



Briefing 18/10      March 2018

## **Eligibility for free school meals and the early years pupil premium under Universal Credit - Government consultation response**

To: England  
For info: Contacts from Scotland, Wales and Northern Ireland.

### **Key Issues**

The Government ran a consultation from 16 November 2017 to January 2018 in respect of the eligibility criteria for free school meals and the early years pupil premium. On 7 February 2018 the Government published their response to the consultation.

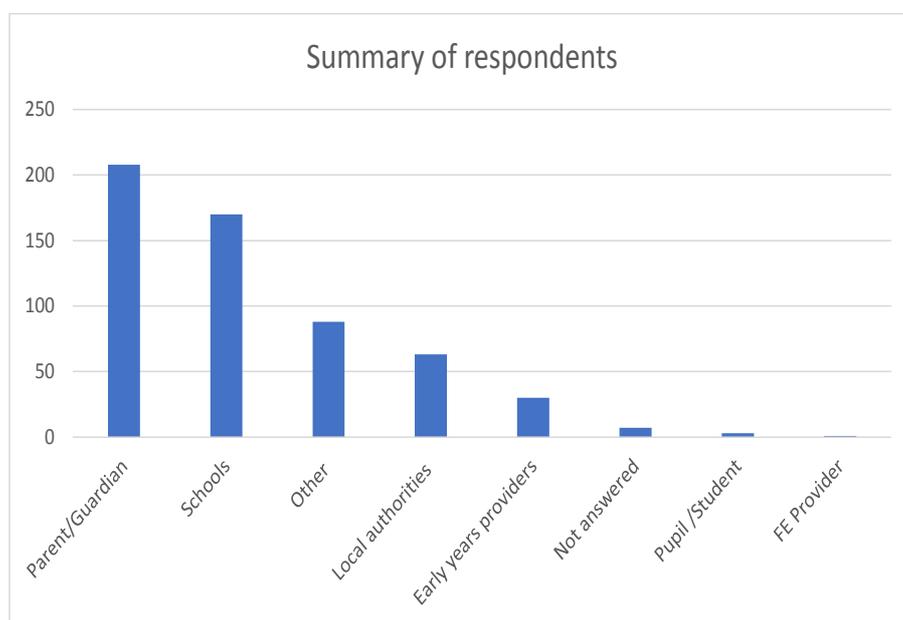
The required legislation will be laid down in Parliament and the threshold of £7,400 and protections will come into force from April 2018.

### **Introduction**

The Government conducted a consultation in relation to the eligibility criteria for free school meals and the early year's pupil premium under Universal Credit that ran from 16 November 2017 to 11 January 2018. Following the consultation, the Government has now produced a report outlining a summary of the responses received, their response and the action they will be taking as a result of the consultation.

This briefing provides an outline of the summary of the responses, key findings from the consultation and the Government's response. In addition, details of APSE's response to the consultation which is set out in Appendix 1.

The consultation received a total of 560 responses which were received from a variety of individuals and stakeholders and can be broken down into the following categories: -



In addition, the consultation response noted that there were 8,421 emails received as part of the Children's Society "Fair and Square" campaign.

## Background

Local authorities have had the power to provide free school meals to vulnerable children since the early 1900's and the current arrangements were set out in the Education Act 1980 that outlines details of the eligibility criteria which is based on the family's receipt of income-related benefits.

Pupils in maintained schools, academies and free schools, as well as 16 to 18-year old students in further education are entitled to receive a free school meal if their parents or guardians are in receipt of certain benefits. Under the new arrangements, these benefits will cease to exist therefore there is a requirement to introduce new criteria to assess the eligibility.

Since 2013, for areas where Universal Credit has been rolled out there has been a temporary measure in place to ensure that no-one lost their entitlement to a free school meal.

## Summary of Government Response

### Earning threshold £7,400

In response, the Government have stated that 56% of respondents agreed with the proposed net earnings threshold of £7,400 per annum. However, a significant proportion of respondents believed that free school meals should be extended to all households on Universal Credit.

The introduction of a net earning threshold remains the fairest and most practical way to ensure that children from the lowest income families received a free school meal, and benefit from the early

years pupil premium. The threshold is comparable with that introduced by the Scottish Government for free school meal eligibility, and they consider it to be fair and appropriately targeted. As a result, it is estimated that by 2022 around 50,000 more children will benefit from a free school meal when compared with the previous benefit system.

Therefore, the threshold will remain in place until the roll out of Universal Credit and once it has been fully implemented the threshold will be reviewed. In addition, the Government recognises that there are schools that will see an increased number of free school meals in certain areas and they will provide funding to support the school in these circumstances.

Respondent to the consultation raised concern regarding households that have fluctuating earnings from month to month and the impact that this would have on eligibility. In response to this the Government have confirmed that earnings will be checked over a three-month period, where assessment period data is available. In addition, ways are being explored to ensure that very low-income families receive a free school meal during the assessment period for Universal Credit.

