

**MIDDLESBROUGH COUNCIL**

<b>Report of:</b>	Joint Director of Public Health and Director of Finance
<b>Relevant Executive Member:</b>	The Mayor and Executive Member for Adult Social Care and Public Health and the Executive Member for Finance and Governance
<b>Submitted to:</b>	Executive
<b>Date:</b>	26 June 2024
<b>Title:</b>	Auto-enrolment of Free School Meals and maximising Pupil Premium Funding Pilot across Middlesbrough
<b>Report for:</b>	Decision
<b>Status:</b>	Public
<b>Council Plan priority:</b>	A healthy place
<b>Key decision:</b>	Yes
<b>Why:</b>	Decision(s) will have a significant impact in two or more wards
<b>Subject to call in?:</b>	Yes
<b>Why:</b>	Non-Urgent Decision

**Proposed decision(s)**

That Executive are asked to approve the following:

- To progress a pilot initiative with schools, between officers across Revenues and Benefits Service and Public Health, to support the implementation of auto-enrolment of Free School Meals, with the aim of increasing the number of children registered for Free School Meals and Pupil Premium, subject to the agreement of Middlesbrough schools.

The pilot will be funded by ringfenced grant provided by Public Health, a further report will be presented for consideration by the Executive following the completion of the pilot in order to review the findings; ascertain the approach, understand the administration costs, and determine whether it is feasible for the Council to undertake this work on a longer-term basis subject to the Council's costs being met by participating schools.

## Executive summary

Pupil Premium is grant funding provided to schools to improve educational outcomes for disadvantaged pupils in state funded schools. If a child is missing out on Free School Meal entitlement, it is in all likelihood that the school is also missing out on the Pupil Premium. By optimising Free School Meals also means the school will benefit for additional Pupil Premium.

The report presents the proposed approach to optimise the take up of Free School Meals by children in the borough's schools and the associated increase in income for schools via the Pupil Premium through auto enrolment which is designed to:

- increase the number of children registered for Free School Meals and capture eligible children whose families have not submitted applications.
- maximise the amount of Pupil Premium to Middlesbrough schools.
- Increase school funding to improve educational outcomes for disadvantages pupils.

Auto-enrolment will ensure that schools are receiving the maximum benefit of Pupil Premium funding and free school meal entitlement and is linked to the attainment gap as well as contributing towards the Council's plan to reduce poverty and create a healthy place.

Whilst the level of Free School Meals in the Town is statistically high (*source: Department for Education*), nationally 1 in 10 children are not receiving the free school meal they are entitled to, and schools are not receiving the associated Pupil Premium funding.

In Middlesbrough, a small sample of 60 households were assessed, utilising existing data sets held by the Council, which suggested a potential of 11 households with children were missing out on Free School Meals. Based on the sample, this would result in an additional £16,280.00 of Pupil Premium funding for primary school age children. If the pupils were of secondary age this would equate to £11,550.00.

There are a range of scenarios where children may be missing out on Free School Meals to which they are entitled. There is also an opportunity for schools to increase their Pupil Premium income by £1480.00 per pupil (primary school age), £1050.00 (secondary school age) which would otherwise be lost.

The scheme also contributes towards reducing poverty, as children will have access to a Free School Meal, which may currently be funded by the parent (a saving to the household of c£400.00 per child per year).

Access to a healthy meal for every eligible child will contribute towards the Council's Plan 2024-2027, creating a healthy place, helping our residents to live longer, healthier lives. It will ensure that the most vulnerable children and families in poverty have access to Free School Meals and will ensure children are receiving a healthy balanced diet and will contribute to wider health priorities such as reducing childhood obesity. In addition, this process will have the potential to support closing the attainment gap through the allocation of Pupil Premium funding to school.

Subject to approval and agreement with the individual schools, Middlesbrough Council will seek to undertake this pilot, which will be fully funded through Public Health grant funding. The cost of providing longer term arrangements, following the pilot, would need to be met/funded by the schools given this is not a statutory duty of the Council and would be a discretionary service.

