Evidencing the value of social voucher programmes

Social Vouchers at work throughout the COVID-19 pandemic

Edenred

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Foreword

Dear readers,

The European Social Network (ESN) represents the municipalities, counties and regions which plan, design, fund, provide and monitor social services in local communities across Europe. Public social services are always looking for innovative ways to support the people they serve.

The COVID-19 crisis has put an even larger spotlight on public social services seeking innovative tools to meet a growing demand for social support. In this search, Edenred has helped us to learn more about social vouchers, which in their various forms have helped public services to better support vulnerable populations in our communities.

We have learned about examples implemented by local authorities highlighting how food and material support can be provided through vouchers systems with positive outcomes when it comes to supporting food distribution, providing anonymity and dignity for beneficiaries.

COVID-19 has hit European countries significantly during lockdown leaving many people without jobs and income and turning to municipal social services in seek for immediate help. Local authorities have relied on their existing food voucher systems or set up online schemes for citizens to apply for food vouchers from their homes. Other examples have relied on IT such as smart phone apps so that applicants can receive and use their vouchers electronically.

Social vouchers can help public authorities with food delivery, basic needs and targeted social services support. Public authorities use EU funds for the delivery of these services and a major change in the future ESF+ regulation is the possibility to use electronic vouchers as a delivery tool for food aid and basic material support under the FEAD programme. Social vouchers may lower administrative burden for local and regional implementers of EU projects, free up more resources for social work and contribute to the social inclusion of people experiencing poverty and social deprivation.

Social services may not only use vouchers as a powerful tool to help people in need, but they can also serve as a tool to support staff and volunteers who have been working hard this year to meet the dual challenge of an economic and health crisis.

We can all learn so much from local projects. This report will help us to better understand what social vouchers are, find out about specific implementation examples, and raise awareness about how they can contribute to better support individuals and communities across Europe.

Alfonso Lara-Montero
Chief Executive Officer

Executive Summary

With millions of people worldwide thrust into poverty due to the coronavirus pandemic, public authorities have needed to act fast to implement solutions which quickly target regions or groups of people among the worst-hit.

Benefiting from their efficiency, adaptability and ability to ensure choice and dignity of the end-user, several public authorities have turned to social voucher programmes to deliver rapid and effective support to people in need during the pandemic. Over the past 50 years, social vouchers have been pivotal in helping governments, municipal authorities and the third sector respond to need. This has been particularly important as more people turn to public authorities for welfare support, and personal circumstances mean many more people are falling on hard times.

As the pandemic made distributing in-kind benefits challenging, with some lockdown measures prohibiting food banks from distributing support and social distancing restricting face-to-face contact, social vouchers provided an effective solution. They have enabled assistance for food and staple goods to be made available to those most in need without requiring direct, in-person contact.

In Europe in particular, social vouchers have been a solution to governments' pressing concern - keeping their most vulnerable citizens fed and with access to staple goods.

This report takes an in-depth look at how social voucher programmes have been deployed during the pandemic through the lens of four case studies:

In France:
How NGOs used social vouchers throughout the crisis.

In Germany:
Supporting food banks through the pandemic.

In Italy:
Local authorities addressing poverty through food vouchers.

In the UK:
Government support for school children through vouchers.

Across the four examples, distributing authorities have used social vouchers to target support to specific demographics or geographies, quickly and efficiently. This has been to the advantage of public authorities, NGOs, local vendors and voucher recipients who have all benefitted from the solutions' efficiency, adaptability and assurance of choice and dignity.

Overview

Role of social voucher programmes

41
countries worldwide
use social vouchers

80 million
people use social
vouchers every day

Social vouchers have played a critically important role in helping governments and public authorities to implement various social policy programmes on a domestic and international level. Over the last 50 years, social vouchers have been developed in 41 countries worldwide, including 19 EU Member States, and they are used by 80 million people every single day.

Whether in paper or digital form, social vouchers act as an alternative to cash and in-kind deliveries. They enable people to access pre-defined goods or services, within a dedicated network of merchants and providers, and help to stimulate local and national economic demand.

