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The Pupil Premium

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Inside:
1. The Pupil Premium
2. Eligibility criteria issues
3. Reports on the Pupil Premium
Contents

Summary 3

1. The Pupil Premium 4
   1.1 Development of eligibility criteria and funding rates 5
   1.2 Increase in Pupil Premium Plus rate from 2018-19 6
   1.3 Pupil Premium funding allocations 7
   1.4 How the Premium is paid 7
   1.5 Non-mainstream settings 8
   1.6 Looked after children 8
   1.7 Accountability 9
   1.8 Schools 9
   1.9 Looked after children 10
   1.10 School Admissions and the Pupil Premium 10

2. Eligibility criteria issues 12
   2.1 The requirement to register for free school meals 12
   2.2 Universal Credit 13
   2.3 November 2017 consultation 14
   2.4 Pupil Premium for children adopted from overseas 15

3. Reports on the Pupil Premium 16
   3.1 NAO, Funding for disadvantaged pupils (June 2015) 16
   3.2 Public Accounts Committee, Funding for disadvantaged pupils (October 2015) 16
   3.3 Education Policy Institute, Divergent Pathways (July 2016) 17
   3.4 Social Mobility Commission, State of the Nation 2016 (November 2016) 18
   3.5 Social Mobility Commission, Social Mobility Policies 1997-2017 (June 2017) 18
   3.6 Education Policy Institute, Closing the Gap (August 2017) 19
   3.7 Social Mobility Commission, State of the Nation 2017 (November 2017) 19
   3.8 Sutton Trust, Teacher Polling 2017 19
Summary

Introduced in 2011 by the Coalition Government, the Pupil Premium is additional funding provided to publicly-funded schools in England schools with the aim of raising the attainment of disadvantaged children. In 2017-18, £2.4 billion of Pupil Premium funding was allocated in respect of around 2 million pupils, with the following pupils attracting funding:

- Children registered as eligible for free school meals (FSMs) at any point since May 2011 (referred to as Ever 6 FSM). £1,320 was allocated for each such pupil in reception to year 6; £935 was allocated for each such pupil in years 7 to 11.
- £1,900 for each child looked after by a local authority, or who left the care of a local authority in England or Wales because of adoption, a special guardianship order, or a child arrangements order (sometimes referred to as Pupil Premium Plus).

The £2.4 billion also includes a Service Premium of £300, which is paid in respect of pupils who have had a parent in the regular armed forces at any point since January 2012 (referred to as Ever 6 service children), or who are in receipt of a pension under the Armed Forces Compensation Scheme or the War Pensions Scheme after their parent died while serving the armed forces.

Local authority maintained schools are required to publish a strategy for using Pupil Premium funding on their websites. There is no parallel obligation on academies unless provided for in their funding agreement, which largely depends on when the academy opened. The Department for Education recommends, however, that academies should publish a Pupil Premium strategy regardless of whether this is required by their funding agreement.

Schools are also accountable for their use of Pupil Premium funding via the performance tables, which report on the performance of disadvantaged pupils compared to other pupils, and through Ofsted inspections, which report on the attainment and progress of pupils who attract the Pupil Premium.

The Spending Review and Autumn Statement 2015 committed to protect the Pupil Premium “at current rates” during the Spending Review Period (up to 2020).

The Pupil Premium Grant is paid as a separate grant to the Dedicated Schools Grant (the main source of revenue funding for schools). As such, it is for the most part unaffected by the introduction of a National Funding Formula for schools. However, the National Funding Formula will not include a looked-after-children factor; instead, all school funding for looked-after and previously looked-after children will be targeted through the Pupil Premium Plus. As a result of the change, the Pupil Premium Plus rate will increase to £2,300 per eligible pupil from 2018-19.

To be eligible for FSMs a child or their parent/carer must be in receipt of a qualifying benefit. Universal Credit, which is being gradually rolled out across Great Britain, replaces many of these benefits, and some other benefits that are not qualifying benefits for FSMs, with a single payment. Consequently, once roll-out is complete, the majority of the current criteria for determining entitlement for FSMs, and with it eligibility for the Pupil Premium, will no longer exist. In light of this, in November 2017 the Government published a consultation in which it proposed introducing a net earnings threshold for a household’s eligibility for FSMs from April 2018. The consultation closes in January 2018.
1. The Pupil Premium

Introduced in 2011, the Pupil Premium is funding provided to publicly funded schools in England to support the education of disadvantaged pupils. It is paid as a separate grant in addition to the Dedicated Schools Grant. As such, with the exception of Pupil Premium payments in respect of looked after and formerly looked after children (see section 1.1 below), Pupil Premium funding is not affected by the introduction of the National Funding Formula for schools.

