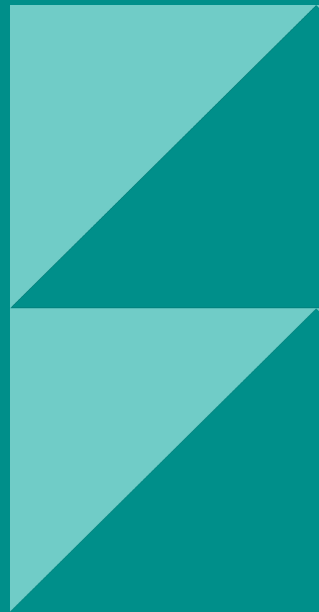


May 2024



# Fair opportunity for all

A roadmap for the next government to tackle educational inequality and improve social mobility





## **About the Sutton Trust**

The Sutton Trust is a charity which improves social mobility in the UK through evidence-based programmes, research and policy advocacy.

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# Policy summary table

Policy	Rationale	Cost
<b>Early Years</b>		
<b>Equalise the entitlement to funded hours of early education</b> , starting with ages 3 and 4, followed by 2-year-olds.	Inequality in access to early years education is contributing to a widening gap in school readiness. High quality education in the early years is cost effective and proven to improve a child's later attainment, their access to university and their future salary prospects.	High
<b>Increase Early Years Pupil Premium (EYPP) to primary school levels.</b>	The EYPP is just a quarter of the amount per pupil given in primary school Pupil Premium funding. Raising it would allow settings to offer better targeted, evidence-based support to children from disadvantaged backgrounds, as well as supporting providers in more deprived areas.	Medium
<b>Invest in early years workforce</b> through a dedicated Leadership Quality Fund.	In 2023, 1 in 5 early years staff members were unqualified, up from 1 in 7 in 2018. Having staff with graduate-level qualifications is beneficial for children's learning outcomes at age 5, with the positive impact sustained over time.	Low
<b>New national strategy for children's centres, with a rollout of new centres in deprived areas.</b>	Despite strong evidence of children's centres' positive impact on the home learning environment, school readiness and ultimately, attainment at GCSE, over 1,400 children's centres have closed since 2010.	High
<b>School</b>		
<b>Rebalance the National Funding Formula</b> towards more deprived schools.	Changes made to the National Funding Formula in 2018 have benefitted schools in less deprived areas compared to the previous allocation approach. Rebalancing it back towards schools serving the most disadvantaged communities would better reflect the level of need faced by schools, including accounting for persistent disadvantage.	None
<b>Restore Pupil Premium funding in real terms, and extend to 16-19 year-olds.</b>	<p>Pupil Premium funding has failed to keep up with inflation, having lost 10% of value in real terms between 2014-15 and 2021-22. This funding enables schools to target evidence-based interventions towards disadvantaged pupils, improving their attainment in key subjects such as English and Maths.</p> <p>Pupil Premium funding currently stops at age 16 but disadvantage does not. Disadvantaged 16-19 year-olds should also benefit from targeted interventions to improve attainment.</p>	Medium (over 5 years)

<b>Extend eligibility for Free School Meals to all families on Universal Credit.</b>	The income cap for FSM eligibility has been frozen in cash terms since 2018–19, meaning many pupils in England whose families are entitled to universal credit are not eligible. Ineligible children are arriving at school hungry and unable to buy lunch, damaging their ability to learn. Expanding free school meal eligibility is an important lever to narrow the attainment gap and could also contribute to tackling persistent absence.	Medium
<b>Extend financial incentives for teachers to work in disadvantaged areas.</b>	It has long been recognised that schools serving disadvantaged communities are less likely to be staffed by teachers with qualified teacher status, greater years of experience and by specialist science and maths teachers. Ensuring all children, but particularly those from disadvantaged backgrounds, have access to high quality teaching is vital.	Low
<b>Require oversubscribed comprehensives to prioritise Pupil Premium applicants.</b>	England’s top comprehensive schools are, in practice, often highly socially selective, meaning their intake of pupils who qualify for Free School Meals does not reflect the rates in their local community. A less socially segregated school system is likely to aid efforts to narrow the attainment gap.	None
<b>Apprenticeships</b>		
<b>Re-introduce employer incentives for creating new apprenticeship opportunities for young people.</b>	Apprenticeships for young people have declined since 2017. The vast majority of those undertaking Higher Apprenticeships and over half of those undertaking Degree Apprenticeships, are over the age of 25 - despite the benefits of apprenticeships being typically higher for younger age groups. Incentives for employers would help rebalance the supply of apprenticeships back towards young people.	Medium
<b>Expand care leaver bursaries to all those eligible for Free School Meals.</b>	Apprenticeships have great potential to drive social mobility, but fewer degree apprentices are eligible for free school meals than those taking undergraduate degrees. While the gap in representation is most noticeable in the highest-level apprenticeships, between 2015 and 2020, there was a decline of up to 2 percentage points in those from poorer backgrounds within each level of apprenticeship. Bursaries for disadvantaged young people would help to tackle cost barriers to apprenticeships.	Low
<b>Ringfence at least 50% of big companies’ levy funds for apprentices under 25.</b>	Despite the imbalance of apprenticeship opportunities between younger and older people, there is currently no policy in place to influence how employers target apprentices of different age groups. Ringfencing a share of the levy for apprentices under 25 would help to rebalance the profile of apprenticeships back towards young people.	None

Higher Education		
<b>Increase maintenance support levels to match students' costs, unfreeze eligibility thresholds, and restore maintenance grants.</b>	Student maintenance levels have lagged far behind inflation in recent years, meaning essential costs are higher than the maximum loan for the majority of students. Raising maintenance support would better enable students to focus on their studies while at university. Restoring maintenance grants for the poorest students, who currently graduate with the highest debt, would remove a significant access barrier and make the system fairer.	Cost neutral
<b>Set up a Fair Access Review to explore a sector-wide approach to access,</b> strengthen regulatory expectations, and contextual admissions.	Higher education is the surest route to social mobility but socio-economic background and family circumstances impact grades. Contextual admissions – where the background of a university applicant is taken into account as part of the admissions process – is a crucial tool for widening access to higher education. A sector-wide approach in England could be transformational.	None
Access to the Workplace		
<b>Ban unpaid internships</b> over 4 weeks and improve enforcement of minimum wage legislation.	Internships that are unpaid are not accessible to those from disadvantaged backgrounds, who cannot rely on financial support from relatives. Banning unpaid internships would level the playing field for access to these transformational opportunities.	None
<b>Enact "Socio-economic duty clause" of Equality Act,</b> and set up a review to <b>examine adding socio-economic background as a protected characteristic.</b>	Many leading careers and positions of influence continue to be dominated by those from advantaged backgrounds. To ensure we make use of the talents of people from all backgrounds, public bodies should give due regard to how they can reduce the impact of socio-economic disadvantage, and socio-economic background should be seen as an essential part of the equalities agenda.	None
Require employers with over 250 employees to <b>report on socio-economic background of workforce,</b> and encourage reporting of class pay gaps.	For employers to address access and progression gaps, they must first understand the make-up of their workforce and how socio-economic background impacts employees, including pay gaps. Consistent data on socio-economic background would be a powerful tool to enable this.	None