In addition to their application across a wide range of domestic social and fiscal policy programmes, social vouchers are also increasingly adopted as a means of distribution in development and humanitarian programmes. In many cases, voucher solutions have been implemented as instruments to deliver aid and assistance to people in need, by giving them choice in how they access predefined services and commodities.

What is a social voucher?

The Social Vouchers International Association (SVIA) defines social vouchers as the following:

"**Social Vouchers,** whether **paper or digital**, are **social benefits attributed to workers** collectively by their **employers**, public or private, carrying a **right to access specific goods or services** that **improve their working conditions** and **facilitate their work-life balance** (such as access to food, culture, transportation, childcare, holidays…).

Such goods or services are accessible within a **dedicated network of merchants and providers** which is built through a **contract-based relation** with each merchant/provider by companies issuing social vouchers and ensuring their **proper efficiency**, notably by **avoiding their conversion into cash**.

Social vouchers, usually supported by a public policy and sustained by a **national tax and/or social framework**, enhance a **virtuous social and economic model** while **stimulating local and national economy** to meet a **dedicated social purpose**.

Public Authorities can also adapt social vouchers to distribute welfare to their citizens as an alternative to allowances in cash or in kind."

Vouchers are not money: they are not fungible and cannot be exchanged for money. Their use is limited in time and geographical space. They are dedicated to targeted commodities.

Vouchers on cards
Transparency
Limited in time and space
Targeted commodities

VS

Payment cards
No restriction of use
Use anywhere and anytime
Access to ATMs

**Vouchers cumulate the advantages
of cash regarding flexibility and dignity as well as
the transparency and traceability of in-kind benefits**

Cash   Voucher   In-Kind

Unlike cash, vouchers are not fungible, and cannot be exchanged for money. Their use is limited in time and geographical space, and for targeted, dedicated commodities. However, vouchers retain the benefit of being flexible and ensuring dignity for their users, whilst providing the transparency and traceability of in-kind benefits.

Under normal circumstances, social vouchers have been integral to supporting European citizens. In-work poverty has risen by 12% in the EU alone between 2010 and 2019,[1]

despite economic improvements during that period. Social vouchers have provided vital security to citizens in need.

Over the course of the COVID-19 pandemic, social vouchers have therefore played an increasingly important role in supporting governments and other public authorities to disseminate support to those with the greatest need. Various solutions were rolled out at breakneck speed to target support to groups and regions that had been tragically impacted by the pandemic.

Social vouchers in practice

Edenred has implemented social voucher programmes for development and humanitarian purposes in more than 20 countries, giving beneficiaries access to a variety of commodities and services across ten key areas:

Food	Staple goods	Health	Home services	Education

Meals	Agro-inputs	Fuel	Mobility	Training

The next page shows some examples where social vouchers have been rolled-out to deliver distinct types of support for humanitarian and development programmes.

Burundi

Agri Edenred was launched to increase food security through improved access to adapted agro-inputs. The programme was nationwide, with local partners identifying, distributing and helping to redeem paper vouchers.

The programme has been implemented in twelve crop rotations, with more than half a million users participating each year. 3.6 million vouchers have been redeemed since the program was launched in 2013, and after just the first year it delivered a 18% increase in farmers' income.

"The programme is good for the local economy, significantly reduces the cost of feeding refugees, and allows families in camps to regain a sense of normalcy by buying and cooking the foods they eat at home. The programme also takes full advantage of Turkey's well-established financial infrastructure and allows World Food Programme (WFP) to closely monitor assistance by tracking food prices, spending patterns and inventory levels in stores."

United States Agency for International Development on Food vouchers for Syrian refugees in Turkey – 11 March 2014

Turkey

A social voucher programme was implemented following the significant arrival of refugees into Europe and neighbouring countries in 2014, which generated a high need for essential commodities. By relying on existing networks of affiliated merchants through an adaptable social voucher solution, the rapid deployment of access to food and hygiene services was achieved nationally.

The system was used by local public authorities and NGOs to deliver aid to 32,000 families, with around 160,000 estimated beneficiaries. Due to its adaptability, the same programme was replicated and rolled-out in Greece through another "ready-to-use" voucher network.

