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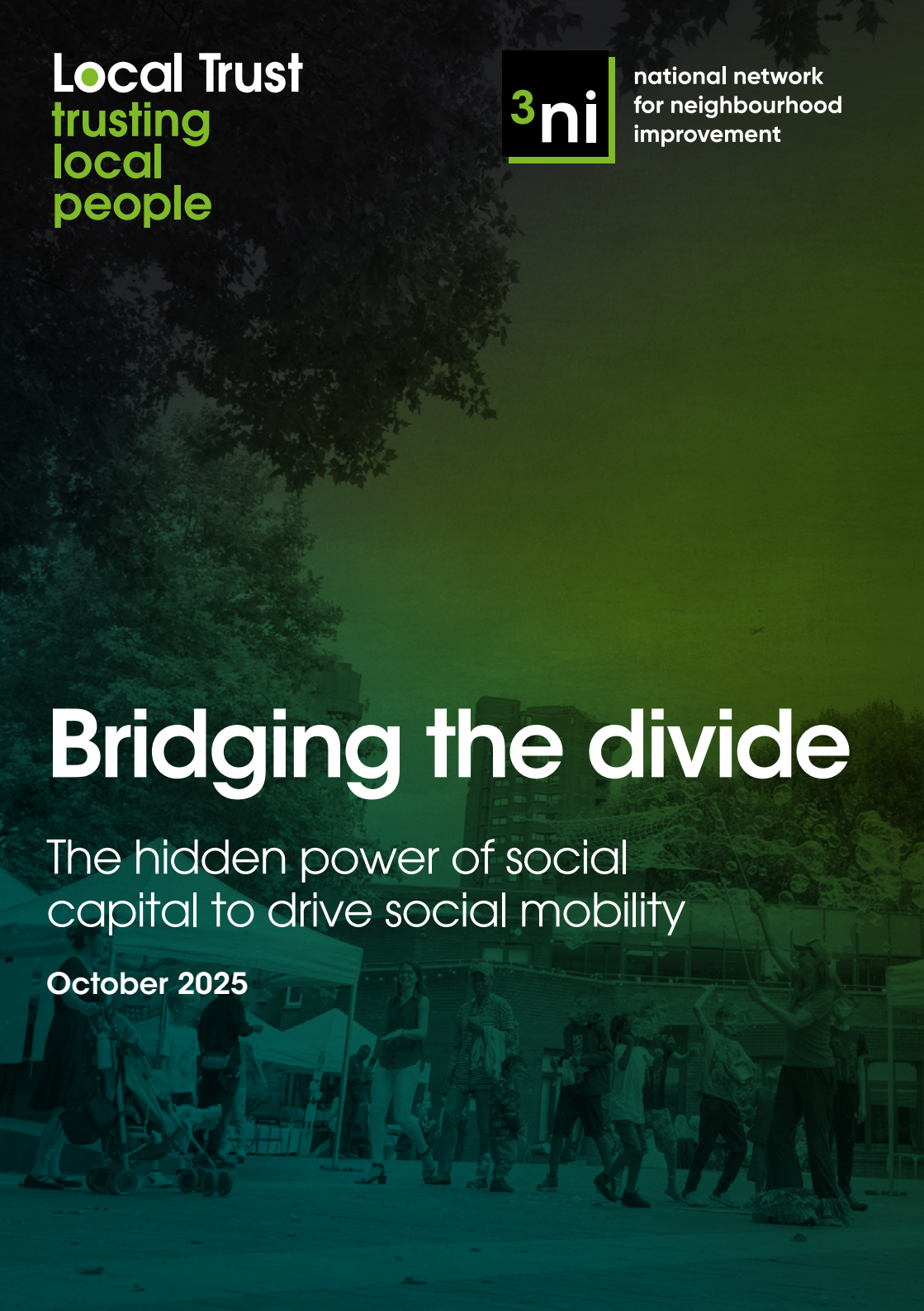


national network
for neighbourhood
improvement

Bridging the divide

The hidden power of social
capital to drive social mobility

October 2025



Local Trust

About this report

This paper examines the role of social capital in driving social mobility within the UK. It argues that previous policies which tackled social mobility solely from the perspective of improving educational attainment and individual talent have been insufficient to address persistent social inequalities. The report recommends adopting a neighbourhood-level approach to social mobility that prioritises investment in disadvantaged areas. By strengthening local economies and expanding opportunities within disadvantaged communities, we uplift the entire community and improve social mobility among residents, rather than picking a lucky few to transplant to elite professions away from their hometown.

