

# SCHOOL MEALS & PUPIL PREMIUM: HUNGRY FOR CHANGE

*"In recent years following unfunded pay rises and increased costs to school budgets, not least in the areas of pupil resources and energy, the need to provide universal free school meals has never been more important. But equally as important is the need to ensure that significant funding streams and especially pupil premium funding is maximised not lost".* Dr Nicholas Capstick, Chair of the School Food Review.



Each year approximately £400 million of pupil premium funding to schools across London supports pupils' education, but this funding relies on parents registering for free school meals.



## WHY THIS MATTERS.

Within the United Kingdom, the school meals service is a government-led initiative that seeks to alleviate hunger and household food insecurity amongst children during term time. The origins of the school meal service can be traced to the passage of the Education (Provision of Meals) Act 1906 that enabled local education authorities to provide free school meals (FSM) to the poorest

children. Although the state did not originally provide funding to schools for such provision, this legislation enabled local education authorities to establish and fund school meal provision through local taxes (The National Archive, n.d.). The aim of the 1906 Act was to ensure that children were "no longer prevented by insufficiency of suitable food from profiting by the education offered in our schools" (p.9) (1).

In 1941, formal standards on the nutrient content of school meals were introduced and the Education Act 1944 required all local education authorities to provide a free school meal to all children who wanted them. However, in 1980, the school meal service was classified as a non-essential service and nutritional standards were abolished.

Subsequently, the Social Security Act 1986 restricted entitlement to FSM to those in receipt of supplementary benefits and two years later, the Local Government Act required local authorities to put the school meals service out to competitive tender. This resulted in the de-regulation of the school meals service as private sector companies began providing school meals<sup>2</sup>.

To improve the nutritional standard of school meals and all food sold or served in schools, the government introduced food and nutrient based standards in England, Scotland, Wales, and Northern Ireland. The government adopted these food and nutrient based standards in 2001. In 2013, following a review of school meals, the government introduced a School Food Plan to reinvigorate all school food, specifically school lunches by increasing their nutritional value and up take. These standards have been updated and School Food Standards apply to all foods served and sold in state funded schools in England<sup>3</sup>.

In the same year, FSM were introduced for all children in reception and years 1 and 2 (years P1 to P3 in Scotland) in state funded schools in England and Scotland through the Universal Infant Free School Meals initiative (UIFSM) (NHS Scotland, 2016). The introduction of the UIFSM resulted in take up of FSM reaching a record high of 86%, with the greatest take up from low-income families as the universality of provision reportedly reduced the stigma associated with FSM<sup>4</sup>. Whilst the financial impact of the introduction of UIFSM was not formally measured, it was considered that newly eligible parents/carers gained the most, saving around £11 per week/£380 per annum per child<sup>4,5</sup>. And recent data suggests that nowadays UIFSM saves families £450 per annum.<sup>6</sup>

For those children who are older than 7 years of age, FSM are a means-tested entitlement. Only families earning less than £7,400 per year (net income and before benefits are taken into account) are eligible to receive this entitlement in England. To put this in perspective, to qualify for benefits-related FSM, family income cannot exceed 27.2% of the average national wage<sup>6</sup>. As education is a devolved matter, this paper will mainly focus on FSM in England.

## Problems with the current system

### National Funding Formula

The National Funding Formula provides the detail around FSM funding rates per meal. This funding covers staffing, preparation, fuel and food costs. In the year 2021-2022, under Additional Needs Funding/Deprivation both primary school and secondary free school meals were funded at £460 per pupil per annum. The rate per meal is calculated by dividing £460 by 190 education days per year so, in 2021-2022, the funding rate was **£2.42 per FSM pupil per day**. The rate for 2022-2023 is £470 p.a. or £2.47 per day. The DfE calculate additional rates by the GDP Deflators of the previous June rather than CPI. Over the last 10 years, the funding for Universal Infant Free School Meals has increased from £2.30 (2013-2021) to £2.34 (Autumn 2021-March 2022), and to £2.42 (April to date). As the National Funding Formulation is not based on CPI, many caterers report that due to sharply rising costs (e.g., staff, fuel, and food) they are struggling to provide nutritious school meals at the current funding rate. The Chair of LACA, Brad Pearce, cautions,

