

Cost of living crisis - Cost of the school day**Report by Fiona Robertson, Executive Director Children, Young People and Partnerships****Report for Decision****1 Recommendations**

Council is recommended to:

- i. Note the ongoing work of the Midlothian Cross Party Cost of Living Task Force, Child Poverty Working Group and the Children, Young People and Partnerships Directorate to tackle child poverty; and
- ii. Note that the Child Poverty Action Plan will be presented to September Council for consideration and approval; to
- iii. Approve the development of a local authority position and guidance on the cost of the school day and a school meal debt policy for 2023/24 onwards; also
- iv. Agree to the draft school meal debt policy be presented to Cabinet for consideration and approval; and
- v. Approve a one-off write-off of school meal debt, currently estimated at circa £32,000, in response to the current Cost of Living Crisis and delegate authority to Executive Director, Place, to apply this as appropriate

2 Purpose of Report/Executive Summary

This paper outlines the steps that are being taken locally by Midlothian Council and key partners to respond to the Cost of Living Crisis faced by our communities, with a focus on the cost of the school day and in particular school meals.

Council is asked to approve the development of Cost of the School Day Guidance and a School Meal Debt Policy for consideration and approval by Cabinet.

Council is also asked to approve a one-off write-off of school meal debt, currently estimated at circa £32,000, in response to the current Cost of Living Crisis.

Date Tuesday 27 April 2023

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3 Background

Cost of Living Task Force

- 3.1** In response to the increasing cost of living; the impact of rising food and fuel costs and the consequential pressure that this has on Midlothian households, at its [meeting of 28 June 2022](#), Council agreed to urgently establish a Cross Party Cost of Living Crisis Task Force ('the Task Force').
- 3.2** This crisis is unprecedented and escalating at a significant rate and therefore needs a joined-up immediate response to help those in need in our communities. The principal aims of the Task Force are to:
- conduct primary research into the impact Midlothian households are experiencing now and potential future impact from forecasted price rises.
 - identify and co-design interventions to mitigate the impacts of the crisis for Midlothian's households.
 - work closely with local organisations to identify resources that can help those affected by rising living costs with practical assistance; and
 - look at ways to support households to maximise their incomes and reduce outgoings.
- 3.3** In late 2021/22, Scottish Government announced an £80m Local Authority COVID Economic Recovery Fund ('fund') to be provided to Councils in 2021/22, with COSLA Leaders subsequently agreeing the basis for distribution between Councils. This funding is flexible and ultimately is designed to empower local authorities to utilise funding where they consider this necessary or justified based on local circumstances. Midlothian's allocation is £1.360 million.
- 3.4** The allocation of this funding has been directed by the Task Force with a number of actions being carried out over the 2022/23 financial year to support those experiencing financial hardship. This includes:
- Establishment of a Heat and Eat fund for those that are unsuccessful in Scottish Welfare Fund applications;
 - Establishment of four Warm and Well Hubs in Loanhead, Danderhall, Lasswade and Newbattle offering warmth, respite, soup, hot drinks and social activities;
 - Establishment of a Trusted Partner model to deliver grants
 - Housing Low Income Fund;
 - Funding for Woodburn Pantry and financial support to other foodbanks/food provision; and
 - Four Income Maximisation Officers linked to the Citizen's Advice Bureau

3.5 The Task Force also commissioned an independent study into the impacts of the crisis on Midlothian's households, using a blended approach of desktop research and focus groups and workshops with those with lived experience of poverty, third sector, public and voluntary organisations and a range of professional officers. At its meeting of 30 March 2023, an interim report of the findings¹ was presented to the Task Force.