Social vouchers to support vulnerable groups

Social voucher solutions have been rolled-out to deliver specific types of support to vulnerable groups of people.

One example of this is Ticket Service®, an easily adaptable voucher solution operated by Edenred across Europe. This is designed to give people experiencing short-term financial challenges access to staple goods and services, like food, utilities and medicine.

Several public authorities and NGOs in countries across Europe have financed programmes based on this highly flexible and adaptable system.
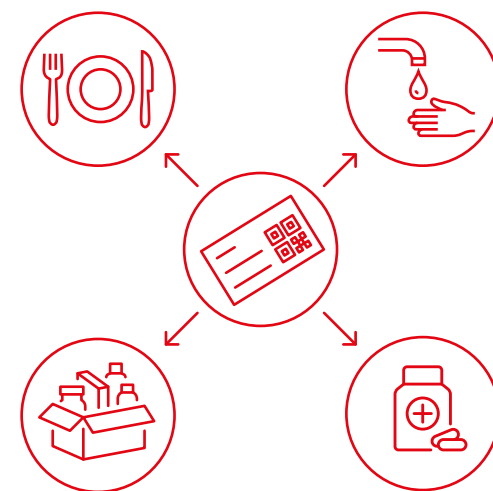
7.3 million
Vouchers have been redeemed in the Ticket Service® programme across five participating countries in Europe

In **France**, legislation against social exclusion gave Ticket Service® a legal status in 1998. Public authorities designated certain goods, like food, clothes and other staple goods (i.e. hygiene products), eligible under the programme.

In **Belgium**, the programme gives vulnerable people access to food in restaurants and supermarkets. Beneficiaries are either those registered in public centers for social actions (CPAS), asylum seekers or unaccompanied children.

In **Italy**, municipal governments have extended the system so that it includes medicine and school items too.

Across five participating countries in Europe a total of 7.3 million vouchers have been redeemed by beneficiaries of the programme.

Advantages of social voucher solutions

Social vouchers have a range of advantages for governments and other public authorities, particularly when delivering support to vulnerable groups of society during challenging periods for the individual or for society more widely.

"For Social Action Public Centers [Centres Public d'Action Sociale (CPAS)] from small municipalities, it appears that the use of meal vouchers represents an easier alternative to implement and which is humanely more respectful."

Research financed by the Social Integration Ministry, Belgium, May 2012

Social vouchers have the advantages of cash, in that they are flexible and ensure beneficiaries' dignity, whilst also providing the transparency and traceability of in-kind benefits that public authorities require. Employing a voucher solution for social programmes ensures significant benefits for four key stakeholder groups.

- For **beneficiaries**, social vouchers deliver improved quality of life through targeted intervention and allocation of goods and services, whilst maintaining the dignity of users through their discrete operation and continued purchasing freedom

- For **distributing agencies**, they deliver improved results and more sophisticated management options, by employing new and innovative technologies which are adapted to the programme's context and objectives, enabling easy monitoring and tracking

- For **governments and public authorities**, they improve the traceability and transparency of allocated funds, delivering support to targeted sectors/recipients, stimulating local economic demand and providing clear monitoring for agencies through precise usage data

- For **local merchants**, they promote increased direct and regular sales, through a simple process of low-risk payments.

These advantages broadly centre around three core themes: efficiency, adaptability and choice and dignity.

- **Efficiency:** Social vouchers are easy to manage, and ensure effective control and ease of implementation for governments and public authorities, as well as those tasked with distributing the aid to recipients. Their ease of operation also benefits local suppliers, by incorporating them within existing payment solutions

- **Adaptability:** Social voucher programmes are highly adaptable and can be rolled-out efficiently and at short notice. This makes them useful for public authorities in situations where support needs to be implemented quickly or in an emergency to ensure those in need are supported expediently

- **Choice and dignity:** Social vouchers ensure the discretion and dignity of beneficiaries is maintained by preserving freedom of choice over how their vouchers are spent. This helps to drive financial and social inclusion, whilst minimising the impact of disruption to recipients' lives.