*“The school catering sector is struggling. The allocated funding of £2.47 per meal (2022/23) is simply far too low and without urgent additional funding, caterers will continue to face barriers to providing nutritional, school meals to children. We are calling for immediate action from Government to increase funding for FSM based meals and UIFSM, in line with inflation, so that we can secure the future of this industry and ensure that all children continue to have access to nutritional, healthy meals”.*

### FSM Registration & Pupil Premium

The Local Government association (LGA) estimates that more than one million additional children could receive free school meals and be entitled to additional support funding if the registration process was simplified and extended to more families<sup>7</sup>. Section 512 of the Education Act 1996 places a duty on maintained schools, academies and free schools to provide FSM to pupils of all ages that meet the criteria<sup>8</sup>. Under the current system, for a child to receive FSM, a claim must be made by the pupil, their parent or another responsible adult<sup>9</sup>. This can be done through the school or the relevant Local Authority. The lack of uptake of FSM has been attributed to parents feeling stigmatised, and/or cultural factors<sup>10</sup>.

### Inefficient Registration Process

Despite significant efforts by schools and local authorities, the DfE estimates that approximately **11% of total eligible pupils are not registered for FSM**<sup>11</sup>. Although this study was undertaken over a decade ago, recent analysis by the Child Poverty Action Group in the North East of England also estimated a 11% under-registration rate<sup>12</sup>.

### Loss of Pupil Premium

Pupil premium was introduced by the Coalition Government in 2011, with an aim of raising the attainment of disadvantaged children. Although state schools can receive pupil premium for several reasons (e.g., looked after children) for the purpose of this paper it is important to note that state schools receive pupil premium for children registered and eligible for FSM. Notably, it applies to children registered and eligible for FSM at any point since May 2011 (referred to as Ever 6 FSM). Pupil premium funding is set at £1455 per primary school pupil and £1035 per secondary school pupil. However, if children are eligible but not registered for FSM, then schools do not receive pupil premium, based on FSM eligibility, for those children. The lack of pupil premium money impacts particularly on low attainers as Teaching and Learning Assistants are the first to lose jobs when cost increase in schools. So, a lack of FSM uptake results in negative health and learning outcomes for children living in underserved communities.

The introduction of universal infant FSM (UIFSM) for all reception, year 1 & 2 pupils reduced stigmatisation, and reduced obesity with lower consumption of foods associated with packed lunches for some pupils<sup>13</sup> but impacts on key food groups, such as fruit and vegetables or sweetened beverages were not seen<sup>10</sup>. Importantly, the introduction of UIFSM removed parental incentives to register their children for FSM, with 31% of school leaders saying pupil premium had decreased<sup>14</sup>.

Recently the Mayor of London, Sadiq Khan, announced a one-year trial of FSM to all primary school children across London to help families with the cost-of-living crisis<sup>15</sup>. Furthermore, a number of London Boroughs are considering the roll out of FSM to all secondary school pupils. Although the Mayor's project will undoubtedly help all families with the cost-of-living crisis and ensure all primary school children have access to a

school meal, it is possible that an unintended outcome could be that local authorities and schools will see a reduction in the number of parents registering for benefits-related free school meals, which in turn will see schools experiencing a reduction in pupil premium.

For children who receive FSM, core benefits arise through two associated pathways: Improved Education and Employment, and a reduction in Obesity and Diet-related Diseases. Improved educational attainment in the medium term leads to improved productivity and employment in the long term, associated with improved life term earnings. A reduction in obesity and diet-related diseases in childhood results in healthier children and improved school attendance<sup>16</sup>. The association between these two pathways is clear. The problem with the current registration system is that there is a risk that rolling out universal FSM schemes may result in schools seeing a reduction in the number of parents registering their children for FSM and thus a drop in pupil premium.

