

Social Policies and Distributional Outcomes

in a Changing Britain

SUMMARY REPORT

The Conservative Governments' Record on Social Policy from May 2015 to pre-COVID 2020: Policies, spending and outcomes

An assessment of social policies and
social inequalities on the eve of the
COVID-19 pandemic

Edited by Polly Vizard and John Hills

John Hills

This Summary is one output from the Social Policies and Distributional Outcomes in a Changing Britain research programme which John co-directed, and it builds on the tradition of comprehensive and evidence-based social policy analysis that he developed and refined over more than thirty years. Tragically and prematurely, John passed away in December 2020, leaving his colleagues, friends and family in shock and grief. [Tributes](#) and [condolences](#) poured in from all directions.

The Summary draws on contributions by a large team of researchers and academics who have worked with, learnt from, and been supported and inspired by John over several decades. Collectively we share a commitment to taking forward his work, ideas and commitments as best we can, and the completion of this report is one such contribution.



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1 Summary

When a Conservative majority government took office in 2015 the UK had endured five years of austerity but the public spending deficit had not yet returned to pre-2008 economic crisis levels, and there were continuing demographic and macroeconomic pressures. In the wake of the Brexit referendum in 2016, Theresa May's first speech on the steps of Downing Street committed to overcoming social divisions and tackling "burning injustices". Through our three-year research programme, *Social Policies and Distributional Outcomes in a Changing Britain*, we have scrutinised the social policies the government adopted, the spending they undertook on social protection and public services, and the outcomes achieved up to the point that COVID-19 hit. This builds on our previous analysis of the [Coalition](#) and [Labour](#) administrations, producing a combined critical examination of a quarter of a century of social policy.

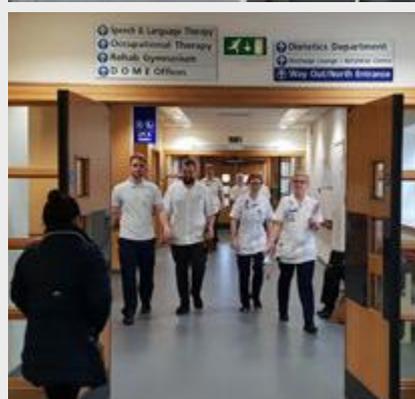
Our five key cross-cutting findings on the state of social protection on the eve of the pandemic, together with the identification of eight respects in which social progress was already stalling, and systematic evidence on inequalities including by ethnicity, yield important insights about why the crisis impacted in the way that it did. We conclude by identifying five central challenges that need to be addressed if we are to "build back better".

FIVE KEY CROSS-CUTTING FINDINGS

1 Employment reached a sustained high level and participation in higher education was also historically high, but the protective capacity of the welfare state was eroded in multiple ways, especially in relation to working age adults and families.



2 The public spending deficit was reduced but resource, workforce and capacity pressures built up across multiple public services simultaneously, resulting in a failure to meet current needs, compromised quality, and the erosion of the resilience of public service to shocks.



3 The welfare state and public services continued to adapt to the rising and different needs and circumstances of the 21st century, but not fully.

For example, Universal Credit being digitalised proved to be an important advantage when the pandemic struck. The NHS stands out internationally as being highly equitable. Increased focus on integrated care and mental health were important policy advances.

But unmet need for social care in England was high on the eve of the pandemic.



4 While there was more emphasis on skills in the context of the post-Brexit agenda, social investment from childhood years through to adult training continued to be given insufficient priority.



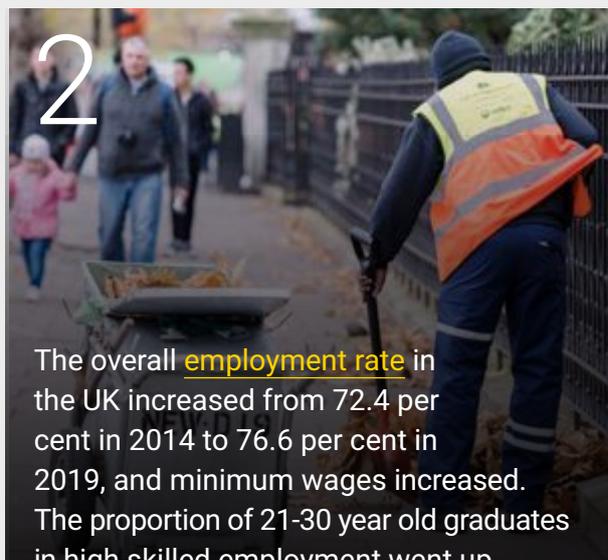
5 Looking across ten areas of social policy on the eve of the COVID-19 pandemic, there was mounting evidence of a slowdown in social progress and a widening of deep structural inequalities across multiple dimensions of life.

EIGHT ASPECTS OF STALLING SOCIAL PROGRESS



1

Progress in reducing poverty had stalled in the UK. The number of [children in relative poverty](#) rose to 4.2 million in 2018/19, and rates of poverty among [children in families with three or more children](#) increased sharply from 2013/14 onwards.



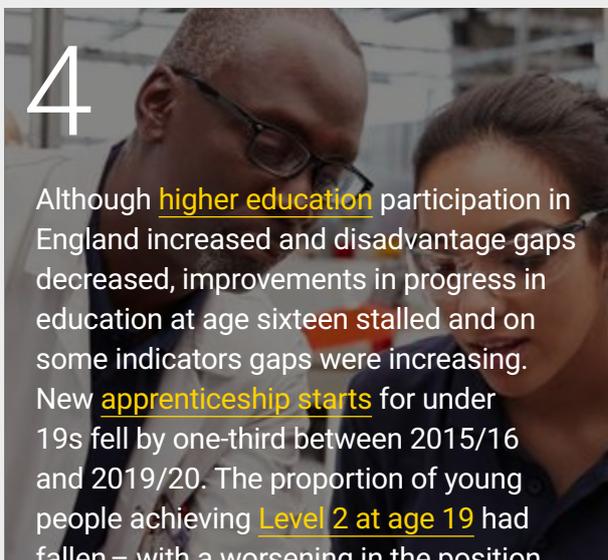
2

The overall [employment rate](#) in the UK increased from 72.4 per cent in 2014 to 76.6 per cent in 2019, and minimum wages increased. The proportion of 21-30 year old graduates in high skilled employment went up, reversing a previous negative trend. However in-work poverty rates also increased – nearly two million full-time employees were living in poverty by 2017/18 – and the number of young people not in education, employment or training had stopped falling by 2017.



3

[Developmental gaps](#) between disadvantaged reception-age children and others in England stopped improving in 2017 and then widened again. A higher proportion of babies born into low socio-economic status families in England and Wales have a [low birthweight](#), and the gap increased in 2018, reversing a previous narrowing. The infant mortality rate in the UK increased for three consecutive years to 2017, an unusual development in historical perspective.

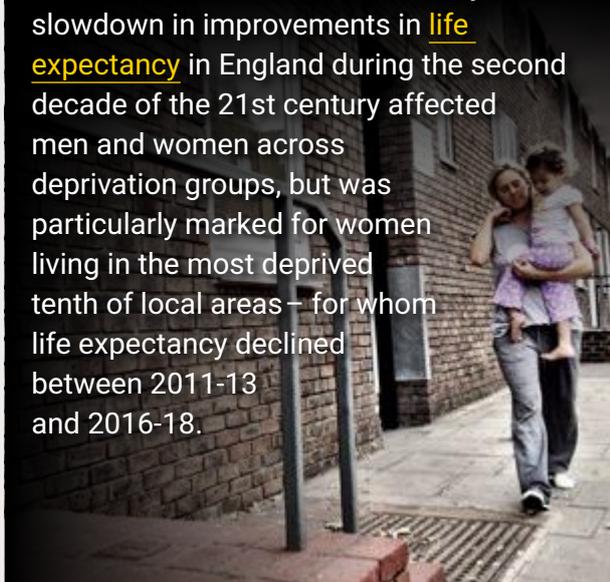


4

Although [higher education](#) participation in England increased and disadvantage gaps decreased, improvements in progress in education at age sixteen stalled and on some indicators gaps were increasing. New [apprenticeship starts](#) for under 19s fell by one-third between 2015/16 and 2019/20. The proportion of young people achieving [Level 2 at age 19](#) had fallen – with a worsening in the position for students eligible for free school meals, from disadvantaged areas and for those with special education needs. Exclusions (including permanent exclusions) were also on the increase prior to the pandemic and this was disproportionately affecting more disadvantaged groups.

5

Adverse mortality trends pre-dated the pandemic with episodes of high excess mortality and a slowdown in improvements in population life expectancy during the second decade of the 21st century. The slowdown in improvements in [life expectancy](#) in England during the second decade of the 21st century affected men and women across deprivation groups, but was particularly marked for women living in the most deprived tenth of local areas – for whom life expectancy declined between 2011-13 and 2016-18.



6

High levels of [unmet need for adult social care](#) in England on the eve of the pandemic affected the most disadvantaged disproportionately. Two out of five older people in the most deprived areas did not receive the help they needed with meeting their daily needs in 2018. The burden on unpaid carers, already high in the UK by international comparison, increased: by 2018/19, one in three was providing 35 hours a week or more.



7

After a long period of improvements, data from the Crime Survey for England and Wales shows that there have been no significant reductions in the number of violent incidents since 2015. The period also witnessed increases in knife crime, gun crime and [homicides](#). Domestic homicide was on an upward trend prior to the pandemic and reached a five year high in the latest data (2019) – with the vast majority of victims being women.



8

In England [core homelessness](#) rose steadily up to 2017, with particular growth in rough sleeping and unsuitable temporary accommodation. There were indications of an improvement on some measures after 2017, although rates remained high on the eve of the pandemic.



SIX INEQUALITIES

Inequalities by characteristics such as ethnicity, socioeconomic status, geographical area, age, disability and sex remained key sources of social injustice on the eve of the pandemic.

1 Ethnicity

On the eve of the pandemic, ethnic minority groups:

- experienced increasing disparities in poverty rates in the UK, with individuals from the Black, Pakistani and Bangladeshi groups particularly impacted
- had rising employment gaps (for Bangladeshi, Pakistani, Mixed and Black ethnic groups), and in-work poverty (for Black, Mixed, Indian and Pakistani ethnic groups)
- had widening gaps in early years good development (for Black, Mixed and White groups compared to the highest achieving group, which is children from an Indian ethnic background)
- Gypsy Roma children continued to be particularly disadvantaged in education in England, and Level 2 and Level 3 attainment gaps for them were widening
- although Black students had higher rates of progression to higher education by age 19 compared to White students, Black graduates had lower levels of high skill employment than White graduates and this gap had widened since 2015
- ethnic minorities also reported worse experiences of access to cancer care and lower levels of satisfaction with social care in England than their White counterparts
- ethnic inequalities in homicide rates deteriorated since 2015/16. Young Black

people aged 16-24 experienced a risk of homicide twenty-four times higher than their White counterparts in England and Wales in 2018/19. (Kumar et al, 2020)

- ethnic disparities in [stop and search](#) also increased, with the largest increase experienced by Black individuals, who also had the highest baseline rates of stop and search.

