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Government investment improves attainment in disadvantaged schools

Targeted government investment has improved the educational outcomes for secondary school pupils in disadvantaged areas, according to new economic research by Stephen Machin, Sandra McNally and Costas Meghir. The study, which evaluates the Excellence in Cities (EiC) programme shows that the most disadvantaged schools benefit and that the effect is mainly concentrated among pupils of medium to high prior achievement. Initial estimates suggest that the EiC policy could prove to be cost-effective, particularly if targeted where it is most effective, namely in the most disadvantaged schools.

EiC has been implemented in around one third of secondary schools in England and consists of three core strands:

- Learning Mentors, to help students overcome educational or behaviour problems;
- Learning Support Units, to provide short-term teaching and support programmes for difficult students;
- a Gifted and Talented programme, to provide extra support for 5-10 per cent of pupils in each school.

Other aspects of the EiC policy are the designation of particular schools as Specialist (i.e. in particular subjects) or Beacon (to disseminate good practice to other schools).

The study evaluates the average impact of EiC on educational attainment and attendance at school over time since its introduction in 1999. This is done by assessing the extent to which the whole range of activities carried out as a result of EiC funding led to an improvement in important educational outcomes. The focus is on pupil-level attainment at age 14 (the end of Key Stage 3) and a measure of school attendance (the percentage of half days missed).

The main findings of the evaluation include:

- The rate of improvement in EiC schools has been higher than that of other LEA-maintained schools. This is true even after controlling for different pupil and school characteristics, such as prior attainment and pupil numbers.
- The effects are higher for more disadvantaged schools (as measured by eligibility for free school meals) and negligible for more advantaged schools.
- The effects of EiC are higher for pupils of medium to high ability (as measured by attainment at age 11). For example, it has delivered a 2.9 to 4.8 percentage point increase in the number of pupils achieving level 5 or above in key stage 3 mathematics for the most able pupils in schools with the highest rate of deprivation.
- The programme has positive effects on school attendance: EiC has raised attendance by the equivalent of one day per pupil.
- EiC has led to an improvement in attainment in maths. There was a rise of 1.9 percentage points in the number of children reaching level 5 or above in key stage 3 maths.

- There is no evidence of an effect on attainment in English after controlling for pupil and school characteristics.
- The positive effects of EiC have increased over time, so that schools show more improvement the longer they have been in the programme demonstrating the importance of a sustained increase in resources.

The authors of the study asked whether the overall benefits of EiC can be justified in terms of the per pupil cost. To know this for sure requires observing pupils as they progress through the education system and into the labour market, so cannot be evaluated in the short term. But initial estimates suggest that the EiC policy is potentially cost-effective. The relatively low cost of the policy – £120 per pupil on average for each year – suggests that the benefits do not have to be very large to generate a positive outcome.

ENDS

Notes to editors:

1. Stephen Machin is Professor of Economics at University College London and Director of the Centre for Economics of Education; Sandra McNally is Research Fellow at the Centre for Economic Performance, London School of Economics and Deputy Director of the Centre for the Economics of Education; and Costas Meghir is Professor and Economics at University College London and Deputy Research Director at the Institute for Fiscal Studies.
2. The report, 'Resource and Standards in Urban Schools', is published today, Thursday 22nd February 2007 as a CEE discussion paper. Contact the Centre for the Economics of Education for a copy: 020 7955 7284; cee@lse.ac.uk.