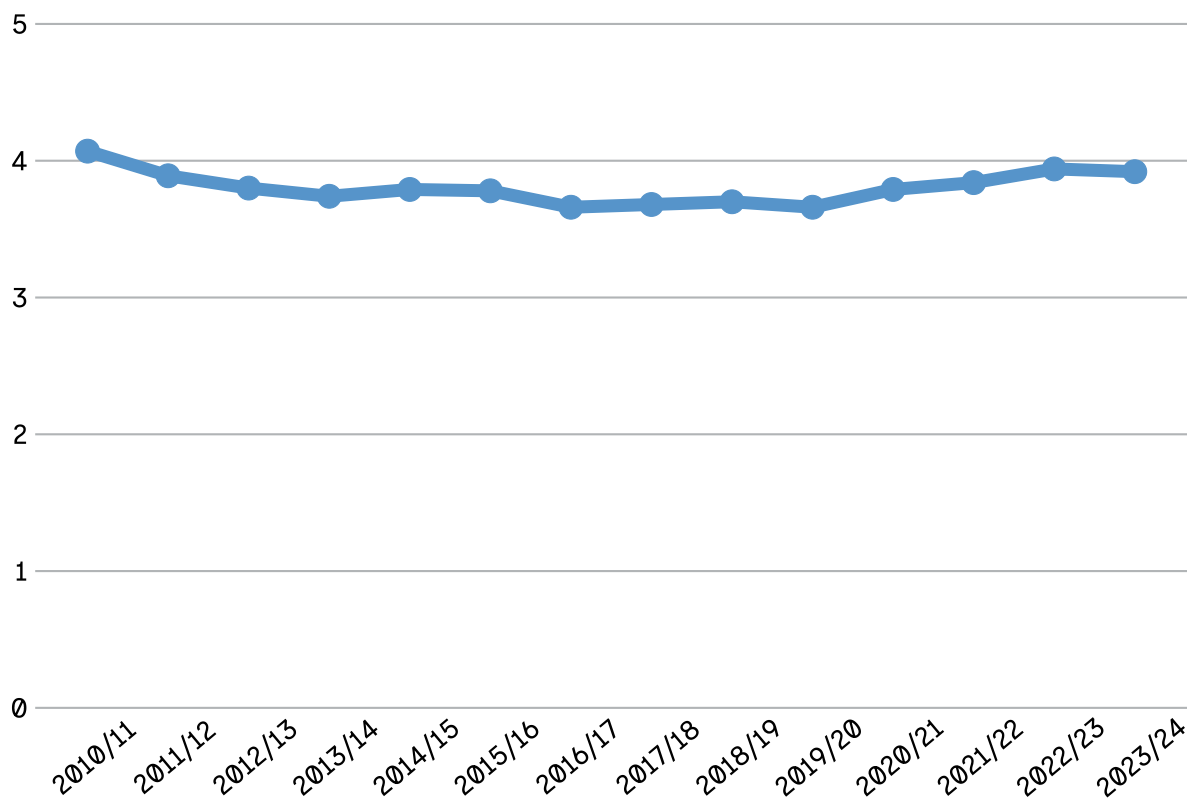
**Source:** DfE. National curriculum assessments at KS4 in England, 2024.

**Notes:** Pupils are defined as disadvantaged if they are known to have been eligible for free school meals (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 2023 to 2024 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 to 2021 due to the impact of the COVID-19 pandemic. During this time alternative processes were set up to award grades (centre-assessment grades and teacher-assessed grades).

Based on data up to the 2023 to 2024 academic year, the disadvantage gap index has widened compared to 2019 to 2020 and is around the largest gap since the 2010 to 2011 academic year. This differs slightly from the comparison in figure 4.1, perhaps because the disadvantage gap index considers all results, not just the attainment of grade 5 in English and maths. However, both methods show an increased gap since 2018 to 2019. In 2022, as exams were re-introduced, the gap continued to widen and now stands at its highest level since 2021. As with the findings from last academic year, this widening probably reflects the effects of the disruptions to learning that many pupils experienced during the pandemic.

**Figure 4.2: The disadvantage gap index at age 16 years has widened recently, and is around the largest gap since the 2010 to 2011 academic year.**

The disadvantage attainment gap index for England at KS4, from the 2010 to 2011 academic year to the 2023 to 2024 academic year.



**Source:** DfE. National curriculum assessments at KS4 in England, 2024.

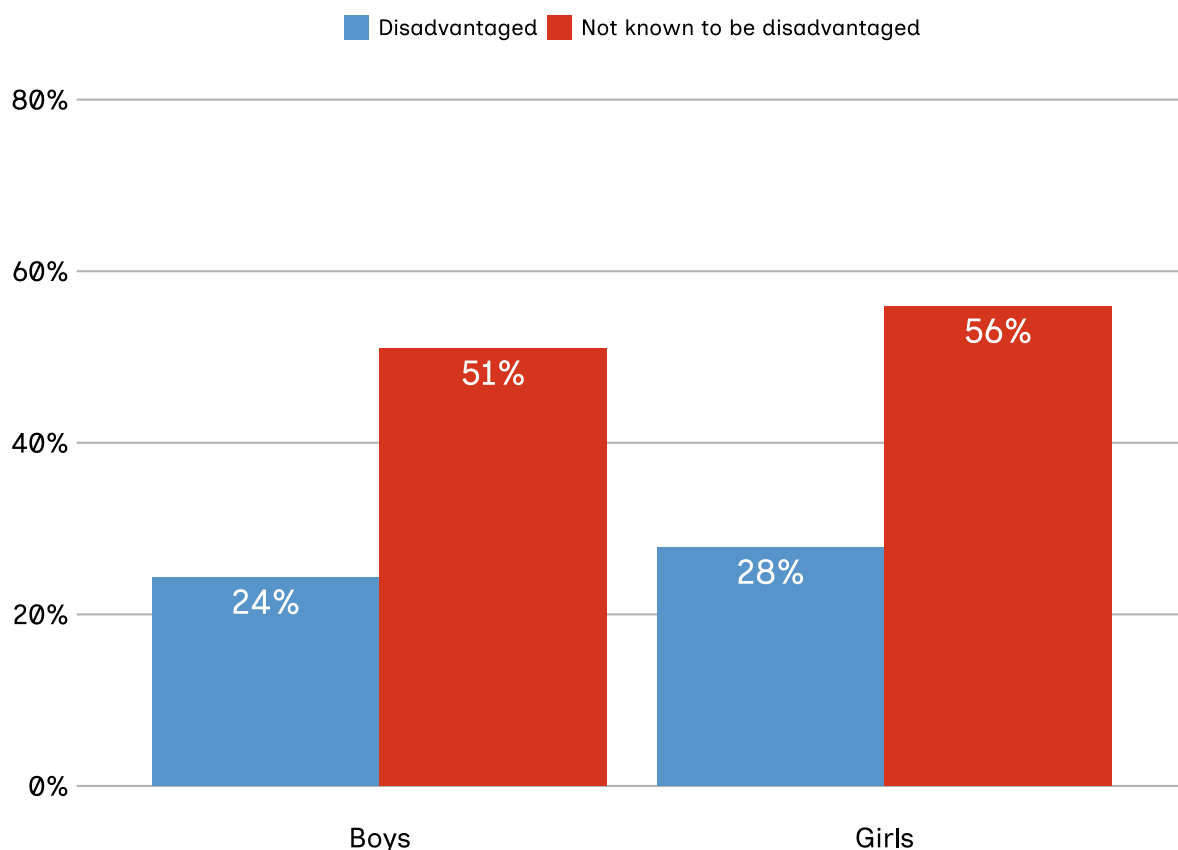
**Notes:** The disadvantage gap index summarises the relative attainment gap (based on the average grades achieved in English and maths GCSEs) between disadvantaged pupils and all other pupils.<sup>111</sup> The index ranks all pupils in state-funded schools in England and asks whether disadvantaged 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 FSMs 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 2023 to 2024 are based on revised data.