# Introduction

Social mobility has been a critical part of the debate around education in the UK over the last two decades, influencing the policies of governments of all colours. In the aftermath of a pandemic and cost-of-living crisis that has had deep social consequences, creating the circumstances for people to thrive, regardless of their background, has only become more urgent. However, in recent years, social mobility as a term has shown signs of falling out of fashion in the political discourse. But the underlying idea, that a person's background should not define their chances in life, remains as powerful and necessary as ever. Whether it is called 'levelling up', 'social justice', 'equity' or 'opportunity', this basic principle is encompassed in all, and has resonance across the political spectrum.

In Britain, the opportunity to succeed is still heavily shaped by socio-economic background. Breaking this link is the key mission of the Sutton Trust, and we believe it should also be a key mission for the next government. But what does this mean in practice, and what does social mobility look like? Life chances can be measured in many ways, but comparing what people earn as an adult compared to their parents is often the focus, as income is a key driver of quality of life. However, social mobility should also be viewed in a broader context, including in terms of occupation, social class, educational qualifications, housing, as well as happiness and general wellbeing. Social mobility is ultimately about enabling people to thrive.

It is also important to emphasise that social mobility is not merely about 'rags to riches' tales. Progress from the bottom of the income distribution to the middle, for example someone whose parents worked in manual jobs becoming a skilled tradesperson, means that someone's quality of life has likely improved vastly. Any approach to improving social mobility and equality of opportunity must value this just as highly.

A key measure of success, albeit not the only one, is the [intergenerational income elasticity measure](#). The core of the Sutton Trust's [landmark 2005 report](#) which put social mobility on the political map, it measures the relationship between an individual's earnings and their parents', and reflects 'bottom to middle' as well as 'bottom to top' social mobility. Shifting the dial on this measure requires much more than a handful of working-class young people going to Oxbridge and becoming lawyers, which is why our work starts in the early years, when gaps in development first emerge, and more broad-based change can be achieved.

**“The underlying idea of social mobility - that a person's background should not define their chances in life, remains as powerful and necessary as ever.”**

But this is not to say that looking at ‘bottom to top’ mobility isn’t important too. It is vital to the health of a nation that the most influential positions in society are not reserved for those from the most advantaged backgrounds. This can lead to disconnection and alienation among those who feel they can never achieve those positions, feeding social polarisation - as well as wasting talent that could benefit everybody. Improving the diversity of those in powerful positions is a crucial step on the road towards a fairer society. Britain’s political and leadership classes remain stubbornly unrepresentative of the population at large, and this has real impact on how the country is run.

Social mobility is sometimes viewed in opposition to “social justice”. But they are probably better seen as two sides of the same coin. One of the benefits of a more equal society would be more equal opportunities to succeed in life. And one of the benefits of greater social mobility should be a greater appreciation of those in power of the barriers faced by people purely through accident of birth.

How can we improve the situation? This report outlines how we might make a start. We have a duty of fairness to ensure that the education system is oriented towards widening opportunities and narrowing gaps where it can. But at the same time, we should also recognise that the education system on its own cannot fix everything. For equitable education policies to truly deliver, they must be accompanied by a social and economic context that can allow young people to take advantage of these opportunities – one in which child poverty is reducing, the economy is growing, and opportunity is spreading to all parts of the country.

**“Making the most of talent, wherever it comes from, is a critical priority for fairness, but a critical economic imperative too.”**

Alongside focused policy action on this wider context, the next government must seize the opportunity to advance social mobility and bring about a revolution in opportunity for future generations. While there will be difficult choices in a constrained fiscal environment, tangible change in widening opportunity is nothing short of a necessity to support social cohesion and long-term economic growth. Making the most of talent, wherever it comes from, is a critical priority for fairness, but a critical economic imperative too. For employers, moving beyond a narrow pool of candidates from the most advantaged backgrounds can be a win-win. And for the economy in general, better matching jobs to talent and potential rather than social class background can be transformational.



## A plan for change

This manifesto provides a roadmap for the next government on how to tackle these issues, with practical and costed policy options. That government will face a challenging environment for public spending, so we have included policies at a wide range of cost levels, including some with negligible cost, which could be implemented quickly. However, deep social change is not something that can be achieved without investment, and while shifting the dial meaningfully in this area will require a reconsideration of national priorities, the potential benefits, both socially and economically are considerable.

Policy recommendations span the range of areas we work on at the Sutton Trust: Early Years, School, Apprenticeships, Higher Education and Access to the Workplace, plus a section on the wider economic and social context. Highlighted in more detail are three particularly urgent priorities which are explored, with costings, in pullout boxes.

