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<b>Report To:</b>	<b>INVERCLYDE COUNCIL</b>	<b>Date</b> 11 June 2009
<b>Report By:</b>	<b>HEAD OF SCHOOLS</b>	<b>Report No:</b> 62
<b>Contact Officer:</b>	<b>COLIN STRUTHERS</b>	<b>Contact No:</b> 01475 712828
<b>Subject:</b>	<b>ELIGIBILITY CRITERIA FOR RECEIPT OF FREE SCHOOL MEALS AND CLOTHING GRANTS FOR PUPILS ATTENDING SCHOOLS OPERATED BY INVERCLYDE COUNCIL</b>	

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## **1.0 PURPOSE**

- 1.1 This report seeks to advise the Council of the proposed changes in eligibility for the receipt of free school meals and clothing grants.

## **2.0 SUMMARY**

- 2.1 Inverclyde Council provides free school meals and clothing grants to the parents of pupils attending its schools where the parents are in receipt of any of the following benefits:

- Income Support
- Income-based Job Seeker's Allowance
- Child Tax Credit, but not Working Tax Credit, and where income is less than £16,040 (in 09/10 as assessed by the Inland Revenue)
- an asylum seeker receiving support under Part VI of the Immigration and Asylum Act 1999

A pupil aged between 16 and 18 years old who receives any of these benefits in his or her own right, can claim free school meals and clothing grant for his or her self.

- 2.2 As a result of recent legislative changes a new benefit, Employment and Support Allowance (Income Related), is now included in the list of benefits that enables children to be provided with free school meals.
- 2.3 Information has been received from the Scottish Government that it has extended entitlement to free school meals to those parents or carers who receive the maximum Child Tax Credit and maximum Working tax Credit as agreed in the concordat between the Scottish Government and COSLA.
- 2.4 Inverclyde Council's currently awards clothing grants to those pupils who meet the statutory eligibility criteria for free school meals detailed in 2.1 above.
- 2.5 The allocation of funding for this mandatory extension of free school meals has been allowed for in the financial settlement with local authorities but the cost implications of this expansion were not fully recognised by Education when the 2009/2011 Budget was being developed.

### **3.0 RECOMMENDATIONS**

- 3.1 The Council is asked to note the following revised entitlement criteria for the receipt of free school meals:

The parent or carer is in receipt of one of the following benefits:

- Income Support
- Income-based Job Seeker's Allowance
- Child Tax Credit, but not Working Tax Credit, and where income is less than £16,040 (in 2009/10) as assessed by the Inland Revenue
- an asylum seeker receiving support under Part VI of the Immigration and Asylum Act 1999
- Employment and Support Allowance (Income Related)
- Parent or carer is in receipt of Working Tax Credit with an income below the threshold for receipt of maximum Working Tax Credit (currently income below £6,420).

A pupil aged between 16 and 18 years old who receives any of these benefits in his or her own right, can claim free school meals and clothing grant for his or her self.

- 3.2 It is recommended that Council approve that the extended eligibility criteria in 3.1 above be also used to determine eligibility to receive clothing grant for pupils who attend schools operated by Inverclyde Council and for Inverclyde pupils who have been directed to attend special schools or establishments outside Inverclyde by Inverclyde Council.
- 3.3 The Council is asked to approve the funding for this extension of eligibility for free school meals and clothing grants and agree that the report be remitted to the Policy and Resources Committee for approval of funding of £70,000 from the Pressures Unallocated contingency with the balance being contained within 1% education efficiency proposals.
- 3.4 A further report on the extension of free school meals to all pupils in P1 to P3 from the start of school session 2010/2011 will be brought to the Education and Lifelong Learning Committee at a later date.

## **4.0 BACKGROUND**

4.1 Currently parents or carers can claim free school meals and clothing grants for their children if they are receiving:

- Income Support
- Income-based Job Seeker's Allowance
- Child Tax Credit, but not Working Tax Credit, and where their income is less than £16,040 (in 2009/10 as assessed by the Inland Revenue)
- Pupils whose parents or carers are in receipt of support provided under Part VI of the Immigration and Asylum Act 1999.

Pupils between 16 and 18 years old who receive any of these benefits in their own right can claim free school meals and clothing grants for themselves.

4.2 The Scottish Government has advised that the following benefit is to be included in the list of benefits that allow pupils to receive free school meals:

Employment and Support Allowance (Income Related)

4.3 The Scottish Government has also advised that it has made The Education (School Lunches) (Scotland) Regulations 2009 under Section 53(3) of the Education (Scotland) Act 1980 to provide that entitlement to free school meals is extended to pupils where the parent or carer is receiving Working Tax Credit with an income below the threshold for receipt of maximum Working Tax Credit. This income threshold is set through section 7(1)(a) of the Tax Credits Act 2002 and is reviewed annually. However, the UK Government has chosen not to change the threshold annually so the current figure, £6,420, will not change for 2009/10.