## **1. Purpose**

- 1.1 To seek approval for the Council to undertake the Free School Meal and Pupil Premium Optimisation pilot.
- 1.2 The pilot is time sensitive with an enrolment completion date of September 2024 in readiness for the October 2024 census which is the deadline pupil premium data to drive school funding.
- 1.3 The Council will need to engage with Middlesbrough schools to seek approval to progress with the auto-enrolment of Free School Meals and Pupil Premium optimisation pilot.
- 1.4 The purpose of the pilot is to ensure that schools are receiving the maximum benefit of Pupil Premium funding to address the attainment gap as well as contribute towards the Council's plan to reduce poverty and create a healthy place by enabling children who are entitled to free school meals to access them.

## **2. Recommendations**

- 2.1 That Executive approves the following:
  - To progress a pilot initiative with schools, between officers across Revenues and Benefits Service and Public Health, to support the implementation of auto-enrolment of Free School Meals, with the aim of increasing the number of children registered for Free School Meals and Pupil Premium, subject to the agreement of Middlesbrough schools.
- 2.2 The pilot will be funded by Public Health Grant. A further report will be presented to Executive following the completion of the pilot to review the findings; ascertain the approach, understand the administration costs and decide whether the Council would wish to undertake this work on a longer-term basis subject to appropriate funding by participating schools.

## **3. Rationale for the recommended decision(s)**

- 3.1 The initiative takes a proactive approach to ensure that all children who are eligible for Free School Meals are identified and enrolled for Free School Meals.
- 3.2 To ensure that the Schools receive transitional protection for income related Free School Meal, those eligible must be identified and captured on the October 2024 Census. All activities relating to this initiative need to be completed by the end of September 2024.

- 3.3 Some children will automatically be receiving Free School Meals due to the Universal Infant Free School Meals, if they are in Reception, Year 1, and Year 2, although the school may be missing out on Pupil Premium.
- 3.4 Any successful claims will mean the Schools will see an increase in Free School Meal take up and an increase in the level of Pupil Premium income that they generate from participation in the pilot.
- 3.5 A small sample size of 60 Middlesbrough households, were assessed, utilising existing data sets held by the Council, which determined that a potential of 11 households with children, who would be eligible for Free School Meals. Based on this figure, if these children are primary aged children, this would result in an additional £16,280.00 of Pupil Premium funding coming into schools in Middlesbrough (if secondary pupils, this would equate to £11,550.00).
- 3.6 Under the Ever 6 Scheme (*source: Department for Education*) if a household is entitled to Free School Meals the current scheme means that the school will benefit from Pupil Premium for a period of time irrespective of any subsequent changes to the household income.
- 3.7 The policy is a key decision that impacts on two or more wards and will involve engagement with all Middlesbrough schools.

#### **4. Background and relevant information**

- 4.1 Nationally 1 in 10 children are not receiving the Free School Meals to which they should be entitled. The Child Poverty Action Group in 2021 in the North East of England estimated a regional Free School Meals under-registration rate of 11%. Schools are also not receiving Pupil Premium funding and other associated funding dependent on Free School Meal registration.
- 4.2 The scheme will ensure that all eligible households receive Free School Meals and that schools are maximising the Pupil Premium. There are several reasons, including burdensome and complex administration, language or low levels of literacy and a feeling of stigma or embarrassment from families that prevents some households from claiming Free School Meals.
- 4.3 The scheme also contributes towards reducing poverty, as children will have access to a Free School Meal, which may currently be funded by the parent (a saving to the household of c£400.00 per child per year).
- 4.4 Access to a healthy meal for every eligible child will contribute towards the Council's Plan 2024-2027, creating a healthy place, helping our residents to live longer, healthier lives. It will ensure that the most vulnerable children and families in poverty have access to Free School Meals and will ensure children are receiving a healthy balanced diet and will contribute to wider health priorities such as reducing childhood obesity. In addition, this process will have the potential to support closing the attainment gap through the allocation of Pupil Premium funding to schools.

