



National Audit Office



REPORT

Improving educational outcomes for disadvantaged children

Department for Education

SESSION 2024-25
HC 125



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Improving educational outcomes for disadvantaged children

Department for Education

Report by the Comptroller and Auditor General

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Gareth Davies
Comptroller and Auditor General
National Audit Office

18 June 2024

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The National Audit Office study team consisted of:


Elisabeth Moore, Anne Taylor and Sarah Yip, with assistance from Melinda Acquah and Vanessa Obetzanova, under the direction of Emma Willson.

For further information about the National Audit Office please contact:

National Audit Office
Press Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

 020 7798 7400

 www.nao.org.uk

 @NAOorguk

Key facts

2.1mn

children (27%) in state-funded schools in England who are disadvantaged, 2023-24

25%

of disadvantaged pupils achieved grade 5 or above in English and maths GCSEs in 2022/23, compared with 52% for those not known to be disadvantaged

£9.2bn

estimated Department for Education (DfE) funding to support the attainment of disadvantaged children in 2023-24

- >90%** proportion of their estimated £9.2 billion disadvantage-related funding that schools and early years providers can freely choose how to spend
- 10%** real-terms increase in disadvantage- and deprivation-related funding allocated to schools through the national funding formula between its introduction in 2018-19 and 2023-24
- 7%** increase in number of children eligible for pupil premium between 2018-19 and 2023-24
- 3%** real-terms decrease in total pupil premium funding to schools from 2018-19 to 2023-24
- £388** maximum early years pupil premium for a 3- or 4-year-old child for 2024-25, compared with pupil premium rates of £1,480 for primary school children and £1,050 for secondary school children
- 11%** the absence rate in 2022/23 for pupils registered for free school meals, compared with 6% for pupils who were not registered

Throughout this report, central government financial years are written as, for example, '2023-24' and run from 1 April to 31 March; school academic years are written '2023/24' and run from 1 September to 31 August.

Summary

1 The Department for Education (DfE) has overall responsibility for the school system and early years settings, ensuring value for money from the £60 billion spent by bodies within this system. This includes 21,600 state-funded schools in England, which in 2023-24 educated 7.7 million pupils from reception upwards, and an estimated 58,000 early years providers, which include state-funded schools, voluntary and private providers, and childminders.

2 Within schools, DfE considers children as disadvantaged if they have been registered for free school meals in the past six years or are currently, or have previously been, looked after by the local authority. In 2023-24, DfE identified 2.1 million children in state-funded schools (27%) as disadvantaged. Within early years settings, DfE uses a broader definition for some of its disadvantage-related support than in schools. As at January 2023, of the 924,000 2- to 4-year-olds who had benefited from government-funded early years entitlements, 239,000 (26%) were disadvantaged. On average, children from a disadvantaged background are less likely to perform well at school compared with their peers, impacting their future life chances. Alongside their education, wide-ranging factors beyond DfE's control also impact their attainment such as their home environment and their physical and mental wellbeing. DfE has a strategic priority to improve the attainment of disadvantaged children.

3 DfE has introduced a range of interventions, alongside its funding to support all children, specifically to improve the attainment of disadvantaged children. These include the pupil premium, which DfE describes as its flagship policy; certain local areas receiving additional funding; and six interventions introduced within two years of schools closing because of COVID-19. To measure its progress, DfE uses the disadvantage attainment gap index, which compares the attainment of disadvantaged pupils against their peers for key stage 2 and key stage 4. DfE does not bring together how much it spends to support the attainment of disadvantaged children. We estimate this amounted to around £9.2 billion in 2023-24, half of which is through disadvantage elements of its core funding and half through more targeted interventions. Schools and early years settings have different levels of discretion on how they spend the funding available, with the majority of this not having to be spent specifically on improving the attainment of disadvantaged children.

4 This report examines whether DfE is achieving value for money through its funding to support the attainment of disadvantaged children in educational settings in England, from early years to the end of key stage 4 (the end of compulsory schooling). The report:

- describes the early years and school system, DfE's approach to supporting disadvantaged children and its progress against its objectives (Part One);
- assesses how DfE understands the attainment of children and how it evaluates what works to effectively allocate resources (Part Two); and
- evaluates the accountability arrangements and support DfE provides schools and early years providers to ensure value for money (Part Three).

5 Appendix One outlines our approach to this work. We recognise there are various ways to define disadvantage – in this report we focus on children falling within DfE's definitions across:

- early years foundation stage (birth to age 5), which includes the reception year of primary school;
- primary school, covering key stage 1 (school years 1 and 2) and key stage 2 (school years 3 to 6); and
- secondary school, covering key stage 3 (school years 7 to 9) and key stage 4 (school years 10 and 11).

Key findings

DfE's objectives and approach

6 Before the pandemic the educational attainment of disadvantaged children, as with all children, had improved but the picture since is less clear.

Data prior to the COVID-19 pandemic show improvements in attainment at key stages 2 and 4 for both disadvantaged and non-disadvantaged children. Subsequent changes to measures, and the extent to which data can be broken down, make it hard to draw comparisons over time. When comparing internationally, in 2022, 15-year-olds in England performed significantly better compared with the Organisation for Economic Co-operation and Development countries' average (paragraphs 1.8 and 1.9).

7 DfE has a strategic priority to reduce the attainment gap between disadvantaged children and their peers, but for children leaving school the gap is wider than it was a decade ago. In England, disadvantaged children reach, on average, a lower level of attainment than their peers in English- and maths-related subjects. DfE has a strategic priority to support disadvantaged children and reduce the attainment gap, set out in its priority outcomes and 2022 Schools White Paper. Although DfE made progress narrowing the attainment gap from 2010/11, progress had begun to stall by 2018/19. During the COVID-19 pandemic the gap widened. For key stage 2 this gap is wider than it was in 2012/13, although this narrowed slightly between 2021/22 and 2022/23. For key stage 4 it is now wider than in 2011/12. DfE has assessed not addressing disparities in educational attainment as high risk (paragraphs 1.8 and 1.11 to 1.13, and Figures 3 and 4).

8 Responsibility for supporting disadvantaged children's attainment is spread across DfE, without a robust whole-system perspective. DfE has chosen to spread responsibility for supporting disadvantaged children across the department. This can help different teams embed this as part of their work but makes it harder to identify gaps, overlaps or trade-offs. A departmental Performance and Risk Committee helps facilitate a joined-up view of performance and risks. Although DfE has reducing the disadvantage attainment gap as a strategic priority, it does not have a strategy, theory of change, or monitoring to understand how much it spends on interventions; how interventions align; or schools' and early years providers' capacity to do more. As a result, there is no clear rationale for how DfE splits funding between, for example, early years and schools. It also makes it difficult for DfE to prioritise and present a clear case for wider interventions across government (paragraphs 1.14, 1.15 and 1.20, and Figure 5).

9 DfE cannot achieve its objective without working more effectively with others, but this is challenging without government having a shared aim. Factors outside school, such as the home learning environment, housing, socio-economic deprivation, and health and wellbeing, can impact a child's attainment. DfE recognises it can influence some of these factors, for example, home learning but has more limited influence on others such as socio-economic deprivation. Although DfE works across government, including through the Vulnerable Children and Families Strategy Board which brings together relevant bodies, it recognises it can do more, including to build common and complementary objectives (paragraphs 1.7 and 1.18 to 1.20, and Figure 2).

10 DfE has several different measures to assess the attainment of disadvantaged children, but there are weaknesses in its approach. DfE's main measure for assessing progress, the disadvantage attainment gap index, compares national performance over time. However, it does not allow DfE to fully understand how attainment changes as this is assessed differently in the earlier education stages. DfE's measures focus on academic attainment, which is critically important in ensuring children develop the skills they need. However, it has more limited analysis on wider outcomes for disadvantaged children and does not routinely bring together its measures. This makes it harder to understand and monitor the wider positive outcomes from its interventions (paragraphs 1.8, 1.10, 2.2, 2.4 and 2.7, and Figure 7).

Understanding effectiveness and allocating funding

11 DfE cannot assess whether it is making the required progress reducing the attainment gap or where further action may be needed. DfE has committed to reducing the gap but has not set out the progress it wants to achieve, and by when. DfE has undertaken some modelling of likely attainment changes (paragraph 2.6).

12 DfE has limited evidence on how well almost half of its £9.2 billion estimated spend supports the attainment of disadvantaged children, which impacts its ability to make well-informed decisions. DfE has some impact evidence for several interventions, which can help schools consider a 'menu' of evidence-based approaches when spending their pupil premium, and for childcare entitlements for disadvantaged 2-year-olds. However, it recognises that it has limited evidence behind the disadvantage and deprivation elements of the national funding formula, which comprises almost half of its spend on supporting disadvantaged children's attainment. Although DfE has no evaluation strategy to address gaps in its understanding, it told us it plans to further develop its evidence base for some interventions and has commissioned longitudinal studies to assess the impact of educational recovery reforms (paragraphs 2.8 to 2.10 and 3.6, and Figure 8).

13 DfE cannot explain why it increased disadvantage- and deprivation-related funding through the national funding formula and not, for example, pupil premium. DfE considers there to be better evidence of pupil premium effectively supporting disadvantaged children, than for funding provided through the national funding formula, which includes specific disadvantage and area deprivation elements. In 2023-24, DfE included £4.1 billion of disadvantage- and deprivation-related funding as part of the national funding formula, representing a 10% real-terms increase since the formula's introduction in 2018-19. In the same year, it spent £2.8 billion on pupil premium, a 3% reduction in real-terms total spending from 2018-19 with the per-pupil funding for children registered for free school meals falling by 9% alongside increases in the number of children eligible (paragraphs 2.11 to 2.15 and Figures 8 to 10).

14 Early years provision can support the attainment of disadvantaged children, but DfE spends comparatively less on pupil premium for early years than for schools.

From the age of three, there is a gap in cognitive outcomes between disadvantaged children and their peers, with research showing the value of early years provision. As with school-aged children, DfE provides a range of interventions to support younger disadvantaged children. However, it provides significantly lower levels of funding through early years pupil premium and has not done any analysis to explain these funding differences. For 2024-25, the maximum early years pupil premium annual rate per pupil is £388, compared with £1,480 for primary schools and £1,050 for secondary schools. DfE recognises that expanding childcare entitlements for working parents risks widening the disadvantage attainment gap¹ (paragraphs 2.16 and 2.17, and Figures 10 and 11).

15 DfE has strong evidence for the value of tutoring but has stopped providing specific funding, instead relying on schools deciding to fund it themselves from 2024/25. DfE launched the National Tutoring Programme, which focused on disadvantaged children, as one of its main COVID-19 interventions to recover lost learning. It intended the programme to last four years and progressively reduced the level of funding, which ends in 2023/24. DfE considers there to be strong evidence behind the effectiveness of tutoring and, from 2024/25, expects schools to fund tutoring through their core or pupil premium funding. However, this will be a choice for schools, which face wider budget pressures. In 2023, DfE published a survey of school leaders showing that 27% of those sampled said they would not continue to provide tutoring, with a further 48% saying they were unsure. DfE assesses the risk that schools do not fund tutoring themselves as red/amber, widening the disadvantage attainment gap (paragraphs 3.11 to 3.13 and Figure 8).

Support for schools

16 DfE gives providers flexibility to use their funding for disadvantaged children according to local circumstances, while providing support on how to do so.

DfE told us that it is moving towards providers having greater autonomy to decide how to spend funding, given their understanding of local context. Schools and early years providers have discretion over how to spend the majority of the £9.2 billion estimated annual spend focused on disadvantaged children. DfE has not ringfenced funding for the area deprivation and disadvantage proportion of schools' core funding, or the schools or early years pupil premiums, which together totalled £6.9 billion in 2023-24. This means that schools can choose to spend this money on wider priorities, which may include teacher pay. Over the past three years, DfE has provided schools with more guidance on how to use pupil premium. It now puts a greater focus on evidence-based approaches and signposts the work of the Education Endowment Foundation (EEF), one of government's designated What Works Centres. School leaders responding to a 2023 survey said that they found DfE's and EEF's guidance helpful (paragraphs 1.21, 3.2, 3.3 and 3.6, and Figure 15).

¹ Comptroller and Auditor General, *Preparations to extend early years entitlements for working parents in England*, Session 2023-24, HC 701, National Audit Office, April 2024.

17 DfE does not have a good understanding of how schools spend disadvantage-related funding and there are weaknesses in how schools are held to account for their spending. DfE's accountability arrangements vary across its interventions. It told us that, for its general funding, it uses factors such as exam results to assess outcomes but has more assurance over ringfenced funding. Stakeholders we engaged with as part of this study expressed support for pupil premium, outlining what they felt to be a proportionate balance between accountability and the ability for local decision-making to meet a clearly defined aim. However, DfE does not have a systematic way to understand how schools spend this funding and therefore what works. It relies on Ofsted, alongside local accountability mechanisms such as scrutiny by school governors. DfE has sought to encourage parents to hold schools to account for how they spend pupil premium funding, requiring all schools to publish an up-to-date statement on how they plan to use this. However, only 80% of schools sampled by DfE in 2023 had published a 2022-23 pupil premium statement, and DfE does not know to what extent, or how, parents, including those of disadvantaged children, use this and wider performance data (paragraphs 3.2, 3.3 and 3.6 to 3.8, and Figure 12).

18 DfE has a breadth of evidence on the importance of teaching quality in improving educational attainment, particularly for those who are disadvantaged, but recruitment and retention challenges persist. DfE has evidence showing that high-quality teaching is effective in improving pupil attainment, particularly for disadvantaged pupils. However, schools in deprived areas are more likely to have teachers without a degree in their main subject, which can impact pupils' progress. DfE considers recruiting and retaining enough high-quality teachers as a major risk. It has introduced significant reforms to teacher training and recruitment alongside interventions to address teaching quality, including additional payments to some subject teachers for schools in deprived areas, although it cannot precisely assess uptake among eligible teachers because of limitations in its data (paragraphs 3.15 to 3.17).

19 Disadvantaged children's absence from school has increased significantly, with DfE developing a response while continuing to build its understanding of what works. Since COVID-19, school attendance has become a significant challenge, which DfE rates as a major issue in its departmental risk register. Disadvantaged children are more likely to be absent from school than their peers, and more than four times more likely to be permanently excluded. DfE is working to improve attendance in different ways, such as setting up pupil mentoring and a national communications campaign. However, EEF has assessed the evidence base for what works to improve attendance as weak. It, alongside DfE, is taking steps to develop its evidence by, for example, evaluating an attendance pilot DfE is running in Middlesbrough (paragraphs 3.18 to 3.21).

Conclusion

20 DfE has a strategic priority to improve the attainment of disadvantaged children, improving their future life chances. Each year, DfE spends around £60 billion to support all children across schools and early years settings. For 2023-24, this included an estimated £9.2 billion focused on supporting disadvantaged children and narrowing the attainment gap between them and their peers, with half of this comprising disadvantage elements of its core funding for schools. Despite this investment, disadvantaged children performed less well than their peers across all areas and school phases in 2022/23. The gap in children's attainment had been narrowing before the COVID-19 pandemic, which then had a detrimental impact. The gap continues to widen for key stage 4, which is when children leave school, and, while the attainment gap for those finishing primary school narrowed slightly in the past year, it remains wider than it was a decade ago.

21 DfE has evidence to support some of its interventions and uses this to help schools and early years providers to make decisions. However, it does not yet understand the outcomes resulting from a significant proportion of its expenditure on disadvantaged children. It also does not have a fully integrated view of its interventions, or milestones to assess progress and when more may need to be done. This, and the lack of sustained progress reducing the disadvantage attainment gap since 2010/11, means that DfE cannot demonstrate it is achieving value for money. To make progress, and secure value for money, it should build more evidence of what works, look strategically across its interventions and how it allocates its funding, and work effectively across government to address the wider factors to make progress on this complex issue.