Authorship

Adam Coutts and Shuting Xia

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Front cover: World's End and Lots Road Big Local's summer event 2025
Photo: Local Trust / Claudia Leisinger



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Foreword

This report is a timely and important reminder of the vital role that social capital plays in contributing to our health, wealth and wellbeing, as individuals and families, and collectively across society.

Years of limited progress in boosting social mobility in the UK points to the need for a radical shift in our approach. Policy has traditionally focused on improving educational outcomes and smoothing the pathway of certain groups or individuals into what are often considered elite professions. While important, this narrow focus has also perpetuated a harmful “move out to move up” phenomenon, one that is simultaneously caused by and further exacerbates existing spatial inequalities.

Earlier this year, 3ni partnered with Local Trust and Demos to produce a series of papers to mark the 25th anniversary of the publication of Robert Putnam’s seminal work on social capital, ‘Bowling Alone: the Collapse and Revival of American Community’. In the Social Capital 2025 papers, we explored how social capital can help improve social and economic outcomes at the hyper-local neighbourhood level – from supporting community health and creating a protective shield for children and families, to addressing issues of crime and anti-social behaviour and creating a virtuous circle of economic growth and wellbeing.

Fifteen years after the inception of the Social Mobility Commission – which in its first incarnation was of course the Child Poverty Commission, a critical issue that limits life chances and blights a child’s prospects and potential in later life – this paper returns to

the theme of social capital to propose a new focus on community social mobility. It seeks to capture the importance of place and social capital in building the local infrastructure of opportunity that is required if we are to lift whole communities from economic disadvantage – not just a lucky few individuals.

Social capital is the bedrock of our communities: the social connections, networks, trust and manifestations of mutual support that help us get by both in day-to-day life and in times of crisis; the bridging social capital that connects us to new opportunities, resources and networks to get on and help achieve our aspirations; and the linking social capital that enables co-operation and underpins local collective efficacy, helping a community to get things done, and as this paper argues, get 'growth ready'.

Policy and practice that centres on investing in and developing the social infrastructure that supports and nurtures social capital and helps build stronger communities will be key to meeting the priorities of the government's emerging neighbourhoods agenda. As recognised in the objectives of its recent Pride in Place strategy, "talent is spread equally but opportunity is not". Driving social mobility from within by building social capital from the neighbourhood up will be key to achieving this. At 3ni, we look forward to doing what we can to help achieve this in communities across the country.

Dan Crowe

Director, 3ni

Introduction

Social mobility – the ability of individuals to improve their social and economic standing – has long been viewed by sociologists, economists and policymakers as a hallmark of a well-functioning society. It's generally agreed that how well people do ought to correspond to their ability and effort, rather than the arbitrary circumstances of their birth.

The Organisation for Economic Co-operation and Development (OECD) argues that social mobility is crucial for fostering inclusive growth and reducing inequality (OECD, 2020). The World Bank says that social mobility is a key driver of sustainable economic development and social cohesion (World Bank, 2020).

Social capital and social mobility are intrinsically linked. The quality and diversity of someone's social network significantly shapes their capacity for upward mobility (Holland, Reynolds, and Weller, 2007). Connections across diverse social groups lead to opportunities beyond a person's immediate environment, increasing the likelihood of socioeconomic advancement. Conversely, those lacking social support and connections may struggle to break free from adverse circumstances.

The neighbourhoods in which we live play a determining role in this dynamic. After all, a person's first sources of social capital – chances to learn, develop new skills and interests, and forge social networks – all start to develop around our shared local spaces, homes and schools.

Historically, however, this hyper-local approach has not been prioritised by policymakers. Instead, when seeking to improve social

mobility, they have tended to prioritise national policies – such as efforts to increase access to higher education – rather than local transformation. In January 2025, this was noted by Alun Francis, the Chair of the Social Mobility Commission – the national body that monitors and advises the government on the UK’s social mobility. Rather than focusing exclusively on routes to university, he signalled a shift in the Commission’s priorities to a more community-based outlook: one that considers those left behind, often beyond the higher education pathway, in towns and villages across the UK. He wrote:

 **The Social Mobility Commission State of the Nation report for 2024 revealed large geographical disparities in social mobility outcomes across the UK.... It stands to reason, then, that effective place-based strategies, where local leaders can help to drive change, by fostering enterprise, investment and innovation, should form part of our approach.”**

Social Mobility Commission, 2025

If living in a disadvantaged area fundamentally limits access to social and professional networks, as well as opportunities for new skills and rewarding employment, then it stands to reason that where someone lives influences their social mobility. As a result, place-based interventions to tackle geographic inequality may be a more effective strategy to boost national levels of social mobility than the ‘one size fits all’ approaches attempted in the past.

