

TOO YOUNG TO **FAIL**

Giving all children
a fair start in life



NO CHILD
BORN WITHOUT
A CHANCE



Save the Children

Save the Children works in more than 120 countries.
We save children's lives. We fight for their rights.
We help them fulfil their potential.

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The names of all children quoted in this report have been changed to protect identities.

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Save the Children
1 St John's Lane
London EC1M 4AR
UK
+44 (0)20 7012 6400
savethechildren.org.uk

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Cover photo: Valentina, age four, from London (Photo: Jo Metson Scott/Save the Children)

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FOREWORD

In Britain today, one of the richest countries in the world, very young children still fall behind and stay behind at school. Children born poor in the UK have often failed at the beginning of primary school. We reveal in this report that a seven-year-old from a poor family has their GCSE results all but set. Seven is just the beginning of education but it is almost too late for a fair chance in life for too many children.

If we do not act when children are young enough then by 2020 we will have left half a million children behind in reading. Without confident reading all other subjects are a closed book.

Seven is too young to write off a child. And yet less than a sixth of poorer children who are behind at seven will go on to achieve the benchmark five good GCSEs.

The cost of failure is unfair to children, and it matters to us all. The overall loss of potential is a national economic blight. Our GDP in 2020 would be 1.8% or £30 billion higher if we made sure education gave a fair chance to all, regardless of their family background. We shouldn't bet Britain's economic future that our next generation of engineers, entrepreneurs and scientists will be born into well-to-do families.

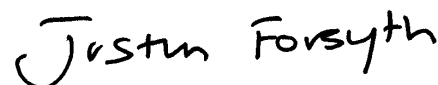
The long recession made it harder for parents across the country to support their children's learning at home. Parents on modest incomes – people like electricians, plumbers, nurses, midwives, construction workers, who are earning between £17,000 and £30,000 a year – are facing a double pressure of working longer hours and seeing their wages cut or frozen, reducing the number of crucial school trips, music and sports lessons, and family excursions to museums, seen in the poll of parents of young children set out in the report.

We know more can be done. If schools in some communities performed as well as the best, we'd cut the number of children written off at seven by 7,000 a year. But this isn't just a matter for the government of the day or even for teachers. It will take all of us. It will take volunteers, communities, businesses and others to enshrine a national mission that no child is left behind at seven. Today we ask all political parties to sign up to that aim in their manifestos at the next election. We should not and we cannot afford to leave half a million children behind.

Save the Children has a proud history in the UK. We won the fight for free school meals. We innovated to create hospital play visitors and prison visiting centres. We pledge to do our part in the future to make sure every young child has a fair chance in life.

Today, I am proud to announce the launch of Born to Read, our programme to ensure every child gets a fair chance to shine. We will be reaching 23,000 children over the next few years, helping those behind at seven with reading. This joins our existing Families and Schools Together programme, already operating around the UK, and itself expanding.

We are investing in programmes around the UK to make sure that primary school and the early years are a time when doors open for children – not where they are slammed shut.



Justin Forsyth
Chief Executive
Save the Children

EXECUTIVE SUMMARY

Too many children fail before they've even started in life. This is in large part because of an enduring 'achievement gap': the gap in outcomes between disadvantaged children (in this country measured by uptake of free school meals) and their better-off peers (those not entitled to free school meals).

As new analysis for this report shows, what this gap means is that, by the time they are seven, nearly 80% of the difference in GCSE results between rich and poor children has already been determined. In other words, half way through primary school, many children's educational – and, often, life – chances have been largely decided on grounds that are unfair.

All three main political parties in the UK have focused on closing the achievement gap, and some progress has been made. But as this report shows, the persistent high numbers of children behind by age seven and the impact of the 2008 economic crisis mean that tackling educational unfairness demands bolder action.

This report highlights the critical importance of key skills – particularly literacy – for children in primary school, and why thousands of pupils, particularly the poorest, continue to be failed: a good education is, of course, about more than 'the three Rs' (reading, writing and arithmetic), but with no solid base in reading, writing and maths, young children risk failure before they have even started in life.

There has been steady and welcome progress made over the past five years on the number of seven-year-olds who are able to read and write to the expected level. However, our analysis has found that even continuing to make this level of progress between now and 2020 could leave approximately 480,000 seven-year-olds, of whom 180,000 are low-income pupils, behind in reading. One in eight children who are on free school meals would be behind in reading in 2020. And in a less positive scenario, thousands more young children could fall

behind before they have started in life: as many as 520,000 children, of whom 220,000 are low-income pupils, would be behind in reading by 2020. And in 2020 less than one-fifth of the poorest children would still not be reading at the expected level.

In new analysis for this report, Save the Children found that, for those children who fall behind at seven, their chances are even worse:

- Fewer than one in six children from low-income families who have fallen behind by the age of seven will go on to achieve five good GCSEs, including English and maths.
- Better-off children who are behind are more likely to go on to achieve well – but even they only have a one in four chance of getting five good GCSEs, including English and maths.
- If a child from a poor family is already behind with their reading at the age of seven, they have just over a one in five chance of going on to achieve a C in English at GCSE.

Through no fault of their own, children as young as seven are on course for poorer life chances before they have even started. This unfairness is unnecessary and preventable. For example, new analysis in this report shows how some local areas do better than others. In some local authorities, close to 80% of the poorest children are achieving the expected level of achievement in both English and maths by the time they finish primary school, while in others, fewer than 60% are achieving at this level.

If instead all primary schools were performing as well as those in the top ten local authorities:

- Each year around 7,000 more children, or around 50,000 by 2020, would have attained good levels of literacy by the end of primary school.

Further to this, there is a growing body of evidence on the policies and interventions – including parental engagement to one-to-one tuition – that work to help ensure no child falls behind in primary school.

THE OVERALL COST TO SOCIETY

Beyond the individual human cost of the poorest children falling behind so early in their lives, modelling carried out for this report shows the enduring cost to the nation's economy in wasted talent. If the UK had, in recent decades, taken action to close the achievement gap at 11, this would have led to a more skilled workforce and higher economic growth:

- GDP in 2013 would have been around £20 billion or 1% higher
- GDP in 2020 would be around £30 billion or 1.8% higher.
- GDP in 2030 would be around £60 billion or 3.1% higher.

Other countries, including Finland, Canada and South Korea, do better at ensuring talent flourishes in children, whatever circumstances they are born into.

CHILDREN OF THE RECESSION

As hard as teachers work to give each child a fair chance, the experiences children encounter outside the classroom play an important role. The new intake of children in primary schools in September 2013 were born during the 2008 global financial crisis, into a world of slow growth, stagnant wages, an increasing cost of living, and where communities are feeling the effects of austerity.

Save the Children commissioned a poll of 2,000 parents of young children under the age of 11 to investigate the impact of tough economic times on family learning. We discovered a nation of parents who know and care about supporting their children's education. Parents from all income groups valued reading to their children and saw education as critical. But parents are at the same time pessimistic about the prospects of today's young children. Almost half of all parents think that it will be harder for their children's generation to achieve their hopes and ambitions in comparison with past generations. The living standards squeeze is also making it harder for parents to support their children's education.

- A quarter of parents say they have less money than they did five years ago – and that this means they cannot afford to pay for school trips and other activities.
- The poorest families are struggling the most – nearly three times the number of parents on the

lowest incomes said they had to cut down on activities for their children because they have less money to pay for them, compared with those on higher incomes.

- Parents on modest incomes – electricians, plumbers, nurses, midwives or construction workers, for example, who are earning between £17,000 and £30,000 a year – are facing a double pressure of working longer hours and seeing their wages cut or frozen. A quarter of families on modest incomes say that they struggle more than previously to make ends meet, and that this takes all their energy.

THE RESPONSE: STARTING EARLY AT HOME AND IN SCHOOL

The children starting school this year will be leaving primary school near the end of the next parliament. And the manifestos that will affect policy until then are being debated now and will be written soon. Now is the time to set out plans for ensuring that all these children have a fair start in life: with no child being behind by seven and all leaving primary school with a fair chance of succeeding at secondary school and in their future lives.

Save the Children is calling for:

- All political parties to sign up to a 2020 ambition, which would ensure that all children, regardless of background, can:
 - start primary school ready to learn
 - catch up quickly if they start school already behind, so that no child is left behind at age seven
 - leave primary school having had a good, fulfilling education, including being confident readers.
- All political parties to develop proposals for their 2015 manifestos that would make progress towards these goals, focusing particularly on the following critical areas:
 - protecting family incomes from the squeeze on living standards, so parents can provide the support their children need
 - continuing to invest in and improve preschool services and parenting support
 - starting early, ensuring no child falls behind in our primary schools.

- The government to make progress towards these goals, focusing particularly on the following critical areas:
 - publish an annual report on progress in creating fair chances for all young children
 - as an immediate priority, focus additions to the Pupil Premium on five- to seven-year-olds – a new ‘fair chances premium’ at the age that matters most
 - in the long term, front-load spending in primary school – in particular, the early years of primary school. Building on the successful introduction of the Pupil Premium, aiming to boost the Pupil Premium to £3,000–£4,000 in primary school would be one option.

SAVE THE CHILDREN’S RESPONSE

As children start primary school each year, Save the Children will be monitoring their progress – with a particular focus on the achievement of a fair start for all by age seven.

In 2013, alongside our Families and Schools Together (FAST) programme (a programme in schools that helps parents to engage with their children’s

learning – see page 15), we are launching Born to Read – a programme that helps primary school-age children from deprived areas improve their reading skills (see page 17).

In the future, we are committed to developing further programmes in the UK that will support the learning and development of preschool and primary school-age children, ensuring that we help all children to fulfil their potential.

Our policy and campaigns work will continue to focus on ensuring that all children, regardless of background, are on course for success by age seven and leave primary school with a good and fulfilling education. Because what happens before children start school and how well parents are supported matters enormously, Save the Children will also be focusing on these two issues in the coming years.

INTRODUCTION

At every stage of schooling, the UK's poorest children are likely to do worse and make less progress than their better-off classmates. This is the 'achievement gap': the gap in outcomes between disadvantaged children (as measured by uptake of free school meals) and their better-off peers (children who are not entitled to free school meals). The gap most often referred to in literature and by governments is the difference in achievement at age 16, when children are taking their GCSEs.

Policy interventions to improve the outcomes of the poorest children have led to good progress. The issue is now recognised by all major political parties as a key tenet of education policy.

When the coalition government came into power in 2010, they introduced the Pupil Premium, an additional sum of money for schools awarded for each pupil who is (or who has been over the past six years) eligible for free school meals. This funding has been increased each year. By 2014/15, the total sum spent on the Pupil Premium will reach £2.5 billion.

Other policy commitments made by the current government include extending free early years education from 12.5-hours-a-week to 15-hours-a-week for every three- and four-year-old, and extending this to 40% of the most disadvantaged two-year-olds by 2014. There have also been efforts to improve the quality of early years care by developing a highly qualified workforce in recognition of the impact that good-quality childcare can have on children's development, particularly for children from disadvantaged families. These have been vital advances for children in tough economic times.

Prior to this, the Labour government made huge progress in improving children's health, education and well-being. From 1997, key policy interventions included the introduction of free early education for three- and four-year-olds, Sure Start Children's Centres, longer maternity leave, and improvements in affordable and high-quality childcare,¹ as well as

targeted initiatives and programmes focusing on addressing the needs of children from low-income homes at school.²

As the next chapter shows, progress has been made over the past decade in improving the achievement of the poorest children. This gives grounds for optimism, but we also need to recognise the scale of the remaining challenge. The relationship between the economic circumstances children happen to be born into and educational performance remains particularly strong in the UK compared with other developed countries.³ And as we set out in chapter 1, children as young as seven are still consistently more likely to fall behind in critical skills such as reading if they are poor. When children are behind so young, this has a large effect on their chances of doing well at school and their later life chances.