Recommendations

22 To build on its efforts supporting the attainment of disadvantaged children, and in response to previous National Audit Office recommendations (Appendix Two), we recommend that DfE should take a clearer whole-system approach by:

- a** more clearly setting out how the range of its interventions come together, to help: understand how they individually and collectively support the attainment of disadvantaged children; ensure that objectives are aligned; and recognise and manage any gaps and trade-offs;
- b** using this work, alongside evidence of what works, to inform clear, evidence-based decisions on how it distributes, and increases or decreases, funding; as part of this, it should compare the value of certain interventions, such as investing more in early years compared with schools; and
- c** setting out how it will more effectively engage with wider government to help develop a shared vision, robust joint risk assessment, clear responsibilities, and an understanding of how respective departmental priorities could be better integrated.

- 23** To effectively oversee its interventions DfE should:
- d** develop its understanding of the capacity and capability of schools and early years providers to understand and deliver the range of interventions; and
 - e** monitor whether schools fund tutoring from their core funding after the planned end of the National Tutoring Programme, and then reflect on any further support it may need to provide to schools.
- 24** To better understand the impact of its approach, DfE should:
- f** set out the progress it expects to make in reducing the disadvantage attainment gap over the coming years, including what good would look like, so it can better understand where, for example, it may need to change its approach;
 - g** broaden its performance measures and monitoring to assess both its regional progress narrowing the disadvantage attainment gap and the added value from its support for disadvantaged children, to present a complete assessment of all outcomes; and
 - h** develop a research and evaluation strategy to build its evidence base to better understand how it should consider allocating funding across its various interventions.

Part One

Overview of the Department for Education's approach

1.1 One of the Department for Education's (DfE's) strategic objectives relates to reducing the disadvantage attainment gap. This part of the report describes the early years and school system, DfE's approach to supporting disadvantaged children and progress towards meeting its objectives.

The early years and school system

1.2 DfE is responsible for the early years and school system in England and is ultimately accountable for securing value for money from the funding it provides across the system. In 2022-23, it spent around £60 billion supporting both schools and early years settings. It works with local authorities, who oversee and distribute funding to early years providers and the Education and Skills Funding Agency, which distributes school funding. Ofsted inspects schools and early years providers, providing independent assurance about their effectiveness, including assessing the quality of education and children's personal development.

1.3 In 2023-24, there were 21,600 state-funded schools in England, educating 7.7 million pupils. Of these, 11,100 schools (51%), with 3.2 million pupils, were maintained schools overseen by local authorities. The remaining 10,500 schools (48%) were academies, with 4.5 million pupils. Each academy is part of a trust and is independent of the relevant local authority. Various organisations provide early years care and education, including private or voluntary providers, childminders and state-funded schools. As at August 2023, we estimate that there were around 58,000 early years providers in England.²

² Comptroller and Auditor General, *Preparations to extend early years entitlements for working parents in England*, Session 2023-24, HC 701, April 2024.

Understanding disadvantage and attainment

1.4 DfE considers a school child to be disadvantaged if they have been registered for free school meals (which is a means-tested entitlement based on their parents receiving certain benefits) at any point in the past six years; are looked after by the local authority; or have left local authority care. The number of children DfE defines as disadvantaged has increased by 7% since the COVID-19 pandemic, from almost 2.0 million in 2018-19 to just over 2.1 million in 2023-24 (27% of all school children).³ As part of our study, stakeholder representatives told us that DfE's socio-economic definition of disadvantage can overlook children disadvantaged in other ways. For schools, Ofsted expands on the definition used by DfE to also include children with special educational needs, those who are in contact with a social worker and those who meet the definition of 'needing help and protection'.⁴

1.5 For early years, DfE does not consistently define disadvantage, using different eligibility criteria across its support for young children. For example, for disadvantaged 2-year-olds receiving government-funded early education and childcare, it uses a wider definition which includes those receiving Disability Living Allowance or with an education, health and care plan. As at January 2023, of the 924,000 2- to 4-year-olds who had benefited from government-funded early years entitlements, 239,000 (26%) were disadvantaged.

1.6 Research, undertaken on DfE's behalf, shows that many of the characteristics of those identified as disadvantaged can also be associated with lower attainment at school, which in turn can negatively affect children's future opportunities and earnings potential.⁵ When looking across a range of characteristics, as a group, disadvantaged children have the second lowest academic performance at key stage 4 (**Figure 1** on pages 15 and 16).

1.7 A wide range of factors impact a child's attainment, and their ability to overcome the challenges presented by their disadvantage, which fall within the remit of wider government (**Figure 2** on page 16). Although each child has their own individual characteristics, many common factors can create common challenges. This includes a child's physical and mental wellbeing or home environment. As part of our study, stakeholders told us that disadvantaged children are less likely to have effective support from parents, as they may feel they lack knowledge or money to provide this. Some factors impact a child from an early age, including prenatally, and can continue as they progress through school. DfE cannot directly address all the wider factors impacting both disadvantage and attainment, although schools still play a critical role and DfE has some interventions to improve home learning such as Family Hubs.

3 In 2021-22, the number of children registered for free school meals, and therefore considered disadvantaged, was extended to include those with no recourse to public funds.

4 Children in need are legally defined as those assessed by social workers as needing help and protection given risks to their development or health, or who are disabled.

5 Kantar Public, *Understanding KS4 attainment and progress: evidence from LSYPE2*, Department for Education, October 2018.

Figure 1

Differences in key stage 4 attainment by pupil characteristics, 2018/19 to 2022/23

On average, children with special educational needs (SEN) had the lowest academic performance, followed by disadvantaged children

Pupil characteristic

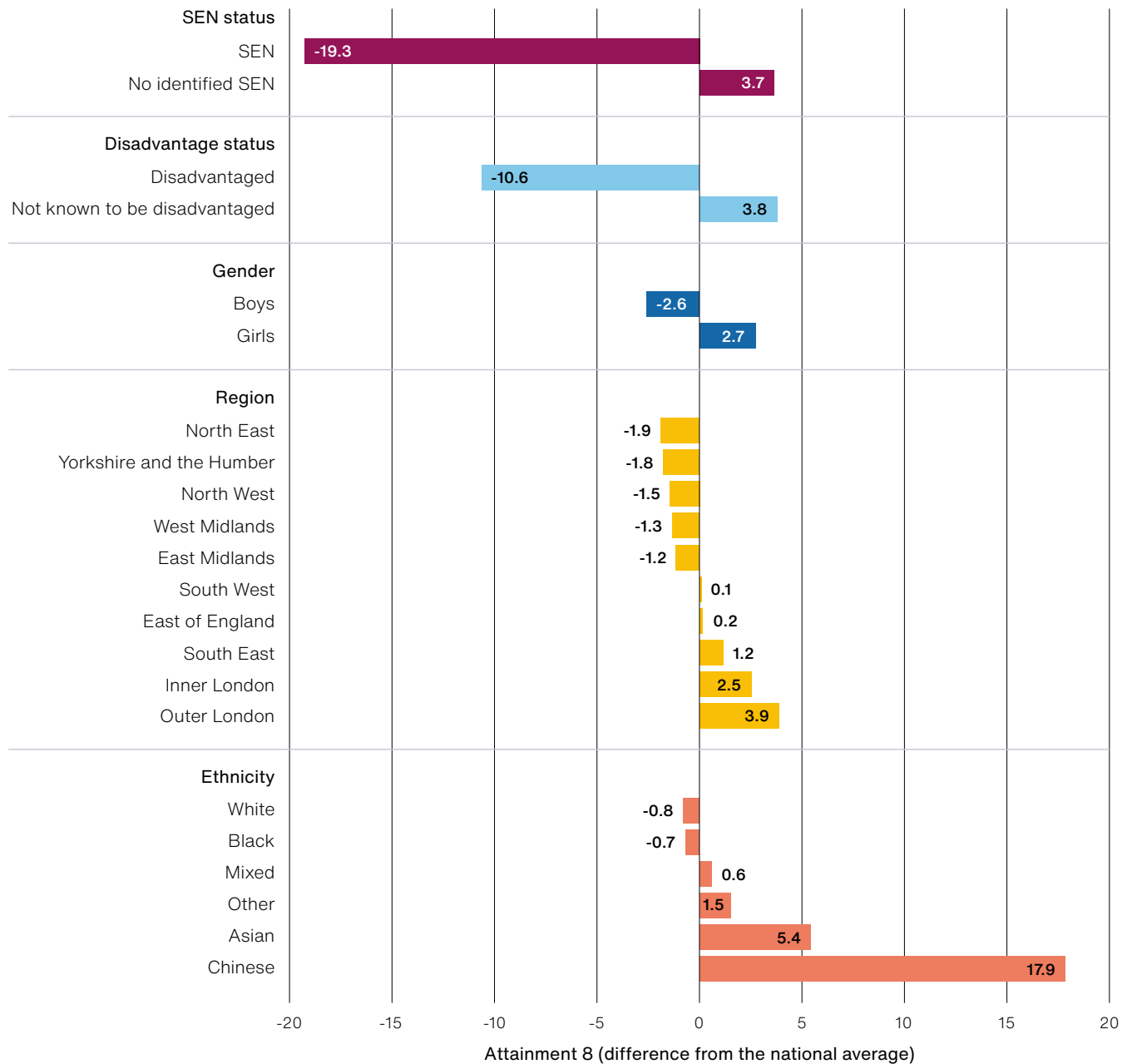


Figure 1 *continued*

Differences in key stage 4 attainment by pupil characteristics, 2018/19 to 2022/23

Notes

- 1 Pupils are defined as disadvantaged if they are known to have been registered for free school meals at any point in the previous six years; if they are recorded as having been looked after for at least one day; or if they are recorded as having been adopted from care.
- 2 Attainment 8 measures how well pupils do in key stage 4 across eight qualifications. The differences in the national attainment 8 score are averaged over five years between 2018/19 and 2022/23, with the exception of when data were not available for SEN status in 2018/19 and for students classed as 'Chinese' in 2022/23.
- 3 Only known ethnicity groupings are reported. Between 2018/19 and 2022/23, the average proportion of 'unclassified' ethnicities was 2%.
- 4 A child or young person has SEN if they have a learning difficulty or disability which calls for special educational provision to be made for them.

Source: National Audit Office analysis of Department for Education data

Figure 2

Factors impacting children's attainment at school

Several government bodies contribute to addressing the wider factors impacting a child's attainment at school

	Factor	Contributing departments
Outside education setting	Family and home environment (eg parental employment and income, parental involvement in education and family cohesiveness)	DfE, DHSC, MHCLG, DWP, HMT, Home Office, MoJ
	Personal characteristics (eg special educational needs)	DfE, DHSC
	Health and wellbeing (eg sleep, psychological distress and food)	Defra, DfE, DHSC
	Attitudes and behaviours (eg aspirations, social interactions, out-of-school activities and attendance)	DCMS, DfE, Home Office, MoJ
	Area (eg deprivation level, transport and crime rate)	Defra, DfE, DfT, DHSC, MHCLG, DWP, HMT, Home Office
Within education setting	Early years (eg child development)	DfE
	School environment (eg school and teaching quality)	DfE

Note

- 1 DCMS – Department for Culture, Media & Sport; Defra – Department for Environment, Food & Rural Affairs; DfE – Department for Education; DfT – Department for Transport; DHSC – Department of Health & Social Care; MHCLG – Ministry of Housing, Communities & Local Government; DWP – Department for Work & Pensions; HMT – HM Treasury; MoJ – Ministry of Justice.

Source: National Audit Office review of Department for Education documents

Progress improving attainment

1.8 DfE uses a range of measures to understand children's attainment. It considers that the absolute attainment of all children, including those disadvantaged, has improved over time. While changes to measures, and the extent to which data can be broken down, make it hard to draw comparisons over time, data show the following.

- **For key stage 2:** Between 2015/16 and 2018/19 the percentage of disadvantaged pupils reaching the expected standard in reading, writing and maths increased from 39% to 51%, and for non-disadvantaged pupils from 60% to 71%. The COVID-19 pandemic disrupted the data available. For 2022/23, the percentage of disadvantaged pupils reaching the expected standard in reading and maths was 60% and 59% respectively, and 78% and 79% for those not known to be disadvantaged.⁶
- **For key stage 4:** Between 2010/11 and 2018/19 the percentage of pupils achieving grade 4/C or above in English and maths GCSEs increased from 37% to 45% for disadvantaged pupils, and from 66% to 72% for all other pupils. Subsequently, the COVID-19 pandemic impacted available data and DfE changed its measure. For 2022/23, 25% of disadvantaged pupils achieved grade 5 or above in English and maths GCSEs, compared with 52% for those not known to be disadvantaged.

Disadvantaged children reach, on average, a lower level of attainment than their peers in English- and maths-related subjects (**Figure 3** overleaf).

1.9 International data, from 2022, assessing the knowledge and skills of 15-year-old pupils in maths, reading and science show that England performed significantly better compared with other Organisation for Economic Co-operation and Development (OECD) countries. This also shows that England had a higher proportion than the OECD average of pupils who performed well academically despite their socio-economic background, with the United Kingdom's education system being described as 'highly equitable'.⁷

1.10 To help understand and monitor its progress supporting disadvantaged children, at key stages 2 and 4, DfE focuses on a national measure: the disadvantage attainment gap index. This ranks all pupils in the country and assesses the difference in the average position of disadvantaged pupils against others. A disadvantage attainment gap index score of zero indicates that children from all backgrounds perform the same. A higher score means disadvantaged children typically scored lower in assessments than their peers.

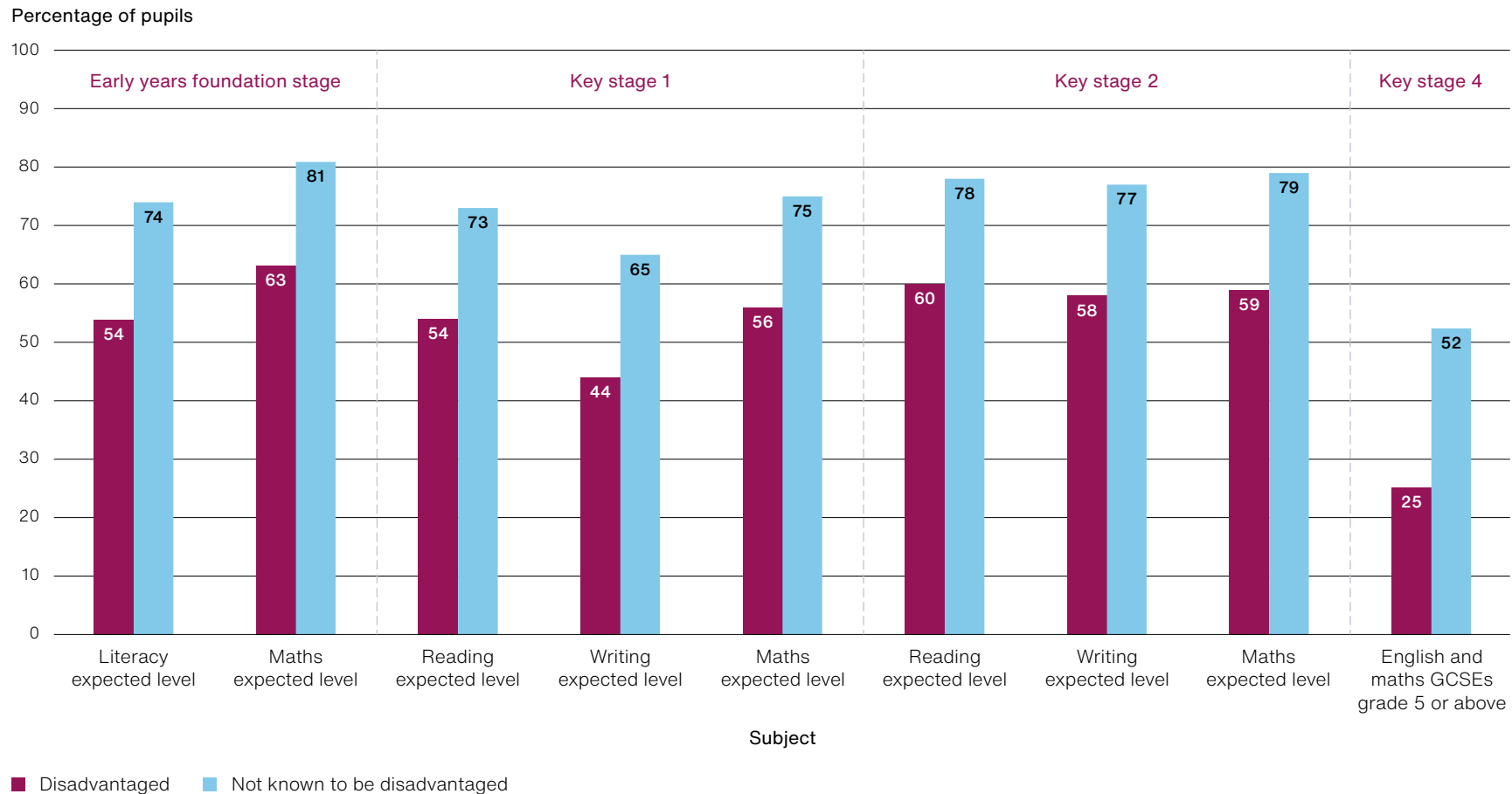
⁶ We do not include figures relating to written assessments as these are not directly comparable.

