

**The true costs of Every Child a Reader  
Comments on a Policy Exchange Research note: Every Child a Reader,  
February 2009**

1. The report claims that 'According to local authority figures it costs £5,000+ per pupil (or £105 per hour) and £6,625 for every successful intervention; not £2,400 as had previously been claimed'

Comment: The figure of £5,000 per pupil appears to have been taken from 'indicative costs' from one Googled local authority committee report, written by an authority just embarking on the programme and still developing an understanding of its reach, rather than more substantive data (appendix 1).

2. The report claims that 'There have been no independent evaluations of ECAR in the UK and the international evidence is mixed – yet the Government have committed £144 million to a national roll-out of the scheme.' Your press release further claims that 'Government announced that this programme would be rolled out nationally in December 2006, to the exclusion of all other possible schemes. This decision was taken before a pilot into the programme had even been completed, and without any independent evaluations having taken place in England.'

Comment: The evaluation of ECaR in the UK was carried out as a properly controlled, peer reviewed study by the University of London Institute of Education. The Institute does indeed house the Reading Recovery National Network and therefore is not independent. The steering group for the research, however, included national (and independent) literacy experts Professor Greg Brooks and Professor Roger Beard, who approved the methodology and scrutinised the results.

The government decision to roll out ECaR was taken after year one of the pilot, on the basis of the above controlled study, the first year's impact data from the pilot, and international evidence (including randomised controlled trials) reviewed internally by the DCSF Analytical Services Division.

The Every Child a Reader programme does not exclude other schemes. It asks schools to use a 'layered' approach in which Reading Recovery is used for the lowest attaining 5% of the attainment range, with lighter-touch programmes delivered by teaching assistants and volunteers, for children whose difficulties are not so severe.

3. The report claims that 'The only analyses of ECAR to date have been by the Institute of Education and accountants KPMG, who are both intimately involved in the programme. Their positive evaluations are markedly at odds with international studies'.

This assertion is markedly at odds with the conclusions of the independent and highly respected What Works Clearing House, a branch of US Department of Education and the Institute of Education Sciences. The clearinghouse 2007 report, updated in December 2008, confirms that Reading Recovery is an effective intervention based on scientific evidence. At the end of the second-round 2008 review, Reading Recovery was still the only beginning reading programme to receive high ratings across all four domains evaluated: alphabets, fluency, comprehension, and general reading achievement. Reading Recovery ranked number one in general reading achievement. The WWC found that Reading Recovery has positive effects - the WWC's highest rating, given only where there is strong evidence from randomised controlled trials - on students' alphabetic skills and general reading

achievement. They found potentially positive effects, their next highest level of evidence, on fluency and comprehension outcomes. The report included an improvement index to reflect the strength of the Reading Recovery intervention which showed large and impressive effect sizes.

Examples of the many studies of Reading Recovery by independent researchers, published in peer reviewed journals or delivered as peer reviewed conference papers, are provided at appendix 4. Many more could be quoted, and should be referenced in any report which aims to present a balanced review of the evidence.

4. The report argues that Every Child a Reader will not reach all the children who fail to reach the expected standard at the end of KS1 (96,000 children per annum).

Comment: This is based on a misunderstanding of the target group for Reading Recovery - the lowest attaining 5% of children nationally (30,000 children per annum). The next lowest attaining 15% are, in the Every Child a Reader model, supported by teaching assistants or volunteers using a range of evidence-based but less intensive 1-1 or group interventions.

5. The report claims that 'The accountants KPMG have calculated the cost of RR at £2,389 per pupil, and this figure has been widely accepted. However, this is merely the cost *to the school* and does not include administration and training. To determine the total cost we have used figures published by Nottinghamshire County Council, which appear to be fairly typical'.

Comment; The costs assessed by KPMG include the full costs of administration and training, as even the most glancing examination of the KPMG *Long term costs of literacy difficulties* ([www.everychildareader.org](http://www.everychildareader.org)) report clearly shows (appendix 1).

6. The report claims that 'the original estimate of £2,000 per pupil - the amount allotted in the 2005 pilot - has already increased by more than 160%.' There is then a claim that the costs have 'ballooned'.

Comment: This is based on a misunderstanding of how the pilot programme worked. Every school involved then, as now, chose to take part and contributed part of the funding required to employ a Reading Recovery teacher, on a sliding scale with a school contribution that increased each year. The £10m in the pilot thus represented only the charity/government element of the funding, not the total. Costs have not increased since the pilot by any more than the costs of inflation.

