



A free lunch

A response to the government's consultation on eligibility for free school meals under universal credit

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Children in England who are in Reception, Year 1 and Year 2 are all entitled to free school meals (FSM). The provision of free school meals for children in all other year groups is based on their parents' eligibility for benefits, like income support and jobseeker's allowance. These benefits are being replaced by Universal Credit (UC) as part of the Department for Work and Pension's (DWP) welfare reform plans. The Department for Education (DfE) must update the eligibility criteria for free school meals to reflect this change. In November 2017, DfE launched a consultation about how to do this. This paper represents our response to this consultation.

As this paper explains, UC roll out has knock-on implications for how education resources are targeted at the young people who need them most, and the data available to monitor this group's outcomes. This support, in the form of pupil premium, and government data which tracks young people's education outcomes, are essential if young people from disadvantaged backgrounds are to succeed.

Executive summary

We believe that:

1. The eligibility criteria for FSM must identify disadvantaged young people who need extra support to succeed, to target resources like the pupil premium effectively
2. Giving FSM to everyone claiming UC would not be an effective targeting of resources
3. The government could do more to ensure disadvantaged young people are identified and supported
4. The new FSM eligibility criteria should screen out children who are not disadvantaged
5. The government should ensure that the data for measuring outcomes for disadvantaged young people isn't rendered useless by:
 - a) the number of changes to the eligibility criteria for FSM, or
 - b) the fact different places are rolling over to UC at different times

1. The eligibility criteria for FSM must identify disadvantaged young people who need extra support to succeed, to target resources like the pupil premium effectively

We favour eligibility criteria whereby:

- most families that had been eligible for FSM under the old criteria remain eligible under the new criteria - in all but a few relatively unusual cases
- a small number of families that had not been eligible for FSM under the old criteria become eligible under the new criteria. This would reflect the fact that many benefit eligibility thresholds have decreased in real terms in recent years.

Combining these two outcomes would lead to a small increase in the number of young people eligible for FSM overall, and this is reflected in the government's plans. We believe this is a positive sign that the government's plan is broadly correct.

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FSM status is widely used within the education sector as a proxy for “disadvantaged young people” in need of additional support to succeed at school. This is because, in general, those currently receiving FSM have significantly worse outcomes than their better off peers. For example, they make less progress at secondary school and so end up doing more than one grade worse in each and every subject they take at GCSE.¹

As a good proxy for disadvantaged young people, FSM status has taken on a central role in government policy. It is the basis for determining who gets pupil premium, and is used by many of the charities we work with, such as Action Tutoring and West London Zone, to identify the young people most in need of their support.

It is important to note that there is no case to widen the group of young people these interventions help. The evidence is that the poorest families, and those who have been poorest longest, are most in need of support.² There is no evidence that young people from lower income families who are not currently eligible for FSM do as badly as those young people who are eligible – indeed, their performance is comparable to young people from median income families.³

2. Giving FSM to everyone claiming UC would be not be an effective targeting of resources

As an interim measure, the government has been giving FSM to all families on UC, but this isn't sustainable. By the time UC is fully rolled out, FSM would be available to one million extra pupils whose families receive some UC but who are not currently eligible for FSM. Some groups, such as the Children's Society, have proposed keeping eligibility for FSM for all young people from families receiving UC.

We believe that this isn't the most effective use of education funding as it does not target public money towards those young people who need them most. The number of pupils claiming FSM would effectively double, from around one in eight to one in four. Some families claiming UC would be earning up to £55,000 per year. If more public funding is directed towards education, then giving FSM and in turn, pupil premium, to young people in this group isn't the most effective way of spending it.

3. The government could do more to ensure that disadvantaged young people are identified and supported

The introduction of UC is an opportunity to ensure that all young people who are eligible for FSM are automatically enrolled to receive them. This would ensure that support goes to all families who need it; and to all schools serving such pupils, through the pupil premium.

In addition, it is currently planned to keep the eligibility threshold “under review”. We would like to see it linked to either inflation or earnings growth, to ensure FSM continue to support disadvantaged families in years ahead.

4. The new FSM eligibility criteria should screen out children who are not disadvantaged

The government plans to protect existing FSM entitlement for several years, so that no child receiving FSM loses out. We understand and support the motivations behind this protection. Providing certainty for families and minimising the upheaval of what are relatively technical changes is a sound principle that we support. However, this is not the only group that would benefit from the proposed protection.

By April 2018, UC will have been rolled out to the majority of areas in England. This means some families will be in receipt of FSM who would not have been eligible under the old criteria and won't be eligible under the proposed new criteria.

These families are in receipt of FSM by virtue of living in a UC area, and being eligible to claim, during the window after UC rollout started but before the proposed new eligibility criteria come into effect. This is because the DfE has amended the eligibility criteria during, rather than before, the UC rollout period. The department should provide an estimate of the number of these families.

