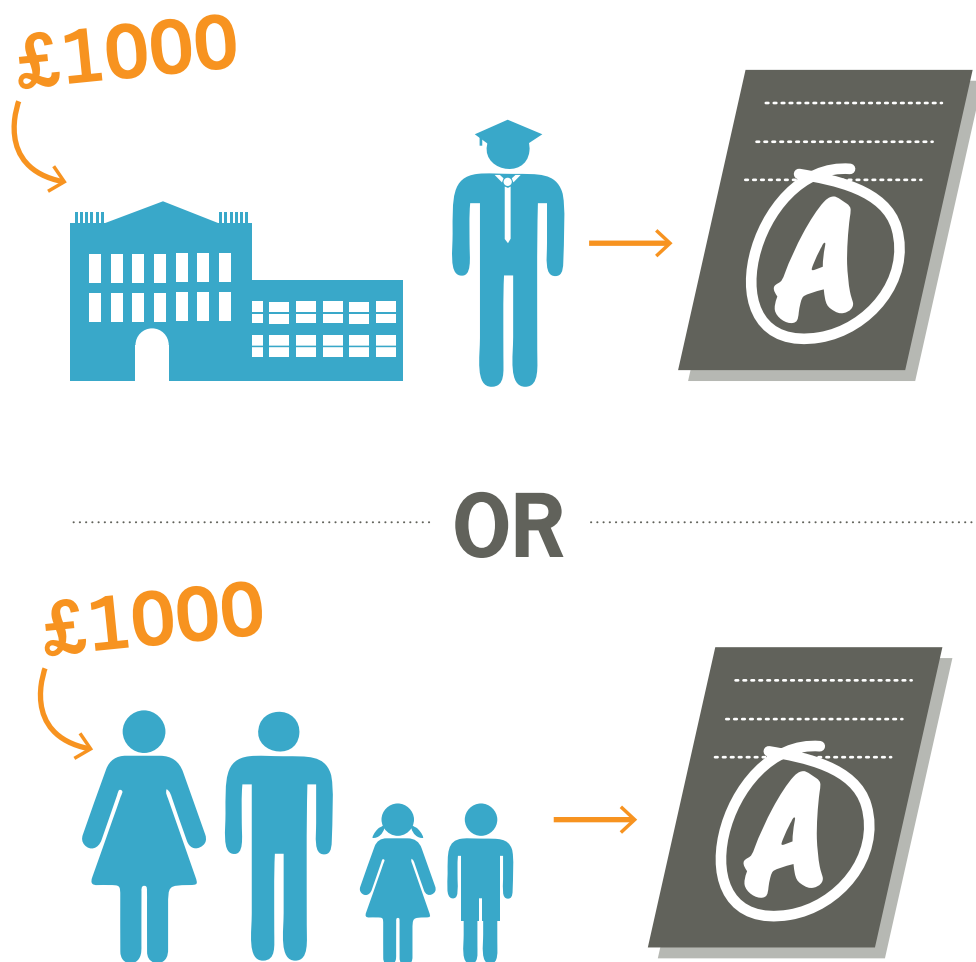


Increasing incomes improves children's achievement in school



What does this mean?

Improving the quality of education is supposedly the answer to poverty, inequality and low social mobility. But actually, incomes are just as important – poorer children do less well in school because they endure more stressful home lives with parents often under financial strain. Poorer children have less space to learn. Their parents have less money to spend on books or educational trips and toys.

Increasing a household's income by £1,000 has the same effect on a child's school performance as an increase in spending on schools of £1,000 per child – and increased income would also have many other benefits in terms of the health and wellbeing of other family members.

Explaining the data

Academics from the London School of Economics analysed over 30 different studies from across the world measuring the effects of income on children's school achievement, cognitive development and other health and social issues. These studies found an improvement of between 5% and 27% of a standard deviation in children's cognitive outcomes associated with an increase in their families' income equivalent to about £900. This represents similar value to the estimates of an increase in £1,000 spending per child on schools. To read the full report, visit <http://www.jrf.org.uk/publications/does-money-affect-childrens-outcomes>