⁷ University of Oxford, *PISA 2022: National Report for England*, Department for Education, December 2023.

Figure 3

Average difference between disadvantaged and non-disadvantaged children’s performance against selected Department for Education measures for attainment, 2022/23

On average, disadvantaged children have lower performance than their non-disadvantaged peers in English- and maths-related areas



Notes

- 1 For early years, the figure uses children registered as eligible for free school meals as a proxy for disadvantage.
- 2 From the 2023/24 academic year, key stage 1 assessments will no longer be compulsory.
- 3 This figure does not include key stage 3 as pupils are not publicly assessed at this stage.
- 4 Key stage 4 data show the percentage of pupils who achieved a grade 5 or above in both their English and maths GCSEs. For English, pupils can sit either English literature or English language.

Source: National Audit Office analysis of Department for Education data

1.11 Before the COVID-19 pandemic, in March 2020, DfE had made progress narrowing the gap, although this was starting to stall (**Figure 4** overleaf). The gap subsequently widened given that, as we reported in 2023, the pandemic particularly impacted disadvantaged children.⁸ The most recent data show that, while the gap narrowed slightly for key stage 2 between 2021/22 and 2022/23, for key stage 4 it continues to grow. For key stage 4, the gap is now wider than it was in 2011/12 and for key stage 2 wider than in 2012/13. From an international perspective, when comparing England with other OECD countries for 2022, the difference in achievement between the most and least disadvantaged children did not differ from the average.

1.12 Since January 2021, DfE's departmental risk register has included the risk of 'lost learning' due to the COVID-19 pandemic. DfE assessed its ability to reduce the disadvantage attainment gap as high-risk, with mitigations focused on its education recovery programmes. DfE subsequently reframed this risk to consider disparities in educational attainment which it first assessed as a red risk which then escalated to a major issue. However, from January 2024, DfE de-escalated this from a department-assessed to a group-assessed risk; and as at April 2024 described the risk that overall attainment and the disadvantage attainment gap impacts DfE objectives as critical and likely.

DfE's approach

Working within DfE

1.13 One of DfE's strategic priorities relates to addressing the disadvantage attainment gap. DfE describes closing this gap as at the forefront of its education reforms since 2010. As part of the Spending Review 2021, DfE published its priority outcomes, and underpinning metrics to assess performance, which includes a focus on disadvantaged children. In 2022, DfE published its Schools White Paper, which included strategies designed to improve educational outcomes for all children, including those who are disadvantaged. This set out ambitions that, by 2030, nine out of 10 children will achieve the expected standard in reading, writing and maths by the end of primary school, and the national GCSE average grade in both English language and maths will increase from 4.5 in 2019 to 5. DfE's four priority outcomes include the following.

- **Levelling up education standards so children and young people in every part of the country are prepared with the knowledge, skills and qualifications they need.** Performance indicators include the disadvantage attainment gap.
- **Supporting the most disadvantaged and vulnerable children and young people through high-quality local services so that no one is left behind.**
- **Providing the best start in life through high-quality early education and childcare to raise standards and help parents work.** Performance indicators include the percentage of disadvantaged 2-year-olds taking up entitlements.⁹

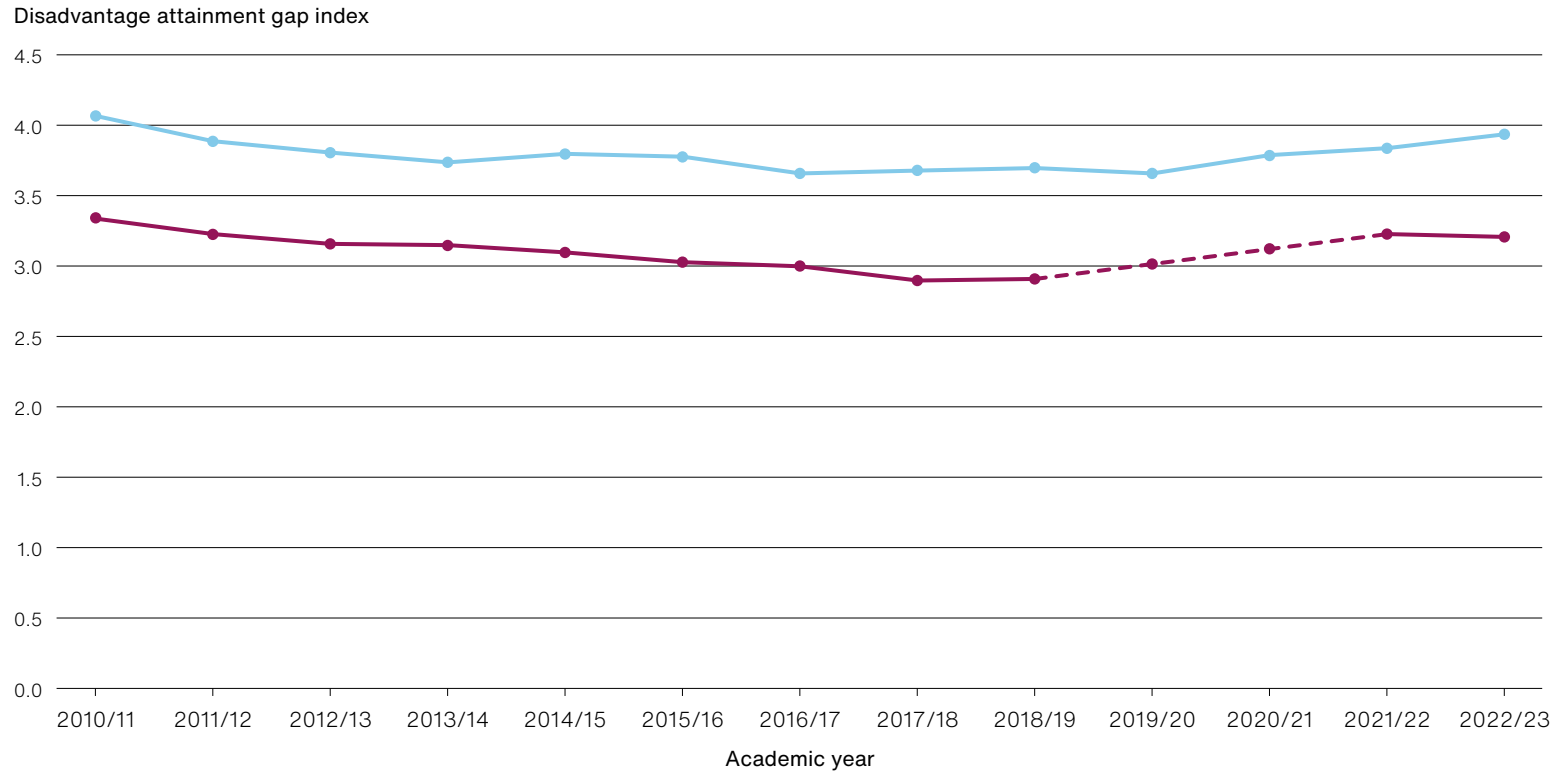
⁸ Comptroller and Auditor General, *Education recovery in schools in England*, Session 2022-23, HC 1081, February 2023.

⁹ DfE's other priority outcome is driving economic growth through improving the skills pipeline, levelling up productivity and supporting people to work.

Figure 4

The disadvantage attainment gap, 2010/11 to 2022/23

Since 2011, the disadvantage attainment gap index has not significantly reduced



● Key stage 2	3.34	3.23	3.16	3.15	3.10	3.03	3.00	2.90	2.91	-	-	3.23	3.21
● Key stage 4	4.07	3.89	3.81	3.74	3.80	3.78	3.66	3.68	3.70	3.66	3.79	3.84	3.94

Notes

- 1 Following assessments being cancelled due to the COVID-19 pandemic, key stage 2 data are not available for 2020 and 2021.
- 2 The disadvantage attainment gap index ranks all pupils to find the difference between the average position of disadvantaged pupils against others. The index score can range from +10 (every disadvantaged pupil has performed lower than every non-disadvantaged pupil) to -10 (every disadvantaged pupil has performed higher than every non-disadvantaged pupil). A score of zero means there is no difference in performance. A score greater than zero means that disadvantaged children, on average, have lower levels of attainment than their non-disadvantaged peers.

Source: National Audit Office analysis of Department for Education data

1.14 Since 2010, DfE has considered disadvantage as a departmental issue, with responsibilities and accountability for tackling it spread across the department. In 2022, as part of a wider reorganisation, DfE replaced a central team for disadvantage policy with a new team in its Strategy group focused on providing greater strategic leadership for disadvantage. With this approach, DfE aims to help individual teams consider supporting disadvantaged children as part of their work, although it makes it harder to identify gaps, overlaps or trade-offs. Each departmental group has various and differing responsibilities relating to disadvantage (**Figure 5** overleaf). Sector-facing groups, such as schools and regions, report risks to DfE's Performance and Risk Committee. This committee provides oversight across the groups and its remit includes ensuring DfE takes a joined-up view of performance and risks.

1.15 Without a strategy or whole-system view, it is harder for DfE to understand how effectively interventions come together to achieve desired outcomes, where wider government support may be needed, and the impact of any trade-offs. DfE has theory-of-change models that set out the logic for how it expects its activities to achieve changes across other areas, including attainment more generally, but does not have a model for tackling disadvantage. It also does not report routinely across its work tackling disadvantage to understand how much it spends, its (and the sector's) capacity to deliver the breadth of interventions, and where activities align to help prioritise and deliver value for money. This makes it hard, for example, to justify how it splits funding between schools and early years providers.

1.16 DfE considers that its interventions to improve outcomes for all students, such as on attendance and teaching quality, will positively impact disadvantaged children. However, it also implements a range of specific interventions focused on reducing the disadvantage attainment gap, which include providing additional funding for schools and early years providers and more targeted support (**Figure 6** on pages 24 and 25). Each intervention may address different factors that impact a disadvantaged child's attainment and involves DfE providing accountability over spending and support in different ways. Appendix Three summarises these interventions, and Part Three describes DfE's support and accountability arrangements.

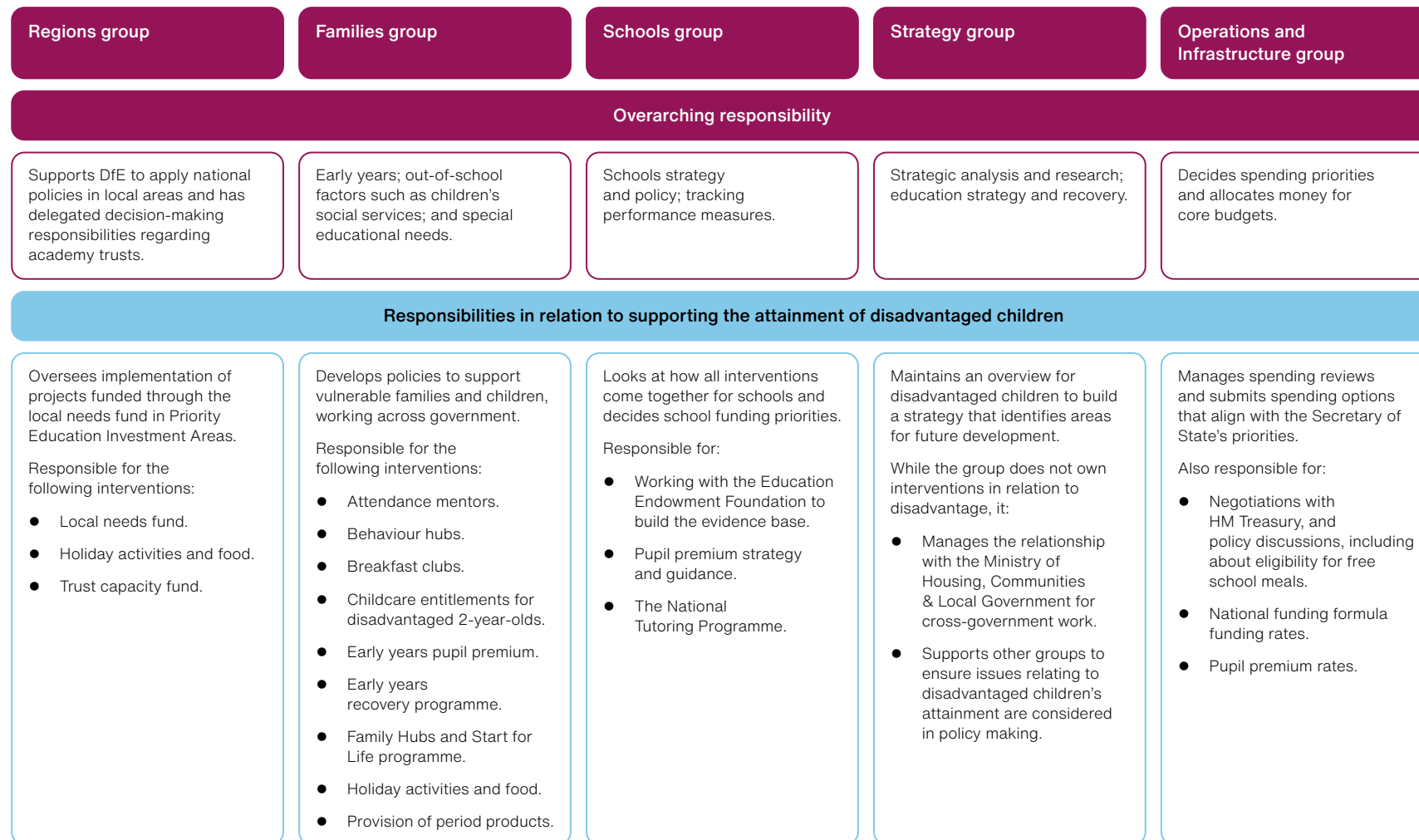
1.17 DfE does not bring together how much it spends to support the attainment of disadvantaged children, nor does it have a set budget for its work narrowing the disadvantage attainment gap. However, we estimate DfE spent around £9.2 billion in 2023-24.¹⁰ Half of this comprised the disadvantage elements of its core funding, primarily the national funding formula, and half was through more targeted interventions, including pupil premium. Most of this relates to funding that both schools and early years providers receive based on their numbers of disadvantaged children and the deprivation of the area where their children live.

¹⁰ Our estimate of DfE's funding to support the attainment of disadvantaged children, broken down in Appendix Three, is intended to indicate the size of DfE's investment. We have not audited all individual figures.

Figure 5

Responsibilities for considering disadvantaged children across the Department for Education (DfE)

DfE has a cross-cutting approach to supporting the attainment of disadvantaged children, with accountability spread across its groups



Notes

- Each departmental group is headed by a director general and reports risks to DfE's Performance and Risk Committee.
- This figure does not include DfE's Skills group, whose remit, post-16 education and skills, falls outside the scope of our report.