2 Socioeconomic deprivation

Inequalities in social outcomes by socioeconomic deprivation widened in the period since 2015 across a range of indicators. This includes widening disparities in:

- level 2 [educational attainment](#) (by age 19) in England
- [life expectancy](#) in the UK
- [unmet need](#) for social care for those over 65 in England
- [low birthweight](#) (between those born into families from a routine or manual occupational class background, compared to those born to families from a professional or managerial occupational class)
- risk of being a victim of violent crime in England and Wales



3 Geographical area

Across a number of education and employment indicators, up to the onset of the public health crisis, London seemed to be pulling away from other areas in England:

- Children living in London were more likely to experience a good level of early years development and to secure level 2 or level 3 educational attainment by age 19.
- London was the only English region where level 3 educational attainment had been rising, widening the attainment gap between London and all other regions. In contrast, the North East, Yorkshire, Humber and the East Midlands had the lowest levels of level 2 and level 3 attainment.
- The North East also had the highest permanent exclusions and lowest employment rates - and employment gaps with the South East had increased.
- London recorded the highest participation rates in Higher Education and inequalities with most other regions had increased.

4 Age/life-stage

The position of older people, youth, and children already gave rise to concerns, prior to the COVID-19 pandemic:

- rates of unmet need for care for older people (over 65) in England were high overall, and were highest amongst those over 80.
- employment rates were lowest amongst young adults aged 18-24; younger cohorts missed out the most from sluggish growth in earnings since the 2007/08 financial crisis; and experienced other forms of economic disadvantage (Obolenskaya and Hills, 2019).
- young children, children in larger families, and children living in single-parent families had been impacted by rising rates of child poverty. In work-poverty rates amongst single-parents had also been increasing.

5 Disability

Social inequalities by disability remained stark on the eve of the pandemic across a range of indicators including:

- relative poverty, and poverty assessed against a fixed threshold,
- employment, including lack of high-skill employment for graduates and in-work poverty rates, both of which had seen widening inequality for disabled people since 2015,
- educational attainment, good early years development, Level 2 educational attainment at age 19, and permanent exclusion rates for those with Special Educational Needs, all of which deteriorated since 2015.



6 Sex

- There was a notable lack of progress in reducing the levels of violence experienced by women in England and Wales, even prior to the lockdowns. Sexual violence experienced by women has significantly increased since 2004/5. Including sexual violence in estimates of violent crime reveals that women were significantly more likely to experience violence than men in 2017/18 (Cooper and Obolenskaya, forthcoming).
- Women over 65 are less likely than men to receive support in meeting their basic needs (and this gap has increased). Women are also less likely to be satisfied with the care and support they receive.
- There was also some widening of inequalities where males are relatively disadvantaged, all related to education: the attainment gap between male and female students in education (level 2 and level 3 attainment by 19) and the gap in permanent exclusions, as well as progression rates to higher education had also been widening on the eve of the pandemic.



FIVE CENTRAL CHALLENGES

Challenge 1

Sustainable funding models as a foundation for a welfare state and public services that are fit-for-purpose for the 2020s

Challenge 2

Strengthening accountability for improving social outcomes and reducing social inequalities

Challenge 3

Developing multi-dimensional strategies and interventions that join up different social policy areas and extend across multiple life domains

Challenge 4

Giving first priority to the needs of the most disadvantaged and to comprehensive public action to reduce social inequalities

Challenge 5

A new values-based approach to social policy: dignity and respect, recognition and social value.

2 Inheritance in 2015 and context for policy making

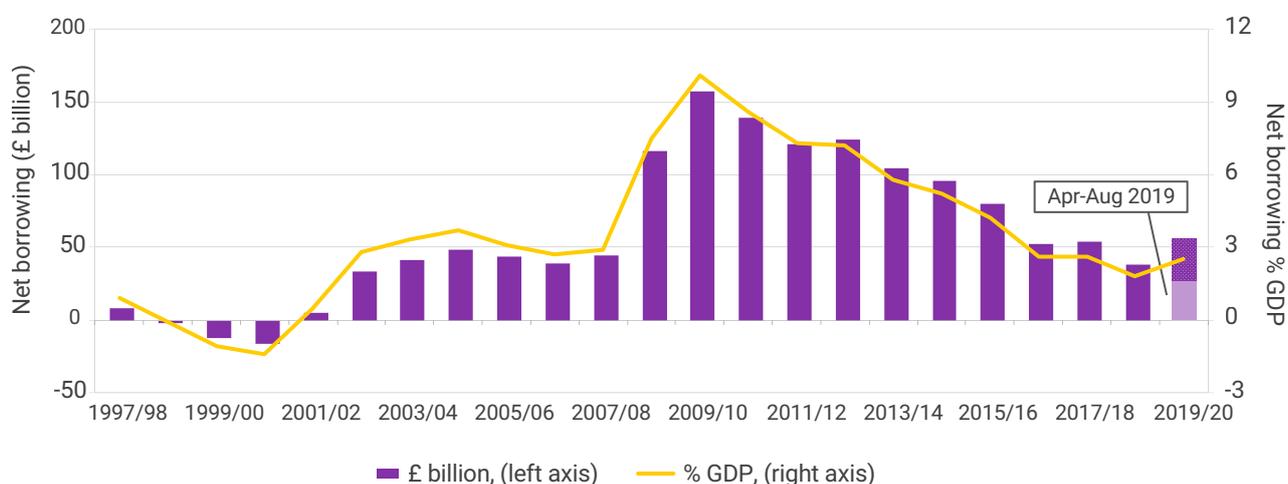
Economic and demographic context

- Reducing the fiscal deficit had been a key political priority for the Coalition government, which adopted an austerity framework for managing public finances.
- Nevertheless, the incoming Conservative Government led by David Cameron faced a substantial deficit when it came to power in 2015.
- The broader economic climate also remained challenging, following the slow recovery from the 2007/8 crisis and the subsequent economic downturn.

FIGURE 1

The public spending deficit was falling but still high when the Conservative majority government was elected

Public sector net borrowing excluding public sector banks, UK, 1997/98 to 2019/20 (financial years)



Source: Office for National Statistics – Public sector finances.

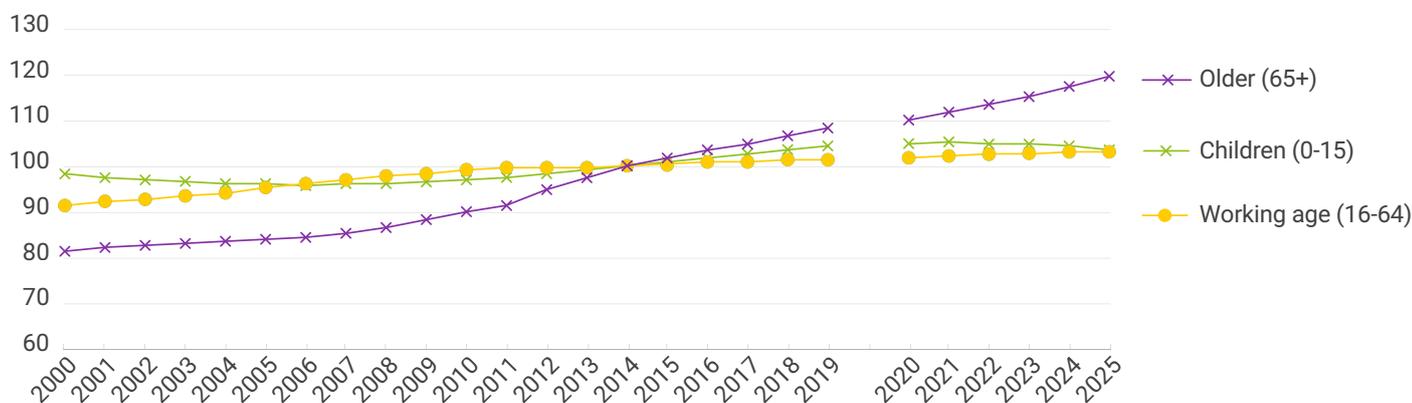
Note: 2019/20 bar in two sections, lower part shows April-August 2019, and upper part shows September 2019-March 2020.

The deficit continued to fall under the Conservatives, both in value and as a percentage of GDP, until 2019/20, when it kicked up to £55.8bn and 2.5 per cent of GDP. This total is affected by the increase in spending and fall in GDP associated with the arrival of COVID-19 in the UK in February and March 2020.

FIGURE 2

Population ageing continued to put upward pressure on the welfare state and public services between 2015 and 2020 – and will continue to do so in the future

Population estimates for the UK by age group, 2000-2019 and projections for 2020-2025, indexed at 2014=100



Source: Office for National Statistics – Population estimates

Within the older population, the growth in the ‘very old’ (aged 85 or above), who have the highest utilisation of health and social care, had started around 2004, and also steadily continued throughout the period of the Coalition and Conservative governments. On the other hand, the growth in the number of under-5s – another group that tend to need comparatively high social expenditure – levelled off between 2010 and 2015, and then began to fall.

Net migration peaked in 2015 at 329 thousand, before falling back to levels similar to those seen in the early 2000s, at around 250 thousand. Immigration adds most to the working age population, since a high proportion of migrants are young and single.

Policy inheritance and political context

- The Coalition had undertaken a programme of radical reforms, including in social security, education and health. At the same time, ‘selective austerity’ had resulted in substantial public expenditure cuts in de-prioritised area of social policy.
- By the end of the Coalition’s period in power, as shown in Lupton et al (2015), there were adverse developments in some social outcomes, coupled with little evidence of progress in addressing pre-existing social inequalities. This formed the baseline for the first Conservative majority government.
- Politically, the new period was a tumultuous one – with three consecutive administrations led by Cameron, May and Johnson respectively, and punctuated by the Brexit referendum in 2016.
- New devolved powers at the country and city-region levels increased divergence in some social policy areas.

