



## BRIEFING PAPER

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# The Pupil Premium

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## Summary

### How much is the Pupil Premium worth?

The Pupil Premium is additional funding provided to publicly-funded schools in England with the aim of raising the attainment of disadvantaged children. In 2020-21, £2.44 billion of Pupil Premium funding (including service premium) was allocated in respect of around 2 million pupils.

### Which pupils attract Pupil Premium?

In 2021-22, funding is being allocated as follows:

- **Disadvantaged pupils:** children recorded in the school census as eligible for free school meals (FSMs) at any point in the last six years (referred to as Ever 6 FSM). £1,345 is being allocated for each primary pupil; £955 was allocated for each such pupil in years 7 to 11.
- **Looked after and previously looked after children:** £2,345 for each child currently looked after by an English local authority, or who left the care of a local authority in England or Wales because of adoption, a special guardianship order, a child arrangements order, or a residence order (sometimes referred to as Pupil Premium Plus).
- **Service children:** a Service Premium of £310 per eligible pupil paid in respect of children who have been recorded as having a parent serving in the regular armed forces in any school census in the last six years (referred to as Ever 6 service children). It is also paid in respect of children in receipt of a pension under the Armed Forces Compensation Scheme or the War Pensions Scheme after their parent died or was injured while serving in the armed forces.

For a pupil to attract Pupil Premium funding for disadvantaged children, their parent or carer must be in receipt of a qualifying benefit and have made a request for free school meals. It has been estimated that approximately 10% of those eligible do not register for free school meals and, as a result, schools are not attracting all the Pupil Premium funding they are entitled to.

The Pupil Premium Grant is separate from the Dedicated Schools Grant (the main source of revenue funding for schools). As such, it is generally unaffected by the introduction of a National Funding Formula for schools. However, the National Funding Formula does not include a looked-after-children factor; instead, since the introduction of the formula in 2018-19 all additional school funding for looked after and previously looked after children has been targeted through the Pupil Premium Plus.

# 1. The Pupil Premium

## 1.1 What is the Pupil Premium?

Introduced in 2011, the Pupil Premium is funding provided to state-funded schools in England to support the education of disadvantaged pupils. It is separate from the Dedicated Schools Grant (DSG) – the main source of school revenue funding for mainstream schools. As such, with the exception of Pupil Premium payments for looked after and formerly looked after children (see section 1.1 below), Pupil Premium funding was not affected by the introduction of the National Funding Formula for schools.

In 2021-22, eligible pupils will attract the same amount as they did in 2020-21:

- **Disadvantaged children:** for each child who has been recorded as being eligible for free school meals (FSMs) in a school census at any point in the last six years<sup>1</sup> (referred to as Ever 6 FSM):
  - £1,345 for primary pupils (reception to year 6); or
  - £955 for secondary pupils (year 7 to year 11).
- **Looked after children:** £2,345 for each child looked who is in the care of, or provided with accommodation by, an English local authority.
- **Previously looked after children:** £2,345 for each child who has ceased to be looked after by a local authority in England or Wales because of adoption, a special guardianship order, a child arrangements order, or a residence order (sometimes referred to as Pupil Premium Plus).

In addition, a **Service Premium** of £310 is paid for each pupil who has been recorded as having a parent serving in the regular armed forces in any school census in the last six years (referred to as Ever 6 service children).<sup>2</sup> The Service Premium is also paid in respect of children receiving a Ministry of Defence pension after their parent died or was injured while serving in the armed forces.<sup>3</sup>

Schools may use Pupil Premium funding:

- For the educational benefit of pupil registered at that school
- For the benefit of pupils registered at other state funded schools
- On community facilities

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<sup>1</sup> A child is only recorded in the school census as eligible for free school meals if they meet the eligibility criteria **and** a claim is made for free school meals. See Department for Education guidance, '[Complete the school census](#)' (under heading 'Free school meal eligibility (used for funding)', updated 15 January 2021).

<sup>2</sup> Children of reservists are generally not recorded as service children in the school census, but there are limited exceptions to this. [Guidance published by the Ministry of Defence](#) provides further information.

<sup>3</sup> Education and Skills Funding Agency, [Pupil premium: conditions of grant 2020 to 2021](#), 8 December 2020.

The funding does not have to be spent solely on those pupils that attract it. Further information is available in guidance published by the Education and Skills Funding Agency: [Pupil premium 2020-21: conditions of grant](#) and in a [DfE policy paper](#).