## ***Unspent Money***

In 2021, the Healthy Living Lab in collaboration with the national charity, Feeding Britain, published a report, titled, "Hungry for Change"<sup>17</sup>. In this paper we estimated the money that had been allocated for FSM but not spent (based on school absences) was approximately £88M. In secondary schools' smart cards were introduced to reduce the stigma associated with FSM. To some extent, smart cards have reduced stigma. However, the current process of wiping money from FSM pupil's smart cards at the end of each school day, creates a different type of problem that by its very nature introduces inequality. We argue that it seems unjust that FSM pupils, attending secondary schools, lose any remaining balance on their smart cards at the end of day while non-FSM pupils do not lose their balance. This process of wiping cards for some pupils is effectively a two-tier system of treatment. In addition, as evidenced in a recent report by the Child Poverty Action Group<sup>18</sup>, secondary pupils in receipt of FSM feel that the current system is discriminatory and interferes with their right to food.

# WHAT WE DID.

The current paper has the following aims:

1. Estimate the loss of pupil premium monies, based on eligible families who do not register their children for FSM, for primary and secondary schools in each London Borough.
2. Estimate the costs to families whose children are eligible but not registered for means-tested FSM, for primary and secondary schools, across all London Boroughs.
3. Estimate the cost to FSM secondary pupils who are unable to roll over FSM credit.

This report uses school census data to estimate the FSM entitlement families in London are losing out on in FY2021-2022 because a) eligible families do not register pupils for FSM or b) because secondary pupils are unable to roll-over FSM credit. This report also estimates lost pupil premiums based on school census data. All estimates are in GBP (£) and rely on school census data obtained from the DfE's 2023 database "Collections On-Line for Learning Education, Children and Teachers" (or COLLECT). COLLECT data are checked, cleaned, and validated by the DfE to ensure accuracy of the submissions.

We first use COLLECT data to estimate the annual value to families of primary and secondary pupils across London Boroughs for unclaimed FSM (Table 1, columns 1 & 2). Unclaimed FSM is the equivalent monetary value that would cover the cost of providing eligible children with a FSM but children can't claim this meal as they are not registered for FSM. This estimate is based on COLLECT estimates of those pupils eligible and registered to receive school meals. Because an average of 11%<sup>10</sup> of pupils are estimated as not registered to receive FSM even though they are eligible we use the following calculation to estimate the number of such pupils in London: *No. Eligible but Not Registered for FSM = ((Eligible and Registered for FSM) / 0.89) - Eligible and Registered for FSM*). Across London the total estimate of the number of primary and secondary pupils eligible for FSM but who do not register for FSM is N=38,416. This total stands for the 11% of pupils who do not register for FSM even though eligible. This number of pupils is then multiplied by £2.42 per meal and then by 190 school days, the minimum number of days of required attendance. The resulting estimate of lost costs to families in London is £17,663,656. This comes out to estimated lost costs of £9,684,835 (see Table 1, Column 1) for primary schools and £7,978,822 (see Table 1, Column 2) for secondary schools. These estimated costs are mapped out in Figure 1 entitled "Costs to Primary and Secondary School Families Eligible but not Registered for FSM, London FY2021/2022."

Second, we estimate the costs to schools through lost pupil premiums that cannot be claimed when families do not register for FSM. To calculate this amount, we use the following formula estimating the number of eligible FSM pupils that do not register for FSM at 11%: *Lost Pupil Premium = (Eligible and Registered for FSM) / 0.89*. This, again, gives us an estimated number of 38,416 total pupils

who are eligible for free school meals but do not register for them. This estimate can be broken down into an estimated 21,063 eligible primary FSM pupils and an estimated 17,353 eligible secondary pupils. These numbers of unregistered but eligible pupils are then multiplied by the appropriate pupil premium. This premium is £1,455 for primary schools and £1,035 for secondary schools. This works out to an estimated £30,646,655 in lost pupil premiums for primary schools and an estimated £17,960,355 in lost pupil premiums in secondary schools. These estimated costs are mapped out in Figure 2 entitled "Costs to Primary and Secondary Schools from Lost Pupil Premiums, London FY2021/2022."