In 2017-18, schools received funding in respect the following groups of pupils:

- Disadvantaged children: for each child registered as eligible for free school meals (FSMs) at any point since May 2011 (referred to as Ever 6 FSM):
  - £1,320 for pupils in reception to year 6; or
  - £935 for pupils in year 7 to year 11.

- Looked after children: £1,900 for each child looked after by a local authority, or who has left the care of a local authority in England or Wales because of adoption, a special guardianship order, or a child arrangements order (previously known as a residence order). This is sometimes referred to as “Pupil Premium Plus”.

In addition, a Service Premium of £300 is paid in respect of each pupil who has had a parent in the regular armed forces at any point since January 2012 (referred to as Ever 6 service children). It is also paid for children in receipt of a pension under the Armed Forces Compensation Scheme or the War Pensions Scheme after their parent died while serving the armed forces.¹

### Box 1: Early Years Pupil Premium

The Early Years Pupil Premium, introduced in April 2015, is additional funding for 3 and 4 year olds who are receiving any number of hours of state-funded early education and:

- meet the benefit-related criteria for free school meals; or
- are currently looked after by a local authority in England or Wales; or
- have left care in England and Wales through adoption, a special guardianship order or a child arrangement order.

In 2017-18, £31 million of Early Years Pupil Premium funding was allocated to local authorities as part of the Early Years Block of the Dedicated Schools Grant for them to distribute to early years providers.² Further information is provided at [Early years pupil premium: guide for local authorities](#). References in this briefing to the Pupil Premium do not include the Early Years Pupil Premium.

Schools must use the Pupil Premium funding they receive for the benefit of registered pupils; they are not restricted to using it solely on pupils that it is paid in respect of. Further information is available in guidance.

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² Education and Skills Funding Agency, [Dedicated school grant (DSG): 2017 to 2018](#), 20 December 2016.
published by the Education and Skills Funding Agency: Pupil premium 2017 to 2018: conditions of grant.

1.1 Development of eligibility criteria and funding rates

Following a commitment in the May 2010 Coalition Programme for Government to “fund a significant premium for disadvantaged pupils from outside the schools budget by reductions in spending elsewhere”, a consultation on introducing a pupil premium was published in July 2010. Among other things, the consultation sought views on whether a higher Pupil Premium should be paid to “under-funded” areas, or whether it should be paid at a flat-rate per eligible pupil. The consultation response, published in December 2010, confirmed that a Pupil Premium would be introduced for disadvantaged children, looked after children, and children who had parents in the armed forces. It also confirmed that the Premium would paid at a flat-rate and not varied by area. It added that £635 million of Pupil Premium funding would be available in 2011-12 and this would be built up over time to £2.5 billion by 2014-15.

In line with the increased funding available, between its introduction and 2014-15, the eligibility criteria for the Pupil Premium were broadened and the per-pupil rates were increased. The table opposite sets out the changes made between 2011-12 and 2014-15.

In 2015-16, the Pupil Premium funding per Ever 6

| Table 1: Pupil Premium eligibility criteria and funding rates, 2011-12 to 2014-15 |
|-------------------------------|-----------------|-----------------|
| Pupil Premium group           | Year            | Eligibility criteria                                                                 |
| Deprived children             | 2011-12         | Currently in receipt of free school meals                                             |
|                               | 2012-13         | Extended to children in receipt of free schools meals at any point in the last six years |
|                               | 2013-14         | As in 2012-13                                                                          |
|                               | 2014-15         | As in 2012-13                                                                          |
| Looked after children         | 2011-12         | Currently looked after by a local authority and has been for more than six months   |
|                               | 2012-13         | As in 2011-12                                                                          |
|                               | 2013-14         | As in 2012-13                                                                          |
|                               | 2014-15         | Extended to children looked after for one day or more, and to children who have left local authority care as a result of adoption, a special guardianship order, or a child arrangements order (previously known as a residence order). |
| Service children              | 2011-12         | Children who have a parent in the regular armed forces                                |
|                               | 2012-13         | As in 2011-12                                                                          |
|                               | 2013-14         | Extended to children otherwise ineligible in 2013-14 who would have been eligible in previous years. Also extended to children in receipt of a pension under the Armed Forces Compensation Scheme and the War Pensions Scheme after their parent(s) died while serving the regular armed forces. |
|                               | 2014-15         | As in 2013-14                                                                          |