**1) High quality early education for all.**

**2) A national strategy to close the attainment gap in schools between richer and poorer pupils.**

**3) A fairer system for student finance.**

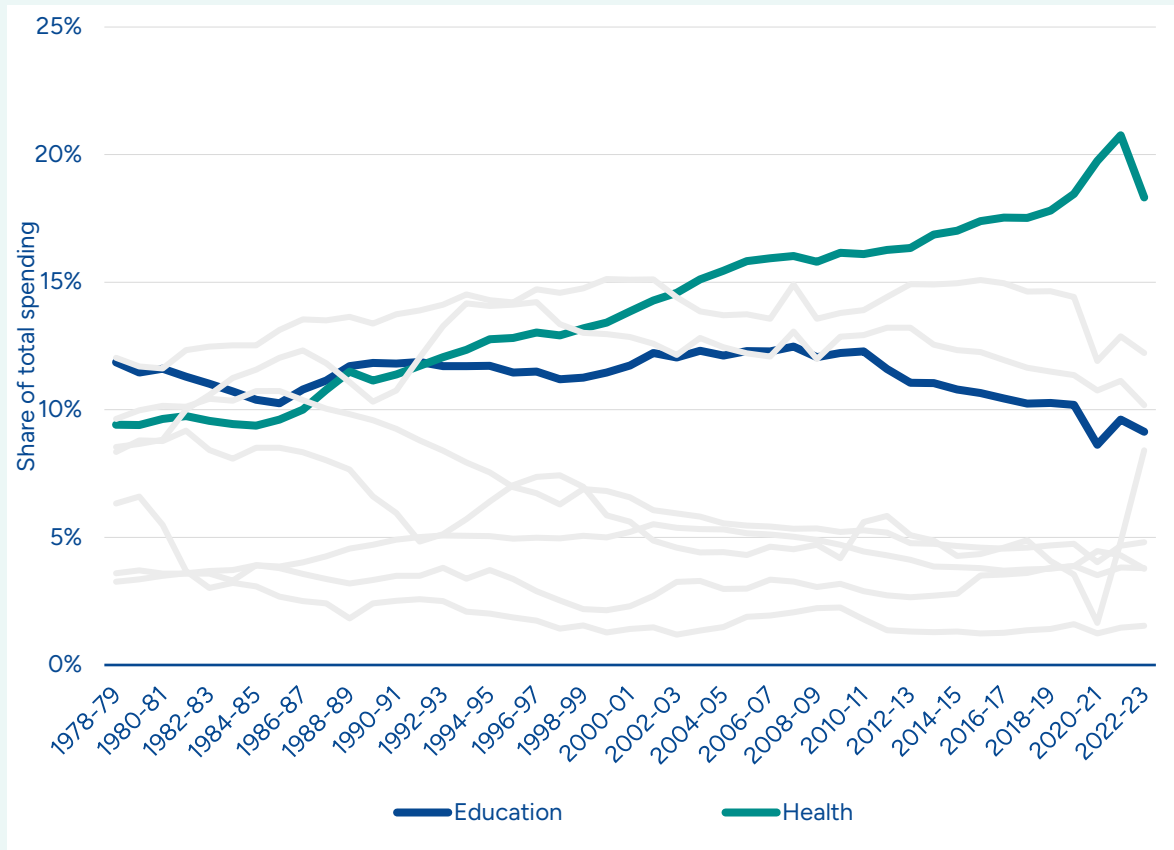
## Context

The background to this election has not been an encouraging one. Education has not been at the forefront of any of the major party agendas during the last parliament, with the focus on Brexit, the cost-of-living, the NHS crisis, and immigration. Education, and young people in general, have slipped down the agenda - despite the enormous and unique challenges this generation have faced since the pandemic, coupled with broader economic trends which mean young people can no longer look forward to a better standard of living than their parents. In the longer term, [education spending as a share of total government spending](#) has stagnated. In the 1970s, it was the largest area of spending, at 12%. Since then it has oscillated between 10% and 12%, and is now scarcely over 10%, the fourth largest area of public spending. In contrast, health spending has doubled from 10% in the 1970s to over 20% now. While this reflects an ageing

**“Deep social change is not something that can be achieved without investment, and shifting the dial meaningfully in this area will require a reconsideration of national priorities.”**

population, it also reflects changing national priorities, and a diminished focus on the next generation.

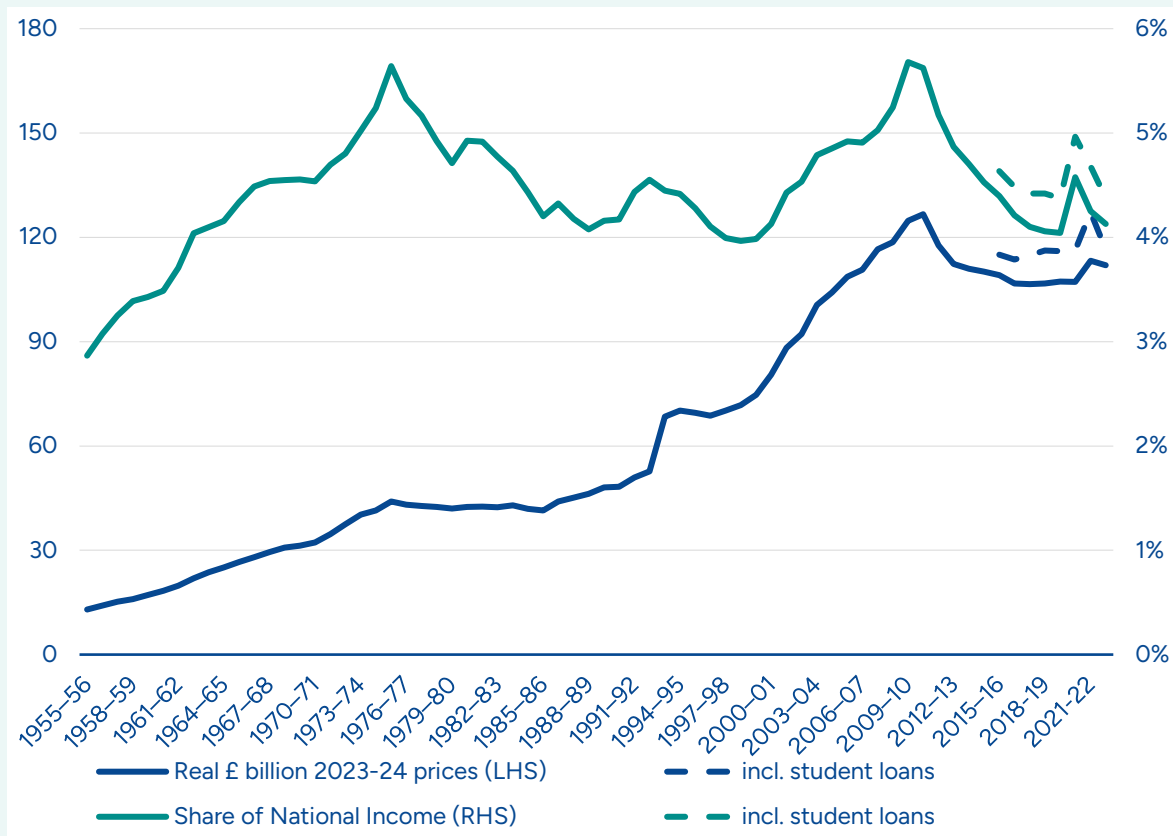
**Figure 1: Education expenditure as a share of government spending over time**



Note: Produced using [data from the Institute for Fiscal Studies](#). Other spending categories in grey are: Social security (pensioners), social security (non-pensioners), defence, public order & safety, transport, housing & community amenities and net debt interest payments.

While the bulk of this document focuses on fine-grained policy, there is a bigger picture issue to be reckoned with by the next government: How can we invest more as a society in young people and our future. Real terms spending on education stood at £116 billion in 2022/23, a fall of £10 billion in real terms since 2010/11. While below we outline a variety of policies that have low or negligible costs, the fundamental fact remains that if we are to deliver for the next generation, we need to invest.

**Figure 2: Education spending over time in real terms, and as a share of national income**



Note: Figure reproduced from [Institute for Fiscal Studies](#) (report), with data shared by the IFS.

The next government should put in place a long-term plan to reverse the real terms fall in education funding. But it needs to spend that money smartly. Investing in the right parts of the education system, and finding a balance between raising standards for all, and targeting extra support for those who need it most, as well as between firefighting urgent problems and investing in infrastructure and services for the long run. The following sections provide the Sutton Trust’s view on how that journey might be started.