Third, we use COLLECT to estimate for secondary school pupils the annual costs to pupils / families when they are unable to roll over credited FSM monies (Table 1, Column 5). This is calculated for each London borough in FY2020-2021. For London this amount is estimated using the number of FSM that were claimed but not taken on 7 October 2021, a random census day, by subtracting the number of FSM all London pupils had taken on that day from the number of FSM claimed in London on that day. The calculation is as follows: 140,400 London pupils claimed FSM – 109,300 London pupils taken FSM = 31,100 claimed but not taken FSM. This result is the estimated number of meals claimed by families, funded by the government and then administered across London, but not taken by pupils on one school day (census day). We multiplied this result by 190 days, the required number of days in a school year to get the total number of annual FSM claimed but not taken across London. Finally, we multiply the annual number of FSM claimed but not taken by the average cost of each meal (i.e., £2.42) to come up with the total value of FSM claimed not taken in 2021-2022 across London secondary schools. This total amount is estimated to be £14,299,780 (i.e., the total in column 5, Table 1). We point out that this estimate does not include instances in which pupils claim a proportion of their FSM entitlement for the day (e.g., they do not spend the total daily amount) or days when pupils are present but skip lunch. We map this estimated loss in Figure 3 entitled "Costs to Secondary School Families / Pupils Unable to Roll Over FSM, London 2021/2022."

We acknowledge that there will be different rates of uptake for means-tested FSM across boroughs, and we have used the DfE's national estimate of 11% for under-registration applied equally across boroughs and primary and secondary schools (where take up rates vary) but we believe that our analysis provides an illustration of the impact that under-registration has on pupil premium funding to school.



# RESEARCH FINDINGS & INSIGHTS.

**Table 1. Estimated Costs Associated with Missed FSM and Lost Pupil Premiums across London in 2021/22**

London Borough	Estimated costs when eligible families do not register pupils for FSM				Estimated costs to pupils who are unable to roll-over FSM credit (c)	
	Estimated costs to families (a)		Estimated costs to schools (b) (lost pupil premium)		Secondary School	Total lost costs
