

**REPORT FOR: OVERVIEW AND
 SCRUTINY COMMITTEE**

Date of Meeting: 9th June 2015

Subject: Universal Infant Free School Meals
 (UIFSM)

Responsible Officer: Chris Spencer
 Corporate Director, Children and
 Families

**Scrutiny Lead
Member area:** Janet Mote and Lynda Seymour
 Children and Families

Exempt: No

Wards affected: All

Enclosures: None

Section 1 – Summary and Recommendations

This report sets out the work being undertaken in schools in order to provide school children in Key Stage 1 (aged 5-7) with a free school meal.

Recommendations:

Members are asked to note the report and to request any additional information they may wish to inform a future report.

Section 2 – Report

Introductory paragraph

This report is written in response to Members' request for an update on the implementation of plans to meet the requirements of the Universal Infant Free School Meals programme.

1. Background

1.1 The Children and Families Act 2014 placed a legal duty on all state-funded schools in England to offer a free school lunch to all pupils in Reception, Year 1 and Year 2 from September 2014. This includes academies, free schools, pupil referral units and alternative provision as well as maintained schools.

1.2 In the 2014 to 2015 academic year schools are paid funding at a flat rate of £2.30 for each meal taken by newly eligible pupils. Initial provisional allocations were based on an estimate of national take-up and which are adjusted once the department has details of the actual number of meals taken in individual schools

- The government has allocated £150 million nationally of capital funding in the 2014 to 2015 financial year to support the rollout of UIFSM
- Academies were able to bid to the Academies Capital Maintenance Fund (ACMF) to improve their facilities; an element of the available capital funding was added to the ACMF pot for 2014 to 2015 for this purpose

1.3 Existing entitlements to free school meals for disadvantaged pupils in nursery classes and at Key Stages 2-4 continue based on the existing free school meals eligibility criteria for those groups of pupils. In England, children at Key Stages 2-4 in state-funded schools are entitled to receive FSM if their parents or carers are in receipt of any of the following benefits:

- Income Support

- Income-based Jobseekers Allowance
- Income-related Employment and Support Allowance
- Support under Part VI of the Immigration and Asylum Act 1999
- the guaranteed element of State Pension Credit
- Child Tax Credit (provided they are not also entitled to Working Tax Credit and have an annual gross income of no more than £16,190, as assessed by Her Majesty's Revenue and Customs)
- Working Tax Credit run-on - paid for 4 weeks after you stop qualifying for Working Tax Credit
- During the initial roll out of the benefit, Universal Credit

*unless in the Working Tax Credit 'run on' - the payment someone may receive for a further 4 weeks after they stop qualifying for Working Tax Credit.

Children who receive any of the qualifying benefits listed above in their own right are also eligible to receive free school meals.

2. The Universal Offer and its Impact on FSM eligibility claims

2.1 This universal offer means that parents are no longer required to pay for packed lunches or school meals for their children. For those parents who provide packed lunches this saves them an average of £450 per year, money that may now be spent on other benefits for their children.

2.2 However, as there is now a universal offer, parents and carers of pupils in Reception, Year 1 and Year 2 may no longer choose to confirm their eligibility for a free school meal. This is an important and very significant change in parental behaviour as eligibility for free school meals provides the school with Pupil Premium funding and deprivation formula funding, an increasingly significant percentage of pupil related funding in schools. Many schools are advising and assisting parents with declaring their eligibility so that levels of funding are maintained. The impact of change is indicated below.

2.3 The school receives a Pupil Premium payment for the year in which families are eligible for free school meals and automatically for the next five years. In 2015-16 it is £935 for secondary pupils and £1,330 for primary pupils. This additional funding will be invested in children to help them achieve more at school. Free School Meal eligibility is also a deprivation factor in the school funding formula and in 2015-16, £2,115.98 per secondary pupil and £1,111 per primary pupil was distributed based on FSM numbers.

