

**Action for our children's future** 

# KEYNOTE: THE POLICY MENU FOR SCHOOL LUNCHES

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@TheIFS

## The policy menu for (free) school meals





### Why do we have free school meals?



#### Historically, many motivations for school meal programmes

- Supporting farmers: Government buys up extra food, giving farmers income
  - E.g. the US school meals programme was developed through the Depression
- Helping parents to work: Meals at school make life easier for parents
  - Ensuring that children can stay at school for the full day

- Improving children's outcomes
  - Very much a focus for the UK
  - 1944 Education Act: all children to receive a meal 'suitable in all respects as the main meal of the day'



#### 1. Improving children's health and nutrition

- School meals are, on average, healthier than packed lunches → possible benefits for children's diets
- Evidence from England suggests free school meals reduce obesity



1. Improving children's health and nutrition

#### 2. Improving wider outcomes, like attainment

- Studies in England find that free school meals can help raise attainment
- More nutritious meals = bigger benefits
- Some international evidence that these benefits can persist into adulthood



1. Improving children's health and nutrition

- 2. Improving wider outcomes, like attainment
- 3. Helping families with the cost of living
  - Free lunches worth ~£460 per pupil per year
  - Eligible families save on groceries though only half as much



1. Improving children's health and nutrition

2. Improving wider outcomes, like attainment

Helping families with the cost of living

The benefits we want to get shape the school meal policy we design.



## Challenges facing free school meals today

#### The current offer for free school meals



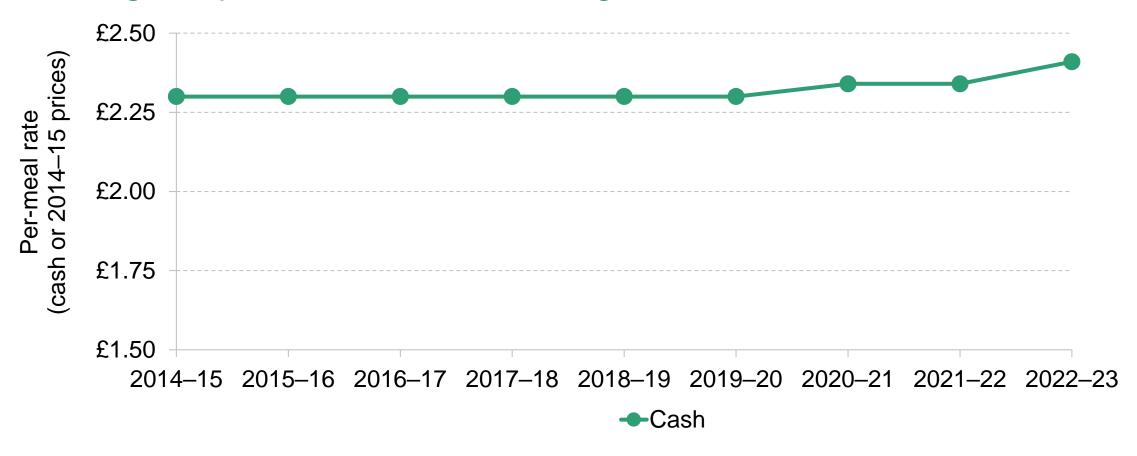
There are two free school meals programmes in place:

- 1. **Means-tested** free school meals offer lunches to children in low-income families
- 2. Universal infant free school meals cover all children in Reception Year 2