In Chapter 2, we look at the cost of the achievement gap. As well as affecting the life chances of individual children, and trapping many in a cycle of poverty, this gap represents a social and economic cost to the country as a whole. Chapter 3 examines the effect of the 2008 financial crisis and subsequent recession on parents' ability to cope, and the impact this is having on their children's education.

In Chapter 4, we further explore the importance of early-years provision and support to the parents of young children. And in Chapter 5 we call for a greater focus on primary education, especially since more is being demanded of children to be ready to learn at secondary school when they leave primary school.

Finally, Chapter 6 calls on all the main political parties to make the achievement gap in education a priority, making specific recommendations about the particular focus this should take.

While the difference in outcomes between children living in poverty and their peers is an issue for the whole of the UK, due to the devolved nature of education policy, the data analysis and policy recommendations in this report apply to England only.

EDUCATIONAL UNFAIRNESS – A CONTINUING AND PRESSING ISSUE

“It’s unfair that money matters to how well a child does in life.”

Maya, 11, London

Whether a child is born into a poor or better-off family still largely determines how well he or she is likely to do at school.⁴ Clearly, this is grossly unfair. Closing the achievement gap between the most disadvantaged children and their better-off peers is crucial to free them from future poverty.

Despite years of efforts from teachers and governments, children’s achievement at school is still too often a result not of their own efforts or ability but of the circumstances they were born into. In fact, there is a linear relationship between family income and educational achievement. The UK continues to have a long-standing problem with poorer children being more likely to fall behind early and then stay behind. Although the relationship between family background and educational achievement occurs across all countries in the Organisation for Economic Co-operation and Development (OECD), the relationship between the financial circumstances children are born into and their educational performance is particularly strong in the UK.⁵

The UK also scores less well than many OECD countries in reading and maths. When last tested in 2009, 18% of 15-year-olds could not read at a basic level,⁶ against an OECD average of 14%; in top-performing countries, such as South Korea, Finland, Hong Kong and Canada, 10% or fewer were unable to read at this basic level.⁷ England’s attainment gap is twice the size of some other developed countries. One study found that children from disadvantaged families were, on average, over two-and-a-half years behind their better-off peers by age 15.⁸

While comparisons with countries with different social and economic circumstances are not always useful, they do show that progress can be made. In the UK, we urgently need to tackle educational inequality, and this means focusing on the poorest children in particular.

RECENT PROGRESS

Government initiatives before and since 2010 have already helped narrow the achievement gap⁹ and show that it is possible to target and tackle educational inequality. For example:

- Over the past decade, gaps between children on free school meals and others at age 11 (Key Stage 2) narrowed in all subjects measured (English, maths and science).
- The number of children on free school meals achieving no GCSE passes fell from 13% in 2002 to just over 2% in 2010 – the achievement gap for this measure almost being eliminated.¹⁰
- The gap between children in poverty and their peers passing any five GCSEs at grades A* to C narrowed from 30.7 percentage points in 2002 to 16.5 points in 2012, with a significant proportion (around eight percentage points) of that fall occurring between 2008 and 2010.¹¹

London, in particular, has made huge progress. In 2007, inner London was the second lowest performing region in England in GCSE results. In 2012, it was the second highest.¹² Similar improvements have been seen in Birmingham and Sunderland.¹³

Both the national picture and the progress in London and some other cities give considerable cause for optimism. It is evidence that schools and communities are able to transform the chances of children and move towards providing fair chances for all children.

CONTINUING CHALLENGE

However, despite recent progress, by some measures the gap between the poorest children and those who are better off remains large. In 2012, 36.3% of pupils on free school meals achieved five grade A*–C GCSEs, including English and maths, compared with 62.6% of their better-off peers – a gap of 26.3 percentage points.¹⁴ Indeed, using the measure of five good GCSEs including English and maths, the gap has hardly closed at all in recent years.¹⁵ Given how critical literacy and numeracy are to gaining employment and being successful in later life, this is of particular concern.

Some groups of children are particularly likely to fall behind. Ofsted has found that White British children from disadvantaged backgrounds are least likely to do well at school. In 2012, only 26% of disadvantaged White British boys and 35% of disadvantaged White British girls achieved five good GCSEs (grades A*–C) including English and maths.¹⁶

Where children who are disadvantaged happen to live also affects how well they are likely to do at school. According to Ofsted’s recent report, *Unseen Children*, “There is too much variability in the quality of education and outcomes across different local authorities and between schools serving the most and least deprived communities.”¹⁷ Disadvantaged children from places in south-east England, such as west Berkshire, are least likely to do well in their exams, compared to areas such as Birmingham or Westminster, which are making huge gains for their poorest children.¹⁸

THE GAP STARTS YOUNG

The chances of starting school ready to learn are worse for children from the poorest households. A child’s brain undergoes its most rapid growth in the years before they start school and research has shown that children living in poverty often start school academically behind their better-off peers. The gap in achievement can be seen from as early as 22 months.¹⁹

“The quality of a child’s early environment and availability of appropriate experiences at the right stages of development are crucial in determining the strength or weakness of the brain’s architecture, which, in turn, determines how well he or she will be able to think and regulate emotions.”²²

It is during these early years that children experience swift cognitive, linguistic, social, emotional and motor development. This involves the emergence of increasingly complex social behaviours, emotional capacities, problem-solving abilities and pre-literacy skills.²⁰

Recent development checks by Ofsted of children aged five have shown that, while there has been year-on-year improvement in overall development for all children, there are significant gaps in outcomes between children on free school meals and their peers.²¹

New analysis for this report shows just how significant and entrenched early unfairness can be. Figure 1 (opposite), based on literacy and numeracy combined, shows that nearly 80% of the gap between poor children and their better-off peers at age 16 is already present at the age of seven.

The scale of the achievement gap at age seven in relation to English is even greater, already at 85% of the eventual achievement gap in literacy. It widens between the ages of seven and the end of primary school, and then widens further during secondary school.

ACHIEVEMENT AT SEVEN

When children are seven years old, they will reach the end of their early primary years (key stage 1 or KS1). Children are expected to reach a ‘level 2’ at the end of KS1. This means that they are able to read simple texts accurately and are able to express an opinion about the story they are reading. They are able to write simple sentences, generally using capital letters and full stops. And in maths, they are able to complete basic addition and subtraction sums and can recognise shapes.²³

All these skills are critical. Alongside a wider, rewarding primary education they are essential building blocks for any child to go on to do well at school, and to achieve and to prosper in their lives. We focus in particular on literacy – specifically on reading and writing – in this report. Having a solid grounding in English is a critical foundational element of any good education – without it, it is more difficult for children to access the wider curriculum.

FIGURE 1: PERCENTAGE OF ACHIEVEMENT GAP PRESENT DURING PRIMARY SCHOOL (COMBINED ENGLISH AND MATHS)



Source: National Pupil Database (pupils aged 16 in 2012 in state-maintained schools in England)

Notes: 1. Low-income defined as claiming free school meals in the past three years (20.7% of families)

2. Data is KS1, KS2, KS4 and GCSE maths and English score combined, standardised to mean of 500 and standard deviation of 100.

In 2012, 13% of all seven-year-olds (or approximately 76,000 pupils) still did not reach the expected level in reading.^{23a} However, children from disadvantaged backgrounds are much more likely to fall behind in reading by age seven than their peers. 24% of children on free school meals did not reach the expected level in reading, compared with 10% of their better-off peers.²⁴

There has been steady and welcome progress over the past five years in increasing the number of children who can read at the expected level by the age of seven. Children on free school meals have made faster progress than others. But it is important to recognise that even continuing to make this level of progress leaves many thousands of children behind at seven.

Analysis for this report examined a scenario (scenario one) in which, between now and 2020, children on free school meals continue to make the same rate of progress as they have over the past five years, and that children not on free school meals continue to make the same rate of progress as they have over the past five years. By 2020 this will still amount to approximately 480,000 children, of whom 180,000 are low-income pupils, who will have fallen behind in their reading by the age of seven. This scenario would still see one in eight low-income pupils not mastering reading to the expected level in 2020.

However, assuming that the same rate of progress that has been seen over the past five years will continue to 2020 is a fairly optimistic scenario. In general, progress becomes more difficult, with the children still below

the expected level more likely to face a range of barriers to learning. So, without bold policy change, the chances of keeping up the same rate of progress – let alone increasing it – will be harder.

If a slower – and probably more realistic – rate of progress is assumed (scenario two), in which both children on free school meals and children not on free school meals progressed at the average rate at which all children progressed over the past five years, the number of young children falling behind is higher: by 2020 approximately 520,000 seven-year-old children, of whom 220,000 are low-income pupils, will have fallen behind in their reading. This would leave one in five poorer children not reading.

More pessimistically, without further policy action and concerted focus by government, schools and teachers, it is possible that progress would be even slower. It is important to realise the scale of the risk of taking our eye off this issue.

Therefore, our analysis also assumes a pessimistic scenario (scenario three) in which both groups (children on free school meals and children not on free school meals) make half the rate of progress that they made over the past five years. In this scenario, approximately 570,000 seven year olds, of whom 210,000 are low-income pupils, will have fallen behind in their reading by 2020 – and just under one-fifth of children on free school meals.²⁵

Our analysis also examined achievement in writing. Children’s achievement in writing is slightly further behind that in reading. In 2012, 30% of low-income

children aged seven did not reach the expected level in writing, compared with 14% of their better-off peers. Our analysis also examined the three scenarios on numbers of children failing to reach expected achievement in writing over the next seven years:

- Scenario one: By 2020, approximately 740,000 seven-year-old children will have fallen behind in their writing ability – including one-fifth of children on free school meals.
- Scenario two: By 2020, approximately 780,000 seven-year-old children will have fallen behind in their writing ability – including one in four children on free school meals.
- Scenario three: By 2020, approximately 810,000 seven-year-old children will have fallen behind in their writing ability – including one in four children on free schools meals.²⁶

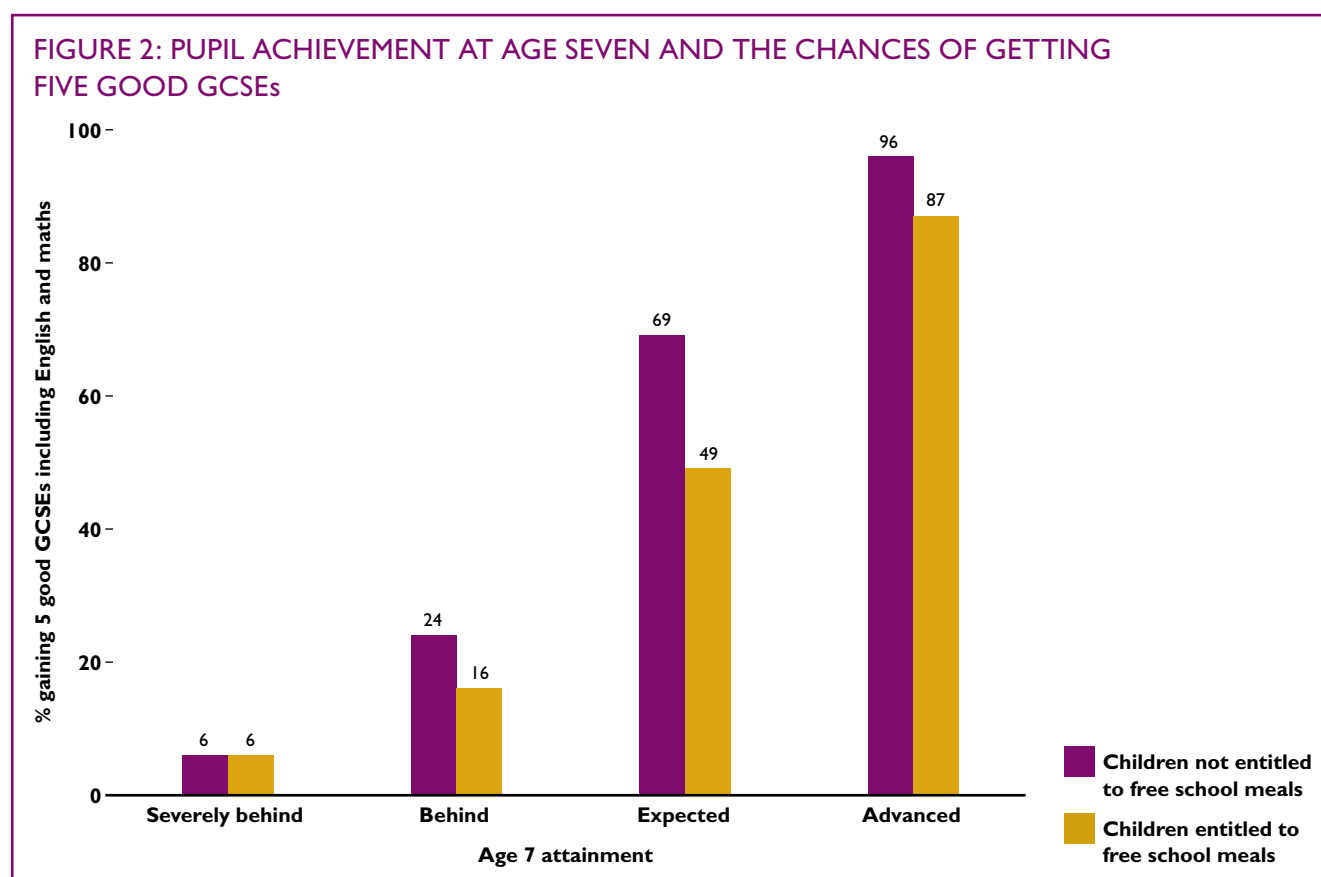
It is plainly unfair that so many children fall behind before they have even started in life. As the rest of this chapter will explore, a child’s achievement at seven is highly predictive of their achievement in secondary school, and their later life chances. Without significant intervention, these statistics represent potential individual tragedies in the making.