£430  £600  £900  £1,900  £200  £250  £300

(a) In the final allocations, each Ever 6 primary school pupil attracted an additional £23 on top of the planned £1,300.

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primary pupil was increased to £1,320. Apart from this, no changes were made to the eligibility criteria or funding rates through to 2017-18.

The *Spending Review and Autumn Statement 2015* committed to protect the Pupil Premium “at current rates.”\(^5\) In response to a parliamentary question asking whether the rates would be protected in cash terms or in real terms, the Minister, Robert Goodwill, stated that, “the Pupil Premium us currently worth £2.5 billion a year and we will continue to protect it to support those who need it.”\(^6\)

**Increase in Pupil Premium Plus rate from 2018-19**

In the current school funding system, some schools with looked-after children receive additional funding through their local authority’s school funding formula. This is on top of funding provided through the Pupil Premium Plus.

In response to its stage one consultation on the introduction of a national funding formula for schools, the Government confirmed that it intended to target support for looked-after and previously looked after children through the Pupil Premium Plus, rather than include a looked-after children factor in the national funding formula.\(^7\)

In September 2017, the Government confirmed that following the introduction of the national funding formula in 2018-19 the amount spent through looked-after children factors in local authority funding formulas would be transferred to the Pupil Premium Plus budget. As a result, the Pupil Premium Plus rate will increase from £1,900 to £2,300 from 2018-19.\(^8\)

The Government’s original consultation on the funding formula explained that the rationale for this change is to ensure that currently looked after children and those who have left care are treated equally by the school funding system. It explained:

> Children’s experiences prior to entering care have a long-lasting effect on their educational attainment. When children leave care, through for example adoption, it is unlikely that their educational needs will change significantly simply because their care status has changed. Recent school performance data shows that children who have left care significantly underperform compared to children who have never been in care. We believe the funding system should treat both children in care and those who have left care equally.\(^9\)

Further information on the introduction of the national funding formula is available in the Library Briefing, [*Implementation of the national funding formula for schools in England*](https://dera.ioe.ac.uk/).  

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\(^5\) HM Treasury, *Spending Review and Autumn Statement*, November 2015, p44

\(^6\) PQ 532, 30 June 2017.


1.2 Pupil Premium funding allocations

As would be expected given the broadening of the eligibility criteria set out in the previous section, total annual funding for the Pupil Premium increased substantially between 2011-12 and 2014-15, from £623 million to £2.41 billion. In 2017-18, £2.40 billion of funding was provided for the Pupil Premium, £2.2 billion of which (91%) was allocated in respect of pupils qualifying for the Premium due to their FSM status. £189 million (8% of the total) was allocated in respect of looked after and previously looked after children, and £23 million (1% of the total) was allocated in respect of service children.

Unsurprisingly, the number of pupils attracting the Pupil Premium followed a similar trend to the overall level of funding between 2011-12 and 2017-18, with an increase in pupils following each broadening of the eligibility criteria. In 2017-18, 2.07 million children were eligible for some form of Pupil Premium funding, the vast majority of which – 1.89 million – were eligible under the deprivation criteria. 99,000 children were eligible for the Pupil Premium Plus (for looked after and previously looked after children) and 75,000 attracted the Service Premium.

Details of 2017-18 Pupil Premium allocations by school, school type, local authority area, and parliamentary constituency are available at: Pupil premium: allocations and conditions of grant 2017 to 2018.

Allocations for previous years are available via the links below:
- 2011-12
- 2012-13
- 2013-14
- 2014-15
- 2015-16
- 2016-17

1.3 How the Premium is paid

How the Pupil Premium is paid depends on the type of school and the Pupil Premium element. In terms of Pupil Premium funding for disadvantaged pupils (Ever 6 FSM), post-looked after children and service children in mainstream schools:

- For maintained schools, the Government pays the local authority the relevant funding in quarterly instalments, and they pass it onto their schools in respect of each eligible pupil on the January school census.
Academies and free schools are paid directly by the Education and Skills Funding Agency in quarterly instalments.  