	Beneficiaries	Distributing agencies	Government and public authorities	Local suppliers
Efficiency	✓	✓	✓	✓
Adaptability		✓	✓	
Choice and dignity	✓			✓

The benefits of social vouchers for governments through the COVID-19 pandemic

Supporting the most vulnerable through COVID-19

For governments and other public authorities worldwide, the COVID-19 pandemic has created many new and unexpected challenges, as well as exacerbating a number of existing social issues.

Between April and June 2020, the International Labour Organisation (ILO) estimated that around 400 million full-time equivalent jobs were lost across the world,[2] and income earned by workers globally fell around 10 per cent in the first nine months of 2020.[3]

This submerged millions of people worldwide into deeper poverty, sparking governments across the world to respond with greater social protection for their citizens.

However, many governments struggled to provide an efficient and wide enough response through their existing social protection systems to deliver support quickly and efficiently to impacted groups.

"In many cases, direct response and in-kind assistance will be more challenging to deliver. Cash and Voucher Assistance (CVA) is seen by many as well placed to mitigate the negative impact of the COVID-19 pandemic on household income and livelihoods, as well as a safer option than in-kind for providing rapid relief during the pandemic where conditions allow."[4]

Global Education Cluster: COVID-19 implications for Programming of Cash and Voucher Assistance for Education in Emergencies

There are a series of vulnerabilities faced by certain disadvantaged populations, such as legal status, lack of residence, socio-economic problems or disability that require public authorities to have in place specific support for them.

However, many may not always be aware of the rights and protections they may be entitled to from public authorities. It is key to address any lack of information that may prevent them for accessing the support they need.

European Fund for Aid to the Most Deprived (FEAD)

Around 13 million EU citizens benefit from FEAD each year, which enables EU member states, partner organisations and other parties to distribute food and other basic material assistance to the most deprived. This includes commodities like food, clothing and other essential items for personal use like shoes and soap.

In April 2020, amid the COVID-19 crisis, the European Institutions adopted new FEAD rules, aimed at minimising the effects of the pandemic on the EU's most deprived citizens. Crucially, the new rules have enabled governments to use social vouchers to provide aid to citizens in need, by introducing new flexibilities in FEAD distributing modalities.[5]

An effective solution: The role of social vouchers through the pandemic

In several EU countries, social vouchers have played a critically important role in deploying aid and supporting those most in need over the course of the COVID-19 pandemic.

Principally, governments, distributing authorities, local vendors and recipients have benefited from improved access to solutions which target support to specific demographics or geographies, and which can be made available and implemented quickly.

These benefits broadly centre around three key themes: *efficiency, adaptability and flexible choice and dignity.*

Efficiency

The COVID-19 pandemic has made the distribution of in-kind benefits, like food packages, far more challenging than in normal circumstances. Certain lockdown measures have prohibited NGOs and other social organisations from distributing support from food banks, and social distancing has made face-to-face contact with aid recipients more difficult.

"For the measures that require households to purchase products such as for disinfecting surfaces and hand hygiene, governments should consider either providing these in-kind to the most vulnerable households or subsidising these through pre-selected suppliers with vouchers. Targeting criteria will have to be put in place, particularly to those who are quarantined and do not have the means of accessing these items."[6]

World Health Organisation (WHO) and Global Health Cluster Cash Task Team

Social voucher solutions have instead meant that financial assistance for food and other basic materials can be made available to those most in need without direct, in-person contact.

Because social voucher solutions can be targeted to specific sections of the population, distributing agencies with the oversight of public authorities can ensure support is directed to those most in need. As countries have moved in and out of lockdown, often localised to a region and varying by municipality, social vouchers have enabled governments to target and direct support, promoting efficient and simple management of aid resource.

In addition, this has been particularly helpful in targeting support to groups that might be at risk of slipping through the net of support, or who have only recently come into challenging circumstances as a result of the pandemic.