### 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, a child arrangements order, or a residence order.

In 2021-22, the indicative allocation of EYPP funding to local authorities (as part of the Dedicated Schools Grant) is around £30 million.<sup>4</sup>

Further information is provided in guidance published by the Education and Skills Funding Agency: [Early years entitlements: local authority funding of providers](#).

References in this briefing to the Pupil Premium do not include the Early Years Pupil Premium.

## 1.2 Changes to 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.<sup>5</sup>

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 be paid at a flat-rate and would not vary 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.<sup>6</sup>

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. In 2015-16, the Pupil Premium funding per Ever 6 primary pupil was increased from £1300 to £1,320. No further changes were made to the eligibility criteria or funding rates through to 2019-20, apart from in relation to the pupil premium for looked after and previously looked after children. These

<sup>4</sup> Education and Skills Funding Agency, [Dedicated schools grant \(DSG\): 2021-22](#), updated 1 February 2021.

<sup>5</sup> Cabinet Office, [The Coalition: our programme for government](#), May 2010, p28; Department for Education, [Consultation on school funding 2011-12 – Introducing a pupil premium](#), July 2010, p4.

<sup>6</sup> Department for Education, [The school funding settlement for 2011-12: The pupil premium and Dedicated Schools Grant](#), 13 December 2010, p3.

latter changes were associated with the introduction of a National Funding Formula (NFF) for schools from 2018-19.

### Increase in rates from 2020-21

On 30 January 2020 the Government announced that the Pupil Premium and Service Premium funding rates would increase in line with inflation for the 2020-21 financial year.<sup>7</sup> It has subsequently confirmed that payment rates per qualifying pupil will remain the same in 2021-22.<sup>8</sup>

## 1.3 Pupil Premium funding allocations

Mirroring the broadening of the eligibility criteria over the period, total annual funding for the Pupil Premium increased substantially between 2011-12 and 2014-15, from £623 million to £2.41 billion, in cash terms. Funding has remained fairly constant since then, with a slight increase for looked after and previously looked after children in 2018-19 reflecting an increase in the per pupil rate for these pupils.

In 2020-21, £2.44 billion of funding was provided for the Pupil Premium, £2.15 billion of which (88%) was allocated in respect of pupils qualifying for the Premium due to their FSM status. £272 million (11% of the total) was allocated in respect of looked after and previously looked after children, and £25 million (1% of the total) was allocated in respect of service children.

### Pupil Premium allocations by element, 2011-12 to 2020-21

£ Millions, cash

	Element			Total
	Deprivation	Service children	Looked after & previously looked after	
2011-12	594	9	20	623
2012-13	1,141	13	26	1,180
2013-14	1,784	17	38	1,840
2014-15	2,230	19	164	2,413
2015-16	2,235	21	160	2,416
2016-17	2,215	22	175	2,412
2017-18	2,187	23	189	2,399
2018-19	2,151	23	243	2,417
2019-20	2,128	23	257	2,408
2020-21	2,147	25	272	2,444

Source:

Department for Education, [Pupil Premium allocations, various years](#)

<sup>7</sup> [HCWS78](#), 30 January 2020; Department for Education, [Pupil Premium](#), 30 January 2020.

<sup>8</sup> See: Department for Education, [Pupil Premium](#), updated 2 February 2021.

## 7 The Pupil Premium

In response to a PQ on 22 January 2021, Minister, Nick Gibb said that he expected funding in 2021-22 to increase to “more than £2.5 billion” as more children had become eligible.<sup>9</sup>

The table below shows the value of the deprivation (Ever 6) Pupil Premium over time, per eligible pupil, and adjusted for inflation.<sup>10</sup>

<b>Deprivation Pupil Premium value, per eligible pupil</b>		
£, real, 2020-21 prices		
	<u>Primary</u>	<u>Secondary</u>
2011-12	577	577
2012-13	695	695
2013-14	1,085	1,024
2014-15	1,459	1,050
2015-16	1,470	1,041
2016-17	1,434	1,016
2017-18	1,409	998
2018-19	1,377	976
2019-20	1,345	953
2020-21	1,345	955
2021-22	1,320	937

Notes:

GDP deflator growth for 2020-21 is based on annual average growth of the 2019-20 to 2021-22 period due to pandemic-related distortions.

Sources:

HM Treasury, [GDP Deflators: December 2020](#); OBR, [GDP deflator growth forecasts: Nov 2020](#).