3.6 Some of the initial findings presented are:

- **4,400 children**, just under **a quarter of children living in Midlothian**, were **living in poverty** going into the pandemic and cost of living crisis, slightly lower than the Scottish rate, which is in turn lower than the UK rate.
- Based on figures from the DWP / Scottish Government, in Midlothian:
 - **6,000 households** and growing are claiming **Universal Credit**
 - **4,000 adults of working age** are claiming **disability related benefits**
 - **4,000 adults of pension age** are claiming **disability related benefits**
 - **1,400 people** are claiming **Carers Allowance**
 - There are nearly **4,000 Crisis Grant** and **465 Community Care Grants** awards in Midlothian each year. Rejection rates are higher than Scottish average.
- The study estimates that:
 - **17,000 to 21,000 adults** in Midlothian **cannot afford to turn their heating on** to keep their home warm.
 - **28,000 to 34,000 adults** are quite/ very **worried about energy bills**.
 - **21,000 cannot afford** to eat **balanced meals**.
 - **8,000 went hungry due** to lack of money in the last month.
 - **8,000 missed a priority payment** over the last three months.
 - **16,000** have had their **mental health/ health negatively affected**.

A full report on recommendations, actions and next steps will be presented to the Task Force in Q1 2023/24. A diagram highlighting current drivers of poverty in Midlothian can be found in Appendix B.

Figures show that the proportion of children living in absolute poverty before housing costs in Midlothian in 2022 was below the rate for Scotland (14.3% compared to 16.5%).

¹ Interim Summary Paper for Midlothian Cost of Living Task Force, authors Nick Hopkins Consulting and Eddy Graham

Tackling Child Poverty

- 3.7** Actions identified by the Child Poverty Working Group to reduce child poverty in Midlothian are focused on the three drivers of child poverty identified by the Scottish Government:
- Increasing income from employment
 - Reducing the costs of living
 - Increasing the uptake of social security and benefits in kind
- 3.8** The Child Poverty Working Group and Children, Young People and Partnerships Division are supporting work towards achieving the Scottish Government targets to eradicate child poverty and our aim over the life of our Child Poverty Action Plan and other statutory plans (appendix D) is to reduce the number of families and children living in relative poverty in Midlothian. The Child Poverty (Scotland) Act 2017 sets out interim targets for Scotland to reach by 2023/24 if the ambitious 20230 targets are to be achieved. Significant work has been undertaken through actions in previous plans. The effect of the Covid-19 pandemic and the cost of living crisis continue to affect families and significant work is needed to ensure that children in Midlothian are protected from the impact of poverty.
- 3.9** Steps have been taken to review our planning and governance structures to improve our ability to address the drivers of child poverty through actions that can be taken locally. We have been supported by the Improvement Service to undertake a self-assessment process and will continue to work with them to further develop our poverty strategy and respond to the cost of living crisis.
- 3.10** The landscape around child poverty in Midlothian is vast and complex, involving a wide range of partners. Work is planned to map this landscape, as well as outcomes and activities, to ensure lines of sight and responsibility are clear and activity is well coordinated across Midlothian. The Child Poverty Working Group is responsible for the development of the annual [Local Child Poverty Action Report](#) that identifies actions we are taking to address child poverty and reports on progress.
- 3.11** Key areas of action will include:
- A review of welfare and debt advice support across Midlothian;
 - Strengthening of financial wellbeing pathways to support families most in need; and
 - Supporting parental employability.
- Work is underway to develop a Midlothian Poverty Profile that will allow us to measure progress against key indicators of poverty and risk, and ensure that we are accessing, gathering, analysing and using relevant data to inform actions to reduce poverty.

Cost of the school day: Free school meals and school clothing grants

3.12 All pupils in primaries 1 to 5 and special schools are entitled to free school lunches during term-time. Pupils above primary 5 are eligible for free school meals if their parents or guardians are in receipt of any of the following:

- Income Support
- Income-based Job Seeker's Allowance
- Any income related element of Employment and Support Allowance
- Child Tax Credit, but not Working Tax Credit, with an income of less than £18,725
- Both Child Tax Credit and Working Tax Credit with an income of up to £8,717
- Support under Part VI of the Immigration and Asylum Act 1999
- Universal Credit with a monthly earned income of not more than £726

3.13 All children in early learning and childcare can get a free meal on the days they attend and 16-18 year olds that receive any of the above in their own right can claim free school meals.

