

**SOCIAL MOBILITY INDEX REPORT NOVEMBER 2017**

**1.0 Purpose of Report**

1.1 This paper seeks to provide Members with a summary of the State of the Nation 2017 report produced by the Social Mobility Commission and published in November 2017. In addition, the paper provides recommendations for consideration by the Committee.

**2.0 Background Information**

2.1 The Social Mobility Index (SMI) explores how geographical location can affect social mobility for individuals growing up and choosing to live in different areas. The index combines a range of indicators into one figure and uses this to provide a ranking between different areas. It seeks to answer the question: 'What are the differences between different local areas in the chances that a child from a disadvantaged socioeconomic background has of doing well as an adult?' The index measures social mobility indicators in each major life stage from early years through to working lives. It examines what happens in the early years where significant gaps open up between children from disadvantaged backgrounds and their more fortunate peers. In total, there are 16 key performance indicators (KPIs) to assess which parts of the country have the best social mobility outcomes and which have the worst. Although the report is in its fifth year, the format has been changed and this means that it is not possible to compare previous reports with the current report. The full report can be found at:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/662744/State\\_of\\_the\\_Nation\\_2017 - Social Mobility in Great Britain.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/662744/State_of_the_Nation_2017_-_Social_Mobility_in_Great_Britain.pdf)

2.2 The index is divided into four sections which are: early years, school, youth and working lives. Key findings from the report include:

- ❖ A stark social mobility postcode lottery exists in Britain today, where the chances of being successful if you come from a disadvantaged background are linked to where you live.
- ❖ The best performing local authority area is Westminster and the worst performing area is North Somerset.
- ❖ The Midlands is the worst region of the country for social mobility for those from disadvantaged backgrounds – half of the local authority areas in the East Midlands and more than a third in the West Midlands are social mobility cold spots.
- ❖ Coastal and older industrial towns – places like Scarborough, Hastings, Derby and Nottingham – are becoming entrenched social mobility coldspots.
- ❖ Social mobility gaps open up at an early age with disadvantaged children 14 percentage points less likely to be school-ready at age five in coldspots than in hotspots: in 94 areas fewer than half of disadvantaged children are ready for school aged five.

2.3 Although there is some discussion as to the methodology utilised, Newark and Sherwood was ranked second worst in the overall table for Social Mobility. Ashfield was in eighth and Nottingham thirteenth. There are 65 listed local authority areas in total. The East Midlands region has the lowest social mobility scores in the country with the worst outcomes for disadvantaged children during early years, school and life stages. There are more significantly more coldspots in suburban manufacturing areas, remote countryside and coastal areas and former industrial areas. The report notes that older industrial towns with a mining or manufacturing legacy, such as Barnsley or Mansfield do very badly for social mobility. Coastal and rural areas also suffer from poor transport links both in terms of public transport and roads.

The North East and East Midlands have the lowest performance on the youth social mobility indicators. In both areas, careers support has – until recently – been the lowest in the country. Both regions also have fewer high-level apprenticeships and fewer large employers than other regions, which tends to mean fewer entry- level jobs.

2.4 In terms of early years social mobility indicators, NSDC is in twentieth position in terms of coldspots. Interesting to note that Ashfield is in twelfth position and Cambridge is in eighteenth position.

2.5 On the schools social mobility indicators NSDC does not fall in the worst 32 coldspot areas. Although there are a significant number of local authority areas within this table including Northampton, High Peak, South Derbyshire and Amber Valley that fall within the East Midlands for the purposes of the Social Mobility Index.

2.6 The youth social mobility indicator reflects the transition from school to work and NSDC is ranked the worst coldspot for this indicator. The press release issued by NSDC does reflect on the issues behind and is copied at para 2.8. Ashfield is in sixth position with Gedling at tenth and Broxtowe at twelfth position.

2.7 The working lives indicator tracks aspects including average salary, house prices, people with managerial and professional occupations and percentage of jobs that are paid less than the applicable Living Wage Foundation living wage. NSDC does not appear in the worst 32 local authority areas for this indicator.

2.8 To place the index in context, below is the press release from NSDC issued on 28 November 2017:

‘The report identifies a ‘local lottery’ where there is little social progress for people from disadvantaged backgrounds and it highlights poor educational performance (1) as a key factor in constraining social mobility.