- 4.5 Indirect benefits may also be realised for children's health and wellbeing for the future, as accessing a healthy nutritional meal could impact on NHS services such as doctors, dental services and the wider health care service.
- 4.6 The government has agreed that transitional protections for Free School Meals will remain until March 2025. Transitional protection means that eligible pupils continue to receive Free School Meals, even if their household is no longer eligible under the benefits/low earning criteria, up until March 2025 and then until the end of their phase of education.
- 4.7 By undertaking this auto-enrolment process, families may also be identified who are eligible for other benefits administered by the Council.
- 4.8 The scheme will be implemented using existing data sets already held by the Council, to ensure that every eligible child receives the Free School Meal that they are entitled to. The aim is that all eligible children will receive a healthy hot meal at lunchtime and that families are receiving the associated benefit. It is also important to ensure that families are receiving all the help and support that they can get during the cost-of-living crisis, as food costs and utility bills remain high. Additionally, schools will receive Pupil Premium funding for each child claiming Free School Meals. The process of auto-enrolment will follow the same processes used by other Local Authorities in England.
- 4.9 The process will use existing data which will result in a list of potentially eligible children. Parents will be asked to opt out if they prefer not to be registered. The Free School Meal applications will be processed by the Local Authority and notification provided to the School of the outcome.
- 4.10 Sheffield City Council introduced the Auto Award Process in 2016. Since this date of 170 schools within the Local Authority area, approx. 5,000 children have been identified as not claiming Free School Meals with approx. £3.8m of unclaimed Pupil Premium being identified.
- 4.11 Over the last year, a small number of Councils have adopted the 'opt-out' model. Results have been impressive. Fix Our Food research has pooled data from five Local Authorities in England who implement the Free School Meals auto enrolment processes in October 2023. Results suggested that over 2,500 additional children had been registered to receive Free School Meals and generated additional Pupil Premium of c£4.5m. Wakefield City Council alone registered an additional 1,183 children through the model.
- 4.12 In order to be eligible for a Free School Meal the child has to be attending a state funded school or academy full-time in Middlesbrough and the parent receives:
- Income Support
  - Income Based Jobseeker's Allowance
  - Income related Employment Support Allowance
  - Support under Part IV of the Immigration Act 1999
  - The guaranteed element of Pension Credit

- Child Tax Credit – provided you're not also entitled to Working Tax Credit and have an annual gross income of no more than £16,190.
- Working Tax Credit run-on - paid 4 weeks after you stop qualifying for Working Tax Credit
- Universal Credit – if applied for on or after 1 April 2018 the household income must be less than £7,400 per year (after tax and not including any benefits you get)

4.13 Dependent on the success of this initiative, a further report will be presented for consideration by the Executive in order to determine if it is feasible for the Council to undertake this work on a longer-term basis as there will be administrative and resource costs attached to this work.

4.14 There may also be instances where the household is not claiming for income related Free School Meals and as such no associated Pupil Premium or Free School Meal will have been claimed.

4.15 The report provides an overview of the approach and the opportunities of introducing auto-enrolment, based on the experiences of other Local Authorities across the country (e.g., Sheffield City Council).

4.16 Auto-enrolment will ensure that schools are receiving the maximum benefit of Pupil Premium funding and free school meal entitlement and is linked to the attainment gap as well as contributing towards the Council's plan to reduce poverty and create a healthy place.

4.17 Auto-enrolment is designed to increase the number of children registered for Free School Meals and capture eligible children whose families have not submitted applications.

4.18 In addition, it should maximise the amount of Pupil Premium to Middlesbrough schools and increase school funding to improve educational outcomes for disadvantaged pupils.

## **5. Other potential alternative(s) and why these have not been recommended**

5.1 **Do nothing:** To continue with the current application process whereby the responsibility rests with households to apply for Free School Meals, whilst this is still the route, the approach by the Council will ensure applications are maximised as is the Pupil Premium.

5.2 **Delay the auto-enrolment until the 2025 Census.** The current timescales are very tight by delaying this launch will allow for more robust plans to be put in place. Although any delay will impact on the transitional protection as described earlier in the report with the schools potentially missing out on financial support.

## **6. Impact(s) of the recommended decision(s)**

### **6.1 Financial (including procurement and Social Value)**

- 6.1.1** The auto-enrolment pilot will be fully funded by ringfenced grant provided by Public Health, although it is estimated that the cost of staff resource to deliver the pilot will be circa £34,750.00. Internal resource will be provided from Public Health grant to deliver the pilot on a one off basis.
- 6.1.2** Subject to further consideration of the outcome of the pilot and approval by the Executive, this non-statutory service could be provided by the Council on an ongoing basis, subject to the full cost of delivery would be met by participating schools on an ongoing basis. Schools have the opportunity to increase their Pupil Premium income by £1,400 per pupil (primary school age), £1,100 (secondary school age) which would otherwise be lost. It is therefore envisaged that schools may be prepared to pay a small percentage of the additional premium generated to contribute to meet the Council's cost of providing this service.
- 6.1.3** A review will take place during the pilot to ascertain the full financial implications of administration of the service on an ongoing basis. The VAT implications will be explored during the pilot and addressed in any further report to Executive.
- 6.1.4** Schools must make a Free School Meal available for all eligible pupils the day the student attends school. This cost is borne by the School and not the Local Authority.