IMPACT ON EDUCATIONAL OPPORTUNITY

We also compared different levels of achievement in primary school with the likelihood of going on to get good GCSEs at age 16. This allows us, for example, to look at how the chances of children who have already fallen behind in primary school compare with their better-off peers who are making good progress.

Figure 2 (below) takes the different levels of achievement across reading, writing and maths for the poorest pupils and their better-off peers at age seven, and then looks at the chances of them going on to achieve five high-grade GCSEs at age 16, including English and maths. For example, it shows that 69% of better-off pupils who achieve ‘level 2’ at age seven go on to get five good GCSEs.

Figure 2 shows how damaging it is for all children, but especially poor children, to fall behind at a young age, and why we need to be more ambitious than merely ensuring that children achieve the existing expected level:



Source: National Pupil Database (pupils aged 16 in 2012 in state-maintained schools in England)

Notes: ‘Severely behind’ refers to the national curriculum level below Level 1; ‘behind’ refers to Level 1; ‘expected’ refers to Level 2 and ‘advanced’ refers to Level 3. The expected level is level 2. The measure of achievement at age seven is for reading, writing and maths. Outcome at 16 is % gaining five or more good GCSEs (or equivalent), including English and maths.

- Children not reaching the expected level in reading and maths at age seven are unlikely to go on to do well in school at 16.
 - Fewer than **one in six children** from low-income families who have fallen behind by the age of seven go on to achieve five good GCSEs, including English and maths, compared with one in four children from better-off families.
- **More than half** of children from low-income families who achieve expected levels at age seven still fail to go on to achieve five good GCSEs, including English and maths.
 - This compares with well over two-thirds of children from better-off families who achieved at expected levels at age seven and went on to do well in their GCSEs at age 16.

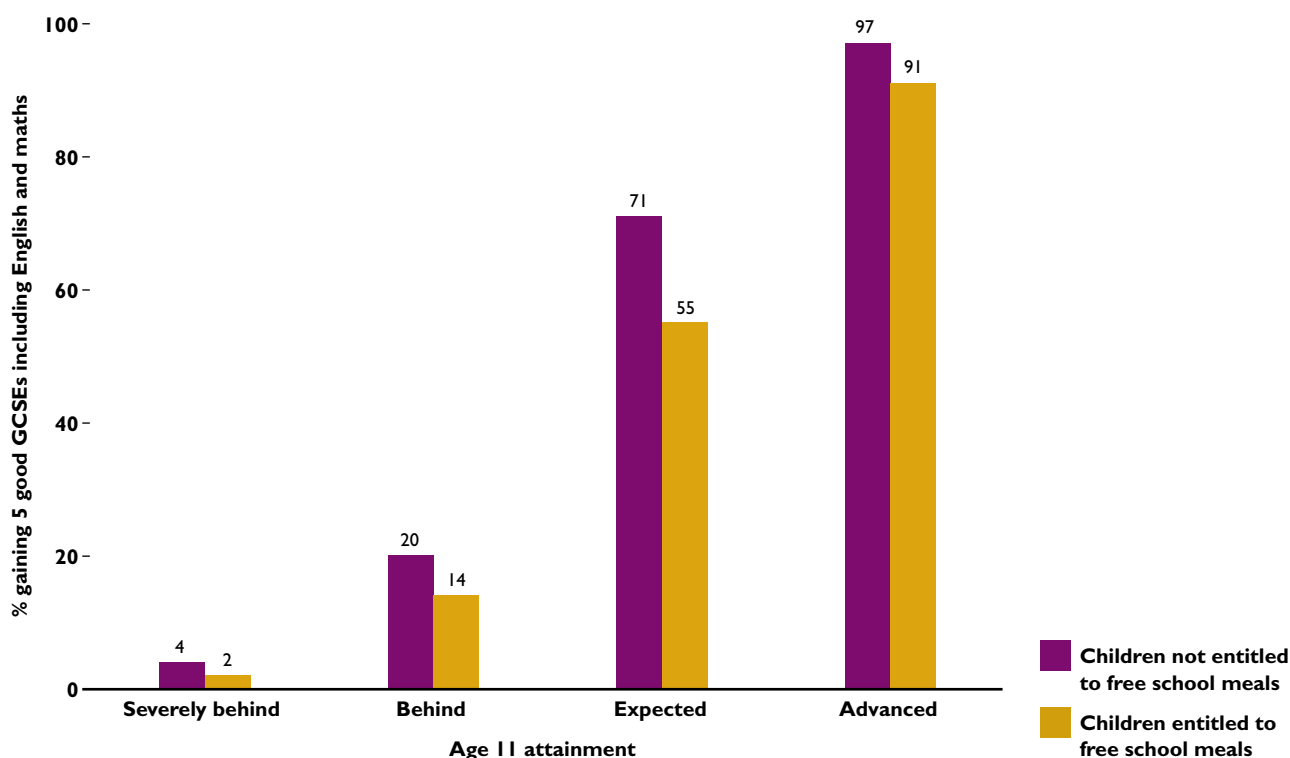
Other studies have had similar findings. One longitudinal study showed that only 18% of children who were in the bottom 25% in early development scores at age five achieved an A level or higher, compared with 60% of those who were in the top 25%.²⁷

Our analysis also looked at the links between levels of learning at the *end of primary school* – at age 11 – and

later achievement (Figure 3). As with achievement at age seven, children on free school meals continue to do less well than their better-off peers.²⁸ Similarly, all children who have fallen behind at the end of primary school are less likely to go on to achieve five good GCSEs. However, this is particularly true for children on free school meals: if a child from a low-income household is behind in English and maths when they finish primary school, they have **less than a one in seven** chance of going on to achieve five good GCSEs, including English and maths. And again – even children from low-income families who are doing well and achieving the expected level at the end of primary school only have a 55% chance of going on to achieve five good GCSEs.²⁹

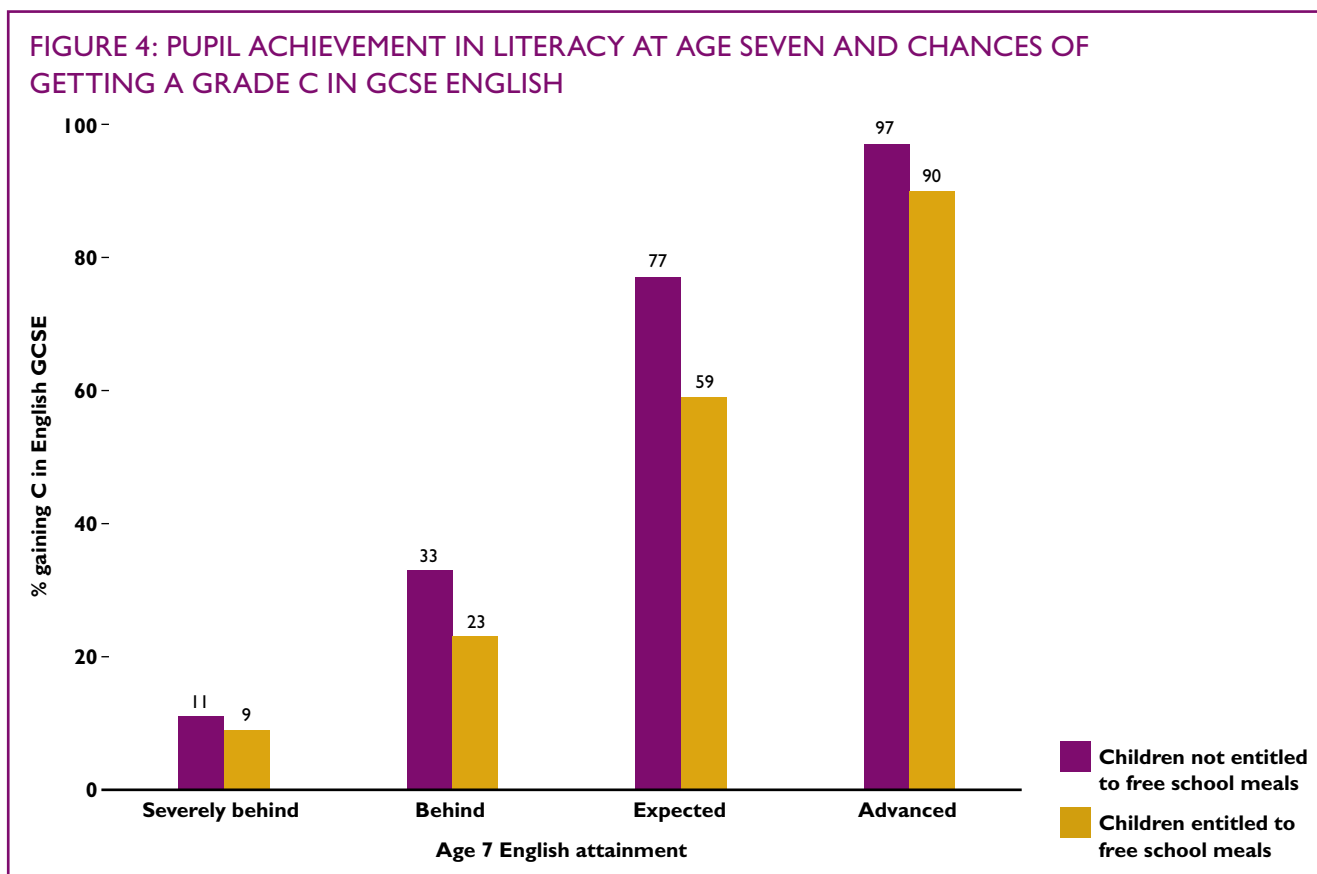
We also looked specifically at links between early literacy and the chances of achieving a grade C or above in English at GCSE. Figure 4 shows that if a child from a poor family is already behind with their reading at the age of seven, they have just over a one in five chance of going on to achieve a C in English at GCSE. In contrast, one-third of better-off pupils who have fallen behind at seven go on to achieve at least a grade C.