#### **Challenge #1: Funding freeze**



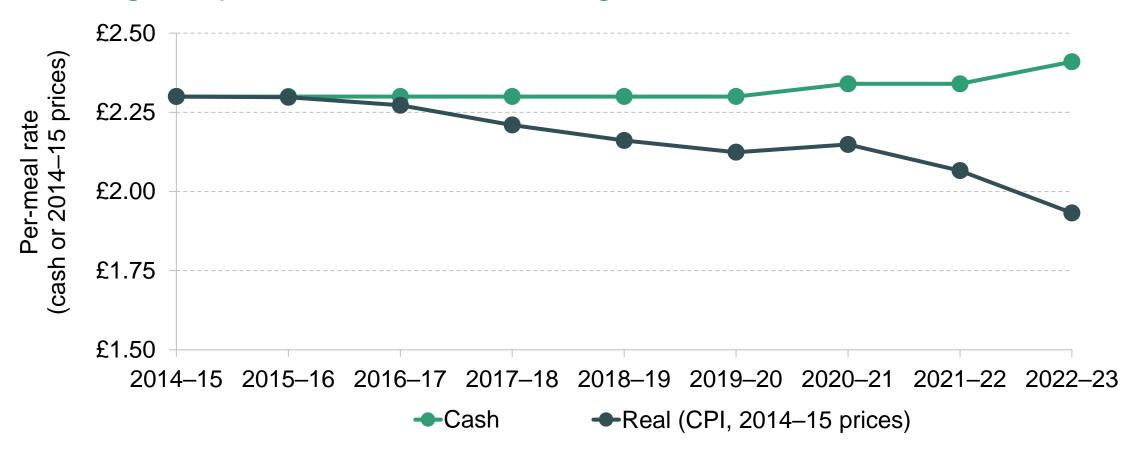
#### Funding rate per meal for UIFSM in England



#### **Challenge #1: Funding freeze**



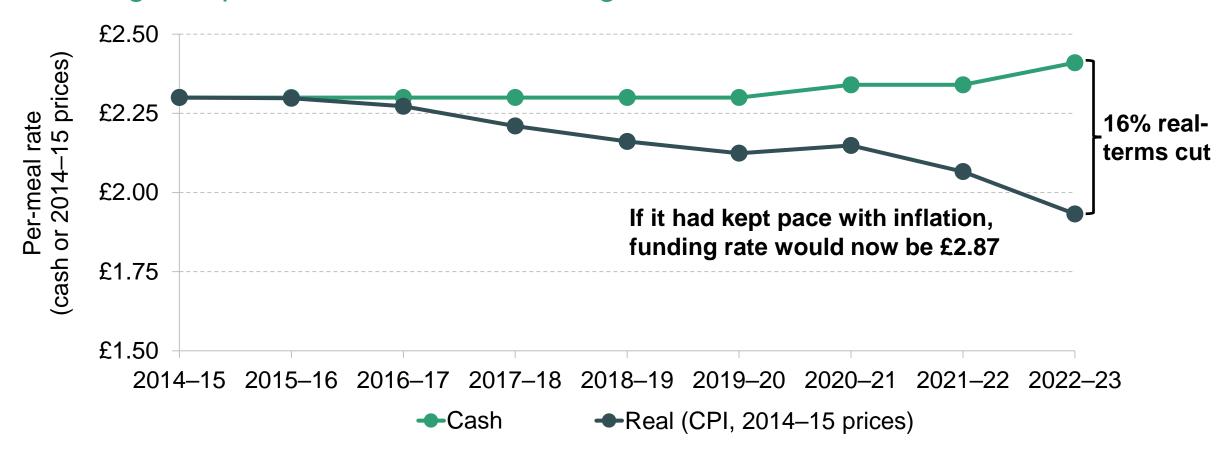
#### Funding rate per meal for UIFSM in England