This paper examines the relationship between social capital and social mobility through the lens of place, and considers the implications for policy and practice.

Some definitions

First, what do we mean by 'social mobility'?

Social mobility refers to the movement of individuals or groups between different socioeconomic statuses. This is often measured by comparing an individual's occupation, income, or education to that of their parents. In the UK, if one family earns £10,000 more than another, their children can expect to earn about £3,700 more in their own careers (Nandi, A. and Platt, L., 2024). This illustrates how entrenched advantages or disadvantages tend to be passed down through generations.

In the post-war era, especially between the 1950s and 1970s, there was an increase in upward mobility in the UK – thanks to an expanded welfare state, improved access to education, and rapid economic growth. Many working-class people entered middle-class occupations, partly due to industrial and post-industrial shifts in the labour market (Erikson and Goldthorpe, 2010).

However, from the 1980s, social mobility in the UK began to stagnate. Economic restructuring, the decline of traditional industries, and cuts to public services contributed to increasing inequalities (Jonsson and Mills, 1993). Despite government efforts, the gap between the richest and the poorest widened, and upward mobility became harder, especially for those from disadvantaged backgrounds. In 2023, a report by the Institute of Fiscal Studies declared intergenerational social mobility was the lowest in the UK for 50 years, finding the earning potential of those born after 1970 was far more likely to be predicted by their parents' income levels than previous generations (Van der Erve et al., 2023).

This lack of progress in improving social mobility does not indicate a lack of effort. Improving social mobility has been a priority for policymakers on both sides of the political spectrum for at least twenty years. In 2010, the Child Poverty Commission was formed to monitor the government's Child Poverty Strategy. It was renamed the Social Mobility and Child Poverty (SMCP) Commission in 2012, then became the Social Mobility Commission in 2016. The SMC's stated aim is to "create a United Kingdom where the circumstances of birth do not determine outcomes in life". Each year the organisation publishes reports on the state of mobility in the UK, as well as commissioning research on how to measure, monitor, and promote social mobility, and advising ministers on the findings.

Second, what do we mean by social capital?

For the purposes of this paper, we adopt Ichiro Kawachi's (2006) definition of social capital as "a network-based process: that is the resources available to individuals and communities through their social networks, ties, and social support" which foster trust and connection. However, the research exploring social capital and its relationship to social mobility often differentiates between different types of social capital, and it is worth unpacking these here. Szreter and Woolcock (2004) identify three types of social capital: bonding, bridging, and linking social capital.

1. **'Bonding'** social capital encompasses close, homogeneous networks, typically among family and close friends. It provides immediate emotional and practical support, creating trust and cohesion within these tight-knit groups (Lee, 2020; Pfefferbaum et al., 2017; Szreter & Woolcock, 2004). This form of social capital often builds on shared backgrounds and experiences, reinforcing connections among similar individuals.
2. **'Bridging'** social capital connects people across diverse groups, like neighbours or colleagues, promoting inclusivity by connecting us to those with different backgrounds and perspectives (Carmen et al., 2022; Musavengane & Kloppers, 2020; Pfefferbaum et al., 2017). Bridging enables communities to gain new insights and access broader resources, enriching the social fabric with a diversity of ideas and skills.

3. **'Linking'** social capital extends beyond local social structures, connecting individuals and communities to institutions of authority, such as government agencies or other organisations. This form of capital provides access to resources and support that may otherwise be unavailable, positioning individuals and groups to benefit from broader societal networks (Szreter & Woolcock, 2004).

Others divide social capital into two categories: **formal** and **informal**. The former refers to structured, institutional connections such as participation in voluntary associations, workplaces, or civic organisations. Informal networks, by contrast, are more organic and arise from everyday interactions with friends, family, colleagues, and neighbours.

Some studies differentiate between **structural social capital** – which pertains to active participation in community networks, including social activities that strengthen mutual support and cohesion (Hikichi et al., 2020) – and **cognitive social capital**, which is more subjective, encompassing perceptions of trust, shared values, and the reliability of support within a network (Hall et al., 2023; Hikichi et al., 2020; Musavengane & Kloppers, 2020; Radu, 2018). Cognitive social capital involves individuals' confidence in their networks' ability to provide assistance when needed, as well as their sense of collective efficacy during times of crisis (Cui & Li, 2020).