FIGURE 3: PUPIL ACHIEVEMENT AT AGE 11 AND THE CHANCES OF GETTING FIVE GOOD GCSEs



Source: National Pupil Database (pupils aged 16 in 2012 in state-maintained schools in England)

Notes: 'Severely behind' refers to the national curriculum level *below Level 3*; 'behind' refers to *Level 3*; 'expected' refers to *Level 4* and 'advanced' refers to *Level 5*. The measure of achievement at age 11 is a calculation of literacy and numeracy. Outcome at 16 is % gaining five or more good GCSEs (or equivalent), including English and maths.



Source: National Pupil Database (pupils aged 16 in 2012 in state-maintained schools in England)

Notes: The measure of literacy includes an assessment of reading and writing. Outcome at 16 is the % gaining a C in English GCSE.

This analysis has important implications. Starting early in children's lives is critical – as early as age seven, poor children are more likely to fall behind and have their life chances severely prejudiced. This means ensuring that they have high-quality preschool education and care, and that there is a much greater focus on addressing the achievement gap in early primary school.

THE WIDENING GAP

As overall standards in our schools have improved, one question is where to set the 'expected levels' of achievement. There is a good argument for being more demanding in the future. If this happens, we may find that achievement gaps suddenly look even wider. This section explains why, using the end of primary school as an example.

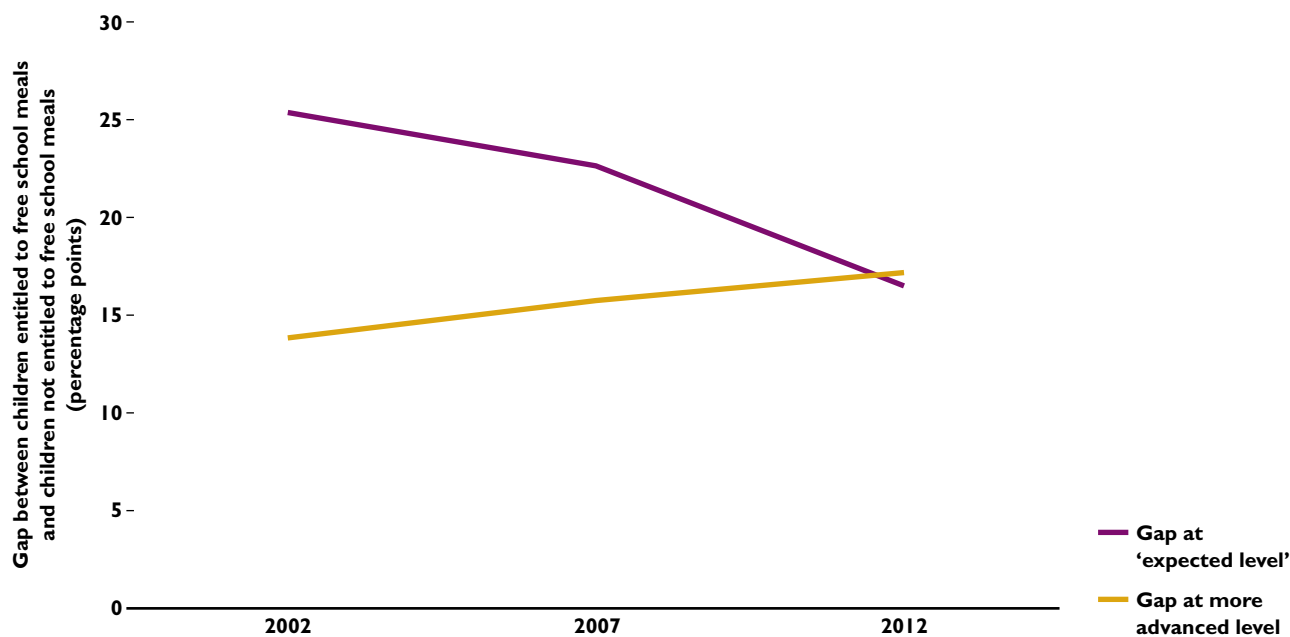
Most measures of achievement by the end of primary school, including whether children have fallen behind or not, have used the government's expected level of achievement – currently a Level 4 in the current

national curriculum at key stage 2. As we have seen, gaps in achievement using this particular measure have narrowed in recent years. However, the government plans to raise the bar to set a more demanding measure of achievement in 2016, the details of which remain to be clarified.³⁰

As more children move above the current level of expected achievement, we need to know whether the achievement gap at a more demanding level is narrowing or widening. As Figure 5 shows, while the gap between the poorest and better-off children in the achievement of the current expected level of achievement (in both English and maths) has narrowed over recent years, the gap at the higher level – Level 5 – has actually widened.

In other words, it is no longer sufficient to aim for the poorest children to do just well enough during primary school. Children from low-income backgrounds will need to go above and beyond current expected levels of achievement in order to go on to achieve well in secondary school.

FIGURE 5: THE WIDENING GAP AT HIGHER LEVELS OF ACHIEVEMENT



Source: National Pupil Database (pupils aged 16 in 2012 in state-maintained schools in England)

Notes: The 'expected level' is those achieving Level 4 in English and maths. The 'more demanding' measure is those achieving Level 5 in the current system. The government's new more demanding measure of 'secondary readiness' is thought likely to be set around the current level 4b.³¹ However, it was not possible to break down by 'sub-levels' – Level 4a, 4b and 4c. This figure serves to demonstrate the overall point that as government becomes more demanding of primary schools, the achievement gap may appear wider.

NEW MEASURES OF EDUCATIONAL UNFAIRNESS

The achievement gap that is often referred to in literature and by governments is the gap at age 16 between the exam scores at GCSE level of children claiming free school meals and those not claiming free school meals, focusing on the difference between these groups of pupils who achieve five good GCSEs (A*–C), including English and maths. However, since the gap starts at such a young age, Save the Children believes that there should be a shift in how we define progress on closing the overall gap, and that the debate should focus on three additional, but crucial points in the school system:

- **All children should start school ready to learn.** This means measuring progress on closing the gap in development at age five between children living in poverty and their peers, including through looking at emergent language skills and wider child development (such as social and emotional skills).
- **Any child falling behind early in primary school should be given support to catch up.** This means action to ensure that the children who are furthest behind catch up and close the gap with their higher-achieving peers by the age of seven.

- **All children should leave primary school with a strong broad education, including being strong readers.** This means eliminating the gap in children's achievement of good standards in reading at the end of primary school, as well as ensuring that all children are receiving a rich and engaging primary educational experience.

Progress on these additional measures should be published annually, alongside the measure at 16 to show progress being made on tackling educational disadvantage.

This is because achievement in earlier years is such a strong predictor of achievement in later life. Problems related to the achievement gap are most visible and most discussed around the GCSE period. However, as the analysis above shows, determinates and solutions are located in the less visible early and primary-school years. We must therefore bring a new urgency to ensuring educational fairness in the first half of childhood if we are to anticipate and solve later problems at GCSE.

2 THE COST OF FAILING THE POOREST CHILDREN

“Everyone should get a fair chance in life... The children are the future. If they grow up in poverty then our country is doomed.”

Joshua, 11, London

Ensuring that no child falls behind, even as young as seven, is critical, largely as a matter of fairness. But failing to do so will also be at significant social and economic cost to the UK in wasted talent.

THE LIFETIME COST TO CHILDREN

“You’ve got the advantage that the more money you have when you’re brought into the world as a child, and the more money your family has, the better chances you have of getting that higher education, as it’s supposedly called... like going to university without having to worry about student fees and getting into the higher colleges and better schools like Eton and Oxford and all that... If I wanted to, and put the effort into it, I could probably get there myself. It might take a little longer but I’d still get there... Not everybody can do that, because a lot of people have given up.”

Kayleigh, 16, Leicester

Poverty shapes children’s lives and what they go on to do in the future. Frank Field’s 2010 review of poverty and life chances argues that education serves to “prevent the intergenerational transfer of poverty, with the aim that future generations of children will not have to experience such financial and material deprivation.”³² The review shows that, compared with other children, those living in poverty are: more likely to have preschool conduct and behavioural problems; more likely to experience bullying and take part in risky behaviours as teenagers; less likely to do well at school; less likely to stay on at school after 16; and more likely to grow up to be poor themselves.³³

Further studies have shown that:

- 9% of 14-year-olds who had been very poor readers at the end of primary school were persistent truants, compared to only 2% of average or above-average readers.³⁴
- In 2004/05, 13–14-year-olds who started secondary school with very low literacy skills had an exclusion rate five times that of pupils with average or above-average achievement.

A poor start in education can determine what children are able to go on to do with their lives – limiting the opportunities available to them. Ofsted has found that “pupils from the highest social class groups are three times more likely to enter university than those from the lowest social groups, while fewer than one in five degree entrants in leading research universities come from four class groups that make up half the UK population.”³⁵

In addition, falling behind early at school can have negative consequences in adult life:

- 50% of men in the very low literacy group report good health compared to 75% of men overall.³⁶
- Men and women with very poor literacy are two to three times more likely than those with good literacy skills to smoke heavily and be obese.³⁷

One study based on children born in 1970 found that boys who were poor readers were two to two-and-a-half times more likely to be unemployed than good readers, even after controlling for social background.³⁸

Furthermore, as shown in the previous chapter, falling behind at age seven or 11 can be a strong predictor of how well children will do later in their school life. This can lead to poorer chances of being able to secure a decent job and poorer chances of being able to earn a decent income. The qualifications you leave school with matter to your chances in future employment. The OECD found that across Europe, leaving school with no qualifications meant that you are three times more likely to be unemployed than

someone with degree-level education.³⁹ In the UK, a university graduate's earnings from employment were 57% higher than those of an individual who leaves school with an A-level education – and 129% higher than those who leave school with GCSEs. This trend has remained stable over the past decade.⁴⁰

Data from the Office of National Statistics (ONS) reveals that your wages will significantly increase the higher the levels of education you achieve. If you leave school with no qualifications, on average you are likely to be earning around £13,500 a year. However, young people who have left school with good GCSEs have, on average, earned around 20% more, or around £17,000 a year.⁴¹ This reinforces the reason why it is crucial to ensure that all children leave school with a good education – leaving school with an inadequate education increases the chances of a poor child becoming a poor adult.

The Wolf Review of vocational education for 14–19-year-olds found that skills in English and maths are extremely important in the labour market, and continue to have a significant impact on career progression and pay. But in particular, the review found that English and Maths GCSE (A*–C) are of critical importance: employers use them as a 'signal and sifting device' on job applications, as well as being crucial for entry into selective programmes post-16 and higher education.⁴²

There is also evidence that poor literacy, in particular, can create significant barriers to employment. Men and women with poor literacy are least likely to be in full-time employment at the age of 30.⁴³ Poor literacy skills can also be a serious barrier to progressing once in employment. 63% of men and 75% of women with very low literacy skills have never received a promotion.⁴⁴

Finally, at its worst, poor achievement at school, and poor literacy skills in particular, can increase the risk of criminality. This can be seen by looking at literacy levels among those in prison. The latest data has shown that only 53% of the prison population reported having any qualification at all – this compares with 85% of the general population.⁴⁵ There is a particularly strong link between the prison population and poor literacy skills: 60% are reported to have difficulties with basic literacy skills.⁴⁶ Having low literacy skills is not predictive of going to prison, but it is a major risk factor.

THE OVERALL COST TO SOCIETY

The accumulation of the individual stories of reduced life chances becomes, at the national level, a story of wasted talent that has economic consequences. In other words, the cost to children of educational unfairness also amounts to a significant cost to the rest of us.