The number of pupils attracting the Pupil Premium has followed a similar trend to the overall level of funding, with an increase in pupils following each broadening of the eligibility criteria. In 2020-21, 2.03 million children were eligible for some form of Pupil Premium funding, the vast majority of which – 1.85 million – were eligible under the deprivation criteria. Around 112,000 children were eligible for the Pupil Premium for looked after and previously looked after children and around 79,000 attracted the Service Premium.

<sup>9</sup> [PQ 137960](#), 22 January 2021.

<sup>10</sup> The pandemic has caused unusual movements in the GDP deflator, which is used to measure inflation in the economy. This means that for 2020 and 2021 it does not provide an accurate representation of price changes over this period. The table below uses an average of the OBR's GDP deflator growth forecast for 2020-21 and 2021-22 across the two years, to smooth the distortions caused by pandemic-related factors.

**No. of pupils attracting Pupil Premium, by element**

2011-12 to 2020-21

	Element			Total
	Deprivation	Service children	Looked after & previously looked after	
2011-12	1,217,560	45,070	40,560	1,303,190
2012-13	1,831,130	52,370	41,420	1,924,920
2013-14	1,917,270	57,940	42,540	2,017,750
2014-15	1,919,260	64,390	86,370	2,070,020
2015-16	1,920,360	68,900	86,150	2,075,410
2016-17	1,906,480	73,470	93,720	2,073,670
2017-18	1,892,300	75,270	99,380	2,066,950
2018-19	1,865,320	76,320	105,670	2,047,310
2019-20	1,850,310	77,150	111,710	2,039,170
2020-21	1,831,950	79,340	116,100	2,027,390

Note:

Figures from 2015-16 rounded to nearest 10; figures for years prior rounded in source data. Totals may not sum as a result.

Source:

Department for Education, [Pupil Premium allocations, various years](#)

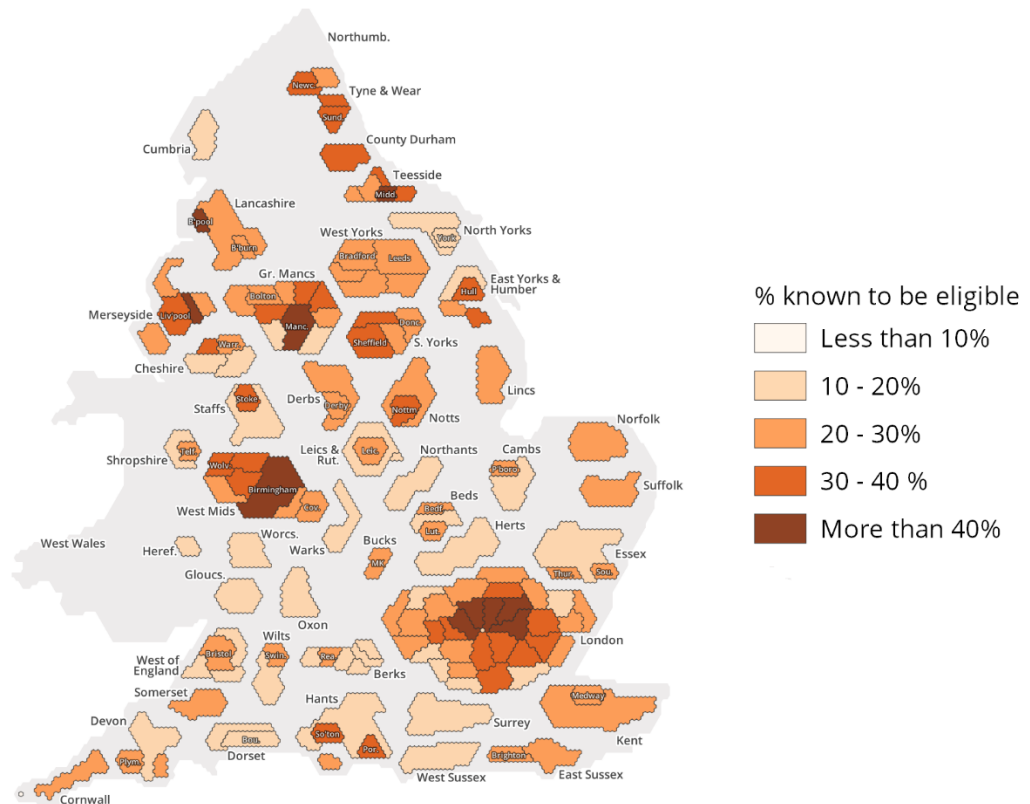
**Finding local Pupil Premium data**

Details of 2020-21 Pupil Premium allocations by school, school type, local authority area, and parliamentary constituency are available at: [Pupil premium: allocations and conditions of grant 2020-21](#).