We don't support guaranteeing eligibility for FSM for this group going forwards. Such a guarantee would last for up to six years in the case of a reception child whose FSM eligibility would be guaranteed until year six. This would lead to some children who would not have received FSM on either the old eligibility criteria or the new eligibility criteria attracting pupil premium payments for their entire school career, due to this quirk of implementation. As well as being an inefficient use of money, this has a significant impact on official data.

5. The government should ensure that the data for measuring outcomes for disadvantaged young people isn't rendered useless by: a) the number of changes to the eligibility criteria for FSM

We're concerned about the impact of these changes on government performance statistics. We share the DfE's ambition to close the attainment gap between disadvantaged young people and their better off peers, but a change to the determination of "disadvantaged" risks undermining this goal.

Due to the change in the FSM eligibility criteria, it's inevitable that some data and metrics will not be comparable from one year to the next. The department and the sector have a lot of experience in dealing with this (for example, from qualification reform) and this should be resolved as the government suggests as it has been in the past, i.e. clear caveats.

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However, there should be a single change between the old eligibility criteria (“before”) and the new eligibility criteria (“after”). This is not what’s planned. As it stands, the new eligibility criteria come into effect after the January 2018 census date, which means that effectively three different eligibility criteria for FSM will be in use for future data releases:

2016/17 – before UC rollout – old eligibility criteria

2017/18 – mid UC rollout – old eligibility criteria in some places, plus anyone on UC in areas that have had UC roll out

2018/19 – after UC rollout – new eligibility criteria

Given that pupil premium eligibility is based on having been eligible for free school meals in the previous six years, this problem will linger in data reporting for six years after implementation. The government urgently needs to create a workaround so that the 2017/18 definition of free school meals status used in data reporting matches the definition used in one of the other years.

Ideally, this would ensure that only those who would meet the proposed new criteria are counted for data purposes. This perhaps requires using the summer census instead of spring as the reference date. If this proves unfeasible, the government will instead need to ensure that only those who would meet the previous eligibility criteria are counted for data purposes. In either case, one of the consequences of this approach is that some children in receipt of FSM are not counted as FSM pupils for data purposes. This seems counterintuitive, but reflects the fact that at the time of measurement, some of those in receipt of FSM are only in receipt of them because of a timing quirk. Those who would not be eligible for FSM under either the old or new criteria should not be recorded in receipt of FSM for data purposes.

b) the fact different places are rolling over to UC at different times

The rollout of UC is an ongoing process, due to be complete by 2022. The DfE should take into account the rollout schedule for UC in devising solutions to these data problems. Depending on the detail of the government’s plans to roll out UC to existing claimants from 2019-2022, there is a risk that many of the above problems will be replicated on a larger scale.

As it stands, for 2017-18, there will be two types of area: those where UC has been rolled out, and those where it hasn’t. Each type of area will have its own eligibility criteria for FSM, and results will be comparable within each type of area (but not between types of area). However, as UC is rolled out to existing claimants over a number of years, there will be multiple different types of area, depending on when and how UC was rolled out.

The DWP must consult with the DfE to prevent this happening and should consider what’s needed for the UC reforms to be successful from a FSM standpoint.

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If the new FSM eligibility criteria are implemented as planned, without further consideration of the implications for government data releases, the outcome will be:

- 2017-18 FSM data won't allow comparisons between different areas
- Pupil premium data won't allow comparisons between different areas until 2023
- The rollout of UC will cause further difficulties in comparing data from one year to the next, or indeed different areas in the same year
- As pupil premium eligibility is based on Ever 6 FSM, the full implications will take until 2028 to be resolved

In its response to the consultation, issued in February 2018, the government stated that it believes that these issues have a relatively small effect on data, and says it will issue appropriate caveats. It does not, however, quantify the size of the effect. We urge it to do so. We hope that the department will work with the sector to ensure that official data is of sufficient quality and reliability to enable us to target support effectively and improve outcomes for disadvantaged young people.

References

1. Department for Education, [*Revised GCSE and equivalent results in England, 2016 to 2017*](#), January 2018
2. Education Datalab, [*Long-term disadvantage, part one: Challenges and successes*](#), July 2017
3. Department for Education, [*Analysing family circumstances and education*](#), April 2017

Background reading

- Department for Education Consultation, [*Eligibility for free school meals and the early years pupil premium under Universal Credit*](#), November 2017
- Department for Education Consultation Response, [*Eligibility for free school meals and the early years pupil premium under Universal Credit*](#), February 2018

About Impetus-PEF

Impetus – The Private Equity Foundation (Impetus-PEF) transforms the lives of young people from disadvantaged backgrounds by ensuring they get the right support to succeed in school, in work and in life.

We do this by finding, funding and building the most promising charities working with these young people and by influencing policy and resources.

We support a number of charities helping to give disadvantaged young people a chance to succeed in school, in work and in education some of which include [The Access Project](#), [Action Tutoring](#), [IntoUniversity](#), [Resugo](#) and [ThinkForward](#).

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