**“The next government should put in place a long-term plan to reverse the real terms fall in education funding.”**

# Early Years

## 20%

of families in the bottom third of the earnings distribution are eligible for the offer of 30 hours of early education and childcare for three- and four-year-olds. ([A Fair Start?](#))

## 20pp

The early years attainment gap in 2022/3, up from 17pp in 2016/17. ([DfE](#))

## 4x less

Funding to support disadvantaged young children in early years (the Early Years Pupil Premium) is ¼ of the amount given to primary schools. ([DfE](#))

Early Years has shot up the political agenda in recent years, with the main parties competing to make the most attractive offer to parents. However, the significant expansion of funded provision announced by the government last year - which will roll out in 2024 and 2025 - has primarily focused on childcare, rather than early education. It is targeted at 'working families' (earning over a certain threshold) only, and the rapid expansion, alongside low funding levels, is stretching providers to breaking point, jeopardising quality as well as access to provision. The early years should be about providing quality early education for all, and giving children from all backgrounds the best preparation for school, regardless of the working status of their parents, as our ['A Fair Start' campaign has highlighted](#). A widening gap in early development, and schools struggling to cope with [children not ready to start school](#), should raise alarm bells.

Equalising access and raising quality should be the two key aims of fairness-based early years reform. Those from less well-off families or those whose parents are in education or training should not receive less state-funded early education. We wouldn't accept this in schools, so we shouldn't in early years. The fundamental principle driving reform, regardless of the model of provision, should be equal access. An entitlement to 20-30 hours of funded provision for all three- and four- year olds should be a priority, with a plan to ultimately roll out to two-year-olds. Different levels of entitlements of 15 and 30 hours often lead to settings prioritising those with longer hours, disadvantaging less well-off families.

To ensure that equalising access delivers for those from less well-off families who stand to benefit the most, it is vital that this is accompanied by funding and workforce reforms, including a significant increase in targeted Early Years Pupil Premium funding, as well as the deprivation

**“With child poverty on the rise, parents need more support than ever, and it should be a major priority to ensure that children are not left behind before their time in education has even begun.”**

element of the Early Years National Funding Formula, to prevent provider 'deserts' in the most deprived areas, and raise quality. Investing in the workforce is also key, in particular reversing the trend of declining educational qualifications, and building the professional development of those already in the workforce. But hourly funding levels remain insufficient to deliver quality educational provision.

Outside of early education and childcare, it is vital that [the decline of community-based family support](#) is also reversed. Whether in the form of Sure Start children's centres focused on the early years, or Family Hubs with a wider age range, the next government must re-invigorate the sector with a national strategy, and a roll-out of new facilities targeted first at the most deprived areas. An initial two year programme of 350 centres in the 20% most deprived areas would cost £538m in its second year of roll out and benefit up to 280,000 children.

With child poverty on the rise, parents need more support than ever, and it should be a major priority to ensure that children are not left behind before their time in education has even begun.

# 1,000+

Sure Start centres were closed between 2009 and 2017, with further closures since. ([Stop Start](#))

## Recommendations

- **Equalise access to funded early education.** Equal access to at least 20 hours of provision per week at three and four should be a priority, followed by two-year-olds.
- **The Early Years Pupil Premium should be reformed, with an increase to the same level as primary schools,** and its administration simplified, benefitting providers and parents. This should be accompanied with further guidance on the most effective ways of spending this funding.
- The government should invest in the workforce by **introducing specific funding to support the hiring of graduates through a 'Leadership Quality Fund'**, with the most disadvantaged areas prioritised for funding.
- **A national strategy for children's centres and Family Hubs** is needed to reverse over a decade of cuts to family support services, and the government should commit to **rolling out at least 350 new facilities, with a focus on the most deprived areas.**

## Key priority 1: High quality early education for all

Read our briefing [here](#).

Early years provision must:

- **Be accessible to all children.** A core education entitlement should be available regardless of the working status of a young child's parents.

If the hours-based system is retained long-term, the next government should guarantee a core entitlement of 20-30 hours per week for all children, irrespective of their family's working status or income level. Priority should be given to three- and four-year-olds, followed by two-year-olds. Extending eligibility to the 30 hour offer to less well-off households at three and four would harmonise with the school day for all, and end the current two-tier system, and would cost between £270m-510m per year, depending on take-up, and £330m-£810m for two year olds, together benefitting 140,000 - 290,000 children.

Other countries take an [alternative approach](#) to the childcare element of early years provision, including 'sliding scale' subsidies which cap childcare costs as a proportion of household income. If such a model was introduced here it is vital that a universal educational entitlement of at least 20 hours is preserved, and subsidised childcare hours added on top of this. See Technical Appendix for a modelled example.

- **Be high quality.** The early years workforce should be well-qualified, with adequate funding for providers to offer high quality education and care.

Improving quality by investing in increasing the graduate workforce through a Leadership Quality Fund targeted at deprived areas and supporting salary and training costs could benefit 4,800 providers and cost £96m. However, to ensure all settings can provide high quality early education and care, overall hourly funding levels, particularly at age three and four, should also be looked at.

- **Give additional support to disadvantaged children.** Funding should be weighted towards the children who need it most, with more funding for settings based on proportion of disadvantaged children.

Increasing the value of the Early Years Pupil Premium to the level of primary schools for three- and four- year olds would cost £200m. While increasing the Early Years National Funding Formula deprivation factor from 8% to 9.5% would restore previous levels and bolster settings in deprived areas most likely to suffer from provider 'deserts', benefitting at least 190,000 children.

# School

## 38%

of state school teachers are seeing growing numbers of children coming to school hungry. ([Cost of Living and Education](#))

## 47%

of school leaders report using pupil premium funding to plug gaps in their school's budget. ([School Funding and Pupil Premium](#))

## 19 months

The GCSE attainment gap in months of development is now wider than it has been since 2012. ([Education Policy Institute](#))

The school system faces some profound challenges in 2024, from a growing teacher and recruitment and retention crisis, to escalating breakdowns in Special Educational Needs and mental health provision, a stubborn spike in persistent absence, and a crumbling school estate. Less well covered in the media is the rising attainment gap between pupils from low socio-economic backgrounds and their classmates. Across all stages of schooling, this gap has reached decade-long highs, and amounts to nothing less than a ticking time bomb for social mobility and equality of opportunity. And yet there remains no strategy to get it down again. The next government must make it their mission to reduce this gap, which will have long term social and economic ramifications if not addressed quickly.