The map on the next page shows the proportion of pupils that are eligible for the deprivation pupil premium, by local authority area. This is the element of the premium linked to free school meal entitlement, and therefore the figures exclude the service premium, and pupil premium plus.



## Percentage of primary and secondary pupils eligible for deprivation pupil premium, 2020-21



Note: excludes pupils eligible for 'pupil premium plus', early years pupil premium, and service premium. Includes pupils age 4 and above in state-funded primary, secondary, alternative provision, special schools and non-maintained special schools.

Source: [Department for Education, Pupil Premium allocations 2020-21, updated 8 December 2020.](#)

### 1.4 How the Premium is paid

How the Pupil Premium is paid depends on the type of school and the Pupil Premium element. For Pupil Premium funding for disadvantaged pupils (Ever 6 FSM), previously 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 for 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.<sup>11</sup>

### Non-mainstream settings

The Education and Skills Funding Agency allocates Pupil Premium funding to local authorities for disadvantaged pupils (Ever 6 FSM), previously 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 or, in consultation with non-mainstream settings, it may use it to spend specifically on additional educational support to raise the standard of attainment for pupils.<sup>12</sup>

### 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.<sup>13</sup>

The responsibilities of virtual school heads include:

- 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.
- Returning any un-spent or un-allocated funding to the DfE.<sup>14</sup>

## 1.5 How Pupil Premium is calculated: changes from April 2021

Currently, Pupil Premium allocations are based on the January school census. From April 2021, allocations for mainstream and special schools will be based on the October school census. Allocations for alternative

<sup>11</sup> [Pupil premium 2020-2021: conditions of grant](#), Education and Skills Funding Agency, last updated 8 December 2020.

<sup>12</sup> As above.

<sup>13</sup> Department for Education, [Pupil premium: virtual school heads' responsibilities](#), last updated 19 March 2015.

<sup>14</sup> As above.

provision settings, pupil referral units, and hospital schools will continue to be based on the January census.

Explaining the rationale for this change, the DfE said:

Using the October census for the pupil premium will give schools early certainty about the additional funding they will receive the following year, helping them to plan the support that they will give to pupil premium pupils.

In this transitional year, pupil premium allocations will be confirmed to the usual timeline in June 2021. As from next year, allocations for mainstream and special schools will be published earlier in the year, giving these schools greater certainty around future funding levels earlier in the year.

Allocations for alternative provision, pupil referral units and hospital schools will continue to be published to the usual timeline as these will continue to be based on the January census.

There will be no change in the payment arrangements for the pupil premium. The pupil premium grant will continue to be paid in quarterly instalments.<sup>15</sup>

On 23 February 2021, DfE officials, including the Director of Strategic Finance, Tony Foot, gave evidence to the Education Committee. Asked about potential cost savings from changing the census date used for calculating Pupil Premium, Mr Foot said that he didn't recognise the estimates of £150 million cited by some sector commentators, but would be happy to write to the Committee on this issue.<sup>16</sup>

### 1.6 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).<sup>17</sup>

Local authority maintained schools are required to publish a strategy for using Pupil Premium funding on their websites.<sup>18</sup> 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.<sup>19</sup> 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

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<sup>15</sup> Department for Education, '[Pupil premium](#)', 1 February 2021.

<sup>16</sup> Education Committee, [Transcript of Oral Evidence](#), 23 February 2021, Q35-37.

<sup>17</sup> [Pupil premium 2020-2021: conditions of grant](#), Education and Skills Funding Agency, updated 8 December 2020.

<sup>18</sup> Department for Education, [What maintained schools must publish online](#), updated 12 February 2021.

<sup>19</sup> Department for Education, [Mainstream academy and free school: single funding agreement](#), 1 December 2020, para 2.17.

issues with a school's provision for disadvantaged pupils it will recommend that it commissions a Pupil Premium review. [DfE guidance](#) provides more information on the process for Pupil Premium reviews, including the commissioning of them.<sup>20</sup>

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

The Education Endowment Foundation has produced [guidance on how to use the Pupil Premium effectively](#).<sup>21</sup>

## 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.<sup>22</sup>

## 1.7 School Admissions and the Pupil Premium

Following a [consultation](#), in December 2014 the School Admissions Code was changed to give all admission authorities in England the option to prioritise disadvantaged children in their admission arrangements.<sup>23</sup> 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 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.

