



**Permanent Secretary**

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Meg Hillier  
Chair, Public Accounts Committee  
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**22<sup>nd</sup> PAC report of Session 2017-19: The monitoring, inspection and funding of Learndirect – Session 2017-19 (HC 875)**

As requested in Dear Accounting Officer letter 2/20, I am writing to explain why we have been unable to completely meet the target implementation dates as envisaged in the February 2020 Treasury Minute Progress Report.

***PAC recommendation 1: The Government should learn the lessons from the failure of Learndirect Ltd, in particular concerning the need to understand how many Government contracts a company holds at a given time and how well it is performing against each of those contracts.***

I am pleased to inform the Committee that the department has now implemented this recommendation. The evidence to support this will be detailed in our Treasury Minutes Progress Report response.

***PAC recommendation 2: The Department for Education and other Government bodies should develop a framework for identifying any risk that a commercial provider becomes so large and essential to the delivery of public services that it cannot be allowed to fail, or requires special treatment if it begins to do so.***

On this recommendation, the department requires additional time to complete the necessary work. The department is undergoing a major transformation of our commercial function, and our commercial systems and data work has vastly improved the quality of supplier data that we hold in the department. However, we have not yet completed the supplier risk framework recommended by the Committee. This work was briefly paused to focus on COVID-19 response activity but has now been re-started. We commit to implementing this recommendation by the end of March 2021.



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I hope this letter is helpful

**Susan Acland-Hood**