#### **Challenge #1: Funding freeze**



#### Funding rate per meal for UIFSM in England





#### 1. Frozen eligibility thresholds mean fewer children are eligible for FSM

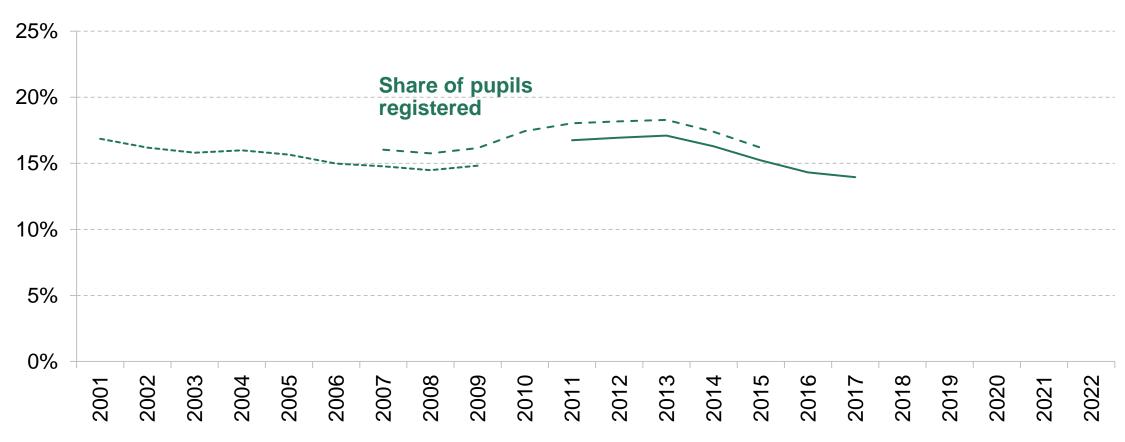
- Max after-tax household income for those on Universal Credit: £7,400 a year
- Frozen in cash terms since 2018
  - Would now be about £8,700 a year if it had risen in line with inflation
- Threshold for legacy benefit claimants frozen since 2010-11

#### 2. Transitional protections introduced in 2018, now set to end March 2025

- Pupils who have ever been eligible since March 2018 will stay eligible until the end of the phase of education they're in in 2025
- For older cohorts, close to an 'ever FSM' measure