	Primary School	Secondary School	Primary School	Secondary School		
Barking and Dagenham	£345,635	£290,511	£1,093,735	£653,934	£327,837	£2,711,652
Barnet	£331,371	£310,288	£1,048,597	£698,451	£499,343	£2,888,050
Bexley	£238,512	£189,014	£754,753	£425,466	£234,958	£1,842,703
Brent	£284,601	£228,965	£900,596	£515,395	£457,961	£2,387,518
Bromley	£230,954	£193,617	£730,835	£435,828	£206,910	£1,798,144
Camden	£255,220	£226,294	£807,623	£509,383	£657,974	£2,456,494
City of London	£3,523	N/A	£11,150	N/A	N/A	£14,673
Croydon	£525,784	£385,586	£1,663,801	£867,946	£464,398	£3,907,515
Ealing	£406,613	£301,252	£1,286,694	£678,111	£580,727	£3,253,397
Enfield	£469,750	£364,048	£1,486,487	£819,464	£467,157	£3,606,906
Greenwich	£397,293	£243,400	£1,257,202	£547,887	£464,398	£2,910,180
Hackney	£393,429	£344,499	£1,244,973	£775,459	£653,376	£3,411,735
Hammersmith and Fulham	£167,817	£141,050	£531,042	£317,501	£218,405	£1,375,815
Haringey	£282,555	£231,124	£894,122	£520,256	£495,664	£2,423,721
Harrow	£178,614	£178,216	£565,210	£401,161	£268,983	£1,592,185
Havering	£255,959	£175,432	£809,961	£394,893	£313,124	£1,949,369
Hillingdon	£330,064	£244,252	£1,044,461	£549,806	£441,868	£2,610,451
Hounslow	£276,531	£268,461	£875,060	£604,300	£373,358	£2,397,710
Islington	£322,449	£214,985	£1,020,364	£483,926	£734,760	£2,776,484
Kensington and Chelsea	£132,071	£105,873	£417,928	£238,317	£294,272	£1,188,461
Kingston upon Thames	£109,908	£80,129	£347,794	£180,369	£142,538	£860,738
Lambeth	£411,103	£299,092	£1,300,901	£673,250	£379,335	£3,063,681
Lewisham	£307,617	£226,976	£973,428	£510,918	£481,870	£2,500,808
Merton	£228,283	£143,153	£722,383	£322,234	£325,998	£1,742,051
Newham	£547,038	£534,365	£1,731,058	£1,202,844	£1,333,420	£5,348,725
Redbridge	£227,601	£288,067	£720,225	£648,433	£657,514	£2,541,840
Richmond upon Thames	£111,442	£83,084	£352,649	£187,021	£153,113	£887,309
Southwark	£446,962	£373,141	£1,414,374	£839,932	£400,946	£3,475,354
Sutton	£176,796	£159,974	£559,456	£360,099	£253,810	£1,510,135
Tower Hamlets	£521,351	£468,159	£1,649,774	£1,053,816	£911,783	£4,604,883
Waltham Forest	£310,344	£237,944	£982,060	£535,607	£378,875	£2,444,830
Wandsworth	£279,429	£195,492	£884,231	£440,049	£246,913	£2,046,115
Westminster	£178,216	£252,379	£563,951	£568,099	£478,192	£2,040,837
<b>Total</b>	<b>£9,684,835</b>	<b>£7,978,822</b>	<b>£30,646,665</b>	<b>£17,960,355</b>	<b>£14,299,780</b>	<b>£80,570,456(d)</b>