3.14 In addition to free school meals, an annual clothing grant is available to low income households of £120 (primary pupils) and £150 (secondary pupils). This can be applied for on the [Council's website](#). Council officers will be seeking to update and streamline the information on our website and our application process to support those entitled to this grant.

3.15 The Council will issue a letter for an automatic award if all of the following criteria is met:

- In receipt of an award for the previous school year
- In receipt of Housing Benefit or Council Tax reduction
- In receipt of:
 - Income Support
 - Or income-based Job Seekers Allowance
 - Or any income related element of Employment and Support Allowance

3.16 Data analysis undertaken to inform the Child Poverty Action Plan found that the uptake of free school meals is higher than other neighbouring authorities at P1-P5 but lower at other stages²³. Overall our data does indicate that there is a significant level of under subscription. Work is underway to develop a communications campaign to raise awareness of the supports available, which also includes access to free bus travel.

² 49.7% for P6-P7, lower than East Lothian, Edinburgh and West Lothian

³ [School Healthy Living Survey statistics 2022 - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-published/school-healthy-living-survey-statistics-2022/)

The Public Health Scotland report, Child Poverty in Midlothian, April 2023, reported that Midlothian:

- Has a higher proportion of very low paid workers in the local authority
- Compared favourably in quantitative terms on childcare availability and in the proportion of children with developmental concerns
- Young adults are less likely to participate in full-time education, but more likely to have access to Modern Apprenticeships

School meal costs and current debt

- 3.17** For P6 and P7, a meal costs £2.10. For secondary school a meal costs £2.30, and there is no charge for nursery meals. There is a daily choice of two hot meals, soups, sandwiches, desserts and drinks, and fresh fruit and vegetables. The menu is designed to offer a nutritionally balanced lunch, following national guidelines. Midlothian Council is committed to sourcing from UK suppliers where possible, using local suppliers for meat, vegetables and milk and all fish comes from sustainable sources. Menus are designed to meet as wide a range of diets as possible, such as religious and vegetarian. Menus can also be adapted for medical conditions such as allergies or intolerances to foods. Children on special medical diets will meet their nutritional requirements during their lunch time meal. Sample menus for nursery, primary and secondary can be found [School lunches | Midlothian Council](#)
- 3.18** As of 31 March 2023, the school meal debt across all Midlothian schools totalled £32,466.81.
- 3.19** This debt is an accumulation over multiple financial years. Where debt has been incurred by a pupil who has now left, this is considered a bad debt and recourse to clear this is administratively challenging.

National debt policy development

- 3.20** COSLA has been working with a range of partners to develop a better understanding of the scale and impact of school meal debt across Scotland. A survey was issued to all Local Authorities in August 2022 on the subject of school meal debt and a range of research and [reports](#) have been published by Aberlour Children's Charities as well as written evidence to the Scottish Parliament's Social Justice and Social Security Committee's inquiry on low income and debt. The Committee's [report](#), "Robbing Peter to Pay Paul: Low income and the debt trap", was published in early July 2022.
- 3.21** In February 2023 COSLA published Good Practice Principles for Managing School Meal Debt which have been produced to promote good practice in the management of school meal debt. These Principles are set out below: [COSLA Publish Good Practice Principles for Managing School Meal Debt - 20th February 2023 | COSLA](#)