Source: National Audit Office analysis of Department for Education documents and interviews

Working across government

1.18 Although DfE has a critical role, through schools and early years providers, in improving the attainment of disadvantaged children, it cannot do this alone. In 2018, DfE published longitudinal analysis of key stage 4 results data, which attributed 57% of the variation in children's attainment to factors relating to the individual child. Many factors outside the school environment can affect children's attainment. DfE has some influence over these but has less influence over others, such as socio-economic issues, health and wellbeing (see Figure 2).

1.19 DfE works with other government bodies to help address the factors influencing children's attainment. It considers this will help it achieve its objectives relating to disadvantaged children, alongside government's wider levelling-up ambitions. It includes work with:

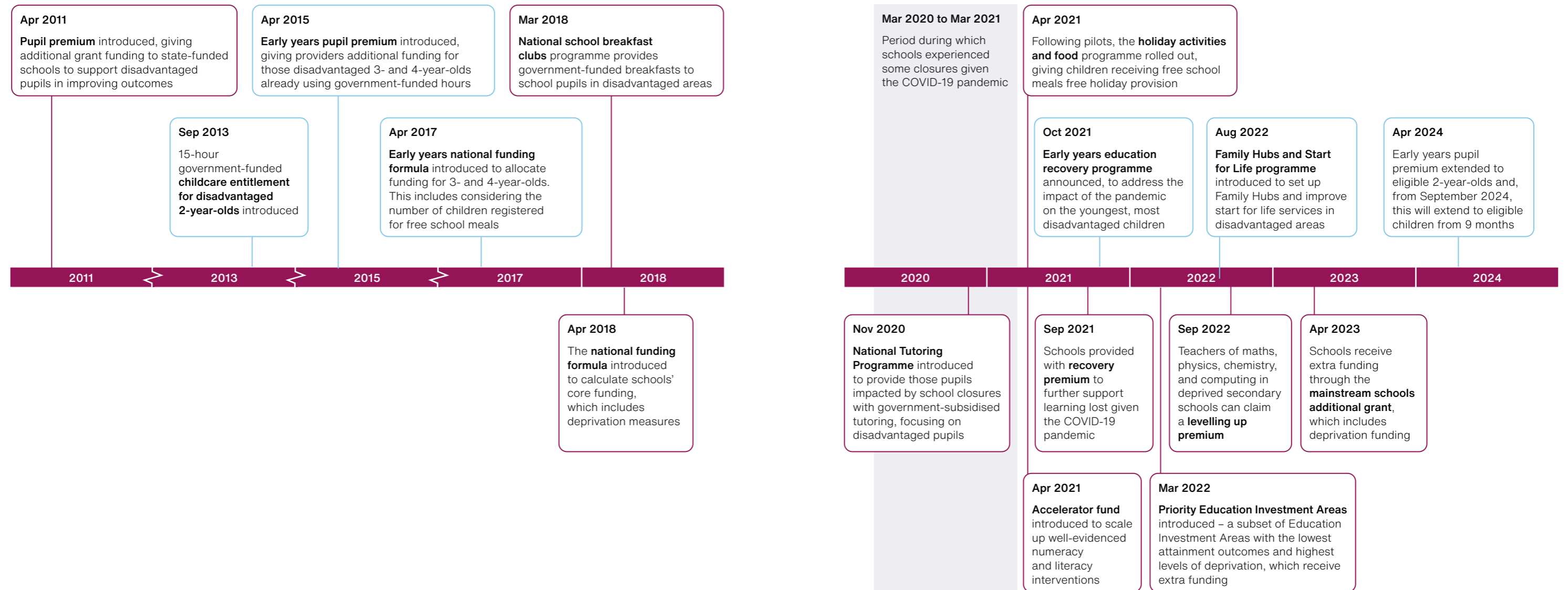
- the Department of Health & Social Care (DHSC) on 'start for life' services, mental health support and early language development, special educational needs and disabilities workforce planning;
- the Department for Environment, Food & Rural Affairs and DHSC to update school food standards, and undertake wider work on the health and wellbeing curriculum;
- the Ministry of Housing, Communities & Local Government, and government more widely, on levelling-up missions; and
- a wider range of government bodies to support:
 - vulnerable children, including through the Vulnerable Children and Families Strategy Board, which provides an official-level forum to join up relevant work; and
 - families affected by cost-of-living issues; various teams from DfE attend a monthly cross-government meeting to discuss the support available to households.

1.20 To achieve the most value from cross-government working, departments should identify the interdependencies and help develop clear incentives for all bodies involved.¹¹ Government departments do not have a shared aim to bring together work to support disadvantaged children. DfE recognises that it could do more to increase the impact of its cross-government work and has identified how it can work with other departments towards common and complementary objectives.

11 National Audit Office, *Cross-government working: good practice*, July 2023.

Figure 6
Timeline of the Department for Education (DfE) introducing significant interventions relating to supporting the attainment of disadvantaged children, April 2011 to April 2024

DfE introduced new interventions focused on supporting the attainment of disadvantaged children following the COVID-19 pandemic



- DfE interventions for children in schools
- DfE interventions for children at early years providers

Source: National Audit Office review of Department for Education documents

Working with the Education Endowment Foundation

1.21 The Education Endowment Foundation (EEF), set up in 2011, is the government's designated What Works Centre to support schools, early years providers and colleges to improve teaching and learning for 2- to 19-year-olds through better using evidence. DfE provided EEF with £125 million funding for an initial 15 years, with EEF required to invest this sum to generate additional revenue. In 2022, DfE decided to fund EEF with a further £137 million up to 2032, to continue its role as the single, independent authority on education practice.¹² This included focusing more on generating and promoting evidence across early years. DfE told us that EEF focuses on pedagogy, literacy and numeracy, as these are the areas where EEF considers it can have most impact, and there is less evidence on other curriculum areas or topics such as school organisation and management. While DfE has a regular dialogue with EEF, it told us it does not commission specific research, to maintain EEF's independence. However, it does fund EEF for discrete projects such as scaling up evidence-based interventions in literacy and numeracy through the Accelerator Fund. EEF is generally well-regarded in the sector – in a March 2022 survey which asked schools about the external evidence they used to support decision-making and delivery, 90% cited EEF.

¹² The grant agreement between DfE and EEF can be extended for up to 15 years.

Part Two

Understanding performance and what works

2.1 Alongside its broader support for schools and children across the system, the Department for Education (DfE) makes specific interventions to support the attainment of disadvantaged children. This part of the report sets out how DfE understands the attainment of children, evaluates which interventions work most effectively and allocates resources.

Monitoring outcomes

Understanding children's attainment

2.2 DfE has a range of measures to understand children's academic performance from early years through to key stage 4, when they can leave compulsory schooling (**Figure 7** on pages 28 and 29). These include, for example, the number of children achieving grade 5 and above in English and maths at key stage 4, and their progress in up to eight qualifications when compared with the national average for those with a similar starting point. DfE can break down these measures to understand how well disadvantaged children perform against their peers. However, not all children are entered into exams, meaning figures do not represent all children within a cohort – in 2022/23, 8.3% of disadvantaged children were not entered for English and maths GCSEs, compared with 2.3% of children not known to be disadvantaged.

2.3 DfE aspires to improve academic attainment for all children, with an ambition that, by 2030, nine out of 10 children will leave primary school having achieved the expected standard in reading, writing and maths, and that the national GCSE average grade in both English language and maths will increase from 4.5 in 2019 to 5. Improving the attainment of disadvantaged children will play a critical role in meeting this aspiration. In 2023, we reported that DfE had not set milestones for the period up until 2030.¹³ In response to our recommendation, DfE told us it continues to analyse assessment results and review its strategies and policies as data become available. It is also using longitudinal data to understand the extent of education recovery following the pandemic, including for disadvantaged children.

¹³ Comptroller and Auditor General, *Education recovery in schools in England*, Session 2023-24, HC 1081, February 2023.

Figure 7

Performance measures across school phases from early years to the end of key stage 4

The Department for Education (DfE) publishes a range of performance measures across all learning stages which show the difference in attainment between disadvantaged children and their peers

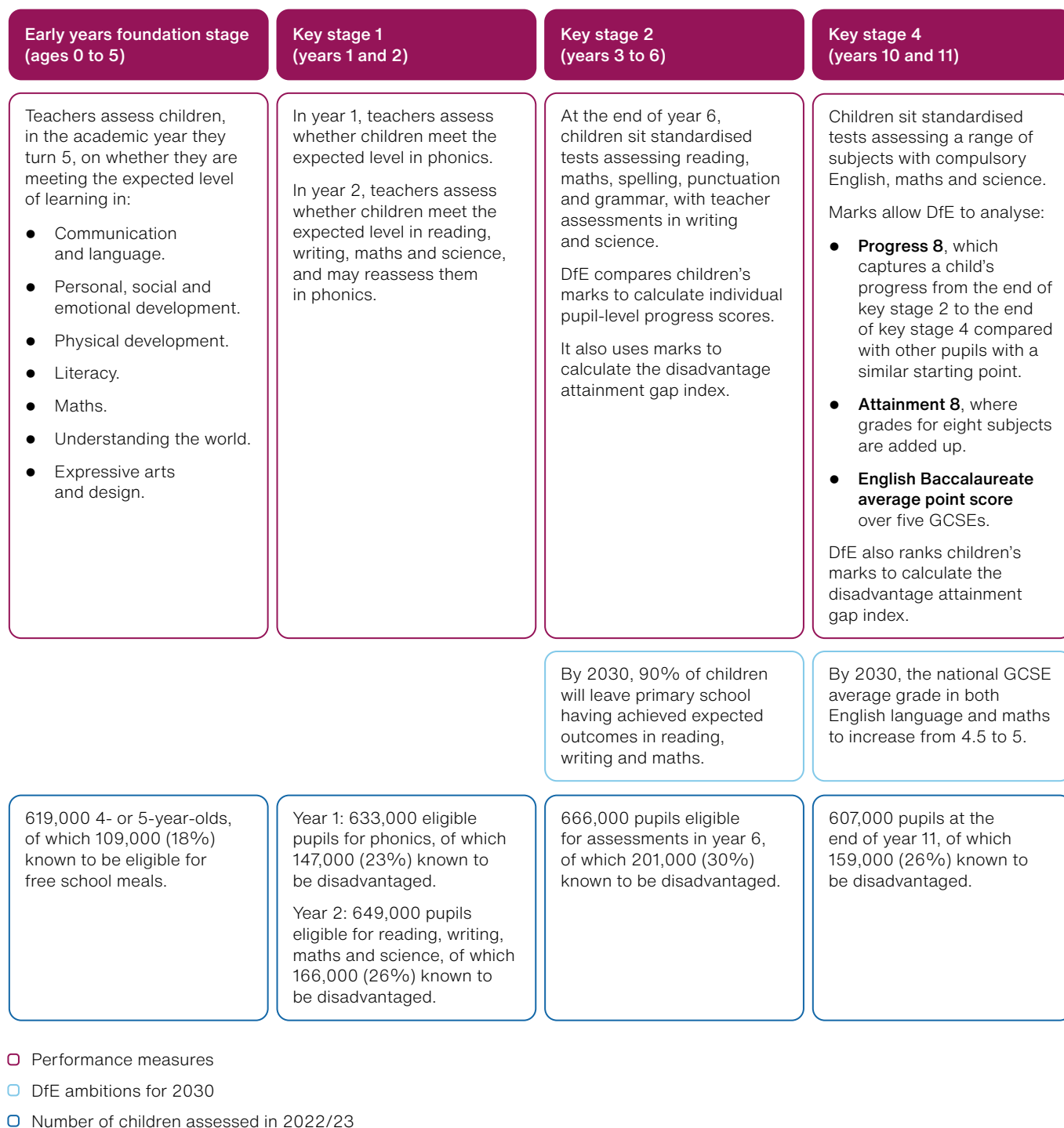


Figure 7 *continued*

Performance measures across school phases from early years to the end of key stage 4

Notes

- 1 Numbers of children have been rounded to the nearest thousand.
- 2 In key stage 1, children can retake the phonics test in year 2 if they did not meet the expected standard in year 1. From September 2023, reading, writing, maths and science assessments at the end of key stage 1 became optional for schools and DfE will not report the results.
- 3 The disadvantage attainment gap index measures the difference in attainment between disadvantaged and other pupils. A score of zero means there is no difference in attainment.
- 4 This figure does not include key stage 3 as pupils are not publicly assessed at this stage.

Source: National Audit Office review of Department for Education data

Understanding DfE's progress

2.4 To monitor its progress supporting the attainment of disadvantaged children, DfE uses the disadvantage attainment gap index (see paragraph 1.10). DfE considers this measure to be relatively resilient to changes in assessment or cohort sizes, therefore providing greater comparability over time. However, it assesses all children based only on their attainment in English and maths, and does not break the figures down regionally or locally to understand how performance may vary geographically. DfE does not use an index measure across the learning phases – using it only for key stages 2 and 4 – as it does not assess children's attainment at key stage 1 and early years foundation stage through numerical scores. This makes it harder to see how the attainment gap changes as children progress through education stages.

2.5 DfE uses children's eligibility for free school meals to identify them as disadvantaged, and includes children looked after by the local authority or who have left local authority care. However, as part of the arrangements in place to support families transferring from other benefits to Universal Credit, from 2023/24 children will remain eligible for free school meals until their phase of education ends, even if their family circumstances change. While the population of disadvantaged children always shifts, the transition arrangements may impact comparisons over time. DfE recognises this as an issue and has started to analyse what the impact could look like.

2.6 Although DfE has a strategic priority to reduce the disadvantage attainment gap, and monitors the size of the gap, it does not have a target for how much it wants to reduce it by, and by when, to decide whether further action may be required. For example, DfE took further action in response to the COVID-19 pandemic, introducing six new interventions, costing £1.1 billion in 2023-24, within two years of the first school closures. This compared with six interventions introduced in the 10 years before (see Figure 6). DfE has undertaken some modelling of likely changes in attainment, which includes considering the impact of its policies for disadvantaged children when compared with their peers at key stage 2. Its modelling for key stage 4 is less advanced and does not consider disadvantaged children separately.

2.7 DfE has a wide range of data on academic attainment, which is an important factor contributing to young people developing the skills they need in life and helps compare disadvantaged children and their peers. However, it has more limited data and analysis on wider outcomes for disadvantaged children. Two of the representative organisations we contacted as part of this study described the importance of wider outcomes, including wellbeing and developing softer skills. The data DfE has, such as on the attendance of disadvantaged children at school, are not brought together, making it harder to understand and monitor the impact of its interventions on all wider outcomes.

Evaluating interventions

2.8 The variety of factors that impact a child's attainment at school makes it more challenging for DfE to understand how specific interventions affect attainment and certain groups of children. This makes it particularly important that DfE considers how it can build strong evaluation evidence to assess how well interventions work, individually and collectively, to inform effective decisions to target its efforts and maximise the chances of achieving its policy objectives.

2.9 DfE gave us examples of how it draws on evidence, including from the Education Endowment Foundation, to inform its thinking on its support for disadvantaged children. However, it has gaps in its understanding of which interventions work best, and when, to develop a coherent evidence-based strategy for where it wants to invest. DfE assesses its evidence for what interventions work best for disadvantaged children as limited, given the number of different interventions and schools and early years providers being able to decide how to use funding (**Figure 8**). This includes assessing that there is limited or no evidence to support the effectiveness of the disadvantage and deprivation elements of the national funding formula and early years national funding formula, which together comprise 47% of its £9.2 billion annual spend on disadvantage.¹⁴

2.10 Evaluation evidence is most helpful when used to inform interventions before, during and after implementation with, for example, emerging evidence being used regularly to inform decisions on improving, expanding or stopping interventions.¹⁵ DfE has set up some interventions with clear plans to evaluate progress, but it has not done this consistently. For example, it set up external evaluations of the National Tutoring Programme and its attendance mentoring pilot, but this has taken longer for other interventions. DfE introduced pupil premium in 2011 and, while it evaluated schools' implementation and perceptions in 2013, it has not yet assessed its impact and effectiveness. In 2023, DfE commissioned an impact evaluation to be published in autumn 2024 and has plans to improve the evidence base for some of its other interventions. DfE told us that it has commissioned longitudinal studies to assess the impact of educational recovery reforms, but it has no wider evaluation strategy to consider and address gaps in its understanding.

