The Case for a Student Premium

The Student Premium Coalition[1] is calling on the Government to end the cliff edge in funding for disadvantaged young people at age 16 through introducing a 'Student Premium'. This policy, modelled on the Pupil Premium grant, would introduce new, additional funding for disadvantaged young people[2] in post-16 education to improve their education and employment outcomes.

This would enable the Government to meet key commitments set out in their Opportunity Mission through:

- **Supporting a higher proportion of young people to stay in education for longer and develop the skills and qualifications needed to progress to apprenticeships, higher education, and rewarding employment.** Recent data shows that almost one million young people are not in education, employment, or training (NEET), and disadvantaged young people are disproportionately affected. A Student Premium would support the Government to tackle the NEET crisis through providing disadvantaged young people with access to evidence-based educational interventions during their last opportunity to gain crucial qualifications that set them up for future success.
- **Driving high and rising standards for disadvantaged students, helping the Government to meet their target of halving the attainment gap.** Attainment gaps between the most and least advantaged young people widen as they progress through education. The Pupil Premium grant plays a critical role in narrowing this attainment gap. However, there is currently a cliff edge in funding at a crucial window for learning for young people. Extending targeted disadvantaged funding for 16-19 education would help to improve education and employment outcomes for less advantaged young people and address persistent inequalities.

The challenge

Young people from disadvantaged backgrounds face significant challenges in education which, if left unaddressed, can shape their life chances long into adulthood. They are over three grades behind their peers across their best three subjects by the time they finish their 16-19 education,[1] and the gap is even wider for disadvantaged students in long-term poverty.[2]

The attainment gap leaves many young people locked out of opportunities to progress in education and employment, and significantly increases their likelihood of becoming Not in Education, Employment or Training (NEET):

Young people with low levels of qualifications are **75% MORE LIKELY** to be NEET than the average.[3]

Lacking GCSE English and maths is the **SINGLE BIGGEST** shared characteristic of young people who are long-term NEET.[4]

The correlation between low levels of qualification and being NEET is **TWICE AS STRONG** as the correlation between SEND and NEET rates.

[1] The Student Premium Coalition are a group of 18 organisations united by a focus on improving outcomes for young people from disadvantaged backgrounds. We have coalesced around the urgent need for targeted funding in 16-19 education to better support these young people.

[2] The coalition broadly defines disadvantage as being or having been eligible for free school meals (FSM). However, the definition used by the evidence sources cited may vary. For example, where FSM data is not available criteria such as Index of Multiple Deprivation data and self-reported benefit and FSM receipt data may be used instead.

Missing out on a standard GCSE pass leads to an average lifetime **LOSS IN EARNINGS** of £73,062 for maths and £47,355 for English.[5]

Young people eligible for Free School Meals (FSM) are **3 TIMES LESS LIKELY** to attend university than their more advantaged peers.[6]

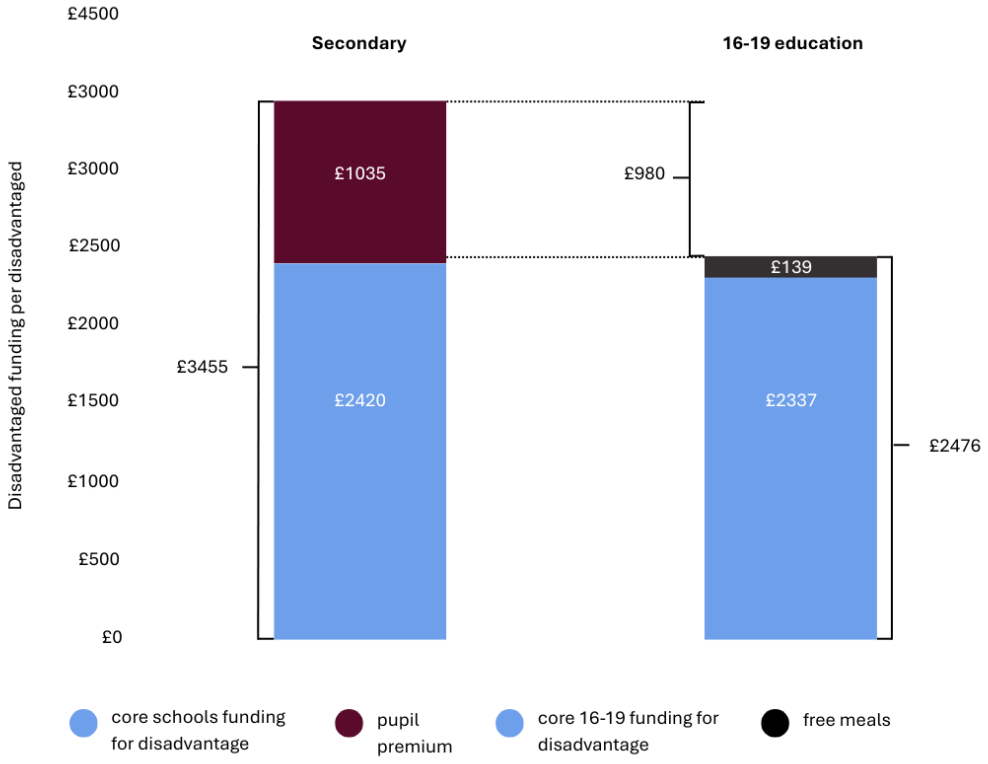
Each step up the qualification ladder roughly **HALVES** the chances of being NEET in your early 20s.[7]