- The Grenfell fire in June 2017, in which 72 people died and large numbers were injured, prompted renewed debate social housing provision, regulation and management; the duty of the state to protect life and the safety of those in high rise buildings and buildings with cladding; voice and influence of tenants; and social class and racial inequalities.
- The wrongful detention, deportation, and denial of legal, employment and financial rights and access to services of UK residents who had originally migrated from Commonwealth countries between 1948 and 1971, which became known as the 'Windrush generation scandal, was linked in an official inquiry to the 'hostile environment policy' for migrants introduced by the Coalition and extended by the Conservatives.

For further detail on the social policy landscape that the Conservative government inherited and the context for policymaking over the following five years, please see the SPDO Overview paper, chapter 2.

3 Policies 2015 to pre-COVID 2020

- Looking across the ten social policy areas, – social security; employment; early childhood; compulsory school age education; higher education; health; social care; physical safety and security; homelessness and complex needs; and social mobility – the period was ‘social policy light’ in terms of major thinking and initiatives to improve social outcomes and to reduce social disadvantage and social inequalities.
- While the focus of the Conservative Governments was on Brexit, ‘Coalition effects’ continued to feed through.
- There was an essential continuity between the Coalition’s social policy regime and those of the majority Conservative Governments between May 2015 and pre-COVID 2020. However, there are important caveats to this overall assessment, with mixed evidence on policy intensification, moderation and turning-points.
- Elements of the Coalition’s reform agenda were intensified, with a further deepening of the shift away from ‘progressive universalism’ – with reduced generosity and additional eligibility restrictions for some benefits and services.

For example, a limit on the total amount of benefit that can be claimed (regardless of need) known as the ‘benefit cap’, the exclusion of third and subsequent children from benefit entitlement, and the increasing gap between support with housing costs and actual rents, have all impacted on the level of support available, especially to working age people and families.

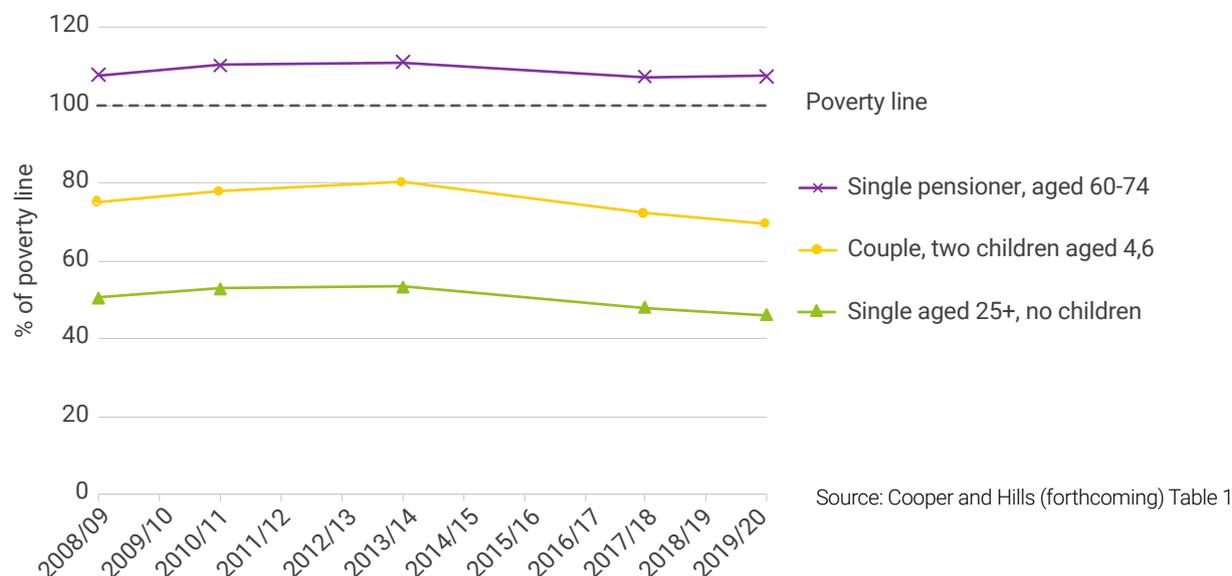
By 2019/20, a single person aged 25 or over with no children has an entitlement, before any deductions, to a ‘safety net’ benefit at a level which is less than half the poverty line (defined here as 60% of median income after housing costs). A couple with two young children fare only slightly better, with an entitlement that leaves them about one-third below the poverty line.

The consequences of this erosion of social protection came as a shock to many first-time claimants of Universal Credit when coronavirus-related redundancies and unemployment hit.

FIGURE 3

Levels of 'safety net' support for working age people and families have been falling behind support for pensioners

Value of out of work income support as a percentage of the poverty line (60% median income after housing costs)



- The Coalition's de-centralisation and competition agendas were accelerated in some social policy areas; but in other areas, there was evidence of reversals in approach or declining emphasis.
- Key positive policy developments included the expansion of childcare and the introduction of the New Living Wage.
- Mental health was given relative priority as a social policy concern, with several new measures and initiatives relating to parity of esteem for mental health.
- Theresa May's premiership was associated with several important social policy innovations and changes of direction in areas such as serious violence, domestic abuse, racial and ethnic disparities, and homelessness.
- While the importance of skills was recognised as part of the post-Brexit agenda, the longstanding [neglect of vocational training](#) and education continued.
- Key social policy omissions and social policy failures over the period had important consequences when the public health crisis which struck in early 2020. The longstanding commitment of successive Governments to reform social care, and the drive on preventative health and health inequalities promised as part of the Coalition's 2012 health reforms, were not delivered.

For further detail on the social policies that the Conservative governments pursued, please see the SPDO Overview paper, chapters 3 to 13, and the underlying research papers for each policy area.

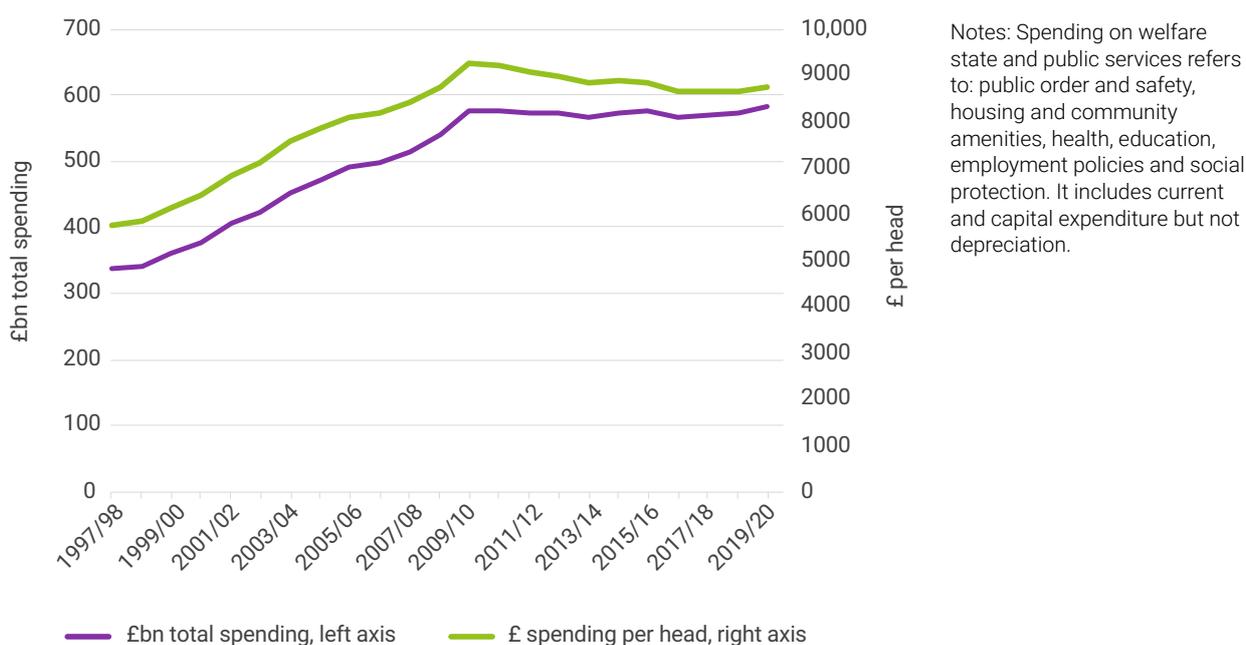
4 Spending

- Austerity continued after the May 2015 General Election, with a tightening of fiscal rules. However, there was progressive fiscal easing during the period and this was accelerating prior to the COVID-19 pandemic.
- Growth in overall public expenditure on the welfare state and public services in real terms was low by the standards of the first decade of the 21st century.
- Combined with the growing population, this resulted in a fall in spending per head on the welfare state and public services. This started under the Coalition. This continued until 2019/20, when there was a slight uptick.

FIGURE 4

Since 2009-10, total spending on the welfare state and public services has flat-lined but spending per head has declined

Expenditure in real terms in 2019-20 prices, UK, 1997/98 to 2019/20



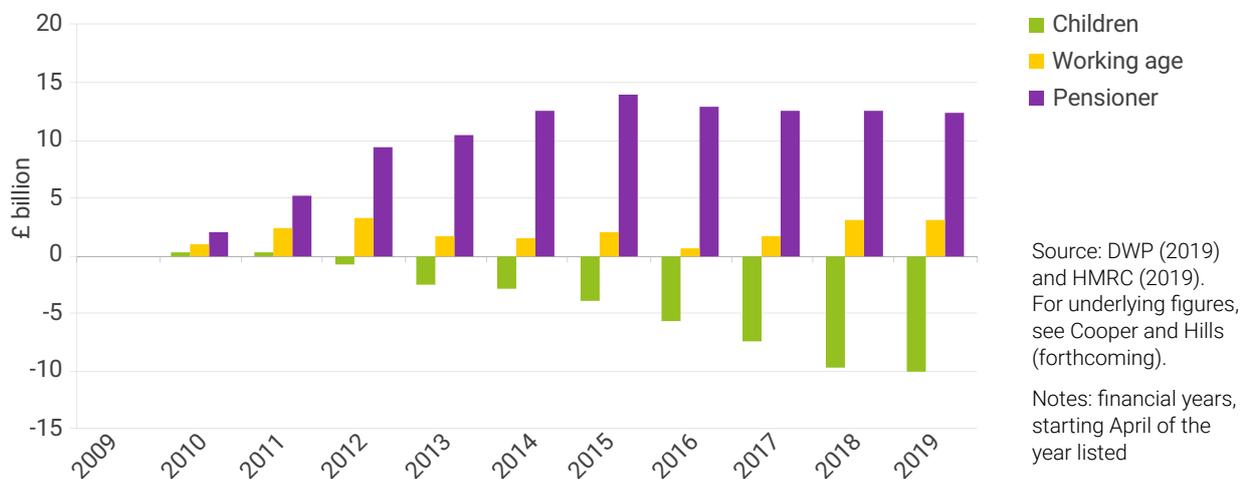
Source: Total spending is from HM Treasury (2020c) Public Expenditure Statistical Analysis, July 2020 release. The impact of COVID-19 on recorded expenditure in 2019-20 in this release is limited. Per capita are authors' calculations using mid-year population estimates in ONS (2020a).

