

Department for Education
**Eligibility for Free School Meals and the Early Years Pupil
Premium under Universal Credit**
11 January 2018

1. The NASUWT welcomes the opportunity to submit evidence to the Department for Education (DfE) consultation on eligibility for free school meals and the Early Years Pupil Premium under Universal Credit.
2. The NASUWT is the teachers' union, representing teachers and headteachers across the UK.
3. The NASUWT submission identifies some important broader considerations in respect of the introduction of Universal Credit as well as addressing the key specific proposals described in the consultation document.

GENERAL COMMENTS

4. The NASUWT notes that children and young people are entitled to receive free school meals (FSM) if their parents or guardians receive a specified range of benefits.¹ The Union further notes that most of these benefits are scheduled to be replaced by Universal Credit payments during a phased implementation period due to conclude in March 2022.²

¹ HM Government. (2017). 'Apply for free school meals'. *Gov.uk* (8 November). Available at: (<https://www.gov.uk/apply-free-school-meals>), accessed on 22.12.17.

² Kennedy, S.; Keen, R. and Wilson, W. (2017). *Universal Credit roll-out: Autumn/Winter 2017. House of Commons Library Briefing Paper. No. 8096*. Available at: (<http://researchbriefings.parliament.uk/ResearchBriefing/Summary/CBP-8096>), accessed on 20.12.17.

5. The NASUWT notes that the consultation document asserts that the introduction of Universal Credit will create '*greater fairness in the welfare system and...help more families move out of poverty by making work pay.*' The Union must make clear at the outset that it does not share this view. As the NASUWT's evidence to the Government on its most recent Child Poverty Strategy stressed, ongoing changes to the tax and benefits system, including the introduction of Universal Credit, will hinder, not support, efforts to move more children and young people out of poverty.³

6. Recent research undertaken by the independent Institute for Fiscal Studies serves to emphasise these concerns. This research confirms that the introduction of Universal Credit will impact adversely on some of the most vulnerable and disadvantaged children and young people in the UK, particularly those in households that include working lone parents, hold assets or have sources of unearned income, or that include adult couples who are both in low-paid work.⁴ The Child Poverty Action Group's assessment, undertaken in conjunction with the Institute for Public Policy Research, found that the introduction of Universal Credit could put an additional one million children in poverty.⁵ Further evidence collated and analysed by the House of Commons Work and Pensions Select Committee makes clear that Ministers' claims about the positive effects on poverty that the introduction of Universal Credit will secure are entirely unsubstantiated.⁶

³ NASUWT. (2014). *HM Government: Consultation on the Child Poverty Strategy 2014-17*. Available at: (<https://www.nasuwt.org.uk/uploads/assets/uploaded/3134889e-703d-4372-bac82e96a105eefe.pdf>), accessed on 21.12.17.

⁴ Browne, J.; Hood, A. and Joyce, R. (2016). 'The (changing) effects of universal credit', in Emmerson, C.; Johnson, P. and Joyce, R. (eds.). *The IFS Green Budget 2016*. Available at: (<https://www.ifs.org.uk/publications/8129>), accessed on 20.12.17.

⁵ Tucker, J. (2017). *The Austerity Generation: the impact of a decade of cuts on family incomes and child poverty*. Available at: (<http://www.cpag.org.uk/sites/default/files/Austerity%20Generation%20FINAL.pdf>), accessed on 20.12.17.

⁶ House of Commons Work and Pensions Select Committee. (2017). *Letter from the Chair to Secretary of State (DWP) relating to Universal Credit business case*. Available at: (<https://www.parliament.uk/business/committees/committees-a-z/commons-select/work-and-pensions-committee/news-parliament-2017/universal-credit-business-case/>), accessed on 20.12.17.

7. In light of the well-established, profoundly negative implications of poverty and material disadvantage on children's wellbeing and their future life chances, the NASUWT restates its call on the Government to adopt a revised approach to its economic, social and benefits policies that will exert sustained downward pressure on levels of child poverty. The Union remains clear that this revised approach must include steps to reform and redesign Universal Credit so that it contributes to, rather than undermines, work to tackle the causes and consequences of the material deprivation experienced currently by one in four children in the UK.⁷
8. Notwithstanding these concerns, it is clear that FSM remains a critical benefit for many children, young people and families living in disadvantaged circumstances. It is therefore appropriate for the DfE to undertake work to amend eligibility criteria for FSM to take account of any reforms to the benefits system. It is essential that these reforms are progressed in ways that do not create barriers to access to FSM eligibility for those who depend on it to support their household income.
9. However, it is also important to note that FSM eligibility plays a vital role in the allocation of funding to schools, early years settings and local authorities. It is also a core element of the current school accountability regime. The implications of changes in FSM eligibility criteria for these central areas of Government activity must also be recognised fully in the development and implementation of the DfE's policy response to the introduction of Universal Credit. These considerations are addressed in further detail below.
10. The NASUWT restates its concern about the lack of take-up of FSM and notes that this issue is considered in the consultation document. It is essential that work continues to ensure that all children eligible for FSM

