

EAST RENFREWSHIRE COUNCILCABINET27 March 2025Report by Director of EducationDEBT MANAGEMENT FOR SCHOOL MEALS**PURPOSE OF REPORT**

1. The purpose of this report is to seek approval to write-off as irrecoverable sums associated with school meal debt and to create a school meal bad debt provision to assist with managing such debt going forward. The amounts proposed for write-off in 2024/25 can be offset against one-off funding received from the Scottish Government School Meal Debt Fund with the proposed establishment of a school meal bad debt provision charged against the revenue budget in the current year.

RECOMMENDATIONS

2. It is recommended that, without prejudice to subsequent recovery procedures, Cabinet :-

- a) Approves the write off of all remaining debt accrued to the end of school year 2023/24 totalling £14,085.19.
- b) Approves the creation of a bad debt provision for school meals of £40,000 and the write off of irrecoverable school meal debt at the end of each school year up to the total value of this provision.

BACKGROUND

3. Elected members approved the write-off of school meal debt up to the value of £42,922.58 in January 2023 which covered historical debt of £26,333 and current pupil debt at that time of £16,589.58. To date, write-offs totalling £42,133.10 have been processed. This report also noted that any further recommendations around school meal debt write-off would be aligned with the academic year.

4. The First Minister wrote to all Local Authorities in May 2024 advising that the Scottish Government had allocated funding in this financial year to support the cancellation of school meal debt. Local Authorities were invited to bid for grant support from this one-off funding with the caveat that COSLA's good practice principles on school meal debt management are being followed. As well as recognising debt accrued as at 31 March 2024, requests for support could also include any school meal debt already written off by the Council prior to that date. A summary of the bid submitted for East Renfrewshire is noted below :-

Amount of debt accrued at 31 March 2024 proposed for write-off*	£11,627.67
Amount of debt previously written off (per Cabinet approval 26 January 2023)	£42,133.10
Total bid for funding (Scottish Government School Meal Debt Fund)	£53,760.77

*reflecting debt as at 31 March 2024 less any amounts subsequently cleared prior to the date bid submitted.

5. Following submission of bids in August 2024, offers of grant support were issued in December 2024 with ERC being allocated the full amount requested of £53,760.77 which must be used to clear school meal by the end of 2024/25 financial year. Given £42,133.10 of this figure relates to amounts already written off in previous years this element of the grant is reflected as a positive variance in the latest revenue budget outturn report.

ERC SCHOOL MEAL DEBT

6. As noted in the 2023 Cabinet report, current practice within East Renfrewshire ensures that all children and young people will continue to receive a school meal without stigma regardless of the level of debt on their account. Various levels of reminders are issued to parents/carers as soon as a school meal account goes into arrears. If the account remains in arrears after 4 days, a follow-up email/letter/text is issued. If no action or contact is made from the parent/carer at this point, the matter is escalated to the Head Teacher/appropriate member of the school management team so that they can discuss the non-payment with parents/carers directly. School staff are encouraged to signpost parents/carers to colleagues within the Council's Money Advice and Rights Team (MART) where appropriate or can seek departmental approval for discretionary free school meals for particular families. ERC also took early action to award free school meal entitlement to P6 and P7 pupils in receipt of Scottish Child Payment in advance of the national rollout from February 2025.

7. Following publication of the COSLA best practice guidance we continue to review and refine our practices and procedures including consulting with stakeholders on areas such as the ease of use of the online payment system (ParentPay), awareness of the process to follow if account goes into arrears as well as seeking feedback on awareness/accessibility etc. of support available for families experiencing financial difficulties.

8. As at the end of January 2025, the total amount of school meal debt for pupils amounted to £22,406.30 which includes £14,085.19 of debt remaining since the end of last school session.

9. Any snapshot of data will include some short-term/low value unpaid fees due to parents/carers not being aware of low balances and therefore failing to 'top-up' the Parent Pay system in time or indeed choosing to clear debt after each pay day. Work is ongoing with the system provider to produce reports which would capture the age of debt in each account allowing a threshold to be set before unpaid meals are formally classed as debt e.g. only classed as debt after 1 month. The COSLA good practice principles recommend such an approach and this would allow a more targeted approach in terms of support for those families experiencing financial hardship and struggling to meet the costs of meals on an ongoing basis.

10. Overall the total amount of school meal debt equates to around 1% of the total school meal income target for 2024/25, with over 90% of accounts in debt having balances of £50 or less, roughly equivalent to the cost of meals for 1 month.

11. The proposed write-off amount would effectively clear all debt accrued as at the end of school session 2023/24 alleviating some of the pressure being felt by those families experiencing financial difficulties at this time. Additionally, the creation of a bad debt provision for school meals would allow further write-offs of irrecoverable debts to be made (up to the value of the provision) at the end of the current and future academic years without impacting on annual revenue budgets.

FINANCE AND EFFICIENCY

12. The impact of the proposed write-offs in 2024/25 totals £14,085.19 which can be covered by the one-off Scottish Government School Meal debt grant.

13. Whilst the Scottish Government funding can only be used to offset any school meal debt written off up to 31 March 2025, the balance of grant funding received in 2024/25 provides flexibility within the overall core education department budget to create a bad debt provision of £40,000 to assist with managing school meal debt going forward.

14. Efforts will continue to be made to recover debt accrued and given much of the debt is short-term in nature, an annual review at the end of each academic session to determine irrecoverable debt is considered best practice.

CONSULTATION AND PARTNERSHIP WORKING

15. Colleagues within Accountancy have been consulted in relation to the school meal debt write off proposals and the creation of a bad debt provision for school meal debt.

IMPLICATIONS OF THE REPORT

16. There are no implications in relation to IT, legal, property or sustainability. If approved, the existing Equality, Fairness and Rights impact assessment in respect of school meal charges will be updated to reflect the positive impact of this report's recommendations in terms of socio-economic disadvantage.

CONCLUSION

17. Writing off school meal debt will help alleviate some of the financial pressure being experienced by families at this time and ensures we meet the conditions associated with the School Meal Debt Fund provided by the Scottish Government.

18. The creation of a bad debt provision for school meals will support further write-offs at the end of this academic session and beyond without impacting on the annual revenue budget.

RECOMMENDATIONS

19. It is recommended that, without prejudice to subsequent recovery procedures, Cabinet :-

- c) Approves the write off of remaining debt accrued to the end of school year 2023/24 totalling £14,085.19.
- d) Approves the creation of a bad debt provision for school meals of £40,000 and the write off of irrecoverable school meal debt at the end of each school year up to the total value of this provision.

Mark Ratter
Director of Education
27 March 2025

Convener Contact Details

Convener of Education, Equalities, Culture and Leisure Tel: 07341 640 825
Tel: 0141 577 3107
Email: andrew.anderson@eastrenfrewshire.gov.uk

Report Author

Mary Docherty, Education Resources Senior Manager
Tel: 0414 577 3314
mary.docherty@eastrenfrewshire.gov.uk

Background papers

[COSLA Good Practice Principles for School Meal Debt Management.](#)