Studies also explain how social capital functions on both **individual** and **collective** levels. Individual social capital refers to the personal networks that individuals cultivate with family, friends, and authority figures to access resources for personal advancement and support (LaLone, 2012). Collective social capital, on the other hand, pertains to community-wide networks that enhance social cohesion, mental and physical health, and enable collective action to overcome significant challenges (Abunyewah et al., 2023).

The differences between these definitions becomes relevant in the following sections, as we consider the options for spatial policies to improve social mobility in the UK.

The evidence: how social mobility and social capital are connected

In its *State of the Nation 2023* report, the Social Mobility Commission (2023) acknowledged that:



Another important factor to consider in understanding what helps or hinders social mobility is social capital. [But] social capital's role in social mobility is less well understood than that of education or work."

This statement reflects the fact that many of the studies exploring the interplay between social mobility and social capital come from the US, where differences in class, ethnicity and professional structures make lessons more challenging to apply to a UK context. However, it primarily reflects the fact that the available research contains ambivalent and sometimes conflicting findings.

Differentiating between the different forms of social capital at the outset of this paper was important because one of the lessons from the research is that *not all social capital is created equal when it comes to improving social mobility*. In this section we explore four of the most important lessons from academic research on this topic.

Lesson one: 'bridging' social capital – building networks beyond our immediate friends and family – is the most effective driver of upward mobility.

The unequal distribution of social capital is a recurrent theme in the research literature. This is because upward social mobility is more

closely tied to 'bridging' capital than 'bonding' capital (Chetty et al., 2022). When we socialise with those of a similar socioeconomic standing, we create tightly-knit, homogeneous networks. At one end of society, this bonding can concentrate opportunities within the already privileged classes. At the other, those from disadvantaged areas may have close ties to those they already know, but struggle to 'bridge' from this immediate network to those outside of it. This process can perpetuate and exacerbate existing disparities.

Pichler and Wallace (2009) find that the formal networks of higher social classes – with their associated 'bridging' opportunities – are both more extensive and intensive. In their study, members of the professional or managerial class belonged to an average of 1.4 voluntary organisations, compared to just 0.5 for the working class group. This upper class also had higher levels of active participation in organisations, indicating both broader and deeper engagement in formal networks.

The two-way causal links identified in the literature can create a vicious circle: people with disadvantaged backgrounds tend to have more limited bridging capital, which in turn reduces the prospect of upward social mobility. Individuals with more privileged backgrounds, on the other hand, often benefit from broader and more influential social connections, cementing their advantage.

Lesson two: *'bonding' social capital is a double-edged sword – the very strength of our ties to a particular place or community can limit opportunities elsewhere.*

Holland, Reynolds, and Weller (2007) find that, while *bridging* capital can open doors, *bonding* capital can sometimes hinder social mobility. Community attachment, typically seen as a virtue, can also be a challenge: strong ties create a "pull" effect that can make it difficult for some working class young people to explore opportunities outside their immediate environment. Their study also explores how this dynamic plays out in ethnic minority communities. For Caribbean youth, they find, strong informal ties to family and

friends provide resources and support but simultaneously reduce their willingness to engage with predominantly white institutions or environments, potentially hindering access to broader educational and career opportunities.

Rothon, Goodwin, and Stansfeld (2012) also find that some forms of social interaction are negatively associated with educational outcomes and, by extension, social mobility. They describe how very high levels of sociability and engagement in unstructured moments – frequent “hanging out” – can be linked to lower GCSE achievement. This contributes to an ongoing debate about the potential downsides of certain types of social capital.

The “negative network” concept has also been discussed as a workplace phenomenon. Calvó-Armengol and Jackson (2004) find that an individual’s employment prospects are tied to the professional status of the people in their professional network (i.e. a network they have built through social capital in the workplace, which, in turn, can be influenced by a person’s personal and social skills formed earlier in life). Those with professional networks (rather than networks of economically inactive people) are more likely to stay in work. And the longer people are unemployed, the harder they find it to begin work again. This may help to explain the persistence of socioeconomic disparities across generations and social groups, highlighting how initial disadvantages may be perpetuated through social capital.

Lesson three: education is not the sole driver of social mobility.

Education has always been a critical factor in improving social mobility. Investment in early years education under the Blair government focused on the promotion of “life chances” among disadvantaged children. Successive governments have sought to close the education gap between pupils on free school meals and their wealthier peers in a number of ways, with a particular focus on further education and higher education, as well as vocational

pathways. Considerable progress has been made in London, in particular (Education Policy Institute, 2024).

In practice, however, studies of social capital reveal that the link between education and social mobility is less straightforward than it can sometimes appear.