It is also acknowledged in the response that many of the respondents called for free school meals to be extended to all families. However, the government have concluded that this would mean around half of all pupils would become eligible for free school meals compared to the current rate of 14%. They do not believe that this would be an effective use of public money due to some household earnings exceeding £40,000.

The government stated that they continue to believe that a threshold is the most practical approach and ensures a clear and simple system that is realistic for schools and local authorities to deliver. Therefore, the proposal for the new criteria for free school meals and the early year's pupil premium will be taken forward.

### **Protection arrangements for children eligible for free school meals**

The vast majority of respondent, 87% agreed with the proposals to protect families against losing their free school meals during the transition to the new criteria under Universal Credit.

During the roll out of Universal Credit protection arrangements will be implemented and the Government has advised that these will work as follows: -

- (i.) From April 2018, all existing claimants will continue to receive free school meals whilst Universal Credit is rolled out. This will apply even if their earnings rise above the new threshold during that time.
- (ii.) In addition, any child gaining eligibility for free school meals after the threshold has been introduced will be protected against losing free school meals during the Universal Credit rollout period.
- (iii.) No further eligibility checks will be required for protected families during this period; schools would simply leave these pupils flagged as protected pupils in their management information systems.

- (iv.) Once Universal Credit is fully rolled out, any existing claimant that no longer meet the eligibility criteria at that point (because they are earning above the threshold) will continue to receive protection until the end of their current phase of education.
- (v.) New claimants earning above the threshold after April 2018 will not be eligible for free school meals.

These protections are to remain in place until the end of the Universal Credit rollout and then until the end of each pupil's phase of education if they are still in school.

### **Eligibility Checking System**

There is currently a system that provides a simple and rapid online portal for determining households' eligibility for free school meals and early year's pupil premium. In the consultation response the Government have provided an outline of how the arrangements will work following the implementation of the earnings threshold and these are detailed as follows: -

- (i) Firstly, a Universal Credit claimant will be checked for monthly earned income not exceeding £616.67 (a twelfth of an equivalent yearly income of £7,400) in their most recent Universal Credit assessment period.
- (ii) If their earned income exceeds the above threshold for their most recent Universal Credit assessment period, the claimant will be checked for earned income not exceeding £1,233.34 (a sixth of an equivalent yearly income of £7,400) in their two most recent Universal Credit assessment periods, provided there are two such periods.
- (iii) If their earned income exceeds the above threshold for their two most recent Universal Credit assessment periods, the claimant will be checked for earned income not exceeding £1,850 (a quarter of an equivalent yearly income of £7,400) in their three most recent Universal Credit assessment periods, provided there are three such assessment periods.

In addition, the Government are exploring ways to ensure low-income families can receive a free school meal during the initial assessment period but they state that this will not confer longer-term entitlement to these families, nor trigger associated deprivation funding for schools, but it would offer a school meal as an interim measure. In developing this approach, there will be further engagement with stakeholders and details will be provided shortly.

### **Automatic registration for free school meals**

The consultation response reports that some respondents felt that introducing new criteria represented an opportunity to introduce an automatic registration. However, the Government are clear in their response that there is no current plan to remove the legislative requirement to make a request for a free school meal prior to gaining eligibility. However, the Government are seeking to make the registration process more efficient and will continue with efforts to increase free school meals uptake by highlighting and disseminating best practice from the most effective schools and local authorities, and will continue to monitor the impact of these efforts.

## **Financial support for schools**

The increase in the number of pupils in receipt of free school meals will be reflected in the data that local authorities use to determine individual schools funding allocations and lagged funding will continue to be provided. However, there is the recognition that some schools may find the increase in numbers difficult to manage in the short-term and in these circumstances a school-level grant will be introduced for 2018-19 and 2019-20. The allocation will be determined by the difference between a school's free school meals number in the October censuses. It is stated that this will not affect any other source of funding. In areas of significant growth, the grant level can be adjusted and this will be assessed in the future to ascertain as to whether the grant needs to be continued beyond 2020.

## **Next Steps**

The regulations will be laid down in Parliament to enable the proposed thresholds being brought into force in April 2018 for free school meals and early year's pupil premium. The regulation and commencement orders will also introduce the protection arrangements for existing recipients of free school meals.

Local authorities, early year's settings and further education providers will be provided guidance on the new eligibility criteria to support them implementing the new arrangements.

## **APSE COMMENT**

The Government response to the consultation sets out details of how the criteria will be assessed and sets out the requirement that families will need to apply for the for a free school meal. The Department for Education figures report that 11 percent of pupils who are eligible have not applied for a free school meal and this rises to as high as 30 percent in some areas.

