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Free school meals data

Summary

1. This paper looks at the impact on the 2018-19 Settlement of updating the Free School Meal (FSM) data for nursery, primary and secondary school pupils if a two/three year average of FSM data are used instead of single year.
2. Table 1 details the percentage shares of the latest (2017) Free School Meal PLASC data for nursery, primary and secondary school pupils and the difference in these percentage shares using a two/three year average of the FSM data.
3. Table 2 details the published SSA for the School Services Sector and notional SSA amounts using two and three year averages of FSM data.

Views sought

4. Members are asked to provide their recommendation on the treatment of FSM data in the formula for future settlements.

Related Papers

5. Distribution Sub-Group (2017) Paper 08 – 2017 PLASC data

Distribution Sub-Group (2016) - Paper 16: Impact of the 2016 PLASC data

Distribution Sub Group (2015) - Paper 21 - PLASC data collection and validation process alias

Distribution Sub-Group (2015) - Paper 18: Updating the settlement with 2015 PLASC data

<http://gov.wales/docs/dsijlg/minutes/150916-distribution-sub-group-paper18.pdf>

Distribution Sub-Group (2014) - Paper 17: Updating the settlement with 2014 PLASC data

Distribution Sub-Group (2013) - Paper 20: Updating the settlement with 2013 PLASC data

<http://gov.wales/docs/dsijlg/minutes/130719-dsg-paper20-en.pdf>

Distribution Sub-Group (2012) - Paper 31: January 2012 PLASC data for Free School Meals

<http://wales.gov.uk/docs/dsijlg/meetings/120717dsg201231en.doc>

Distribution Sub-Group (2011) - Paper 23: 2012-13 indicative settlement with updated PLASC data

<http://wales.gov.uk/docs/dsijlg/meetings/110719dsg201123en.pdf>

Background

6. A previous DSG paper (paper 08 - 2017 PLASC data update) highlighted that in the latest PLASC (2017) data, overall eligibility for FSM decreased, in particular in Blaenau Gwent, Caerphilly and Flintshire. It also highlighted that these decreases caused significant percentage changes in Total SSA, in particular for Blaenau Gwent and Caerphilly.
7. At the 2017 September DSG meeting the group raised concerns about the volatility of the FSM data and the impact this has for some local authorities in the 2018-19 Settlement. This paper is to look closer at the FSM data and consider options to potentially reduce some of the volatility.
8. The current eligibility criteria for FSMs in Wales are parents of pupils who are still at school and receive one of the following:
 - 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 guaranteed element of Pension Credit
 - Child Tax Credit (provided you're not also entitled to Working Tax Credit and have an annual gross income of no more than £16,190)
 - Working Tax Credit run-on - paid for 4 weeks after you stop qualifying for Working Tax Credit
 - Universal Credit (temporary measure)

This includes nursery children who attend full days and also sixth form students. Young people attending Further Education Institutions are not eligible for FSM. Children who get paid these benefits directly, instead of through a parent or guardian, can also get free school meals.

Analysis

9. Table 1 details the percentage shares of the 2017 FSM data, a calculated two year average using 2016 and 2017 data and a three year average using the 2015, 2016 and 2017 data. These are broken down into nursery and primary schools, secondary schools and all pupils. It also details the difference in percentage points of the calculated two and three average from the 2017 PLASC FSM data.

Nursery and primary schools

10. The effect on the nursery and primary schools IBA using a two year average of the FSM data shows Wrexham had the largest percentage share decrease, down 0.2 percentage points when compared with the single year. Blaenau Gwent and Flintshire had the largest increases, up 0.3 and 0.2 percentage points respectively.
11. The effect on the nursery and primary schools IBA using a three year average of the FSM data shows Wrexham again had the largest percentage share decrease, down 0.3 percentage points when compared with the single year. Blaenau Gwent, Caerphilly and Flintshire had the largest increases, up 0.4, 0.2 and 0.2 percentage points respectively.