First, there is the problem of attributing causation. Do schools drive social mobility because of the teaching they provide, or the social networks they foster? Both matter hugely, of course – but is one more significant than the other? Several studies show that education can improve social mobility by boosting social capital *as a factor distinct from educational outcomes*. Pichler and Wallace (2009) find that each additional year of education beyond age 16 correlates with increased membership and active participation in voluntary associations, pointing to education's role in establishing formal social networks – boosting “bridging” capital and therefore social mobility. Halpern (2005) explains that schools can be seen as a tool for improving civic participation, strengthening political activity and increasing and building a participatory culture.

Second, there is the importance of family life. To what extent is it possible for children to thrive at school if they are struggling at home, or in the wider community? There is an obvious virtuous cycle here: the greater the culture of civic participation in a place, the better the educational results, and the better the educational conditions – which in turn cement the culture of participation. Croll's (2004) examination of UK data, using the British Household Panel Survey, found that both family-based and community-based social capital are associated with better GCSE results, even after controlling for socioeconomic status.

Rothon, Goodwin, and Stansfeld (2012) provide additional evidence of the importance of family-level factors in educational attainment. Their study, using data from the Longitudinal Study of Young People in England (LSYPE), reveals that family social support – with good paternal relationships, frequent family meals, and high levels of parental surveillance – were significantly associated with

good GCSE results. Holland, Reynolds, and Weller (2007) find that supportive family and sibling relationships help children navigate critical educational transitions, such as the move to secondary school. Successfully managing these transitions is crucial for future educational attainment and, by extension, social mobility.

Families are not the only important factor. Community-level social capital has a decisive role to play, too. Israel and colleagues (2021) explain two ways in which this occurs. First, communities with strong social capital have active community lives – with access to groups, clubs, facilities and other resources for young people to learn important skills beyond the classroom, improve their mental wellbeing and emotional resilience and so on. Each of these factors contributes to better educational outcomes. Second, a community with strong social capital will have a framework of shared norms and values which help to socialise young people. Evidence suggests that this is important, for example, in reducing criminal and anti-social behaviour and can promote positive attitudes towards education and civic duty (Coutts, 2025).

Such a community will most likely include role models and mentors for young people to learn and seek advice from. Greenbank's (2009) qualitative study of working-class undergraduates at a new university in the UK finds that many lack such role models. Not knowing people with experience of university or graduate careers leaves many without an informal source of careers advice. Similarly, Fuller's (2014) study of educational aspirations among socially disadvantaged girls in the UK identifies another way in which supportive communities improve student engagement in school: trust. The study finds that students who trust in the educational system's meritocratic principles were more likely to engage actively with school life, participate in institutional activities, and build beneficial relationships. Community action and active participation within the wider community fosters trust in these systems and structures through positive social norms, thereby improving pupil engagement.

Lesson four: social capital formation in the workplace is vital.

The workplace has emerged as a critical focus of social capital and social mobility research, serving as both a reflection of existing social structures and a potential catalyst for change and policy intervention. We spend most of our waking hours at work, after all, with the chance to meet people and access opportunities. These workplace interactions and relationships profoundly shape career trajectories and give us chances to climb the socioeconomic ladder. Recent research has illuminated the relationship between workplace social connections, individual career progression, and broader societal stratification, offering valuable insights into how professional networks can either reinforce existing social hierarchies or provide pathways for upward mobility.

Fearon et al.'s (2018) study of UK university business school students offers valuable insights into this relationship. They find that the development of personal, social, and enterprise (PSE) skills is a significant factor in a person's career decisions. Students who hone skills such as leadership and communication are more likely to feel assured about their career choices. They also find that student social capital, particularly peer-to-peer relationships and networks, positively influence career decisions. This suggests that the connections students form during their university years can significantly impact their ability to make informed career choices.

Brook's (2005) comprehensive review supports this. This analysis of the Labour Force Survey in spring 2004 found that nearly 30% of those who had started a new job in the UK in the past three months heard about the role from someone who already worked there. Similarly, an evaluation of the New Deal employment initiatives under the Tony Blair Labour government showed that over 30% of lone parents who recently obtained employment heard about the role from friends or relatives, compared to only 10% who heard and found employment via the Job Centre. Job brokerage, a project that helped people access employment and training and supported

recruitment for local businesses, was found to be most effective when projects were embedded in the community – drawing on local networks and tailoring support to individual need (Local Trust, 2019; Walton et al, 2003).

Franzen and Hangartner's (2006) study finds that graduates who find jobs through social contacts report higher educational adequacy, meaning their positions are more closely aligned to their field of study. These jobs are also perceived as offering better long-term career prospects and opportunities to deploy skills. The study finds that using social networks reduces job search costs: graduates who use their existing contacts in job searching experience shorter search times and need to submit fewer applications and attend fewer interviews. This finding underscores the efficiency of network-based job searches, even if they do not translate directly into higher wages.

