Defining disadvantage

A response to the DfE Green Paper 'Schools that work for everyone'

Do we need a new way of identifying the 'just managing families' in education?

The Prime Minster wants government policy to be better at supporting not just those defined as disadvantaged but also the wider group of households who are slightly better off but still insecure, those that are 'just about managing'.

In the Education Green Paper this comes through as scepticism about the use of eligibility for free school meals (FSM) as a measure of need because it only covers a small proportion of young people (currently 14.3%); it doesn't capture working families who aren't entitled to benefits but have low job security and low incomes; and it creates an artificial 'cliff edge' which distorts policy.

There's a lot of sense in that. FSM *is* a crude proxy for disadvantage, in-work poverty is a big issue (the majority of poor children live in families where someone is working), as is job insecurity, low wage progression and 'no pay, low pay dynamics'. The problem is we already have a measure of disadvantage (sometimes referred to by the shorthand 'Ever 6 FSM'), which is used to calculate pupil premium and which addresses a lot of these concerns. Do we actually need a new measure to bring the just managing families in?

The options

There isn't an agreed definition of the just managing group, but we consider four contenders for how we can identify disadvantaged pupils in education, as shown in the table below.

Measurement	Definition	Proportion of children and young people included
FSM	Where a pupil's family have claimed eligibility for free school meals in the school Census. A pupil is eligible for free school meals if their parents are in receipt of any of a range of income related benefits.	14.3%
Ever 6 FSM, also called 'disadvantaged'	Pupils are defined as disadvantaged if they are known to have been eligible for free school meals in the past six years, if they are recorded as having been looked after for at least one day or if they are recorded as having been adopted from care.	27.3%
Joseph Rowntree Foundation (JRF) and Loughborough University – 'minimum income standard'	This measure identifies families with a household income below the minimum income standard (MIS). MIS is a measure of income adequacy based on public perceptions of what income level is necessary to enable people to enjoy a decent standard of living. This measure is not designed to define the just managing group per se but as JRF have argued it overlaps with that group for some family structures. It is worth noting that JRF's definition of 'poverty' is families with a household income of 75% MIS or below and this accounts for 25% of children.	45%
Resolution Foundation's definition – combining the low to middle income group and the bottom decile of the income distribution	The Resolution Foundation define low to middle income households as comprising those in the bottom half of the income distribution, who are above the bottom ten per cent and who receive less than one-fifth of their income from means-tested benefits (but not including tax credit income). For comparison with the two measures above I have combined the low to middle income households and the bottom decile of the income distribution. *Figure generously provided by David Finch (Resolution Foundation)*	63%*

Do we need an expanded measure of disadvantage?

The Ever 6 FSM measure of disadvantage was introduced and made the basis for pupil premium, because it was better at capturing disadvantaged pupils than just using current FSM status. Its advantages over the previous 'snapshot' FSM measure are precisely that it addresses a lot of the concerns raised in the Education Green Paper. It is less narrow, capturing almost double the number of children compared to FSM. And it is far less of a cliff edge because, for example, moving off benefits into a low paid or insecure job doesn't remove eligibility.

We don't have a detailed analysis of who makes up the Ever 6 FSM eligible group, but what we do know suggests that it contains a lot of families we would think of as 'just managing'. We know that around half of the Ever 6 FSM group aren't eligible for free school meals in a given year. That means a large proportion of those parents will have jobs or incomes that have taken them out of eligibility for the benefits that bring the FSM entitlement. A group moving between benefits and (likely) low paying jobs sounds very much like it is just managing.

We also know that the performance of children in the Ever 6 FSM group is much closer to that of the FSM group than it is to the performance of other children. In 2015, 33.1% of children eligible for free school meals got five GCSEs at A*-C including maths and English, compared with 36.7% for the Ever 6 FSM group and 64.7% for everyone else (i.e. those not in the Ever 6 FSM group). So Ever 6 FSM looks like a meaningful predictor of educational disadvantage.

Of course, there will always be some arbitrariness at the edges of these definitions. For instance, a family with low income and low savings might be just managing but never fall into FSM eligibility at any point and so not be captured by the Ever 6 FSM measure.

But we have to draw the line somewhere and there are two big challenges with coming up with something new.

First, as we see from the table above, going further up the income distribution quickly means big proportions of children are included. On the Resolution Foundation definition, it would be more than six out of ten children who were either in poverty or just managing, or 45% under JRF's minimum income standard. Assuming that the purpose of identifying the just managing cohort is to direct additional support in education where it is most needed, it seems a stretch to include such large proportions of children.

Second, one big advantage of an FSM-based measure like Ever 6 FSM is that schools already collect the data. And collecting any alternative data at the *pupil level* would be costly and likely intrusive. Given that the government has committed to maintaining pupil premium on the current terms, the administrative complexity of adding a just managing category on top might be prohibitive. If we accept the argument that Ever 6 FSM already covers most of that group, then we should weigh up whether the benefits of a new, albeit perhaps more accurate, approach are justified by the costs of change.

It may well be that the Resolution Foundation or minimum income standard methodologies are absolutely right for analysing the issue more widely or understanding the underlying drivers of disadvantage. But the Education Green Paper is consulting on which measures of disadvantage are most useful for assessing education performance, so we have considered available measures that best lend themselves to pupil-level collection and school level analysis.

Can't we just manage with Ever 6 FSM?

How we define 'need' in society is important. It determines where and how we allocate resources and how we think about policy. We welcome the debate about how to define need in education. Moving from the old FSM measure to the Ever 6 FSM approach was already an improvement. It's far from perfect but it might be good enough. We are not convinced there's much need to change it again.

If the consultation on the Education Green Paper throws up compelling evidence for a change we welcome that, anything that increases our understanding of the realities of educational disadvantage has to be a good thing. But until then, maybe the answer is that we should just manage with the measures we have.

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