(a) Calculated using DfE COLLECT database on *Schools, Pupils and their Characteristics 2021/22* as follows: *Lost Family Uptake Costs* = [(No. of Pupils Eligible for FSM / 0.89) - No. of Pupils Eligible for FSM] \* £2.42 per pupil \* 190 days (minimum required school days by law).

(b) Calculated using DfE COLLECT database on *Schools, Pupils and their Characteristics 2021/22* as follows: *Lost Pupil Premiums* = [(No. of Pupils Eligible for FSM / 0.89) - No. of Pupils Eligible for FSM] \* £1,455 per pupil for primary schools (or £1,035 pupil for secondary schools).

(c) Estimated using DfE COLLECT database on *Schools, Pupils and their Characteristics 2021/22* as follows: *Lost Family Costs Missing Meals* = [No. Pupils Eligible for FSM - No. Pupils that take FSM on Census Day] x £2.42 per meal x 190 School Days (minimum required school days allowed by law).

(d) Column values may not sum up exactly to column totals due to rounding error.

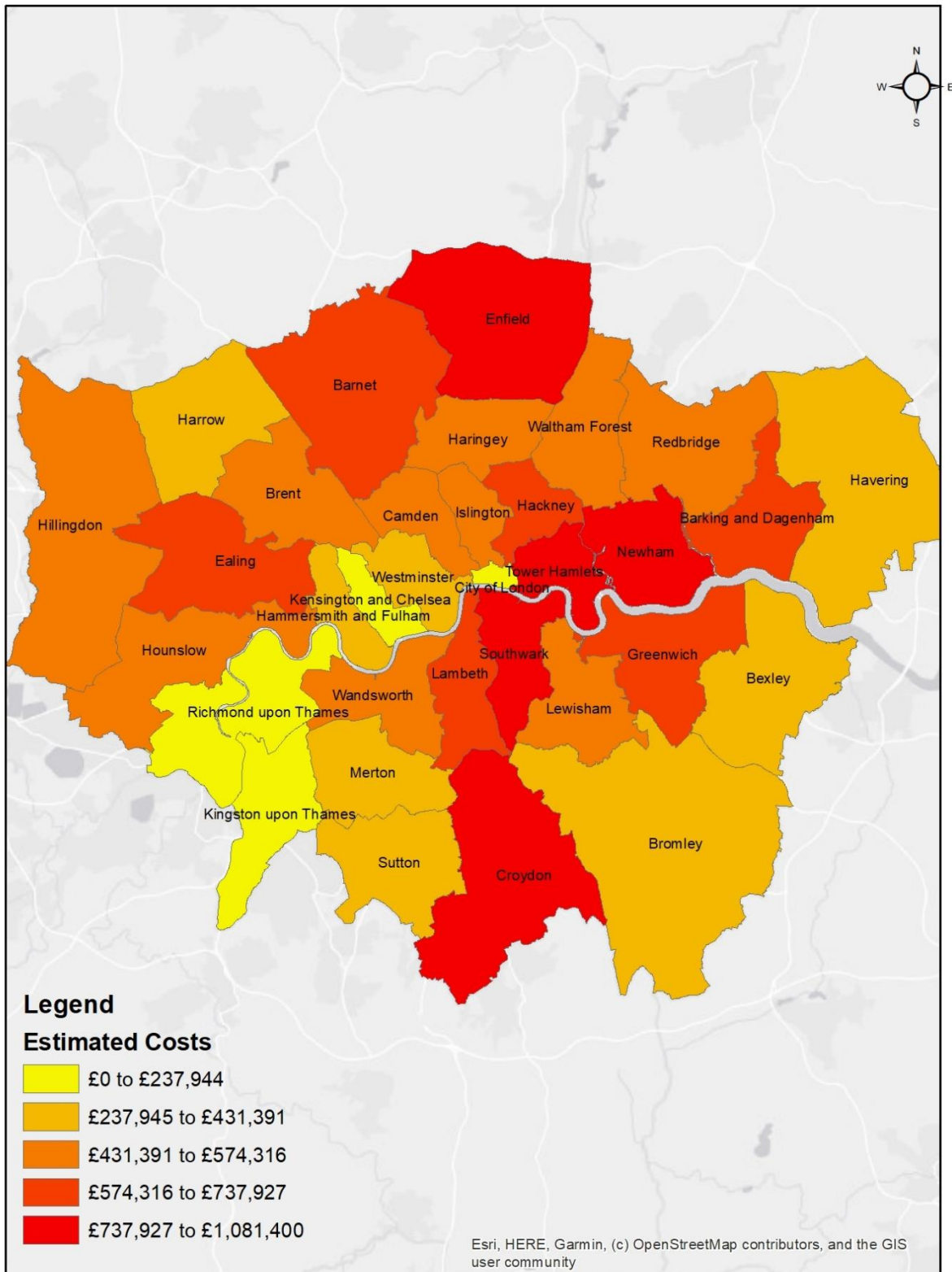


Figure 1. Costs to Primary and Secondary School Families Eligible but not Registered for FSM, London FY2021/2022