7. The report states that 'The extent to which costs have ballooned can be judged by the cost for each hour of instruction delivered by a RR teacher. The maximum intervention is 20 weeks, or 100 days at half an hour per day. Some pupils are discontinued sooner (RR does not publish the data on this), so 50 hours can be considered the maximum amount. In Nottinghamshire, this works out at a cost of £105 *per hour*.'

Comment; Data **is** published on the average hours of teaching received by pupils involved in Reading Recovery, and the average programme length in weeks. (See *Every Child a Reader: results of the first/second/third years*, [www.everychildareader.org](http://www.everychildareader.org)). In 2007-8 the average hours of teaching per child were 41. Hours of teaching is not, however, a sensible way of working out costs of the programme per child because it does not take account of PPA time, teacher absence and pupil absence. The more effective way of arriving at costs is to take the salary and on-costs of a 0.5 FTE teacher with 2-3 years of teaching experience, and divide

that by the number of children taught per year (which averages 9), and then add the cost of the teacher's professional development and support, and books/equipment.

8. The report suggests that cost figures for Reading Recovery 'may seriously underestimate the potential cost as 20% of RR pupils are 'referred on' for further help: one can only guess at how much these unfortunate children will cost the taxpayer in total.' The costs of Reading Recovery provided by KPMG are per pupil, irrespective of outcome. The cost benefits in the KPMG report, however, are based on a 79% 'success' rate. Even this methodology is arguable, however, since the 23% of children who in 2008 were referred for further help still made an average Reading Age gain of twelve months over five months of teaching.

9. The report claims that Reading Recovery uses 'tests aligned to your teaching objectives, or ones likely to demonstrate a favourable outcome. It is worth noting, for example, that the IoE considers a 2C grade on 7+ English SATS as evidence that RR pupils have 'caught up' yet reaching the 'expected' level on 7+ Reading tests does not necessarily mean that a child is a good reader. On the 2004 test—the most recent one available to the public - a child only need answer 7 questions correctly out of 30 to reach level 2C, the minimum 'expected' grade.'

Comment: End of key stage results are one of the measures used to evaluate Reading Recovery, but only one. The programme also routinely uses a standardised test of word recognition to assess reading age at start and end of a child's programme. In 2008 the 3259 Year 1 children involved moved from an average reading age of 4y10m at the start to 6y7m at exit – that is, to an average level for this age group. In the Institute of Education controlled study a test of phonic skills (the WRAPS test) and a wide ranging NFER Progress in English test were also used. All showed children on average successfully reaching norms for their chronological age.

## Appendix 1 Costs of Reading Recovery as estimated by KPMG, over five years

From: *The long term costs of literacy difficulties*, Every Child a Chance trust, 2009

Note: 2006 prices

Table 1: Costs at local authority (LA) level over five years, including year of training:

Item	Start up costs	£	£	£
1	Essential: Training course	9,000		
	Core texts	50		
	Teacher Leader's time during full time participation in training course (salary @£45K plus 23% on-costs)	55,350	64,400	
2	May be needed: Costs of attendance in London	5,000		
	Conversion of centre	10,000		
	Children's books	200		
			15,200	
3	Start up costs		79,600	79,600
4	Running costs			
5	0.5 Teacher Leader (TL) time = £27,675 per year over four years	110,700		
6	Service Level Agreement with Reading Recovery National Network (Quality assurance and ongoing professional development) @ £5,500 per year x 4	22,000		
7	Total running costs over next four years		132,700	132,700
8	Gross costs for LA over five years			212,300
9	Income from schools for teacher training @ £2,500 per school x 12 schools per year x 4 years	120,000	120,000	less 120,000
10	Net costs for LA over five years			92,300

Table 2: Costs at school level over four years:

Item	Start up costs	£	£	£
11	Essential: Training course	2,500		
	Core texts	30		
12	May be needed: Children's books	200		
	Magnetic whiteboard and letters	100		
13	Maximum start-up costs		2,830	
14	Running costs			
15	0.5 teacher time for 1-1 teaching = £20,000 per year over four years	80,000	80,000	
16	Total cost to the school over four years			82,830
17	8 - 10 children served per 0.5 teacher time per year, average 9 children per year x 4yrs = 36 children			÷36
18	Cost to the school per child			2,300

Table 3: Combined school and LA costs per child

Item		£	£	£
19	LA costs per child (Net costs ÷ number children served over 5	92,350		

	years)	÷	89	
20	School costs per child	1,034	2,300	
21	Total cost per child		£2,389	£2,389*