¹⁴ In the national funding formula, disadvantage is based on free school meal eligibility and area deprivation.

¹⁵ National Audit Office, *Evaluating government spending: an audit framework*, April 2022.

Figure 8

The Department for Education's (DfE's) assessment of the quality of its evidence of the impact of selected interventions and funding to support disadvantaged children, October 2023

DfE does not have a strong evidence base to assess the effectiveness of its interventions

Intervention	DfE's assessment of the quality of evidence of impact	2023-24 funding (£mn)	Direction of change in real-terms funding from 2022-23	DfE's plans to further develop its evidence base
National funding formula (disadvantage and deprivation elements)	Limited or no evidence	4,062	Increase	No plans
Schools pupil premium	Some evidence	2,839	No change	An impact and process evaluation is in progress
Childcare entitlement for disadvantaged 2-year-olds	Some evidence	492	Increase	Reviewing cost-benefit analysis methodology
National Tutoring Programme	Strong evidence	248	Decrease	An impact evaluation is in progress, with further research commissioned
Holiday activities and food	Strong evidence	205	Decrease	No plans
Early years pupil premium	Limited or no evidence	42	No change	No plans
National school breakfast clubs	Some evidence	12	Decrease	No plans

Notes

- 1 DfE assesses there to be 'limited or no evidence' of impact where this is based on, for example, anecdotal evidence or stakeholder perceptions; 'some evidence' where it is drawn from case studies or pilot evaluations; and 'strong evidence' where, for example, it is based on robust impact evaluations or cost-benefit analysis. DfE compiled this assessment of evidence for the selected interventions included in this figure.
- 2 The direction of change in funding between 2022-23 and 2023-24 is based on the total amount of funding made available by DfE changing by more than 3%. This is adjusted for inflation at 2023-24 prices. We have not audited all individual funding figures.
- 3 In 2022-23, DfE provided schools with additional funding through the schools supplementary grant, covering the Health and Social Care Levy and wider cost pressures. This included an element for disadvantaged children. From 2023-24, this funding has been included in the national funding formula.

Source: National Audit Office analysis of Department for Education information

Allocating resources

2.11 As set out in Appendix Three, DfE oversees a wide range of interventions and should draw on evidence of what works to decide, for example, where to change funding rates and stop or start interventions to maximise outcomes for disadvantaged children.

National funding formula

2.12 Schools receive the largest proportion of their funding to support disadvantaged children through the disadvantage and deprivation elements of the national funding formula. These elements are calculated based on the number of children registered for free school meals and area deprivation scores. DfE uses this formula to calculate a funding allocation for each school and therefore the total for each local authority. Local authorities then calculate funding for each school in their area, including academies, based on local formulae. DfE introduced this formula in 2018, to link funding more accurately to pupil need. For 2023-24, disadvantage and deprivation factors comprised 9.8% (£4.1 billion) of the national funding formula, compared with 9.3% (£3.7 billion at 2023-24 prices) in 2018-19 (**Figure 9** on pages 33 and 34).

2.13 DfE has increased the proportion of funding related to deprivation. In 2023-24, it allocated £41.5 billion through the national funding formula, a 5% real-terms increase from 2018-19, with the disadvantage- and deprivation-related elements increasing by 10%. In 2021, we reported that the schools with the highest proportion of children registered for free school meals had seen greater real-terms funding reductions than schools with the lowest proportion.¹⁶ Since then, the situation has changed. Between 2020-21 and 2023-24, average per-pupil rates increased by 2% in real terms for schools with the lowest proportion of children registered for free school meals, and by 3% for schools with the highest proportion.

Pupil premium

2.14 In 2011, DfE introduced pupil premium funding for schools, focused on improving educational outcomes for disadvantaged children. DfE describes pupil premium as its flagship policy for tackling disadvantage. Children are eligible for pupil premium if they have been recorded as eligible for free school meals in the past six years or they are, or have been, looked after by the local authority.¹⁷ Since 2018-19, the number of children eligible has increased by 7%. DfE attributes this to the impact of COVID-19 on families' finances and children registered for free school meals, and therefore pupil premium, during the roll-out of Universal Credit. DfE estimates that the Universal Credit transition arrangements will create an additional cost of over £210 million per year, adjusted for inflation, by 2029-30 compared with total pupil premium funding of £2.8 billion in 2023-24. This cost will reduce over time. DfE told us this will be considered in future funding negotiations.

¹⁶ Comptroller and Auditor General, *School funding in England*, Session 2021-22, HC 300, July 2021.

¹⁷ Pupil premium also supports children and young people with parents in the regular armed forces. As this is not related to disadvantage, we have excluded these figures from our analysis.

Figure 9

Total and proportion of national funding formula allocated by disadvantage and deprivation factors, 2018-19 to 2024-25

Since 2021-22, the Department for Education (DfE) has increased in real terms the proportion of funding allocated through disadvantage and deprivation factors

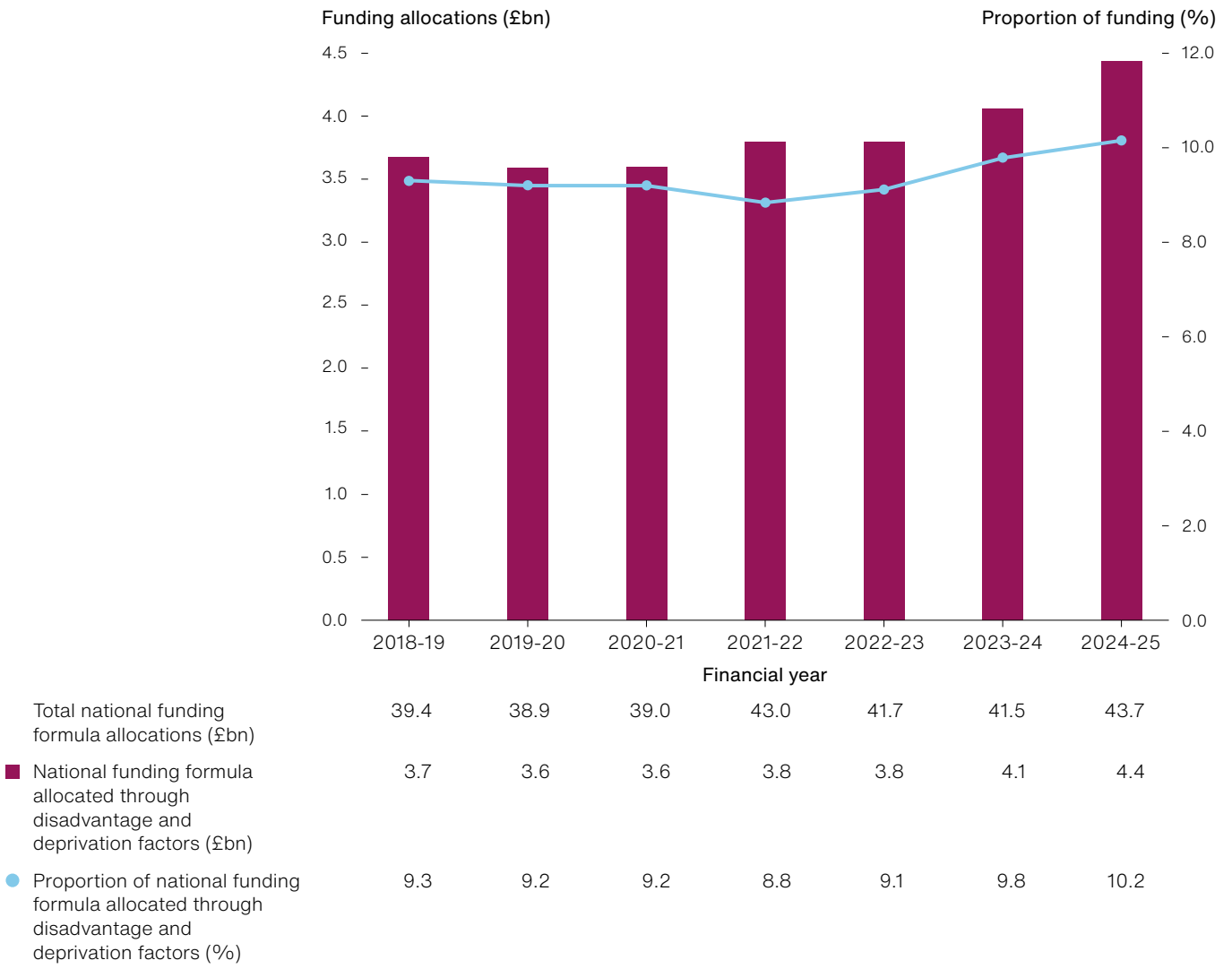


Figure 9 *continued*

Total and proportion of national funding formula allocated by disadvantage and deprivation factors, 2018-19 to 2024-25

Notes

- 1 Funding allocations are shown in real terms at 2023-24 prices. Real-terms funding has been calculated using GDP deflators at market prices and the forecast change each year (HM Treasury, March 2024).
- 2 The total national funding formula allocations exclude premises funding and the funding floor.
- 3 DfE uses the national funding formula to determine total schools block funding, which local authorities will then distribute to schools in their area using a locally agreed formula. DfE uses pupil data from an earlier period than that relevant to the funding allocation, although local authorities determine school allocations using more up-to-date data.
- 4 DfE uses the number of pupils registered for free school meals and area deprivation scores as the disadvantage and deprivation factors feeding into the national funding formula.
- 5 In 2022-23, DfE introduced the schools supplementary grant to provide support for costs, including the Health and Social Care Levy. This included an element for disadvantaged children. As DfE provided this as a separate grant in 2022-23, it is not included in this chart for that year. From 2023-24, this funding is included in the national funding formula and is therefore reflected in the chart for 2023-24 and 2024-25.
- 6 In 2023-24, DfE introduced the mainstream schools additional grant to supplement core school funding, which included an element for disadvantaged children. As this was a separate grant in 2023-24 it is not included in the chart for that year. As this funding is included in the national funding formula from 2024-25, it is included in the chart for that year.

Source: National Audit Office analysis of Department for Education data

2.15 DfE's total pupil premium spending has fallen by 3% in real terms from 2018-19 to 2023-24 (**Figure 10** on pages 35 and 36). Although this increased between 2020-21 and 2023-24, total spending in 2023-24 was lower in real terms than its peak in 2014-15. Per-pupil rates for children registered for free school meals decreased by 9% in real terms from 2018-19 to 2023-24. This may fall further following Universal Credit transition arrangements, which will increase the number of eligible children. DfE reviews per-pupil rates each year.

Early years entitlements

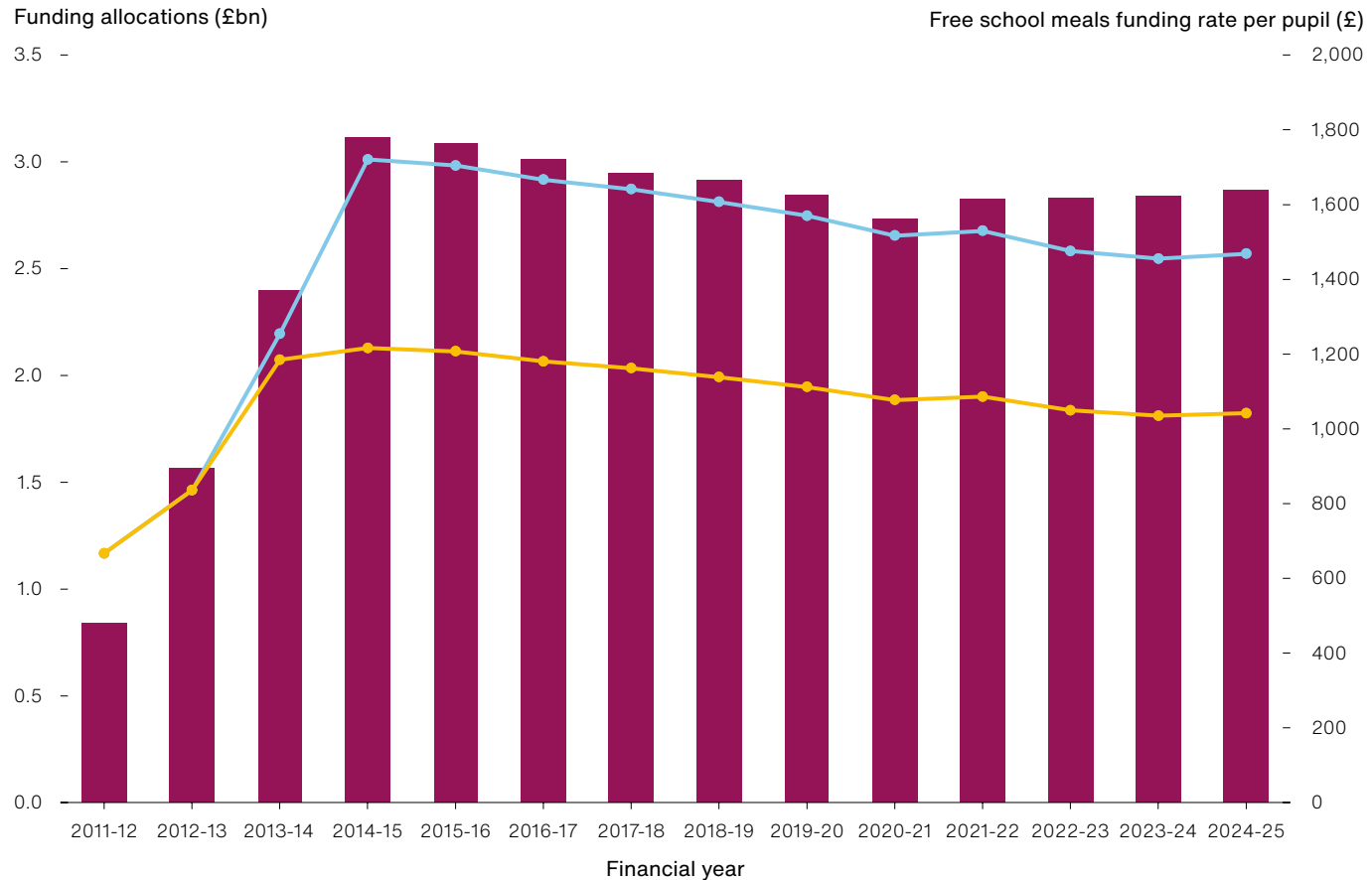
2.16 'Early years' describes the learning, development and care of children from birth to five years, before they start school. From the age of three there is a gap in cognitive outcomes between disadvantaged children and their peers, with 40% of the eventual educational attainment gap evident by age five. In 2018, the Education Policy Institute reported that, on average, disadvantaged children were 4.3 months behind their peers in the early years phase, 9.4 months behind at key stage 2, and 18.4 months behind at key stage 4.

2.17 Research suggests that high-quality early years education and childcare is associated with improvements in disadvantaged children's attainment at school and social-behavioural development. DfE provides various interventions to support the attainment of younger disadvantaged children, which include a focused education recovery programme and detail within the early years curriculum. DfE also provides specific funding, but this is significantly lower than for school children. DfE provides funding through the following.