Friedman, Laurison, and Miles (2015) explore the flip side of this coin. Their study reveals that people from working-class backgrounds, even those who have achieved upward mobility, often possess less influential social networks compared to their more privileged counterparts. Their study identifies a "class ceiling" in elite occupations – even when individuals from working-class backgrounds successfully enter elite professions, they tend to accumulate less economic, cultural, and social capital compared to their more privileged colleagues. Particularly striking is the income disparity, with the upwardly mobile earning significantly less than their peers from higher class origins, even when controlling for factors such as education and age. On interviewing members of elite professions from less privileged backgrounds, many respondents reported feeling culturally and socially out of place and worried they lack a natural feel for the unwritten rules that their more privileged colleagues seem to possess effortlessly.

The rise of remote work, particularly in the wake of the COVID-19 pandemic, introduces additional complexities to workplace social capital. Remote work may disproportionately benefit senior employees who have already established connections within their organisations, while newer or entry-level workers often struggle to form informal social ties. These workers miss out on opportunities for casual interactions – such as impromptu conversations by the coffee station – that traditionally foster mentorship, guidance, and trust. As a result, the informal social capital crucial for career development may be increasingly stratified, deepening inequalities between established and newer members of the workforce.

Interestingly, the push by many business leaders to return employees to in-person work is often framed as a way to maintain productivity. However, it may also reflect the importance of informal social capital in fostering collaboration, innovation, and long-term organisational cohesion. Remote work, while offering certain advantages such as time savings from reduced commutes, may inadvertently weaken workplace networks critical to career advancement, particularly for those still in the early stages of their professional trajectories.

The role of place: does social mobility reach all parts of the UK?

Last year, the Social Mobility Commission launched a new indicator to monitor social mobility at the level of the local authority – a far more granular approach than its previous regional-level analysis. The Commission's 2024 *State of the Nation* report declared:

 **The evidence suggests that a one-size-fits-all national strategy for social mobility is too broad a brush to make any real difference. We are keen to see place-based approaches... rather than exclusively focusing on education in isolation".**

This is an acknowledgment that the SMC has, for years, worked hard to develop policies aimed at reducing educational attainment gaps in schools and higher education, but has given "insufficient attention to regional disparities and 'left behind' people and places" (Social Mobility Commission, 2024). This is a welcome change. The problem, now, is how to make it real.

One challenge is finding the right metrics for success. Historically, the Social Mobility Commission has measured two elements of social capital: rates of civic participation, and "trust" in people at large. A person's level of trust in others is determined by asking them to agree or disagree with the following statements: "most people try to take advantage of me", "most people try to be fair", "people mostly

look out for themselves” and “most people can be trusted” (Social Mobility Commission, 2023). The distinction between ‘bonding’ and ‘bridging’ social capital is at best dismissed as irrelevant, and at worst is considered an active obstacle to mobility in disadvantaged communities. It’s why this report has spent so much time exploring the different ways in which social capital manifests itself – these definitions directly inform the metrics we choose to measure and understand social mobility in the UK.

Over the years, this lack of nuance has helped to popularise a myth in UK policymaking: that social mobility means people have to “move out to move up” – that the way to escape poverty in a deprived area is to up and leave. Successive governments may have cemented this reality by failing to tackle spatial inequalities in education and income, and by pursuing mobility *between* places – pushing young people to high-skilled jobs in London and a handful of urban centres – rather than tackling gaps *within* neighbourhoods, or investing in deprived areas directly. The Social Mobility Commission admits that they also may have exacerbated this problem – rather than lifting whole communities, efforts have been focused on lifting talented individuals out of disadvantage, and smoothing their paths to universities and elite professions.

By focusing on individual social mobility to the exclusion of community social mobility, policymakers have been unable to create a meaningful change in social mobility rates. This trend has also contributed to “brain drain” and the hollowing out of communities, dampening inward investment and creating a vicious cycle of economic decline and geographical inequalities.

Suggestions for future policy

Turning this cycle round must start in neighbourhoods, targeting the most disadvantaged areas first. Social mobility efforts should seek to lift entire communities, rather than cherry picking a lucky few to transplant to elite professions away from their hometown.

Not only will this spread the benefits of social mobility to a far wider share of the population, it can also benefit those who have moved out – as Friedman, Laurison, and Miles (2015) show, people from disadvantaged backgrounds who have moved to “middle class” workplaces do not always enjoy the experience of being displaced. Many would in fact prefer to work closer (both geographically and metaphorically) to their friends and family, if they had the choice.

