

EAST RENFREWSHIRE COUNCILCABINET26 January 2023Report 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. If approved, the overall amount written off will be charged against the revenue budget in the current year and reflected in future revenue budget outturn reports.

RECOMMENDATIONS

2. It is recommended that Cabinet :

(a) Approves the write off of the following sums, totalling up to £42,922.58 without prejudice to subsequent recovery procedure:

- Historical debt relating to pupils who have since left the relevant school totalling £26,333
- Current pupil debt totalling up to £16,589.58

(b) Note that procedures to deal with school meal debt will be updated to reflect national good practice principles for management of school meal debt which are currently being developed.

BACKGROUND

3. In line with Scottish Government policy, universal free school meal provision is in place for all pupils in P1-P5 within primary schools. Further rollout to P6 and P7 pupils is expected during the remainder of this parliamentary term. Younger children also receive free meals when accessing their statutory entitlement to 1,140 hours of free early learning and childcare. Outwith this universal provision, free school meal entitlement is based on parental eligibility for certain benefits such as Universal Credit. In addition, discretionary free school meals can be approved by the department based on local knowledge and information provided via Head Teachers.

4. For those pupils eligible to pay for school meals, there are procedures in place to avoid any level of debt accruing but all pupils will be provided with a lunch regardless of the level of debt. ERC operates a cashless catering system and has an online payment system (Parent Pay) which logs the level of credit (or debt) against each pupil's school meal account.

5. Following recent research into the scale of school meal debt faced by low income families not eligible for free school meals, the Aberlour Children's Charity has called upon both the Scottish Government and local authorities to agree a debt amnesty for all outstanding

school meal debt. Given the current cost of living crisis, the charity noted that '*reducing the debt burden for those with school meal debts and supporting them to make sure their children do not go hungry at school would help alleviate some of the financial pressure for thousands of families across Scotland*'.

6. Written evidence and analysis by the Aberlour Children's Charity also informed the Scottish Parliament's Social Justice and Social Security Committee's inquiry on low income and debt with key findings being :-

- There are approximately 25,000 children in Scotland whose families are in some level of school meal debt because they cannot afford for their children to eat.
- Because most secondary schools use a cashless payment system, it is difficult for debt to accrue, and therefore the level of 'hidden hunger' that may exist amongst secondary pupils is to be determined.
- Over £1m is owed in school meal debt across Scotland.

ERC SCHOOL MEAL DEBT

7. An examination of Parent Pay debt reports as of end November 2022 shows the following in relation to pupil school meal debt.

Sector	Historical debt balances for pupils who have since left the school/authority	Debt balances for current pupils	Total School Meal pupil debt as at 30 November 2022
ELC/Primary*	£24,852.67	£15,331.50	£40,184.17
Secondary*	£1,188.58	£1,151.48	£2,340.06
Special	£291.75	£106.60	£398.35
Total	£26,333.00	£16,589.58	£42,922.58

8. Under the current school meal debt management procedures, 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 more strongly worded 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 so that they can discuss the non-payment with the parents/carers directly. Contact with parents/carers at this point will include signposting to colleagues within the Council's Money Advice and Rights Team (MART) where appropriate or seeking departmental approval for discretionary free school meals.

9. As already noted, given the nature of the service provided, no withdrawal of service is made in respect of school meal debt, i.e. all children and young people will continue to receive a school meal without stigma regardless of the level of debt on their account. This policy has therefore inevitably led to debt remaining logged on the various systems for pupils who have since left the school, e.g. moved on to another sector, reached school leaving age or moved to another schools outwith the authority. Around 85% of the leaver accounts have small balances (£20 or less) which would be considered uneconomical to pursue and given all debt in this category has built-up over a number of years for pupils who have since left the establishment, the total amount is now considered irrecoverable.

10. With regards to current pupil debt, some of this will be short-term due to parents/carers not being aware of low balances and therefore failing to 'top-up' the Parent Pay system in time

but will also relate to debt accrued as a result of parents/carers experiencing financial hardship and struggling to meet the costs of meals. The total amount of current pupil debt equates to around 1% of the total school meal income budget for 2022/23, with over 80% of accounts in debt having balances of £20 or less. Writing off this debt will allow families to have a clean slate as they move forward into the new financial year.

11. Going forward, and subject to national policy developments, further recommendations around school meal debt management will be brought to Cabinet as required to align with the start of each academic year.

FINANCE AND EFFICIENCY

12. The impact of these proposed write-offs totals up to £42,081.03. This amount will be accounted for in future revenue budget outturn reports.

13. Efforts will continue to be made to recover debt accrued by current pupils hence the recommendation of write-off “up to” said amounts.

CONSULTATION AND PARTNERSHIP WORKING

14. Council departments have been consulted in relation to the school meal debt write off proposals.

IMPLICATIONS OF THE REPORT

15. There are no implications in relation to IT, legal, property, equality or sustainability.

CONCLUSION

16. Writing off school meal debt will help alleviate some of the financial pressure being experienced by families during the current cost of living crisis as well as establishing good practice going forward.

17. Over 80% of the individual debt values are less than £20 and therefore considered uneconomical to pursue.

RECOMMENDATIONS

18. It is recommended that Cabinet :

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26 January 2023

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Background papers

Aberlour Child Care Trust report - [Summary-of-School-Meal-Debt-processes-June-2022](#)

Scottish Parliament's Social Justice and Social Security Committee's - [Robbing Peter to Pay Paul: Low income and the debt trap](#)