



Response by Local Authority Caterers Association (LACA) to Social Security Advisory Committee

Public Consultation: Passported Benefits under Universal Credit – review and advice

Background of LACA

The Local Authority Caterers Association (LACA) was formed in 1990. It is the professional body representing 750 catering managers who provide services to all sectors of local authorities across Scotland, Wales and England. These services include meals in the community ('Meals on Wheels'); social services catering; elected member and staff catering; civic catering and school meals. Without doubt the largest provision of meals and services by the members is school lunches. In the region of 3 million meals are served on a daily basis in more than 23,000 state schools. The annual turnover is in excess of £360 million. Nearly 100,000 staff are employed in the industry. LACA has been represented and worked closely with Government Departments in England in particular the Department for Education, the Department of Health, and the School Food Trust for some considerable time and The Welsh Assembly. In addition LACA has worked on a number of projects with the Foods Standards Agency.

Question 1

At Annex A have we covered the main passported benefits that you are aware of? Please let us know if there are any others that you think should be added to the list.

LACA does not have information or views on any other benefits that should be added to the list.

Question 2b

Please indicate which groups of claimants you represent or assist and tell us which of the passported benefits are most important to these claimants, and why.

LACA's response is solely regarding Free School Meals (Department for Education).

The claimants that our professional association assist and indirectly represent are children whose parents, carers or guardians receive certain benefits that entitle them to free school meals. The local authority, academy

or free school must provide free school meals to eligible pupils/students where requested.

The present criteria to be eligible for free school meals is as follows:

- Income Support
- income-based Jobseeker's Allowance
- income-related Employment and Support Allowance
- support under Part VI of the Immigration and Asylum Act 1999
- the Guarantee element of State Pension Credit
- Child Tax Credit, provided they are not entitled to Working Tax Credit and have an annual income (as assessed by HM Revenue & Customs) that does not exceed £16,190
- Working Tax Credit 'run-on' - the payment someone may receive for a further four weeks after they stop qualifying for Working Tax Credit

Children who receive any of the qualifying benefits listed above in their own right are also eligible to receive free school meals.

As stated in the background of this consultation the introduction of universal credit will mean that the current criteria listed above will no longer exist.

Question 3b

(i) Do passported benefits influence the decisions people take about moving into work? Please give your reasons for believing this and provide any evidence that you have.

Generally in the case of the passported benefit of free school meals, LACA members believe that it is unlikely to affect their decision to take the decision to move into work. Within the present system those re-entering the workplace would continue to receive free meals up to an income of £16,190. In our opinion the majority of people returning to work would remain in this category. The group that it may influence are those who already are working, but less than 16 hours per week. They may not choose to work more hours as they would lose the passported benefit of free school meals. This is an element of benefit that needs to be reviewed. Why should it be 16 hours, or should it be increased to at least 20 hours?

(ii) Do passported benefits affect the decisions people take about staying in work? Please give your reasons for believing this and provide any evidence that you have.

LACA does not have any evidence of free school meals affecting decisions of people about staying in work.

(iii) How, if at all, do passported benefits affect people's *quality of life*?

The passported benefit of free school meals affects children, our future generation's quality of life in many ways:-

- It is regrettable that in the second decade of the 21st Century, for many children their school meal is the only properly prepared nutritional meal that they receive and consume.
- Free school meals provide a healthy nutritionally balanced diet. All school meals in state schools have to meet the National Nutritional Standards as laid down by the Department for Education in statute. These standards are now fully implemented.
- Many children do not experience sitting at a table and using cutlery in their homes. Free school meals provide the opportunity to educate them in this area of their development.
- The lunch time also provides an environment of socialising and communicating with their peers.
- Free school meals and paid meals educate our next generation into choosing a healthy diet. This greatly assists in their long term health and life expectancy. It is to be hoped that all the initiatives of the last 6 years to improve the quality and take up of meals will have a measurable and positive impact in making savings to the cost of the National Health Service in the future. In particular with the reduction of obesity, type 2 diabetes, and coronary heart disease.

Question 4

What, in your view, are the key issues that need to be considered in the design of passported benefits under Universal Credit, and why? Do these key issues differ for different types of passported benefit? If so, please give details.

The key issues to be considered in the design of the passported benefit of free school meals under Universal Credit differ from other passported benefits.

As stated in the response to the previous question during the past 6 years the School Meals Service has undergone huge changes, positive development and improvement. Following the Local Government Act 1988 and the introduction of Compulsory Competitive Tendering and in addition the lack of investment into school meals for some 20 years the quality of school meals had reduced in terms of nutrition and value for money.

Jamie Oliver led a campaign for improvement and extra money. Although the membership of LACA had been lobbying for many years for this regeneration, it took the influence of a celebrity to move this forward. The

School Food Trust was formed and in partnership with many government departments and most importantly LACA and the dedicated school meals staff, the school meals provision is of a very high standard.

Therefore the key issue that needs to be considered is how to retain and maintain the passported free school meals benefit within the design of the Universal Credit.

Question 5

What are the potential advantages and disadvantages for claimants, delivery agents and advice services of changing the eligibility criteria for passported benefits under Universal Credit?

The basic principles of those children whose parents are unemployed or on low incomes should not be changed under Universal Credit. However LACA accepts that new methods of calculating criteria will need to be introduced as the present basis is made on benefits that will no longer exist.

Without more detailed information of Universal Credit it is impossible for LACA to suggest methods of design that will encompass the provision of the passported benefit of free school meals.

LACA fully supports the Government's aim to reduce the complexity of benefit claims and to design a system that is simple for everyone to understand and straight forward to administer providing the passported benefit is still available.

As the professional association for school catering, LACA is willing to offer a representative to assist in the development and design of ensuring the inclusion of free schools in Universal Credit when it is introduced.

