



Policy Brief

Funding for Impact? Immigrant Students and Supplementary School Funding in Germany

Summary

School funding in Germany's 16 states (*Laender*) does not adequately account for the poorer educational opportunities of the country's sizable immigrant population. Today, even schools in challenging circumstances are sometimes overlooked by school authorities and receive just as much supplementary funding as the average school, in some cases, even less, in spite of their greater need. Therefore, in order to reliably determine a school's individual needs, every German state (*Land*) should use uniform, measurable criteria, such as the composition of the student body at each school.

In 2007, the *Laender* committed to providing additional resources to segregated schools and schools in difficulty, aiming to offset some of the disadvantages posed by neighbourhood conditions. However, within each *Land*, the proposed supplementary funding requires a shared understanding of how to measure said disadvantages as well as easy access to school and neighbourhood data.

An analysis of teacher allocation in the *Laender* conducted in the 2015/2016 school year by the Expert Council's Research Unit shows that only nine of the 16 *Laender* have put in place indicators with which to measure a school's individual need for supplementary funding: the educational authorities in Bavaria, Berlin, Bremen, Hamburg, Hesse, Lower Saxony, the Saarland, Saxony, and Saxony-Anhalt use – at least in part – student characteristics (mainly the language spoken at home) or data on the school's social environment (e.g. the unemployment rate) to allocate additional staff to schools with an additional need. In the remaining *Laender*, the local school administration generally decides whether a school is allocated additional staff and, if so, how many, without relying on these types of indicators. Their expert judgement can help identify and meet an immediate need at the right time. On the other hand, even experienced school administrators can underestimate how a troubled neighbourhood may impact school life, the result being that these schools receive less than their fair share. Therefore, the amounts allocated through supplementary school funding should be based on a combination of hard metrics and the expert judgement of school authorities.

At the technical level, many *Laender* lack meaningful and school-specific data on the language skills of immigrant students or their socioeconomic status. As a result, Bremen, Hamburg, Hesse and North Rhine-Westphalia use local-level administrative data, e.g. the number of welfare recipients living close to a school, to identify disadvantages of a specific neighbourhood and fund schools accordingly. The instrument used here, known as the social index (*Sozialindex*), however,



has not been used very often to provide in-need schools with additional resources. The school authorities in Hesse and North Rhine-Westphalia only use this index to allocate around 1 to 4 per cent of their teaching positions. Some of this has to do with the limited availability of granular data: For larger *Laender*, it is particularly difficult to create a central database for local-level data since this information is oftentimes incomplete, outdated, or stored in the data repositories of individual municipalities. Therefore, in the absence of meaningful school-level data the additional needs of individual schools have only been determined sporadically until now.

A look at other major immigrant-receiving countries confirms how important granular data are for allocating resources that meet needs: in the United States, immigrant students benefit from targeted language support which is made possible through regular assessments of language proficiency. And studies in France indicate that the intended use of additional resources should be clearly earmarked so that they actually lead to targeted support.

The analysis shows that local challenges require locally adapted solutions. Nevertheless, when it comes to reforming supplementary school funding, policy-makers in the *Laender* are well-advised to consider the experiences in Germany and abroad. Three key lessons emerge from this analysis:

- **Collect data:** supplementary school funding requires granular data as a basis, ideally at school-level. Each *Land* should therefore create a central database, either by collecting additional student data or by consolidating municipal data repositories.
- **Allocate resources based on needs:** schools with a high share of immigrant students and schools in socially disadvantaged neighbourhoods should be able to rely on a certain amount of supplementary funding. The *Laender* should therefore allocate a substantial portion of their subsidies based on school and neighbourhood data. In addition to data, they should also make use of the expert knowledge of local school administrators who allocate the remaining resources.
- **Assure quality:** to guarantee that the additional resources are used to help immigrant students succeed, schools and school authorities should work together to identify the intended purpose and monitor the use of the resources on an ongoing basis.