APSE is concerned that by continuing to use an application process rather than using a system of auto registration there are children missing out on vital support that is available and needed not only with the provision of a free school meal but other benefits such as home to school transport and uniform grants. In addition, those families who are eligible but are not applying for Free Schools Meals are impacting on the Pupil Premium allocated to schools to support disadvantaged children.

The introduction of Universal Credit presented an opportunity to review the options for introducing an auto enroll system, that could negate the need for applying for the benefit and reduce some of the stigma associated with applying. The Governments consultation response acknowledges that respondents raised this as an issue but the preferred action is to promote the current arrangements and continue to monitor the impact which does not address the current issues.

In the absence of an auto-enrollment system APSE would welcome research into the eligibility uptake in different areas to identify best practice examples and identify areas that require additional support to increase uptake.

On a final point, APSE would like to see the government invest in the next generation by providing a free school meal to every primary school pupil. By providing a healthy lunchtime meal it not only helps families that are in poverty but will contribute to saving resources and expenditure on obesity related conditions in future for all of the next generation.

## **APPENDIX ONE – APSE’s response to the consultation.**

### **About the Association for Public Service Excellence**

The Association for Public Service Excellence (APSE) is owned by its member authorities and, working on their behalf, maintains and develops a network of local government officers, managers and councillors from local authorities across England, Northern Ireland, Scotland and Wales.

Working on a not-for-profit basis, APSE is dedicated to promoting excellence in the delivery of frontline services to local communities around the UK. Through the extensive APSE network, more than 250 local authorities and organisations are able to share information and expertise on vital frontline services, ask for advice and innovative solutions, and develop new, viable ways forward in an effort to help one another.

APSE provides a united national voice for these authorities, as well as showing them the way to move forward and develop strong, sustainable frontline services.

APSE welcomes the opportunity to respond to this consultation and will be responding on behalf of its members.

### **Responses to Specific Questions to the consultation.**

#### **Question 1 – Do you agree with our proposed net earnings threshold to determine eligibility for free school meals and the early years pupil premium under Universal Credit?**

The threshold for eligibility should be introduced in conjunction with a clear mechanism for review. This is required to ensure the level remains fit for purpose and continues to provide support for families living in poverty especially in the event of any policy and inflation changes that impact on earnings such as increases in the National Living Wages.

In addition, it is imperative that as Universal Credit is rolled out, data is collated and analysed to monitor the impact on new, existing and legacy claimants to ensure that the aims of increasing the eligibility to a proposed 50,000 children can be demonstrated.

#### **Question 2 – Do you agree with our intention to protect those pupils who would otherwise lose their entitlement to free school meals, and those children who would otherwise lose their entitlement to the early years pupil premium, under the new eligibility criteria?**

The proposal to protect all existing families with current eligibility to Free School Meals until the end of their education phase is welcomed.

However, there are the following concerns: -

- (i) Local authorities, schools and parents need to be provided with clear guidance in relation to the eligibility criteria and the protection that is extended to avoid any confusion.
- (ii) In the event families or a child moves from one local authority area to another during the protection period a mechanism is required to ensure the protection is maintained and this process should not be onerous on the local authority, school or parent.

- (iii) A greater understanding is required regarding the discretionary benefits that eligibility to Free School Meals entitles families to, such as school transport, uniform grants and music lessons. This understanding is needed to ensure that local authorities receive the required funding / support to continue providing these benefits and support disadvantaged children during the transition period.
- (iv) Currently local authorities have in place arrangements with schools and academies for sharing eligibility criteria and any process implemented to flag the protection needs to recognise the current processes that are in place.

**Question 4 – Do you have any views on the proposed management of the changes to disadvantage measures or on the metrics we publish for the measurement of disadvantaged pupils’ performance?**

Under the current eligibility criteria, the Department for Education figures in the Schools, Pupils and Their Characteristics report January 2017 highlights that the proportion of pupils eligible for and claiming Free School Meals continues to drop and has reached the lowest figure since 2001. APSE would welcome a system of auto-enrolment. However, in the absence of this type of system it is imperative that the introduction of new eligibility criteria is simple. Clear guidance and communication needs providing to local authorities, schools, parents and the third sector to ensure that eligible families claim for the free school meals. It is clear from the evidence that some areas have a greater percentage of eligible families claiming. Work should be undertaken to understand how this is achieved and examples of best practice should be promoted and shared.

On a separate issue, the proposed financial support is welcomed. However, the current process for providing school funding results in a lag between the eligibility being confirmed and the receipt of the money. The financial support and claiming process during the transition period requires expediency to ensure that a child meeting the eligibility criteria is not left without a meal and existing pressure on budgets is not further impacted by the change.

**Additional Comment**

APSE would welcome the government investing in the future regeneration by providing a free school meal to every primary school pupil because providing a healthy lunchtime meal not only assists families that are in poverty but will contribute to saving resources and expenditure on obesity related conditions in the future.