



REPORT TO: MORAY COUNCIL ON 28 SEPTEMBER 2022

SUBJECT: SCHOOL MEAL DEBT

BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)

1. REASON FOR REPORT

- 1.1 To inform the Council of the current position in relation to debt from the purchase of school meals in Moray.
- 1.2 This report is submitted to Council in terms of Section II (23) of the Council's Scheme of Administration relating to revenue expenditure.

2. RECOMMENDATION

2.1 It is recommended that Council:

- (i) note the contents of this report; and**
- (ii) agree to await further developments at a national level as set out in para 3.3 before taking any decision on debt write-off.**

3. BACKGROUND

- 3.1 Following the publication of a report by the Aberlour Trust, and an open letter to Scottish Local Authorities queries have been raised about the impact on families of debt incurred relating to school meals. The Aberlour Trust letter set out information about the total amount owed by families across Scotland, and raised concerns about the relationship with the cost of living and hidden hunger. It also asked local authorities to cancel school meal debt.
- 3.2 At the time of writing, it is understood that Edinburgh City Council is the only authority to have written off outstanding school meal debt.
- 3.3 Unpaid school meal debt is pursued in the first instance by the school catering service via emails and letters to the pupil's parent / guardian. These letters also contain information on how to pay, and about how to apply for Free School Meals if they are eligible. Should this prove unsuccessful and the debt continues to grow the issue is transferred to the Council's Sundry debt system and invoices raised for the total value outstanding. The resultant debt is then subject to the Council's Sundry Debt Policy and pursued accordingly.

- 3.4 Each case is taken on its own merits, and affordable means of repayment are pursued wherever possible. Support from the Money Advice team can also be offered. The current school meal debt held in the Council's sundry debt system as at 9 September 2022 is £24,041.85.
- 3.5 Across Moray, in line with Scottish Government policy, all Primary 1–5 pupils are eligible for free school meals. From Primary 6 through to S6 free school meals are provided for those pupils who meet the eligibility criteria set by Scottish Government. In Primary 6-7, 65% of those pupils eligible for free school meals are currently taking up the provision. For those pupils paying for their school meals, schools and the catering service have arrangements in place that mean that if a pupil is unable to pay for their meal on a particular day they are still provided with a lunch, and payment is dealt with separately to ensure that no child goes without food.
- 3.6 In May 2021 there was an agreement between Scottish Government and Scottish Local Authority leaders on the implementation of a phased approach to universal free school meals for primary school children. This provision has been implemented for Primary 1–5. Further information is awaited by all authorities in relation to the final phase of this programme for Primary 6-7 as there are a number of risks and issues relating to kitchen and dining space capacity which has an underpinning capital investment requirement in addition to the required revenue support for operational delivery.
- 3.7 COSLA and local government partners are undertaking an exercise in partnership in order to gain a more robust understanding of school meal debt and the complexities surrounding this issue in Scotland. This information will help inform a way forward for local government in relation to this important issue. The survey is currently out to all local authorities with a closing date for the end of September. By waiting for the findings of the survey before taking a position on outstanding school meal debt it enables the potential for a clear national position to be established and a fully informed decision. In the meantime it remains the case, as stated above that no pupil is refused a school lunch, and families are encouraged to check eligibility for free school meals and access financial support where this can be identified.

4. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

This report contains information relating to the Council's priorities around Our People and a sustainable council.

(b) Policy and Legal

This report does not recommend any specific actions at this time but relates to the Council's Sundry Debt policy as well as the national position on free school meals.

(c) Financial implications

Whilst no financial decision is currently recommended, it should be noted that when the Council approved the budget for 2022/23 on 22 February 2022 (paragraph 3 of the Minute refers) it balanced only by using

reserves and one-off financial flexibilities. The indicative 3 year budget showed a likely requirement to continue to make savings in the order of £20 million in the next two years. All financial decisions must be made in this context and only essential additional expenditure should be agreed in the course of the year. In making any determination the committee should consider whether the financial risk to the Council of incurring additional expenditure outweighs the risk to the Council of not incurring that expenditure, as set out in the risk section below and whether a decision on funding could reasonably be deferred until the budget for future years is approved.

(d) Risk Implications

Any decision relating to the write off of debt needs to be considered in relation to the wider policy on debt management. Whilst child welfare must always be the primary concern, careful consideration must also be given to any unintended inference that deliberate non-payment for school meals is an acceptable position. This risk is best managed through national initiatives based on a robust understanding of the issues and effective communication strategies, the work ongoing through Cosla supporting such an approach.

(e) Staffing Implications

There are no staffing implications arising from this report

(f) Property

There are no property implications arising from this report.

(g) Equalities/Socio Economic Impact

Whilst there are clear socio-economic links to the affordability of, and payment for, school meals, it is recommended that the full impacts are considered collectively through the national research currently being carried out. An EIA focussing on the situation in Moray, will be prepared and presented with the national information.

(h) Climate Change and Biodiversity Impacts

There are no climate or biodiversity impacts from this report.

(i) Consultations

The Depute Chief Executive (Economy, Environment & Finance), Head of Governance and Strategy, Head of Financial Services, Equalities Officer, and Committee Services Officer (T Sutherland) have been consulted and their comments incorporated into this report.

5. CONCLUSION

5.1 The observations, and their timely relevance, in the Aberlour Trust open letter to Scottish local authorities are noted, however, it is important to consider a number of factors which are currently being collated nationally before making firm recommendations relating to school meal debt.

Authors of Report: Nicola Moss, Head of Environmental and Commercial Services
Lorraine Paisey, Head of Financial Services

Background Papers:

Ref: SPMAN-524642768-780