- In Spain, an additional €407.5m was allocated for social security by the Spanish government, and a special unemployment payment package, worth €710m, was created for the 550,000 jobseekers for whom normal unemployment benefits were not enough during COVID-19

- In France, initial jobless claims in the month of April 2020 alone increased by more than 800,000. This was the highest surge in unemployment in France in a decade

- In Germany, in the two months from March to the end of April 2020, the number of workers who applied for Kurzarbeit – the government's unemployment insurance system – exceeded 10 million, or about 20% of the labour workforce.[7]

Furthermore, unlike with in-kind food packages, social vouchers do not require governments or other agencies to allocate resources to stock control, transportation and logistics. As social vouchers are not perishable, unlike food and some other basic items, there is reduced risk of loss for governments.

The local economy also benefits from support that is targeted by promoting financial aid to be spent with local vendors, taking advantage of existing commerce infrastructure and stimulating the local economy. This has been particularly positive for local retailers in the COVID-19 context, with lockdown measures having created significant disruption for local economies, and impacted groups spending far less with local businesses than under normal circumstances.

Adaptability

Over the course of the pandemic, governments and other public authorities have had a number of competing priorities to contend with. Many have struggled to allocate the necessary capacity to respond to these new challenges.

The adaptability of social vouchers means that a solution can be quickly deployed to meet local needs, without significant involvement from public authorities. This has been critically important in the COVID-19 context, given the increased urgency required as a result of the crisis.

The ability for governments to quickly deploy a ready-made and available voucher solution has meant one less thing for public authorities to worry about, and their attention could instead be focused on other challenges.

Similarly, the use of new technologies with social vouchers means they can be adapted to the context of the specific scenario.

For example, in the context of COVID-19, with restrictions on face-to-face contact, e-vouchers and digital platforms can be utilised to ensure continued and safe, COVID-appropriate deployment of support where needed.

Choice and dignity

With increasing numbers of people thrust into deprivation due to the COVID-19 crisis, social vouchers have ensured targeted aid can be delivered to those who need it most.

For many groups, social stigma can prevent individuals from accessing support even where they are entitled to it. Social vouchers are advantageous in this respect, as their operational discretion enables beneficiaries to access the assistance they need, without judgement or oversight from their peers.

Furthermore, particularly for groups who have been displaced from their home in the period before the pandemic, social vouchers enable beneficiaries to retain the freedom of choice over how they choose to spend social vouchers, so long as it is within a network of affiliated merchants.

Ultimately, this helps to drive social and financial inclusion, and ensure that groups are not further stigmatised when accessing vital support.

Register for food vouchers

SUBMIT
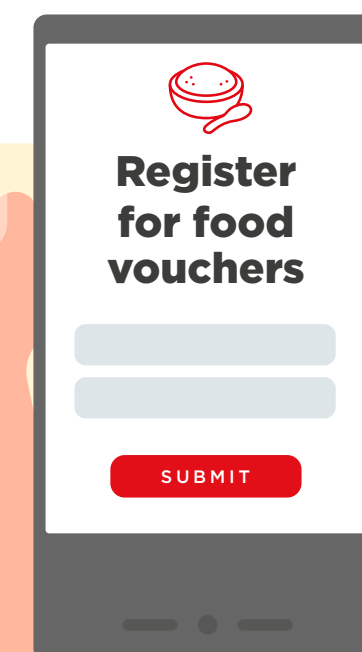
France:
How NGOs used social vouchers throughout the crisis

Like much of the world, France was deeply affected by the COVID-19 crisis. Many families found themselves plunged suddenly into poverty as job losses swept the nation. By mid-April 2020, half of France's private sector employees were reliant on government support, either in the form of benefits or France's furlough scheme.

NGOs have traditionally played an important role in supporting those in need in France. However, as the volunteer base of NGOs is often comprised of the elderly, this posed significant challenges for NGOs looking to distribute food and other support throughout the crisis. This was certainly the case for the Samu Social and the Secours Catholique who were concerned about protecting their volunteers from the virus, whilst ensuring that food and hygiene products were distributed to those that needed them.