⁷ Department for Work and Pensions. (2017). *Households Below Average Income, An analysis of the income distribution 1994/95 – 2015/16, Tables 4a and 4b*. Available at: (<https://www.gov.uk/government/statistics/households-below-average-income-199495-to-201516>), accessed on 20.12.17.

receive the benefits to which they are entitled. This consideration will be particularly important when the new eligibility criterion is introduced.

11. The DfE will be aware that some parents, carers or pupils do not access FSM when they are entitled to do so as a result of concerns about stigmatisation.⁸ Many of these concerns relate to the way in which schools manage FSM processes and some of the implicit or, at times, explicit stigmatising signals that schools send to pupils about poverty and disadvantage.⁹ It is, therefore, essential that the DfE's strategy around maximising FSM take-up focuses on this critical dimension of this area of policy.

SPECIFIC COMMENTS

Proposed new eligibility criterion for FSM

12. The NASUWT notes that the DfE is proposing to introduce an eligibility criterion for parents and guardians in receipt of Universal Credit based on a maximum household earnings threshold, set initially at £7,400 per annum.
13. The Union further notes that Department for Work and Pensions (DWP) modelling data indicates that an additional 50,000 children and young people would become eligible for FSM if the DfE's proposed criterion is introduced.
14. The NASUWT welcomes in principle the introduction of revised arrangements that will expand the scope of FSM to children and young people who are from disadvantaged households that fail to meet existing criteria. However, as the DfE acknowledges, DWP data also indicates

⁸ Furlong, R. (2012). *Going hungry? Young people's experiences of Free School Meals. A joint report by the Child Poverty Action Group and the British Youth Council*. Available at: (<http://www.cpag.org.uk/sites/default/files/Going%20Hungry%20young%20peoples%20experiences%20of%20Free%20School%20Meals.pdf>), accessed on 10.01.18.

⁹ *ibid.*

that that under the new FSM eligibility criterion, approximately 10% of current FSM recipients would lose their eligibility.

15. Implementation of this proposal would, therefore, require the introduction of transitional arrangements if adverse implications are to be avoided for a significant proportion of current FSM recipients. To this end, the NASUWT notes that the DfE intends to:
 - allow all existing claimants from April 2018 to continue to receive FSM during the implementation of Universal Credit, even if their household earnings rise above the threshold during this time;
 - put in place no further eligibility checks of pupils protected in this way during the implementation period; and
 - continue to protect these pupils from the removal of FSM eligibility after the implementation period until they reach the end of their current phase of education.
16. Although these proposals reflect a helpful acknowledgement by the DfE that protection arrangements would be necessary, it is not evident why this protection should be withdrawn at the end of pupils' current phase of education. It occurs to the NASUWT that this approach would lead to the extent of protection being based on the proximity of pupils to the end of their primary or secondary education and would, as a result, be unacceptably arbitrary in nature. Under the DfE's proposals, pupils may receive between one and seven years of additional protection on the basis of no criterion other than their current school year group.
17. The NASUWT is therefore clear that to ameliorate this element of the DfE's proposals, post-implementation protection would need to be extended to the point at which a young person is beyond the statutory education and training participation age or, in the case of learners over

19 with special educational needs or a disability, until their education, health and care (EHC) plan has expired.¹⁰

School and early years funding

18. The NASUWT notes that children and young people's FSM eligibility plays a central role in the school and early years funding system. Specifically, FSM eligibility determines:
- the extent of settings' funding under the Pupil Premium and the Early Years Pupil Premium, in which allocations are established on the basis of a deprivation criterion that reflects FSM eligibility; and
 - allocations to local authorities, schools and early years settings under the National Funding Formula (NFF) and the Early Years Funding Formula (EYFF).
19. It is therefore essential to recognise that changes in the eligibility criteria for FSM could have significant implications for the funding received by schools, early years settings and local authorities. In particular, it would be highly inequitable if the implementation of these proposals were to result in adverse funding outcomes in any circumstances, given that underlying levels of deprivation would not have changed, only the way in which deprivation would be reflected in FSM-based indicators.
20. Although some FSM-related funding would continue in respect of those children and young people subject to protection arrangements, this funding would end at the conclusion of each FSM recipient's protection period, given that an element of deprivation funding under the NFF and the EYFF is dependent on current rather than historical eligibility for FSM.