- Across the countries of the UK, spending per head on services was maintained or grew slightly in Wales and Scotland, but fell in England and Northern Ireland (to 2018/19).
- The UK remained broadly in the same position in terms of relative international rankings in total (capital and current) governmental expenditure on the welfare state and core public services between 2014 and 2018, but its spending as a share of GDP fell
- Since 2015, spending on social protection was cut, especially for children. The public health budget for local government was also cut between 2015-16 and 2018-19.

FIGURE 5

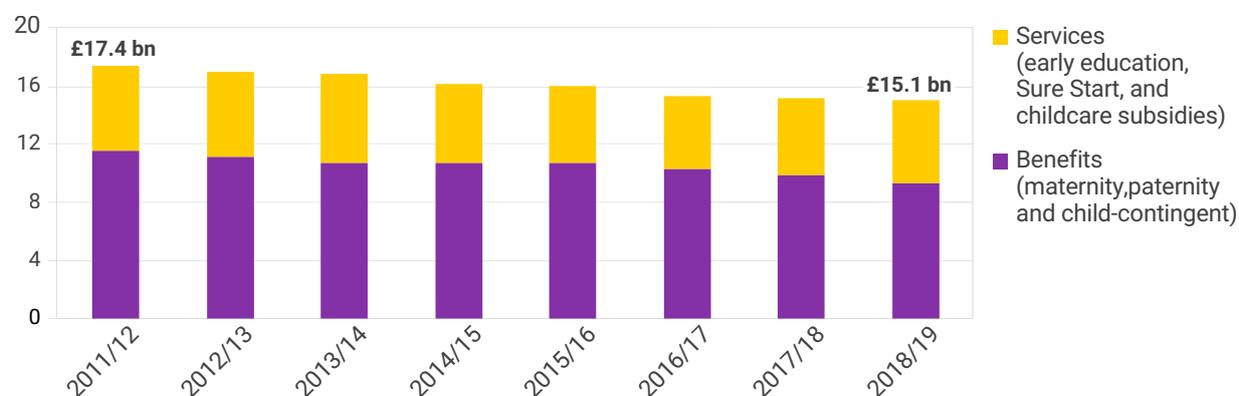
Social security spending on children has fallen by £10bn in real terms since 2009/10, whilst spending on pensioners is £12.5bn higher

Cumulative change in social security and tax credit spending since 2009/10 by age group, GB, £ bn in 2019/20 prices, indexed to 2009/10 = 0

**FIGURE 6**

Spending on benefits and services for the under-fives has been cut since 2011/12

Spending on benefits and services for the under-fives, £bn in 2018/19 prices, England



- Spending began to pick up for other areas including housing and health, in some cases such as adult social care starting to reverse cuts made under the Coalition
- Including non-government spending, UK total expenditure on health and social security cash benefits remains low in international rankings, but higher on education (including student loans).

For further detail on the public spending under the Conservative government, please see the SPDO Overview paper, chapters 3 to 13, and the underlying research papers for each policy area.

5 Outcomes

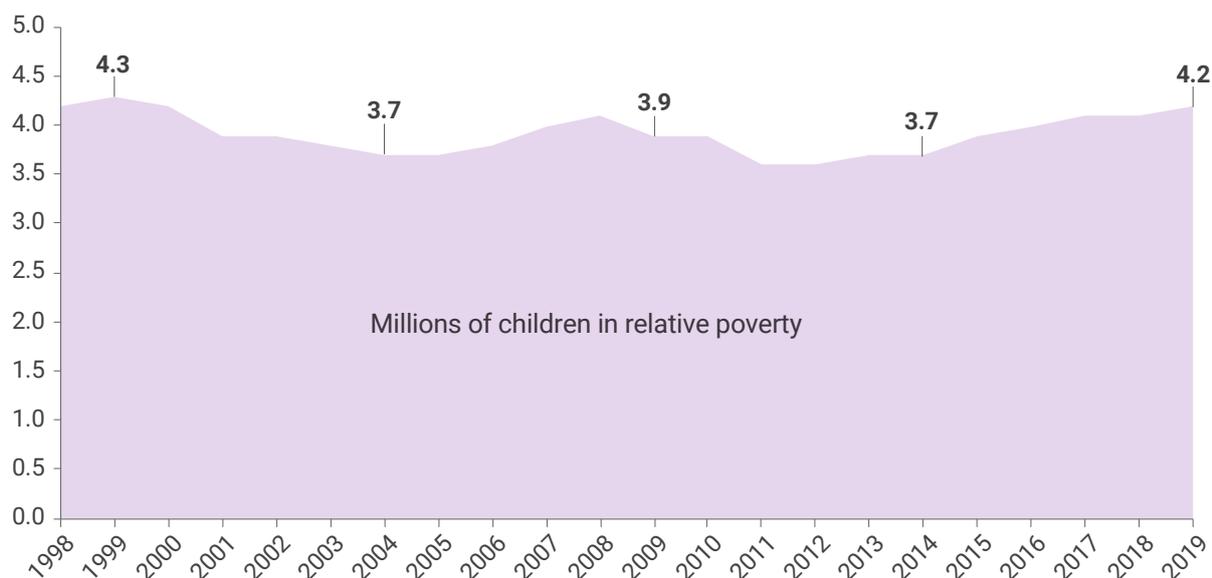
Social security

- Progress in reducing poverty stalled. Against a fixed threshold, overall poverty rates (before and after housing costs) were the same in 2018-19 as they had been in 2014-15. Relative poverty rates were on a broadly rising trend overall and for children.

FIGURE 7

The number of children in relative poverty in the UK had increased to 4.2 million before the pandemic

Relative poverty is defined as having disposable household income below 60 per cent of the contemporary median income, after allowing for housing costs and adjusting for household composition



Source: DWP (2020) Households Below Average Income 1994/95 to 2018/19, table 4.3tr

Notes: Years represent financial years ending in March of the year shown. Data values are shown for each fifth year. Figures are for Great Britain up to 2001/02, and for the United Kingdom from 2002/03.

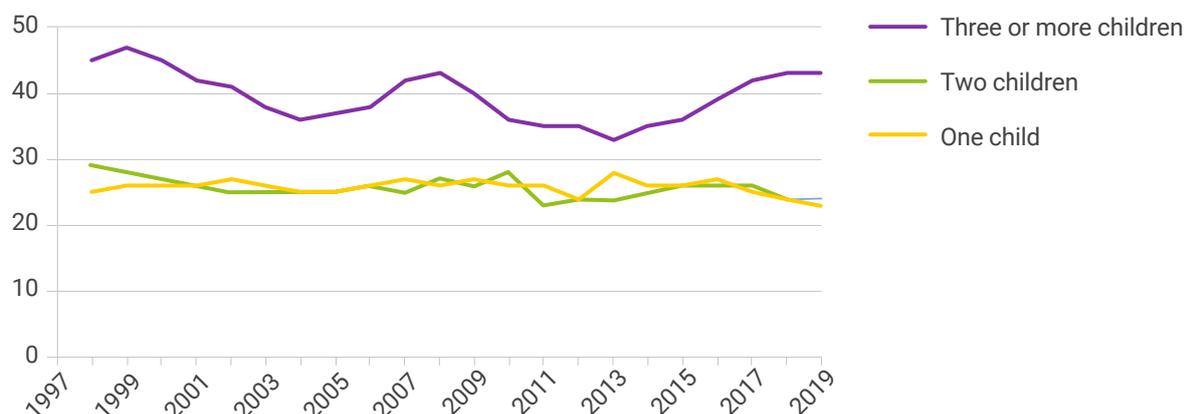
Using a standard measure of relative poverty after allowing for housing costs:

- Amongst children living in families with three or more children, poverty rates had fallen to 33% in 2012-13, but increased steeply from 2013-14 onwards, reaching 43% by 2018-19

FIGURE 8

Child poverty among children living in larger families grew sharply from 2013/14 onwards

Percentage of children living in households with less than 60 per cent of contemporary median household income after housing costs, by number of children in family, 1997/98 to 2018/19



Source: DWP (2020) Households Below Average Income statistics, table 4.18ts

Notes: Years represent financial years ending in March of the year shown, eg 2019 is April 2018-March 2019. Figures are for Great Britain up to 2001/02, and for the United Kingdom from 2002/03. Small changes in estimates from year to year, particularly at the bottom of the income distribution, may not be significant in view of data uncertainties.

- Steep increases in poverty were also recorded for children from a Bangladeshi background (to 68% in 2016/17-2018/19) and for children with a Pakistani background (to 54% in 2014/15-2016/17).
- By the age of the youngest child in the household (up to age 11-15), the increases were largest for families where the youngest child is aged 0-4 years, and this effect is especially striking for those with a baby or toddler aged 0-1.

More widely, whilst digital access to and payment of Universal Credit proved to be a significant advantage when claims rapidly increased at the start of the pandemic, there is growing evidence that other features of Universal Credit are associated with a range of negative outcomes for claimants and families, including increased hardship and foodbank use and negative impacts on mental health.

