

## SCOTTISH EDUCATION COUNCIL

### 2018-19 PUPIL EQUITY FUNDING

#### Background

1. Pupil Equity Funding (PEF) was launched at the start of the 2017-18 financial year, and allocated to schools at the rate of £1,200 for each pupil known to be eligible for free school meals (FSM) between P1 and S3. 95% of all schools received some funding, with individual school allocations ranging from £1,200 to £354,000. National operational guidance, agreed with stakeholders, which set out key principles and expectations on the planning and use of PEF was published last February, in many cases supplemented by local guidance produced by authorities.

#### 2018-19 PEF allocations

2. Free school meal data for allocating PEF is taken from the Healthy Living Survey, which gathers school level data on FSM registrations each February, and combined with the latest pupil census, which is collected at the start of the academic year in September. As FSM is universal in P1-P3, an estimate, based on historical FSM data prior to the introduction of universal FSM, is used to calculate the rate in P1-3.

3. The Government recognises that FSM is not a perfect measure for identifying children and young people living in families affected by poverty but believes it is currently the best available measure which provides data at individual school level. [A Research Strategy for Scottish Education](#) (April 2017) committed to exploring work on "a study on the long-term development of a bespoke index of social background which will create individual-level (as opposed to area-based) data involving consideration of the data collected at school registration." This study to explore the feasibility of developing a new individual index will be taken forward as a priority in 2018. However, this is a long term development and will not produce anything that could be used to allocate PEF within this Parliament. Therefore FSM will continue to be used for the next three years.

4. The 2018-19 PEF allocations, which will be published on 30 January, are therefore based on the same methodology as for 2017-18 - £1,200 for each pupil known to be eligible for free school meals. Nationally, whilst the FSM rate declined slightly between 2016 and 2017, this was offset by an increase in the overall numbers of pupils and therefore the cost of providing PEF is similar to last year, just over £120,000,000. However, whilst the national level figure is stable, at a school level PEF allocations fluctuate year on year as FSM rates vary, in some cases quite significantly. This fluctuation could make it harder for schools to plan for the use of PEF in the longer term and potentially affect the impact and sustainability of planned interventions. Therefore Ministers have agreed, for 2018-19, that no school will face a reduction of more than 10% in their PEF allocation compared to 2017-18 – where relevant, their 2018-19 allocations will be topped up to cap the reduction faced.

## PEF implementation

5. There has been lots of positive qualitative feedback from schools, authorities, third sector partners and other public service providers such as NHS on the difference PEF is already making in schools. This includes reports of significantly improved awareness and understanding at school level of the impact of poverty on attainment and better understanding and use of data to target interventions. Schools appear to be focusing on literacy, numeracy and health and wellbeing interventions, and placing emphasis on building capacity through training and development opportunities for staff.

6. Some concerns have been raised around issues such as staffing and procurement. Although the teacher census showed a total of 425 FTE teachers had been recruited by schools across nearly every authority using PEF, difficulties in recruiting appropriate staff have been reported from around the country. There also appears to have been some challenges with local procurement arrangements, where these have been perceived in some instances to be restrictive. The Government intends to work with local authorities to explore innovative approaches to tackling such procurement issues so that this doesn't unnecessarily prevent schools implementing their plans.

7. Finally, how the impact of PEF is going to be measured has also been subject of discussion with schools and authorities. Collectively there is agreement that the key question is whether the system is improving and outcomes are getting better, rather than trying to separate the impact of PEF from other developments. At a national level, the key data by which impact will be measured will be that presented in the annual National Improvement Framework evidence report. The 2018 National Improvement Framework and Improvement Plan set out the key measures, sub-measures and stretch aims by which progress towards closing the attainment gap will be measured at national level.

## PEF good practice

8. All Headteachers will be able to attend one of seven PEF events which are being held in each of the Regional Improvement Collaborative areas (two within the West Partnership) in February and early March. The focus of the events this year is very much on promoting and sharing good practice that is emerging from the first year of PEF, as well as on ensuring schools have a sound understanding of planning and reporting requirements.

9. The Education Endowment Foundation's Teaching and Learning toolkit is now fully embedded within the National Improvement Hub, providing links to relevant Scottish practice under each of the themes. This will continue to be added to with more Scottish content and the Hub itself will continue to expand with practice exemplars from schools across Scotland. The toolkit is available here: <https://education.gov.scot/improvement/Pages/EEF-Toolkit.aspx>.

FOR INFORMATION

## Summary

10. The Council is invited to:

- Note the information provided in this paper; and
- Provide comments on their views and experience of Pupil Equity Funding in 2017-18 and on future opportunities in 2018-19.

**Scottish Government Learning Directorate**  
**January 2018**