Secondary schools

12. The effect on the secondary schools IBA using a two year average of the FSM data shows Cardiff had the largest percentage share decrease, down 0.3 percentage points when compared with the single year. Caerphilly, Blaenau Gwent and Carmarthenshire had the largest increase, up 0.3, 0.2 and 0.2 percentage points respectively.
13. The effect on the secondary schools IBA using a three year average of the FSM data shows Cardiff again had the largest percentage share decrease, down 0.4 percentage points when compared with the single year. Swansea was also down 0.3 percentage points. Blaenau Gwent and Caerphilly had the largest increases, both up 0.3 percentage points.

All pupils

14. The effect on all pupils using a two year average of the FSM data shows Cardiff, Swansea and Pembrokeshire had the largest percentage share decreases, down 0.2 percentage points when compared with the single year. Blaenau Gwent and Caerphilly had the largest increase, up 0.2 percentage points.
15. The effect on all pupils using a three year average of the FSM data shows Cardiff again had the largest percentage share decrease, down 0.3 percentage points when compared with the single year. Blaenau Gwent and Caerphilly again had the largest increases, up 0.4 and 0.3 percentage points respectively.
16. Table 2 details the latest published school services sector SSA along with notional SSA amounts for the school services sector based on the 2018-19 settlement utilising the calculated two and three average FSM data.

Percentage difference incorporating a two year average of the FSM data

17. The results show the largest percentage difference increase was for Blaenau Gwent of 0.9 percent. Caerphilly and Flintshire also had notable percentage difference of 0.3 percent and 0.2 percent respectively when compared to the 2018-19 published settlement. The results show the largest percentage decrease for Pembrokeshire (down at 0.3 per cent), followed by Wrexham and Swansea (both down at 0.2 per cent).

Percentage difference incorporating a three year average of the PLASC FSM data

18. The results show very similar results, notably a 1.3 per cent increase for Blaenau Gwent. The largest percentage decrease was for Pembrokeshire (down at 0.4 per cent), followed by Wrexham and Swansea (down at 0.3 per cent, respectively).

Conclusion

19. The FSM data has been considered by the group to be relatively volatile. In particular the data used in the 2018-19 settlement showed a significant reduction in FSM eligibility for Blaenau Gwent. Until validated 2018 PLASC data becomes available, it is not possible to determine whether this pattern will continue.

20. The group had previously discussed whether the volatility in the 2017 FSM data was attributable to the roll out of Universal Credit. However, it was concluded the effect on the 2018-19 Settlement was negligible.
21. For the 2019-20 settlement a total of six local authorities will be affected by the roll out of universal credit and thus the impact of FSM eligibility and the 2019-20 settlement will be more significant.
22. The group is asked to consider whether a two or three year average of FSM data is applied when calculating future settlements. This could be one of the examples provided in this paper, until alternative data is available, or until the data becomes less volatile.

**Local Government Finance Policy
Welsh Government**

Distribution Sub-Group (2018) Paper 04 – Updating the free school meal data

Table 1: Free school meals settlement indicator percentage shares with two and three year averages