Newark and Sherwood needs an urgent injection of sustained investment to overcome the challenge of social immobility. (2)The area has three big challenges which have not featured as priorities for successive Governments:

1. A historic dependence on declining traditional industries which has left a legacy of low skills and low aspirations.
2. Poor educational performance over decades.

3. Under-investment in infrastructure which has resulted in poor connectivity and economic productivity.

The Social Mobility Commission has said “National Government has a leading role to play in tackling the local lottery in social mobility. ”The Leader of Newark & Sherwood District Council, Councillor Roger Blaney, agreed and has repeated his call for a major investment plan to address social mobility. Speaking in a response to the publication of the 2017 Social Mobility Index he said:

“Newark and Sherwood has a strong economy – we’ve created jobs and reduced unemployment to 1.3% (well below the national average). But this strength is undermined by social and structural weaknesses which mean that opportunity is not available to everyone. Many communities in the East Midlands have been left behind as London and the South-East of England have prospered. This is a challenge which needs to be met with urgency.

I am calling on Government to support our community with a new three-point investment plan:

1. Build on the recent secondary school improvements we have witnessed by ensuring our schools are properly funded and don’t have to make further budget cuts. Inject new funds into programmes to work with our 18-24 year olds so that they don’t become a lost generation.
2. Help us address the chronic infrastructure problems which are holding back our economy, particularly road infrastructure such as the A46/A1 around Newark <sup>(3)</sup> and the A614 in the west of the district. Help us unlock housing investment by supporting our Housing Infrastructure Fund bids <sup>(4)</sup> and lifting the borrowing cap on our Housing Revenue Account now so we can build more social housing. <sup>(5)</sup>
3. Work with our local employers to inject investment into up-skilling our local workforce and improving productivity. Improve the careers advice in schools so young people can make informed career choices.

Services cost more to run in rural areas and economic opportunities are harder to find for those who really need them. Rural areas need to be the focus of attention for Government to prevent them falling further behind. It’s time we had Rural Deals <sup>(6)</sup>, new funding streams and a Rural Commission to keep the spotlight on areas that are falling behind.”

[1] The report breaks down educational performance in County areas into its constituent districts even though educational policy is determined by County Councils, and more recently by Academies and Trusts. This helps to highlight pockets of poor performance where they might otherwise be hidden by good performance elsewhere.

[2] The Social Mobility Index Report 2017 states that “there is no correlation between the affluence of an area and its ability to sustain high levels of social mobility.” For example, disadvantaged young people in relatively prosperous areas can be somewhat neglected.

[3] The A46 around Newark is one of the most important infrastructure priorities for the East Midlands Region. Currently the single carriageway road and sub-standard junctions to the A1 lead to significant congestion and have a major impact on local, regional and national economic productivity. Newark & Sherwood District Council, Nottinghamshire County Council and East Midlands Council have been pressing Highways England and the Government to accelerate investment in a scheme but the improvements are unlikely to be delivered in the next decade.

[4] Newark & Sherwood District Council has submitted a bid for £35 million to unlock the road infrastructure.

[5] Newark & Sherwood District Council has been in dialogue with the Government for over a year about becoming a pilot for new flexibilities in delivering social housing. The Council would be able to build an additional 200+ homes for social rent if it could have flexibility around the use of 'Right-to-Buy' receipts and an extension to the borrowing cap on its Housing Revenue Account. An announcement was anticipated in the Budget but it did not materialise.

[6] In the last three years, the Government has announced nine devolution deals and twenty six City Deals in England which have devolved money and powers to a more local level. Over the same period there have been no Deals for Rural Areas.