Current funding levels simply do not match the needs of schools, particularly those serving the most deprived communities. While overall school funding - which has only recently reached [parity in real terms with funding levels in 2010](#) - needs to be looked at, in the context of wider fiscal pressures, the distribution of funding across schools is something that could be addressed first, through rebalancing the national funding formula, recognising the additional impacts of persistent disadvantage, accompanied by a targeted increase to pupil premium funding. Quality teaching is the most effective intervention to boost learning, particularly for those from disadvantaged backgrounds. Incentives for teachers to work in more deprived areas should be extended, but overall investment in the teaching profession is needed, including making space in teacher timetables for greater professional development.

School admissions is also key, with the concentration of high performing schools in the most affluent areas and low performing schools in deprived areas creating a vicious cycle of segregation and inequality. Oversubscribed comprehensive schools should be required to prioritise

**“Across all stages of schooling, the attainment gap has reached decade-long highs, and amounts to nothing less than a ticking time bomb for social mobility and equality of opportunity.”**

disadvantaged pupils to start breaking down these divisions. Grammar schools should also prioritise applicants eligible for Pupil Premium, and access to independent schools for lower income families should be widened, for instance through the Trust's Open Access scheme.

Artificial Intelligence poses a series of opportunities and threats to learning and educational equity, and its use by both pupils and teachers is growing. It will be imperative that the next government conducts a review of AI and education, with a particular focus on how technology can be harnessed to narrow gaps, rather than widen them. Crucial to this will be [bridging the digital divide](#) by ensuring disadvantaged pupils have an entitlement to access laptops/tablets and data allowances where required.

## Recommendations

- Enact a holistic **national strategy to narrow the attainment gap** (see Key Priority 2 below for more details).
- **Rebalance school funding back towards schools serving the most disadvantaged communities** through the National Funding Formula and **increasing Pupil Premium funding**.
- **Broaden the curriculum by building in a greater emphasis on building essential life skills**, which can be just as important as academic learning for success in life.
- Widen access to high performing schools by **requiring schools to prioritise pupils eligible for Pupil Premium** as an oversubscription criterion.



## Key priority 2: A national strategy to close the attainment gap

Read our briefing [here](#).

A long-term, national strategy from government is needed to bring a renewed and explicit focus to closing the attainment gap. The next government should:

- 1. Reform the National Funding Formula** to rebalance funding back towards schools serving the most disadvantaged communities, with a specific element reflecting persistent disadvantage.
- 2. Reverse the real terms erosion of Pupil Premium funding**, restoring funding to 2014/15 levels by the end of the parliamentary term, costing £140m in the first year, and benefitting 2.1m disadvantaged pupils.
- 3. Extend the Pupil Premium to post-16 institutions.** The attainment gap doesn't end at 16, and neither should dedicated funding. A grant of around £750 per pupil would cost £240m, benefitting around 280,000 students with targeted support such as tutoring, attendance programmes as well as teacher CPD. An alternative approach would be to initially pilot the scheme in a group of local authorities and evaluate how the money is spent and administrated, to inform a wider roll-out.
- 4. Reinstate the National Tutoring Programme with ringfenced funding for the long term** and target it at disadvantaged pupils. A 75% subsidy would give courses of tutoring for 220,000 pupils per year and cost £66m. Alternatively, accompany an expanded Pupil Premium with more robust guidance for schools on how it is spent.
- 5. Ensure no child is hungry in school** by expanding free school meal eligibility to all children on Universal Credit, and increasing breakfast club provision. Extending FSM eligibility could bring around 1 million new children into eligibility and cost between £360m-£540m.

**6. Tackle the teacher recruitment and retention crisis**, increase investment in continuing professional development, and incentivise the best teachers to work in the most disadvantaged schools by making changes across the system, including enhancing financial incentives and increasing flexibility. Such schemes have been [shown to be effective](#) in the past. Extending the Levelling Up premium for early career teachers in disadvantaged areas to more subjects, guaranteeing for five years, and increasing the amount by £2,500-£3,000 would cost £46m, impacting 9,000 teachers per year.

**7. Tackle persistent pupil absence through evidence-based interventions**, with a particular focus on getting the most disadvantaged students back into the classroom. Addressing underlying issues such as levels of SEND and mental health provision is also crucial in the long term.

**8. Reduce social segregation in schools by making admissions policies fairer** including requiring schools to prioritise Pupil Premium applicants in their oversubscription criteria.

**9. Build evidence on and scale up the interventions that work**, for example through models like the [Education Endowment Foundation accelerator fund](#).

**10. Relieve some of the burdens on schools by investing in wider support services for children and young people, including mental health services.** Better funding for young people suffering from mental health issues, including early intervention and preventative services, both in and out of schools, is key. Particularly in more deprived areas where young people [struggle to access support](#).

# Apprenticeships

**61%**

of applicants didn't pursue an apprenticeship due to lack of supply in their preferred location. ([Where Next?](#))

**5%**

of degree apprentices were eligible for free school meals in 2020, compared to 7% of undergraduates, and 17% overall. ([Recent Evolution of Apprenticeships](#))

**68%**

The proportion of apprentices aged 25-54 already working for their current employer. ([Apprenticeship Outreach](#))

As Sutton Trust data has shown, apprenticeships have become more and more popular with young people, parents and teachers. However this increase in interest has not been met with increased supply of places. In fact, the number of apprenticeships for young people has declined since the introduction of the apprenticeship levy in 2017. And while the growth in higher and degree apprenticeships has been welcome, providing high quality opportunities to earn and learn, they are increasingly taken up by older and better-off apprentices. This means that the apprenticeship system is simply not delivering on its promise of greater social mobility.

Apprenticeship reform should focus on both access and supply. There needs to be a significant increase in the number of apprenticeships available, and in particular, those targeted at young people. Employers, whether large levy payers or small and medium enterprises, need further incentives and support to create new opportunities. Overall, it is clear that the current employer-led system is not delivering, and if we want to make creating high-quality work-based alternatives to higher education a priority, greater action from government will be required, both in the form of investment, as well as a strengthening of rules through the levy. Government puts in much less money to apprenticeships than any other element of the education system, and this must change.

**“Government puts in much less money to apprenticeships than any other element of the education system, and this must change.”**

A subsidy scheme to backfill the time young apprentices spent on off-the-job training, would help to address some of the challenges employers, particularly SMEs, face when considering taking on an apprentice, and would cost £50m for under 19s, or £193m including under 25s. Alternatively, grants for hiring new apprentices under-19 could be increased to £3,000, which was [effective during the pandemic](#), as well as extended to other apprentices under the age of 25 eligible for Free School Meals, for a cost of around £150m, benefitting up to 70,000 young people

per year. This would address supply as well as access for young people from disadvantaged backgrounds.