The funding gap

Participation in education and training is compulsory until age 18 in England, yet funding for young people from disadvantaged backgrounds drops substantially as they move from secondary school (£3,455 per pupil) to 16-19 education (£2,476 per pupil). This is a legacy from the days when compulsory education finished at age 16.

In effect, funding is being removed from young people facing disadvantage during their last opportunity to **gain the crucial qualifications that set them up for future success**, and at a moment when they are **most vulnerable to becoming NEET**.

One reason for this gap is the absence of an equivalent to the Pupil Premium - the ring-fenced funding used to improve outcomes for disadvantaged pupils in state-funded schools in England - within 16–19 education. Without dedicated support of this kind, colleges and sixth forms struggle to provide the high-impact interventions needed to raise attainment and reduce the risk of young people becoming NEET.



Graph source: EPI (2024), Closing the Forgotten Gap: Implementing a 16-19 Student Premium

Why a Student Premium?

A Student Premium for 16- to 19-year-olds would ensure continuity of support for young people from disadvantaged backgrounds at a critical transition point in their education. Introducing a Student Premium would deliver four critical benefits:

- **Preventing a damaging discontinuity in support:** Under the current system, targeted support for disadvantaged young people is withdrawn at 16, just as students face a high-stakes transition. This sharp break in provision risks undermining the value of earlier investment through the Pupil Premium. A Student Premium would ensure that gains made pre-16 are built upon rather than lost, particularly as the system seeks to recover lost ground following the pandemic.
- **Closing the attainment gap at a crucial stage:** Narrowing the attainment gap is a clear priority for the current Government. Evidence from the Pupil Premium shows that the grant has significantly increased the focus placed on supporting disadvantaged students. 94% of school leaders reported focusing additional support on disadvantaged pupils, compared with 57% previously.[8] This was accompanied by a reduction in disadvantage gaps at both key stage 2 (from 10.6 to 9.2 months) and key stage 4 (from 19.7 months in 2011 to 18.2 months by 2014), which did not widen again until the pandemic.[9] While early childhood has long been a focus of intervention for narrowing this gap, recent research shows that late adolescence is also a key window for learning, and we should take advantage of it to address persistent inequalities.[10]
- **Strengthening the capacity of colleges and sixth forms to deliver evidence-led support:** Colleges and sixth forms are well placed to build on prior investment through sustained academic, pastoral and careers support that improves attainment, progression and long-term outcomes. However, their ability to do so is significantly constrained by the lack of dedicated funding for disadvantaged students. A Student Premium would provide the resources needed to deliver targeted, evidence-based interventions that support progression into higher level study, training or employment. We should harness 16-19 education as the last moment in compulsory education to set young people up for life.
- **Supporting young people at the 'final bridge' to the economy:** 16-19 education represents the final bridge between compulsory education and the labour market. Intervening at this point offers the potential for quicker returns than earlier interventions, given young people's proximity to employment or higher level qualifications. Targeted funding would help reduce the risk of young people becoming NEET and support successful transitions into education, employment or training, delivering wider social and economic benefits by preventing disengagement at the point where reengagement becomes most costly.

How would this work?