Creating a social voucher solution

Typically, the Samu Social and the Secours Catholique rely on their network of volunteers to distribute food, clothing, or other products to those in need through their branches. However, given the unprecedented circumstances, the charities, with an extra budget of 6.3 million due to donations, chose to roll out a social voucher system dedicated to food and hygiene products.

A similar social voucher bases solution, Ticket Service®, already existed in France, whereby a network of shops accepted such social vouchers in exchange for the provision of essential goods such as food and hygiene products. Given the crisis, Edenred was therefore quickly able to help the charities to roll out a social voucher programme that would allow those in need to benefit from this existing network. The programme ensured families struggling to buy food and basic hygiene necessities would continue to receive support during the pandemic, whilst allowing their volunteers to remain socially distanced.

Food vouchers were either sent directly to recipients' homes, or to volunteers' personal addresses who then distributed social vouchers directly by hand to the recipients where appropriate. This meant that as long as the post system continued to function as normal, social vouchers were able to be distributed to those that most needed them. This solution worked on two fronts: it allowed for minimal physical contact between volunteers and recipients as volunteers could simply post the vouchers through the letterboxes of homes. It also meant that recipients were able to maintain a degree of anonymity and autonomy by not having to collect items from an NGO branch.

Unlike the support being provided by the government, the charities didn't require recipients to fulfil any particular criteria; the charities distributed the social vouchers according to need, and knowledge of who was struggling in their local communities.

Key outcomes

As two leading NGOs in France, both the Samu Social and the Secours Catholique have well established methods of supporting those in need. By using Edenred's social vouchers programme, both organisations were able to dramatically and rapidly shift their approach to delivering support to those who needed it. Faced with an unprecedented global pandemic, the social voucher programme had a utilisation rate of 85% and so successfully supported thousands of families in need throughout the crisis.

Germany:
Supporting food banks through the pandemic

In Germany, food banks play a pivotal role in supporting disadvantaged people in the community. More than 900 foodbanks nationwide provide more than 265,000 tonnes of food per year through a network of over 3,000 distribution points. The scale of this operation is enormous and is entirely volunteer-led, typically relying on over 60,000 volunteers to support around 1.6 million people in need each year. However, as the pandemic started to spread through the country, it was necessary to put new local solutions in place to support the food bank users through the crisis in order to decrease the health risk for volunteers and people in need.

Creating a social voucher solution

The Bergisch Gladbacher food bank is a vital source of support to the residents of the West German city, with over 10,700 people registered with the food bank – 43.7% of whom are below the age of 18. Typically, the food bank relies on donations from 45 shops, and is maintained entirely by volunteers who both run the food bank and distribute food. As the COVID-19 pandemic spread through the local area, the decision was made to close the food bank so as not to put its users and volunteers, many of whom were elderly, at risk.

However, it remained vital that this invaluable support was available to the thousands of people that relied on the food bank every day. A common employee benefit in Germany is the granting of lunch vouchers – this meant that there was an existing

network of restaurants and supermarkets available to accept food vouchers. As a result, the Bergisch Gladbacher food bank evaluated that a social voucher programme would be the most effective way of distributing food to those in need, as this network could easily and quickly be drawn upon. Working with sponsors Aktion Mensch and the Bethe Foundation, the food bank approached Edenred to help roll out the solution.

Within days, the group had organised the creation of social vouchers to be used in supermarkets and restaurants throughout the local community. The food vouchers, each worth five euros, were then distributed in the post to all registered users of the food bank by Bergisch Gladbacher's network of volunteers.

Logistical challenges

Given the solution relied on a large-scale postal operation, it was dependent on volunteers having accurate and up-to-date addresses for recipients of the social vouchers. To ensure the distribution ran as smoothly as possible, the food bank developed a website where people could register and write down a delivery address in order to access the social vouchers. This list could then be cross checked with, and used in addition to, the food bank's existing database of addresses.

Key outcomes

The programme not only ensured that access to food bank support remained in place as the pandemic hit, it also enabled volunteers to remain engaged with Bergisch Gladacher at a time when they were unable to help face-to-face. The volunteers sent a total of 24,000 vouchers in 3,000 letters at two-week intervals throughout the lockdown. The response from the volunteers was incredibly positive, with many noting that they enjoyed being able to continue supporting the food bank and their local community throughout the pandemic in this way.