Non-mainstream settings
The Education and Skills Funding Agency allocates Pupil Premium funding to local authorities for disadvantaged pupils (Ever 6 FSM), post-looked after children and service children in general hospital schools and alternative provision (including non-maintained special schools), not maintained by the local authority but where the local authority pays full tuition fees.

Local authorities must pass on Pupil Premium funding for pupils in non-maintained special schools; this may be done on a termly basis.

For other alternative provision settings, the local authority may pass on the funding to the provider. Alternatively, in consultation with non-mainstream settings, it may use it to spend specifically on additional educational support to raise the standard of attainment for the eligible pupils.

Looked after children
Virtual school heads are responsible for managing Pupil Premium funding for children currently looked after by the local authority and for allocating it to schools and alternative provision settings. They can pass on the full funding received in respect of a child to the relevant school or alternative provider, but are not required to do so. For example, some funding can be pooled to pay for activities that will benefit a group of or all of an authority’s looked after children.

The responsibilities of virtual school heads include, but are not limited to:

- identifying their local authority’s look after children;
- ensuring that the method used to allocate the money is simple so that children can benefit from it without delay;
- working with schools and alternative providers to make sure that they spend their pupil premium funding for looked after children to help meet the needs identified in the children’s personal education plans;
- being able to demonstrate how the pupil premium funding they manage is raising the achievement of looked after children; and
- returning any un-spent or un-allocated funding to the Department for Education (DfE).

An article on the TES website from July 2016 reported that in 2014-15 over £2.5 million of pupil premium funding for looked after children was not spent by local authorities and was returned to central funds.

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11 As above.
12 Department for Education, Pupil premium: virtual school heads’ responsibilities, last updated 19 March 2015.
13 As above.
The article noted the reasons for this given by two councils:

- The DfE allocated money based on more looked after children than the local authority could identify as being in care.
- Some funding was received too late in the year to spend.\(^{14}\)

### 1.4 Accountability

Local authorities are required to certify that they have passed on the correct amount of Pupil Premium funding to schools or, where funding has been spent centrally, that it has been used in line with the conditions of the grant (i.e. for the benefit of looked after children’s educational needs).\(^{15}\)

**Schools**

Local authority maintained schools are required to publish a strategy for using Pupil Premium funding on their websites. There is no parallel obligation on academies unless provided for in their funding agreement; the current model funding agreement does require academies to publish information about how they spend their pupil premium allocation and what impact it has had on educational attainment.\(^{16}\) The DfE recommends that academies should publish their Pupil Premium strategy regardless of whether this is required by the school’s funding agreement.\(^{17}\)

**Box 2: Help for schools on how to use Pupil Premium funding effectively**

The Education Endowment Foundation has produced a teaching and learning toolkit for schools on how to use the Pupil Premium effectively. It has also produced an evaluation tool to help schools measure the impact of their approaches. Information on schools that have been recognised for their successful use of the Pupil Premium is provided on the [Pupil Premium Awards website].(https://www.pupilpremiumawards.org.uk/)

The DfE has published guidance on what maintained schools *must* publish online and what academies *should* publish. The lists are essentially the same for both types of school. The guidance for maintained schools states:

- You must publish a strategy for the school’s use of the pupil premium. You no longer have to publish a ‘pupil premium statement’.
  - For the current academic year, you must include:
    - your school’s pupil premium grant allocation amount
    - a summary of the main barriers to educational achievement faced by eligible pupils at the school

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• how you’ll spend the pupil premium to address those barriers and the reasons for that approach
• how you’ll measure the impact of the pupil premium
• the date of the next review of the school’s pupil premium strategy

For the previous academic year, you must include:
• how you spent the pupil premium allocation
• the impact of the expenditure on eligible and other pupils. 19

Schools are also accountable for their use of the Pupil Premium via the performance tables, which report on the performance of disadvantaged pupils compared to other pupils.