The apprenticeships sector also exhibits similar access barriers to the rest of the education system: the more desirable the opportunity, the more participation is dominated by those from better-off homes. Higher and degree apprenticeships are increasingly going to those from less deprived areas, and the proportion of degree apprentices eligible for free school meals is lower than for those doing undergraduate degrees. If we want apprenticeships to be genuinely transformational for social mobility, this is not good enough. Government, providers, and employers alike must do more to widen access to the best opportunities, through outreach, building a culture of widening participation, and by providing better financial support. For example, extending existing care leaver bursaries to all young people eligible for FSM would benefit up to 30,000 young people per year, with a cost between £50m and £100m, depending on take-up.

The forthcoming launch of a [national portal for apprenticeship applications](#), jointly produced by DfE and UCAS, promises to be a landmark moment for apprenticeships, putting them on par with university applications for young people evaluating their next steps after school. However, this makes the need to create more opportunities for young people from all backgrounds all the more pressing.

## Recommendations

- The supply of apprenticeships should be increased at all levels, particularly targeting young people. Incentives for employers could include:
  - **Funding to backfill apprentice time spent on off the job training.**
  - **An introduction of new apprenticeship incentives**, with £3,000 offered to employers for hiring new apprentices under 25.
  - **A review of support provided to apprenticeship employers, particularly SMEs**, including pastoral support for apprentices.
- At least **50% of employers' levy spending should be ringfenced for under-25s.**
- The **spending of levy money on access activities** should be both permitted and promoted, including bursaries, outreach, recruitment and travel/relocation expenses for disadvantaged apprentices.
- The **care leaver bursary for young apprentices should be extended to young people eligible for free school meals.**
- **Progression through apprenticeship levels should be given greater emphasis**, with an ambition to provide seamless progression to higher level qualifications. The **requirement to pass GCSE English and maths to complete an apprenticeship should be abolished** and replaced with a requirement to continue an alternative course of study focused on core English and maths skills.

# Higher Education

## 4x

How much more likely a low-income student is to become socially mobile if they attend university. ([Universities and Social Mobility](#))

## 57%

Essential living costs are higher than the maximum maintenance loan for 57% of students living away from home outside of London. ([Sutton Trust Student Maintenance Analysis](#))

## 1 in 3

working class students have skipped meals to save money. ([Cost of Living and University Students](#))

Britain's universities have faced a variety of challenges in recent years, with some parts of the sector booming, with others experiencing increasing financial precarity. Frozen funding levels as well as changes to immigration have squeezed budgets, while their students continue to suffer from a cost of living crisis.

In this context, widening access to higher education has dropped down the national priority list, with an increased focus on whether a university degree provides value for money, and [worrying cuts to national access programmes](#). However, it remains the case that attending university is the surest route to social mobility, and attending a selective university surer still. And students from less well-off backgrounds remain [less likely to attend institutions that match their levels of ability](#). While there is an undoubted need to improve apprenticeship and further education routes for young people, we cannot afford to forget that access to university, and in particular more prestigious institutions, remains highly unequal. A [recent review of evidence](#) on access to university across the 25 year lifespan of the Sutton Trust showed that while increased numbers of young people are attending university, including Russell Group universities, progress on fair access to the most selective institutions has been slow. While some progress has been made, there is still a distance yet to travel.

**“We cannot afford to forget that access to university, and in particular more prestigious institutions, remains highly unequal.”**

While it is right that the Office for Students has highlighted the importance of student success at university and ensuring that students from all backgrounds can achieve, we must not lose sight of the access challenge in the years to come. It is vital that universities double down on contextual admissions, recognising the different barriers faced by students from different backgrounds, including increasing the use, and generosity of, contextual offers. The [Scottish Commission for Widening Access](#) has [demonstrated what can be done](#) with a joined up and collective approach.

While this is more challenging in an English context with a larger and more diverse sector, a more joined up approach from DfE, the Office for Students and universities themselves could be transformative. This should recognise the individual circumstances of universities, and different measures of disadvantage, while also maintaining ambitious targets. As part of this, greater transparency and consistency on contextual offers would benefit students' informed choice.

The crisis in student finance also imperils both access and student success, with maintenance support levels failing to match the cost of living for students, eligibility criteria freezing out tens of thousands of students per year, and students from the poorest households continuing to graduate with the highest debt. This must urgently change, and a model for reform is outlined in Box 3 below.

## Recommendations

- Government should redouble efforts on access, including a **review of fair access to explore a sector-wide approach**, a focus on socio-economic disadvantage, stronger regulatory expectations, and encouraging a clear and consistent approach to contextual offers. Access to post-graduate study should also be emphasised.
- **Contextual admissions, including reduced grade contextual offers, should be used more extensively** by selective universities to open up access to students from less privileged backgrounds. And universities should be equipped and encouraged to use evidence-based interventions to improve access.
- **Increase maintenance support** to a level that reflects students' actual costs, as well as **re-introducing maintenance grants** to low-income students, and **extending eligibility to more families who need support**. (See Key Priority 3)

### Key priority 3: A more progressive student finance system

Read our briefing [here](#).

Student finance needs urgent reform. The system must:

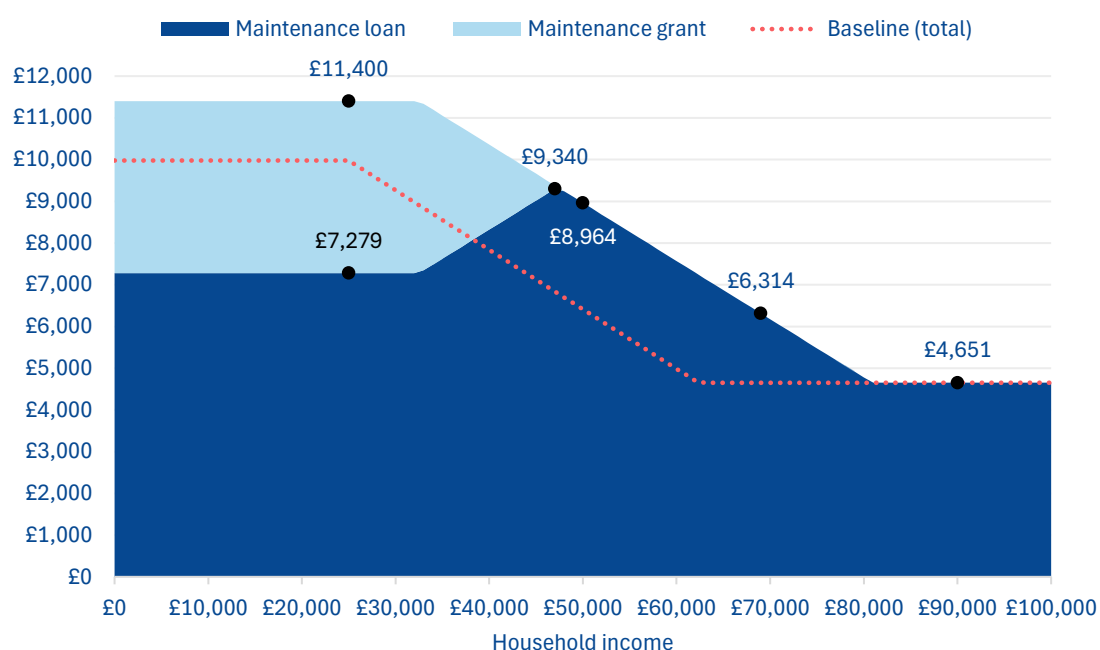
- Provide greater levels of maintenance support for students
- Reduce the debt gap for the poorest students
- Ensure that the costs of university are fairly distributed