Overall both non-disadvantaged and disadvantaged girls have higher rates of passing GCSE English and maths than boys – 56% of non-disadvantaged girls passed both subjects, compared with 51% for boys. Similarly, 28% of disadvantaged girls passed both subjects compared with 24% for boys. At 28 percentage points, the disadvantage gap for girls is fairly similar to that for boys, who have a gap of 27 percentage points.

<sup>111</sup> GOV.UK, ‘[Key stage 4 performance](#)’, 2025. Published on EXPLORE-EDUCATION-STATISTICS.SERVICE.GOV.UK.

**Figure 4.3: In the 2023 to 2024 school year, girls were more likely than boys to achieve a pass in both GCSE English and maths.**

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 2023 to 2024 academic year.



**Source:** DfE. National curriculum assessments at key stage 4 in England, 2024

**Notes:** 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 2024 are based on revised data.

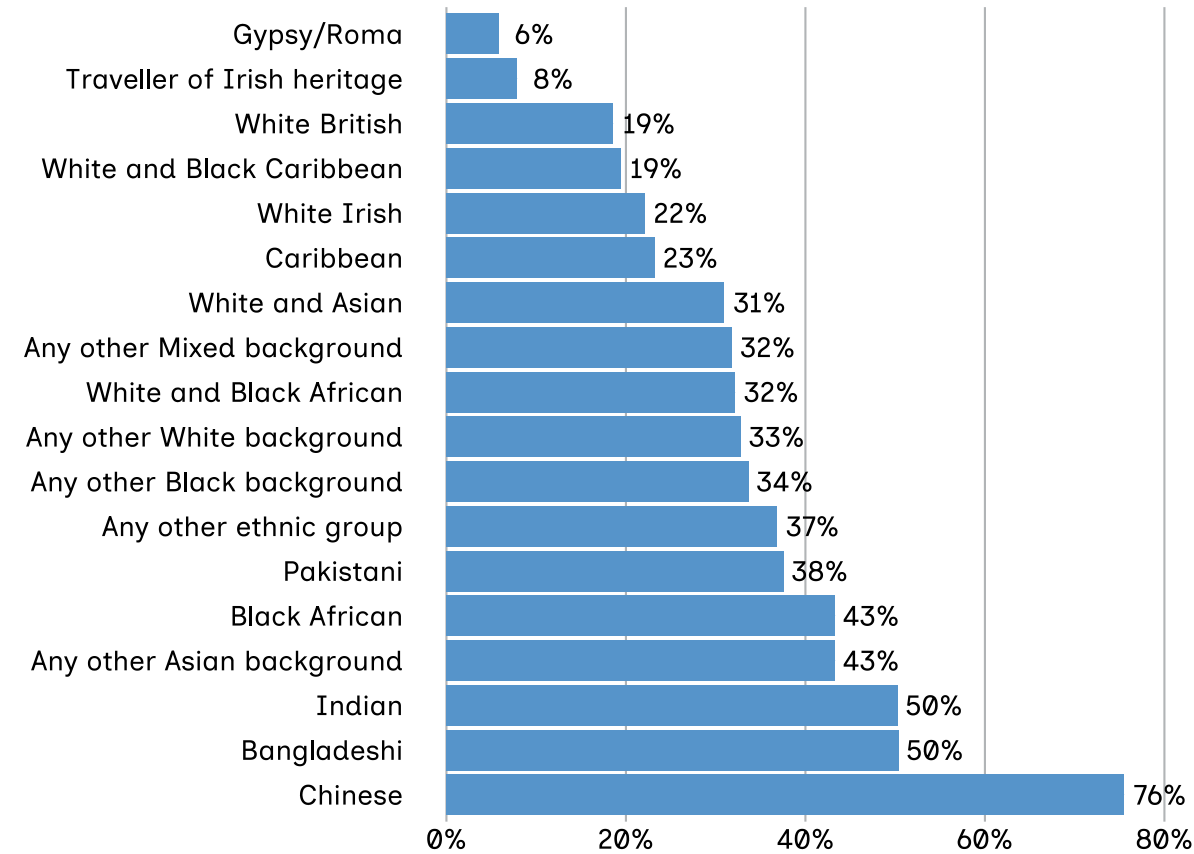
There is substantial variation between the most disadvantaged ethnic group (Gypsy or Roma at 6%) and the top-performing ethnic group (Chinese at 76%). Overall, FSM-eligible pupils of South Asian ethnicities (such as Indian and Bangladeshi) have much higher rates of achieving a pass in both subjects compared with White British or Mixed White and Black Caribbean FSM-eligible pupils (19% both groups). This illustrates the importance of considering a range of characteristics where possible, rather than SEB alone. Chinese pupils coming from socio-economic disadvantage in fact outperform the average pupil from a non-disadvantaged background.

**Disadvantaged pupils from a Chinese background outperform the average non-disadvantaged pupil in GCSE English and maths.**



**Figure 4.4: 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 2023 to 2024 academic year.



**Source:** DfE. National curriculum assessments at KS4 in England, 2024.

**Notes:** Figures for 2024 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 are able to claim FSM if they receive certain benefits.<sup>112</sup>



<sup>112</sup> See DfE guidance for more information on free school meal eligibility, ‘[Early years foundation stage profile results](#)’, 2024. Published on [EXPLORE-EDUCATION-STATISTICS.SERVICE.GOV.UK](#).

# Routes into work (age 16 to 29 years)

## Summary

Overall, the picture has slightly changed over the last decade. The SEB gap in HE enrollment has decreased, mainly because so many more people from a lower working-class background have had the opportunity to attend university. However, if we consider higher degrees, the gap has widened.

