



**Permanent Secretary**

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Meg Hillier MP  
Chair, Public Accounts Committee  
House of Commons  
London SW1A 0AA

13 January 2021

Dear Meg

**PAC hearing on 17 December 2020 - Investigation into the Free school meals voucher scheme**

I attach written evidence addressing the points raised at the hearing.  
The written evidence also includes some notes where I felt an expansion of the answer given in the hearing would be helpful.

Yours sincerely

Susan Acland-Hood  
Permanent Secretary



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**Written evidence from the Department for Education**

**PAC hearing on 17 December 2020**

**Investigation into the free school meals voucher scheme**

**Question 38 (Craig Mackinlay): Options for providing FSM support to eligible children at home**

In my response, I stated that “During the course of the pandemic, about 10% of schools at some stage used food deliveries or collections under their existing catering arrangements, and about 12% used food deliveries or collections under new catering arrangements.”

I wish to clarify that these were the typical figures during the school summer term, rather than the entire course of the pandemic.

**Questions 44-46 (Craig Mackinlay): Determining that vouchers should be worth £15 per eligible child per week**

In my response, I explained that families would be unable to rely on the economies of scale that schools benefitted from when providing free school meals and, therefore, we needed to provide a voucher of a value above the c£11.50 usually provided to schools. I wish to add to my response that, in determining the value of the vouchers, we considered the typical value of supermarket meal deals of £3 as a sensible guide to ensure pupils could receive the support required.

**Question 71 (Chair): Contact information supplied to Edenred by DfE**

**Question 77 (Chair): Working with schools to obtain a correct email address**

We had strong processes in place to ensure only eligible schools and administrators from those schools could order vouchers through this scheme. We sent Edenred contact details for all schools and they used these email addresses to set up ordering accounts. If schools wished to use a different email address, they could submit a request to Edenred via phone, email or an online form.

Requests were reviewed on a daily basis. If the email address provided in the request matched the email domain that the Department had initially provided for the school, Edenred would automatically authorise the change. If the email domain was different, the request was sent to the Department to investigate. A spreadsheet of verification requests was initially sent to the Department daily and, once volumes decreased, bi-weekly. Requests were reviewed by the Department and outcomes returned to Edenred on the same day.

Officials investigated whether the email address submitted by the requestor was recognised as a valid email address for the school. They first reviewed the information submitted for typos which Edenred’s automated verification did not pick up: an incorrect



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digit in a school unique reference number, for example, would result in the request being rejected as it would be matched against the incorrect school. Officials then looked at the contact information held by the Department, identified the school website and, if required, phoned the school directly to confirm the correct ordering address.

If the requested email address could be confirmed, Edenred sent an activation email to the recipient which enabled them to begin ordering vouchers. If officials could not validate the email address through the process outlined above, a tailored email was sent to the requestor to explain why the email address had been rejected. For example, parents attempting to register for a school would be advised that it was the school's responsibility to order on their behalf. Requestors were able to contact the Department using a recognised school email to arrange verification if they believed their request was valid.

Further to Mr Vaucanson's response to Question 71, I wish to clarify the number of school administrators who amended their email address. Of the 6,104 requests submitted to Edenred, 5,205 were approved: 204 were duplicate requests and 695 were rejected following the email verification process.

### **Question 94 (Olivia Blake): Notifying schools of bounced email addresses**

Further to Mr Vaucanson's response, I wish to clarify that Edenred issued weekly communications to school administrators who had attempted to send an eCode to an incorrect parent address resulting in a 'bounced' email. This communications contained details of how the schools should resolve the issue to ensure that the family received their voucher.

### **Question 98-104 (Sir Geoffrey Clifton-Brown and Chair) Renegotiating the Edenred contract and the number of commercial colleagues working on the contract**

We continued to look at options of alternative support throughout the lifetime of the contract, including utilising other voucher suppliers, but there wasn't a strong market alternative to Edenred. Our primary focus therefore was on improving and maintaining delivery through the contract with Edenred. Prior to signing the contract, the Department agreed a relaxation of terms to ensure that any unused 'stock' would be refunded without the application of a 2% administration charge that would typically apply. Edenred invested heavily in improving the scheme, especially in the early weeks and months, and the scheme ultimately only cost Government 99% of the financial support delivered to parents, as the Crown Commercial Service charges Edenred a 1% management fee as part of the framework contract.

We were not advised to seek to negotiate the contract at any point during the national voucher scheme's operation. Fees are set through the framework and given the uncertain duration of the contract and the novel and bespoke nature of how the framework was being applied, it was not possible to secure improved terms and extended delivery within the timescales available. The Department has been sighted on the level of profit made by Edenred through this contract and we are content that it is reasonable.



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The procurement, mobilisation and contract management of the FSM voucher scheme were all supported by a team of Government Commercial Office staff wholly deployed to support DfE Delivery activity. In the early stages of the scheme this equated 1.5 FTE, with a single lead co-ordinating activity during the procurement and mobilisation stages. This reduced to 0.5 FTE as the scheme stabilised and required a lower level of commercial support.

### **Q123-124 Olivia Blake: Reclaiming FSM costs through the exceptional costs fund**

I wish to add to my response that limits were set for schools' claims based on pupil numbers, with few schools expected to exceed these limits. However, the Department recognised that there may be some exceptional instances where individual schools faced additional costs that were higher than their limits. Our guidance was clear that, in these circumstances, schools are able to make a case for increasing the limit when they submit a claim. The Department considers each case individually when processing claim payments.

In the first claims window of the exceptional costs fund, 154 schools submitted a case for costs that exceeded their limit and 135 related to FSM provision. 92 were validated and paid in full, and 60 were advised to request a portion of the funds in the second claims window as their costs indicated an inclusion of the summer holiday FSM provision in their initial claim.

Of the remaining 2 applications, 1 application is interlinked with another school. They have been asked to submit a portion of their funds in the second window and their two claims will be reviewed together. The remaining application has been validated and is awaiting payment.

Further information is available in our guidance here: [School funding: exceptional costs associated with coronavirus \(COVID-19\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/school-funding-exceptional-costs-associated-with-coronavirus-covid-19)

**Department for Education**

**January 2021**