The Sutton Trust has proposed a system increasing overall maximum maintenance levels from under £10,000 to £11,400, matching the essential costs that students now face. It would also restore maintenance grants to those from low-income households, equivalent to the system pre-2016, while extending eligibility significantly by unfreezing the household income thresholds, which have excluded 30,000 students per year from higher levels of support.

Furthermore, this can be delivered in a manner that is **cost neutral to the taxpayer**, through reforms to the repayment model, including a progressive re-introduction of interest rates, and a system of stepped repayments, where those on higher incomes pay back more. This system would also mean lower monthly repayments in the years post-graduation for graduates at all levels of income.

Put together, these reforms would constitute a major overhaul of the student finance system and place it on a much fairer footing, putting more money in students' pockets, widening eligibility, and cutting the debt gap between the poorest and richest students.

Figure 3. Sutton Trust model for student finance reform



# Access to the Workplace

## 27%

of graduates have worked as an unpaid intern. ([Pay as you go?](#))

## 5x

People in Britain's top jobs are five times more likely to have attended a private school than the general population. ([Elitist Britain 2019](#))

## 12%

Professionals from working class backgrounds are being paid less than their more privileged peers in the same occupation, £6,291 – or 12% less – a year. ([Social Mobility Foundation](#))

Barriers to social mobility don't end in the classroom or lecture theatre. They continue in the workplace, in terms of getting into jobs, as well as progression through a career. While educational differences drive many of the gaps seen in the workplace, they don't explain it all. Those from disadvantaged backgrounds 'undermatch' to careers (not obtaining jobs that reflect their academic attainment) in the same way that they undermatch to university courses, and there remains a significant [class pay gap](#) with better off peers in the same occupation.

A variety of factors influence this, from the ability to take up unpaid or low paid internships which offer a crucial route into many professions, to having the networks and 'know how' in how to navigate competitive jobs markets, as well as graduate recruitment that can overly focus on a small number of prestigious universities. High status occupations such as finance, law, medicine and the media often have cultures which have been set by decades of domination by those from privileged backgrounds, whether it comes to accent, language, dress, or the often indefinable 'polish'. This can be alienating to those unfamiliar with these codes or who stand out in some way, and who don't share the same cultural background, interests and hobbies as senior colleagues. This contributes both to early attrition, as well as gaps in progression and pay, with similarly qualified peers from better off backgrounds.

Recent years have seen a surge in interest in social mobility in the corporate world, with many employers now rightly seeing social class alongside gender, ethnicity/race and other protected characteristics. It is vital that this interest is converted into real action in the coming years. While in many cases the onus is on employers themselves, the government also has a role to play, through banning unpaid internships, requiring

**“High status occupations such as finance, law, medicine and the media often have cultures which have been set by decades of domination by those from privileged backgrounds.”**



employers to measure socio-economic background, as well as reviewing the status of socio-economic background in equalities legislation.

## Recommendations

- **Unpaid internships over 4 weeks should be banned outright**, and employers should aim to pay all interns conducting substantive work. New legislation on this issue should be accompanied with better enforcement of current minimum wage legislation.
- Government should **enact the 'Socio-economic Duty' clause** of the Equality Act 2010, obligating public bodies to give due regard to how they can reduce the impact of socio-economic disadvantage.
- Government should set up **a review to evaluate adding class as a protected characteristic**.
- Government should make **reporting of socio-economic background (measured by parental occupational class) mandatory for businesses** with over 250 employees. Large employers should also measure and publish their class pay gaps.

# 29%

of senior managers from working class families have been mocked for their accent at work. ([Speaking Up](#))

# Wider social and economic context

## 2x

The gap in home ownership rates between those who grew up in rented vs owner occupied homes has doubled. ([Social Mobility: Past, Present and Future](#))

## 42%

The proportion of children from larger families who are living in poverty. ([End Child Poverty Coalition](#))

## 1 in 3

Over 1 in 3 young people have not received mental health support which they have sought. ([COSMO Study Wave 2](#))

Social mobility does not occur in a vacuum, and is heavily influenced by factors outside the education system. Any strategy to promote social mobility must also create the economic and social conditions necessary for opportunity to thrive. These wider conditions impact the experiences of children growing up in poverty, which can have profound effects on their physical and educational development, creating significant challenges for the education system. They also impact the opportunities available to young people when they leave education: the type of jobs available, how much they pay, and where in the country they are located. At both ends of the social mobility journey, it is vital that we create conditions conducive to providing fair opportunities for all.

A [wide range of international evidence](#) shows that it is more difficult to be socially mobile in a more unequal society. This stands to reason, as bigger gaps are more difficult to traverse. And the incentives for those at the top of the system to protect the status of their children are much greater, leading to more ["opportunity hoarding"](#). Addressing these challenges requires an economy-wide approach to creating a fair society, which should include:

- Tackling child poverty.
- Addressing health inequalities, which limit human thriving.
- Addressing the growing gaps in access to housing, in particular the [rising number of families with school age children in temporary accommodation](#)
- A regional strategy to catalyse economic growth across the UK and spread opportunity.

**“Any strategy to promote social mobility must also create the economic and social conditions necessary for opportunity to thrive.”**

Food and nutrition, good health, stable housing and thriving local communities are all essential to young people fulfilling their potential, and any social mobility strategy must recognise this. While the focus of the Sutton Trust is on education and employment, here we have drawn on the expertise and recommendations of other organisations.

## Recommendations

- Introduce the [Trussell Trust and Joseph Rowntree Foundation “Essentials Guarantee”](#), to set Universal Credit at a level that allows families to afford essential costs such as food, household bills and travel costs.
- **Abolish the two-child benefit cap**, a major driver of poverty, lifting 300,000 children out of poverty according to the [End Child Poverty coalition](#).
- Address the [urgent housing crisis](#), including:
  - **Increasing supply of social housing to tackle the crisis in temporary accommodation.**
  - Increase the **supply of affordable housing.**
  - **Reform the rights of private renters to give families greater stability.**
- Reinvigorate a Levelling Up agenda to **catalyse economic growth across the UK and spread opportunity**. Ensure education and apprenticeship provision links up with economic ambitions.
- **Address the social causes of ill health** through a ‘whole government’ approach to ensure that inequalities in health don’t hold parents and their children back from reaching their potential, as [recommended by the Health Foundation](#).