\* Inflates to £2609 at 2008 prices

Table 4: Number of children served in an LA over 5 years

Item	Year of LA implementation	Number of teachers	Number of children served
22	Year 1	1 TL in training	4
23	Year 2	12 teachers @ 8 children 1 TL @ 4 children	96 4
24	Year 3	24 teachers @ 9 children 1 TL @ 4 children	216 4
25	Year 4	36 teachers @ 9 children 1 TL @ 4 children	324 4
26	Year 5	42 teachers @ 9 children 1 TL @ 4 children	378 4
27		Total number of children served in LA over 5 years	1,034

Notes:

- Item 2: The conversion of the centre varies enormously, from nil, where a suitable existing facility can be used, to a complete build from scratch. The main requirement is a one-way screen, the installation of which costs around £5,000.
- Item 6: Quality Assurance and ongoing professional development includes Service Level Agreement @ £5,000 per LA per annum to cover costs of National Coordination, monitoring and reporting, support for LA managers, Trainer support visits to TLs, and professional input to the TL one-week annual professional development Conference; £500 allowed for TL costs in attending the TL conference.
- Items 9 and 11: The costs of the course have been worked out to include all the TL's overheads including office costs, travel to school visits etc. Some LAs do not charge schools for the training course, in which case item 1 would not be a cost, but item 18 would not be deductible from the LA costs.
- Item 12: In many schools this would not be a cost as the materials are standard equipment in the school.
- Item 15. The figure of £ 20,000 p.a. (including on-costs) for a 0.5 FTE teacher represents the mid-point in a range that runs from a minimum of £13,738 for a teacher on the main salary scale at point M3 with no London allowances, through £18,108 for a teacher at the top of the main scale (M6) with 2 SEN points and no London allowances or 2 SEN points, through to £23,933 for teachers who are at the top of the upper pay scale and have maximum London allowances, or more for those with additional Teaching and Learning responsibilities.
- Item 17: The number of children served by a teacher in a year is sensitive to a number of factors, but for a teacher working 0.5 time the range is 8-10 children. In a context of full implementation, teachers can reach 10 or even 12, thereby considerably reducing unit costs.

## Appendix 2

Letter to TES from a Headteacher in response to the coverage of the Policy Exchange press release:

Your coverage of the report on Reading Recovery from the Conservative 'Policy Exchange,' majored on the costs of the initiative, questioning the independence of previously published evaluations. You omitted the report's principal obsession - an ideological objection to the government fostering reading initiatives, and a free market for rival materials. Maybe you should also have mentioned that this independent report is produced by two authors of rival materials.

As a Headteacher who enthusiastically diverts funds to Reading Recovery can I assure everyone Ed Balls hasn't imposed this programme on my school? We do it cos it works.

The Policy Exchange makes obtuse use of Nottinghamshire's costings - costings the council report they refer to ultimately recommended should be approved. However, I would admit this intervention is costly, but also that it's worth every penny. Given the life changing effects of reading, maybe we should reflect on the cost of illiteracy. At £250,000 it costs 100 times more to keep that child if they end up thrown on the scrap heap and caught up in the criminal justice system.

Reading Recovery secures a life enhancing skills for children who would otherwise miss it – maybe that's priceless.

Huw Thomas  
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### Appendix 3

#### Examples from the international, independent evidence base for Reading Recovery

D'Agostino, J.V., and J.A. (2004) A Meta-Analysis of Reading Recovery in United States Schools, *Educational Evaluation and Policy Analysis*, Spring 2004, Vol. 26, No. 1, pp. 23-38

This study is a meta-analysis of 36 studies of Reading Recovery. The authors found positive program effects for both children who had achieved 'accelerated progress' (reaching average levels for their age after 12-20 weeks) and for those who had not yet reached average levels when their programmes were discontinued. These positive programme effects were evident on both outcomes tailored to the programme and on standardised achievement measures.

Quay, L., Steele, D., Johnson, C. and Hortman, W. (2001) Children's achievement and personal and social development in a first-year reading program with teachers-in-training. *Literacy teaching and learning: an international journal of early reading and writing*, 5, 2.

Two groups in 34 schools were assigned to Reading Recovery or alternative interventions using quasi-random procedures. At year-end, the Reading Recovery students were superior to the controls on measures of reading and class teacher ratings of writing skills, ability to follow directions, work habits and social interaction.

Schwartz, R., (2005) Literacy learning of at-risk first grade students in the Reading Recovery early intervention, *Journal of Educational Psychology*, 2005, vol 97, pp. 257-267

This recent study used the randomised controlled trial methodology regarded as the highest level of research methodology. 148 at-risk first grade students were randomly assigned to receive Reading Recovery during the first part of the school year (experimental group), or the second half of the school year (control group). High-average and low-average students from the same classrooms provided additional comparisons. At the end of the first half of the year, the experimental group showed significantly higher performance than the control group. They achieved results similar to those of the low average and high average groups – they had caught up with their peers.