Part of the impact on wider society is a social cost. Numerous studies suggest that children with poor outcomes in their early years are at risk of poor health outcomes, including higher rates of depression and suicide and substance misuse, or being involved in crime.⁴⁷

There is also a significant economic cost. There is long-standing evidence that improved education systems and more skilled young people lead to higher levels of economic growth. Using this evidence, it is possible to make broad estimates of the likely impact on Britain's economic growth of making further progress in improving the education of the poorest children, including the poorest *young* children. Based on work from Stanford University (which assessed links between education levels and economic growth in 50 countries over four decades) and an approach developed by McKinsey, new analysis carried out for this report has assessed the potential impact of achieving a number of educational fairness goals.⁴⁸

Our new analysis shows that:

- If the UK had, in recent decades, taken action to close the achievement gap at 11 so that the poorest pupils achieved the same levels as others by the end of primary school:
 - GDP in 2013 would have been around **£20 billion or 1% higher.**
 - GDP in 2020 would be around **£30 billion or 1.8% higher.**
 - GDP in 2030 would be around **£60 billion or 3.1% higher.**
- If the UK had, in recent decades, taken action to close the international achievement gap so that it performed as well as Finland, Canada and South Korea:
 - UK GDP in 2013 would have been around **£40 billion or 2.6% higher.**
 - UK GDP by 2020 would be around **£80 billion or 4.4% higher.**
 - UK GDP by 2030 would be around **£160 billion or 8.0% higher.**

Of course, many factors affect economic growth and these numbers are indicative only. There is a wide range of possibilities around the central scenarios we present above. They do, however, give a sense of the high price we continue to pay for failing our poorest children.

In the short term, these findings are particularly pertinent as the UK economy slowly recovers from recession. They are also important if we are to ensure future prosperity in the medium term. As the Confederation of British Industry (CBI) stated recently, “economic growth is starting to return and private sector job creation should continue, but improved education and skills are needed to underpin this.”⁴⁹

To put this analysis into context, according to the ONS, the UK economy shrank by 7.2% in the recent recession and remains 3.3% below the level it was at early in 2008.⁵⁰ This is very similar to the 3.1% figure for the impact of the primary school achievement gap above. While the economy will, over time, recover the lost output from the recession, the impact of wasting talent by failing poorer children is

acting like an ongoing and constant drag on the UK’s competitiveness – as such its effect is equivalent to a permanent recession.

Another way of putting this analysis into context is to compare it with current levels of government spending on education. Compared with current spending on education, the potential gains to GDP of closing the achievement gap are large. In 2014/15, the Department for Education’s budget in England will be £52.8 billion,⁵¹ while the budget for schools in England is around £30 billion a year.⁵² Across the UK, in 2010, the percentage of GDP allocated to primary and secondary schools and further education was 4.9% and the spending on pre-primary just 0.3%, according to the OECD.⁵³

Only a small proportion of any increase in GDP will be solely invested in improving the life chances of young children, and the GDP gains happen sometime after any initial investment. But our analysis does strongly support the value and importance – even in difficult economic times – of investing in the life chances of the next generation.

3 ADDRESSING UNFAIRNESS IN EDUCATION MEANS TACKLING POVERTY IN THE HOME

“I feel I should be able to buy toys and books, and I see the great books available at book sales, but I don’t have the money and I feel really bad about it. I want them to be able to choose their own books... I remember when they had a book sale last time and they got something, but this time we couldn’t go, and it’s so important to do those extra-curricular things like reading... It’s important for my children’s education, but it’s hard.”

Simone, mother of four, London

Schools can and do play a huge role in mitigating the effects of living in a low-income household. However, the education achievement gap cannot be narrowed without tackling poverty, especially for young children. Since the economic crisis of 2008, families on low incomes – and increasingly those on modest incomes – are finding it harder to provide for their children.

HOME MATTERS

Research has shown that around 80% of the difference in how well children do at school is dependent on what happens outside the school gates,⁵⁴ whether it is in the home or in the wider community. Much of a child’s success at school depends on the type of support and stimulation their parents provide at home – for example, whether they can take their children on trips, buy them books, and provide activities such as music lessons, and a warm, quiet place in which to do homework.

When parents are experiencing stress because they are struggling financially, this can affect their emotional health, relationships and parenting practices – which in turn can have a negative impact on their children.⁵⁵ There is growing evidence that, for young children in particular, stress directly affects the development of

the brain in ways that can be detrimental to children’s life chances.⁵⁶

The risk of living in poverty is higher for younger children. In 2013, nearly a third (31%) of children in households where the youngest child is of preschool age are living in poverty, compared with 24% in households where the youngest child is five or over. There is also a higher risk of material deprivation in families with young children.⁵⁷

THE IMPACT OF RECESSION

“I think everyone is suffering – but particularly those with young children.”

Kelly, mother, London

Since children born into the 2008 financial crisis are now aged five and entering primary school, Save the Children surveyed 2,000 parents of young children to better understand how prolonged economic downturn is affecting children’s learning at home and, by implication, their life chances.

In our survey, we compared a ‘low-income’ group (earning less than £16,999 a year), a ‘modest-income’ group (earning between £17,000 and £29,999 a year), a ‘middle-income’ group (earning between £30,000 and £49,000 a year), and a ‘better-off’ group.

We found that, regardless of income, parents have very similar ideas on what it takes to provide a good education for their children.

- Essentially the same proportion of low-income parents (87.2%) think reading to their children at home is important, compared with better-off parents (89.9%).
- 80.1% of low-income parents think it is important to help children with their homework, as do 78.9% of better-off parents.

However, our survey found that the economic crisis has put extra pressure on parents' ability to support their children's learning.

- A quarter of all parents (25%) say they have less money than they did five years ago, and that this means they cannot afford to pay for school trips and other activities.
- Around one in four (23.4%) parents say they have cut down on activities for their children because they have less money to pay for them since the financial crisis five years ago.
- Around one in five parents (19.2%) say that they have had to stop some or all of their children's activities because the costs have increased.
- Around one in six of all parents say they are now working longer hours, and are more likely to be at work when the children are at home, than they were five years ago.

As well as feeling that times are getting harder for their families, parents' attitudes about their children's future are becoming increasingly pessimistic across all income groups. Almost half (49.4%) of all parents think it will be harder for their children's generation to achieve their hopes and ambitions, compared with past generations. This is particularly stark when considering that our survey was conducted among parents of young children (below age 11). The poorest parents are slightly more likely to be more pessimistic, but a pattern of pessimism is evident across all income groups.

Similarly, the survey suggests that, since the economic downturn, parents on the lowest incomes are placing greater importance on their children's education. Since 2008, over half (55.9%) of parents on the lowest incomes said they now view their children's education as more important than they did five years ago. This compares to 38.4% of parents on the highest incomes.

MICHELLE

Michelle, from London, is a single parent with two children, a daughter and son.

She used to take her son to regular activities, such as the weekly music group at her local Sure Start Children's Centre. But the group has recently started operating through donations, which Michelle says she can't afford.

"With a suggested donation of £4, it's a lot to put in. I can't afford that all the time. Sometimes I put in what I can afford, sometimes I don't put in, and I don't always go. You can get away with it as it's a donation, but I don't feel comfortable doing that.

"We tend not to buy books as they're about £4 each... I don't always have time to read to him. I'm always busy trying to make space in the place, tidy clothes, keep things clean, shop and cook and sort the place out. It sort of gives me some sense of control, but the place gets so messy by bedtime. My daughter sometimes has to read to him instead.

"[My daughter] gets free school meals, and I use a top-up card for when she needs snacks or breakfast if she goes in early. The uniform is very expensive. I spent a long time ensuring she got into a very good local Catholic school, but the skirt is £30 and the blazer £70. It's lucky she goes to a fantastic school, and that will give her the best sort of education, but I would love to have more time to do homework with her. I spend so much time and energy ensuring everything is clean and tidy and ready for school.

"The end-of-year school trips are expensive. Now [my daughter] is learning Spanish there's an opportunity for a trip to Spain, and I'd really like her to go... I want her to see the culture and language of what she's learning about, but I'm not sure where I'll get the money from apart from going through that hardship route, and I feel like it's begging for money. Throw uniform into that, and I worry a lot about her future and university fees... What barriers she'll face."

However, while times are tough for many families, there is recognition that having a low income makes supporting children's education particularly difficult. Around half of all parents surveyed believe that stress and anxiety make it harder for the poorest parents to support their children's learning.

The survey suggests that, while all parents want the best for their children, those on lower incomes are more likely to have had to cut back on things that support their children's learning in the last few years.

- Nearly three times the number of parents on the lowest incomes (34.2%) said they have cut down on activities for their children because they have less money to pay for them. This compares to 12.8% of those parents on the highest incomes.
- Parents on high incomes are around twice as likely to say they have not had to cut back on the activities their children do than parents on the lowest incomes.

As stated previously, being able to provide a stimulating learning environment outside of school can be crucial for children's educational achievement, as well as for their social and emotional development. As school trips and other activities become more unaffordable for low-income families, there is a risk that the achievement gap will widen rather than narrow.

And, despite parents recognising the importance of education and understanding what it takes to provide a good education, economic background can affect what parents think their children will do when they leave school: 37.8% of parents on low incomes expect their children to go to university, compared with 76.6% of parents on high incomes.

PROTECTING FAMILY LIVING STANDARDS

All this points to how absolutely crucial it is to protect family living standards for the poorest families, especially those with young children. Yet more and more families are feeling the strain. The Institute for Fiscal Studies recently found that one-third of workers have seen their wages cut or frozen over the past few years.⁵⁸

Our survey showed that even parents on modest incomes are struggling, becoming increasingly stressed through working longer hours and seeing their wages cut or frozen.

- 29.1% of parents on modest incomes say they have less money, which means they cannot afford trips and other after school activities.
- One in four parents on modest incomes (24.3%) say that they struggle more than they used to just to make ends meet and that this takes all their energy – compared to 13.7% of parents on higher incomes.
- Parents on modest incomes are being squeezed, with greater pressure on their budget, time and ability to support their children's learning. Around one-third (30%) of parents in this income group say that they have experienced a pay freeze and that this has led to changes to their household income, and nearly a quarter (23.9%) say that they are more exhausted after work.

Parents and families are a critically important part of a child's learning and development. The stress and anxiety of struggling to make ends meet can undermine parents' ability to parent and to provide the material support for children's education. Protecting families' economic living standards in hard times is crucial to tackling educational disadvantage.

4 AN EARLY START – PRESCHOOL PROVISION AND SUPPORT FOR PARENTS

As well as ensuring that family budgets are sufficient to maintain that children can go to school each day ready to learn and achieve, it is vital to maximise the impact that schools and preschool services have on the life chances of the most disadvantaged children.

Given how wide the achievement gap is by the age of five,⁵⁹ before children even step foot in a school, policy and investment in preschool provision is crucial. It is to be welcomed that support for childcare has been protected during this Parliament, and that the coalition government has made expansions to this policy to include provision for the most disadvantaged two-year-olds. High-quality childcare can have a big impact on children's development in the early years, and is particularly beneficial for disadvantaged children.⁶⁰

Many parents, especially those struggling with young children, need help to provide an environment where their children can develop and learn. Children's

Centres are one example. They provide a full range of support services to parents and children, especially in areas where there is most need.

A focus on preschool provision, and what it would take to ensure that all children start school ready to learn and achieve, will be at the centre of Save the Children's work in the next few years.

More focus is needed on programmes that help parents of young children support their children's learning, such as Save the Children's Families and Schools Together programme (see box opposite).

These programmes:

- help the poorest families rather than only families with very specific needs
- concentrate on key developmental and transition periods in a child's life, such as the transition to primary school
- focus on improving children's literacy, writing and maths, as well as supporting their social and emotional development.

FAMILIES AND SCHOOLS TOGETHER

In 2010, Save the Children partnered with the UN-endorsed, evidence-based Families and Schools Together (FAST) parent support programme to improve educational outcomes for children aged three to five who are living in disadvantaged communities in the UK. The programme has strong evidence from 14 countries showing positive effects on children and families and **strong retention rates in low-income communities**.

Our research has shown that there is a critical lack of access to evidence-based parental engagement programmes in the UK, particularly during the time when children are moving from preschool to primary school. Even where programmes are provided, they do not benefit most poor families because many proven interventions are principally designed to support those with very specific needs. Most evidence-based interventions focus on reducing conduct disorder rather than helping children succeed at school.