## 18 years

The expected extra time spent with ill health across the life course of children born in the UK’s most deprived areas. ([The Health Foundation](#))

## Appendix A – Policy costings overview

	Details and assumptions	Estimated current policy run cost (2024/25)	Additional run cost in 2024/25	Pupils reached
<b>Early Years</b>				
<b>Equalise access to 30 hours free early education</b> – three- and four-year-olds	Extend 30 hour entitlement, 38 weeks per year, to families on low incomes Keep £100,000 salary cap	£3.3bn	<b>£270m-£510m</b>	100,000-180,000
<b>Equalise access to 30 hours free early education</b> – two-year-olds	In 2025/26, when ‘working families’ become entitled to 30 hours per week, extend this also to low income families.	£1.9bn	<b>£330m-£810m</b> <b>(Note: 2025/26)</b>	40,000-110,000
<b>Universal 20 hours education entitlement, with sliding childcare subsidy</b>	If a subsidy model was to be introduced, a minimum of 20 hours should be ringfenced as free for all families as an early education entitlement.  For additional hours of childcare for working families (for example 30), costs could be capped as a percentage of household income, leading to a progressive system affordable to working and middle class families.	£4.8bn	<b>20 hours: £500m-£1bn (on top of existing policy)</b>  <b>Subsidised hours: £1.1bn</b>	50,000-150,000
Introduce <b>Leadership Quality Fund</b> to assist providers hiring and supporting graduates	A dedicated fund for settings in the 20% most disadvantaged areas in order to: a) augment pay so they can afford to hire graduates, b) support professional development, and c) backfill costs for training.	None	<b>£96m</b>	4,800 graduates
Increase <b>Early Years Pupil Premium funding</b>	The Early Years Pupil Premium should be reformed, through increasing it from £390 to the equivalent of funding in primary schools, £1,480 (for three- and four- year-olds, with a smaller rise to £740 for two year olds) as well as simplifying administration by allocating yearly rather than termly.	£130m	<b>£200m</b>	240,000
Restore <b>Early Years National Funding Formula</b> deprivation allocation	Increasing the deprivation factor in the EYNFF from 8% to 9.5% to recognise the growth in disadvantaged pupils since 2017/18 would restore previous levels of funding. This would increase per pupil funding from £1,102 to £1,306	N/A	<b>N/A</b>	190,000
Roll-out of new <b>Sure Start-style children’s centres</b> in most disadvantaged areas	A roll out of 350 new Sure Start-style children’s centres over the next two years, targeted at the 20% most deprived areas, to address gaps caused by the closure of over 1,000 centres since 2010. Spare building capacity in primary schools could be used to reduce capital costs.	£840m	<b>£240m in Year 1, £480m in Year 2, plus £110m of capital costs</b>	280,000

Schools				
Restore Pupil Premium funding in real terms by end of parliament	Pupil premium value has fallen by 20% in real terms since 2014/15. Aim to restore to same level by 2028/29, with a smooth uprating each year, starting by increasing to £1,554 for primary schools and £1,109 for secondary schools in 2024/25. By 2028/29, the primary school level would be £1,951.	£2.9bn	<b>£140m in 2024/25</b>	2.1m
Extend Pupil Premium to post-16 education	Extending Pupil Premium funding to schools and colleges, based on eligibility at the age of 16. An initial amount of £735 per pupil is about 70% of the secondary school premium, and should be introduced with guidance around administration and usage, with a focus on evidenced interventions.	None	<b>£240m</b>	280,000
Re-introduce dedicated National Tutoring Programme funding	A dedicated funding pot subsidising 75% of the cost of a programme of tutoring for 220,000 Pupil Premium pupils would cost £66m. Extending that to 430,000 pupils would cost £131m.	None	<b>£66m</b>	220,000
Extend Free School Meals to all families on Universal Credit	Extending eligibility would cost £360m-540m and benefit between 700k and 1.1m additional students, with potential additional one-off capital costs of just over £100m.	£890m	<b>£360m-£540m</b>	700,000-1.1m
Expand Levelling Up Premium for teachers in disadvantaged schools	The existing Levelling Up Premium for qualified teachers would be extended to additional subjects including English, Geography, Biology and Modern Foreign Languages, offered for five years, and the amount increased by £2,500-£3,000 for the most disadvantaged schools.	£25m	<b>£46m</b>	9,000 teachers
Apprenticeships				
New apprentice incentives for employers to hire young apprentices from disadvantaged backgrounds	Increase incentives to £3,000 and extend to a) all under 19s b) 19-25s on Education Health and Care (EHC) plans, and those previously in care, and c) those previously eligible for FSM. This would apply to new hire apprentices only.	£80m	<b>£140m-160m</b>	60,000-70,000
Subsidy scheme for apprenticeship employers for off the job training	This policy would re-imburse employers to compensate for time spent on off-the-job training for all apprentices hired under-19 to ease concerns of employers, particularly SMEs, around the creation of new apprenticeships. It would fully subsidise 20% off the job training time, and cost £50m. Including 19-25 year-olds would cost an additional £143m.	None	<b>£50m</b>	70,000
Extend care leaver apprenticeship bursaries to all on Free School Meals	Current care-leaver bursaries of £3,000 would be extended to all apprentices previously eligible for FSM under the age of 25, supporting costs including relocation or travel.	£10m	<b>£50m-£100m</b>	20,000-30,000

<b>Ringfence 50% of an employer's Apprenticeship Levy for apprentices under 25</b>	<p>Approximately 40% of the Apprenticeship Levy is currently spent on apprenticeships for under-25s. At least 50%, or perhaps 60%, of each employer's levy funds should be ringfenced for young apprentices to incentivise supply of opportunities for those age groups.</p>	N/A	<b>N/A</b>	40,000
<b>Higher Education</b>				
<b>Increase maintenance support for students, re-introduce maintenance grants, extend eligibility, and pay for it through a stepped repayments model after graduation.</b>	<p>Maintenance support would increase to £11,400 per year for students living away from home outside London.</p> <p>Grants of £4,121 would be introduced, and the income threshold for maximum support increased from £25,000 to £32,535.</p> <p>Interest rates of 3% would return, alongside a stepped repayments model, meaning graduates paying back between 2% and 8% of their income.</p> <p>For further details of the modelling see our <a href="#">policy briefing</a>.</p>	£2bn	<b>Cost neutral</b>	516,000

Note: Refer to Technical Appendix for degree of confidence in costings, along with further details on methodology and assumptions



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