## **6.2 Legal**

- 6.2.1** Under Sections 512 and 512ZB of the Education Act 1996 the Local Authority, through schools, or alternatively academies, are required to provide Free School Meals if a child is eligible and a request for Free School Meals has been made by or on behalf of that person to the Authority. The Local Authority has the "general power of competence" under Section 1 of the Localism Act 2011 which may include automatically enrolling children eligible for Free School Meals.
- 6.2.2** In addition, Section 111 of the Local Government Act 1972 states a Local Authority shall have the power to do anything (subject to any contrary provisions in the Education Act) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.
- 6.2.3** Central Government recognises the benefits of providing a healthy school meal to the most disadvantaged pupils. The Education Act 1996 requires maintained schools and academies (including free schools) to provide Free School Meals to disadvantaged pupils who are aged between 5 and 16 years old. The legislation the guidance refers to is: The Education Act 1996; The Welfare Reform Act 2012; Children and Families Act 2014.
- 6.2.4** The Department of Education (DfE) has provided non-statutory advice.

## **6.3 Risk**

- 6.3.1** The scheme supports the delivery of the Council's strategic priority 'A Healthy Place' to reduce poverty as set out in the Council Plan 2024-2027. [Council Plan | Middlesbrough Council](#).

6.3.2 The scheme will assist low income and vulnerable residents to meet day to day living expenses and provide additional funding to schools to support the attainment gap and educational needs to improve the lives of local residents.

6.3.3 The implementation of the scheme enables the service to deliver organisational priorities (Risk 08-054) and by reviewing the scheme periodically the Council continues to effectively review and amend the scheme to comply with any legislative changes (Risk 08-055).

#### **6.4 Human Rights, Public Sector Equality Duty and Community Cohesion**

6.4.1 There are no disproportionate adverse impacts on any group or individuals with characteristics protected in UK equity law. An impact assessment has been carried out and is attached.

#### **6.5 Climate Change / Environmental**

6.5.1 There are no disproportionate adverse impacts on the aspirations of the Council to achieve net zero, net carbon neutral or be the lead authority on environmental issues.

#### **6.6 Children and Young People Cared for by the Authority and Care Leavers**

6.6.1 The scheme does not differentiate based on applicant background and therefore has no adverse impact on children and young people cared for by the Authority and Care Leavers.

6.6.2 Virtual School Heads are responsible for managing the funding given to Local Authorities for the children in their care. The team work with schools to ensure the funding is used to help deliver the outcomes identified in the children's personal education plans, in line with a menu of approaches. The team can pass all the funding on to schools or has the option to retain some funding to support activities that will benefit a group, or all, of the Local Authority's looked-after-children.

#### **6.7 Data Protection**

6.7.1 A privacy notice will be published for the purposes of automatic enrolment, along with a service level agreement with schools to include the provisions for the protection of data shared. A Data Protection Screening and Impact Assessment Form has been completed.

6.7.2 Personal data will be processed for the purposes of the opt out automatic enrolment scheme. There must be a lawful basis to process personal data. The lawful basis would therefore be the UK General Data Protection Regulation Article 6(1)(e) the processing of personal data for a Public Task supported by Sections 512 and 512ZB of the Education Act 1996 and Section 1 of the Localism Act 2011 and Section 111 of the Local Government Act 1972.



**Actions to be taken to implement the recommended decision(s)**

Action	Responsible Officer	Deadline
Implementation of the auto-enrolment of Free School Meal pilot	Janette Savage	30 September 2024

**Appendices**

1	Fix Our Food – Auto-enrolment of Free School Meals Process Map
2	Impact Assessment
3	Checklist

**Background papers**

n/a

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