Figure 10

Pupil premium total and per-pupil allocations in real terms, 2011-12 to 2024-25

Pupil premium rates have not kept up with inflation, with per-pupil funding declining since 2014-15



■ Total pupil premium allocated (£bn)	0.84	1.57	2.40	3.11	3.09	3.01	2.95	2.91	2.84	2.73	2.82	2.83	2.84	2.87
● Primary free school meals per-pupil rate (£)	667	836	1,255	1,721	1,704	1,667	1,641	1,607	1,570	1,517	1,530	1,476	1,455	1,468
● Secondary free school meals per-pupil rate (£)	667	836	1,185	1,216	1,207	1,180	1,162	1,138	1,112	1,077	1,086	1,049	1,035	1,042

Figure 10 *continued*

Pupil premium total and per-pupil allocations, 2011-12 to 2024-25

Notes

- 1 The per-pupil rates shown are for children registered, or previously registered in the past six years, for free school meals, as they represent most of the pupil premium funding (95%). DfE uses separate rates for looked-after and previously looked-after children. The free school meals rates are the maximum annual funding rates per child.
- 2 The data exclude children and young people with parents in the regular armed forces who are eligible for service pupil premium.
- 3 The population of children included has changed. In 2014-15, DfE included previously looked-after children as a category. In 2021-22, DfE extended the pupil premium to children from families with no recourse to public funds.
- 4 Funding amounts are in real terms at 2023-24 prices. Real-terms funding has been calculated using GDP deflators at market prices and the forecast change each year (HM Treasury, March 2024).

Source: National Audit Office analysis of Department for Education data

- **Early years national funding formula** which gives providers funding for all 3- and 4-year-olds. Of this funding, 8% is allocated based on the number of children registered for free school meals, compared with 9.8% (for 2023-24) of schools' national funding, which considers both the number of disadvantaged children and area deprivation. The 8% figure has remained static since the formula was introduced in 2017/18.
- **Early years pupil premium** for 3- and 4-year-olds based on children's socio-economic circumstances and whether they are looked after, or have been looked after, by the local authority. Between 2015-16 and 2021-22, DfE kept the amount providers could claim the same, leading to a real-terms funding reduction of 13% (**Figure 11**). For 2024-25, the maximum annual early years pupil premium is £388, compared with £1,480 in primary school and £1,050 in secondary school. Although disadvantaged children may be in early years settings for fewer hours, and the system is set up differently, there is no clear rationale for this difference and DfE does not have any analysis to explain these differences. From 2024-25, DfE is extending early years pupil premium to disadvantaged 2-year-olds.
- **Childcare entitlement for disadvantaged 2-year-olds**, providing them with up to 15 hours of government-funded early years hours per week to improve their development and close the attainment gap.¹⁸ In 2023, 74% (124,200) of eligible 2-year-olds had benefited from this entitlement. DfE is currently extending early years entitlements so that, by September 2025, eligible working parents with a child aged nine months and above will be entitled to 30 early years hours a week.¹⁹ In April 2024, we reported that DfE recognised the risk that this expansion, which focuses on working parents, does not broaden access for disadvantaged families and could widen the attainment gap. It had not yet clarified monitoring and oversight arrangements, but expected to look at this as part of its evaluation to be published in spring 2027.²⁰

18 Eligibility is based on receipt of certain benefits; being in local authority care or having left local authority care; having an education, health and care plan; or receiving Disability Living Allowance.

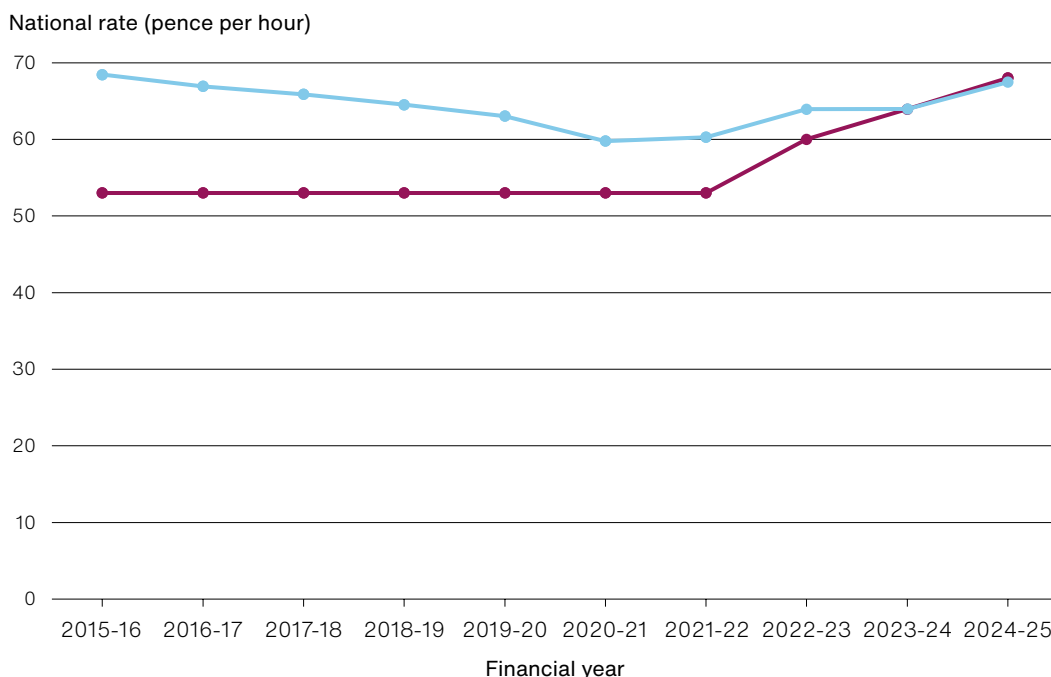
19 From 2024-25, DfE has introduced a new national funding formula for children aged 9 months up to (and including) 2-year-olds.

20 Comptroller and Auditor General, *Preparations to extend early years entitlements for working parents in England*, Session 2023-24, HC 701, National Audit Office, April 2024.

Figure 11

Early years pupil premium (EYPP) rates per child in cash and real terms, 2015-16 to 2024-25

Between 2015-16 and 2021-22, the Department for Education (DfE) kept EYPP rates the same, which devalued the real-terms amount for each eligible child



	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
● EYPP rate in cash terms (pence per hour)	53	53	53	53	53	53	53	60	64	68
● EYPP rate in real terms (pence per hour)	68	67	66	65	63	60	60	64	64	67
Annual maximum per child in cash terms (£)	302	302	302	302	302	302	302	342	367	388
Annual maximum per child in real terms (£)	390	381	376	368	359	341	344	364	367	385

Notes

- 1 EYPP is paid in addition to the 15-hour 3- and 4-year-old entitlement.
- 2 DfE funds each child for a maximum of 570 hours a year (15 hours a week over 38 weeks).
- 3 DfE introduced the early years supplementary grant, which increased the early years pupil premium from 62p an hour to 66p an hour, effective from September 2023 to March 2024. This figure uses a weighted average.
- 4 Real-terms funding has been calculated at 2023-24 prices using GDP deflators at market prices and the forecast change each year (HM Treasury, March 2024).

Source: National Audit Office analysis of Department for Education data

Part Three

Implementation and oversight of interventions

3.1 The Department for Education (DfE) has overall accountability for how money is spent to improve the attainment of disadvantaged children. All schools receive funding that can help support disadvantaged children, but those in areas of high deprivation can often access more (see Appendix Three). How DfE supports schools and early years providers to spend this funding, and exercises accountability over these interventions, varies. This part of the report sets out how DfE approaches support and accountability across its interventions.

DfE's approach to funding and accountability

3.2 DfE aims to give schools autonomy to support disadvantaged children in a way that suits local circumstances and their pupils' specific needs, while still considering wider evidence about what works. It told us it is moving more towards this model given providers' understanding of their local context. More than 90% of the estimated £9.2 billion funding associated with disadvantage, including the components of the national funding formula, is not 'ringfenced'. This means schools can choose how to spend this money, which can include on wider priorities and teacher pay, and need not spend it in a way that benefits disadvantaged pupils. Neither do they have to spend all the funding provided. In 2021, we reported that some academy trusts had built up substantial reserves – in 2019/20, 22% of trusts reported cumulative surpluses equivalent to 20% or more of their annual income, leading to a cumulative surplus across all academy trusts of £3.1 billion.²¹ The Education and Skills Funding Agency has subsequently published guidance advising academy trusts on how they should manage their reserves.

²¹ Comptroller and Auditor General, *Financial sustainability of schools in England*, Session 2021-22, HC 802, National Audit Office, November 2021.

3.3 DfE has little understanding of whether schools spend the funding they receive, whether they spend it for the intended purposes, or whether this represents value for money. It has adopted a range of different funding approaches, with varying levels of accountability, giving schools and early years providers autonomy and flexibility to decide how to spend most of their disadvantage-related funding. DfE told us it seeks to hold providers to account in a proportionate way, including by considering exam results, but it does not have a systematic approach to understand how providers use the money. Instead, it relies primarily on local accountability mechanisms such as scrutiny by school governors, whom schools must consult when developing their pupil premium strategies. DfE publishes schools' performance data, across several attainment and progress measures, to support schools, inform Ofsted inspections and help parents make informed choices.²² This includes a breakdown for disadvantaged pupils' performance compared with the average for non-disadvantaged pupils at both local-authority and national level. Although DfE relies on users accessing and understanding this information, it does not know how parents, including those of disadvantaged children, use this published information.

DfE's interventions focused on disadvantage

National funding formula

3.4 The majority of DfE's funding to support disadvantaged children (£4.1 billion in 2023-24, 44%) is distributed to schools as part of the national funding formula – the main way schools receive their general funding – which is not ringfenced. DfE relies on the financial accounts, and accompanying audits, of local authorities and academy trusts for assurance that funding has been used for the intended purpose. This includes academy trust accounting officers making a statement on the regularity of spending. Recently, this assurance over local authority spending has become less robust given delays to audits.²³ To compensate, DfE also considers other information such as local authority internal audit reports and audit committee minutes.

Pupil premium

3.5 DfE provides schools with pupil premium funding specifically to improve the educational attainment of disadvantaged pupils. Schools have some discretion on how they choose to spend this. They could, for example, use funding for whole-class interventions which would benefit all pupils, including those not classed as disadvantaged. In 2023, DfE's review of 400 pupil premium strategies, which schools must prepare, showed that the 321 schools with a published statement most commonly used this funding on literacy strategies (86%) and general staff training (83%) (**Figure 12** overleaf).

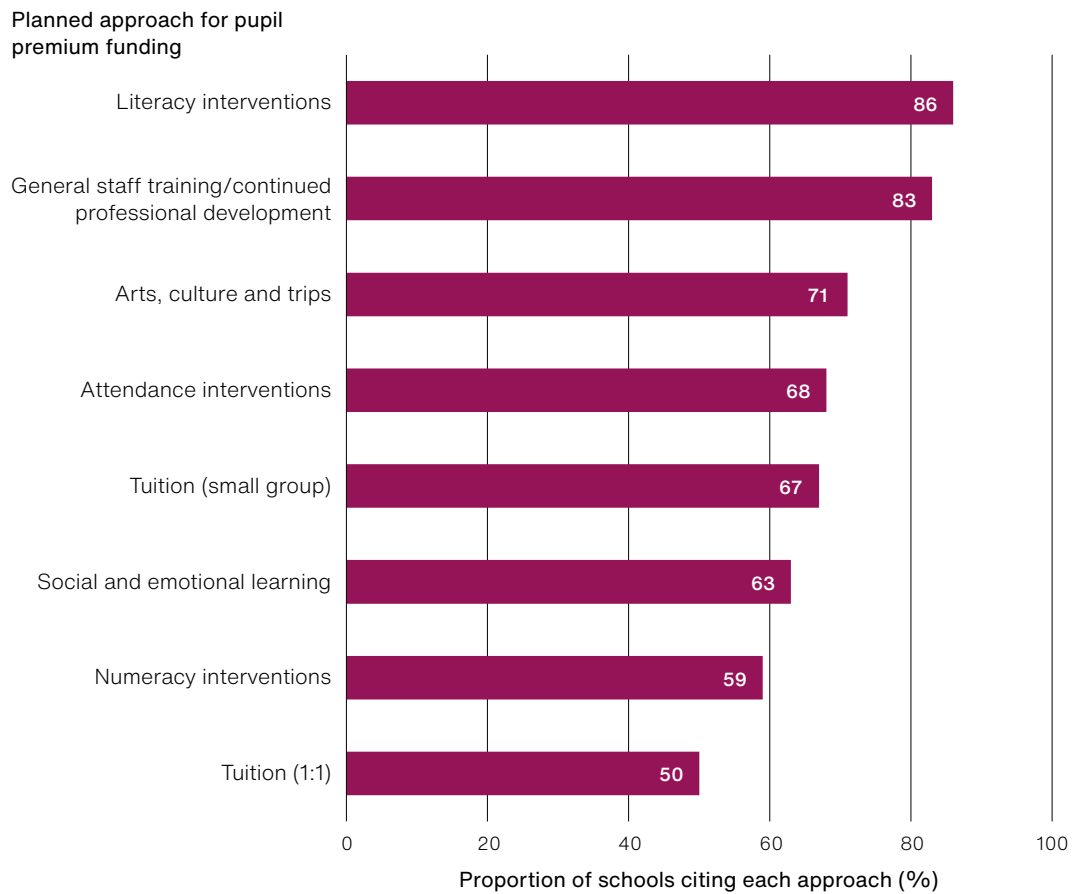
²² Available at: www.compare-school-performance.service.gov.uk/

²³ Comptroller and Auditor General, *Progress update: Timeliness of local auditor reporting on local government in England*, Session 2022-23, HC 1026, National Audit Office, January 2023.

Figure 12

Schools' most popular planned approaches for using pupil premium funding, 2022/23

The most common planned uses of pupil premium funding by sampled schools were literacy interventions and staff training and development



Notes

- 1 Data are based on the Department for Education's (DfE's) sample of 321 schools' pupil premium strategies for 2022/23. DfE sampled 400 strategies in total but not all had strategies for 2022/23.
- 2 Schools reported 21 uses for pupil premium, with the top eight reported here.

Source: Department for Education

3.6 Stakeholder representatives we contacted as part of our work expressed support for pupil premium. Aspects they highlighted included the proportionate balance between accountability and the ability for local decision-making to meet a clearly defined aim. To support schools in deciding how to spend this funding, DfE publishes guidance, which schools have found helpful. DfE has expanded its support over the past three years, which includes:

- refreshing guidance for schools to consider when developing their mandatory pupil premium strategy. This signposts the work of the Education Endowment Foundation (EEF); and
- a ‘menu’ of evidence-based approaches, which schools must consider when spending their pupil premium and ensure that any activity they fund using pupil premium is covered by this.

A January 2023 survey of school leaders found that 73% of respondents were aware of DfE’s ‘menu’, with leaders from schools with the lowest proportion of pupils registered for free school meals more likely than average (82%) to be aware of it. Of those who had read the ‘menu’, 85% found it helpful. Also, when asked what resources were used to help their pupil premium strategy, 83% of schools cited EEF resources and 65% DfE guidance.

3.7 DfE has very little assurance over how schools spend their pupil premium. In 2023, research by the Sutton Trust found that 41% of senior school leaders used pupil premium to fill gaps in their budgets, up from 33% in 2022.²⁴ DfE relies on Ofsted, although it can be up to five years between inspections, and on schools developing a strategy statement which helps them plan how to use funding.²⁵ Schools must publish these statements, and consult with governors on them, to demonstrate – primarily to parents, governors and trustees – how they use this money to support disadvantaged children’s attainment. In 2023, DfE looked at a sample of 400 schools and found that 80% had published a 2022/23 statement, and a further 11% had a 2021/22 statement that covered 2022/23. DfE does not assess the quality of statements, nor does it have a systematic way to monitor compliance and follow up with schools that do not publish a statement. It told us that it is exploring developing a digital reporting tool to improve its understanding of how schools use pupil premium. DfE does not know to what extent, or how, parents use their school’s pupil premium statement.

3.8 Early years providers receive similar funding designed to support disadvantaged children, and providers have flexibility in how they spend it. DfE relies on Ofsted inspections to scrutinise how providers use the early years pupil premium. If Ofsted judges a provider to be ‘inadequate’, the provider will no longer have access to funding.