Food vouchers in Germany – Key numbers

60,000
Number of food bank volunteers nationally

900
Number of foodbanks nationally

5,310
Number of households typically supported by the Bergisch Gladbacher food bank

10%
Percentage of local population that is/was a customer of the Bergisch Gladbacher food bank

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"We're really pleased with the results of the programme. The food vouchers allowed us to continue our vital work throughout the crisis at a time when we had to protect both our volunteers and food bank users."

Markus Kerckhoff, Chairman, Bergisch Gladacher food bank

Italy:
Local authorities addressing poverty through food vouchers

As the coronavirus swept through Europe, Italy was initially one of the worst hit countries. Whilst a new furlough scheme was launched to protect the population from the worst of the economic fallout, the national lockdown caused widespread job losses, taking a particular toll on the poorest in society.

Creating a social voucher solution

Following the decision to lockdown, a €400m Fund for Food Aid was announced by the National Department for Civil Protection, with local councils responsible for deciding how funds should best be allocated. These were further supplemented by donations from local residents and private companies, and councils could also draw on regional funds.

Given the urgency of the situation, it was vital that an efficient solution was found as quickly as possible to distribute this support. Within Italy, the traditional meal voucher programme is largely widespread as part of an employee benefit scheme, with a network of stores able to accept the vouchers. Edenred was therefore approached to help roll out a COVID-19-specific social voucher programme which could be adapted to local city councils' requests and needs.

This was notably the case in Genoa and Brescia where social vouchers were distributed to those not receiving any other public financial support, with priority given to families with young children, disabled people, and the elderly. Customised local online portals were opened for each city council to identify people to register for the social vouchers, making access to the vouchers simple and effective. Recipients were means-tested, having to evidence a change in income due to the COVID-19 pandemic. Once their application had been approved, recipients could then download their social vouchers for immediate use.

The local councils were also acutely aware that certain groups, such as the elderly, would struggle to use the digital platform, and may not even be aware of the help that was available. To support these groups, the councils liaised closely with social services, while volunteers helped to distribute paper forms for those unable to complete the online application.

> "Having a network of stores that already accepted meal vouchers was an enormous help in deploying the voucher solution as quickly as possible. We were then able to work on this basis with Edenred to implement quickly a new programme in response to the crisis."
>
> Massimo Molgora, Director of Social Policy, Brescia

Logistical challenges

Due to the urgency of the programme's roll-out, self-certification was deemed the quickest way to deploy the food vouchers in Genoa. However, as this simply required proof of change of income, recipients weren't always cross-checked against other packages of government support. This resulted in some people having to retrospectively reimburse the value of the vouchers or return the vouchers. To minimise the risk of this happening, Brescia council decided to cross-check the list of those claiming vouchers against a list of recipients of other government support. Although this meant the food vouchers were distributed a few days later, it minimised the number of reimbursements needed, making it easier for the council to budget and allocate support where it was needed.

Managing the distribution and collection of paper forms to register for the social vouchers also posed logistical challenges, largely due to the need to minimise social contact between recipients and volunteers. As an initial solution, a small number of select volunteers were assigned to distribute and collect the paper forms from those that were unable to use the internet portal. However, the limited number of volunteers was impeding progress, preventing some people from being able to register for the vouchers. To combat this, a helpline was introduced to help answer any questions or even allow for volunteers to fill the form out on behalf of recipients.

It also soon became apparent that the scale of those in need of the vouchers was greater than had been anticipated. In the region of Brescia alone, 6,815 requests for the vouchers were made in nine days; however, a further 2,000-3,000 requests were submitted after the deadline. In the end, 5,046 requests for food vouchers were accepted after checks were made by the local council.

Key outcomes

This was the first time a food voucher programme had been used to support those in need throughout a crisis – for it to be implemented at such scale and in such a short timeframe was an enormous achievement. Within days of government funding being announced, the programme had been rolled out to more than 100 municipalities across Italy. The early operational challenges were addressed quickly, thanks to a dedicated network of volunteers and continued investment in the programme from private and public investment alike.