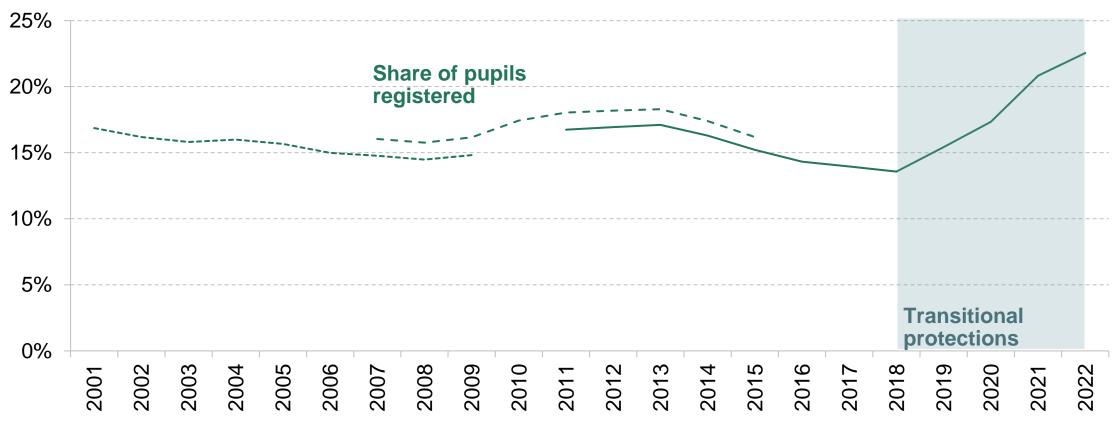


#### Registrations and take-up of FSM



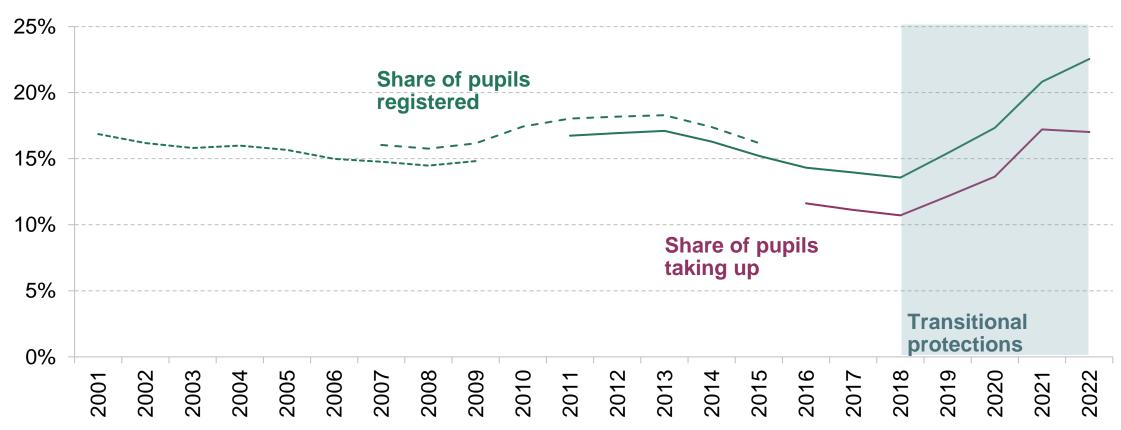


#### Registrations and take-up of FSM





#### Registrations and take-up of FSM





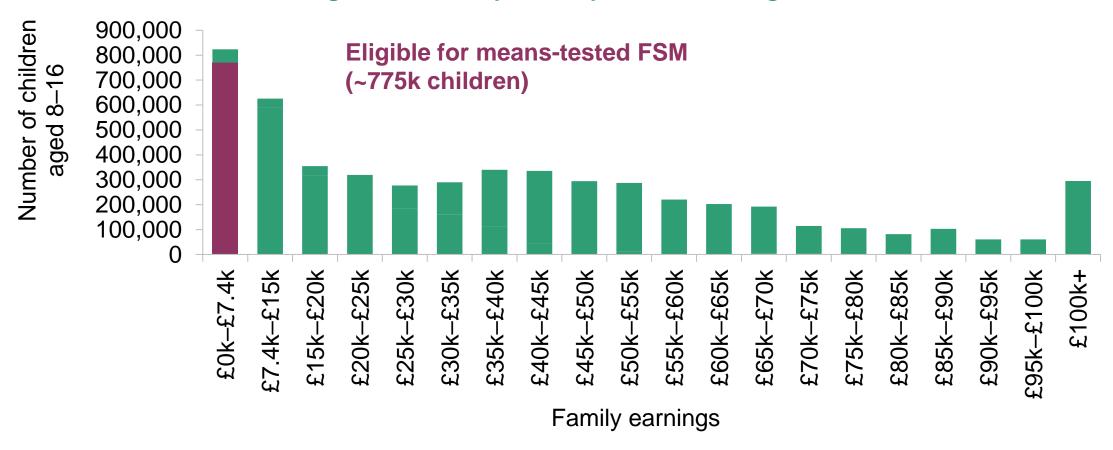


Number of children aged 8-16, by family net earnings



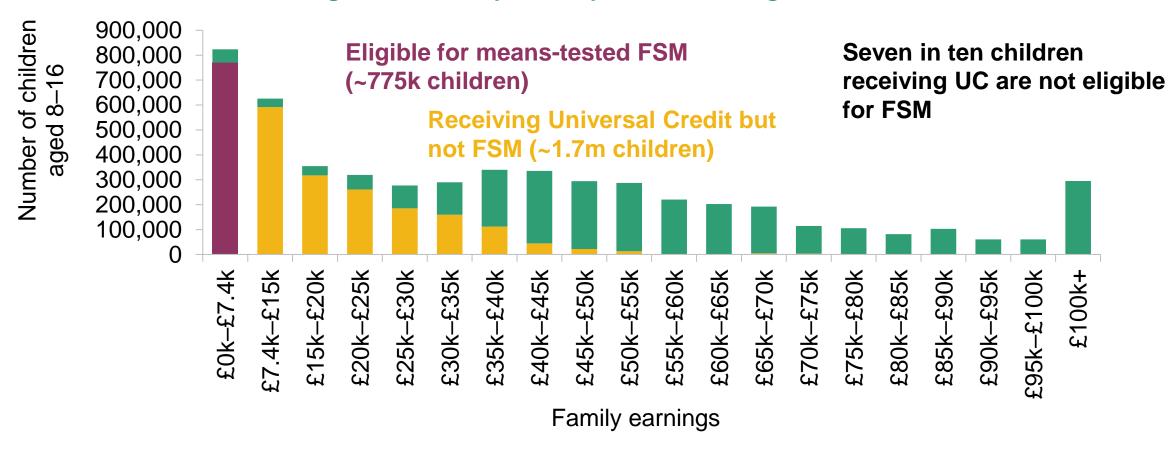


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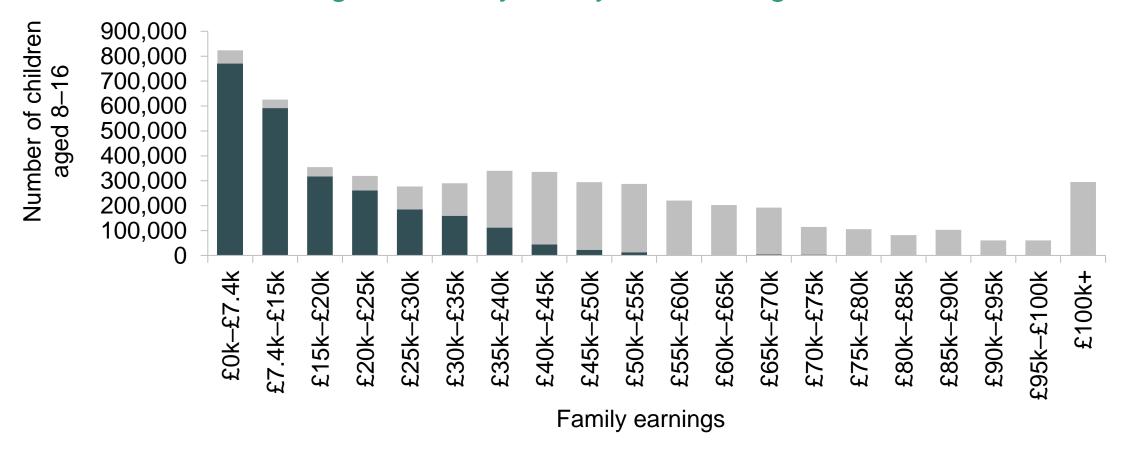