FAST is run over eight weekly sessions in schools and focuses on developing relationships between parents and children, parents and schools, and parents and other parents within the local community. The sessions involve activities designed to improve children's outcomes and well-being, such as eating a family meal together, family play, learning and communication activities, one-to-one parent-to-child dedicated support, community building and parent-to-other-local-parent time.

FAST enables children to succeed in school, with children showing improved literacy, writing and maths. It strengthens families because of improved parent-to-child communication and parental confidence. It builds stronger communities with increased trust, participation and reduced social isolation.

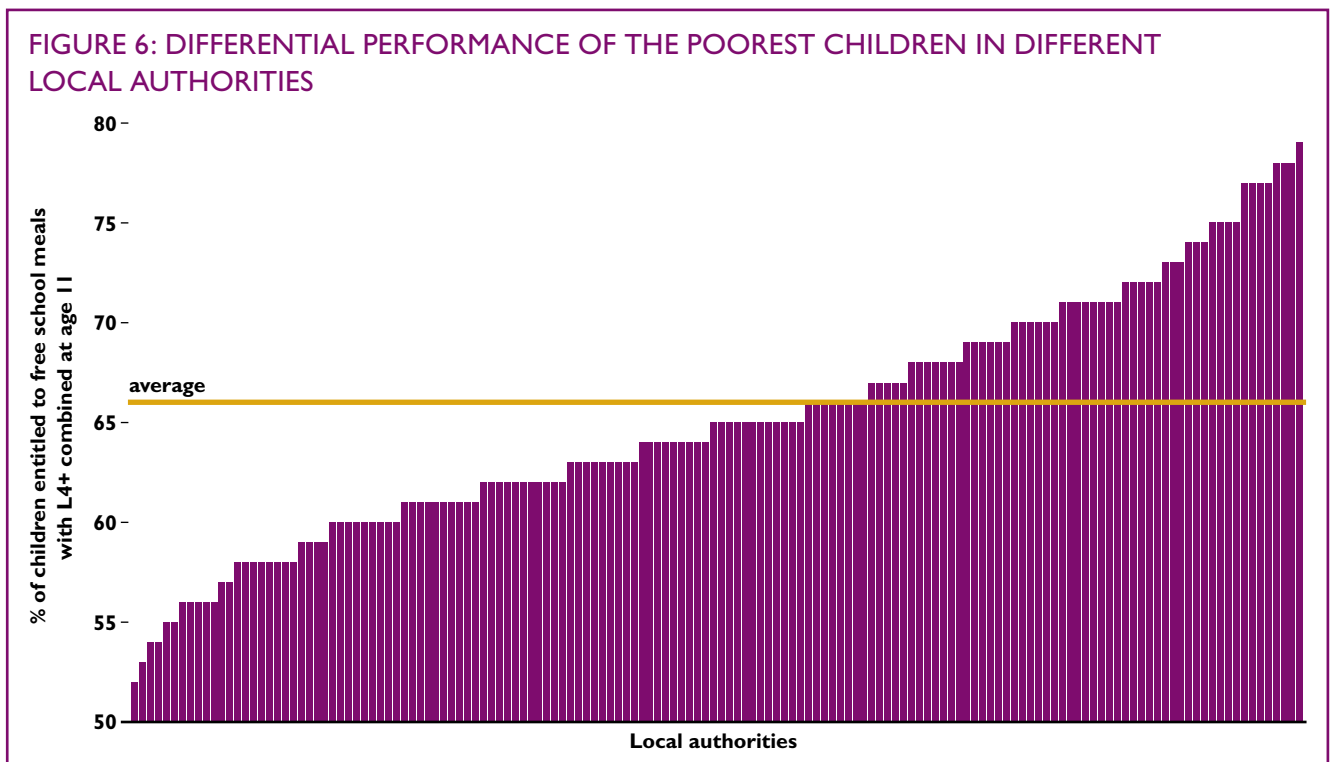
5 PRIMARY SCHOOLS – ACHIEVING FAIRNESS

Primary schools have an essential role to play in tackling the education achievement gap. As analysis in this report shows, nearly 80% of the achievement gap already exists by the age of seven. However, much of the focus in schools policy and public debate is on secondary education.

Some schools and local authorities are achieving great things for the poorest children in their areas, ensuring that their ability to do well in the classroom is not hindered by growing up in a low-income household. However, as Figure 6 below shows, there is wide variation in how well disadvantaged children do in different areas. In some local authorities, close to 80% of the poorest children are achieving the expected level of achievement in both English and maths by the time they finish primary school. In others, fewer than 60% are achieving at this level.

Using this data, we can assess how many more low-income children would be achieving good levels of learning by the end of primary school, if the local authorities with the worst performance achieved at the highest level. For example, if all primary schools had results at the level of the top ten local authorities, this would mean an increase from 74% to over 80% in the proportion of the poorest children with good levels of reading. Each year that would mean around 7,000 – and by 2020 around 50,000 – more children with good levels of literacy by the end of primary school.⁶¹

We also know more about the particular kinds of interventions and policies that work best. The Education Endowment Foundation or EEF (the government-funded expert organisation dedicated to identifying innovations that address the needs of disadvantaged children at primary and secondary school) has explored a range of possible interventions



Source: National Pupil Database (pupils aged 11 in 2012 in state-maintained schools in England)

Notes: Data is % of pupils achieving Level 4 in Key Stage 2 tests in both English and maths.

BORN TO READ

Save the Children is committed to delivering innovative programmes that support children's learning and development. That's why we're launching Born to Read, part of a massive expansion in our schools' programmes, particularly in primary schools. This will be on top of our Families and Schools Together programme (see page 15), which will be expanded to a further 100 schools over the next couple of years.

We are entering into a partnership with Beanstalk – an organisation with 40 years' experience in helping children learn to read. Literacy is an essential tool of empowerment, allowing access to improved learning, income and well-being. Research has shown clear links between illiteracy, crime and long-term social and economic exclusion.⁶⁴ And it is most often children from disadvantaged backgrounds who struggle to read, reinforcing the poverty cycle.⁶⁵

Together with Beanstalk, we will help more primary-age children in England's most disadvantaged areas

to improve their reading by giving them twice-weekly one-to-one support from a dedicated volunteer over the course of an academic year.

The programme works by pairing each reading helper with three children in a primary school. Reading helpers visit twice a week, spending 30 minutes with each child on a one-to-one basis. Beanstalk provides a box of books and games for the reading helper to use in the sessions. The work is done outside the classroom, away from peer pressure, and the reading helper creates a rapport with each child – building their confidence and helping them succeed.

Over the next five years we'll reach 23,000 children with reading support. We're recruiting, training and supporting 7,000 reading volunteers who will go into local primary schools for a few hours a week. By giving children who are struggling to read one-to-one attention, our partnership will help transform children's futures.

or policies and assessed their potential value for money and impact on children's learning. For example, three examples of interventions that are particularly effective and appropriate for primary school include one-to-one tuition, parental involvement, and using small groups to provide catch-up lessons. Interventions like these can lead to up to eight months' worth of additional progress in learning.⁶²

It might be argued that some of the children who are furthest behind cannot be helped. This is not the case. For example, a programme called Every Child a Reader targets 6–7% of children aged six who are the lowest attaining in their literacy skills. Of the children who took part in the daily one-to-one tuition, 78% went on to achieve good levels of reading by age 11.⁶³ This demonstrates that we should be ambitious for all children's ability – even those who are falling behind the most – to master literacy early in primary school, with all the benefits that this will bring for them in the future.

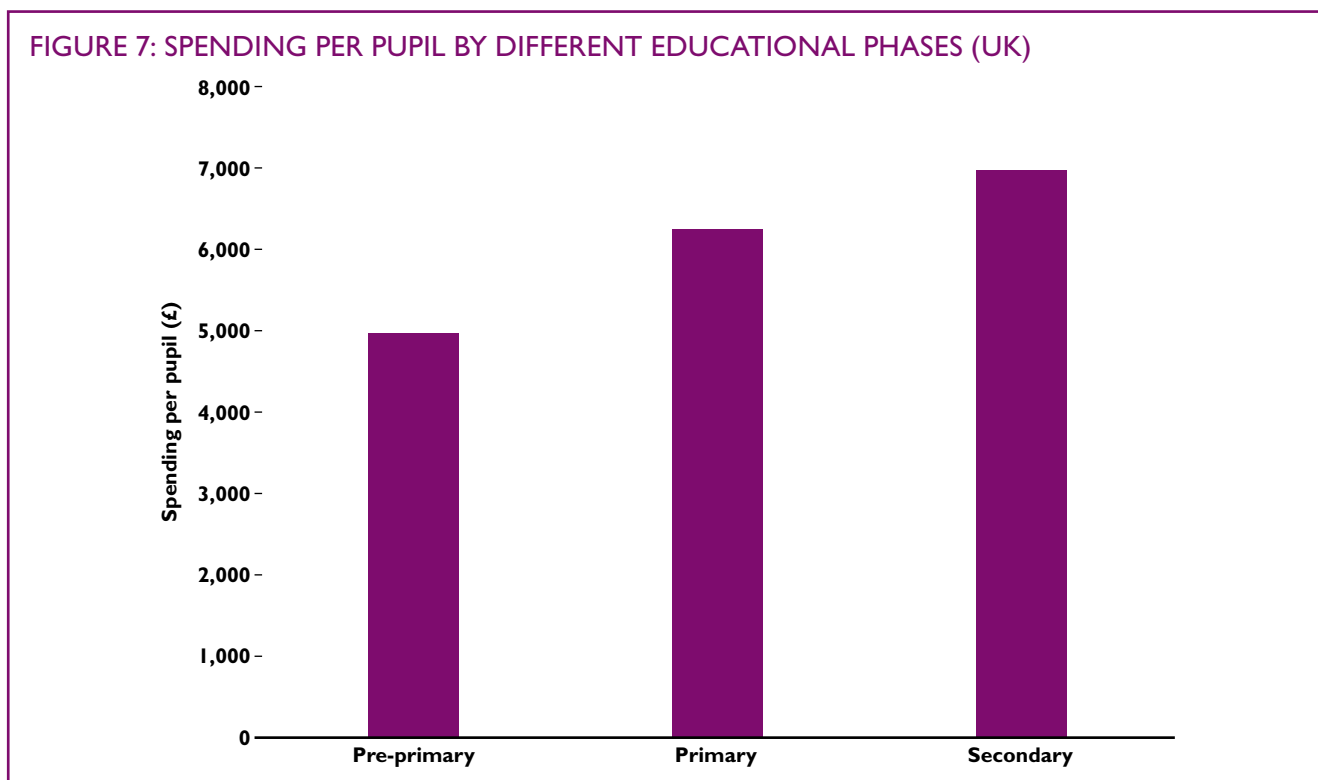
Ensuring that no child falls behind early in primary school – and that all children finish with a good broad education and strong capabilities in reading, writing and maths – will require a step change in the focus on younger children in particular. In recent years,

awareness of the need to start early has led to an expansion of preschool provision, but little shift of emphasis within the schools system.

FRONT-LOADING FUNDING

In July 2013, the government announced more ambitious objectives for children's achievement by the end of primary school. Rather than setting a target for all primary schools to ensure 60% of their children achieve at the expected level, it now plans both to lift this target to 85% and to increase how challenging the expected level should be. These new measures will come in from 2016. To support this, the government announced an increase in the Pupil Premium for primary school pupils to £1,300 in 2014/15.

This increased focus on primary schools is welcome. It provides an excellent stepping-stone goal, on the way to achieving what we are proposing as a more ambitious 2020 ambition – that no child should be behind by age seven, on the way to assuming that all children should leave primary school with both a broad and rich education and, specifically, as strong readers. But tangible policy will be needed to realise



Source: OECD *Education at a Glance* 2013 statistical pages <http://www.oecd.org/edu/educationataglance2013-indicatorsandannexes.htm#ChapterB> See Table B1.1a. Annual expenditure per student by educational institutions for all services (2010).