### **3.0 Proposals**

- 3.1 A number of actions have been taken over the past few years to begin to address the youth indicator and the subsequent higher level of those unemployed between the ages of 18 and 24. At the November Economic Development Committee Members approved the revised Economic Development Strategy in which, support for the above group was a high priority. This sits alongside campaigning for infrastructure, both road and rail, additional support for schools and indeed supporting initiatives through NSDC such as Schools projects, Careers Expo, transport pilot, HGV training and FLT training. **Appendix One** details some recent successes.
- 3.2 The Economic Growth team also work closely with partners to deliver a cohesive approach to supporting individuals into work. This includes organisations such as the DWP, third sector organisations and training providers, alongside internal colleagues – for example with Housing Options. A meeting of internal colleagues is to be held in order to identify areas of collaboration and to ensure a cohesive strategy moving forwards.
- 3.3 The Employment and Skills Group (local schools, third sector, university and related organisations) met and discussed the issues raised by the Social Mobility Index. A number of actions were suggested and will be progressed where appropriate and these include:
- ❖ Work to be carried out with the families as a whole and not just the young people. Lack of aspiration can run deep.
  - ❖ Introduce a Youth Parliament or young people's forum in both Sherwood and Newark to bring groups together. This must not be run as a token gesture as young people need to know they are being listened to.
  - ❖ Work with an "alternative curriculum". Engage the students in what they find interesting although this will required additional support and this is only in place for the most disaffected children, this net needs to widen. The Dukeries already have an alternative curriculum in place : Bicycle repair shop; Stables and in Construction.
- 3.4 There is also an opportunity to undertake some additional support work with the groups identified within the report through the schools and youth stages. At present there are 113 people aged 18 – 24 in Newark and the figure is being confirmed for Sherwood. This could include opportunities for one to one interventions, some group interventions through expert organisations such as the University and supported by local third sector organisations, alongside work place experience, support for entry level qualifications and transport to work provide the opportunity to best support this age range. Without some further intervention, the issue will continue in coming years. Alongside support for housing and multiple needs, an allocated programme with a budget would allow for real change to be supported for a relatively small amount of investment. This would be combined with some support for projects in primary and secondary schools in order to support those currently in the education system. The support could be co-ordinated through NSDC and provided by most relevant organisations over the next 12 months. This would require provision of a maximum budget of approximately £60k.

For example:

- ❖ To deliver two one to one employability sessions for each of the 18 – 24 cohort (assuming a total of 300 in the cohort); a total of 600 sessions at £40.00 per session is £24k.
- ❖ Delivery of group employability sessions at £300 per session for 15 delegates equates to 40 sessions where each individual has 2 sessions would be £12k. This then works out as an investment of £120 per individual using £36k over the 300 people within this cohort.
- ❖ External provision of schools projects at £300 per day for 40 one day sessions in schools across the district would be £12k
- ❖ Support for transport, venues, relevant qualifications and to provide some support to the possible establishment of outlets for the Nottingham Credit Union would be £12k

It is proposed that further research is undertaken to develop a fully costed proposal for the next Economic Development Committee.

### 3.5 Early Years Provision

Issues around Early Years provision are largely out of the jurisdiction of the district council, however meetings are taking place to understand what support may be possible in order to improve on the current situation. The following points highlight the current position:

- ❖ HMRC will not pay the funding if parents have not registered and have received a code before the end of the term before attending nursery.
- ❖ A Bid went into the DfE on 15/12/2017 for LA s' to be able to put together a strategy to enable more children to attend a nursery provision.
- ❖ Currently 6 census dates throughout the year for nurseries to submit number for take up.
- ❖ The low take up registered within Newark could be due to the DOBs' and children who are not 3 and have not needed 2 year old funded places have yet to take them up, or are having issues regarding registration.
- ❖ Shortages of provision within Newark: Balderton West and Beacon Ward have the fewest providers.
- ❖ Funding is "top sliced" by 1% in Nottinghamshire.
- ❖ Funding for 3 and 4 year olds does not cover the hourly rate for the child to attend the provision in many cases ( not all as some authorities pass on the whole amount to the provider).
- ❖ Evaluation of Early Rollout of 30 Hours Free Childcare report provided by National Day Nurseries Association: Main issues are below but link to report is: <https://www.gov.uk/government/publications/early-rollout-of-30-hours-free-childcare-evaluation>
- ❖ Low funding rates was the biggest reason cited by providers for not taking part in this scheme which matches research.
- ❖ Following years of chronic underfunding, this is having a detrimental effect on sustainability and some nurseries are going out of business as a result.
- ❖ The report clearly highlights the ongoing increased delivery costs that providers face, such as rising business rates and National Living Wage, which have not been taken into account within the funding formula. This needs to be done urgently.
- ❖ 30 hours free is misleading and raises false expectations of parents. These hours need to be called subsidised, not free.