**The proportion of young people aged 16 to 24 who are NEET increased to 14%, reflecting a return to pre-COVID-19 levels. Individuals from lower-working backgrounds have a NEET rate of 22% compared with 9% for those from higher-professional backgrounds. This gap remained fairly unchanged between 2014 and 2016.**

**Between 2022 and 2024, 37% of young people aged 18 to 20 years were enrolled in HE – a significant increase from 29% between 2014 and 2016 – while the gap in likelihood for HE entry between higher professional and lower working-class backgrounds has narrowed from 28 to 23 percentage points in the last decade.**

**Between 2022 and 2024, 52% of young individuals aged 25 to 29 held higher degrees (first degrees and above) – up from 40% between 2014 and 2016 – while those with lower-level (below GCSE) qualifications decreased from 13% to 8% in the same periods.**

**Significant SEB gaps persist, and are widening at the level of higher degrees (master's degrees and PhDs). The gap increased from 17.6 to 19.6 percentage points in the last decade.**



## Illustrative results

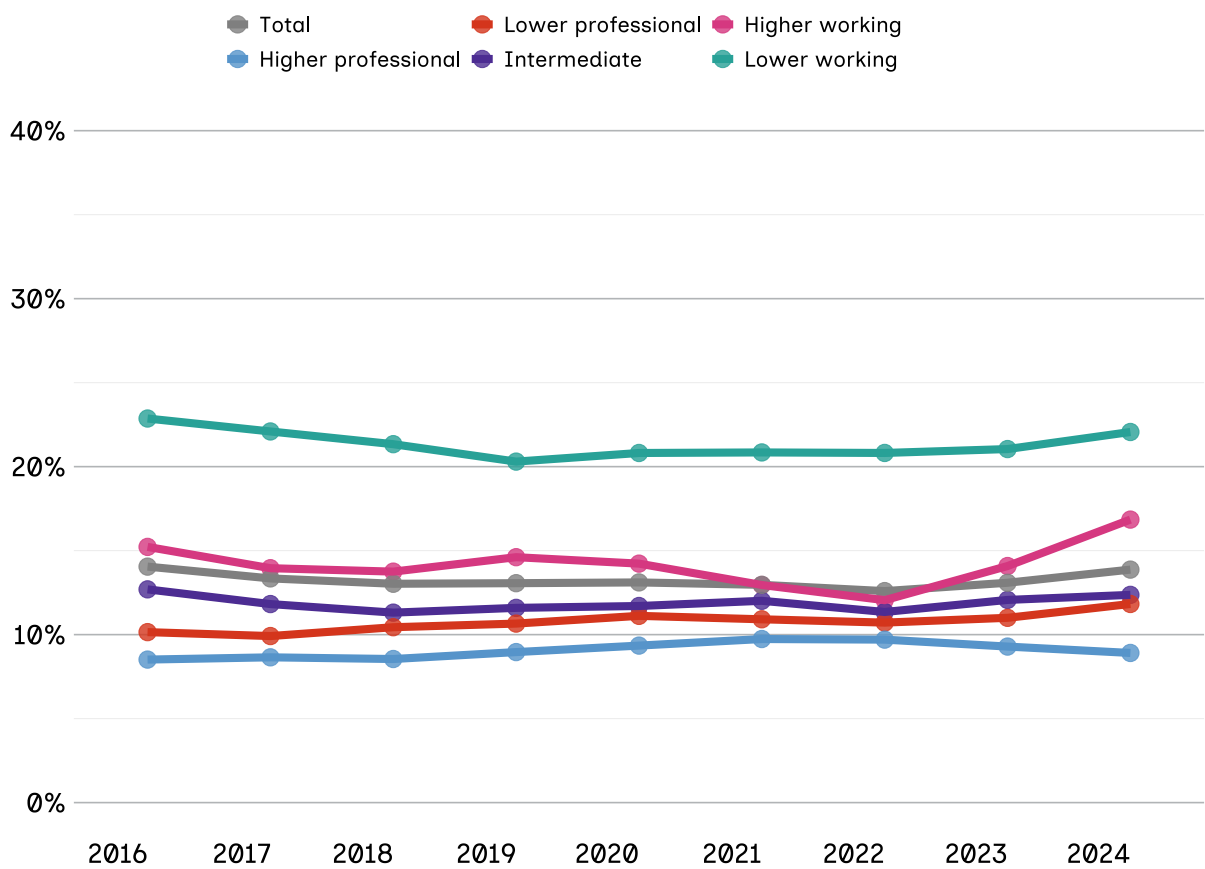
### Young people not in employment, education or training aged 16 to 24 years

The proportion of young people aged 16 to 24 years who are NEET increased to 14%, a return to pre-COVID-19 levels. Individuals from lower working-class backgrounds have a NEET rate of 22% compared with 9% for those from higher professional backgrounds. This gap has remained fairly unchanged since 2014 and 2016, and the rate for those from lower working-class backgrounds is markedly higher than for any other background group, including higher working class. For further discussion, see our 2023 State of the Nation report.<sup>113</sup>

<sup>113</sup> Social Mobility Commission, '[State of the Nation 2023: people and places](#)', 2023. Published on GOV.UK. See page 142.

**Figure 4.5: NEET rates have returned to pre-pandemic levels, and the SEB gap has remained unchanged since 2014 and 2016.**

Percentage of young people aged 16 to 24 years who were NEET by SEB (UK, 2014 to 2024, 3-year averages).



**Source:** Office for National Statistics (ONS), pooled LFS from 2014 to 2024, respondents aged 25 to 29 years in the UK.

**Notes:** NEET is defined as ‘not in employment, education or training’ in the week before the survey. SEB refers to the main wage earner’s occupation when the respondent was aged 14 years. Where there was no earner in the family, SEB is included in the lower working class. The data used is weighted using the LFS probability weights.

Weighted data adjusts the responses of a survey to better represent the overall population being studied. A formal test was conducted to test for differences in the SEB gap between 2014 and 2024. This was not significant. Data points shown are 3-year moving averages. For instance, ‘2016’ reflects the average of 2014, 2015 and 2016.

**Highest qualification of young people aged 25 to 29 years**

Overall, there is an upward trend in the proportion of people aged 25 to 29 years with first and higher degrees as their highest level of qualification (52% between 2022 and 2024 – up from 40% between 2014 and 2016).

Administrative data sources highlight similar trends. For example, census data from 2011 and 2021 reveals a significant decrease in the percentage of individuals over 16 years old in England and Wales with no qualifications, alongside an increase in the proportion attaining level 4 (beyond A-levels and equivalents) qualifications and above.<sup>114</sup>