2.4 The Children and Families Act does not change the current position for children who are registered pupils in the nursery class of a maintained school, or in a maintained nursery school. They will continue to receive a FSM if they meet the existing eligibility criteria and they are in receipt of full-time education or education both before and after the lunch period.

2.5 Young children who take up their funded early education entitlement in a private or voluntary early year's provider are not entitled to a FSM even if they meet the qualifying criteria. The existing FSM framework is relevant only to registered pupils in the state-funded school sector.

3. Progress Made

3.1 A significant number of schools were not in a position to deliver the increase in meals required. Procurement and the Children's Capital Works Team worked together to assess what works and purchases were required, and then to provide them using the UIFSM grant provided to the borough. Works associated with the project are expected to be completed by Autumn 2015.

3.2 Harrow Council's building programme has sought to ensure that all children can have a hot meal. In six primary schools and Salvatorian College this has meant providing new or replacement kitchens under the Priority Schools Building Programme (PSBP) and improving the facilities at four other sites through the school expansion programme. Harrow Council is also funding a new kitchen for Whitefriars School (an academy through school 5-18) as an adjunct to the Council's school expansion programme.

3.3 As Harrow had, relative to other similar authorities, a lack of catering facilities historically, there were additional challenges to address. Schools that have always retained and maintained the school catering facilities and services found the transition to UIFSM easier than those who had not. As a result, each school has a unique experience in preparing for and implementing UIFSM. Schools had different facilities, existing patterns in the take up of meals and a different client base.

3.4 Food suppliers voiced the opinion that they would have preferred a transition to operations period of 12 months. Some suppliers provide catering on a national basis. For some, the scale of change required national restructuring and expansion. Nationally, the school catering supply chain was stretched. Suppliers had to recruit and train staff, build and supply heavy equipment and modify and improve existing kitchen facilities. Proactive and effective communication with suppliers and schools in Harrow has kept the latter informed of completion dates for delivery of goods and services.

3.5 Suppliers failing to deliver the quality of service required participated in contract management meetings held by schools and the Schools Procurement Support. Improvement plans were agreed and suppliers were monitored to ensure they undertook the promised steps and activities to resolve service issues.

3.6 At the insistence of Procurement, larger suppliers restructured their service support management to provide dedicated support for each

London borough. Framework agreements with public purchasing bodies were used to procure equipment at a faster rate and cost effectively than would have otherwise been the case.

4. Financial Implications

Capital Funding

4.1 Details of the specific capital funding available to support this policy in the 2014 to 2015 financial year, including allocations to individual local authorities, were published in December 2013. Local authorities (LA) received their capital funding in April 2014. In Harrow, £504,790 was ear-marked for improving or developing kitchen facilities in community schools with an additional allocation of £116,628 for voluntary aided schools. The LA has aligned the capital work on provision of UIFSM with the school expansion programme to achieve maximum value for money.

4.2 The Children & Families Directorate is working in consultation with the Environment & Enterprise Directorate on school asset management. Condition and Measured Surveys have been procured to ascertain the current condition of the school maintained estate to align with the Education Funding Agency approach following the National Property Data Survey. The last major survey (2010) needs updating to better align it to the maintenance needs of schools and to rebalance planned and reactive programmes and spending. It will also be an opportunity to review the statutory elements of maintenance responsibilities which were passed to schools some years ago. These surveys will be completed in June 2015. The data will inform planning and priorities for school condition works and will also provide the information needed on net capacity for the annual school capacity (SCAP) returns to the Education Funding Agency.

Revenue Funding

4.3 Revenue funding is based on a rate of £2.30 for each meal taken by pupils who have become newly eligible for a FSM as a result of the UIFSM policy. Schools are expected to continue to fund meals for pupils eligible for FSMs under the existing criteria in the same way that they have done previously. There is a new data field on the Schools' Census (October 2014 and January 2015), which will enable schools to state how many Reception, Year 1 and Year 2 infants will have taken the Universal Infant Free School Meal.