- ❖ With regards to whether the pilot providers were offering 'flexible and free' hours, the National Day Nurseries Association strongly urge the government to allow nurseries to deliver this scheme in a way which suits their own businesses. If this means charging parents for additional services or only offering it during certain hours in the week, that has to be a business decision in order to balance the books. If providers are not allowed this flexibility, then they risk seeing many more businesses closing their doors.

3.6 The Economic Growth Team continue to work with local employers to encourage the take up of Apprenticeships and discuss opportunities for entry level employment as well as higher level roles. It is crucial that this work is placed in context of the high employment levels in the district as well as the incredible development of existing and new businesses that exist within Newark and Sherwood.

#### **4.0 Equalities Implications**

4.1 In terms of recommendations, there are only positive equalities implications within the proposals made in this report.

#### **5.0 Impact on Budget/Policy Framework**

5.1 There is a potential budget implication and a detailed proposal will be presented to the next Economic Development Committee

#### **6.0 RECOMMENDATIONS that:**

- a) **the Committee endorses the collaborative work being undertaken by NSDC relating to issues highlighted in the Social Mobility Index; and**
- b) **the Committee supports further research into opportunities to provide additional support to improve the situation relating to the outcomes of the social mobility index and to receiving a further report to the next Committee meeting.**

#### **Reason for Recommendations**

**The recommendations will support those residents in the district on their journey to employment and provide school age children with opportunities to explore career opportunities available to them.**

#### **Background Papers**

Social Mobility Index – State of the Nation Report 2017

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### **Think BIG Loan Fund Expressions of Interest**

The number of Expressions of Interest submitted since 2012 to Newark and Sherwood District Council totals 55. Of these, 19 or 34.5% have been awarded a loan. 1 declined the offer. Of the 18 or 33.33% who accepted the loan, 88.89% were awarded the Think BIG loan of between £25k to £150k and 11.11% a Pathfinder loan between £5k to £25k.

Since April 2015, 36 of the 55 were not awarded a loan. 5.5% of the Expressions of Interests were from Pathfinder applications. 27.7% have been offered further support via other streams through Nottingham Business Ventures (NBV) and D2N2 for Business Coaching and Mentoring. 5 or 31.35% of the Think BIG loans have been repaid in full, 2 or 40% of these were repaid early.

### **HGV Driver Training Pilot Outcomes**

In October 2016, 37 individuals showed an initial interest in an Insight Information sessions held at the Job Centre in Newark for the pilot programme. 23 or 62.16% of the initial 37 people identified attended the event. 13 of the 23 or 56.52% passed their medicals and went on to sit their theory tests. Seven progressed to their practical tests with four passing at the first attempt. Two passed on their second attempt (funded by NSCC). One passed at the third attempt (2 funded by NSDC and 1 by DWP due to the minor errors in the 2<sup>nd</sup>). As a result of the programme five of the candidates are employed in permanent jobs, four of which are as drivers. One pursued a career as an LGV driving instructor and another who took another job has since found full time employment as a driver. The success rate of the pilot equated to 53.85%, just over half of the initial number have completed the training and found employment as a result.

### **Fork Lift Truck (FLT) training and Low Level Order Pickers (LLOP) outcomes**

In April 2016 NSDC made a contribution to cover the combination of FLT and LLOP training primarily to assist with Know How recruitment and on the understanding that people will have a 12 week minimum contract. This was a working partnership between NSDC, Ambitions Personnel and Know How. The training was for residents within Newark and Sherwood who were seeking employment. The programme ran for a 12 month period from April 2016 to March 2017. Throughout this period a total of 57 candidates, 51 or 87.93% were previously unemployed accessed the training course. 7 individuals or 12.07% upskilled in their FLT training. 81.04% of those accessing the training were from Newark and 18.96% from the West of the District, including Ollerton, Bilsthorpe and Edwinstowe. The contribution made by NSDC made a difference for those out of work to contribute to the local economy.