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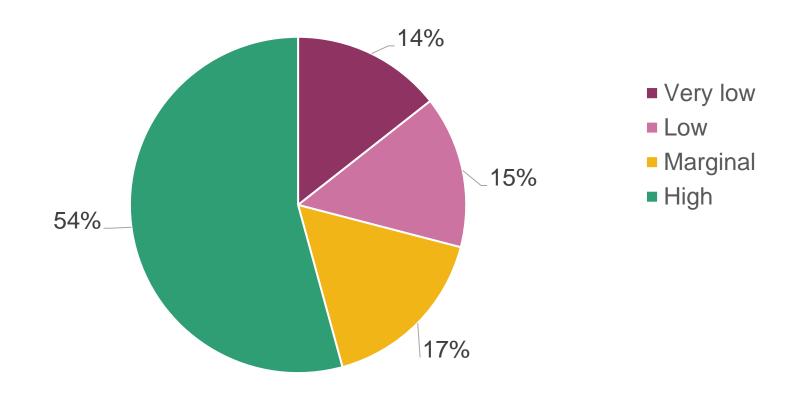


Number of children aged 8-16, by family net earnings





Food security among families with children claiming UC



Note: Among households claiming universal credit, living in England with dependent children.



Share of families with 'low' or 'very low' food security in 2021-22

#### Among families on universal credit

30%

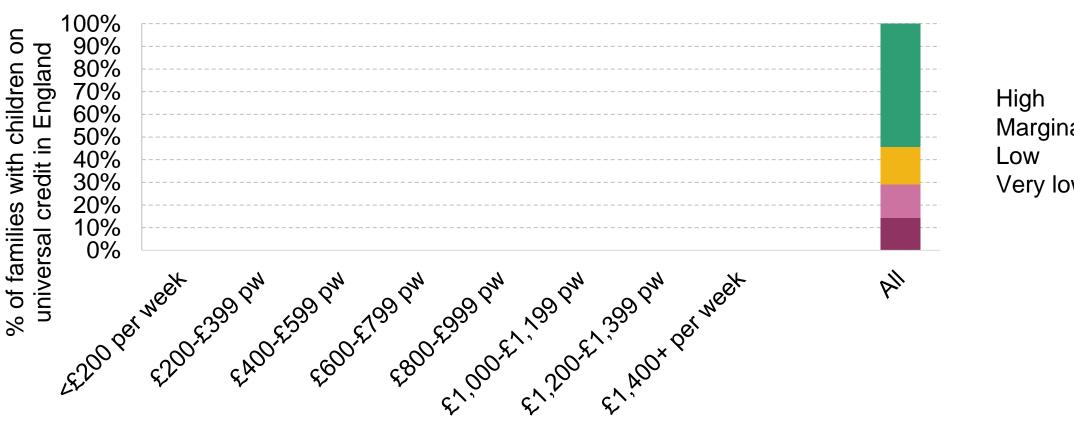
#### Among families on not on universal credit