Ofsted inspections report on the attainment and progress of disadvantaged pupils who attract the Pupil Premium. If Ofsted identifies issues with a school's provision for disadvantaged pupils it will recommend that it commissions a Pupil Premium review. Reviews can also be recommended by other bodies, including the school itself; the DfE; and the school’s local authority, academy trust or regional schools commissioner. 20 DfE guidance provides more information on the process for Pupil Premium reviews, including the commissioning of them. 21

Looked after children

Ofsted inspections of services for looked after children will ask for an annual report from the virtual school head, which should include:
• details of how the pupil premium for looked after children has been managed; and
• evidence of how pupil premium spending has supported the achievement of children looked after by the local authority. 22

1.5 School Admissions and the Pupil Premium

Following a consultation, in October 2014 the Government confirmed that it would change the School Admissions Code to give all admission authorities in England the option to prioritise disadvantaged children in their admission arrangements. 23

The changes came into force in December 2014 with the publication of a revised School Admissions Code. The current Code, published in September 2015, includes the provisions in paragraphs 1.39A and 139B:

1.39A Admission authorities may give priority in their oversubscription criteria to children eligible for the early years

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19 Department for Education, What maintained schools must publish online: pupil premium, last updated 1 November 2016.
21 Pupil premium reviews, National College for Teaching and Leadership, last updated 14 January 2015.
22 Department for Education, Pupil premium: virtual school heads’ responsibilities, last updated 19 March 2015.
pupil premium, the pupil premium and also children eligible for the service premium. Admission authorities should clearly define in the arrangements the categories of eligible premium recipients to be prioritised.

1.398 Admission authorities may give priority in their oversubscription criteria to children eligible for the early years pupil premium, the pupil premium or the service premium who:

a) are in a nursery class which is part of the school; or

b) attend a nursery that is established and run by the school. The nursery must be named in the admission arrangements and its selection must be transparent and made on reasonable grounds.24

Neither of the criteria are compulsory; admissions authorities may adopt them if they wish.

Unless otherwise provided for in the Code, schools are required to give the highest priority in their oversubscription criteria to looked after children and to children who left care because of adoption, a child arrangements order, or special guardianship order (i.e. the same eligibility criteria as for the Pupil Premium Plus).25

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25 As above, para 1.7.
2. Eligibility criteria issues

Issues have been raised with the eligibility criteria for attracting the Pupil Premium, with concerns generally centred on pupils that may not be attracting funding that they are potentially eligible for. This section provides a brief overview of these issues.

2.1 The requirement to register for free school meals

The Pupil Premium is only paid in respect of children registered to claim free school meals (FSM), and does not include those who are eligible but not registered; the term used by the DfE is “known to be eligible for Free School Meals”. In order to be registered as eligible for FSMs, the pupil or their parent/carer must be in receipt of a qualifying benefit and a request must have been made by them for FSMs.

The DfE’s consultation on introducing a Pupil Premium stated that “allocating funding on the basis of FSM eligibility, as recorded on the pupil-level annual school census, has the very substantial benefit that it reflects the specific characteristics of the individual pupil. It is easily collected and is updated annually”. The consultation also noted, however, that the “main issues” with the FSM indicator included that it reflected “registered eligibility for free meals rather than actual eligibility”.

There is no ongoing annual official estimate of pupils eligible, but not claiming free school meals. In 2013, the DfE published research on Pupils not claiming free school meals, which updated earlier research published in 2012. The report estimated that nationally around 200,000 children aged 4-15 appeared to be entitled to FSM but were not claiming them. This represented around 14% the total number of pupils though to be entitled for FSMs. The rate was highest for those at either end of the age range, and in less deprived areas.

If registered, the child does not have to actually receive FSM for the Pupil Premium to be paid; simply being registered is sufficient. In 2012, the DfE issued a template letter for local authorities to send to parents to encourage FSM registration. The letter stated that, “if you don’t want your child to have the school meals they can continue as normal – as long as you qualify and are registered, the school still gets £600 extra [i.e. the Pupil Premium]”.

In a June 2015 report on the efficacy of the Premium (see section 5), the NAO raised the identification of pupils eligible for the Pupil Premium as an issue and stated that the introduction of Universal Infant Free School

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26 Email to the Library from Department for Education official, 4 May 2012
27 DfE Consultation on school funding 2011-12 – Introducing a Pupil Premium, p11.
28 As above, p12, para 35
30 Department for Education, Example letter to parents, webpage [taken on 4 May 2012]
Meals for 5-7 year olds in September 2014 (removing the need to register to receive a meal) and also Universal Credit might “make it more difficult comprehensively and consistently to identify all disadvantaged pupils.”