²⁴ The Sutton Trust, *School funding and pupil premium 2023*, April 2023. The report is based on a survey of 1,428 teachers, conducted by the National Foundation for Educational Research.

²⁵ Ofsted told us it only reports on how disadvantaged funding will be spent where this is relevant to its inspection judgements. In his September 2023 pre-appointment hearing, the recently appointed HM Chief Inspector of Schools described his focus on outcomes for disadvantaged and vulnerable children.

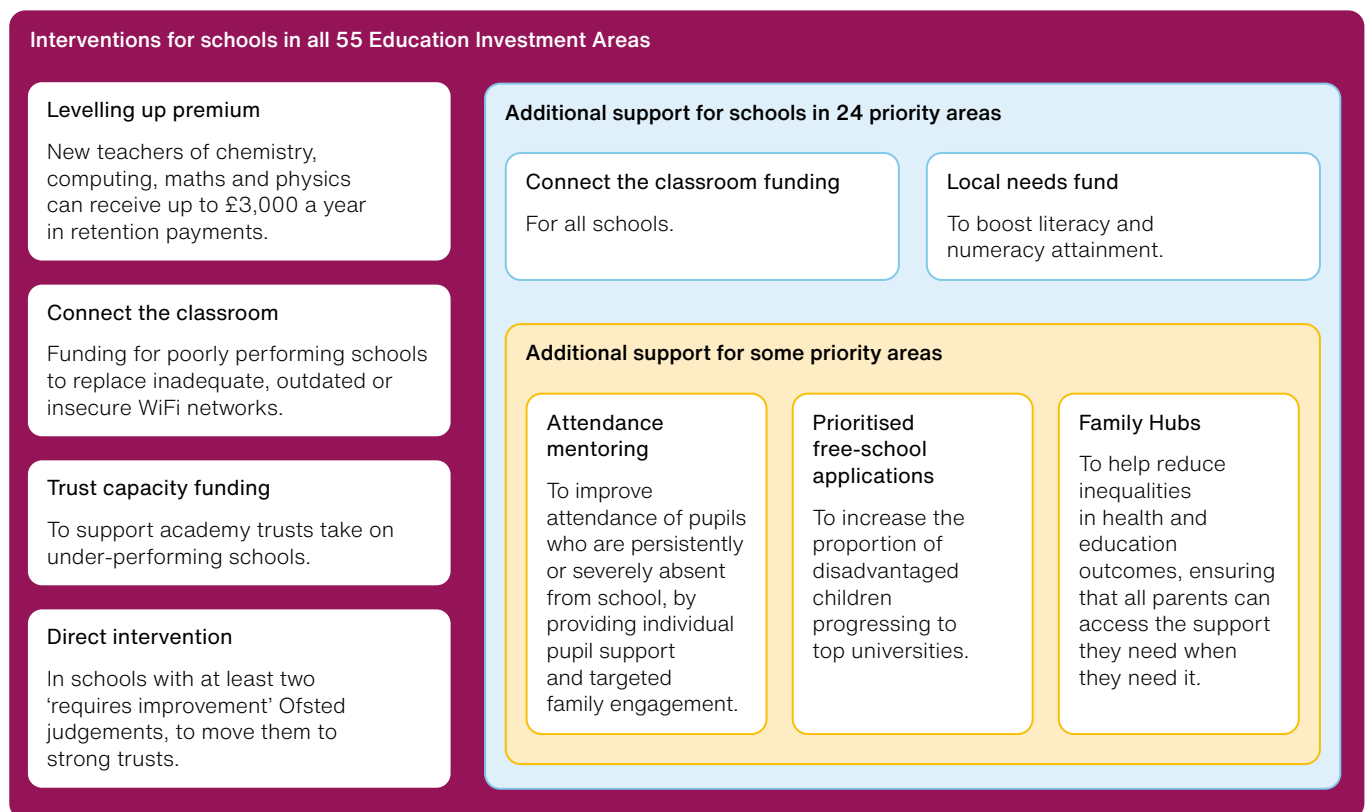
Place-based funding

3.9 DfE’s approach to improving the attainment of disadvantaged children includes focusing on certain local areas, although this may benefit all children living in these areas. Across these areas, it provides additional interventions and support (**Figure 13**). In 2022, it identified 55 Education Investment Areas, covering the third of local authorities (around 8,000 schools) where educational attainment was weakest, and where it intended to increase funding and support. It also identified 24 of these, which also experienced high levels of deprivation (covering 2,000 schools) as priority areas where it would invest more intensively.

Figure 13

The Department for Education’s (DfE’s) interventions for schools in Education Investment Areas

DfE implements place-based interventions that provide additional support in deprived areas



Notes

- 1 Education Investment Areas cover the third of local authorities where educational attainment is weakest. Priority Education Investment Areas (priority areas) are a subset of these, which have high levels of deprivation.
- 2 The levelling up premium will rise to a maximum of £6,000 a year from the 2024/25 academic year.
- 3 Attendance mentoring is currently available to schools in five pilot local authority areas: Middlesbrough, Doncaster, Knowsley, Salford, and Stoke-on-Trent. Persistent absence is when more than 10% of sessions are missed and severe absence is when more than 50% are missed. Family Hubs are available in 20 of the 24 priority areas.

3.10 Funding for place-based interventions is generally ringfenced, and accountability arrangements vary. For example, schools can apply for funding to carry out IT improvement work under 'connect the classroom', with the work having to meet DfE's specifications and DfE then reimbursing the cost; and local needs funding must be spent on evidence-based activities set out in the priority area's delivery plan, developed by DfE, with the grant being paid in arrears.

National Tutoring Programme

3.11 DfE introduced the National Tutoring Programme (NTP) in November 2020 as one of its main initiatives to address learning loss resulting from the COVID-19 pandemic and to reduce the attainment gap. It subsidised individual or small-group tutoring in schools, with a focus on supporting disadvantaged children. DfE allocated £1.12 billion of funding across the NTP's four years and has progressively reduced the rate at which tutoring is subsidised from 75% in 2020/21 to 50% in 2023/24.

3.12 As it is a recognised effective way to improve attainment, DfE would like to embed tutoring in schools. However, from 2024/25, it will not provide any tutoring subsidy and expects schools to choose whether to use their core budgets, including pupil premium, to cover tutoring costs. In 2023, we reported that some stakeholders had raised concerns about the long-term financial sustainability of tutoring and mentoring, given the pressures on school budgets.²⁶ Research by the National Foundation for Educational Research in 2023 found that only 15% of school leaders surveyed said they would continue to provide tutoring after the NTP ends, with 48% being unsure, and 27% saying they would not. Some respondents cited concerns about funding as a reason why they may not be able to continue providing tutoring.²⁷

3.13 In December 2023, DfE's Schools Board assessed the risk related to the lack of funding for tutoring after summer 2024 as red/amber, with the chance of the risk materialising as 'possible' and the potential impact as 'critical'. It considers tutoring will not be embedded in the school system, which would negatively impact disadvantaged children and the disadvantage attainment gap. To mitigate this risk, DfE intends to encourage schools to use their core budgets, including pupil premium, to fund tutoring.

DfE's interventions supporting all children

3.14 DfE has many policies and interventions designed to improve the quality of education for all children, including those who are disadvantaged. Below, we describe DfE's approach to addressing teaching quality and attendance – two significant influences on educational outcomes monitored by DfE and particularly impacting disadvantaged children.

²⁶ Comptroller and Auditor General, *Education recovery in schools in England*, Session 2022-23, HC 1081, National Audit Office, February 2023.

²⁷ National Foundation for Educational Research, *Evaluation of the National Tutoring Programme Year 3: Implementation and Process Evaluation*, Department for Education, October 2023.

Teaching quality

3.15 DfE has a breadth of evidence supporting the importance of teacher quality and teacher development for pupil outcomes. DfE also has evidence to indicate that teaching quality represents the single most important in-school factor influencing outcomes for children, especially for those from disadvantaged backgrounds. However, schools in deprived areas face significant challenges attracting and retaining high-quality teachers. EEF research, published in 2024, found that schools in these areas were more likely to have teachers without a degree in their main subject, with evidence suggesting that children make less progress when this is the case.

3.16 DfE has introduced significant teacher training and recruitment reforms, alongside a series of interventions to address teaching quality across all schools. This includes interventions targeting initial teacher training and expanding professional qualifications. From 2022/23, it also introduced the levelling up premium, additional payments of up to £3,000 a year after tax (rising to £6,000 from 2024/25) to chemistry, computing, maths and physics teachers in their first five years in certain deprived areas. However, DfE cannot precisely assess uptake among eligible teachers because of limitations in its data. DfE told us it plans to evaluate the effectiveness of the payments. EEF has assessed financial incentives as an important short-term factor in improving the recruitment and retention of high-quality teachers in schools in deprived areas. Stakeholder representatives we spoke to recommended that DfE raise qualification requirements for the workforce and increase funding and pay for teachers to improve retention.

3.17 Despite these measures, DfE continues to consider recruiting and retaining enough high-quality teachers as a major risk in its departmental risk register, leading to poor educational outcomes, particularly for those from disadvantaged backgrounds. It has made limited progress against its targets for postgraduate initial teacher training, with overall targets met once between 2015/16 and 2023/24. Recruiting secondary school teachers remains consistently harder than for primary schools. Stakeholder representatives we spoke to commented that, since funding rates have not kept up with inflation, schools have had less funds to, for example, hire more teaching staff.

Attendance

3.18 Following the COVID-19 pandemic, children's absences from school increased. In 2022/23, absences for all children were 7.4%, compared with 4.8% in 2018/19. School absences can impact attainment. For example, in 2018/19, 84% of pupils with full attendance at key stage 4 achieved grades 9 to 4 in English and maths, compared with 36% of pupils who were persistently absent.²⁸ As at April 2024, DfE assessed school attendance and its impact on attainment, safety and wellbeing as a major issue.

²⁸ Persistent absence is when more than 10% of sessions are missed and severe absence is when more than 50% are missed.

3.19 Disadvantaged children have, on average, poorer attendance than their peers. Of schools sampled by DfE in 2023, 75% reported absenteeism as one of the challenges facing disadvantaged pupils and affecting their attainment. In 2022/23, the overall absence rate for pupils registered for free school meals was 11%, with 36% of pupils registered for free school meals being persistently absent, compared with 6% and 16% respectively for those not registered.²⁹ Between 2017/18 and 2022/23, the proportion of pupils registered for free school meals who were persistently absent grew from 24% to 36%, compared with an increase from 9% to 16% for pupils not registered. In 2022/23, pupils registered for free school meals were almost four times more likely to be suspended than those not registered, and more than four times more likely to be permanently excluded.

3.20 DfE has acted to improve attendance, bringing together its related interventions. It has set up a programme board, with performance data which include indicators monitoring attendance of pupils on free school meals. DfE's response includes a range of interventions, which aim to change processes and the attitudes of parents and schools. These include the following.

- **Attendance hubs** led by senior leaders from schools with established practices to facilitate schools sharing their strategies.
- **DfE sharing data**, collected daily from those schools agreeing to participate, through regular national, regional and local-authority publications. DfE aims to help schools spot trends and benchmark themselves against others. As of May 2024, 92% of schools had shared their data.
- **Attendance mentors** providing one-to-one support to persistently and severely absent pupils to help tackle those factors behind non-attendance, such as bullying or mental health. Following an initial pilot in Middlesbrough, the scheme was expanded to four other areas for a further two years from September 2022, aiming to help over 1,600 pupils in total. DfE has announced that it will further expand the scheme to 10 more areas from September 2024.
- **'Working together to improve school attendance' campaign**, where DfE published guidance for schools and local authorities in May 2022. Guidance will become statutory in August 2024. DfE has also published guidance for parents.

3.21 An EEF assessment, published in 2022, found the evidence base for what works to improve school attendance to be weak. While there was some evidence of positive impact for certain strategies, including for those interventions targeting the reasons behind low attendance, these findings had to be treated with caution given some reservations about the quality of the evidence. DfE is developing its evidence base, for instance, through its pilots and mentoring, and commissioned an evaluation of the Middlesbrough attendance hub pilot, which was published in March 2024.³⁰ EEF has also commissioned several trials to test different approaches in schools to help build the evidence base.

²⁹ The absence rate is the percentage of total possible sessions missed.

³⁰ York Consulting LLP, *Evaluation of the attendance mentors pilot: Year 1 findings*, Department for Education, March 2024.

Appendix One

Our audit approach

Our scope

1 The Department for Education (DfE) has a strategic priority relating to addressing the gap in attainment between disadvantaged children and their peers. DfE describes closing this gap as at the forefront of its education reforms since 2010. It has introduced a range of interventions, alongside its funding to support all children, specifically to improve the attainment of disadvantaged children.

2 We reached our independent conclusions on whether DfE is effectively using and allocating funding to improve the attainment of disadvantaged children, following our analysis of evidence collected mainly between November 2023 and May 2024. The report scope covers children in educational settings in England, in line with DfE's policy responsibilities, from early years to the end of key stage 4. This includes:

- early years foundation stage (birth to age 5), which includes the first (reception) year of primary school;
- primary school, covering key stage 1 (school years 1 and 2, typically ages 5 to 7) and key stage 2 (school years 3 to 6, typically ages 7 to 11); and
- secondary school, covering key stage 3 (school years 7 to 9, typically ages 11 to 14) and key stage 4 (school years 10 and 11, typically ages 14 to 16).

Post-16 education is outside the scope of this report. We have not looked at government interventions to address out-of-school factors impacting on educational attainment, although we have provided some information on these to set DfE's work in context.

3 Within schools, DfE defines children as disadvantaged if they have been registered for free school meals at any point in the past six years, or they are looked after, or have previously been looked after by the local authority. We have used this definition throughout the report.

4 The evaluative criteria that we used to assess value for money include whether DfE:

- has a good understanding of the issue it is trying to address and the role it plays;
- draws on evidence to develop a coherent approach setting out what success looks like and how this will be monitored;
- allocates funding where it is needed most; and
- understands the impact it is having, through effective performance and outcome monitoring.

5 To help us do this, we drew on three National Audit Office frameworks: *Improving operational delivery in government*, to test how well DfE manages arm’s-length delivery and, where applicable, cross-government working; *Framework to review portfolios*, to assess how DfE decides between interventions and brings everything together; and *Evaluating government spending*, to examine how DfE is using evaluation evidence.³¹

6 This report follows up elements of our July 2021 report on school funding and our February 2023 report on education recovery in schools.³²

Our evidence base

Interviews

7 We interviewed individuals from DfE to understand how it manages its approach to supporting the attainment of disadvantaged children, and decides how funding is allocated. We held 13 meetings with DfE officials. These meetings covered:

- DfE’s overall strategy and approach for disadvantage;
- DfE’s policy approach to disadvantage in schools and early years settings;
- funding through the national funding formula, pupil premium, early years pupil premium, and early years entitlements;
- place-based interventions;
- analysis of disadvantage data, including attainment and attendance; and
- DfE’s relationship with the Education Endowment Foundation (EEF).

³¹ National Audit Office, *Improving operational delivery in government: a good practice guide for senior leaders*, March 2021; National Audit Office, *Framework to review portfolios*, January 2022; National Audit Office, *Evaluating government spending: an audit framework*, April 2022.

³² Comptroller and Auditor General, *School funding in England*, Session 2021-22, HC 300, National Audit Office, July 2021; Comptroller and Auditor General, *Education recovery in schools in England*, Session 2022-23, HC 1081, National Audit Office, February 2023.

8 We also met with representatives from Ofsted, EEF and the Children's Commissioner's Office to understand their roles in relation to disadvantaged children, their views on DfE's approach and what they considered to be the main challenges to disadvantaged children's educational attainment.

9 Interviews took place between November 2023 and March 2024. We analysed our notes of these interviews to: help focus our fieldwork; develop our understanding of DfE's approach, and how it organises itself, alongside the roles of other bodies; and triangulate evidence from other sources.