Just as is the case with schools, Student Premium funding for 16- to 19-year-olds should be introduced in addition to existing disadvantage funding, and should be used to implement targeted, evidence-based approaches to improving attainment and progression for 16–19-year-olds. We estimate the cost of the Student Premium to be around £430m per year from 27/28, which would match the level of the Pupil Premium allocated to secondary-age pupils.[3]

[3] This cost is calculated based on the 381,715 pupils in years 9 and 10 who met the 'FSM ever 6' definition in 2024/25. These young people would be in years 12 and 13 and eligible for the Student Premium, if it existed, in 2027/28. We estimate that the secondary-age Pupil Premium allocation in 2027/28 will be £1,122 per pupil (the 2026/27 increased by 2%).

A Student Premium would drive improved educational outcomes for disadvantaged students in 16-19 education, closing the gap between their attainment and that of their advantaged peers, and leading to improved lifetime earnings, commensurate health and wellbeing outcomes, and ultimately to a strengthened UK economy.[11] These include:

Boosting GCSE English and maths attainment in 16-19 education

One in two young people from disadvantaged backgrounds do not achieve a standard pass (grade 4+) in GCSE English and maths at the age of 16,[12] and around a quarter complete compulsory education without these grades.[13]

Young people without GCSE English and maths are 9 times more likely to be NEET the year after they leave school,[14] and lacking these qualifications is the single biggest shared characteristic of young people who are long-term NEET.[15]

We know from our international counterparts such as the Netherlands, where fewer than 10% of 16- to 19-year-olds are without equivalent level 2 qualifications in English and maths,[16] that pass rates of at least 90% by age 19 are achievable with the right support in place.

Students who miss out on these qualifications at school enter 16-19 education with a range of starting points and complex learning needs. A Student Premium would allow colleges to offer targeted, evidence-based support, such as small-group tutoring, which is known to be one of the most cost-effective ways to raise attainment, particularly for students facing disadvantage or with low prior results.[17]

Evidence from coalition member Get Further – an education charity that helps students from disadvantaged backgrounds pass gateway English and maths qualifications through small-group tuition - shows the impact: students who complete at least one term of tutoring achieve GCSE maths pass rates 55% higher and English pass rates 72% higher than the national average. For disadvantaged cohorts, the gains are even bigger — more than double for maths and nearly triple for English.

With sustained investment through a Student Premium, far more young people could secure Level 2 English and maths by age 19, unlocking opportunities that are currently out of reach.

Re-engaging young people with education and preventing them from becoming NEET

Rising NEET levels among young people demand urgent action. In late 2025, 12.8% of 16- to 24-year-olds - around 957,000 young people - were not in education, employment or training,[18] bringing significant long-term costs for individuals and the wider economy.

A Student Premium would give colleges, sixth forms and ITPs the resources to support young people most at risk of becoming NEET, enabling them to ensure a smooth transition from pre-16 education and strengthen their progress and outcomes. This includes improving the sharing of SEND information between phases, enhancing SEND support for those without EHCPs, driving up attendance and retention, delivering targeted academic interventions to help students secure gateway qualifications, and offering enrichment activities that support progression into work or training.[19]

Evidence from youth employment charity Spear, who help 16-24-year-olds facing employment barriers get into work or training, demonstrates what's possible with the right intervention. Their programme delivered a 17% reduction in the likelihood of young people being out of education, employment, or training (NEET) with these effects sustained for two years.[20]

Supporting increased progression to higher level study

Young people from disadvantaged backgrounds are more likely to move into employment after 16-19 education and less likely to progress to higher education when compared to those from more advantaged backgrounds.[21] This has a negative impact on their future employment opportunities and earnings potential.

Attending HE is associated with 19% higher earnings for men relative to men of similar characteristics. For women, this figure is 24% higher relative to women of similar characteristics. Within FE, the value-add of qualifications becomes increasingly positive as you move up the qualification ladder, with level 4 and 5 qualifications associated with higher earnings when compared to level 3 qualifications.[22]

The introduction of a Student Premium would support colleges and sixth forms to further develop their Widening Participation initiatives within 16-19 education. Coalition members The Brilliant Club and The Access Project – charities who focus on helping young people from disadvantaged backgrounds to access places at university - both provide evidence of the impact that widening participation interventions can have.

