

## ABERDEEN CITY COUNCIL

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<b>COMMITTEE</b>	Educational Operational Delivery Committee
<b>DATE</b>	17 September 2020
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Universal Credit and Free School Meals
<b>REPORT NUMBER</b>	CUS/20/155
<b>DIRECTOR</b>	Andy MacDonald
<b>CHIEF OFFICER</b>	Derek McGowan
<b>REPORT AUTHOR</b>	Neil Carnegie
<b>TERMS OF REFERENCE</b>	1.1.1

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### 1. PURPOSE OF REPORT

- 1.1 This report meets the Education Operational Delivery Committee's request for investigation of whether the Council should develop a free school meals policy to address anomalies in legislation following the implementation of Universal Credit.

### 2. RECOMMENDATIONS

That the Committee: -

- 2.1 agree to introduce a policy of extending free school meal entitlement to families in receipt of Universal credit in respect of:
- a) Single claimants working less than 16 hours per week with a gross annual income of less than £16,105; and,
  - b) Joint claimants working less than 24 hours per week with a gross annual income of less than £16,105.
- 2.2 instruct the Chief Officer – Early Intervention and Community Empowerment to implement the extended provision from 26 October 2020.

### 3. Free School Meals

- 3.1 Approximately 8,385 children receive free school meals each day in Aberdeen based on the national entitlement criteria. Free school meals are vital to the health and development of children in low income families. Providing free school meals contributes to towards reducing poverty, improving attainment and general wellbeing.
- 3.2 Universal Credit has implications for low-income families and entitlement to free school meals. Under the Child Tax Credit and Working Tax legacy benefits families are entitled to free school meals where a parent is in receipt of –

- Child Tax Credits but not Working Tax Credits and their gross annual income is less than £16,105 or
- Receive both Child Tax Credits and Working Tax Credits and have a gross annual income of up to £7,330.

However, families who qualify for free school meals under the criteria of being in receipt of Child Tax Credit (and not in receipt of Working Tax Credit) would lose entitlement if they had to move onto Universal Credit and their net earnings are more than £610 per month (£7,320 per year).

- 3.3 The number of children affected by this change is challenging to predict and ever-changing. However, we do consider the numbers to be relatively low.
- 3.4 From our Council Tax Reduction records we have identified 157 children who are currently entitled to free school meals where there is currently Child Tax Credit in payment and annual gross income is over £7,330 and less than £16,105. We estimate that 34 of these children are in Primary 1 to 3 therefore entitled to free school meals by this virtue. For the remaining 123 children they would potentially lose eligibility to free school meals if or when they transition to Universal Credit, if income levels remain consistent.
- 3.5 There are a wide range of factors which will influence the cost to the Council should it choose to use its discretion and extend provision of free school meals to families in receipt of Universal Credit with gross annual income less than £16,105 (and not otherwise entitled to free school meals). Factors include transition rates from legacy benefits to Universal Credit, uptake rates for free school meals and economic factors.
- 3.6 Working on the assumption that a maximum of 150 additional children receive free school meals each day from 26 October 2020 to 26 March 2021 then the estimated cost to the Council would be £27k. The estimated cost for Term 4 from 12 April 2021 is a further £16k.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 The cost of extending free school meal entitlement as set out during 2020/21 is estimated to be £27k. The estimated cost for Term 4 from 12 April 2021 is a further £16k.
- 4.2 The estimated cost for provision of this entitlement for an academic year is £60k.
- 4.3 Funding to provide meals to 26 March 2021 can met from existing allocated budget. Allocations for 2021/22 will be subject to the budget setting process.

#### **5. LEGAL IMPLICATIONS**

- 5.1 No new implications arising from this report.

## 6. MANAGEMENT OF RISK

Category	Risk	Low (L) Medium (M) High (H)	Mitigation
<b>Strategic Risk</b>	N/A		
<b>Compliance</b>	N/A		
<b>Operational</b>	There is a risk that families experience food poverty.	L	We will continue to be active partners in the city food poverty alliance aiming to reduce food insecurity.
<b>Financial</b>	There is a risk that we have under calculated the uptake of additional free school meals.	L	Financial estimate based on an estimated maximum number and monitoring of uptake rates.
<b>Reputational</b>	N/A		
<b>Environment / Climate</b>	N/A		

## 7. OUTCOMES

<b><u>COUNCIL DELIVERY PLAN</u></b>	
<b>Aberdeen City Local Outcome Improvement Plan</b>	
Prosperous Economy Stretch Outcomes	N/A
Prosperous People Stretch Outcomes	Extending free school meal entitlement will contribute to improve health and development of children.
Prosperous Place Stretch Outcomes	The proposals within this report support the delivery of LOIP Stretch Outcome 13 – No one in Aberdeen will go without food due to poverty by 2026.

## 8. IMPACT ASSESSMENTS

Assessment	Outcome
<b>Impact Assessment</b>	The extension of free school meals has the potential to impact positively in a range of protected groups and there would be no negative impact on equalities and human rights.
<b>Data Protection Impact Assessment</b>	Not required.

**9. BACKGROUND PAPERS**

Rent Management and Universal Credit Review report to Operational Delivery Committee on 5 March 2020

**10. APPENDICES**

Not applicable.

**11. REPORT AUTHOR CONTACT DETAILS**

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