

TITLE OF REPORT: Universal Credit and Free School Meals

Purpose of the Report

1. To inform Schools Forum of the roll out of Universal Credit in Gateshead from mid October 2017 and the possible impact on free school meals (FSM) and claiming families.

Background

2. Universal Credit is a national benefit which will replace Income Support, Income related Jobseekers Allowance, Income related Employment and Support Allowance, Housing benefit, Working Tax Credit and Child Tax Credit. People in Gateshead may currently claim Universal Credit, but generally only if they are a single person.
3. From mid October 2017, the roll out of Universal Credit in Gateshead will be expanded to include anyone making a new claim to any of the benefits referred to above. This includes families with children and lone parents.
4. Anyone applying will need to sign a claimant commitment. For those not working, or only working part time, they may be expected to spend up to 35 hours a week doing "work requirements" i.e. looking for work/training. If a person does not fulfil these commitments they will be subject to a sanction.
5. Universal Credit is paid monthly in arrears and directly to the majority of claimants. In general, there is a delay of between 6 and 8 weeks before someone will receive a payment, although there is the ability to apply for an advance payment (a partial payment).
6. In areas where everyone is already claiming Universal Credit, they are generally reporting overall increases in rent arrears and issues with families budgeting.
7. At present, anyone in receipt of Universal Credit is entitled to FSM. This includes people who would formally have only applied for Working Tax Credit, or both Child and Working Tax Credit and who are not presently eligible for FSM. Since 1st April 2017, we have been made aware of 76 new awards of these benefits though numbers could be higher. Therefore there is likely to be an increase in the number of pupils who may be eligible for FSM.
8. Department for Education (DfE) have advised that anyone who has applied for a benefit but not yet been awarded it, is NOT eligible for FSM. This applies to Universal Credit claimants even where they may be waiting for 6 to 8 weeks for their entitlement to be confirmed.

9. We are intending from October to start advising schools where we have received an application for FSM, and the parent has applied for a qualifying benefit, but entitlement has not been confirmed. In these cases, we cannot confirm entitlement to FSM.
10. It would be for the school to decide whether they allow the child to have a FSM, or they decide to waive payment for the time being. If the school decides to do this, then for this, until entitlement is confirmed, they cannot treat the child as having been awarded FSM and they cannot be recorded on the census as being entitled to a FSM for this period.
11. Full service Universal Credit is presently live in Newcastle, but the Free School Meals team in Newcastle have not seen a significant increase in take up of FSM. They are not sure if this is because parents are not aware of their eligibility or for other reasons.
12. The DfE have committed to looking at how eligibility for FSM will be assessed going forward with the further roll out of Universal Credit nationally. This will involve a consultation, but it is yet unclear when this will happen. It seems likely that they will look to reduce numbers eligible for FSM from some point in the future.

Proposal

13. It is proposed that Schools Forum notes the content of the report and the possible increase in FSM numbers together with the possible increased hardship on new claimant families due to the time it takes to assess and pay new claimants.

Recommendation

14. It is recommended that Schools Forum notes the contents of the report, the possible increase in children eligible for FSM and the possible impact on new claimant families.

For the following reason(s):

- To ensure that Schools Forum is aware of the implications of the roll out of Universal Credit.

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