4.4 In 2014-15 schools received a provisional grant allocation based on non FSM Reception, Year 1 and Year 2 pupils recorded on the January 2014 census x £2.30 x 190 days x 87%. An adjustment to this provisional 2014-15 allocation will be made in June 2015 based on the

average of the actual meals taken at the October 2014 and January 2015 count.

- 4.5 Schools were notified of their provisional full year revenue funding allocation for the 2014 to 2015 academic year in June 2014. Local authorities received the first 2014 to 2015 payments for maintained schools at the end of June 2014.
- 4.6 The final allocation for the 2014 to 2015 academic will be based on actual take-up data derived from an average of the October 2014 and January 2015 schools censuses. The final allocation will be used to calculate a third term payment, to be made in early summer 2015; schools will receive an amount equal to their final allocation minus the amount they received in June/July 2014.
- 4.7 Any schools with low levels of take-up which results in a final allocation lower than the amount paid in June/July 2014 would not receive a third term payment. The amount overpaid to such schools would be deducted from the first payment for the 2015/16 academic year. The School Food Plan's UIFSM Toolkit offers advice on how to cater for pupils with special dietary requirements.
- 4.8 At the time of writing some schools report that they do not have 87% take up of free meals and therefore may receive a significant adjustment when the average is known. The original allocation was based on January 2014 census. A school with a bulge class will register a higher level of pupils.
- 4.9 Funding for this policy beyond the 2015 to 2016 financial year was considered as part of the Spending Review, along with all other government expenditure.
- 4.10 As outlined below, however, primary schools may face three financial challenges as a result of this initiative;
- A reduction in Pupil Premium funding
 - A reduction in funding aligned to deprivation
 - A claw back of funding where schools have not made the take-up estimated.

Value for Money

- 4.11 In order that recipient schools are not compromised in their ability to achieve value for money in negotiations with suppliers, the government will not be publishing the funding amounts per school until July 2015. However, the 'conditions of grant' document was published by the Department for Education (DfE; 19 March 2015). This explains how much of UIFSM funding each school will get in the academic year 2015 to 2016. It also sets out how schools and local authorities will receive their payments. The calculator allows schools to estimate the amount of grant they may receive for the academic year 2015 to 2016.

For the academic year 2015 to 2016 a provisional allocation of UIFSM grant to schools will be based on the final allocation for academic year 2014 to 2015. Dual registered pupils will be counted at the setting at which they took the meal on the census day, even if it is their subsidiary setting. A final allocation for academic year 2015 to 2016 will be calculated in June 2016, from the October 2015 and January 2016 school censuses.

4.12 The calculation uses number of pupils recorded as taking a meal in Year 1 and Year 2 in the October 2015 and January 2016 school censuses and then subtracts those pupils taking a meal known to be eligible for FSM in the same censuses. This figure is then divided by 2 to give the total number of eligible UIFSM pupils in Years 1 and 2 for academic year 2015 to 2016.

For pupils in reception the calculation uses the greater of either:

- the number of pupils recorded as taking a meal in the October 2015 and January 2016 school censuses and then subtracts those pupils taking a meal known to be eligible for FSM in the same censuses. This figure is then divided by 2 to give the average number of eligible UIFSM pupils in reception for academic year 2015 to 2016

or

- the number of pupils recorded as taking a meal in January 2016 school censuses and then subtracts those pupils taking a meal known to be eligible for FSM in the same census

4.13 Local authorities (LAs) must allocate to each school the amounts set out in the attached schedule of allocations. The grant cannot be held centrally by LAs. A school may agree to use their UIFSM grant allocation to contribute to central LA provision, but the grant must be allocated to each school to enable each school to take that decision. LAs should not allocate UIFSM grant to academies that were open on, or by, 1 April 2015. LAs should allocate UIFSM grant to schools that converted to academy status after 1 April 2015. Guidance on dealing with school closures and federations is also available from the DfE.

4.14 The grant will be paid by the Secretary of State to schools and LAs as follows:

Month	Proportion of grant
June 2015 (July 2015 for academies and free schools)	7/12ths of each school's provisional main allocation plus the small school allocation. Schools that were academies on 1 April 2015 will receive their UIFSM grant direct from EFA in July 2015.