1.39B 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.<sup>24</sup>

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 via adoption, a child arrangements order, or special guardianship order (i.e. the same

<sup>20</sup> Department for Education, [Pupil premium reviews](#), last updated 29 June 2018.

<sup>21</sup> [Pupil premium: funding and accountability for schools](#), last updated 20 December 2019.

<sup>22</sup> Department for Education, [Pupil premium: virtual school heads' responsibilities](#), last updated 19 March 2015.

<sup>23</sup> Department for Education, [Changes to the School Admissions Code: Government consultation response](#), October 2014.

<sup>24</sup> Department for Education, [School Admissions Code](#), September 2015, p17.

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eligibility criteria as for the Pupil Premium for looked after and previously looked after children).<sup>25</sup>

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<sup>25</sup> As above, para 1.7.

## 2. Eligibility criteria issues

Issues have been raised regarding the eligibility criteria for attracting the Pupil Premium, with concerns generally centred on pupils that may not attract the 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”.<sup>26</sup> 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”.<sup>27</sup> 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”.<sup>28</sup>

There is no ongoing annual official estimate of pupils eligible, but not claiming free school meals.<sup>29</sup> In response to a PQ on 13 October 2020, Minister, Vicky Ford, said that the latest Government estimate was that FSM take-up was around 89% of those eligible, but that it may currently be higher because of a temporary extension to the eligibility criteria, meaning some households with no recourse to public funds (NRPF) are eligible for meals.<sup>30</sup>

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 thought to be entitled for FSMs. The rate was highest for those at either end of the age range, and in less deprived areas.

In its state of the nation report 2018-19, the Social Mobility Commission said that approximately one in 10 of those eligible do not register for FSMs, and that this impacts on the level of Pupil Premium funding that schools receive. The report recommended that the Government “should

<sup>26</sup> Email to the Library from Department for Education official, 4 May 2012

<sup>27</sup> DfE [Consultation on school funding 2011-12 – Introducing a Pupil Premium](#), p11.

<sup>28</sup> As above, p12, para 35

<sup>29</sup> [PQ111683](#), 13 November 2017.

<sup>30</sup> [PQ100942](#), 13 October 2020.

consider ways to ensure that all schools are receiving the Pupil Premium funding that they are entitled to.”<sup>31</sup>

In response to a parliamentary question in February 2019, Minister Nadhim Zahawi, set out what the Government was doing to help identify children eligible for the Pupil Premium:

Schools automatically receive Pupil Premium funding for each pupil registered as eligible for free school meals in the school census and for any pupil eligible for free school meals at any point in the last 6 years. This year 1.99 million pupils, 27% of all pupils, aged 5-16 are eligible to receive Pupil Premium funding.

We do not publish statistics on the take up of Pupil Premium.

The department wants to make sure that as many eligible pupils as possible are claiming free school meals, and to make it as simple as possible for schools and local authorities to determine eligibility. To support this we provide:

- The Eligibility Checking Service to make the checking process as quick and simple as possible for schools and local authorities.
- A model registration form for paper-based applications.
- Guidance to Jobcentre Plus advisors and work coaches so they can make Universal Credit claimants aware that they might be entitled to free school meals.

We know that many schools and local authorities have established very effective ways to encourage all eligible families to register for free school meals.<sup>32</sup>

## 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 replaces many of these qualifying benefits (and some others) with a single payment.

### Eligibility for FSMs under Universal Credit

As an interim measure during the initial stages of Universal Credit roll out, all recipients qualified for FSMs.<sup>33</sup>

In November 2017, the Government published a [consultation](#) on eligibility for FSMs under Universal Credit. The consultation proposed introducing a net earnings threshold (not including benefits) of £7,400 per annum for a household’s eligibility for FSMs under Universal Credit. The Government estimated that under the proposed threshold an extra 50,000 children would become eligible for FSM, an increase in the FSM cohort of around 5%.<sup>34</sup>

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<sup>31</sup> Social Mobility Commission, [State of the Nation 2018-19: Social Mobility in Great Britain](#), April 2019, p52.