- 1) Meeting the needs; upholding the rights; and supporting the welfare of children, young people, and their families in line with their individual circumstances should be of paramount concern in the design and implementation of local authorities' school meal debt policy and practice. Consideration should be given to how the views of children, young people and their families can be sought and drawn upon to help shape local authority policy and practice.
- 2) Local authorities' approaches to school meal debt management, including all aspects of policy and practice, should be compassionate, proportionate and seek to minimise as far as possible the stigmatisation of children, young people, and their families.
- 3) Processes for school meal debt management should be as clear and accessible as possible. Where barriers are identified, e.g. parents/carers face difficulty navigating online systems, consideration should be given to what support can be provided to address this.
- 4) A co-ordinated approach should be taken to designing and implementing school meal debt policy and practice. The appropriate role of relevant departments (e.g. education, catering, finance, and revenues & benefits) within local authorities, as well as individual school staff, should be considered, as well as how they should work together.
- 5) Local authorities should consider setting a threshold at which unpaid sums will formally become 'debt' and be treated as such. A threshold of around one month's worth of meals is suggested, based on the fact that some families choose to clear debt after each pay-day.
- 6) Local authorities should consider undertaking a routine review of families' summary debt position, to reduce the risk of families accumulating large debts without the authority or school being aware of this, and enable the timely provision of support where this is needed.
- 7) Consideration should be given to effective communication practices to ensure that parents/carers receive the right information, at the right time, in an accessible manner, from the most suitable person.
- 8) Consideration should be given and efforts made to promote, maximise and address any barriers to take-up of free school meals (and other available support e.g. the school clothing grant; free bus travel for under 22s) for those families who are eligible. A number of local authorities have auto-award systems in place whereby free school meals are automatically applied to families who receive other qualifying benefits, and this approach should be considered as a way to support access and take-up. The Child Poverty Action Group's [Cost Of The School Day project](#) also provides practical tips, training and materials to reduce costs for families.

9) When staff become aware that a household is facing financial or other difficulties, efforts should be made to ensure that wherever possible families are signposted to, and, if appropriate, supported to access, available sources of support which are relevant to their needs. This could include:

- Financial advice and support services
- Income maximisation/ welfare rights support
- Cost of living support, including cash payments
- Employability support
- Social work or care support
- Support for unpaid carers

10) All local authorities have the power to grant discretionary free school meals to pupils who do not meet the national eligibility criteria, where families are experiencing financial hardship. Consideration should be given to whether and/or how the local authority will use the provision of discretionary free school meals as a mechanism for supporting families facing financial hardship who are ineligible for free school meals. Further information on approaches to discretionary provision can be found in the annexe.

11) Decisions on clearing school meal debt across an authority should remain at the discretion of each local authority.

12) Consideration should be given to the range of approaches and mechanisms that could be used to support families or clear debts in particular cases where a need is identified, within the flexibilities and discretion afforded to local authorities and Head Teachers. For example, consideration could be given to:

- Using school hardship funds or Pupil Equity Funding (PEF) to support discretionary meal provision or debt clearance in particular cases;
- Flexible use of available free school meals, accounting for absence and take-up rates amongst pupils who are registered for FSM.

3.22 Building on the COSLA guidance, it is proposed to develop a Midlothian Council school meal debt policy, informed by the work of the Cost of Living Task Force. This would be developed and presented to Cabinet for consideration and approval. In the absence of a current school meal debt policy; Council is asked to agree to a one-off debt write-off in light of the current cost of living crisis.

3.23 It is intended that the Child Poverty Working Group and the GIRFEC Board's prioritised work will be to ensure equitable income maximisation and debt advice and will include support for those incurring school meal debt as referenced in paragraph 3.8.

Cost of the school day: Guidance for schools

3.24 School costs can put pressure on low-income families and put children and young people at risk of missing out on opportunities, affect their self-confidence and esteem confident and experience stigma.

‘Children living in poverty are more likely to have issues including mental health problems, gain fewer qualifications, experience stigma and bullying at school and be at higher risk of being care experienced.’
Audit Scotland September 2022

3.25 Our schools are working hard to minimise costs and ensure equal access to opportunities. The list below is illustrative but not exhaustive of current actions to reduce costs:

- Subsidised school trips for example pantomimes and residential
- Family cooking classes
- Subsidised or free breakfast clubs/emergency breakfast packs
- Uniform P1 Starter Packs and uniform banks
- Digital device charging
- Provision of sportswear, school club strips and outdoor learning equipment
- In school counselling and interventions to support resilience, mental health, therapeutic services and nurture
- Hygiene products, period products, shower gel, shampoo etc.