Month

Proportion of grant

June 2016 (July 2016 for academies and free schools) the final main allocation for each maintained school as at 1 April 2016 minus the amount of the main allocation paid in June 2015. Any school that converts to academy status after 1 April 2015, and by 1 April 2016, will receive the remainder of its main allocation direct from EFA in July 2016.

5. Food Standards

- 5.1 The legal requirement on schools will be to provide a lunchtime meal that meets the School Food Standards, where they apply. Where schools are not in a position to offer hot options, they should be working towards doing so as soon as possible. These standards are intended to ensure that children get the nutrition they need across the whole school day. These standards govern all food and drink on offer within the school.
- 5.2 On 17 June 2014 the Department for Education (DfE) announced a new set of simplified standards. The new standards are designed to make it easier for school cooks to create imaginative, flexible and nutritious menus. They are mandatory for all maintained schools, academies that opened prior to 2010 and academies and free schools entering into a funding agreement from June 2014, and came into force in January 2015.
- 5.3 Schools and suppliers should adhere to the food quality and standards laid out in the London School Food Plan the Children's Food Trust. These are the national and regional guidelines for schools and incorporate the latest nutritional, menu and service guidance.
- 5.4 The DfE have made clear that it is Headteachers and school governors that are best placed to make decisions in the case of pupils who have special dietary requirements, taking into account local circumstances.

6. Performance Issues

The Take-Up of the UIFSM Offer

- 6.1 The January school census, gives a figure of 90.4% of young children in Harrow (Reception, Year 1 and Year 2) as taking up the universal infant free school meal offer. This figure does not include data from primary academies. The LA does not have access to the data for primary academies as, in accordance with the Data Protection Act (DPA), in particular condition 5(b) of schedule 2, this data is not necessary for the exercise of a statutory function by the LA.

6.2 The Trend in Reception, Year 1 and Year 2 Children Eligible for Free School Meals

6.3 As a proxy for socio-economic change, 10.1% of Reception, Year 1 and Year 2 children in Harrow's primary schools were eligible for free school meals as at January 2015. The table below shows that FSM eligibility remained steady from 2010 until 2013, dropping in 2014.

6.4 The following table illustrates the recent trend in the eligibility of free school meals in Harrow (Source: DfE Harrow schools January School Census).

Percentage of Reception, Year 1 and Year 2 pupils eligible for Free School Meals

Reception to Year 2 Primary Schools	Jan-10	Jan-11	Jan-12	Jan-13	Jan-14	Jan-15
Harrow total pupils	7,604	7,799	8,179	8,444	8,872	9,350
Harrow – number eligible	1,255	1,329	1,309	1,363	1,222	943
Harrow - % eligible	16.5%	17.1%	16.0%	16.1%	13.8%	10.1%

Percentage of primary and nursery aged pupils taking a free school meal

Nursery and Primary Schools	Jan-12	Jan-13	Jan-14	Jan-15
Harrow	14.30%	14.10%	12.20%	9.60%
England	15.40%	15.30%	14.40%	N/A

Potential Financial Impact on Primary Schools

6.5 These figures indicate a decline in the percentage of young children for whom a free school meal is claimed. This will have an impact on schools' budgets through a reduction in Pupil Premium funding for schools and a reduction in schools' delegated budgets through lower levels of deprivation funding. For some schools, who may not attain the take-up threshold they may also be subject to a financial re-alignment in future that effectively claws back some of the funding.

6.6 To illustrate this point; a school with 300 pupils in this age group that has 11 (3.7%) less pupils eligible for a free school meal than

previously will suffer a loss of £14,763 in Pupil Premium Funding and £12,332 in the reduction of formula funding for deprivation. The total impact on the school would be a loss of £27,095 each year.