	Nursery & Primary schools ¹			Nursery & Primary schools ¹			Secondary schools ²			Secondary schools ²			All pupils ³			All pupils ³		
	2 year average		3 year average	2 year average		3 year average	2 year average		3 year average	2 year average		3 year average	2 year average		3 year average	2 year average		3 year average
	(2017-18 and 2018-19 PLASC)	(2017-18 and 2018-19 PLASC)	(2016-17, 2017-18 and 2018-19 PLASC)	(2017-18 and 2018-19 PLASC)	(2017-18 and 2018-19 PLASC)	(2016-17, 2017-18 and 2018-19 PLASC)	(2017-18 and 2018-19 PLASC)	(2017-18 and 2018-19 PLASC)	(2016-17, 2017-18 and 2018-19 PLASC)	(2017-18 and 2018-19 PLASC)	(2017-18 and 2018-19 PLASC)	(2016-17, 2017-18 and 2018-19 PLASC)	(2017-18 and 2018-19 PLASC)	(2017-18 and 2018-19 PLASC)	(2016-17, 2017-18 and 2018-19 PLASC)	(2017-18 and 2018-19 PLASC)	(2017-18 and 2018-19 PLASC)	(2016-17, 2017-18 and 2018-19 PLASC)
	Percentage share			Percentage point difference			Percentage share			Percentage point difference			Percentage share			Percentage point difference		
Isle of Anglesey	1.9%	1.9%	1.9%	0.0%	0.0%	0.0%	1.9%	1.9%	1.9%	0.0%	0.0%	0.0%	1.9%	1.9%	1.9%	0.0%	0.0%	0.0%
Gwynedd	2.7%	2.7%	2.7%	0.0%	0.0%	0.0%	2.5%	2.6%	2.6%	0.1%	0.1%	0.1%	2.6%	2.6%	2.7%	0.0%	0.0%	0.0%
Conwy	3.2%	3.0%	3.1%	-0.1%	-0.1%	0.0%	3.1%	3.1%	3.1%	0.0%	0.0%	0.0%	3.1%	3.1%	3.1%	-0.1%	-0.1%	-0.1%
Denbighshire	3.3%	3.3%	3.3%	0.0%	0.0%	0.0%	3.5%	3.6%	3.5%	0.0%	0.0%	0.0%	3.4%	3.4%	3.4%	0.0%	0.0%	0.0%
Flintshire	3.9%	4.1%	4.1%	0.2%	0.2%	0.0%	3.9%	4.0%	4.0%	0.1%	0.0%	0.0%	3.9%	4.1%	4.1%	0.1%	0.1%	0.1%
Wrexham	4.5%	4.3%	4.2%	-0.2%	-0.3%	0.0%	3.4%	3.3%	3.3%	-0.1%	-0.1%	-0.1%	4.1%	3.9%	3.9%	-0.1%	-0.2%	-0.2%
Powys	2.4%	2.3%	2.2%	-0.1%	-0.1%	0.0%	2.4%	2.4%	2.4%	0.0%	0.0%	0.0%	2.4%	2.3%	2.3%	-0.1%	-0.1%	-0.1%
Ceredigion	1.3%	1.3%	1.3%	0.0%	0.1%	0.0%	1.4%	1.3%	1.4%	0.0%	0.0%	0.0%	1.3%	1.3%	1.3%	0.0%	0.0%	0.0%
Pembrokeshire	3.5%	3.4%	3.4%	-0.1%	-0.2%	0.0%	3.6%	3.4%	3.4%	-0.2%	-0.2%	-0.2%	3.6%	3.4%	3.4%	-0.2%	-0.2%	-0.2%
Carmarthenshire	5.4%	5.4%	5.4%	0.0%	0.0%	0.0%	5.5%	5.7%	5.6%	0.2%	0.1%	0.1%	5.4%	5.5%	5.5%	0.1%	0.0%	0.0%
Swansea	8.5%	8.4%	8.3%	-0.1%	-0.2%	0.0%	8.6%	8.4%	8.3%	-0.2%	-0.3%	-0.3%	8.6%	8.4%	8.3%	-0.2%	-0.2%	-0.2%
Neath Port Talbot	5.4%	5.5%	5.5%	0.1%	0.1%	0.0%	6.2%	6.1%	6.1%	-0.1%	-0.1%	-0.1%	5.7%	5.7%	5.7%	0.0%	0.0%	0.0%
Bridgend	4.8%	4.8%	4.9%	0.0%	0.1%	0.0%	4.6%	4.7%	4.8%	0.1%	0.2%	0.2%	4.7%	4.8%	4.9%	0.1%	0.1%	0.1%
The Vale of Glamorgan	3.2%	3.2%	3.2%	0.0%	0.0%	0.0%	3.6%	3.6%	3.5%	0.0%	-0.1%	-0.1%	3.4%	3.4%	3.3%	0.0%	0.0%	0.0%
Rhondda Cynon Taf	9.9%	9.8%	9.7%	-0.1%	-0.2%	0.0%	9.7%	9.7%	9.7%	-0.1%	0.0%	0.0%	9.8%	9.7%	9.7%	-0.1%	-0.1%	-0.1%
Merthyr Tydfil	2.2%	2.3%	2.3%	0.0%	0.1%	0.0%	2.3%	2.3%	2.3%	0.0%	0.0%	0.0%	2.3%	2.3%	2.3%	0.0%	0.1%	0.1%
Caerphilly	7.0%	7.2%	7.3%	0.1%	0.2%	0.0%	7.7%	7.9%	8.0%	0.3%	0.3%	0.3%	7.3%	7.5%	7.5%	0.2%	0.3%	0.3%
Blaenau Gwent	2.7%	3.0%	3.1%	0.3%	0.4%	0.0%	2.5%	2.7%	2.8%	0.2%	0.3%	0.3%	2.6%	2.9%	3.0%	0.2%	0.4%	0.4%
Torfaen	3.0%	3.1%	3.2%	0.1%	0.1%	0.0%	3.3%	3.3%	3.3%	-0.1%	-0.1%	-0.1%	3.1%	3.2%	3.2%	0.0%	0.1%	0.1%
Monmouthshire	1.5%	1.5%	1.5%	0.0%	0.0%	0.0%	1.5%	1.5%	1.5%	0.0%	0.0%	0.0%	1.5%	1.5%	1.5%	0.0%	0.0%	0.0%
Newport	5.7%	5.7%	5.7%	0.0%	0.0%	0.0%	5.6%	5.6%	5.7%	0.0%	0.1%	0.1%	5.7%	5.6%	5.7%	0.0%	0.0%	0.0%
Cardiff	14.0%	13.9%	13.8%	-0.1%	-0.2%	0.0%	13.2%	12.9%	12.8%	-0.3%	-0.4%	-0.4%	13.7%	13.5%	13.4%	-0.2%	-0.3%	-0.3%
Wales	100.0%	100.0%	100.0%				100.0%	100.0%	100.0%				100.0%	100.0%	100.0%			