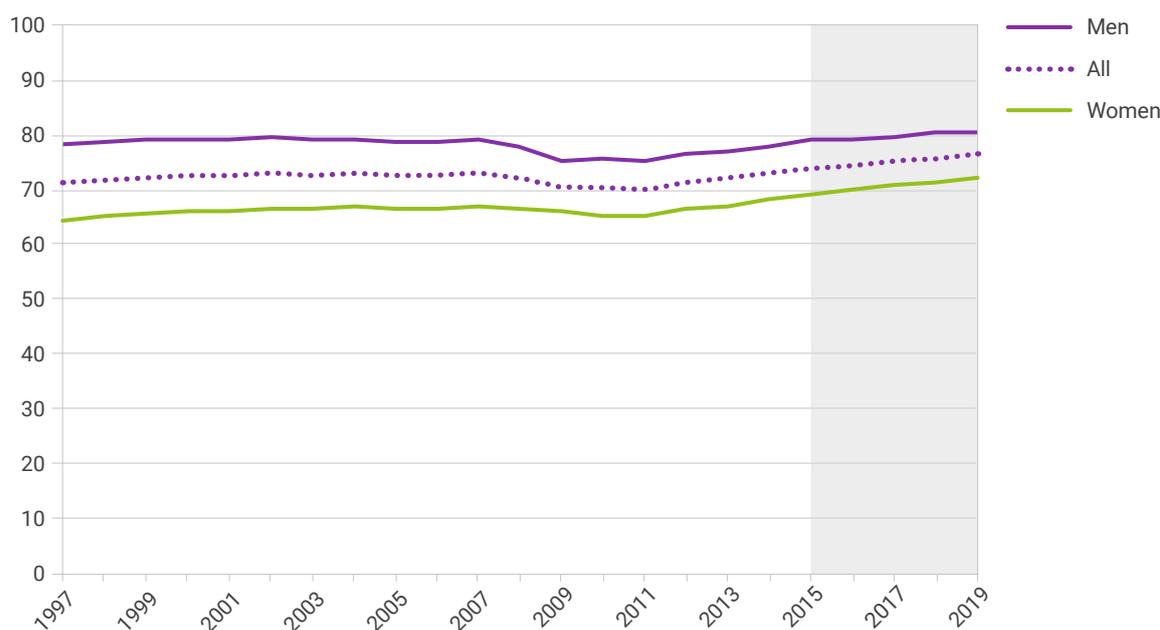
Employment

- There were record levels of employment in the UK. Female employment was at an historic high. Employment rates compared favourably to other European countries and the US.

FIGURE 9

Employment rates continued to grow for men and for women

Employment rates (%) for 16-64 year olds, UK, quarter 4 (December-February) each year 1997-2019



Source: Labour Force Survey, ONS Labour market overview, UK: 15 December 2020 release

- Earnings inequality decreased following the introduction of the National Living Wage in 2016. Between 2015 and 2019, earnings inequality fell further and faster than at any time since at least the late 1970s.
- For full-time employees average real gross weekly earnings increased between 2014 and 2019 but remained lower than a decade earlier. For younger cohorts, average annual earnings were lower in 2019 than they were prior to the financial crisis in 2005.
- Ethnic pay gaps persist, with most ethnic groups receiving lower average gross hourly earnings than White British employees. Employees from a Bangladeshi and Pakistani background have the largest gaps.
- In-work poverty continued to rise, with nearly 2 million full-time employees in the UK living in poverty by 2017/18.
- Brexit is likely to present further challenges including lower economic growth, lower migration and a potential erosion of workers' rights.

Early childhood

- Employment rose among mothers with a youngest child aged three or four, but [child poverty](#) increased sharply.
- The infant mortality rate increased for three consecutive years from 2014 to 2017, the first time on record that it has risen for more than one year in a row. The social class gap in infant mortality rose between 2014 to 2016 but has fallen since.
- Social inequalities in low birthweight widened to 36 per cent in 2018, up from their lowest difference of just 8 per cent in 2011. Little progress was made on tackling childhood obesity despite this being a policy goal. Social inequalities in obesity at age five remained wide.

FIGURE 10

The gap between higher and lower socio-economic groups in the proportion of babies born with a low birthweight widened again

Proportion of babies born with low birthweight by social class, England and Wales, 2005 to 2018

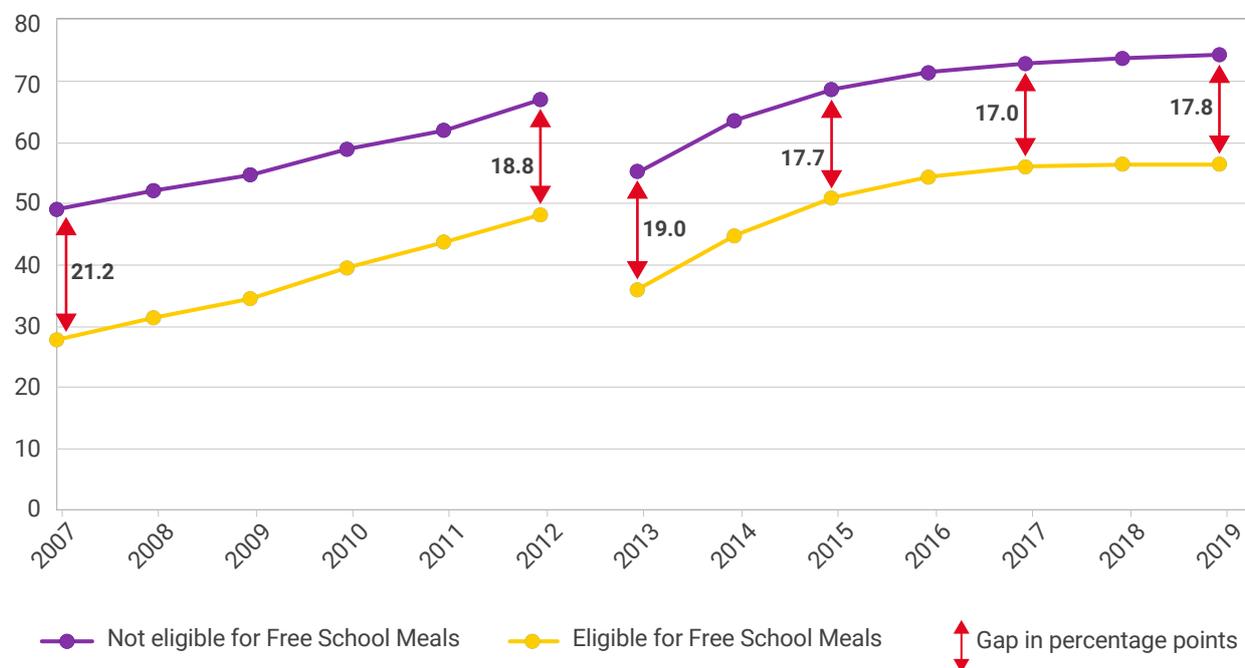


- The social disadvantage gap for reception-age children in the Early Years Foundation Stage Profile (EYFSP) had been narrowing until 2017 but increased in both 2018 and 2019.

FIGURE 11

The gap at the end of the early years Foundation Stage between disadvantaged children and others narrowed, but then increased again in 2018 and 2019

Percentage of children achieving a 'good level of development' at the end of the Early Years Foundation Stage, by eligibility for Free School Meals, England, 2007-2019



Source: Early Years Foundation Stage Profile statistics

Note: The break in the series is due to a new Early Years Foundation Stage Profile being used for assessments from summer 2013 onwards.

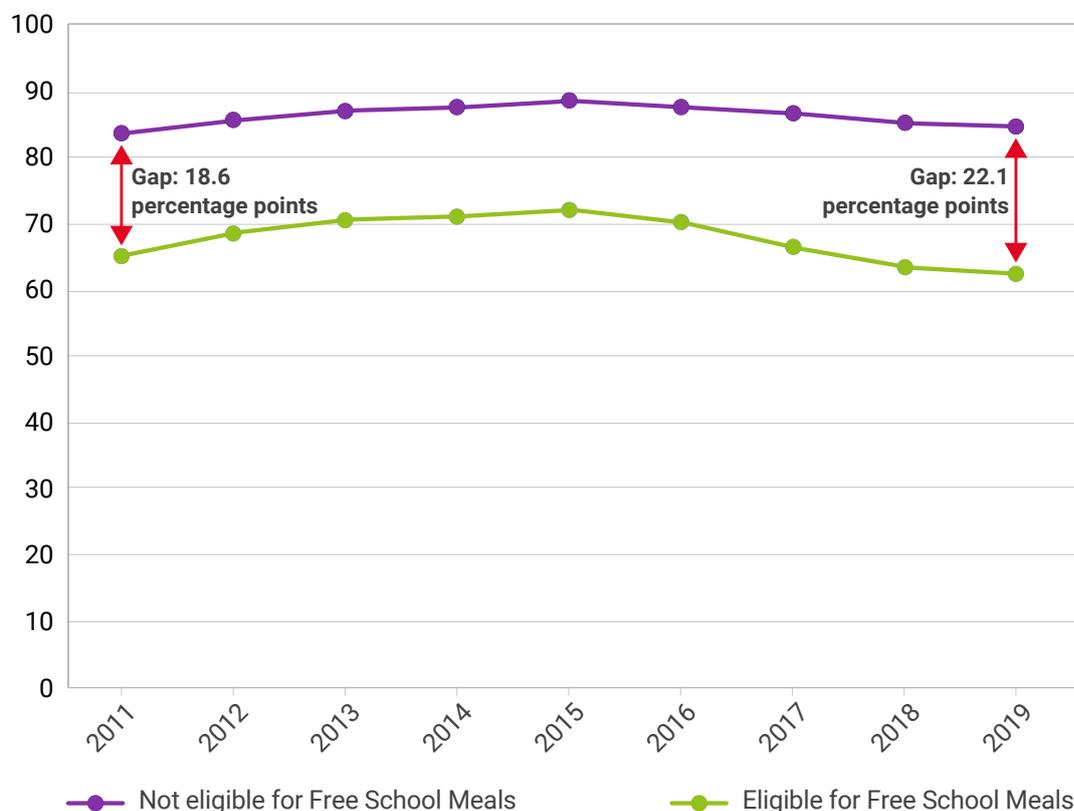
Compulsory education

- Multiple changes to assessment and measures make it hard to establish trends in educational outcomes. However in the OECD's PISA tests of 15 year olds, England's average maths score increased between 2015 and 2018.
- But there was no real narrowing in disadvantage gaps across multiple outcomes. Disadvantaged young people (as indicated by eligibility for Free School Meals) became less likely to achieve Level 2 (equivalent of a good GCSE) by age 19, in England.

FIGURE 12

The gap in qualifications at Level 2 or higher between disadvantaged pupils and others widened

Percentage of young people qualified to Level 2 or higher by age 19, by whether eligible for Free School Meals in Year 11, England, 2011-2019



Source: Table T7 in "National tables 6 to 15: state-sector characteristics" accompanying Department for Education (2020) Level 2 and 3 attainment by young people aged 19 in 2019.