3.26 Current actions to reduce costs for children and families are largely but not solely PEF funded and as a result are not consistent across Midlothian. The Children ,Young People and Partnerships Directorate is working together with key partners to strengthen our commitment and action in reducing the impact of poverty across Midlothian and reaffirmed this at our recent service and partner conference 19th April 2023. The conference provided an opportunity to consider current drivers and impact of poverty within each locality and consider our strategic actions now and in the future.

3.27 Potential future actions identified by attendees at the conference include:

- Midlothian Equity Policy to secure consistency across all education providers on key areas which impact cost of the school day;
- Ensure consistent use of cost of the school day toolkit
- Review family learning offer and support to include healthy eating on a budget, meal preparation ideas, budgeting
- Increase support to young people to claim Education Maintenance Allowance
- Guidance on school uniform policies

3.28 Further to this activity the Children Young People and Partnership Directorate will undertake further work to understand more fully recent factors adding to financial pressures facing families and the hidden

costs associated with fully participating in school life. By working directly with pupils, staff and parents/carers we will be able to provide local guidance for schools and partner organisations to remove and reduce cost barriers. The Children, Young People and Partnerships Directorate is holding a second staff and partner Tackling Child Poverty Conference in June 2023 to build on and sustain momentum with the work and actions identified at the April conference. The Children young People and Partnerships Directorate is holding a Learner Conference in June 2023 to inform our guidance, policies and plans to ensure learner voice influences the actions we undertake to tackle child poverty and the costs of the school day.

4 Report Implications (Resource, Digital and Risk)

4.1 Resource

The cost of the write-off will be met from existing budgets. Council is requested to delegate the authority to the Executive Director, Place, to apply this as appropriate.

4.2 Digital

Not applicable

4.3 Risk

Writing off the school meal debt may result in the unintended consequence of an increase in non-payment for school meals. As indicated in the body of this report, school meal debt will be included in the factors considered by income maximisation officers when determining which families to support.

4.4 Ensuring Equalities (if required a separate IIA must be completed)

An integrated equality impact assessment will be undertaken to ensure the Cost of the School Day Guidance has been developed to ensure no negative impact on individuals or groups.

4.5 Additional Report Implications (See Appendix A)

See Appendix A

Appendices

Appendix A – Additional Report Implications

Appendix B – Drivers of Poverty

Appendix C – Striving for Equity in Opportunity - Making ‘Better’ Connections

APPENDIX A – Report Implications

A.1 Key Priorities within the Single Midlothian Plan

Individuals and communities have improved health and learning outcomes

No child or household live in poverty

A.2 Key Drivers for Change

Key drivers addressed in this report:

- Holistic Working
- Hub and Spoke
- Modern
- Sustainable
- Transformational
- Preventative
- Asset-based
- Continuous Improvement
- One size fits one
- None of the above

A.3 Key Delivery Streams

Key delivery streams addressed in this report:

- One Council Working with you, for you
- Preventative and Sustainable
- Efficient and Modern
- Innovative and Ambitious
- None of the above

A.4 Delivering Best Value

This report does not directly impact on Best Value

A.5 Involving Communities and Other Stakeholders

The Cost of the School Day Guidance will be developed in partnership with relevant stakeholders

A.6 Impact on Performance and Outcomes

The content of this report does not directly impact on performance and outcomes. A Cost of the School Day Guidance paper will support children and young people to participate more fully in educational experiences