7. Environmental Impact

7.1 The Council's over-arching climate change strategy sets a target to reduce carbon emissions by 4% a year. Schools account for 50% of the Council's total carbon emissions. Reducing emissions from schools is therefore a vital component in meeting the Council's target. However there is a significant risk that the expansion programme will increase emissions rather than reduce them. Phase 2 of the School Expansion Programme will have an impact on carbon emissions that will need to be carefully considered in this context.

7.2 The RE:FIT Schools Programme will be available to retrofit existing school buildings to improve their energy efficiency. For new-build schools, the design standards will need to ensure that they meet high energy use efficiency standards. Of particular importance will be the use of low carbon technologies – particularly for space heating – and these will need to be thoroughly investigated during the design phase.

7.3 For many of the projects in the school expansion, programme, planning applications will be required and part of the application will be a school travel plan. Through this process and the development of the solutions for the schools, the impact of the additional pupils and their travel modes will be addressed.

8. Risk Management Implications

Risk included on Directorate risk register?
Yes (under the school expansion programme)
Separate risk register in place? No

8.1 The directorate and corporate risk management implications for the Council arising from school place planning are included on the directorate and corporate risk registers. A Programme Risk Register is reviewed by the Programme Board.

8.2 The risks for delivery of the school expansion programme have been reported in detail to Cabinet in the previous quarterly update reports. School Expansion Programme Report went to Cabinet on the 23 April Agenda (Item 8). The highest priority risk for this programme is financial in respect of the programme or individual projects being unaffordable and thereby incurring additional costs to the Council. Control actions to mitigate against this risk include, exploring how the Government's Free School Programme for new schools (programme funded directly from government) may be supported in Harrow with the context of the school expansion programme.

8.3 The letting of service contracts for schools for new providers of catering needs to be accompanied by appropriate leases and licences. Without this, significant issues with capital investment in schools (EFA funded PSBP) may be caused.

9. Legal Implications

9.1 S106 of the Children and Families Act 2014 amends the Education Act 1996 to impose a duty on state funded schools to offer free school meals to pupils in Reception, Year 1 and year 2 classes. State funded schools will include academies and pupil referral units, free schools and alternate provision as well as maintained schools.

10. Equalities implications

10.1 An Equality Impact Assessment (30 October 2013) was carried out under the School Expansion Programme. The School Expansion Programme will ensure sufficient school places for the increasing numbers of children and young people in Harrow. The current school expansions are in the primary phase and for special educational needs, though additional children will progress through to the secondary phase from around 2016. School roll projections are updated annually and in July 2014 Cabinet agreed to the publication of statutory proposals to expand permanently a third phase of primary schools. The projections inform the Secondary School Place Planning Strategy and will continue to inform school place planning across the education phases. The school expansion programme ensures there are sufficient local high quality school places for all the children in the borough. Although this assessment does not make explicit reference to the current UIFSM offer that programme is delivered in conjunction with school expansion.

11. Council Priorities

The Council's vision is: **Working Together to Make a Difference for Harrow**

- Making a difference for the vulnerable
- Making a difference for communities
- Making a difference for local businesses
- Making a difference for families

The Universal Infant Free School Meal offer supports these priorities by:

- Ensuring Harrow Council works with schools to provide sufficient capacity for meals in its area for all children in Reception, Key Stage 1 and Key Stage 2.
- Helping to ensure that parents can use their resources more efficiently on behalf of their children.

- Helping to ensure that every infant child has a healthy and free meal available to them each day in school.

Section 3 - Statutory Officer Clearance

Name: Jo Frost	<input checked="" type="checkbox"/>	on behalf of the* Chief Financial Officer
Date: 26 May 2015		
Name: Sharon Clarke	<input checked="" type="checkbox"/>	on behalf of the* Monitoring Officer
Date: 26 May 2015		

Ward Councillors notified:	NO
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Section 4 - Contact Details and Background Papers

Contact:

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Background Papers:

The Department for Education's '*Universal infant free school meals: guide for schools and local authorities*' may be found here:

<https://www.gov.uk/universal-infant-free-school-meals-guide-for-schools-and-local-authorities>