¹⁰ Education and Skills Funding Agency, (2017). '16 to 18 education: free meals in further education for academic year 2017 to 2018.' *Gov.uk*. (2 March). Available at: (<https://www.gov.uk/guidance/16-to-18-education-free-meals-in-further-education-for-academic-year-2017-to-2018>), accessed on 21.12.17.

21. The DfE should, therefore, work with the NASUWT and other relevant stakeholders to take measures to protect schools, early years settings and local authorities from any reductions in their funding allocations that may result from the introduction of a revised FSM-eligibility criterion.
22. In respect of the Pupil Premium, the Union recognises that 'Ever 6' rather than current FSM eligibility is used as a criterion for determining funding allocations.¹¹ While this feature of the Pupil Premium funding methodology would ensure that the ending of FSM protection for otherwise non-eligible pupils would not impact on schools' funding for a period of six years, it would remain the case that, at some stage, some schools could lose funding for reasons other than substantive changes in the levels of deprivation faced by the pupil populations they serve.
23. The DfE should, therefore, undertake work to model the extent to which an amended FSM-eligibility criterion would impact on Pupil Premium funding and work with the NASUWT and other relevant stakeholders to address any detrimental outcomes for schools that might result.

Deprivation and the school accountability regime

24. The NASUWT notes that school performance tables include indicators related to the measured progress and attainment of pupils meeting the Ever 6 deprivation criterion.¹² The Union further notes that judgements made during Ofsted inspections on the achievement of disadvantaged pupils are also undertaken using this criterion.¹³

¹¹ 'Ever 6' refers to those pupils recorded in the school census who are known to have been eligible for FSM in any of the previous six years.

¹² DfE. (2017). *School and College Performance Tables: Statement of Intent*. Available at: (https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/631973/School_and_college_performance_tables_2017_Statement_of_intent.pdf), accessed on 22.12.17.

¹³ Ofsted, (2017). *Guidance for the inspection data summary report*. Available at: (https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/663756/IDSR_guidance_30_Nov_17.pdf), accessed on 22.12.17.

25. As noted above in respect of funding, changes in the criterion used to determine FSM eligibility could impact on the extent to which schools are deemed to be serving disadvantaged pupil populations and, as a result, influence how the effectiveness of schools is evaluated in the context of the current school accountability framework. In these circumstances, schools could be deemed to be serving more or less disadvantaged pupil populations than had previously been the case, despite no change in the actual levels of deprivation experienced by these populations.
26. Further, under the DfE's proposals, the phased roll-out of Universal Credit would mean that it would impact on different households at different points in time, depending on their geographical location and the type of predecessor benefits to which their adult members had been entitled. As the DfE recognises, this feature of the implementation phase of Universal Credit could create significant discontinuities in recorded levels of disadvantage, both within and between individual schools.
27. It is therefore essential that the DfE sets out how it intends to address this issue if it proceeds with implementation of its proposals. As a minimum expectation, it would be vital for the DfE to be clear about the increased limitations in the validity and reliability of deprivation-related pupil performance data during this period and to take steps to ensure that no school would be subject to detrimental treatment by virtue alone of amendments to the way in which deprivation indicators are calculated.

Additional considerations

28. As the consultation document notes, as a consequence of the lagged nature of the school funding system, an increase in the number of children and young people eligible for FSM could result in schools being required to provide more meals free of charge without a concurrent increase in the resources available to them to do so.

29. The NASUWT, therefore, welcomes the DfE's undertaking to support schools in these circumstances and looks forward to engaging directly with the DfE on its proposals in this respect in due course.
30. More broadly, the NASUWT notes that the DfE's ongoing interest in developing more effective indicators of deprivation.¹⁴
31. Notwithstanding the NASUWT's reservations about the DfE's initial proposals in this respect, the Union continues to welcome the Government's commitment to developing more sophisticated, valid and reliable indicators of material deprivation. The NASUWT's longstanding view is that FSM-based indicators are inadequate in this respect. The Union, therefore, looks forward to further engagement with the DfE on the development of alternative indicators of disadvantage.

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¹⁴ DfE. (2017). *Analysing family circumstances and education*. Available at: (<https://www.gov.uk/government/consultations/analysing-family-circumstances-and-education>), accessed on 22.12.17.