### **Clipper Logistics Apprenticeship Academy outcomes**

Between 2010 and 2012, 114 individuals employed at Clipper Logistics undertook and passed their NVQ Level 2 in Warehousing and Logistics. Due to the expansion of the site in 2012 adding a 13,935sq m extension to their existing 18,628 sq metre warehouse; further recruitment and training of staff was required. The additional space allowed the business to secure a contract with Wilkinson's home delivery. The first inbound stock arrived in August 2012. NSDC supported Clipper Logistics to recruit a proportion of the additional 100 staff (currently 261 Full Time staff) required to work on the new contract. In February 2013 Clipper Logistics identified the problems they had recruiting people from the NSDC area due to poor literacy and numeracy skills. It was agreed that

NSDC would provide £80k to support the expansion plans and help to set up the Apprenticeship Academy. A condition of the funding granted in June 2013 was that a proportion of the new jobs were for NSDC residents seeking sustainable employment. Between 2014 and 2017 the numbers of individuals gaining an Apprenticeship totals 254. The Training Providers who have been involved in the training include DS Training Limited and Linden Management Limited.

### **Ollerton Outreach Service**

The Ollerton Outreach Service seeks to support residents within the district to gain the support and information they require in order to access services and gain employment. The service now operates each Wednesday and Thursday at the Ollerton and Boughton Town Council building in Ollerton between 09:30 and 15:00. 1 Work Coach and an Employer Relation Lead, both working for the DWP support the customers on a Wednesday; with 2 Work Coaches now offering support on a Thursday. Take up has continued to increase over the last 12 months. The job starts between January to December 2017 totals 104. In November 2017 the District Operations Lead for the DWP was extremely impressed and very proud of the partnership delivered by the service on an outreach basis. The outcome from the visit is for the model to be rolled out in Selly Oak, Birmingham.

### **Future First Expo 2017**

The Future First Expo held on 4 May was the re-energised “What’s Next” event, previously held at Kelham Hall. The Expo showcased everything the area has to offer in terms of careers, training and education. The Expo was held in the new built Lady Eastwood Centre at the Newark Showground, organised by Newark and Sherwood District Council in partnership with the Lincoln College and the Advertiser Media Group. British Sugar were the Headline Sponsors for the event with KnowHow taking a platinum sponsorship package. Forty two businesses and a mixture of fourteen education and training providers attended on the day. 660 pupils from Years 10 -13 attended and benefitted from the event travelling from schools across the district. Seventy two members of the public took time to meet the exhibitors. The feedback after the event from both the schools and exhibitors was very positive. The Expo can be rated a huge success. In 2018 the aim is to build on this success.

### **Schools Project**

One of the ten pillars for Britain’s Modern Industrial strategy focusing on strengthening the UK’s position in the international arena is to develop skills. Within Newark and Sherwood a priority linked to the Economic Development strategy is to : Raise aspirations at secondary school level, working with businesses and schools to improve the skills and attitude match between employers, education providers and school leavers. The project will continue to be offered by the Economic Growth team, working with partners at Together for Newark and the Careers Enterprise Company. Both provide their own similar complimentary services. As a result of the Employment and Skills Group meeting it was agreed to inspire Digital Tourism Ambassadors. This is people of all ages with those undertaking photography or tourism as a qualification is to be encouraged in order to put together a blog to include photographs of the area and discover what is lacking in the district. A Youth Parliament or young people’s forum in both Sherwood and Newark is to be considered in order to bring groups together. This should not be run as a token gesture. Young people must know they are being heard. One school has already expressed an interest in taking this forward.



## Dates for Diaries 2018

<b>Event</b>	<b>Venue</b>	<b>Date</b>
Access to Finance Workshop (in partnership with D2N2)	The Newark Beacon	26 January 2018
Introduction to Exporting (in partnership with D2N2)	TBC	February or March 2018 Date to be agreed
Starting a Business (in partnership with D2N2)	TBC	March or April 2018 Date to be agreed
Expo East 2018 (in partnership with Stonebow Media Lincoln)	George Stephenson Exhibition Hall, Newark Showground	25 April 2018
East Midlands Expo	East Midlands Conference Centre, Nottingham	5 November 2018
Future First Careers Expo	Lady Eastwood Centre, Newark Showground	7 November 2018