Notes: 1. 'Pre-primary' refers to spending on preschool children aged three years or older. 2. The OECD also calculates the cumulative expenditure per child over the duration of primary school and secondary school. It is £37,476 for primary and £45,292 for secondary.

such ambitions. Far more radical steps will be needed to ensure that all children are secondary-ready by 2020 and no child falls behind by seven.

The context is that, at present, children in primary school receive less funding, on average, per pupil than those in secondary school. In 2011/12 per-pupil spending on English pupils was £5,353 a year for secondary school children, but just £4,009 for primary school children. In other words, primary school per-pupil expenditure is only around three-quarters of per-pupil funding for secondary schools.⁶⁶

Data from the Organisation for Economic Co-operation and Development (OECD) shows a similar pattern. Figure 7 (above) shows the situation in the UK in 2010.

As well as overall per-pupil funding being skewed towards secondary education, the money targeted at the poorest pupils has been disproportionately focused on secondary schools. The main reason for this is what the Institute for Fiscal Studies calls the 'implicit premium'. Money given to schools linked to deprivation, but not as part of the Pupil Premium, is higher in secondary schools. In 2010, this 'implicit premium' was £2,000 per free-school-meal pupil

in primary schools and £3,400 per free-school-meal secondary school pupil.⁶⁷

The recent announcement of an increase by 2014/15 in the explicit Pupil Premium to £1,300 per pupil at primary school establishes the important principle of a higher premium for younger children, with the aim to close the achievement gap before it is entrenched.⁶⁸ However, international comparisons, the early appearance of the gap and the economic pressure on the parents of young children show the potential need for a radical reboot of our educational system to achieve fair chances at seven and all children being strong readers by 11.

A 'FAIR CHANCES PREMIUM'

Investment in the first years of a child's life to achieve fair chances needs to be a central part of the national political debate. Teachers and political leaders across all parties are dedicated to finding solutions. All are likely to agree that no child should be behind by the age of seven through no fault of their own. And all are likely to commit to ensuring all children leave school with a solid education, including as strong readers.

But a national mission to eradicate educational disadvantage for young children, especially the poorest, will require tangible policies and bold action.

At Save the Children, we will continue to dedicate our UK programme work to this aim and conduct further research. Our initial contribution to the continuing policy debate is the idea of a ‘fair chances premium’, which can achieve traction in the short term, at this crucial time when ‘children of the recession’ are entering primary school.

The Pupil Premium was introduced in 2010. While there are some concerns and legitimate debates about the policy – for example, whether money is being spent on the most disadvantaged children,⁶⁹ and how it links to changes in school accountability – it is generally regarded as a successful policy change. Indeed it has huge potential to be an even more successful innovation that could make a big difference. It has already meant that schools focus more on how best to improve the chances of the children who are falling behind, and could do much more in the future.

As the government continues to protect school funding from spending cuts and begins to review school funding more broadly (as part of its plans to introduce a national funding formula),⁷⁰ there is a once-in-a-generation opportunity to do even more to target support towards poor children in primary school.

Save the Children believes that an immediate priority should be to create a ‘fair chances premium’ targeted at five- to seven-year-olds in the early years of primary school. This would start to help to ensure that no child is behind by the age of seven. It would be very similar to the existing £500 ‘catch-up premium’,⁷¹ which secondary schools receive for children starting secondary school already behind in English and/or maths.

The kinds of interventions that we know work include small group and individual catch-up tuition, and engagement of parents in their children’s learning. These are both options that the Education Endowment Foundation has found to be effective.⁷² While teachers would have considerable discretion in how to spend the money, there could be a far greater accountability focus on ensuring that no child is already behind by the age of seven (see Box on new measures of educational unfairness on page 7).

Below we give some indicative figures for the potential cost of different options. They are meant to give a sense of the order of magnitude rather than precise figures. In all cases the ‘fair chances premium’ would be over and above the £1,300 primary premium that will be paid from 2014. We assume that for each child targeted the school could receive an additional £1,000. This could be spent all in year one, or across the two years before the child turns seven. But the core aim would be to ensure that no child is behind by the age of seven.

- A £1,000 ‘fair chances premium’, if targeted at all the poorest five- to seven-year-old children would cost just under £120 million per annum.⁷³
- A £1,000 ‘fair chances premium’ targeted at poor five- to seven-year-old children who are behind by the age of seven would cost approximately £30 million per annum.⁷⁴
- A £1,000 ‘fair chances premium’ for all children who are behind early in primary school would cost around £75 million per annum.⁷⁵

Over the longer term, there is an opportunity to substantially increase the primary Pupil Premium. Unlike in other areas of spending, school budgets have been protected. But achieving a substantial increase in the primary Pupil Premium could also be made possible by two further factors. First, the school funding review, which the government recently announced, provides an opportunity to rebalance the current funding skew in expenditure between primary and secondary schools, and to significantly increase the front-loading of school funding by 2020. And second, there is a strong case for shifting a large proportion of the existing ‘implicit premium’ into the explicit Pupil Premium. Not only would this simplify the system, but it also helps make more transparent the need to focus funding on poorer children. Given that the primary pupil premium is to rise to £1,300 by 2014/15, the ‘implicit premium’ in primary schools is around £2,000 and the potential for front-loading funding in the future is significant, we believe that aiming for a primary pupil premium of £3,000–£4,000 by 2020 is a viable option.

This could be one element of a package of policies that work towards achieving a shared national goal of no child being behind by seven and all children leaving primary school with a fair chance of succeeding at secondary school and in their future lives.

6 A FAIR CHANCE FOR ALL CHILDREN: A NATIONAL PRIORITY

It is not fair that, in the UK today, what decides how well a child does at school is not simply a result of their own efforts or ability, but of the economic circumstances they were born into. There is a cost to us all in failing the poorest children in our country. Many children across the UK achieve well at school – yet many of the most disadvantaged children fail to reach their full potential. This is particularly the case for young children, many of whom are behind and have narrowed life-chances before they have even started.

The economic downturn means that times are getting harder for families. The nature of living in a deprived home has a knock-on effect on a child's ability to be able to do well at school, influencing what they go on to do in adulthood – without intervention, the cycle of unfair opportunities becomes harder to break.

The children of the recession now entering primary school will be leaving near the end of the next parliament. The manifestos that will affect policy till then are being debated and written soon. Now is the time to act to ensure that these children leave primary school with a fair chance.

As children start primary school each year, Save the Children will be monitoring their progress – with a particular focus on the achievement of a fair start for all by age seven. And we will be launching further programmes in the UK alongside FAST and Born to Read to support the learning and development of preschool and primary school children.

Save the Children is calling for:

- **All political parties to sign up to a bold 2020 ambition**, which would ensure that all children, regardless of background, can:
 - start primary school ready to learn

- catch up quickly if they start school already behind so that no child is left behind at age seven
- leave primary school having had a good, fulfilling education, including being confident readers.
- **All political parties to develop proposals for their 2015 manifestos** that would make progress towards these goals, focusing particularly on the following critical areas:
 - protecting family incomes from the living-standards squeeze, so parents can provide the support their children need
 - continuing to invest in and improve preschool services and parenting support
 - starting early, ensuring no child falls behind in our primary schools.
- **The government to make progress towards these goals**, focusing particularly on the following critical areas:
 - publish an annual report on progress in creating fair chances for all young children, with a particular focus on the goals for younger children set out above
 - as an immediate priority, focus additions to the Pupil Premium on five- to seven-year-olds – a new 'fair chances premium' at the age that matters most
 - in the **long term**, front-load spending to ensure no child has failed before they have started. Aiming for a pupil premium of £3,000–4,000 for poor children in primary school would be one option.

This ambitious agenda would build on the progress made over the recent decade, and on the government's welcome plans to do more. However, ahead of the 2015 election, the ambition should be a cross-party national mission for a generation of children.

APPENDIX: METHODOLOGY USED IN PRODUCING GDP GROWTH FIGURES

This appendix explains the methodology used to develop our estimates of the impact on Gross Domestic Product (GDP) of narrowing different achievement gaps in the UK schools system. We would like to thank Dr John Jerrim and Dr Rebecca Allen for their support with the data and analysis in this report.

ESTIMATING INCREASED GROWTH RATES

The analysis is based on the work of Hanushek and Wößmann (2008),⁷⁶ which is one of the most credible assessments of the impact on economic growth of improvements in skills. Their research uses international data on country growth rates and levels of cognitive skills of the population to show a strong relationship between cognitive skills and country GDP. It is based on 50 countries and assesses the relationship between economic growth and cognitive test scores – from surveys such as the OECD’s Programme for International Student Assessment (PISA) – over a long period (1960–2000). Their conclusion is that, after accounting for regional variations, controlling for the openness of the economy and security of property rights, and by restricting the analysis to higher-income countries only, test scores that are larger by one standard deviation (measured at the student level across all OECD countries in PISA) are associated with an average annual growth rate of 1.4 percentage points. Based on this analysis, it is possible to assess the impact on GDP growth rates of closing different achievement gaps.

- **Closing PISA reading gap** between England (495), Scotland (500), Wales (476) and Northern Ireland (499) and the top five performers (all above 520 – South Korea, Finland, Canada, New Zealand, Japan) = 20–44 PISA points = 0.2–0.44 of

a standard deviation = 0.26–0.57 percentage points higher GDP growth rate

- **Closing PISA maths gap** between England (493), Scotland (499), Wales (472) and Northern Ireland (493) and the top five performers (all above 527 – South Korea, Finland, Canada, Switzerland, Japan) = 28–55 PISA points = 0.28–0.55 of a standard deviation = 0.36–0.72 percentage points higher GDP growth rate
- **Closing GCSE achievement gap** at age 16 (England) between children claiming free school meals (FSM) and those not (not-FSM) children would improve the achievement of the FSM children by 65 points (up to 514 on a measure with mean of 500 and standard deviation of 100). Average achievement across all children is therefore raised by 14 points or 0.14 of a standard deviation = 0.18 percentage points higher GDP growth rate
- **Closing Key Stage 2 achievement gap** at age 11 in combined score (England) between FSM and not-FSM children would improve the achievement of the FSM children by 58 points (up to 512 on a measure with mean of 500 and standard deviation of 100). Average achievement across all children is therefore raised by 12 points or 0.12 of a standard deviation = 0.16 percentage points higher GDP growth rate.

Some of these figures may seem very small, but the real GDP growth rate since World War Two is just 2.2% and growth in the past 25 years has been just under 2%.

THE IMPACT ON GDP

There is a significant time lag between transforming an education system and achieving economic growth. If an education system is transformed, it will take some time to have a full impact on the educational

outcomes of school leavers. Obviously, the length of time depends on the complexity of the reforms, but 10–20 years is a realistic assumption – this is the assumption we make. Even once these school leavers accomplish greater education achievement, they will initially be a small portion of the labour force. It takes at least 40 years to fully transform the cognitive skills of the labour force.

In other words, the estimates in the section above are best thought of as the long-run outcomes of a labour force with improved cognitive skills. In the analysis presented in this report, we are primarily

interested in demonstrating the scale of the economic cost that we currently face because of achievement gaps – so we assume that a reform programme that closed achievement gaps was started around 1980, and we look at how this would have fed through into the impact on economic growth by today and in the near future. Because it would not be until 2035 that the entire workforce would have been affected by improved achievement among the poorest school leavers, if anything our estimates err on the conservative side. The long-term impact will be even higher.

ENDNOTES

INTRODUCTION

¹ K Stewart (2013) *Labour's record on the Under Fives: Policy, Spending and Outcomes 1997–2010*, Social Policy in a Cold Climate, Working Paper 4, LSE & Centre for Analysis of Social Exclusion

² R Lupton and P Obolenskaya (2013) *Labour's Record on Education: Policy, Spending and Outcomes 1997–2010*, Social Policy in a Cold Climate, Working Paper 3, LSE & Centre for Analysis of Social Exclusion

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I EDUCATIONAL UNFAIRNESS – A CONTINUING AND PRESSING ISSUE

⁴ J Clifton and W Cook (2012) *ibid*

⁵ J Clifton and W Cook (2012) *ibid*

⁶ As measured by scoring Level 2 on the Organisation for Economic Co-operation and Development (OECD)'s Programme for International Student Assessment (PISA).