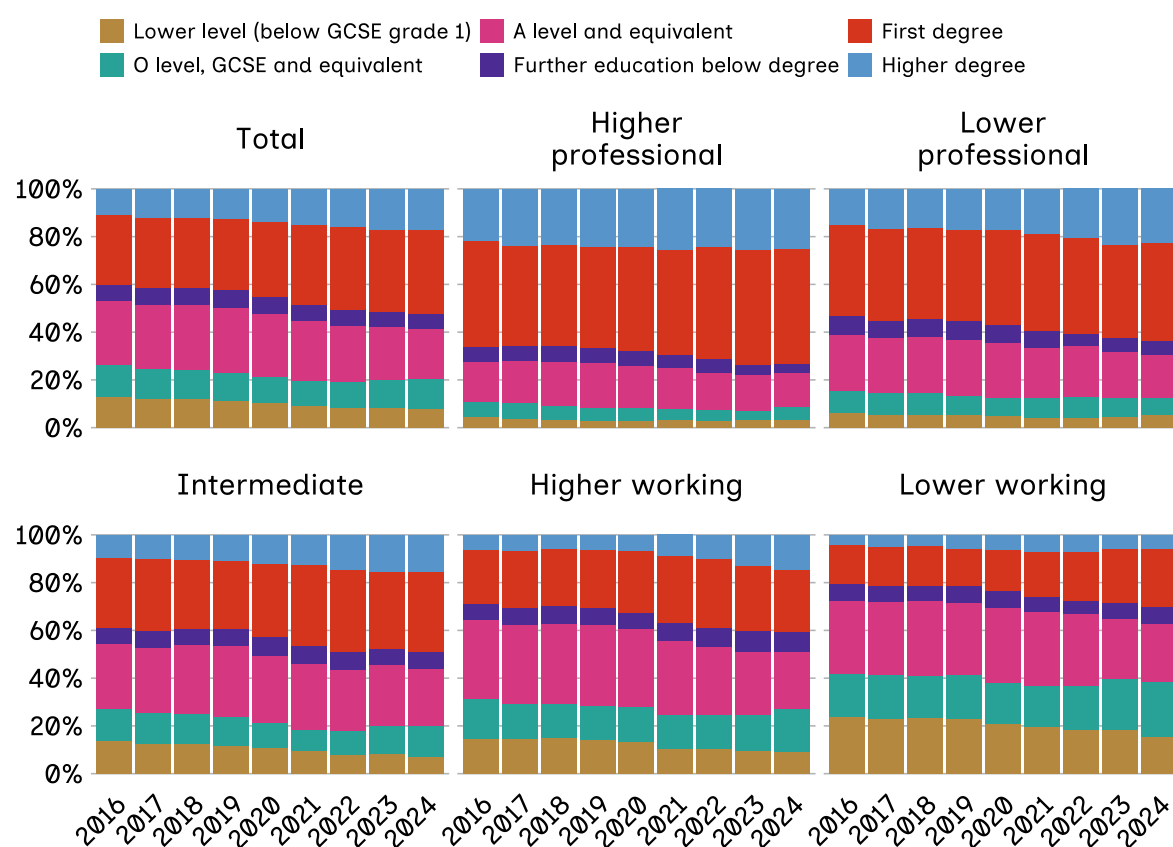
<sup>114</sup> ONS, ‘[Education, England and Wales: Census 2021](#)’, 2023. Published on ONS.GOV.UK. This increase refers to the number of enrollments for NQF levels 4 to 8 for the age band 25 to 29 years.

Additionally, data from the DfE covering England for the period from 2015 to 2016 to 2022 to 2023 indicates a 30% rise in enrollments for higher-level (National Qualification Framework level 4 to 8) qualifications among individuals aged 25 to 29 years in England.<sup>115</sup>

Over the past decade, the SEB gap has narrowed for first degrees but widened for higher degrees. When examining those pursuing higher degrees (master's degrees and PhDs), the gap between individuals from lower working-class backgrounds and higher professionals has increased slightly, 19.6 percentage points between 2022 and 2024 – up from 17.6 percentage points between 2014 and 2016.

**Figure 4.6: More people aged 25 to 29 years hold degrees, yet the socio-economic gap for postgraduate study has increased.**

**Highest level of qualification achieved by young people aged 25 to 29 years by SEB (UK, 2014 to 2024, 3-year averages).**



**Source:** ONS, pooled LFS from 2014 to 2024, respondents aged 25 to 29 years in the UK.

**Notes:** The data used is weighted using the LFS probability weights. Due to rounding errors, in some instances, the totals may not add up to 100%. Data points shown are 3-year moving averages. For instance, '2016' reflects the average of 2014, 2015 and 2016. A formal test was conducted to test for absolute differences in the SEB gap of higher degrees between 2014 and 2024. This was not significant for young people aged 25 to 29 years but significant for the whole sample.

<sup>115</sup> DfE, "Age from 'Higher Level Learners in England', 2025. Published on EXPLORE-EDUCATION-STATISTICS.SERVICE.GOV.UK.



# Dan Read

Age 54, Managing Director, Engineered Learning, Derby



**“Our young people aren’t just learning skills, they’re investing in their communities.”**

I had a conversation recently with a young person who is not in education, employment or training. I said to him: “Once you’ve got your first job under your belt, your employment history speaks for itself. Employers want to know if you can do the job.”

I’m a local estate lad. I moved straight from school into the railways, then moved into youth work. I noticed no one was teaching pre-16 engineering anymore at any level, so I decided to set up welding training for young people. There’s a national shortage of welders and our infrastructure depends on these skills.

Our young people are referred to us through Derby City’s Connexions service, usually due to behaviour, academic issues or social barriers. Historically, our students came through [local authority] Pupil Referral Units. The beauty of what we do is that it has instant reward. You see something at the end of each hour, each morning, each day. Your skills and confidence are building, as is the potential for well-paid employment.

We start by building a relationship with the young person. Who are you? What’s going on outside education? What do you want? Tell me, no judgment. Let’s build something together.

We deliver accredited level 1 and level 2 training in fabrication and welding, regulated by the Northern Council for Further Education. We always start with health and safety, so we know they’re safe in the workshop. We teach them. And we work with employers constantly: “This young person is worth employing. Give them a shot, they’ll prove themselves.” We also support employers with our former students.

It’s not just a case of making hanging baskets. We’re doing public sculptures and infrastructure. Our mammoth sculpture at Creswell railway station won a national award. Right now, we’re working on a five-by-five-metre dragonfly for Pleasley Pit near Clowne. Our young people aren’t just learning skills, they’re investing in their communities.

The careers advice system is broken. Young people are coming out of mainstream education with good results and then sitting on park benches not knowing what to do because they haven’t been shown what a real career path looks like. We help them get their first job and that’s their ticket to a career.

# Ben Sheldon

Age 21, Welder, Eagle Fabrication, Ripley,  
North Yorkshire



**“If I didn’t understand he could show me again in a different way. He’s a good teacher and very skilled at his job.”**

In year 8, I was sent to a Pupil Referral Unit (PRU). I didn’t like mainstream school and I wasn’t very good at maths and English. The only subject I liked was art because it was practical, just drawing. It was better than working out numbers and spelling.

When I went to the PRU, everything changed. I liked it better than mainstream schooling. There weren’t as many students so the teachers had more time for us. From year 10, I did 2 days at school and 3 days in alternative provision. That’s when I started at Engineered Learning.

Straight away, I liked the way Dan put things across. If I didn’t understand the first time, he could show me again in a different way. He’s a good teacher and very skilled at his job. I got a level 1, 2 and 3 in welding and health and safety, then after taking a year out to go to college I got my first job. I had to do a weld test and an interview. I got that job because of the things I learned at Engineered Learning.

I wanted to progress, so now I’ve moved into welding on the nuclear power plant system. The standards we have to work to are unbelievable. You are doing weld tests all the time. But it’s all good practice.

I’ve kind of fallen in love with welding. When I flip that lid down, I just go into my own world. I’m a hands-on person, I like to learn by watching and that’s what Dan’s place did for me. I’m not a very ‘sit there and teach me’ person.

In 10 years, I’d like to be welding on the oil rigs. Last night, I came up against a difficult weld, and I went back to something Dan taught me and the weld went through. I’m still drawing on the things he taught me to this day.