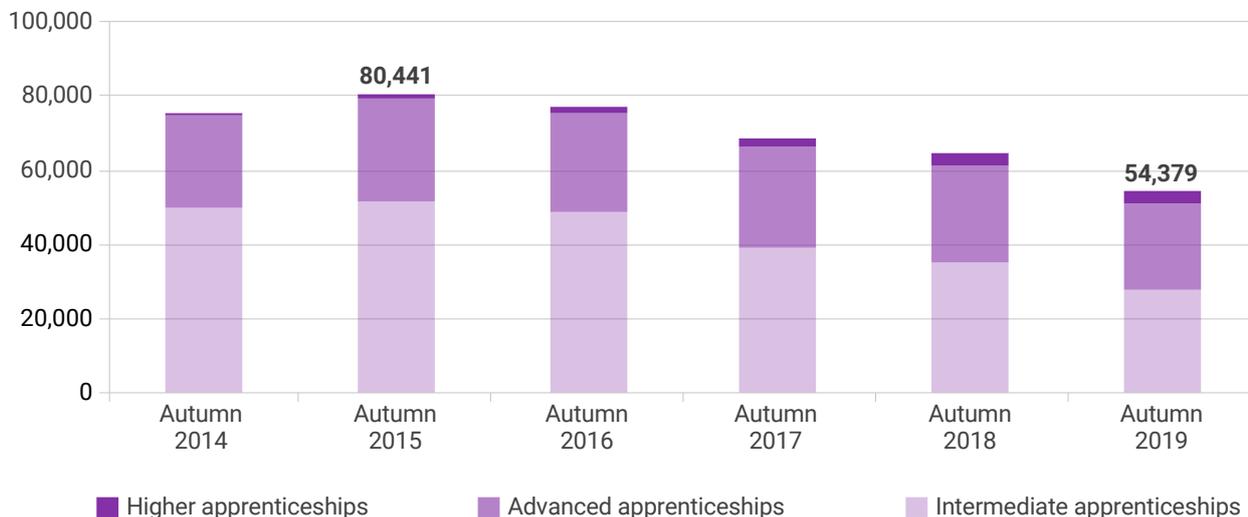
Note: Coverage young people in state schools at academic age 15

- There was increasing evidence of exclusion and marginalisation of more vulnerable students. In state-funded secondary schools, the rate of fixed period exclusion rose from 6.6% of the school population in 2013/14 to 10.1% in 2017/18. Permanent exclusions rose from 0.06% of the school population to 0.10%.
- There were increasing concerns about schools 'off-rolling' students who would not contribute well to league tables, and the number of home-educated children doubled, with one-fifth of these having special educational needs.
- 'T' levels (vocational qualifications equivalent to A levels) were introduced, but apprenticeship starts by under 19s declined by more than a fifth. University Technical Colleges struggled.

FIGURE 13

New apprenticeships for young adults starting each autumn fell by one third between 2015/16 and 2019/20

Number of apprenticeship starts by under 19 year olds, England, August-December each year



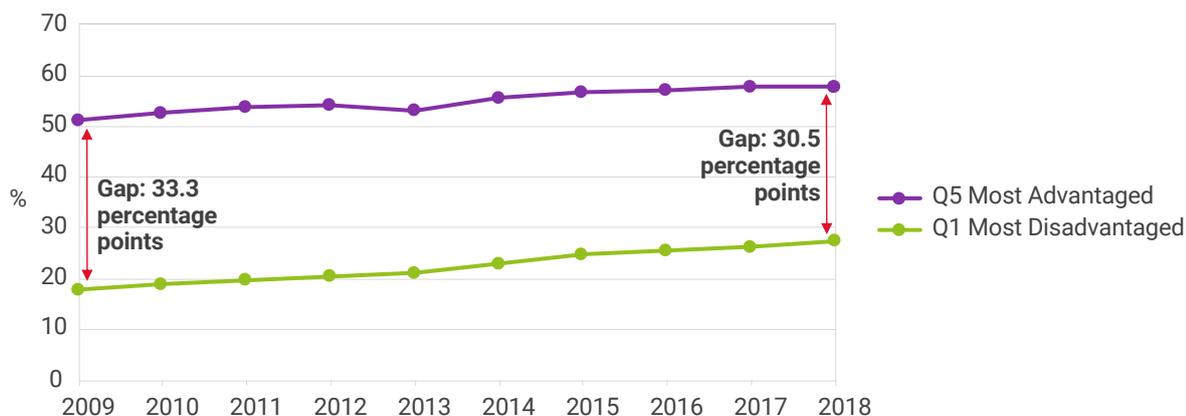
Source: Department for Education, 2020. Apprenticeships and traineeships, Academic Year 2019/20 explore-education-statistics.service.gov.uk

Higher education

FIGURE 14

Participation in higher education in England grew more quickly among young people in traditionally low-participation areas, narrowing the gap between them and young people from traditionally high-participation areas

Progress of Key Stage 4 (age 15) students to higher education by age 19, by area disadvantage, England, academic years 2009-2018



Source: DfE (2020) Widening Participation in Higher Education statistics

Note: Area disadvantage defined by POLAR. The participation of local areas (POLAR) classification groups areas across the UK based on the proportion of young people from that area who participate in higher education. It uses Middle-Layer Super Output Areas (MSOAs) for England and Wales, and equivalents for Scotland and Northern Ireland. Areas are ranked lowest to highest participation rate and divided into five equal-sized groups (quintile groups) to define Q1 to Q5.

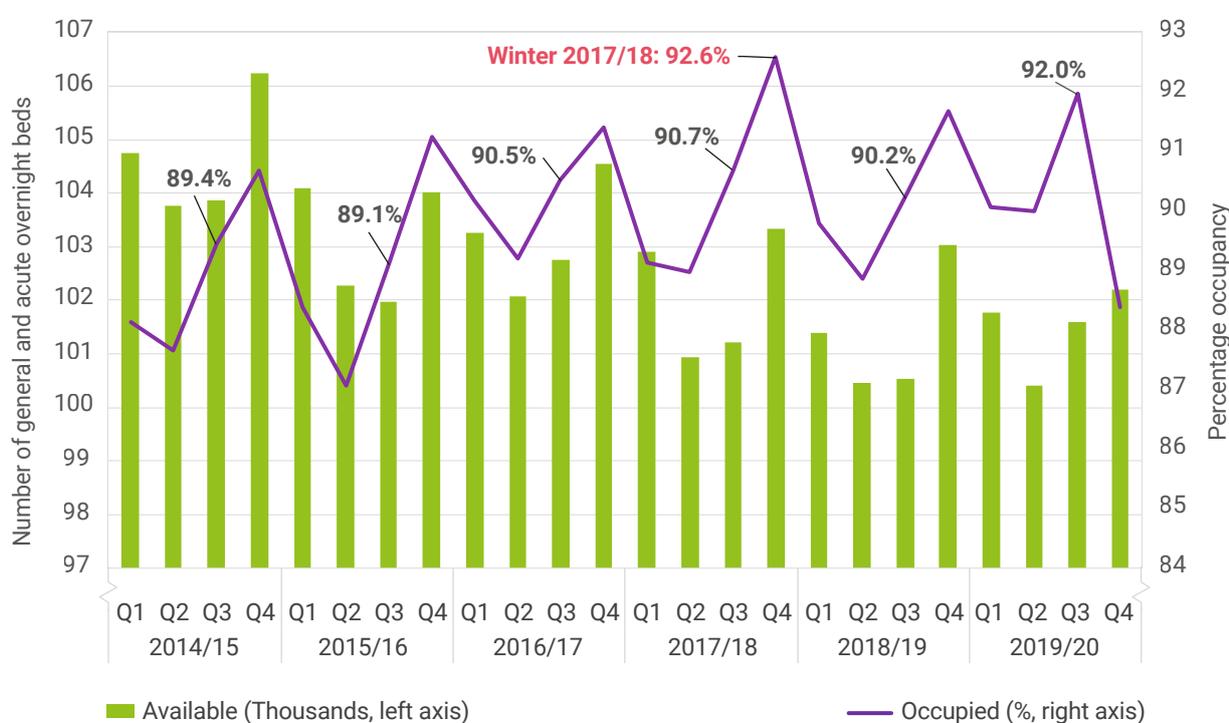
Health

- Average overnight acute and general bed occupancy in England was particularly high in Winter 2017/18 and there was a blanket cancellation of non-urgent operations in January 2018.
- Average overnight bed occupancy in the Spring, Summer and Autumn quarters of 2019, pre-COVID, was also high by comparison with previous years. On average, 92.0% of beds were occupied in Autumn 2019, only just below the figure for Winter 2017/18.

FIGURE 15

Average hospital bed occupancy was high in England prior to the pandemic, compared to previous autumn quarters

General and acute overnight bed availability and occupancy, England, quarterly 2014/15 to 2019/20



Source: NHS England (2020), reported in Vizard et al (forthcoming)

Notes: Axes do not start at zero. % occupancy highlighted for autumn quarter (Q3) each year. 2015/16 Q4, and 2016/17 Q3 and Q4 include estimated figures. In the last part of 2019/20 Q4, hospital beds were cleared in anticipation of COVID-19.

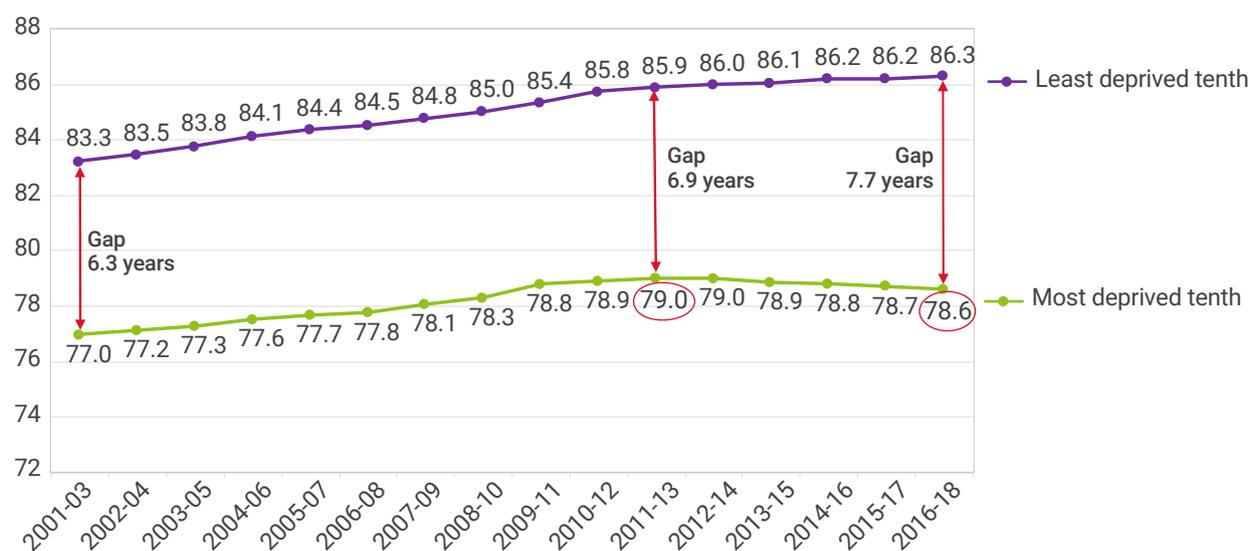
- There was progress relating to sugar-sweetened soft drinks which was targeted by a new Soft Drinks Industry Levy, smoking prevalence and inequalities, and a small further decline in population alcohol consumption.
- There were adverse developments pre-pandemic in standardised mortality rates, avoidable mortality rates, heart disease deaths, drug poisoning deaths and deaths amongst homeless people. Excess winter deaths in England and Wales were high in 2017/18, particularly amongst older women, following an earlier episode of excess winter deaths in 2014/15. Suicides in the UK increased in the wake of the financial crisis and recession, before falling in 2017. However, rates increased in 2018 and remained high in 2019.