The Brilliant Club's Scholars Programme supports students to develop the confidence and skills needed to progress to university. Data from UCAS reveals that year 12 students who took part in this programme in 2023-24 were 22% more likely to apply to and 23% more likely to progress to a competitive university than a matched control group.[23] Similarly, a comparison with UCAS annual figures revealed that students supported by mentoring, skills coaching and tuition through The Access Project are 50% more likely to attend top universities than demographically and academically similar students.[24]

Conclusion

In recent years, there has been a growing evidence base for what works to drive attainment in 16-19 education.[25] The introduction of additional funding in the form of a Student Premium would support the wider, systematic implementation of these interventions 16- to 19-year-olds facing disadvantage.

Crucially, it would enable colleges, sixth forms and ITPs to address the interconnected challenges of attainment, transitions, NEET prevention and student progression, ensuring that more young people from disadvantaged backgrounds can secure the qualifications, confidence and routes they need to move successfully into further study, apprenticeships or employment.

Enthusiastic endorsement of this policy from a range of organisations, including colleges and sixth forms, indicates that this would be a welcome addition to the education system, enabling teachers and leaders to further support the young people who need it most, while also helping to address wider social and economic challenges.

The following members of the Student Premium Coalition are calling on the Government to address the damaging funding disparity between education phases and introduce a Student Premium for 16–19 education as part of the 2027 Spending Review:

1. The Access Project
2. Association of Colleges
3. Association of School and College Leaders
4. The Brilliant Club
5. Causeway Education
6. Fair Education Alliance
7. Get Further
8. Impetus
9. Learning and Work Institute
10. NEON
11. Runway Training
12. Social Market Foundation
13. Sutton Trust
14. The Sixth Form Colleges Association
15. Teach First
16. The Tutor Trust
17. Think Forward
18. Villiers Park

Coalition members are available to support with further discussion, supply of evidence, and development of the 16-19 Student Premium proposal. Please contact Get Further's Interim CEO, Alice Eardley, to get in touch with the coalition: alice.eardley@getfurther.org.uk.

Bibliography

The recommendations in this paper are underpinned by proposals for a 16-19 Student Premium put forward by the Education Policy Institute in their report, *Closing the Forgotten Gap: Implementing a 16-19 Student Premium* (July 2024). It also draws upon the following sources:

[1] EPI (2025), Annual Report

[2] Sam Tuckett et al (2021), Measuring the Disadvantage Gap in 16-19 Education

[3] Impetus (2025), 'Youth Jobs Gap: Exploring compound disadvantage'

[4] DfE (2018), 'Characteristics of young people who are long-term NEET'

[5] DfE (2021), 'GCSE attainment and lifetime earnings'

[6] DfE (2025), Widening participation in higher education

[7] Impetus (2025), Youth Jobs Gap: Exploring compound disadvantage

[8] National Audit Office (2015), Funding for disadvantaged pupils

[9] Education Policy Institute (2024), Annual Report 2024: Disadvantage

[10] Knoll, L. J., Fuhrmann, D., Sakhardande, A. L., Stamp, F., Speekenbrink, M., and Blakemore, S. (2016). "A window of opportunity for cognitive training in adolescence". *Psychol. Sci.* 27, 1620–1631.

[11] Social Mobility Commission (2023), Labour market value of higher and further education qualifications: a summary report; Ruth Lupton et al. (2021), Moving on from Initial GCSE "Failure": Post-16 Transitions for "Lower Attainers" and Why the English Education System Must Do Better

[12] DfE (2025), Key stage 4 performance, Academic year 2024/25

[13] 23% in 2022/23 and 31.45% in 2018/19 - the last academic year unaffected by the pandemic https://explore-education-statistics.service.gov.uk/find-statistics/level-2-and-3-attainment-by-young-people-aged-19

[14] Nuffield Foundation (2021), 'Moving on from GCSE 'failure''

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[18] UK Government (2026), Young people not in education, employment or training (NEET), UK: February 2026

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[20] Department for Work and Pensions (2023), Employment Data Lab analysis: The Resurgo Spear programme

[21] Elena Lisauskaite, et al (2021), Going Further: Further Education, Disadvantage and Social Mobility.

[22] Social Mobility Commission (2023), Labour market value of higher and further education qualifications: a summary report

[23] The Brilliant Club (2025), The Scholars Programme: January 2025.

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[25] Ofsted (2019), Further education and skills: educational effectiveness research; EEF (2025), How we'll support evidence-based practice in the post-16 sector | EEF.