In response to a parliamentary question in March 2017, the then Minister, Edward Timpson, set out what the Government was doing to help identify children eligible for the Pupil Premium:

The pupil premium is allocated to schools for pupils who have claimed free school meals at any point in the past six years and those who are in care, or who left care through adoption or other routes. Those claiming free schools meals (FSM) form the majority and we want all parents whose children are entitled to apply for them.

To support this, the Department for Education provides an electronic Eligibility Checking System that allows local authorities promptly to check data held by the Department for Work and Pensions, the Home Office and HMRC in order to establish FSM eligibility. The Department has also provided a model registration form and accompanying guidance that schools can use as part of their enrolment process.

We want to make it as simple as possible for schools and local authorities to determine eligibility for FSM; the Department will continue to explore ways to make FSM eligibility checking as effective as possible.

The November 2017 consultation on revising the FSM eligibility criteria (see section 2.2 below) stated that the Government wanted “to make sure that as many eligible children as possible are claiming their free school meals.” It highlighted the model registration form provided to schools by the DfE and said that the Department would “continue to look at what the most effective schools do, and highlight and disseminate best practice from these schools and local authorities for other schools to use.”

2.2 Universal Credit

To be eligible for FSMs a child or their parent/carer must be in receipt of a qualifying benefit. Universal Credit, which is being gradually rolled out across Great Britain, replaces many of these benefits, and some other benefits that are not qualifying benefits for FSMs, with a single payment. Consequently, once roll-out is complete the majority of the current criteria for determining entitlement for FSMs will no longer exist.

Box 3: Universal Credit roll out

Under current projections, Universal credit is expected to be fully rolled out across Great Britain by September 2018, with people still claiming “legacy benefits” transferred over to Universal Credit by March 2022. Further information is available in Library Briefing, Universal Credit roll-out: Autumn/Winter 2017.

31 NAO, Funding for disadvantaged pupils, June 2015, p11
32 PQ5118, 1 March 2017. Also see, PQ111683.
33 Department for Education, Eligibility for free school meals and the early years pupil premium under Universal Credit, November 2017, pp14-5.
November 2017 consultation

Currently, all pupils whose parents are in receipt of Universal Credit are entitled to FSMs. However, this is an interim arrangement and in November 2017 the Government published a consultation on its proposed approach to revising the entitlement criteria for FSMs in the light of the roll out of Universal Credit. 34

The consultation proposes introducing a net earnings threshold (not including benefits) of £7,400 per annum for a household’s eligibility for FSMs. The consultation suggested that a typical family earning around £7,400 per annum would, depending on their circumstances, have a total household income of between £18,000 and £24,000 once benefits are taken into account. It estimated that under the proposed threshold an extra 50,000 children would become eligible for FSMs compared to the current number of claimants – an increase in the FSMs cohort of around 5%.

The consultation proposed that the new threshold would be introduced from April 2018, following which new FSM claimants earning above the threshold would not be eligible. The threshold would then be kept constant until the end of the Universal Credit roll out period, after which it would be kept under review.

Some households currently in receipt of FSMs (particularly those working fewer hours but with higher incomes) will have earnings above the new threshold and could lose eligibility for FSMs. The consultation proposed the following protection arrangements to ensure that existing claimants do not lose entitlement to FSMs as a result of the new criteria:

- From April 2018, all existing claimants should continue to receive free school meals whilst Universal Credit is rolled out. This will apply even if their earnings rise above the new threshold during that time.
- In addition, any child gaining free school meals eligibility after the threshold has been introduced should be protected against losing free school meals during the Universal Credit rollout period. […]
- Once Universal Credit is fully rolled out, any existing claimants that no longer meet the eligibility criteria at that point (because they are earning above the threshold) would continue to receive protection until the end of their current phase of education (e.g. primary, secondary).

