

Using the COVID Winter Grant Scheme to support Free School Meal families

Contact: Graham Whitham, Chief Executive Officer, graham@gmpovertyaction.org - November 2020

Background

During the COVID-19 pandemic additional government funding enabled local authorities to support Free School Meal (FSM) eligible families during the first lockdown and the summer holidays. The approach to operating this support has varied. Whilst councils in England largely provided vouchers to eligible families, a majority in Wales have made monetary payments direct into bank or credit union accounts.

The UK Government has announced funding worth £170m for local authorities in England to support families with 'food and bills' during the Winter (the '[COVID Winter Grant Scheme](#)'). The funding needs to be spent between the start of December and end of March. It can **in part** be used to support low income families with food costs during the school holidays.

As cash payments are permitted under the [guidance](#) provided to councils, this briefing explores how local authorities in Greater Manchester can support families with food and other costs during the holidays through monetary payments, learning from the approach taken in Wales.

GMPA's view

GMPA believes that councils should prioritise using the COVID Winter Grant funding to support FSM families. We recognise that the Grant is to be used to respond to multiple needs. The funding allocation for each local authority should be sufficient to both support FSM families and others.

Although councils in England have been working hard to administer school holiday support for FSM children throughout the pandemic, most have been operating narrow voucher schemes. Vouchers restrict choice and can act as a barrier to people accessing support. **GMPA believes that monetary payments are a much more effective and appropriate means of supporting families, and is asking local authorities to use the COVID Winter Grant to replace vouchers with monetary payments during the Christmas and February half-term holidays.**

Local authorities should use some of the funding to support the administrative costs of establishing monetary payments. Once established, this should prove an efficient means of supporting low income families, allowing payments for multiple needs (food, utility bills etc...) to be covered through a single bank transfer.

This reflects GMPA's view that a 'cash first' approach to supporting people on low incomes¹ [maximises choice, dignity and control](#), and delivers better outcomes for families. Money is the most effective means of enabling low income families to meet their multiple needs. You can read more about the benefits of this approach on page 4. We are also asking local authorities to use some of their remaining grant allocation to:

- Top up monetary payments to support low incomes families with other costs (such as utility bills, winter clothing and presents)

¹ That is giving people money rather than 'in-kind' support such as food parcels or energy vouchers

- Broaden the number of families eligible for support to beyond those eligible for FSM.

Giving people money can sometimes be met with concerns that people will misuse it. **It is crucial that misguided negative perceptions of people experiencing poverty do not get in the way of supporting people in the most effective way possible.** Additional money given to parents is spent appropriately in the vast majority of cases and has a demonstrable impact on the wellbeing of children in the household.

What do families say they value?

[Research by Child Poverty Action Group](#) in the summer found that families had positive experiences of all methods of FSM provision during the school holidays, but by far the highest levels of satisfaction were with direct payments to people's bank accounts:

- 81 per cent of families receiving payments say this works extremely or very well, and
- 90 per cent of these families say they would pick this method if they had the choice.

Families value FSM provision that offers choice and accessibility. This means they can choose shops they are able to get to, that sell the food their children want, that provide best value, and where they feel safe.

How should this support be delivered?

Local authorities should take the following steps to set up monetary payments to FSM eligible families during the Christmas and February half-term holidays:

- Parents of eligible children should be invited to register their bank or credit union details with the local authority. This should be advertised through schools and through council and partner communication channels (including on social media).
- Those registering should be cross-referenced with the FSM list held by the council to check eligibility.
- Local authorities should use existing tools at their disposal to verify the bank/credit union details provided.
- Direct payments should be made into the bank accounts of those who are eligible, equivalent to the monetary value of FSM provision over the holiday period, with top up payments made to cover other costs such as energy bills.
- Parents should be asked to keep a record of the items they have spent the money on.
- Alternative support should be provided in the small number of cases where monetary payments are not a viable option.

When thinking about how to operate support, it is important to stress that monetary payments made directly in parent's bank accounts has proven an efficient and effective way of supporting parents in Wales and there's no reason to think it would be any different in Greater Manchester.