¹ Nursery pupils & Primary pupils (maintained and EOTAS settings)

² Secondary pupils in years 7 to 11 (maintained and EOTAS settings)

³ Nursery & Primary Schools + Secondary Schools

Distribution Sub-Group (2018) Paper 04 – Updating the free school meal data

Table 2: Published SSA for Schools Services and notional SSA amounts using two and three year averages of FSM data

	School Services Sector SSA 2018-19 Settlement	School Services Sector SSA 2 year average (2017-18 and 2018-19)	School Services Sector SSA 3 year average (2016-17, 2017-18 and 2018-19)	Percentage difference 2 year average (2017-18 and 2018-19)	Percentage difference 3 year average (2016-17, 2017-18 and 2018-19)
Isle of Anglesey	51,293	51,312	51,317	0.0	0.0
Gwynedd	88,639	88,684	88,719	0.1	0.1
Conwy	76,672	76,559	76,582	-0.1	-0.1
Denbighshire	74,746	74,801	74,776	0.1	0.0
Flintshire	110,307	110,529	110,486	0.2	0.2
Wrexham	93,614	93,415	93,339	-0.2	-0.3
Powys	94,000	93,878	93,846	-0.1	-0.2
Ceredigion	51,078	51,096	51,120	0.0	0.1
Pembrokeshire	87,457	87,203	87,118	-0.3	-0.4
Carmarthenshire	135,972	136,103	136,064	0.1	0.1
Swansea	163,624	163,340	163,210	-0.2	-0.3
Neath Port Talbot	102,181	102,216	102,144	0.0	0.0
Bridgend	101,575	101,698	101,810	0.1	0.2
The Vale of Glamorgan	95,539	95,509	95,459	0.0	-0.1
Rhondda Cynon Taf	179,096	178,915	178,923	-0.1	-0.1
Merthyr Tydfil	42,200	42,236	42,297	0.1	0.2
Caerphilly	136,018	136,362	136,483	0.3	0.3
Blaenau Gwent	46,311	46,715	46,931	0.9	1.3
Torfaen	68,247	68,282	68,323	0.1	0.1
Monmouthshire	57,728	57,781	57,786	0.1	0.1
Newport	111,948	111,928	112,022	0.0	0.1
Cardiff	237,841	237,520	237,328	-0.1	-0.2
Wales	2,206,082	2,206,082	2,206,082		