The consultation concerns entitlement to FSMs in England only. It closes on 11 January 2018. 35

34 PQ7124, 12 September 2017.
35 Department for Education, Eligibility for free school meals and the early years pupil premium under Universal Credit, November 2017. Also see, HCWS260, 16 November 2017.
2.3 Pupil Premium for children adopted from overseas

As set out in section one above, the Pupil Premium is paid in respect of children who were looked after by an English or Welsh local authority immediately before being adopted. Children who were not looked after by a local authority in England and Wales before being adopted (e.g. children adopted from overseas) are not currently eligible for the Pupil Premium.

A parliamentary question in October 2017 asked the Government if it would allow children living in the UK who were adopted overseas to be eligible for the Pupil Premium. In response, the Minister, Robert Goodwill, said that the Government was “currently considering the educational entitlements of children adopted from care outside England and Wales.”

36 PQ110484, 8 November 2017.
3. Reports on the Pupil Premium

This section provides brief information on selected reports concerning the Pupil Premium that have been published since 2015.

3.1 NAO, Funding for disadvantaged pupils (June 2015)

In June 2015, the National Audit Office published a report on funding for disadvantaged pupils. The report concluded that the Pupil Premium had the potential to “bring about a significant improvement in outcomes for disadvantaged pupils”, but that it would take time for its full impact to be known. The report additionally stated:

While the attainment gap has narrowed since 2011, it remains wide and, at this stage, the significance of the improvements is unclear. More time and further evaluation will be needed to establish whether the Department has achieved its goals. However, the early signs are that many schools, supported by the Department’s investment in the EEF, are using the Pupil Premium to help disadvantaged pupils in useful ways.37

While acknowledging that the DfE had created “a strong drive to improve support for disadvantaged pupils by targeting the Pupil Premium at schools on a rational basis”, the report stated that it had “more to do to optimise value for money”:

Not all disadvantaged pupils currently attract funding. Some schools do not focus funding on disadvantaged pupils appropriately or use the most cost-effective interventions, and, in any event, the evidence base is still underdeveloped. Furthermore, the core school funding that the Pupil Premium supplements is not distributed on the basis of need. Most importantly, there is a risk that accountability and intervention mechanisms allow schools to waste money on ineffective activities for many years without effective challenge. As the impact of the Pupil Premium becomes clearer, the Department will need to review if it is investing the right amount in it, including whether spending more in this way could allow it to close the gap more quickly, generating wider savings for the taxpayer.38

3.2 Public Accounts Committee, Funding for disadvantaged pupils (October 2015)

In October 2015, the Public Accounts Committee published its report on funding for disadvantaged pupils, based on the earlier NAO report. The Committee noted evidence that the attainment gap between disadvantaged pupils and their peers had started to narrow since the introduction of the Pupil Premium. It added that head teachers were focusing more on disadvantaged pupils, and there were many examples of schools using the pupil premium on interventions that worked. The report argued, however, that the DfE needed to be “better at supporting schools to share and use best practice more consistently so

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37 National Audit Office, Funding for disadvantaged pupils, June 2015, p11.
38 As above.
that more schools use the Pupil Premium effectively." Regarding the Pupil Premium, the report recommended:

- In line with its original objective to obtain significant impact in primary schools by 2015 and in secondary schools by 2020, the DfE should define what “significant” means.
- As the evidence base grows, the DfE should “develop the necessary mechanisms to make sure schools use effective interventions with disadvantaged pupils” and share best practice.
- The DfE should provide an update on how it intends to mitigate the risk that Universal Credit will make it harder to identify disadvantaged pupils.39

**Government response**

The Government published its response to the Public Accounts Committee’s report in December 2015. The response did not accept the recommendation to define what “significant impact” meant in the context of the Pupil Premium. It stated that the DfE did not set national standards in education but instead intended to benchmark against the world’s highest-performing educational jurisdictions in terms of overall standards and the attainment gap between disadvantaged and non-disadvantaged pupils.

The Government agreed with the Committee’s recommendations regarding the dissemination and sharing of best practice, and highlighted the role of the EEF and the Pupil Premium Awards in this regard.40

**3.3 Education Policy Institute, Divergent Pathways (July 2016)**

The Education Policy Institute’s (EPI) first annual report, published in 2016, noted that by the end of secondary school disadvantaged children were on average 19 months behind their peers (the “progress gap”). In July 2016, the EPI published a further report, *Divergent Pathways: the disadvantage gap, accountability and the pupil premium*, which looked at how the progress gap grows across the education phases, and the extent to which different types of schools were closing the gap.