⁷ Organisation for Economic Co-operation and Development (OECD), *Viewing the United Kingdom school system through the prism of PISA*. Accessed 29 July 2013. <http://www.oecd.org/pisa/46624007.pdf>

⁸ J Jerrim (2012) 'The Socio-Economic Gradient in Teenagers' Reading Skills: How Does England Compare with Other Countries?', *Fiscal Studies*, 33(2): 159–184, Institute for Fiscal Studies

⁹ R Lupton and P Obolenskaya (2013) *Labour's Record on Education: Policy, Spending and Outcomes 1997–2010*. Social Policy in a Cold Climate, Working Paper 3. (LSE & Centre for Analysis of Social Exclusion)

¹⁰ *ibid*

¹¹ R Lupton and P Obolenskaya (2013), *op cit* and Department for Education (2013), *Statistical First Release: GCSE and equivalent attainment by pupil characteristic* (January 2013)

¹² Ofsted (2013) *Unseen Children: access and achievement 20 years on. Evidence report*

¹³ *Ibid*

¹⁴ Department for Education (2013) *op cit*

¹⁵ R Lupton and P Obolenskaya (2013) *op cit*

¹⁶ Ofsted (2013) *op cit*

¹⁷ Ofsted (2013) *op cit*

¹⁸ Ofsted (2013) *op cit*

¹⁹ L Feinstein (2003) 'Inequality in the early cognitive development of British children in the 1970 cohort.' *Economica*, 70, Issue 277, 73–97

²⁰ M R Gunnar and E P Davis (2003) 'Stress and emotion in early childhood' in R M Lerner and M A Easterbrooks (eds), *Handbook of Psychology*, Vol 6, Developmental Psychology, pp 113–134

²¹ Ofsted (2013), *Unseen Children: access and achievement 20 years on. Evidence report*

²² National Scientific Council on the Developing Child (2007) *The Timing and Quality of Early Experiences Combine to Shape Brain Architecture*, Working Paper No. 5, Harvard University, p1

²³ Children are expected to reach a level 2 in reading, writing and mathematics by the time they are seven years old and reach the end of Key Stage 1. Their achievement is assessed by their teacher.

^{23a} Much of the analysis in this report was based on 2012 data from the National Pupil database available when the report was researched and drafted. After the report was finalised and printed data from 2013 was released. This 2013 data does not change any of the overall arguments in the paper, but does impact on some of the specific numbers reported. For example, rather than 24% of children on Free School Meals not reaching expected levels in reading, the figure is 21%.

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²⁵ These scenarios have been calculated through first examining the Key Stage 1 attainment figures between 2007 and 2012. These were sourced from: www.gov.uk/government/publications/phonics-screening-check-and-national-curriculum-assessments-at-key-stage-1-in-england-2012 and <https://www.gov.uk/government/publications/national-curriculum-assessments-at-key-stage-1-in-england-2011>. These progress trends were then applied to the projected number of KS1 pupils using the projected yearly change in the number of five- to ten-year-old primary school pupils as report in: <https://www.gov.uk/government/publications/national-pupil-projections-future-trends-in-pupil-numbers-march-2013>. The projections for the number of FSM pupils uses the proportion of children eligible for FSMs in 2012 and keeps this constant for the years up to 2020. It is important to note that these scenarios are based on the current curriculum. The government is currently changing the National Curriculum for primary schools and it is likely that these levels will become more demanding in the future, as the new curriculum and new measurements and levels are put in place.

²⁶ The same methodology as above was applied to achievement in writing.

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²⁸ Department for Education (2012) *Statistical First Release: National Curriculum assessments at Key Stage 2 in England, 2011/2012 (Revised)*, London: Department for Education. See: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/219151/sfr33-2012v2.pdf

²⁹ Other research has similarly shown that the gap between the poorest children and their classmates grows rapidly over the primary school years. A study by Joseph Rowntree Foundation found that: "Poorer children who perform well at age 7 are more likely than rich children to have slipped back by age 11, and poorer children who perform badly at 7 are less likely to catch up over the period". See: A Goodman and P Gregg (2010) *Poorer children's educational attainment: how important are attitudes and behaviours?* Joseph Rowntree Foundation, p.27

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³¹ C Husbands (2013) *How the government is connecting the dots between the pupil premium and KS2 results* Institute of Education, London, blog posted 17 July 2013. [Accessed 29 July 2013.] <http://ioelondonblog.wordpress.com/2013/07/17/how-the-government-is-connecting-the-dots-between-the-pupil-premium-and-ks2-results/>

2 THE COST OF FAILING THE POOREST CHILDREN

³² F Field (2010) *The Foundation Years: preventing poor children becoming poor adults. The report of the Independent Review on Poverty and Life Chances*, Cabinet Office: London, p.33

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³⁴ Every Child a Chance Trust (2009) *The long-term costs of literacy difficulties*, 2nd edition

³⁵ Ofsted (2013) *op cit*

³⁶ Every Child a Chance Trust (2009) *op cit*

³⁷ Every Child a Chance Trust (2009) *op cit*

³⁸ Every Child a Chance Trust (2009) *op cit*

³⁹ OECD (2013), *Education at a Glance 2013: OECD Indicators*, OECD Publishing.

⁴⁰ OECD (2013), *Education at a Glance 2013: Country Note, United Kingdom*. See: http://www.oecd.org/edu/United%20Kingdom_EAG2013%20Country%20Note.pdf

⁴¹ These figures were calculated from the Office of National Statistics (ONS) 'Earnings by Qualification, 2011' published on 24 August 2011. Data from the ONS for the final quarter of 2010 shows that the median hourly pay for someone educated to GCSE level is £8.68 an hour, or £16,926 a year (if we presume someone working 35 hours per week), compared to £6.93 an hour, or £13,513 a year, for someone with no qualifications.

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⁴⁴ G Dugdale and C Clark (2008) *Literacy Changes Lives: An advocacy resource*. London: National Literacy Trust.

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⁴⁹ Confederation of British Industry (CBI) & Pearson (2013) *Changing the Pace: CBI/Pearson education and skills survey 2013*

⁵⁰ Office of National Statistics, *Statistical Bulletin: Gross Domestic Product Preliminary Estimate, Q2 2013* (25 July 2013). [Accessed 29 July 2013.] http://www.ons.gov.uk/ons/dcp171778_319698.pdf

⁵¹ HM Treasury (2013) *Spending Round 2013* (26 June 2013) <https://www.gov.uk/government/publications/spending-round-2013-documents>

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⁵³ Organisation for Economic Co-operation and Development (OECD), *Education at a Glance 2013 – Indicators and annexes* (See tables B4), <http://www.oecd.org/edu/educationataglance2013-indicatorsandannexes.htm>

3 ADDRESSING UNFAIRNESS MEANS TACKLING POVERTY IN THE HOME

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⁵⁷ Department for Work and Pensions (2013) *Households Below Average Income – An analysis of the income distribution 1994/95–2011/12*, p.113

⁵⁸ Institute for Fiscal Studies (June 2013) *Workers kept their jobs but one-third faced nominal wage freezes or cuts* (Press release) http://www.ifs.org.uk/pr/fs_june2013_launch_pr.pdf

4 AN EARLY START – PRESCHOOL PROVISION AND SUPPORT FOR PARENTS

⁵⁹ A Goodman and P Gregg (eds) (2010) *Poorer Children's Educational Attainment: How important are attitudes and behaviour?*, Joseph Rowntree Foundation, page 6

⁶⁰ K Sylva et al (2004) *The Effective Provision of Pre-School Education (EPPE) Project: Final Report – A Longitudinal Study Funded by the DfES 1997–2004*. London: Institute of Education

5 PRIMARY SCHOOLS – ACHIEVING FAIRNESS

⁶¹ The percentage figures are calculated using the data in Figure 6. The full results, including for maths and English and maths combined are:

- English – current Level 4 achievement for children on free school meals (FSM) is 74%. If all local authorities (LAs) performed at least as well as the average this would rise to 76%. If all LAs performed at the level of the top ten LAs this would rise to 81%.

- Maths – current FSM Level 4 achievement is 73%. If all LAs performed at least as well as the average this would rise to 75%. If all LAs performed at the level of the top ten LAs this would rise to 81%.
- Combined – current FSM Level 4 achievement is 66%. If all LAs performed at least as well as the average this would rise to 68%. If all LAs performed at the level of the top ten LAs this would rise to 75%.

⁶² See the Education Endowment Foundation Toolkit: <http://educationendowmentfoundation.org.uk/toolkit/>

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⁷⁰ The government announced in the comprehensive spending round on 26 June 2013 its intention to consult on the introduction of a national funding formula for schools.

⁷¹ The 'catch-up premium' is additional funding to be used by schools to provide literacy and numeracy catch-up support for Year 7 pupils. It is designed to enable those pupils who do not achieve Level 4 in reading and/or maths at Key Stage 2 to be given support to catch up as quickly as possible in their first year of secondary school.

⁷² See the Education Endowment Foundation Toolkit: <http://educationendowmentfoundation.org.uk/toolkit/>

⁷³ All figures are for England. They are based on pupil numbers and figures for the percentage of primary school pupils receiving free school meals in *Schools, pupils and their characteristics: January 2013* (see <https://www.gov.uk/government/publications/schools-pupils-and-their-characteristics-january-2013>). Table 1d shows just over 600,000 pupils in year one and table 3b shows percentage of pupils on free school meals. We assume that the percentage of FSM pupils in early years of primary school are the same as the overall figure – 19.2%.

We acknowledge that the move to universal free school meals for five- to seven-year-olds means that the method used to target additional funding for children living in poverty will be affected. For example, it may mean a move towards using measurements of area-based deprivation.

⁷⁴ Again this figure is for England. It uses a proxy for the children who are behind when they enter primary school – the National Pupil Database (NPD) figure for the number of pupils who are behind in reading by the age of seven – to give a sense of the scale. The NPD shows that in 2012 approximately 30,000 low-income pupils achieved below Level 2 in reading by the age of seven. Were the policy option to be implemented, a method of identifying these pupils at the point when they enter primary school would need to be developed. One option would be to base this on the Foundation Stage Profile and another would be to develop a simple assessment to entry into primary school similar to that which Ofsted recently proposed and the government consulted on.

⁷⁵ As with the previous options, a method of identifying these pupils would need to be developed. The figures here should therefore be seen as indicative: they are based on National Pupil Database figures showing that in 2012 around 75,000 pupils were behind in expected levels of reading by age seven.

APPENDIX – METHODOLOGY USED IN PRODUCING GDP GROWTH FIGURES

⁷⁶ E A Hanushek and L Wößmann (2008) 'The role of cognitive skills in economic development', *Journal of Economic Literature*, 46(3) 607–68

TOO YOUNG TO FAIL

Giving all children a fair start in life

Too many children in the UK fail before they've even started in life. *Too Young to Fail* shows that, through no fault of their own, poorer children as young as seven are on course for poorer life chances.

While progress has been made over the past decade in improving the achievement of the poorest children, we must recognise the scale of the remaining challenge. Seven-year-old children from poor families are still consistently more likely to fall behind in critical skills such as reading.

The impact on those children's life chances is huge, trapping many in a cycle of poverty. Modelling carried out for this report also shows the enduring cost to the nation's economy in wasted talent.

Meanwhile, our poll of parents of young children finds that, following the global financial crisis and subsequent recession, the living standards squeeze is making it harder for parents to support their children's education.

As this report shows, early-years provision, support for the parents of young children and a greater focus on primary education are vital for children's learning and their future lives. *Too Young to Fail* calls on all the main political parties to commit to specific policies in their 2015 manifestos that will ensure no child falls behind in primary school.

Now is the time to set out plans to ensure all children have a fair start in life.

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