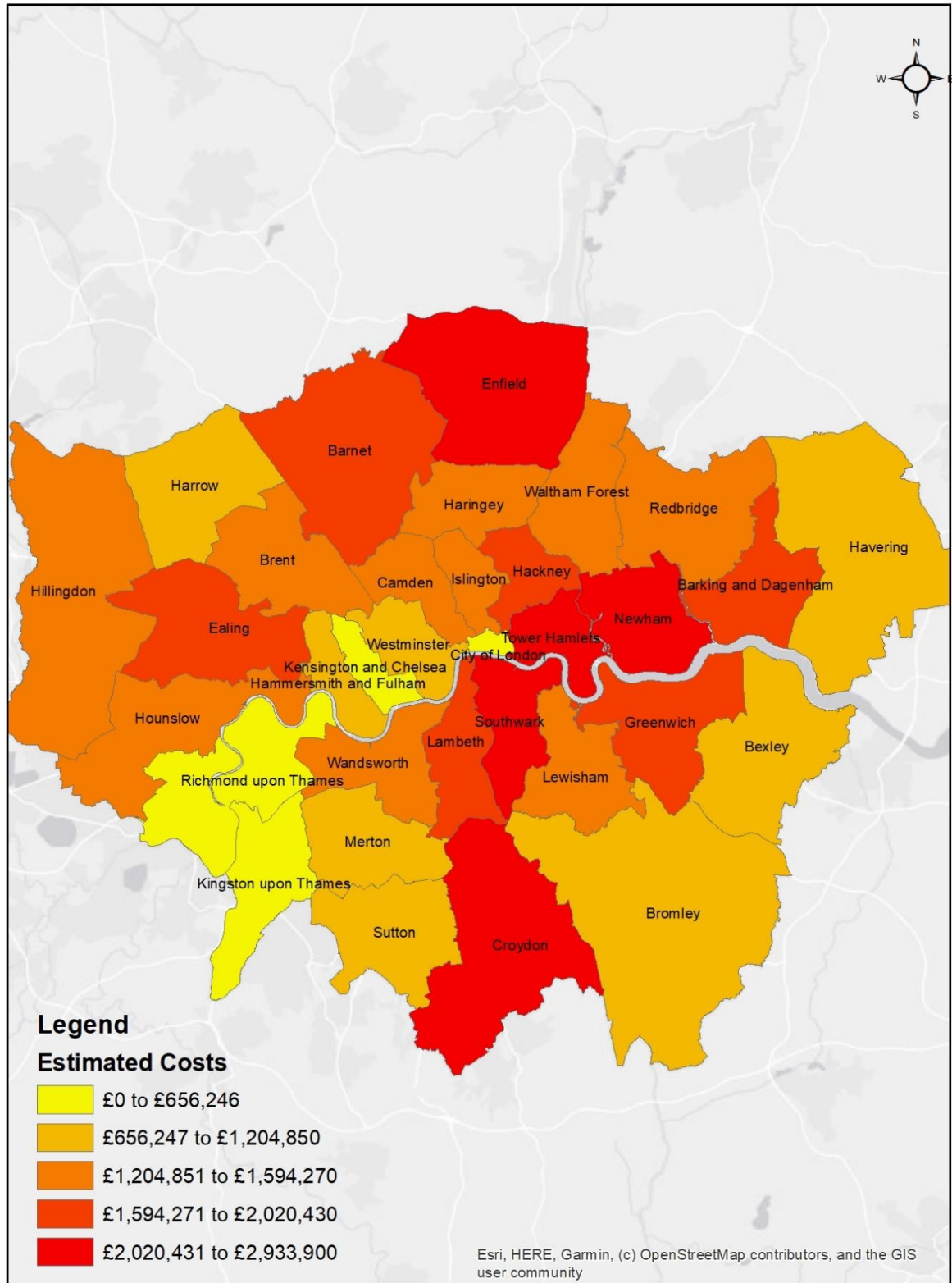


Figure 2. Costs to Primary and Secondary Schools from Lost Pupil Premiums, London FY2021/2022