A.7 Adopting a Preventative Approach

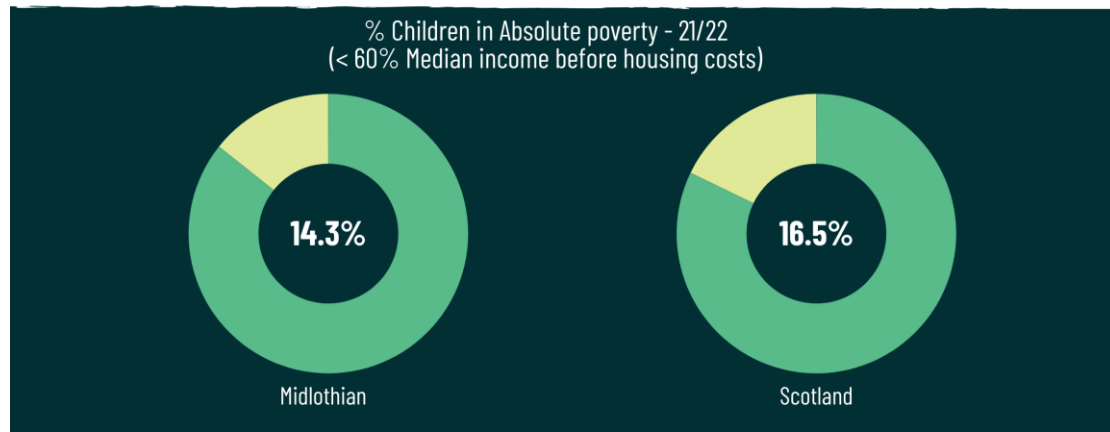
The Cost of the School Day Guidance once developed will support children and young people to access fully their educational experiences