**“When I went to the pupil referral unit, everything changed. I liked it better than mainstream schooling.”**

# Work in early adulthood (age 25 to 29 years)

## Summary

**Economic activity rates for young people aged 25 to 29 years have improved to 87.5% between 2022 and 2024. The gender gap has halved over the last decade, although women from lower SEBs continue to face significant barriers.**

**Between 2022 and 2024, unemployment for young people aged 25 to 29 years fell to 3.8% – down from 5.8% between 2014 and 2016. The SEB gap in unemployment rates has remained significant.**

**Between 2022 and 2024, 48.2% of young people aged 25 to 29 years were in higher and lower professional occupations – up from 36.1% between 2014 and 2016. The gap between SEB groups in securing these positions has widened. Individuals from professional backgrounds benefitted greatly from increased opportunities.**

**While HE is still associated with higher earnings, the earnings of those with lower qualifications have increased relatively quickly in recent years. This means that the earnings premium from HE is less than it was. This is most likely due to increases in the minimum wage.**

## Illustrative results

### **Economic activity of young people aged 25 to 29 years**

Between 2022 and 2024, economic activity rates for young people aged 25 to 29 years improved to 87.5% – up from 85.5% between 2014 and 2016. However, we observe different trends for men and women, and especially women from a lower working-class SEB.

The stark differences in economic activity rates by gender have halved between 2014 and 2016, and 2022 and 2024. Historical ONS data for the 25 to 34 age group indicates that this gap was 25 percentage points in the early 1990s, 15 percentage points between 2014 and 2016, and 7 percentage points between 2022 and 2024, underscoring progress in narrowing this divide.<sup>116</sup>

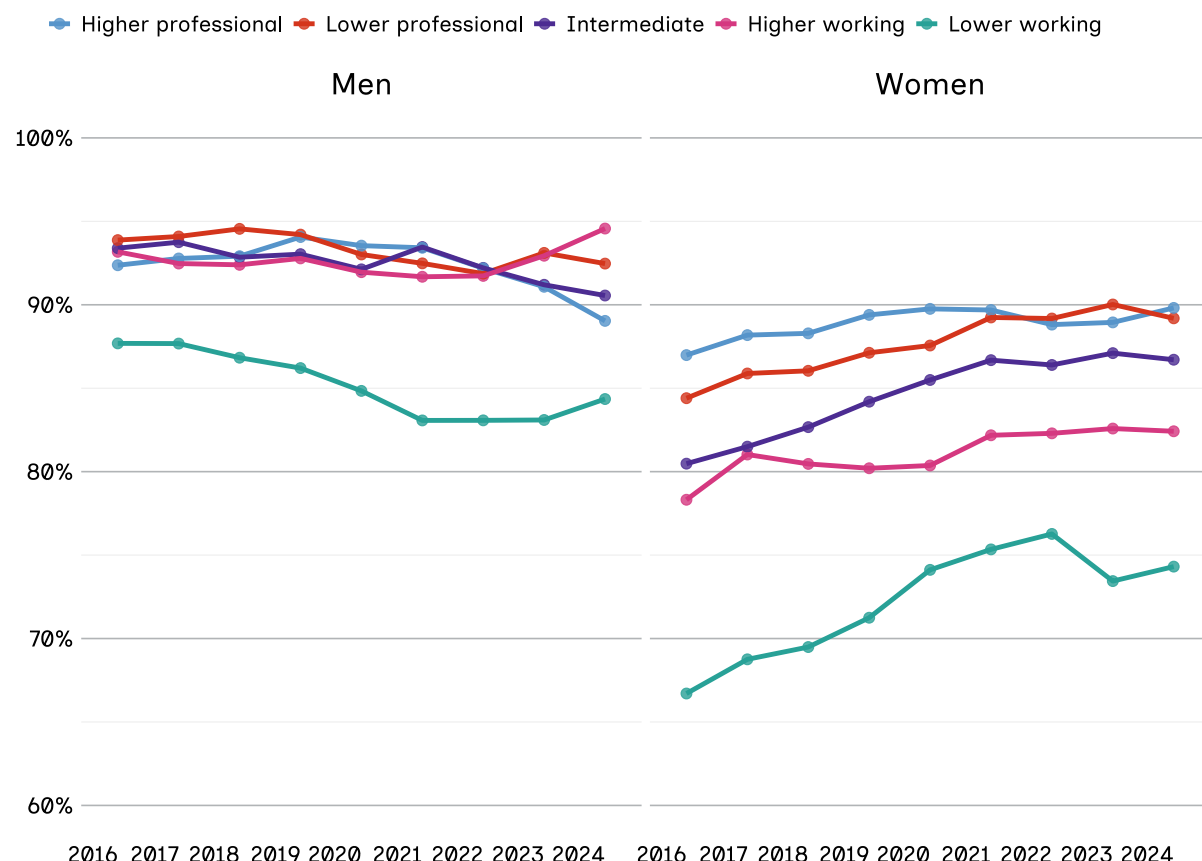
Figure 4.7 shows that when we break down the SEB gap by sex, there are opposite trends for men and women from lower working-class SEBs: the economic activity rate of the former has fallen since 2014 and 2016, while it has risen for the latter.

**Economic activity for those aged 25 to 29 years rose to 87.5%, but socio-economic background gaps persist.**

<sup>116</sup> ONS, 'Employment, unemployment and economic inactivity by age group (seasonally adjusted) historical data', 2025. Employment, unemployment and economic inactivity levels and rates by age group, UK, rolling 3-monthly figures, seasonally adjusted. These are official statistics in development. This analysis includes reweighted LFS estimates incorporating information on the size and composition of the UK population, based on 2022 mid-year estimates.

**Figure 4.7. Economic activity for those aged 25 to 29 years is up to 87.5%, and the gender gap has halved. Socio-economic barriers continue, especially for women.**

Percentage of young people aged 25 to 29 years who are economically active, by sex and SEB (UK, 2014 to 2024, 3-year averages).



**Source:** ONS, LFS between 2014 to 2024, respondents aged 25 to 29 years in the UK.

**Notes:** Economically active is defined as either being in work, or available for and actively looking for work. The data used is weighted using the LFS person weights. A formal test was conducted to test for absolute differences in the SEB gap between 2014 and 2024. This was not significant for men or women aged 25 to 29 years, but it was significant for all women. Data points shown are 3-year moving averages. For instance, '2016' reflects the average of 2014, 2015 and 2016.

#### Occupational level of young people aged 25 to 29 years

Between 2022 and 2024, 48.2% of young people aged 25 to 29 years were in higher and lower professional occupations – a marked increase from 36.1% between 2014 and 2016. Over the past decade, the expansion of higher-skilled occupations has been the main driver of job growth.<sup>117</sup>

However, the data shows that there is a widening gap between those from higher professional backgrounds and those from lower working-class backgrounds in securing higher professional roles, from 15 percentage points difference between 2014 and 2016 to 23 percentage points between 2022 and 2024.

<sup>117</sup> Nye Cominetti, Rui Costa and others, 'Changing jobs? Change in the UK labour market and the role of worker mobility', 2022. Published on [ECONOMY2030.RESOLUTIONFOUNDATION.ORG](https://economy2030.resolutionfoundation.org).