Note: Among households living in England with dependent children.



#### Food security among families with children claiming UC

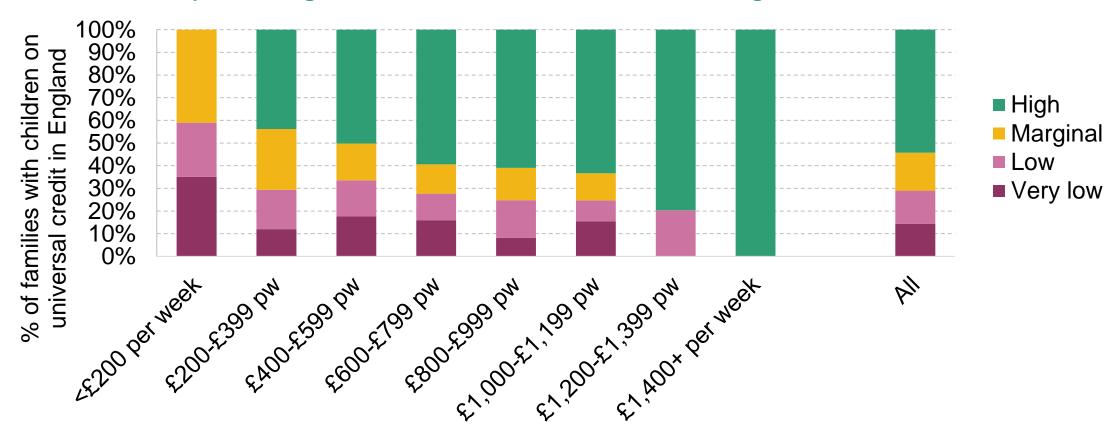


Marginal Very low

Note: Among households claiming universal credit, living in England with dependent children.



#### Food security among families with children claiming UC



Note: Among households claiming universal credit, living in England with dependent children.

#### What options are on the table?



#### Spending more on those who are already eligible

- 1. Restoring funding per meal to its 2014-15 level (in real terms)
- 2. Offering cash support outside of term time

#### **Expanding eligibility to more low-income families**

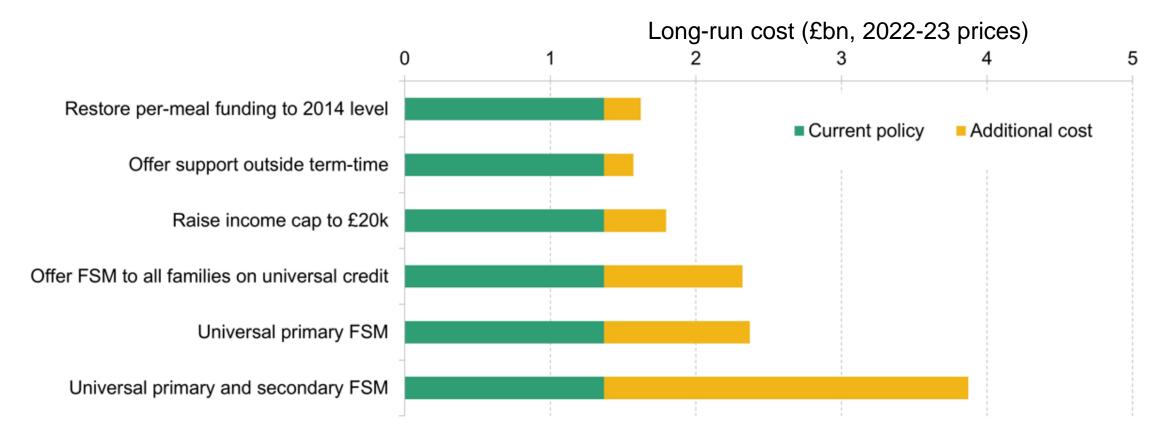
- 3. Raise the income cap to £20k a year
- 4. Offer free school meals to all pupils getting Universal Credit