<sup>32</sup> [PQ219513](#), 19 February 2019.

<sup>33</sup> [PQ7124](#), 12 September 2017.

<sup>34</sup> The methodology used to reach the 50,000 figure is [set out in an Appendix](#) to a report of the House of Lords Secondary Legislation Committee.

The consultation also set out transitional protections for existing recipients of FSMs to ensure that they would not immediately lose entitlement as a result of the new criteria.

In its [response to the consultation](#), published in February 2018, the Government confirmed that it would implement the proposals set out in the consultation. Regulations implementing the changes came into force on 1 April 2018.<sup>35</sup>

Further information on the changes, including the reaction to them, is provided in section 4.2 of Library Briefing 4195, [School meals and nutritional standards \(England\)](#).

## 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.

In response to a parliamentary question in June 2019, Lord Agnew, Parliamentary Under-Secretary at the DfE, stated that the Government was “currently considering the application of pupil premium plus to children adopted from care outside England and Wales and have not set a timetable for any changes.”<sup>36</sup> A similar response was given to a parliamentary question in October 2017.<sup>37</sup>

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<sup>35</sup> [The Free School Lunches and Milk, and School and Early Years Finance \(Amendments Relating to Universal Credit\) \(England\) Regulations 2018](#), SI 2018/148; [The Welfare Reform Act 2012 \(Commencement No. 30 and Transitory Provisions\) Order 2018](#), SI 2018/145.

<sup>36</sup> [PQ HL16520](#), 28 June 2019.

<sup>37</sup> [PQ 110484](#), 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 Education Policy Institute Annual Report 2020

In August 2020, the Education Policy Institute published its [annual report on education in England](#). The report measured the disadvantage gap by comparing attainment between pupils eligible for the (deprivation) Pupil Premium and their non-disadvantaged peers.

It found that the between 2011 and 2019 as a whole, the disadvantage gap closed in both primary and secondary schools. However, between 2017 and 2018, while primary schools continued to narrow the gap, the gap in secondary schools widened. In 2019, the secondary gap remained the same as in 2018; the gap for pupils at the end of Key Stage 2 (primary), however, increased since 2018. This was the first year where the gap widened since “at least” 2007.<sup>38</sup>

The report also notes that the attainment gaps may be wider than their analysis suggests, because of the subsequent impacts of the coronavirus pandemic and the fact that “everything we have so far learned about education during the schools’ lockdown suggests [...] a particularly adverse impact on poor and vulnerable children”.<sup>39</sup>

### 3.2 Education Committee report on School and College Funding (July 2019)

In July 2019, the Education Committee published a report on school and college funding. Evidence submitted to the inquiry “indicated that, on the whole, the idea of the Pupil Premium enjoyed substantial support.” It added, however, that there were a number of concerns that witnesses suggested needed to be addressed regarding the premium’s use, how the mechanism operated, accountability systems, and the eligibility criteria.” Regarding these, the report stated:

- It is clear that the Pupil Premium is being used “to plug holes in schools budgets rather than being directed at disadvantaged children.”
- Ring-fencing the Pupil Premium or subsuming it under the National Funding Formula “will not fix the underlying problem that there is simply not enough money in the system.”
- Concerns were raised about the effectiveness of the Pupil Premium even when it was being used as intended. Many schools had used the money for teaching assistants, “whereas recent evidence suggested these resources could have been deployed differently to better maximise educational outcomes.”

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<sup>38</sup> Education Policy Institute, [Education in England: Annual Report 2020](#), August 2020, ps 10-11.

<sup>39</sup> As above, p7.

- The accountability system was also identified as an “area in need of improvement.”

The report’s recommendations included that the DfE should:

- Confirm that it does not intend to ring-fence the Pupil Premium or subsume it within the National Funding Formula. It should also investigate “how the Pupil Premium distribution could be made fairer so that allocations more closely match the child’s level and duration of deprivation.”
- Review and revise the Pupil Premium compliance system, particularly Ofsted’s role, to “improve accountability whilst allowing flexibility for local-level innovation.”
- Review options for an “enhanced incentive system to systematically reward schools making good use of the Pupil Premium.”

The report also stated that the lack of take-up of free school meals “means that too many deserving children are not receiving the support to which they are entitled.” It recommended that, in its response to the report, the DfE should outline whether it supports the principle of automatic enrolment for free school meals, and detail the actions it will take to ensure all eligible pupils receive their Pupil Premium allocation. In the meantime, the report recommended, the DfE should “publish detailed estimates of the amount of unclaimed Pupil Premium money, and the Treasury should pay this amount into a separate fund to be spent on disadvantaged children.”