While the proportion of young people from working-class backgrounds getting professional jobs has seen a modest increase at 7.8% between 2022 and 2024 – up from 5.4% between 2014 and 2016 – the percentage of those from professional backgrounds achieving similar positions has increased even more, 30.9% between 2022 and 2024 – up from 20.4% between 2014 and 2016.<sup>118</sup>

So, while there are more opportunities at the upper end of the occupational range compared with 10 years ago, the distribution of these opportunities has not been even across socio-economic groups. Individuals from professional backgrounds have disproportionately benefitted. These trends in early labour-market outcomes are a leading sign that individuals from higher professional backgrounds are at the front of the line for these new opportunities. We might expect this to give rise to a future improvement in absolute mobility, but a decline in relative mobility.<sup>119</sup>

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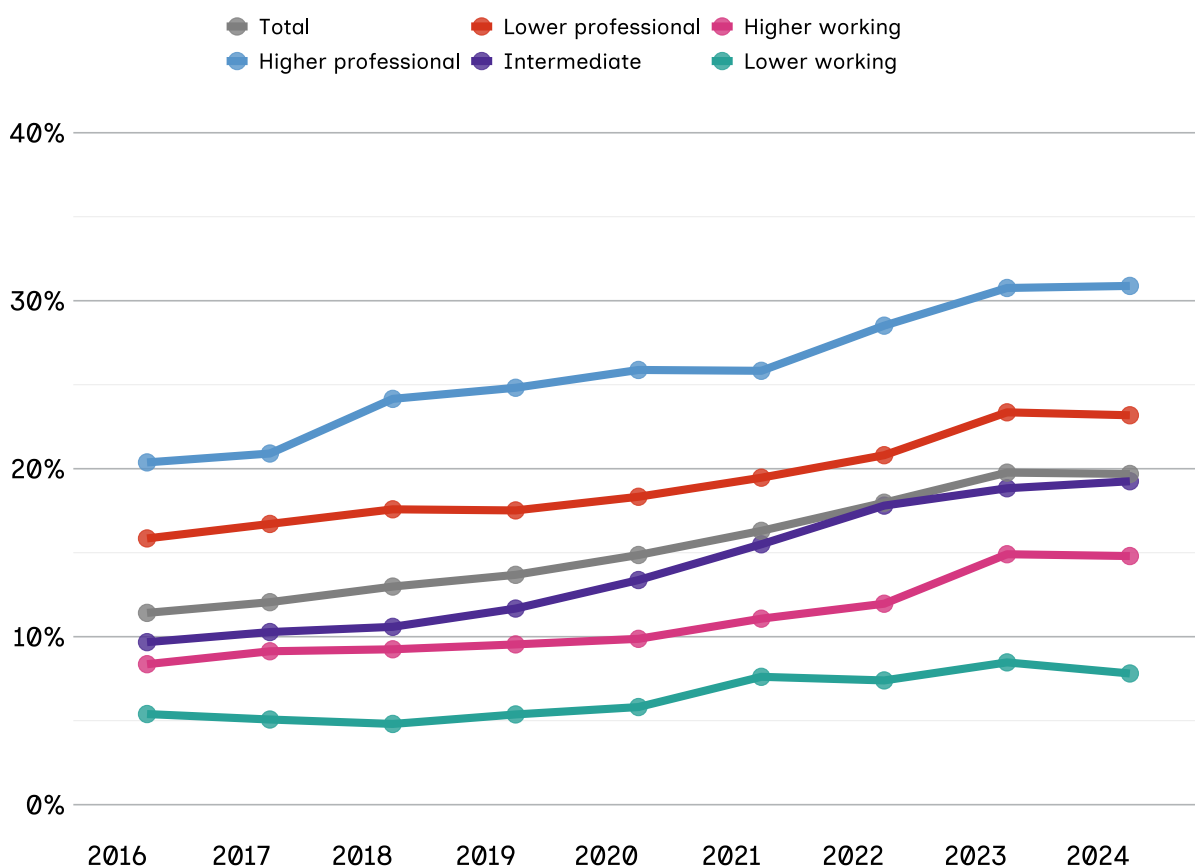
<sup>118</sup> A UNIDIFF test of change in odds ratios reveals a slight but non-significant convergence. In other words, the odds of different groups are getting closer rather than further apart. The discrepancy between the widening percentage point gap and converging odds ratios in SEB access to professional jobs arises because percentage points reflect absolute differences, while odds ratios used in UNIDIFF testing are a type of proportional difference. As a rough parallel, imagine a starting point where group A has a 5% chance and group B has a 40% chance of a certain outcome. As an absolute gap, this is 35 percentage points, but as a proportional difference, group B is 8 times better off. If the numbers change to 10% and 50%, then the absolute gap has now grown, to 40 percentage points, but the proportional difference has now shrunk to 5 times.

<sup>119</sup> Absolute occupational mobility measures the percentage of people who are in a different occupational class from their parents, indicating the total number of people who have experienced upward or downward movement. In contrast, relative occupational mobility compares the chances that different social groups have of reaching a particular occupational outcome, reflecting the strength of the link (or 'stickiness') between parents' and adult children's occupational class.



**Figure 4.8: Over the last decade, the proportion of young individuals in higher professional occupations has notably increased, while the SEB gap has widened.**

Percentage of young people aged 25 to 29 years in higher professional positions by SEB (UK, 2014 to 2024, 3-year averages).



**Source:** ONS, pooled LFS from 2014 to 2024, respondents aged 25 to 29 years in the UK.

**Notes:** The data used is weighted using the LFS probability weights. Due to rounding errors, in some instances the totals may not add up to 100%. Data points shown are 3-year moving averages. For instance, '2016' reflects the average of 2014, 2015 and 2016. Formal statistical tests did not find the widening SEB gap to be significant, possibly due to limited sample sizes in the later years.

#### Earnings of young people aged 25 to 29 years

We see from figure 4.9 that there has been no significant change in the relationship between SEB and earnings over the last 10 years. In contrast, there has been a change in the relationship between qualifications and earnings as figure 4.10 shows. The earnings of the least well-qualified have increased faster than those of other groups, leading to a slight closing of the gap. This is likely an effect of the increased minimum wage.