#### Making eligibility universal

- 5. Universal free school meals for all primary state school pupils
- 6. Universal free school meals for all state school pupils (Reception Year 11)

#### No such thing as a free lunch?



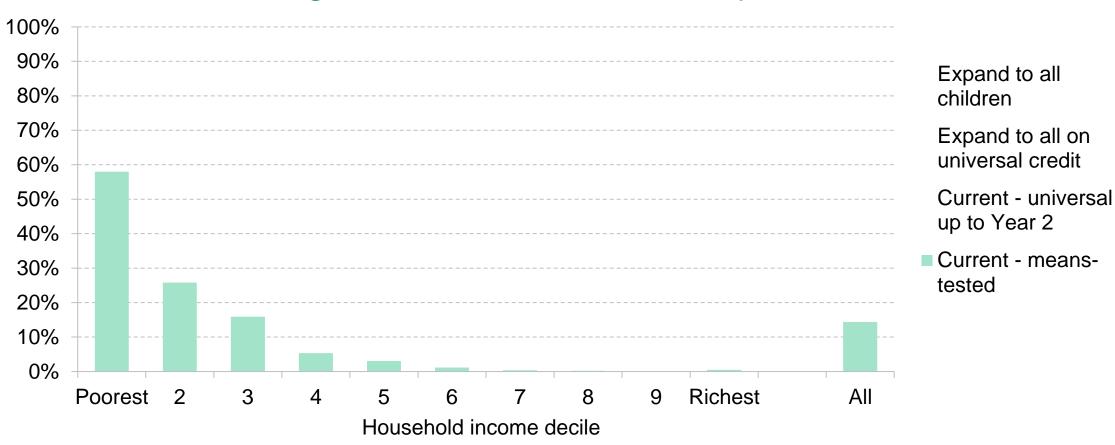


Note: All costs are long-run costs, excluding the impact of transitional protections. Costings assume that per-meal funding is frozen in real terms at 2022-23 levels (unless otherwise specified). We assume full take-up of meals among eligible pupils. Capital costs are not included.

Source: Based on Table 1, Cribb et al. (2023), 'The policy menu for school lunches'.