To catalyse this kind of community-level social mobility, this report recommends three things.

1. Foster all forms of social capital – but focus on ‘bridging’ between groups.

Many of the studies exploring the interplay of social mobility and social capital are at pains to differentiate between different ‘types’ of social capital – in particular, the distinction between ‘bonding’ *within* social groups, and ‘bridging’ *between* them. While the latter is important for social mobility, this does not mean that bonding can be overlooked altogether. Communities do best if they have strong ties at every level – within families and friend groups, between neighbours and colleagues, and with strong participation in voluntary organisations and civic life. Combined, these connections foster community resilience in the face of economic shocks or other crises, increase levels of social trust and belonging, and reinforce

positive social norms that can tackle criminality and anti-social behaviour. They make neighbourhoods safer places, boost mental and physical wellbeing, and help vulnerable and minority groups feel included. It is not the case that bonding is the “wrong sort” of social capital if the goal is to tackle spatial inequality.

Rothon, Goodwin, and Stansfeld (2012)’s findings noted above – that unstructured “hanging out” can harm educational performance – have helped to fuel this idea that close-knit friendship bonds are “the wrong sort” of social capital. But other evidence suggests that the real issue is not the wrong *type* of social capital, but rather not *enough* social capital at the neighbourhood level; that feelings of isolation from a community can push people to seek social ties among those disengaged from school (Sampson, Raudenbush and Earls, 1997). Similarly, Calvó-Armengol and Jackson (2004)’s study which shows that professional networks improve people’s employment prospects does not mean that people hoping to do well in their careers should not form bonds with the economically inactive. There is no evidence to support the idea that mingling with those from a lower socioeconomic position can harm someone’s prospects. Rather, the evidence points to the need for more social capital in the form of larger, more diverse social networks, with a mix of those from professional backgrounds and those out of work.

Many disadvantaged communities have, through necessity, formed strong bonding capital already. These ties are in fact often stronger than those in affluent areas: connections have been made between families, neighbours and friends as they informally support each other through economic hardship and years of neglect by national and local policymakers and public services. The need, instead, is for stronger ‘bridging’ capital in these places. New opportunities can be created locally that help people access the resources they need to thrive without leaving their communities behind. This can be encouraged at a neighbourhood level by:

- Expanding formal opportunities for volunteering, civic participation, training and education, as well as encouraging

hobbies and interests, events and cultural celebrations. These moments allow people to meet and form 'bridging' connections beyond their immediate family and friendship groups.

- Creating social infrastructure that brings different age groups, ethnicities and backgrounds together informally, particularly at low or no cost. These might be public parks, libraries, or shared buildings.
- Finding ways to "network their networks" – bring together existing tightly knit groups within a community, to encourage more diverse and broader "cross-group" connections to be formed.
- Developing self-governance structures for local residents, so they can set their own priorities for investment and regeneration. This will not only ensure local funding is spent in the most effective way, but will also generate further opportunities for different community groups to come together and create connections around a common shared objective.

Disadvantaged neighbourhoods that have strong bonding and bridging social capital will be more socially mobile, enjoying the benefits of a healthy civic life, opportunities to form new skills and interests, and mix with people from different backgrounds.

2. Tackle geographic inequalities once and for all

As the Social Mobility Commission acknowledged in their 2024 *State of the Nation* report, social mobility fundamentally depends on the strength of local economies.

Communities themselves can only do so much to boost their social mobility. If there is a shortage of local economic growth and very few well paid, high-skilled employment opportunities, then young people will still "move out to move up" from their towns and villages to cities and commercial hubs. Recent government policies regarding

planning and infrastructure investment and reform, strengthening devolution and the Recovery Grant all paint a promising picture of a government focused on spreading the benefits of economic growth to hitherto neglected areas. The Social Mobility Commission's Economic Growth and Investment Group is also very welcome. The group, made up of business leaders and entrepreneurs, intends to engage with local leaders and present a series of policy options to the government. The Group's [launch statement](#) on 14th February 2025 declared:



The Commission believes a place-based approach, led by local leaders, that promotes innovation and entrepreneurship, together with a joined-up skills and employment strategy, could be key to growing opportunities in economically disadvantaged areas."