The Committee’s report also looked at post-16 disadvantage funding and recommended that a 16-19 Pupil Premium scheme should be introduced.<sup>40</sup>

## Government response

The Government published its response to the Committee’s report in October 2019. The response confirmed that the Government had no plans to ring-fence the Pupil Premium or integrate it into the National Funding Formula. While recognising the Committee’s desire to enforce greater accountability, the response made clear that the Government’s belief that “there are clear and sufficient measures in place already to hold schools accountable for their use of the Pupil Premium”, and that introducing new compliance measures would “curtail the freedom given to school leaders over their allocated funding.”

The response stated that the Government did not believe that schools need financial incentives to focus on enabling pupils to realise their potential and so would not be moving to a system that allocated Pupil Premium funding retrospectively based on the performance of disadvantaged pupils.

While the Government understood the rationale for automatic enrolment, the response stated, it needs to be considered alongside the “legislative and delivery implications of such an approach”, and “careful

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<sup>40</sup> Education Committee, [A ten-year plan for school and college funding](#), 19 July 2019, HC 969, HC 969 2017-19, pp25-32.

consideration" would also have to be given to the data sharing required.<sup>41</sup>

### 3.3 Social Mobility Commission's state of the nation report 2018-19 (April 2019)

The Social Mobility Commission published its sixth annual state of the nation report in April 2019. The report stated that the Commission "welcomed initiatives such as the Pupil Premium" but raised concerns that the funding "is not being used effectively by all schools to narrow the gap between disadvantaged students and their more advantaged peers." It recommended that the Government should consider "whether Pupil Premium funding is effectively targeted at supporting disadvantaged students and whether differential levels of funding might be more beneficial for those with long-term disadvantage."<sup>42</sup>

The report also recommended that the Government should introduce a Student Premium for disadvantaged students aged 16-19 that models the Pupil Premium in schools.<sup>43</sup>

### 3.4 Sutton Trust's school funding and pupil premium survey 2019 (April 2019)

In the Sutton Trust's most recent annual polling of teachers, the results of which were published in April 2019, 1,678 teachers were surveyed concerning, among other things, their use of the Pupil Premium. 55% of the school leaders surveyed felt that their Pupil Premium funding was helping to close the attainment gaps in their school; 15% disagreed and 31% were neutral on the impact of the Pupil Premium in their school. 27% of secondary school teachers reported that their Pupil Premium funding was being used to plug gaps elsewhere in their budget.<sup>44</sup>

### 3.5 APPG on Social Mobility report on closing the regional attainment gap (February 2019)

In February 2019 the All-Party Parliamentary Group on Social Mobility published a report on Closing the Regional Attainment Gap. The report stated that there were "particular issues around spending of the Pupil Premium", with "substantial amounts of money spent on teaching assistants, which evidence indicates may not be an effective use of funds." The Pupil Premium should, it said, "be better targeted towards measures which have been shown to have an impact." The report also recommended that the Government should "incentivise school collaboration by repurposing the Pupil Premium into a new Social

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<sup>41</sup> Department for Education, [Government response to Education Committee report on school and college funding](#), CP190, October 2019, pp13-17.

<sup>42</sup> Social Mobility Commission, [State of the Nation 2018-19: Social Mobility in Great Britain](#), April 2019, pp v & 52.

<sup>43</sup> As above, p74.

<sup>44</sup> [School funding and pupil premium 2019](#), Sutton Trust, 18 April 2019.

Mobility Premium which schools...can use on initiatives to improve social mobility in deprived schools and coldspot areas.”<sup>45</sup>

### 3.6 Social Mobility Commission report on 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.”<sup>46</sup>

### 3.7 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.<sup>47</sup>

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.<sup>48</sup>

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<sup>45</sup> All-Party Parliamentary Group on Social Mobility, [Closing the Regional Attainment Gap](#), February 2019, pp3&5.

<sup>46</sup> Social Mobility Commission, [Time for Change: An Assessment of Government Policies on Social Mobility 1997-2017](#), June 2017, p34.

<sup>47</sup> National Audit Office, [Funding for disadvantaged pupils](#), June 2015, p11.

<sup>48</sup> As above.



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