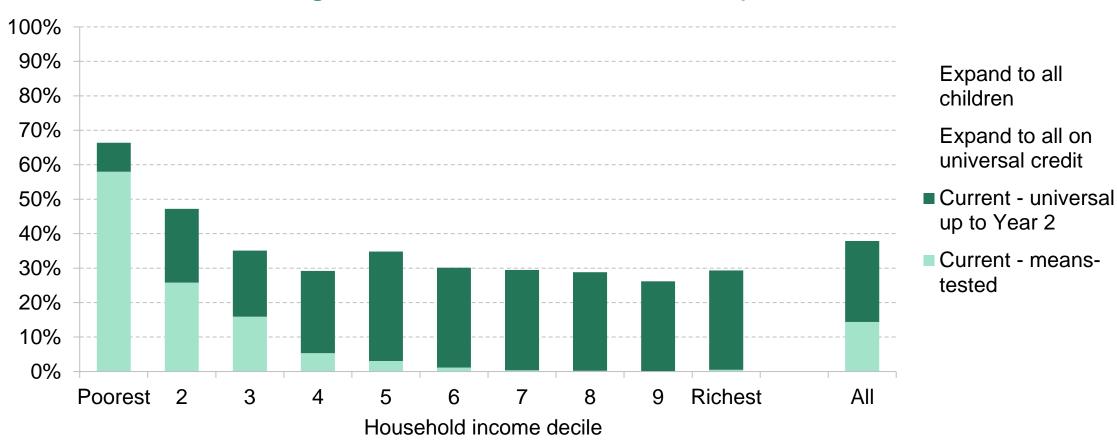


#### Share of children eligible for FSM under different policies



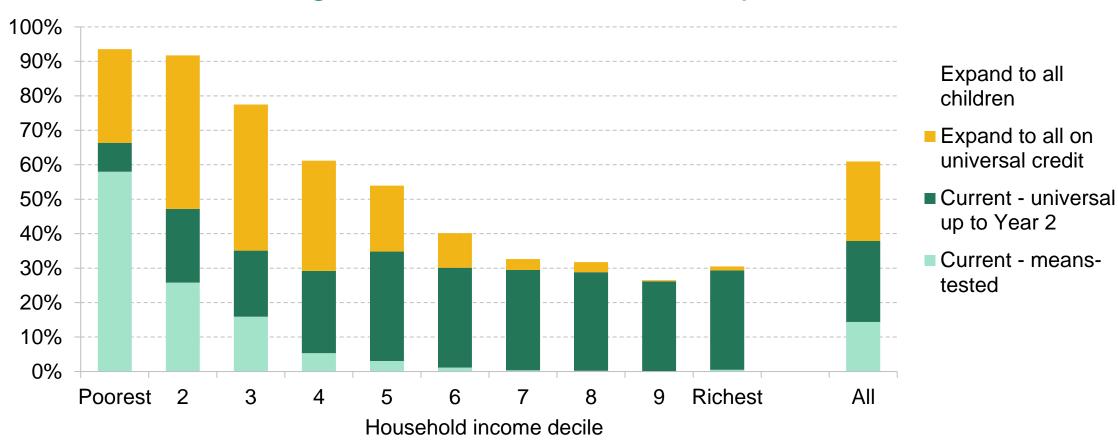


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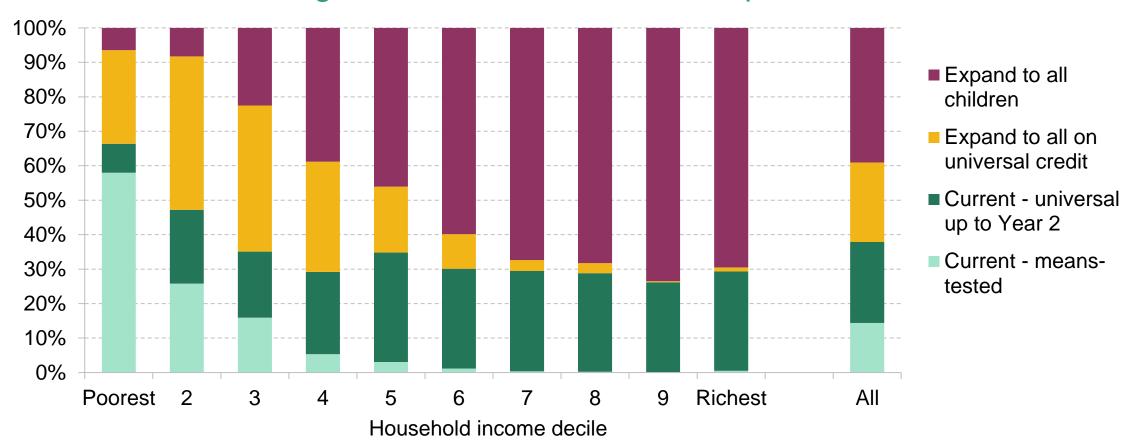


#### Share of children eligible for FSM under different policies





#### Share of children eligible for FSM under different policies



#### **Takeaways**





The policy menu for free school meals

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#### **Takeaways**



#### A high-inflation environment poses challenges for free school meals

- Rising costs and funding not keeping pace rate would be £2.87 if it had risen with inflation
- Frozen eligibility thresholds squeeze families out of eligibility (once transitional protections end)

#### Current eligibility rules are fairly tightly targeted at the poorest

- Seven in ten children on universal credit aren't eligible
- Food insecurity is highest among the very poorest

#### Many options for reform – all with different costs and benefits

- Spending more on existing claimants will make the system more progressive
- Expanding eligibility to all on universal credit largely helps poorer families
- Universal free school meals ensures we include all children but costs are much larger, and impacts on poorer families are modest

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