Families value choice

(quotes sourced from – [The cost of learning in the lockdown: Family experiences of school closures](#))

“I can buy food from anywhere for them because I am not restricted in any way of how and where I spend the money. I can make a little go a long way.” (Lone parent of three children, Dundee)

“It [direct payments] allows me to easily purchase foods that I know my child likes and will eat. The school lunch payments were sorted out very quickly which allowed me to get in a good shop of ingredients needed for the meals my child eats, also be able to purchase additional snacks and fruit that she enjoys. This has been a huge help and much appreciated.” (Lone parent of child aged 5, Angus)

Neath Port Talbot – a case study

Like most councils in Wales, Neath Port Talbot local authority have been making monetary payments to FSM eligible families worth £19.50 per child during the school holidays throughout 2020. The payments are made by bank transfer.

The local authority asks eligible parents to register their bank or credit union account details through an online form. This has been promoted through a range of communication channels, and take up has been high.

The local authority checks applications against their list of FSM eligible parents. Parents are asked to keep receipts for the items they have spent the money on. In some instances, including for those parents without a bank account, a food parcel has been provided instead. **It is important to aware that this has only been necessary in a small number of instances.**

A local authority officer from Neath Port Talbot explained more about how this support has been delivered:

“We used the communication channels through our schools to contact existing claimants (letter to parents, school social media accounts, text messaging service). An in-house IT System was developed in a very short time to match known eligible children to online applications. The IT Team also utilised Government free text messaging and emails to keep families informed while payments were processed. Direct bank transfer payments were delivered in a short time, within 3 days of applying.

We also issued a press release, updated our dedicated coronavirus support webpage and put out social media messages via our corporate communications team that focused on encouraging parents whose circumstances may have recently changed due to the coronavirus (e.g. lost their job) to check if they were eligible for school meals.

We encouraged parents who already claim free school meals for their child/children to complete an online application form to ensure they received the bank transfer payments. Moving to bank transfer system has enabled us to support considerably more parents to provide food to their children.”

Beyond Free School Meals – Using the COVID Winter Grant Scheme to maximise support for families in Greater Manchester

It is likely that councils will have some of the COVID Winter Grant money left over once the cost of FSM provision during the school holidays has been covered². Local authorities in Greater Manchester could use any remaining funding in the following ways:

- Supporting low income families who are not eligible for FSM because their earnings are higher than the qualifying earnings threshold (families in receipt of Universal Credit are only eligible for FSM if their income before benefits is below £7,400). This low threshold means that, across the UK, [over one million children](#) living in poverty do not qualify for FSM.
- Making additional monetary payments to low income families to cover the extra costs facing households during this time of year. This could be used to cover things like energy bills and the cost of buying presents for children.
- Supporting the long-term financial health of low income families by supporting them to establish credit union accounts through a one-off payment into the account.

The benefits of a ‘cash first’ approach

The [Menu for Change](#) project in Scotland has shown how a ‘cash first’ approach can help prevent and reduce poverty by shifting local responses and resources away from crisis mitigation and towards initiatives that boost household financial security. Greater Manchester should replicate this approach through local welfare provision, including through allocation of COVID Winter Grant funding. A ‘cash first’ approach to local welfare provision delivers the following benefits:

- Giving people dignity by removing the stigma that often comes with using in-kind support.
- Giving people choice and control by enabling them to use support in a way that works best for them, enabling them to meet the multiple needs that they have.
- Cash is the preferred option for most low income families.
- Cash payments are the simplest, most efficient and cost effective means of providing people with support as they can be made directly into people’s bank accounts. It removes the need for the partnership arrangements that come with in-kind support.
- Cash payments encourage greater take up than alternative types of support.
- Giving a boost to the local economy by increasing the likelihood of payments being spent with local, independent retailers.
- Bolstering financial inclusion efforts by linking cash payments to other sources of financial support such as credit unions.

If vouchers are being used to support people

If vouchers do form part of the support being provided by local authorities, either where they are being provided to FSM families or other people supported through this funding, then they need to be redeemable with as many retailers as possible. This would be preferable to vouchers that can be used in a narrow number of outlets only, and preferable to giving funding directly to food aid providers (such as food banks and food clubs).

² It should be noted that 20% of the funding has to be spent on individuals without dependent children

Greater Manchester's allocation

The following table shows the indicative COVID Winter Grant allocation for each Greater Manchester local authority (subject to final approval by HM Treasury). Nearly £11million of this funding has been allocated to Greater Manchester's boroughs.

Local authority area	Allocation
Bolton	£1,110,882.11
Bury	£619,418.58
Manchester	£2,581,417.35
Oldham	£974,688.98
Rochdale	£936,916.05
Salford	£1,089,353.76
Stockport	£867,758.09
Tameside	£894,614.60
Trafford	£588,244.62
Wigan	£1,124,537.72