- In England, the slowdown and stalling of improvements in life expectancy during the second decade of the 21st century affected both males and females across area deprivation deciles. However, this trend was more marked among the poorest, particularly for women living in the most deprived tenth of local areas, for whom life expectancy declined between 2011-13 and 2016-18. As a result, life expectancy inequalities by area deprivation increased.

FIGURE 16

Improvements in female life expectancy slowed down during the second decade of the 21st century. Life expectancy increased for women in the least deprived areas but declined for women in the most deprived areas. The life expectancy gap widened.

Female life expectancy at birth (years) by area deprivation, England, 2001-2018



Source: Public Health England (2018b) for data points 2001-2003 to 2010-2012; ONS (2020f) for datapoints 2011-2013 to 2016-2018.

Notes: Area deprivation measured by decile groups (tenths) of the Index of Multiple Deprivation (IMD). IMD is the official measure of relative deprivation for small areas in England. Estimates for 2001-03 to 2009-11 use IMD 2010; estimates for 2010-12 -2015-17 use IMD 2015; estimates for 2016-18 use IMD 2019. Life expectancy at birth is calculated as a rolling average over three-year periods, as shown on the horizontal axis.

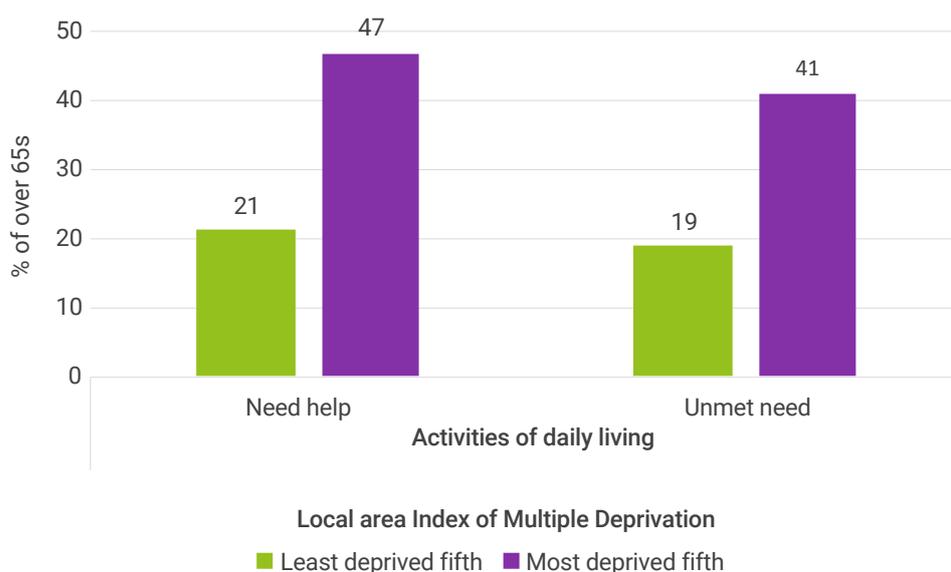
Social care

- Just under 1 in 3 independent-sector care workers were paid at the minimum wage in March 2019 (compared to around 1 in 14 of all UK workers); 1 in 3 of all care workers were on zero hour contracts; and 1 in 3 staff either moved between jobs or left the adult social care sector in 2018/19.
- Our best estimate is that there was a further 24% fall in the number of people receiving community-based services in England between 2013/14 and 2018/19, although a change in recording practices in 2014/15 makes it difficult to be precise. The decrease has particularly affected older people.
- The intensity of care by unpaid carers has increased. One third of the UK's 4.1 million adult carers provide 35 hours or more of care per week, with worsening consequences for their health and financial circumstances.
- Two out of five older people living in the most deprived fifth of areas did not receive any help when needed with at least one Activity of Daily Living such as washing or dressing. This is more than twice the rate of unmet need among those living in the least deprived areas.

FIGURE 17

Levels of unmet need for social care among older people are twice as high in the most deprived areas, compared to the least deprived

Need, and unmet need, for help with Activities of Daily Living, by area deprivation, people aged 65 or over, England 2018



Source: Health Survey for England 2018, social care in older adults data tables (NHS Digital, 2019g)

Notes: 1. Data have been age-standardised. For more information see HSE 2018 Methods report. 2. Unmet need is defined as needing help but not receiving any help in relation to at least one Activity of Daily Living in the last month.

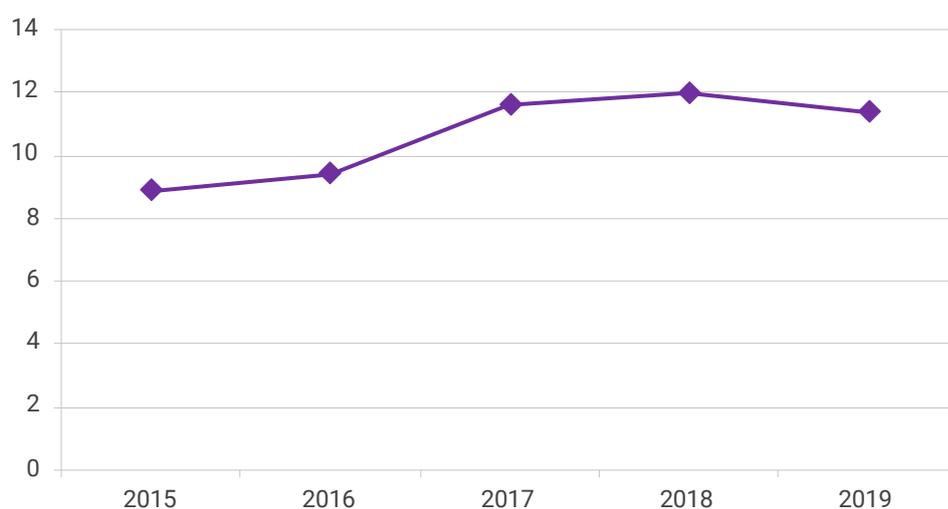
Physical security

- After long-term decline in overall violent crime, there was no significant change in the number of violent incidents since March 2016 according to estimates from the Crime Survey for England and Wales
- According to police records, knife-related crime has continued to rise since 2014, with the highest number of incidents in the year to March 2020 since records began in 2011
- Homicide also increased between 2015 and 2018. The latest available data from the homicide index shows a decline in 2019, driven by a decline in homicide for male victims, while the number of female victims increased.

FIGURE 18

Homicide rates decreased in 2019, following three consecutive years of increases

Rate of homicide offences per million population, England and Wales, year ending March 2015 to year ending March 2019



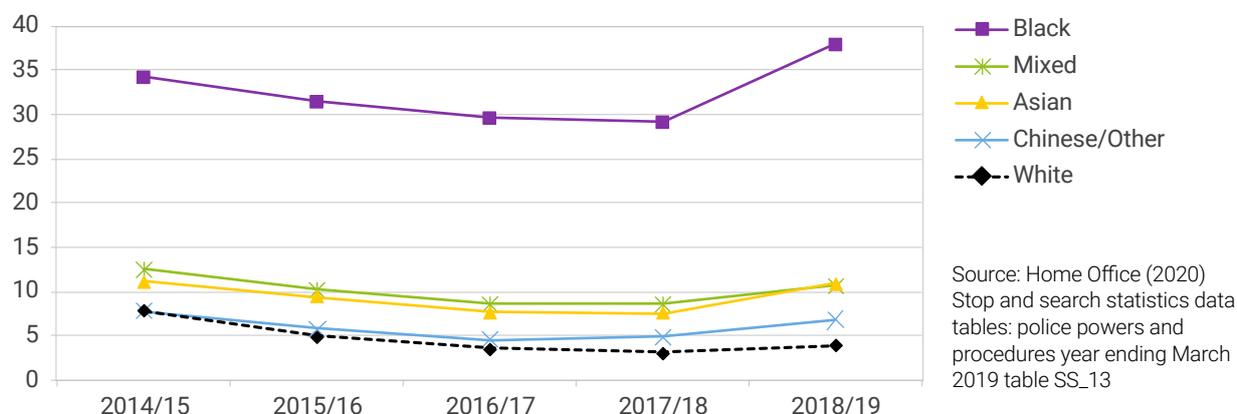
Notes: 1. Year ending March 2017 includes 96 victims of Hillsborough and four victims of the Westminster Bridge attack. Year ending March 2018 includes 31 victims of the terrorist attacks that involved multiple victims, including the Manchester Arena bombing, and the London Bridge attack. It also includes 11 victims from the Shoreham air crash.

Source: ONS (13 February 2020) 'Homicide in England and Wales: year ending March 2019' Figure 1 underlying data

- Domestic homicide was on an upward trend prior to the COVID-19 pandemic in the UK, reaching a five-year high of 173 in 2019 according to police data. Three-quarters of the victims are women (Swann, 2019).
- Ethnic inequalities in homicide worsened since 2015/15. The homicide rate was 24 times higher for Black people aged 16-24 compared to their White counterparts in 2018/19 (Kumar, Sherman and Strang, 2020).
- Meanwhile, for the first time since records began in 2010-11, stop and searches per 1,000 of the Black population increased in 2018-19, resulting in greater disproportionality. This reversal of previous progress comes despite the Lammy Review highlighting the significance of disproportionate stop and search practices contributing to the lack of trust in police felt by Black and other ethnic minority communities.