The report included a section written by Sir John Dunford, the National Pupil Premium Champion 2013-2015, setting out what good practice looks like in schools that are closing their progress gap and how that good practice can be spread nationally. This stated that to make the most of the Pupil Premium, schools must “properly assess the barriers to learning faced by their own disadvantaged pupils, identify clear objectives and criteria for success, and follow the evidence on what

39 Public Accounts Committee, *Funding for disadvantaged pupils*, HC 327, 9 October 2015.
works provided by the Education Endowment Foundation and the National Foundation for Educational Research, among others.”41

The report recommended that the Government should “continue to provide the Pupil Premium as a separate and clearly identifiable grant targeted at disadvantaged pupils.”42

### 3.4 Social Mobility Commission, State of the Nation 2016 (November 2016)

On 16 November 2016, the Social Mobility Commission published its fourth ‘state of the nation’ report. On the impact of the Pupil Premium, it stated:

> There is some evidence that the Pupil Premium has had a positive effect on the attainment gap, but is not definitive, because it cannot definitely say what would have happened to attainment had it not been introduced.43

The report described the Pupil Premium as a “welcome focus on the needs of the very poorest children” but argued that this had “not been matched by a broader intention to break the link between social demography and educational destiny in our schools across income groups.”44

The report recommended that the Early Years Pupil Premium should be doubled in value and stated that this could be funded via a redistribution from the primary Pupil Premium budget.45

### 3.5 Social Mobility Commission, Social Mobility Policies 1997-2017 (June 2017)

In June 2017, the Social Mobility Commission published an assessment of government policies over the last 20 years to increase social mobility. The report stated that despite Pupil Premium funding constituting “a small proportion of a school’s total budget, it has played a significant role in encouraging schools to concentrate on improving the outcomes of disadvantaged pupils.”46

The report repeated the Commission’s earlier recommendation (see above) that the Early Years Pupil Premium should be doubled.47

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41 Education Policy Institute, *Divergent pathways: the disadvantage gap, accountability and the pupil premium*, July 2016, p5.
42 As above.
44 As above, p54.
47 As above, p8.
3.6 Education Policy Institute, *Closing the Gap* (August 2017)

In August 2017, the EPI published *Closing the Gap? Trends in Educational Attainment and Disadvantage*. The report examined the extent to which schools are closing the gap, identified in its earlier reports (see above), between disadvantaged pupils (those eligible for the pupil premium) and their peers.

The report found that:

- The most disadvantaged pupils have fallen further behind their peers and are now on average over 2 full years of learning behind non-disadvantaged pupils by the end of secondary school.
- There has been some progress in closing the gap for disadvantaged pupils on average since 2007 but the gap is closing slowly and inconsistently.
- In 2016, disadvantaged pupils were on average 19.3 months behind their peers by the time they took their GCSEs.
- Certain regions are lagging behind others with regards to closing the gap.\(^4^8\)

3.7 Social Mobility Commission, *State of the Nation 2017* (November 2017)

The Social Mobility Commission published its *fifth annual state of the nation report* in November 2017. The report highlighted that local policies can positively influence outcomes for disadvantaged residents, but stated that there is “a mind-blowing inconsistent of practice.” It recommended that local authorities should “develop an integrated strategy for improving disadvantaged children’s outcomes” and that “pupil premium funds should be invested in evidence-based practice.”\(^4^9\)

3.8 Sutton Trust, Teacher Polling 2017

In 2017, the Sutton Trust surveyed around 1,400 teachers on funding issues. Regarding the Pupil Premium, the survey found:

- 30% of head teachers said the funding the school received for poorer pupils was being used to plug gaps in their budget.
- In terms of priorities for pupil premium funding, most teachers (27%) cited early intervention schemes, followed by one-to-one tuition (12%) and teaching assistants (12%).
- 17% of teachers surveyed said they did not know what their school’s main priority for pupil premium funding was.
- 72% of secondary senior leaders said that they had considered research evidence on the impact of different approaches and programmes. 60% said they had used the Education Endowment Foundation’s toolkit.\(^5^0\)

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\(^5^0\) Teacher Polling 2017, Sutton Trust, April 2017.
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