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By email to: Freeschoolmeals.MAILBOX@education.gov.uk

ADCS response to the consultation on eligibility for free school meals and the early years pupil premium under Universal Credit

1. The Association of Directors of Children's Services Ltd. (ADCS) is the national leadership organisation in England for directors of children's services (DCSs) under the provisions of the Children Act (2004). The DCS acts as a single point of leadership and accountability for services for children and young people in a local area, including children's social care and education. ADCS welcomes the opportunity to respond to the consultation on eligibility for free school meals and early years pupil premium under the system of Universal Credit.
2. Universal Credit aims to 'reshape the welfare system by making work pay and help people into work more quickly'. The introduction of an earnings threshold to determine eligibility for free school meals is counter-intuitive to this and could be seen as 'penalising' low income parents as they increase their net earnings yet remain in receipt of some element of Universal Credit.
3. Over recent years, some of the most economically fragile households have experienced ongoing reductions to their benefit payments as the result of the government's programme of welfare reform. In communities where Universal Credit has been rolled out, the Trussell Trust reports that referral rates to foodbanks more than doubled the national average due to the inbuilt delay in receiving the first payment and the use of sanctions. Further, in areas where Universal Credit has been rolled out, ADCS members report that LAs have increasingly been called on to provide much needed financial assistance to support residents who are experiencing financial crisis due to waiting periods and incorrect awards. The temporary measure to deem all families transferring onto Universal Credit as eligible for free school meals has undoubtedly helped to alleviate some of the adverse effects of these reforms at the local level.
4. It is not clear how an annual earnings threshold will work in practice. Given the rise of poorly paid, insecure employment options, such as zero-hour contracts, many families who receive Universal Credit also have earnings that fluctuate. This can result in families moving on and off Universal Credit for short periods of time. Families require a degree of certainty when planning limited budgets and it will be critical that families understand how their eligibility is determined so they can plan accordingly.
5. The consultation document contains no details as to how the earnings threshold will change in line with inflation and changes to the National Minimum Wage/ Living Wage. There is a danger that the number of children eligible for free school meals will decrease year on year if this remains a static figure. The earnings threshold will be a particular issue for those in the capital who receive a London weighting or the London Living Wage in recognition of the higher costs of living in and around the capital.

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6. It is not clear how the earnings threshold supports the government's commitment to improving social mobility given all those in receipt of Universal Credit are deemed to be low income families. It would be interesting to know why DfE has opted for eligibility criteria based on earnings threshold rather than receipt of Universal Credit in and of itself, as has been used for the protection measures.
7. It is disappointing that automatic enrolment for free school meals does not feature as part of the consultation proposals. Automatic enrolment would help to ensure all those who are eligible for free school meals receive them while also automatically identifying those eligible for pupil premium. Identifying pupils who are eligible for pupil premium is a particular issue in relation to infants. Following the introduction of the universal infant free school meal (UIFSM) policy, parents must still apply for free school meals if their school is to receive pupil premium funding. ADCS members report some schools experiencing a significant drop in funding due to the difficulty in identifying eligible pupils since the introduction of UIFSMs.
8. The protection measures proposed within the consultation will provide a level of stability to those families whose children currently receive free school meals and whose entitlement may be affected by the earnings threshold. It must be noted, however, that as a result of the proposed protection measures, families with similar circumstances may differ in eligibility depending on the timing of their Universal Credit claim. As free school meal entitlement is a determinant for pupil premium, the same inequity will be inherent in the allocation of this additional funding.
9. The DfE estimate that under the proposals, 50,000 more students will be eligible for free school meals however there is no information on how this will impact on the distribution of pupil premium – will the quantum of pupil premium funding increase to reflect the additional eligible students or will per pupil funding be reduced to cover the larger cohort?
10. Eligibility for free school meals can also be a determining factor for other additional services, such as home to school transport. Local authorities currently spend approximately £1 billion pa on home to school transport. This is not sustainable, it cannot be right that in this time of austerity, there continues to be a universal offer based on distance criteria, irrespective of means. ADCS members acknowledge that there will always be some children and young people for whom transport to and from educational settings is vital. It is time to consider how best we use the limited resources available to local authorities to support those who need it the most, including children from low income families.
11. Although there will be no change to the current free school meals criteria for children whose parents receive support provided under Part 6 of the Immigration and Asylum Act 1999, it is unclear if they will be offered protection during any transition on to Universal Credit similar to the protection offered to those transitioning onto Universal Credit from other benefits.

For further information, please contact Esther Kavanagh Dixon, ADCS Policy Officer, esther@adcs.org.uk.

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