FIGURE 19**Ethnic inequalities in stop and search increased sharply in 2018/19**

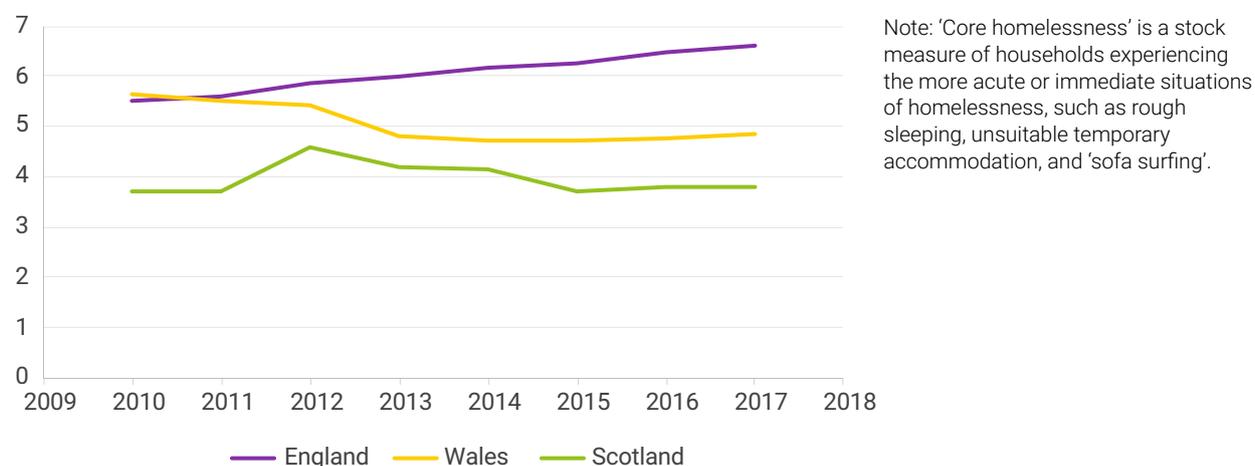
Stop and searches per 1,000 population, by self-defined ethnicity, England and Wales

**Complex needs and homelessness**

- In 2010 England and Scotland had similar levels of core homelessness, but that since then they have diverged. In England levels rose steadily up to 2017, with particular growth in rough sleeping (before the Theresa May administration's Rough Sleeping Initiative started to arrest that) and unsuitable temporary accommodation.
- In Scotland there was a significant decline until 2014, reflecting increased prevention efforts, after which time levels were more or less stable. Wales has generally shown a lower level of core homelessness, with no longer-term trend but an upward spike in 2012 which took several years to work through.

FIGURE 20**England and Scotland had similar rates of core homelessness in 2010 but by 2017 England's position was substantially worse**

Core homelessness per 1000 households by country, 2010-2017



Source: Bramley (2017) Homelessness Projections (Crisis), and (2018) and Homelessness Projections – Updating the Base Number unpublished report to Crisis.

- Homeless households in temporary accommodation at a point in time in England rose from a low of 2.22 per 1000 households in 2010/11 to 3.59 per 1000 in 2018/19, largely as a result of social security cuts and a tightening housing market.
- Use of temporary accommodation was much higher in Scotland than in England in 2010/11 because of the greatly widened duty to accommodate single homeless people from the early 2000s. It fell back and has risen again since 2016/17, standing at 4.32 in 2018/19.

Social mobility

- New estimates of absolute social class mobility in the UK using data from the Labour Force Survey show little overall change in social mobility between 2014 and 2018.
- Opportunities for upward absolute social mobility appear to be more limited for some ethnic group; particularly Black African men and women, and Black Caribbean men, even after accounting for origin class and disadvantage associated with first generation immigrant status.
- Risks of downward absolute social mobility are also higher for Black African men and women, and Black Caribbean men, as well as for Pakistani/Bangladeshi men and women, even after accounting for origin class and first generation status.

For further detail on each of the ten social policy areas summarised in this section, please see the SPDO Overview paper, chapters 4 to 13, and the underlying research reports.

6 Central Challenges

The second decade of the 21st century was in many respects a decade of going backwards, if the aim of social policy-making was to reduce social disadvantage and social and economic inequalities. The deficiencies, detailed above, across ten social policy areas were already formidable on the eve of the COVID-19 pandemic, and many contributed to the challenges the country faced in responding effectively to the virus and to the economic impact of lockdown.

We identify five cross-cutting lessons from the pre-pandemic period about what would be needed to return to a positive trajectory of improving social outcomes and reducing social inequalities over the 2020s.

Challenge 1

Sustainable funding models as a foundation for a welfare state and public services that are fit-for-purpose for the 2020s

- The unprecedented public expenditure increases associated with the COVID-19 pandemic have addressed the extra costs triggered by the public health crisis. They do not address the under-investment of the last decade – the consequences of which have been highlighted in the preceding sections – nor the medium and long-term additional costs that are resulting from COVID-19 across multiple social policy areas.
- The combination of previous under-investment, exceptional COVID-related expenditure, and the collapse in GDP, will create a major fiscal challenge. Transition to new and sustainable funding models, and a fundamental rethink of taxation, will be required.
- One-off taxes tailored to those businesses and sectors that have seen windfall gains in profit during the pandemic, and ‘solidarity taxes’ orientated towards individuals, including many professionals, whose income and welfare losses have been comparatively low during the COVID-19 pandemic, could help in the short run.
- In the longer term, many options which had seemed politically non-viable prior to the pandemic were being more widely discussed as the virus entered its second wave in Autumn 2020, including higher income tax, green taxes, more equitable taxation including taxation of wealth and assets, hypothecated health and social care taxes or premiums, and a greater role for social insurance.

Challenge 2

Strengthening accountability for improving social outcomes and reducing social inequalities

- A key lesson is that statutory duties, rights-recognitions and systems of targets can strengthen national, regional and local accountability mechanisms, but these need to be adequately resourced.
- The substantial weakening of legal accountability mechanisms for reducing child poverty in England through the Welfare and Work Act 2016 contrasts with strengthened accountability in Scotland, with four time-bound child poverty targets in the 2017 Child Poverty (Scotland) Act.
- Positive examples can be built on in health – new statutory duties to promote good health and to reduce health inequalities in the Health and Care Act 2012; in homelessness – with a re-established national framework of homeless duties in England and a new focus on prevention through the Homelessness Reduction Act (2017); and on domestic violence, with new statutory duties on local authorities to support victims of domestic abuse.
- But these additional duties have fallen largely on local authorities and combined authorities in England at the same time as a cumulative erosion of the capacity of local government through years of cuts, resulting in a mis-match between responsibilities and resources.

Challenge 3

Developing multi-dimensional strategies and interventions that join up different social policy areas and extend across multiple life domains

- Progress has been made in some policy areas towards recognising the need for multi-dimensional analysis of social problems and for holistic, multi-agency responses, including innovations led by devolved city-region administrations. But these remain the exception rather than the rule, and this approach needs to be embedded systematically.
- For example, best practice in preventing inter-personal violence is understood to require involvement of youth services, healthcare and housing as well as criminal justice agencies, but practice on the ground is piecemeal and a coordinated approach is difficult when each individual agency is under strain.
- Similarly, evidence for the social determinants approach to reducing health inequalities is now firmly established, but translation into policy action has been limited. Recognition of the social determinants of need for social care (and the corresponding social gradient in unmet need) has hardly begun.
- Conversely, we see the adverse impact of social security reforms and the use of sanctions and deductions not only in the domain of living standards (destitution and rising child poverty) but also on life and health domains (suicide and mental health), physical safety and security and employment domains (for example, reliance on informal and unsafe work, and domestic abuse in some instances) and individual life (lack of dignity and respect).

- There needs to be more focus on policy mixes that address deficits across multiple domains of life simultaneously – such as:
 - Multidimensional health inequalities strategies that address the social determinants of health and needs for care;
 - Multidimensional anti-violence strategies that use a public health approach to violence, recognising the relevance of multiple areas of social policy and the need for broader investment in youth;
 - Multidimensional anti-poverty strategies that address the need for more adequate social investment in education and skills and social security protections, alongside minimum wages;
 - Multidimensional anti-racism strategies that address the root causes of discrimination and disparities across multiple areas of life.

Challenge 4

Giving first priority to the needs of the most disadvantaged and to comprehensive public action to reduce social inequalities

- The position of some of the most disadvantaged and at-risk social groups deteriorated during the second decade of the 21st century. A new cross-cutting prioritisation principle is required that puts the worst-off first.
- This should not be confused with a retreat into means-testing, targeting and selectivity. Instead it requires testing policy proposals against their combined impact on the worst off, and ensuring that their needs are considered first and foremost.
- As demonstrated by our analysis, the identity of the ‘worst off’ varies across policy areas – it may be pupils eligible for Free School Meals or with Special Educational Needs, or women who are over 80, or low birthweight babies, or young Black men.
- In many instances, reducing overall inequalities will be an effective way to strengthen the position of the worst off, and this in turn will improve general social outcomes. Measures to reduce income poverty and income inequalities are likely to be particularly efficient since the positive effects of greater security in the standard of living domain are likely to have substantial positive externalities in improving social outcomes across other areas, such as health, care, education and physical security.

Challenge 5

- A new values-based approach to social policy: dignity and respect, recognition and social value
- Values-based approaches are gaining momentum in social policy debates and could provide a foundation for positive social change. Examples include:
 - Human dignity explicitly established as a guiding principle of the Scottish social security system by the Social Security (Scotland) Act 2018

- The translation of principles of dignity and respect into fundamental standards of healthcare in the NHS is pivotal to the quality improvement agenda and the concept of integrated and person-focused care.
- Addressing the long-standing lack of recognition for, and under-valuing of, both paid and unpaid providers of care has been identified as critical to addressing the crisis in social care.
- Social policy in areas such as social security and social care should also be underpinned by principles of adequacy, which are essential for individual dignity and independence.
- The challenge for social policy in the 2020s is to embed values such as dignity, respect, recognition and valuation into the fabric of public services, their delivery mechanisms and processes, and to ensure that these values are consistently reflected in people's lived experiences of interactions with the welfare state.

For further detail on the challenges for social policy and social inequalities in the next five years, please see the SPDO Overview paper, chapter 14.

7 Further information

This Summary is based on an overview report of the Social Policies and Distributional Outcomes (SPDO) programme, which is available through our website. The overview report includes Acknowledgements and details of sources and references.

For further information please see visit [Social Policies and Distributional Outcomes](#), where you will find details of the research team, underlying research papers and summaries, data and charts, and news and events.

You will also find links to our previous research programmes on the [Coalition](#) and [Labour](#) administrations, which together with SPDO comprise a quarter of a century of critical analysis of the British welfare state and social policy outcomes.

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