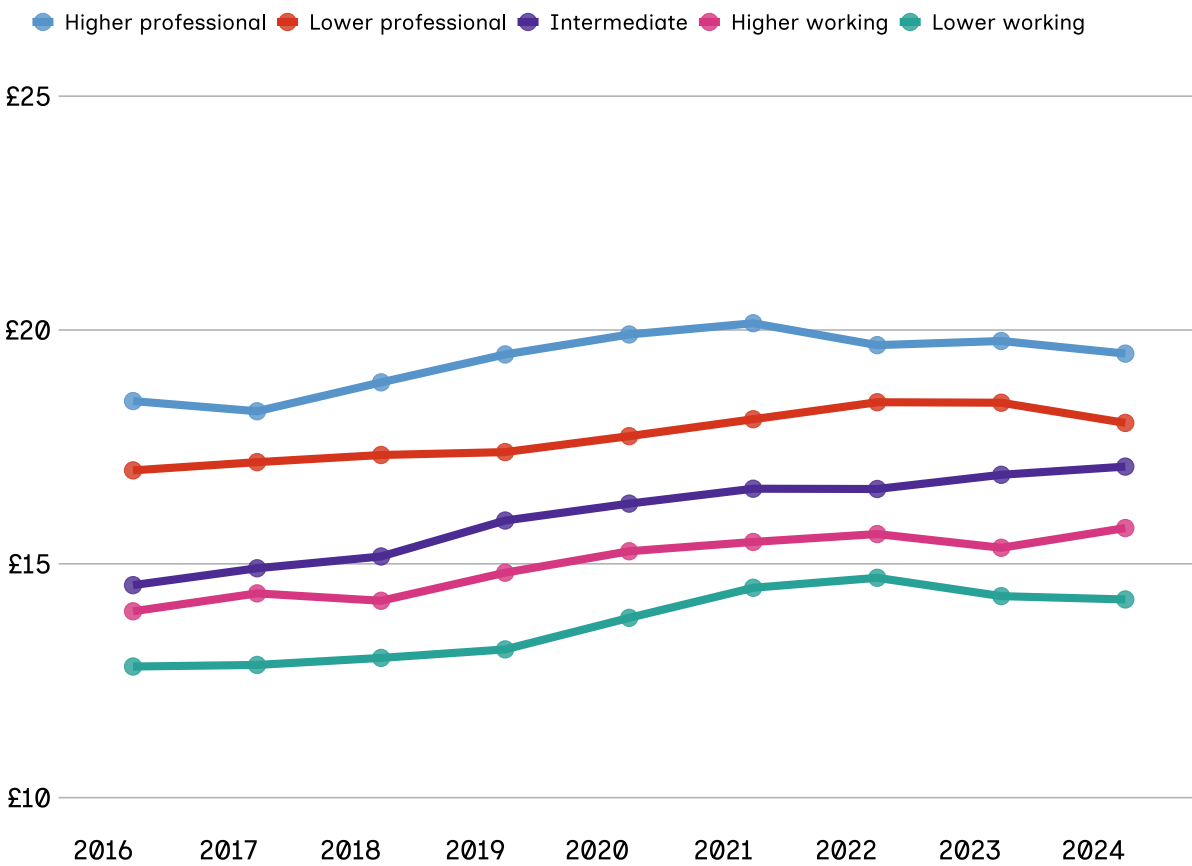
In figure 4.9 we also looked at how income patterns have evolved over the past decade among individuals aged 25 to 29 years. We find a consistent increase in inflation-adjusted mean hourly earnings (accounting for the effect of rising prices). However, the overall increase is small, suggesting that income growth has been modest in the past decade. For instance, mean hourly earnings have increased by just £1 in the last decade for those aged 25 to 29 years.

Findings from the ONS Annual Survey of Hours and Earnings (ASHE) dataset, which we use for labour market earnings of young people, also suggest relatively small increases. This is consistent with the broader trend seen in LFS data.<sup>120</sup>

<sup>120</sup> ONS, 'Employee earnings in the UK: 2024'. Published on ONS.GOV.UK.

**Figure 4.9: The earnings gaps across SEBs have remained roughly constant over the last 10 years.**

**Real hourly earnings in pounds (£) of young people aged 25 to 29 years by SEB (UK, 2014 to 2024, 3-year averages).**



**Source:** ONS, pooled LFS from 2014 to 2024, respondents aged 25 to 29 years in the UK.

**Notes:** 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 2024. Each year refers to the last year of the 3-year moving average, for example 2016 refers to the 2014 and 2016 period. The data was weighted using LFS income weights. The results shown here are simply sample averages, but to test changes over time, we estimated log hourly earnings using a linear regression model that controls for educational level and sex. An interaction between SEB and time (pre- versus post-COVID-19) was included, to test whether the pay gap by SEB has changed after the pandemic. This was not significant.

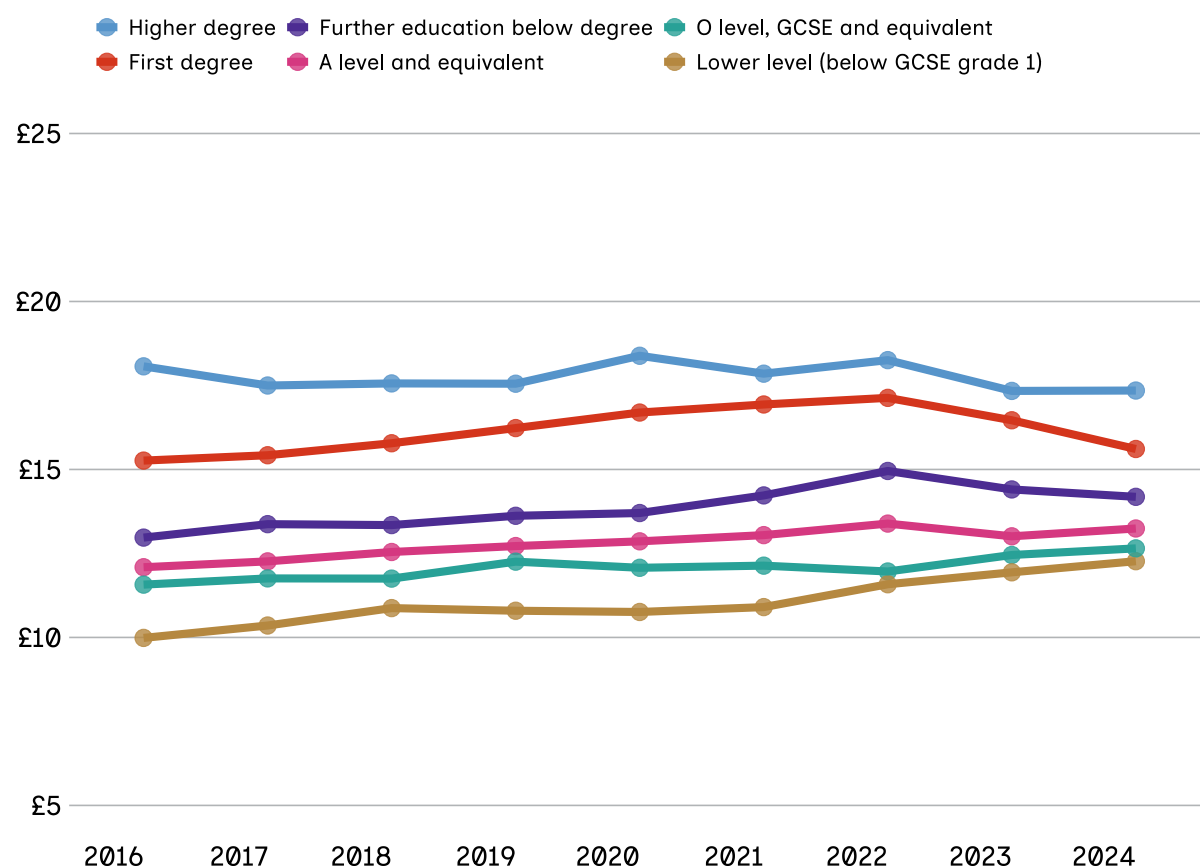
**Income returns to education of young people aged 25 to 29 years**

Since 2014 and 2016, individuals with lower educational qualifications have experienced a slightly faster increase in income than their more qualified peers as can be seen in figure 4.10. In fact, since the COVID pandemic, the earnings of those with degrees show signs of decreasing. Again, this is consistent with ASHE data which shows that in the past year, the lower-qualification occupations saw the largest increases, such as the “caring, leisure and other service occupations” and “sales and customer service occupations” categories (both 7.7%).