Question 6

How might passported benefits under Universal Credit be designed to enhance work incentives at no extra cost? How might this need to vary by type of passported benefit?

As stated in our response to Question 3b (ii) in our opinion free school meals entitlement does not encourage incentives to work for those who are unemployed. Free school meals are not a passported benefit solely for the children of the unemployed.

To parents on low incomes and the minimum wage and with pay rises frozen in many work sectors, free school meals are valued and an important benefit.

Question 7

How could passported benefits be simplified under UC at no extra cost? What would be the advantages and disadvantages of simplification?

LACA has no response to this question.

Question 8

What would be the implications if in-kind passported benefits became cash benefits under Universal Credit? How, if at all, would these implications differ for different in-kind passported benefits?

The implications of in-kind passported benefits becoming cash benefits under Universal Credit in the case of the entitlement to free school meals are enormous.

This is an option that should not be given any serious consideration for many reasons.

Claimants

i. The Children

- As already identified for a huge number of those children who are provided with free meals, the school meal is their only cooked nutritional meal each day.
- The school meal provides in excess of one third of their daily nutritional requirements.
- They receive a balanced meal which includes at least one portion of vegetables and one portion of fruit each day.
- It is a well known fact that many children do not receive enough vitamins and minerals in their diet; particular concern is with teenage girl's consumption of iron which is too low, causing anaemia. The school menu is nutritionally planned to ensure the provision of these vital nutrients.
- Eating a healthy well prepared meal ensures that pupils have the energy to work and learn.
- In many schools a breakfast service is provided. In very deprived areas some children are entitled to a free breakfast as well as lunch.

ii. The Parents, Carers and Guardians

This question suggests that the passported benefits of free school meals could be converted into a cash payment to parents, carers and guardians instead of a nutritional school meal. LACA suggests that in many instances that the cash may be used for the following instead of food:

- Alcohol
- Cigarettes
- Betting – bingo, lottery, horse racing etc
- Home entertainment – televisions, DVDs, gaming and computers
- Clothes

If some of the cash is used for food, experience shows that it will be spent on:

- Manufactured cakes and biscuits
- Chocolate and confectionary
- Cheap fast foods, such as burgers, chips and sausages
- Convenience foods and ready meals

All of these foods are high in fat, sugar and salt. There is already a problem with obesity which school meals are helping to address. It is unlikely that these children will eat sufficient fruit and vegetables.

School Catering Industry

If the passported benefit for free school meals was replaced by cash paid into the Universal Credit the impact on the provision of school meals in State Schools, Academies and Free Schools would be catastrophic.

At present the provision of school meals to children whose parents fall into the categories listed in question 2b is a Law and the local authority or school governors have the responsibility to make this provision.

The following points need to be taken into consideration:

- The removal of free school meals would mean that the provision of the school catering service would become totally discretionary.
- The Education Act 1980 said that local authorities need only provide service to those entitled to free meals and that service could be just a cold sandwich meal. Each authority could charge what it liked to paying pupils. There were no nutritional standards. In 2002 new food based standards were introduced. In 2005 the new nutritional food based and nutrient standards were passed into law.
- During recent years many local authorities who had reduced their school meals service to sandwich meals for free meal pupils have been reinstating full catering back into their schools.
- LACA believes that if the statutory provision of free school meals were removed the school meals service would probably disappear in the next decade.

- Much has been done to improve the quality of the meals, nutritional value, the dining room environment and the links to health education.
- The school meals service employs directly either by the local authority, the individual school or private contractor in the region of 100,000 staff.
- The annual turnover is estimated to be in excess of £400million pounds.
- In addition, there is a potential of huge job losses in the manufacturing and supply industries which provide products to school meals.
- Some of the local small traders could well go out of business as school meals is their core income.
- Maintenance, building and utility companies would also face financial decreases in their turnover.
- The recently published School Food Trust/LACA Annual Survey Take-up of School Lunches for England 2010-2011 shows that the number of children is increasing. These statistics show that 78% of primary schools and 54% of secondary schools responded to the survey. The percentage of free meals for primary was 37.7% and in secondary schools it was 28.8%, overall. This shows that more than a third of the meals served in schools are free meals.

LACA sincerely hopes that its response to this question will confirm to the members of the Social Security Advisory Committee that the provision of free school meals as a passported benefit should be retained for our future generation.

Question 9

If passported benefits were to be withdrawn as earnings increased and UC entitlement decreased, how might this be done? How, if at all, would this vary by type of passported benefit and what interactions between different passported benefits need to be considered?

LACA's response is solely regarding free school meals. We do not believe that there are any obvious interaction between free school meals and other passported benefits.

The present system of receiving eligibility of free school meals already takes account of their withdrawal if earnings increase. Within the Universal Credit design there would need to be a mechanism to address this issue.

Question 10

Can you please provide us with details of any research or other evidence, including case studies and specific examples, relevant to our enquiry?

There are many pieces of research, case studies and statistical information available regarding the importance of the passported benefits of free school meals and indeed paid school meals in the development of children.

We are reasonably confident that all the issues regarding free school meals have been covered in this response.

Question 11

Are there any other issues relating to passported benefits that you wish to draw SSAC's attention to? Please give details.

LACA has no comments on any other issues relating to passported benefits.

Question 12

Do you have any other suggestions to make about passported benefits within UC

LACA has no further suggestions to make about passported benefits within UC.

Summary

LACA hopes that this response will assist the Social Security Advisory Committee in the independent review of passported benefits.

LACA is content for any of this response to be referred to in SSAC's published report and for LACA to be included in a published list of respondents.

In addition LACA is keen to be invited to discuss any issues raised in the response.

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