4.4 The Scottish Government has advised that resources to accommodate such additional numbers of pupils eligible for free school meals were included in the local government financial settlement.

## **5.0 PROPOSALS**

5.1 It is proposed that free school meals and clothing grants be provided to pupils who attend Schools operated by Inverclyde Council and that Inverclyde pupils who have been directed to attend special schools or establishments outside Inverclyde by Inverclyde Council receive a clothing grant where the parent or carer is in receipt of any of the following benefits or are pupils between 16 and 18 years old who receive any of these benefits in their own right:

- Income Support
- Income-based Job Seeker's Allowance
- Child Tax Credit, but not Working Tax Credit, and where income is less than £16,040 (in 2009/10) as assessed by the Inland Revenue
- an asylum seeker receiving support under Part VI of the Immigration and Asylum Act 1999
- Employment and Support Allowance (Income Related)
- Parent or carer is in receipt of Working Tax Credit with an income below the threshold for receipt of maximum Working Tax Credit (currently income below £6,420).

## 6.0 IMPLICATIONS

Finance:

- 6.1 The Scottish Government anticipates that an additional 44,000 pupils across Scotland will be eligible to receive free school meals under The Education (School Lunches) (Scotland) Regulations 2009. Around 1.53% of the recipients of free school meals in Scotland attend Inverclyde primary and secondary schools; this would indicate that an additional 673 Inverclyde pupils may be eligible to receive free school meals and clothing grants.
- 6.2 It is anticipated that there will be a reduction in school meals income for the period 19 August 2009 to June 2010 due to the extension in eligibility to those pupils whose parents are in receipt of Working Tax Credit with an income below the threshold for receipt of maximum Working Tax Credit. It is further anticipated that the reduction in school meals income would be reduced thereafter as the effect of the impact of free meals for P1 to P3 pupils has been calculated separately for school session 2010/11 onwards.
- 6.3 The increase in the cost of clothing grants is estimated to be £40,380 per year.
- 6.4 There should be no increase in free meal or clothing grant uptake as a consequence of the introduction of Employment and Support Allowance (Income Related) as those persons who will receive that benefit would otherwise have been in receipt of Income Support and have been eligible to receive both free meals and clothing grants.
- 6.5 The financial implications have been agreed with the Chief Financial Officer.

Cost Centre	Budget Heading	Part Year Impact – Shortfall August 2009 to March 2010	Virement From (if applicable)	Other Comments
Schools	Catering and School Meal Income	£70,000	Childcare Strategy and Sure Start	All virement is one off in 2009/10
		£30,000	Materials	
		£15,000	Wraparound	
		£30,617	Other expenditure	

Cost Centre	Budget Heading	Full Year Impact – Shortfall 2010/11	Virement From (if applicable)	Other Comments
Schools	Catering and School Meal Income	£136,920	Balance of increased costs to be contained by Education Services. Proposals in this regard will be put forward as part of the 1% Efficiency saving proposal in August.	CMT recommend that £70,000 of this on going cost be funded from the Pressures Unallocated Contingency

- 6.6 The overall additional cost of the extension of eligibility to receive free school meals and clothing grants is estimated to be £145,617 in 2009/10 and £136,920 in 2010/2011.

Legal:

- 6.7 The Education (School Lunches) (Scotland) Regulations 2009 received approval from the Scottish Parliament and will come into force on 3 August 2009. This would mean that all

pupils whose parents receive both maximum Child Tax Credit and maximum Working Tax Credit will become eligible for free school meals.

- 6.8 The Welfare Reform Act 2007 came into force during October 2008. Eligibility to receive free school meals was extended to those persons receiving Employment and Support Allowance (Income Related).

Personnel:

- 6.9 There are no personnel implications.

Equalities:

- 6.10 There are no equalities implications. Entitlement to free school meals has been extended and this will allow a significant number of children from less well off families to receive a free nutritious meal at lunchtime. The number of pupils eligible to receive a clothing grant will also increase.

## **7.0 CONSULTATION**

- 7.1 The extension of free school meals to those pupils whose parents receive both maximum Child Tax Credit and maximum Working Tax Credit was as a consequence of a commitment in the Scottish Government's Concordat with local authorities. There has been no subsequent consultation
- 7.2 The extension of free school meals to those pupils whose parents receive Employment and Support Allowance (Income Related) was as a consequence of a change in legislation. There has been no subsequent consultation.

## **8.0 BACKGROUND PAPERS**

The Welfare Reform Act 2007

The Education (School Lunches) (Scotland) Regulations 2009