These individuals still earn less on average than those more qualified, but the gap between them has narrowed.<sup>121</sup> This could suggest that government interventions and labour market adjustments in the aftermath of the pandemic improved opportunities for those with fewer qualifications. For instance, as of 1 April 2024, the National Living Wage rose from £10.42 to £11.44, a 9.8% increase.<sup>122</sup>

**Figure 4.10: Higher qualifications continue to be strongly associated with higher earnings, although the premium for higher degrees has declined slightly post COVID-19.**

**Real hourly earnings in pounds (£) of young people aged 25 to 29 years by highest qualification (UK, 2014 to 2024, 3-year averages).**



**Source:** ONS, pooled LFS from 2014 to 2024, respondents aged 25 to 29 years in the UK.

**Notes:** Due to 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 2024. Each year refers to the last year of the 3-year moving average, for example 2016 refers to the 2014 and 2016 period. The data was weighted using LFS income weights.

The results shown here are for men, aged 27 years, of lower working-class background, estimated using a linear regression model that controls for SEB, age and sex. An interaction between education and time (pre- versus post-COVID-19) was included, to test whether the pay gap by education level has changed after the pandemic. This was significant, indicating that the gap has changed.

<sup>121</sup> ONS analysis of median annual incomes for the working-age population from 2007 to 2024 also shows narrowing gaps between postgraduates, graduates and non-graduates over time. See ONS, '[Graduate labour market statistics](https://www.gov.uk/government/statistics/graduate-labour-market-statistics)', 2024, section 8. Published on EXPLORE-EDUCATION-STATISTICS.SERVICE.GOV.UK.

<sup>122</sup> GOV.UK, '[National Minimum Wage and National Living Wage rates](https://www.gov.uk/government/statistics/national-minimum-wage-and-national-living-wage-rates)', 2024. Published on GOV.UK.



# Career progression (age 35 to 44 years)

We have analysed trends and updated our results for career progression (for those aged 35 to 44 years). They are available on the [SMC Data Explorer](#) website. They do not show any significant change from last year's results or SEB gap change compared with 2014 and 2016, so are not included in this year's highlighted results.

**There have been no major changes in career progression trends for people aged 35 to 44 years, or in the socio-economic gap, in the last decade.**









# Christobel

Age 17, Student, West Midlands

I was born in Italy and came to England when I was 7 or 8. Both my parents were born in Ghana and my mum was 18 when she came to Italy. They were working class so living in Italy was hard, because of the change in language and culture. Now in the UK, my mum works at my school and my dad is a taxi driver.

When we came to England, it was difficult to adjust to a new language as well as navigate a new environment. I did struggle a bit and I think the shift made me act up in primary school. I made plenty of friends and had some good experiences, it just took a lot of adjusting.

As a child, I wanted to do lots of things. But eventually I became focused on a career in mental health. I am a student attending sixth form in the West Midlands, currently studying psychology, drama, health and social care. I've always been interested in psychology and wanted to understand what causes people to act a certain way. I would be interested in going into clinical psychology or another mental health support route.

For me, success is independence. I like relying mostly on myself and eventually I want to travel and explore. I also think moving elsewhere would be better for me. In the West Midlands there are opportunities, but I want to go somewhere where opportunities are more accessible to different types of people. I feel that some opportunities in my area are closed off; people often select a certain demographic of people, picking the same people over and over again.

I don't think it is fair to say there are opportunities available to everyone and you just have to work harder. People are born into different circumstances. I am very lucky that I had the luxury of being able to move countries.

Some of my friends were not suited to the education system, which is why they dropped out of sixth form and went straight into work. Secondary school was very draining for me at times. Having to know by 16 what you want to do in life is difficult. I also feel that in the West Midlands some young people take different routes that they should not be taking, which explains some of the recent issues with crime.

I really believe that some young people who struggle with their mental health are not given a fair chance. Educational institutions need to take into account that a person's mental health can prevent them from coming into school and performing well. I've seen quite a few classmates deal with mental health issues and some schools handle the situation very poorly. This means that students will not go to teachers for help as they do not see the point. The support in place at my sixth form, Central St Michael's, is better and help is in place.

I don't see myself living here in the future because I feel like I will flourish better in a different environment. The people are lovely, but given the things that I've experienced in the education system, I don't think this would be a good place for me to stay. Because my parents came to the UK to give me a better life, I really feel that I'm obliged to excel at something in life for them.

**“For me, success is independence. I like relying mostly on myself and eventually I want to travel and explore. I also think moving elsewhere would be better for me.”**



5

# Conclusions



# **Our report has identified key trends and issues in social mobility across the UK. It highlights the significance of systematic measurement through the Social Mobility Index, helping to give insights into how individuals progress throughout their lifetimes and across generations.**

The findings reveal clear patterns, especially from a place-based view, as we see the rise and fall of advantage and disadvantage across the UK. There is more to add to our understanding here, especially in terms of the 'sorting' – the migration of people into more and less prosperous areas – that may help to create and sustain that prosperity. But we know that any social mobility strategy must be sensitive to differences of place.

While absolute occupational mobility in the UK is broadly the same as other western European nations, there is a concerning decline over time in absolute income mobility. Relative income mobility also remains lower compared to Nordic countries and others, suggesting that these countries may offer a guide for improvement.

Looking across the UK's local authorities (LAs), there has generally been stability in their relative positions on the drivers of mobility, with most movements being short-range. Results for the 3 composite indices of drivers show considerable overlap between the 3 lists of disadvantaged LAs. This means that several LA areas are facing disadvantages across 2 or 3 indices.

Entrenched disadvantage, and decline into disadvantage, are particularly evident in the former mining and industrial areas in the North East, Yorkshire and the Humber, the West Midlands, Wales and Scotland. Our results show little sign of the gap closing in the first 2 decades of the 21st century.

In contrast, the advantage is still most evident in London and its commuter belt. London boroughs predominate among areas of persisting advantage on the indices of Conditions of Childhood and Innovation and Growth.

Turning to changes in mobility over time, the widening educational attainment gap during compulsory schooling years, which took hold during the COVID-19 pandemic, continues. Despite increasing enrollment rates in higher education, access to higher degrees remains unequally spread, particularly affecting those from lower socio-economic backgrounds (SEBs).

While youth economic activity has improved, disparities in occupational access and earning potential linked to SEB persist. Minimum wage increases have helped reduce the earnings gap, but fair access to high-paying roles remains a challenge.

Finally, the rise in the number of young people not in employment, education or training shows a need for targeted interventions to support routes into work and education. This is critical for those from lower SEBs.