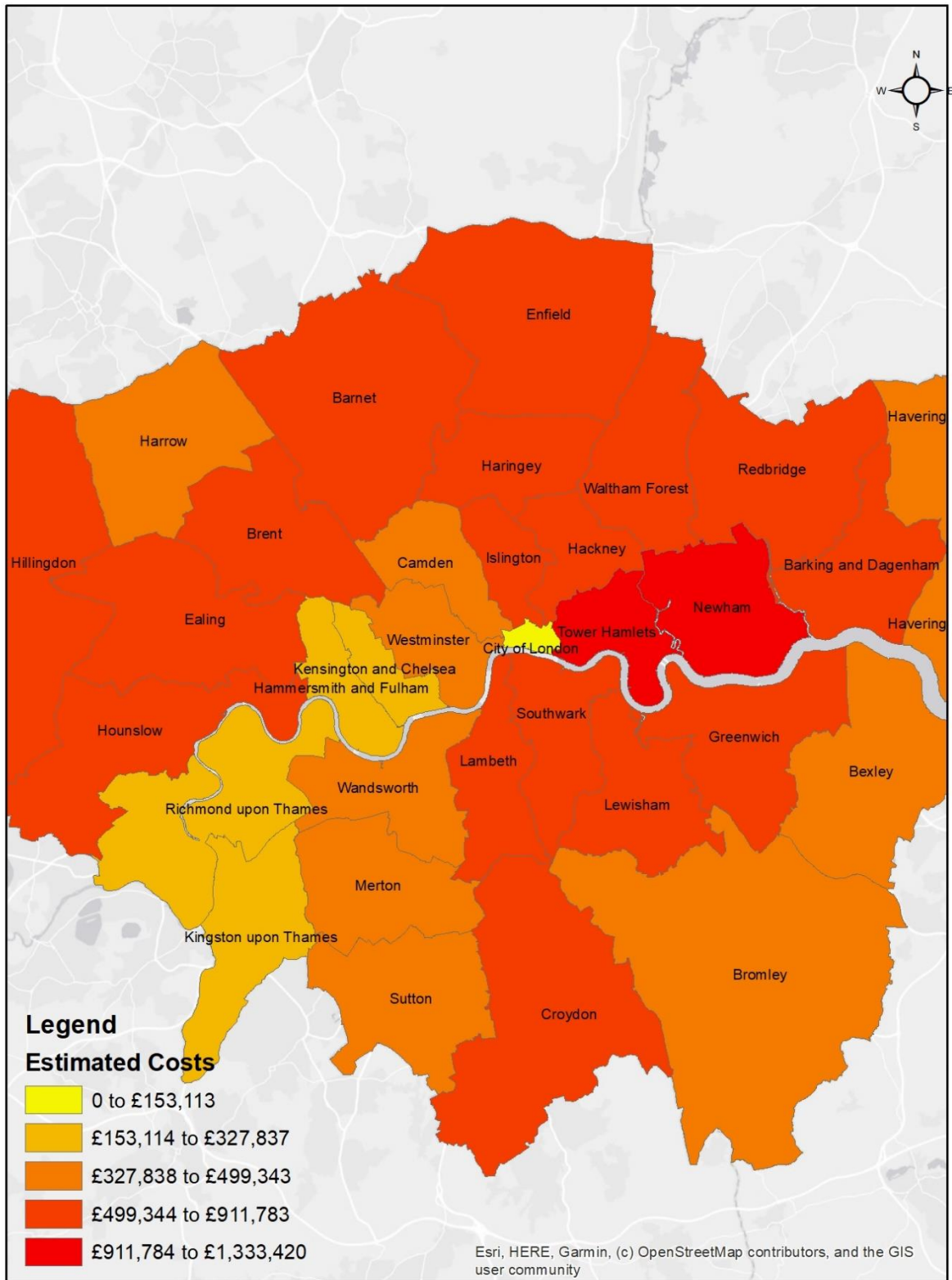


Figure 3. Costs to Secondary School Families / Pupils Unable to Roll Over FSM, London FY2021/2022



## Recommendations:

1. In the case of rolling out universal free school meals, consideration should be given to the potential drop in the number of parents registering their children for benefits-related FSM and the associated drop in pupil premium funding to schools. Notably, as shown in this report, this disproportionately affects the poorest boroughs, schools, pupils, and families across London.
2. If the Government is considering changes to the National School Meal Programme, then there needs to be an equitable approach to all pupils attending state funded schools across England. Whilst primary school pupils in London will be offered free school meals over the forthcoming academic year (2023-2024), this offer is not universal for secondary schools, and pupils and families in other parts of England are being left behind. In effect, increasing health and educational inequalities across England, or 'levelling down, rather than levelling up'.
3. Given the scale and complexity of the School Food System, the Government may wish to consider a phased implementation of changes at both the national and local level.
4. The Government may wish to explore auto-enrolment for FSM as a tool to maximise FSM uptake, saving families money, whilst also maximising pupil premium funding to schools. In the case of a policy decision to roll out universal FSM, an auto-enrolment process would enable the Government to collect proxy data to determine pupil premium funding to schools.
5. Finally, the National Funding Formula must be fit for purpose. This is particularly relevant during periods of high inflation. The formula should ensure that caterers receive sufficient funding to deliver a sustainable, quality service that provides pupils with nutritious food that complies to the School Food Standards.

This briefing written by Professor Greta Defeyter, Professor Paul Stretesky, and Dr Nick Capstick.

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