Document review

10 We reviewed a range of published and unpublished documents from DfE to further understand its approach. This included:

- strategy and policy papers;
- governance papers, including board terms of reference, papers and minutes;
- organisation charts;
- performance-reporting papers;
- research and analysis papers; and
- evaluation reports.

11 We also reviewed published documents from other organisations, including Ofsted, EEF and the Sutton Trust.

12 We analysed these documents against our evaluative criteria and used them to further develop our understanding of areas, such as how DfE works with other government bodies, and to triangulate other evidence sources.

Quantitative analysis

13 To quantify the number of disadvantaged children, and how this has changed, we analysed data on the number of children registered for the following.

- Schools pupil premium, to calculate the number of disadvantaged children in schools between 2011-12, when pupil premium was introduced, and 2023-24. We excluded children from families in the armed forces as they do not meet DfE's definition of disadvantage.
- Early years pupil premium and childcare entitlements for disadvantaged 2-year-olds, to calculate the number of disadvantaged 2- to 4-year-olds in January 2023, the latest available data. This includes 3- to 4-year-olds eligible for early years pupil premium and disadvantaged 2-year-olds accessing government-funded childcare entitlements. We excluded disadvantaged children in reception as they are registered for the schools pupil premium and will be captured in the schools pupil premium student numbers.

14 We analysed archived and currently published DfE funding data to track the amount and distribution of funding for the support of disadvantaged children. Datasets were analysed from when each funding pot was introduced, to the most recent available data. We converted all funding data into real terms, using the GDP deflator series published by HM Treasury in March 2024. Real-terms values are at 2023-24 prices. These included:

- the total disadvantage and deprivation components of the national funding formula from 2018-19 to 2024-25;
- pupil premium total funding and per-pupil rates from 2011-12 to 2024-25; and
- early years pupil premium funding rates per child from 2015-16 to 2024-25.

15 We updated our analysis on per-pupil funding from our previous report on school funding, to assess the relative change in national funding formula funding over time between schools with the highest and lowest proportions of pupils registered for free school meals.³³ We looked specifically at school revenue funding for 5- to 16-year-olds. We updated our analysis for 2021-22 to 2023-24, and updated inflation adjustments with the most up-to-date GDP deflators published by HM Treasury in March 2024. Real-terms values are at 2023-24 prices.

16 To illustrate the impact of disadvantage on attainment, we analysed 'attainment 8' data for the end of key stage 4 from 2018/19 to 2022/23 by pupil characteristics. The average difference from the national average was calculated and used to represent the differences in attainment by characteristics. Averages were based on known data, so data not recorded or unavailable were omitted.

17 To understand the data DfE uses to assess how well disadvantaged students perform compared with their peers, we collated published 2023/24 data on disadvantaged and non-disadvantaged pupil performance across performance measures from early years to year 11, including the disadvantage attainment gap index for key stages 2 and 4.

18 To illustrate the correlation between attendance and disadvantage, we analysed attendance data from 2017/18 to 2022/23. Our analysis included comparing absence rates for disadvantaged and non-disadvantaged pupils and the proportion of persistent absentees. We also analysed changes over time.

³³ Comptroller and Auditor General, *School funding in England*, Session 2021-22, HC 300, National Audit Office, July 2021.

Stakeholder engagement

19 To develop a balanced view of the challenges faced by disadvantaged children, and of DfE's actions to support their attainment, we sought the perspective of a range of stakeholders. We wrote to organisations to invite them to provide written evidence.

- We asked organisations representing schools and early years providers about the impact of disadvantage on a child's ability to learn, the effectiveness of DfE's support for schools and providers, and the ability of schools and providers to apply learning from research about what works.
- We asked policy and research organisations, with a focus on education and disadvantaged children, about the ability of providers to influence differences in attainment due to disadvantage, the strength of evidence around how to best support the attainment of disadvantaged children in educational settings, the ability of schools and providers to apply learning from research about what works, and their views on defining disadvantage and measuring outcomes.

20 We received written responses from nine organisations and had standalone or follow-up meetings with seven organisations. The stakeholder organisations who contributed to our study are:

- the Association of Directors of Children's Services;
- the Child Poverty Action Group;
- the Confederation of School Trusts;
- the Coram Institute;
- Early Education (the British Association for Early Childhood Education);
- the Institute for Fiscal Studies;
- the Local Government Association;
- the National Association of Head Teachers;
- the National Day Nurseries Association;
- the National Foundation for Educational Research;
- the National Governance Association;
- the Nuffield Foundation; and
- Parentkind.

21 To further develop our understanding of frontline delivery and the perspectives of schools, we contacted 18 schools across England, selected to cover a range of characteristics including geographic spread, maintained and academy schools, primary and secondary schools, and the proportion of disadvantaged children. We interviewed the headteachers of the three schools that responded, which were all academies with a high proportion of disadvantaged children: a primary school in the North East, and a primary school and a secondary school in the North West.

22 We analysed the information provided by stakeholders against our evaluative criteria and used it to triangulate the evidence from other sources, including our interviews with DfE officials and our document review.

Appendix Two

The Department for Education's progress implementing previous National Audit Office recommendations

Figure 14

Summary of the Department for Education's (DfE's) progress implementing previous National Audit Office (NAO) recommendations relevant to the attainment of disadvantaged children, April 2024

DfE is in the process of implementing the NAO's previous recommendations

NAO report	Relevant recommendation	Accepted by DfE?	Implementation status	NAO commentary
Assessing funding and value for money				
<i>Support for children's education during the early stages of the COVID-19 pandemic, 2021</i>	DfE should act quickly on its early assessments of the catch-up programme during 2020/21, to ensure that the funding is achieving value for money and the National Tutoring Programme schemes are reaching disadvantaged children as intended.	Yes	Work in progress	DfE shifted the National Tutoring Programme to focus on disadvantaged children, and now needs to demonstrate whether its funding for catch-up programmes demonstrates value for money.
<i>School funding in England, 2021</i>	DfE should evaluate the impact of the national funding formula and minimum funding levels over time and use that information to inform whether further action is needed to meet its objectives. In particular, DfE should review whether the shift in the balance of funding from more deprived areas to less deprived areas, and from more deprived schools to less deprived schools, means it is adequately meeting its objective of matching resources to need.	Yes	N/A	As our analysis for this report shows that funding has not recently shifted from the most to least deprived schools, this recommendation is no longer applicable.
<i>Education recovery in schools in England, 2023</i>	DfE should model the impact of withdrawing the recovery premium and subsidy for the National Tutoring Programme, to assess whether tutoring in schools is financially sustainable given DfE's objective for tutoring to become embedded in the school system.	Yes	N/A	Given DfE has moved from having a national tutoring programme to encouraging schools to provide tutoring in line with local needs, this recommendation is no longer applicable.
	DfE should build on the evidence and insights being gathered from stakeholder bodies and schools to understand how recovery interventions can best support disadvantaged pupils in the way DfE intends, and use the findings to inform and share good practice.	Yes	Work in progress	DfE has ongoing work, for example, with the Education Endowment Foundation and sector representatives, to gather evidence and disseminate good practice. In October 2024, it plans to publish a process evaluation for the recovery premium and pupil premium.
Monitoring the attainment and progress of disadvantaged children				
<i>Support for children's education during the early stages of the COVID-19 pandemic, 2021</i>	DfE should put in place effective monitoring to track the longer-term impact of COVID-19 disruption on all pupils' development and attainment, with a particular focus on vulnerable and disadvantaged children, and take action in light of the results.	Yes	Work in progress	DfE is developing a 'bespoke product' to track pupils' attainment between school stages and monitor the longitudinal impact of learning being disrupted by the COVID-19 pandemic.
<i>Education recovery in schools in England, 2023</i>	DfE should further develop its approach to monitoring progress towards achieving the ambitions for pupils' attainment in 2030, as set out in the Schools White Paper, and report regularly on progress.	Yes	Work in progress	DfE's published attainment data show changes year on year but do not show progress towards the government's 2030 ambitions.
	DfE should use research and evidence, including exploring the possibility of systematic longitudinal monitoring, to assess education recovery in schools, including whether children have recovered lost learning and whether progress is being made to close the disadvantage gap.	Yes	Implemented (November 2023)	

Figure 14 *continued*

Summary of the Department for Education's (DfE's) progress implementing previous National Audit Office (NAO) recommendations relevant to the attainment of disadvantaged children, April 2024

NAO report	Relevant recommendation	Accepted by DfE?	Implementation status	NAO commentary
Increasing the quality of provision for disadvantaged children				
<i>Supporting disadvantaged families through free early education and childcare entitlements in England, 2020</i>	DfE should identify how it can best incentivise the provision of sufficient high-quality entitlement places in deprived areas. This should include reviewing the effectiveness of the existing supplement arrangements and establishing why local authorities are making only limited use of them. DfE should also explore how to encourage providers to offer flexible provision to meet the needs of parents who, for example, work atypical hours.	Partially accepted	Work in progress	DfE will be considering this as it expands government-funded entitlements for early years provision which will impact the market.
<i>Support for children's education during the early stages of the COVID-19 pandemic, 2021</i>	DfE should work with Ofsted to reintroduce arrangements for obtaining independent assurance about schools' provision, while recognising the additional pressures that schools are under during the pandemic.	Yes	Implemented (September 2021)	
Engaging with stakeholders' feedback to improve interventions				
<i>Supporting disadvantaged families through free early education and childcare entitlements in England, 2020</i>	DfE should work with local authorities to develop a better understanding of the approaches that work best in increasing take-up of the entitlements by disadvantaged families. This work should include collaborating with local authorities to evaluate the impact of both national and local actions to improve take-up, promoting those measures that are most effective, and assessing whether the actions needed to increase take-up are affordable and sustainable.	Yes	Work in progress	DfE continues to work with local authorities and the sector to expand government-funded early years entitlements.
	DfE should assess the extent to which additional charges are acting as a barrier to families taking up the entitlements. This assessment should cover what parents are being asked to pay for and help DfE better understand whether additional charges are adversely affecting access to entitlement places. DfE should request local authorities take action where it finds that charges are not in line with the guidance.	Yes	Work in progress	DfE continues to assess the impact as part of its wider work to expand government-funded early years entitlements.

Source: Comptroller and Auditor General, *Supporting disadvantaged families through free early education and childcare entitlements in England*, Session 2019-21, HC 104, National Audit Office, March 2020; Comptroller and Auditor General, *Support for children's education during the early stages of the COVID-19 pandemic*, Session 2019-21, HC 1239, National Audit Office, March 2021; Comptroller and Auditor General, *School funding in England*, Session 2021-22, HC 300, National Audit Office, July 2021; Comptroller and Auditor General, *Education recovery in schools in England*, Session 2022-23, HC 1081, National Audit Office, February 2023

Appendix Three

The Department for Education's interventions and funding focused on supporting the attainment of disadvantaged children

Figure 15

The Department for Education's (DfE's) interventions and funding focused on supporting the attainment of disadvantaged children

DfE has a range of interventions and funding focused on disadvantaged children

Interventions and funding	Description	Funding in 2023-24	Is the funding ringfenced at provider level?	Date introduced	Duration	DfE group responsible	DfE's assessment of the strength of evidence of impact
		(£mn)					
Core funding							
National funding formula disadvantage and deprivation funding	Calculates the core funding for schools with 9.8% (in 2023-24) dedicated for deprivation measures, based on the number of children registered or previously registered for free school meals and the area deprivation of where children live.	4,062	No	April 2018	Ongoing	Operations & Infrastructure	Limited or no evidence of impact
Mainstream schools additional grant disadvantage element	A grant to supplement core school funding which was incorporated into the national funding formula from 2024-25.	314	No	April 2023	Ended March 2024	Schools	Not assessed
Early years national funding formula disadvantage funding	Funding to reflect the additional costs of providing childcare for children with disadvantage or low special educational needs, based on a proxy indicator for the number of 3- and 4-year-olds eligible for free school meals.	278	No	April 2017	Ongoing	Families	Not assessed
Targeted interventions							
Schools pupil premium	Additional funding for state-funded schools to support disadvantaged pupils in improving outcomes. Schools attract funding for pupils registered for free school meals, looked-after and previously looked-after children, and children from families with parents in the armed forces.	2,839	No	April 2011	Ongoing	Schools and Operations & Infrastructure	Some evidence of impact
Recovery premium	Time-limited additional funding for state-funded schools to support pupils whose learning was impacted by the COVID-19 pandemic.	504	No	September 2021	To end in August 2024	Schools	Some evidence of impact
Childcare entitlement for disadvantaged 2-year-olds	Disadvantaged 2-year-olds can access 15 hours of government-funded childcare if their parents receive specific benefits, if they are looked after or if they have an education, health and care plan.	492	No	September 2013	Ongoing	Families	Some evidence of impact
National Tutoring Programme	Time-limited funding to subsidise catch-up tutoring and mentoring for pupils impacted by COVID-19 disruption, targeted at pupils eligible for pupil premium.	248	Yes	November 2020	To end in August 2024	Schools	Strong evidence of impact
Holiday activities and food	Support for local authorities to coordinate and provide free holiday provision for children in reception to year 11 who receive benefits-related free school meals.	205	Yes	April 2021, following pilots	To end in August 2025	Families	Strong evidence of impact
Priority Education Investment Areas	These are 24 areas with low academic outcomes at key stage 2 and high levels of deprivation, which receive additional funding and targeted support.	100	Yes	March 2022	Ongoing	Regions	Not assessed

Figure 15 *continued*

The Department for Education's (DfE's) interventions and funding focused on supporting the attainment of disadvantaged children

Interventions and funding	Description	Funding in 2023-24	Is the funding ringfenced at provider level?	Date introduced	Duration	DfE group responsible	DfE's assessment of the strength of evidence of impact
		(£mn)					
Targeted interventions <i>continued</i>							
Early years education recovery programme	A package of workforce training, qualifications, and support and guidance for the early years sector to aid staff and settings, and address the impact of the pandemic on the youngest and most disadvantaged children.	68	No	October 2021	Ongoing	Families	Some evidence of impact
Early years pupil premium	Additional funding on top of the 15-hour entitlement to help early years providers to support disadvantaged 3- and 4-year-olds.	42	No	April 2015	Ongoing	Families	Limited or no evidence of impact
Family Hubs and Start for Life	Funding for local authorities to set up Family Hubs and improve start for life services in disadvantaged areas across England.	38	No	August 2022	To end in March 2025	Families	Some evidence of impact
Levelling up premium	Teachers of maths, physics, chemistry and computing in the first five years of their careers and who work in disadvantaged schools can claim up to £3,000.	20	Yes	September 2022	Ongoing	Schools	Not assessed
Accelerator fund	Funding for the Education Endowment Foundation to develop a pipeline of and scale up well-evidenced effective numeracy and literacy interventions for schools.	17	Yes	April 2021	To end in March 2025	Schools	Not assessed
National school breakfast clubs	Funding to subsidise free breakfasts to pupils living in disadvantaged areas of England.	12	No	March 2018	To end in July 2025	Families	Some evidence of impact

Notes

- 1 While DfE has many policies and interventions designed to improve the quality of education for all children, including disadvantaged children, this table includes the funding and interventions we have identified that specifically focus on supporting the attainment of disadvantaged children.
- 2 Our estimate of DfE's funding to support the attainment of disadvantaged children in 2023-24 (£9.2 billion) is intended to indicate the size of investment by summing the funding figures included in this table. We have not audited all individual figures.
- 3 The national funding formula funding amount excludes premises funding and the funding floor.
- 4 DfE introduced the mainstream schools additional grant in 2023-24 to supplement core school funding. The amounts allocated to schools included an element for disadvantaged children. From 2024-25, this funding is included in the national funding formula.
- 5 The schools pupil premium funding amount excludes funding for children and young people with parents in the regular armed forces who are eligible for service pupil premium.
- 6 Figures for the childcare entitlement for disadvantaged 2-year-olds, early years national funding formula, and early years pupil premium include an uplift from the early years supplementary grant.
- 7 The levelling up premium is paid directly to teachers.

Source: National Audit Office review of Department for Education documents

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