A.8 Supporting Sustainable Development

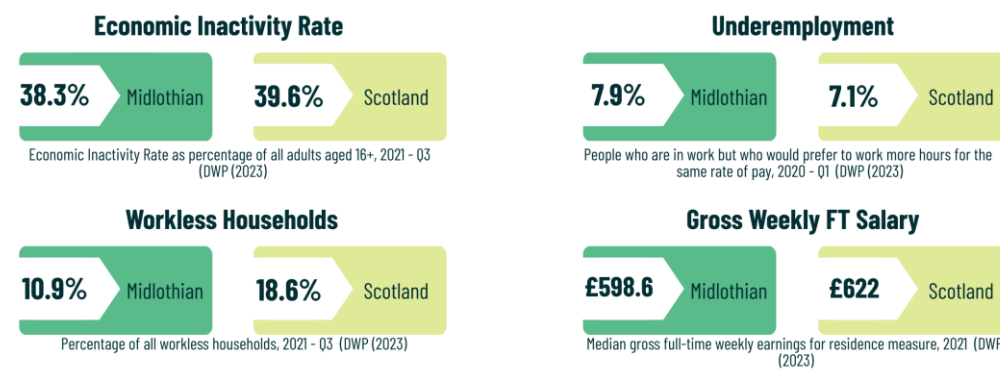
Not applicable

APPENDIX B

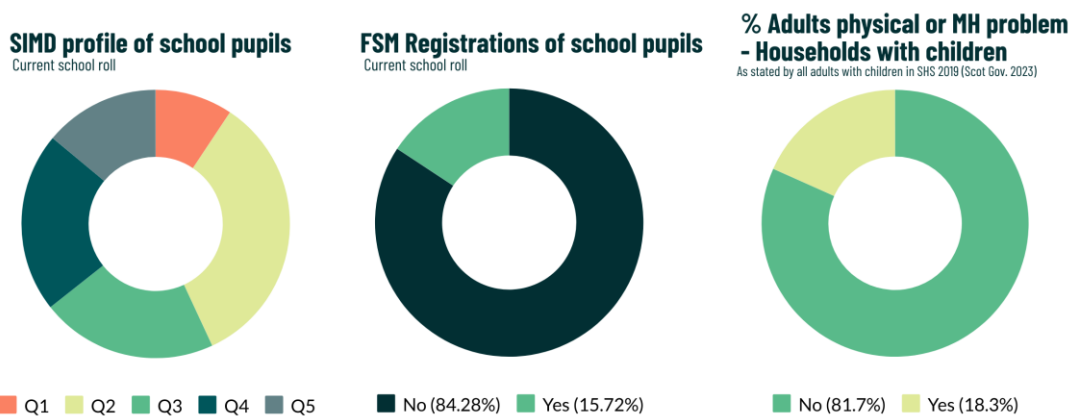
Drivers of Poverty



Work and earnings



Additional Context



APPENDIX C: Striving for Equity in Opportunity - Making 'Better' Connections

Education Service Plan 2023-24

(Education (Scotland) Act 1980; Education (Scotland) Act 2016; Standards in Scotland's Schools etc. 2000)

1. Raising attainment to ensure that all children & young people achieve outcomes which lead to positive destinations
2. Ensure that all children & young people feel valued & included, and have the same opportunities to succeed

The Promise

"You will grow up loved, safe and respected"

The Promise will continue to be one of our key drivers to deliver transformational change across the Directorate

Integrated Children's Service Plan 2023-26

(Children and Young People (Scotland) Act 2014)

1. We will ensure Midlothian's CYP have timely access to appropriate emotional, mental health and wellbeing support
2. We will ensure Midlothian's CYP receive the appropriate needs-based support whilst they are assessed for neurodevelopmental concerns
3. We will provide families with holistic support to help to deliver improved outcomes for children, young people and families
4. We will reduce the number of families and children living in relative poverty
5. Partner agencies will work together to commission the services that are needed to fulfil the priorities identified in the Children's Services Plan
6. We will ensure CYP will, where required, transition into adult services in a planned, safe, and seamless manner
7. All professionals are appropriately trained and equipped to deliver services in a trauma-informed way
8. We will ensure the rights of every CYP in Midlothian are upheld by embedding UNCRC into daily practice and processes
9. We will work to ensure families are supported to stay together at home
10. Families are supported in a way that demonstrably improves outcomes for mothers and babies
11. We will strengthen GIRFEC practice and ensure information is shared proactively to aid prevention and early intervention
12. We will ensure CYP are able to safely and easily make use of facilities and activities across Midlothian

CHILD AT THE CENTRE

CLD Plan

(Community Learning and Development (Scotland) Regulations 2013)

1. Support the development of staff and volunteers through excellent training and personal development opportunities
2. Support services and community groups to become more resilient for the future
3. Gather more views to influence the CLD partnership offer for future years
4. Increase the number of people who can take part by removing barriers to participation
5. Increase digital participation
6. Promote a strong focus on prevention, early intervention and reducing inequalities
7. Improve opportunities for good health and wellbeing through joint working, grant funding and use of outdoor spaces
8. Provide a mixed learning offer - online, blended and face to face
9. Support young people, adults and families to improve their life chances through the development of skills for learning, life and work
10. Enhance our shared partnership endeavour by further embedding the Compact Track values in our work
11. Assist communities to meet local needs and develop their capacity including the effective use of volunteers

'Children living in poverty are more likely to have issues including mental health problems, gain fewer qualifications, experience stigma and bullying at school and be at higher risk of being care experienced.'

Audit Scotland September 2022

Children's Rights Report 2022 and Plan 2023-24

(Children and Young People (Scotland) Act 2014)

The next iteration of the Integrated Children's Services Plan (2023-26) will offer a fully inclusive approach to highlighting the key principles of UNCRC and how the principles are embedded into our everyday work

Child Poverty Action Plan 2023

(Child Poverty (Scotland) Act 2017)

1. Anti-poverty work will be shaped and influenced by people with lived experience
2. Taking a preventative and coordinated approach to tackling child poverty at a strategic and operational level
3. Benefit income maximised for individuals and families
4. Household income and financial resilience is improved for low income households
5. Individuals and families have access to additional mitigation supports to assist with the cost of living crisis
6. Place-based approaches to poverty support better outcomes for communities