This should give a vital spatial focus to the economic growth and social mobility agenda, though ahead of the Group's recommendations due in the Autumn, important questions have yet to be addressed, such as:

- At what level will a place-based strategy be developed – will the UK be broken down by region, local authority, or below? The evidence shows that economic and social inequalities form at neighbourhood level, first and foremost.
- Who are "local leaders" shaping local strategies? Will they be members of communities themselves, to encourage self-governance and empowerment?
- Will the group's stated priorities of innovation, skills and employment be wrapped into a more holistic framework? The hallmark of an effective place-based strategy is one that includes building social capital, civic participation, and trust – economic outcomes and culture are connected.

3. Finally, enable communities to get “growth ready”

The social mobility, economic growth and devolution agendas are still in flux as the government further develops its policy ideas and strategy, particularly around neighbourhoods. In the meantime, local communities can still do much to become “growth ready” and poised to take advantage of any new investment and employment opportunities that may arise from these policy changes.

The business decision to invest in a new area is complex, with companies considering a range of factors such as the availability of land or premises, business rates, transport and internet connectivity, supply chains, local customers and labour markets, and so on. Much of this is beyond the remit of local communities, and policies to shape favourable business environments must come from above (either from the local authority or national government policy). Nonetheless, communities can do their part by:

- Encouraging local skills development, volunteering, and work experience opportunities for school leavers to enrich the local workforce.
- Tackling antisocial behaviour and improvements to highstreets, estates and open spaces so that local communities are attractive places for businesses to move into.
- Offering support for start-ups and local business to generate “home grown” employment opportunities for locals.

All this requires local investment. The experience of the Big Local programme – administered by the Local Trust – clearly demonstrates how neighbourhood groups, managing modest sums to invest in local priorities, is disproportionately impactful. Community groups in Big Local areas have regularly prioritised these areas for budget spending, recognising the importance of these areas for local economic growth and driving social mobility “from within”.

However, even without additional grant funding, communities could – with the right support – capitalise on existing local assets. For example:

- Local schools – including private schools situated in or near disadvantaged neighbourhoods. These often have extensive sports, art, music and tech facilities which remain unused for a large portion of each day. There is an obvious opportunity here for communities to squeeze additional value from these resources outside of school hours to host groups for skills and employability development, and give under-served groups access to sporting, cultural and artistic endeavours. Depending on the neighbourhood in question, the same might be said for a whole range of sites, including FE colleges and universities, retirement villages and MOD assets. As some of these will be commercial or private enterprises, local or national legislation may be needed to incentivise wider community access.
- Local employers, including local authorities and the NHS, are a source of business facilities, mentoring and advice to support local start-ups and entrepreneurs. They can also be a resource for those entering the workplace, helping them to gain critical ‘bridging’ social capital and to meet professionals outside of their local networks.
- Local natural and cultural attractions – such as historic sites, ruins and buildings, caves – all form part of neighbourhood heritage and cultural assets, and many are not used to their fullest. Opportunities for civic participation to restore these sites, for school trips to create learning opportunities, as a focus for local historical celebrations and so on can reinvigorate these assets, generating new social capital and possibly leading to business investment in the longer term.

By bringing opportunities for skills development and employment back to local neighbourhoods, the pressure to “move out to move up” is eased for young people, turning a vicious circle into a virtuous one.

Conclusion

The research exploring the interplay between social capital and social mobility can be ambivalent in its findings over the “type” of social capital that best improves social mobility.

However, as we argue, all types of social capital are beneficial, depending on the precise objective at hand. Bonding capital can improve physical and mental health outcomes, economic resilience, and drive down crime. The idea that we discourage this form of capital for the sake of improved social mobility would be absurd.

This paper calls instead for a coherent place-based strategy that ensures all types of social capital – linking, bonding and bridging, informal and formal – flourish side by side. More than that, we suggest ways in which an effective strategy can capitalise on the strong bonding capital that already exists in disadvantaged communities across the country, alongside other more concrete underused community assets, to drive social capital and social mobility from within.

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About Local Trust

Local Trust is a place-based funder supporting communities to transform and improve their lives and the places in which they live. We believe there is a need to put more power, resources, and decision making into the hands of communities.

We do this by trusting local people. Our aims are to demonstrate the value of long term, unconditional, resident-led funding, and to draw on the learning from our work delivering the Big Local programme to promote a wider transformation in the way policy makers, funders and others engage with communities and place.

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About 3ni

The national network for neighbourhood improvement is a new learning network for local government and the wider public sector that supports policy and practice towards community-led regeneration. It was set up and incubated by Local Trust in 2024 and is now hosted by Capacity.

3ni.co.uk

info@3ni.co.uk

Local Trust

Canopi | 82 Tanner Street | London SE1 3GN
General enquiries 020 3588 0565

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