Following the success of the programme, the Italian government announced €400m to support an extension of the scheme from early December 2020.

Food vouchers in Italy – Key regional figures

€3,882,000
Investment into Genoa programme

€1,660,000
Investment into Brescia programme

19,000
Number of families and individuals that received food vouchers in Genoa

United Kingdom:
Government support for school children through vouchers

As the country grappled with its response to the COVID-19 pandemic, in March 2020, schools across the United Kingdom closed to most pupils. Under normal circumstances, eligible children claim free school meals from their schools' cafeteria. But with pupils at home, the government needed an alternative way of directing this much-needed support to ensure the 1.3 million children who receive free school meals in England wouldn't go hungry through the crisis.

Creating a social voucher solution

The Department for Education (DfE) asked Edenred to design and deliver a scheme which would provide parents and carers of eligible children with weekly vouchers that could be put towards the cost of feeding children at home.

Following this request, in less than two weeks, a bespoke solution to provide families with access to weekly £15 vouchers to purchase lunches for eligible children was designed, built and rolled-out from scratch. This would ensure children across the country could continue to eat healthily throughout the school closures, without placing their parents under undue financial pressure.

The objectives for the scheme were to:
• Rapidly provide vital support to children after the school closures
• Be robust enough to work at scale for the 22,500 schools and 1.3m families in England
• Build a user friendly and inclusive interface ensuring an easy access to the platform to all the stakeholders (DfE, schools, families, retailers) and making sure that those who might have low levels of literacy or access to technology could use the scheme
• Provide access to the widest possible network of grocery retailers in the UK
• Ensure that all public funds allocated to free school meals went to the families and carers who needed them.

"Nobody had ever set up a voucher system like this before."

Vicky Ford MP, Minister for Children and Families

"As far as we could see, most of these initial teething challenges were ironed out fairly quickly, and the scheme appeared to be delivering effectively from May onwards. Broadly speaking, much of the feedback we've received about the scheme pointed towards it being very well received, and a source of much-needed support during such challenging times."

Clive Harris, Senior Policy Adviser at the Local Government Association

Logistical challenges

Rolling out a new programme at pace and of the scale of the free school meal voucher scheme was not without its challenges. Setting up the platform and associated operational and communication processes was a challenge in itself.

Because the programme quickly became popular among eligible families, the second challenge was to keep up with the massive demand: in the first two and a half of weeks following its roll-out, more than 80% of schools in England and Wales had registered, and by the time schools started to reopen from June, 98% of schools in England had participated. This required constant increases to the IT infrastructure capacity and within the first month of running the scheme, the platform was able to respond to 95% of incoming queries in the first instance.

Due to the success of the initiative, the involvement of popular figures such as Marcus Rashford and the reclosing of schools across the country, the decision was taken multiple times by the DfE to extend the programme over time: the scheme was first extended over the Summer school holidays and then renewed in 2021 to support families and children through the new lockdown restrictions and schools closing. These new challenges were dealt with thanks to a close collaboration between all the involved actors.

Key outcomes

The Free School Meals programme was set up expediently in unique, challenging circumstances, and successfully delivered more than £380m worth of vital social support to children and families during the pandemic.

The involvement of all the stakeholders to constantly improve the programme performance and increase its reach made it a central and innovative welfare instrument that could pave the way to similar experiences in the future.

Despite the huge operational challenges, the programme achieved its goal: more than eight in ten schools and 95% of families consider the programme to be a success overall. This successful experience underlines that voucher solutions which channel social aid can be quickly actionable and are efficient to make all the stakeholders, public and private, collaborate towards a public social goal.

"Decisions by Ministers to extend the scheme through school holidays, whilst being the right move, ultimately came too late. This probably didn't help the scheme's performance. But, once it was operating smoothly, I think schools were grateful for having one less thing to worry about."

Sarah Caton, Chief Officer, Association of Directors of Children's Services

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Food vouchers in the United Kingdom – Key regional figures

More than 20,350

Total number of schools that ordered social vouchers
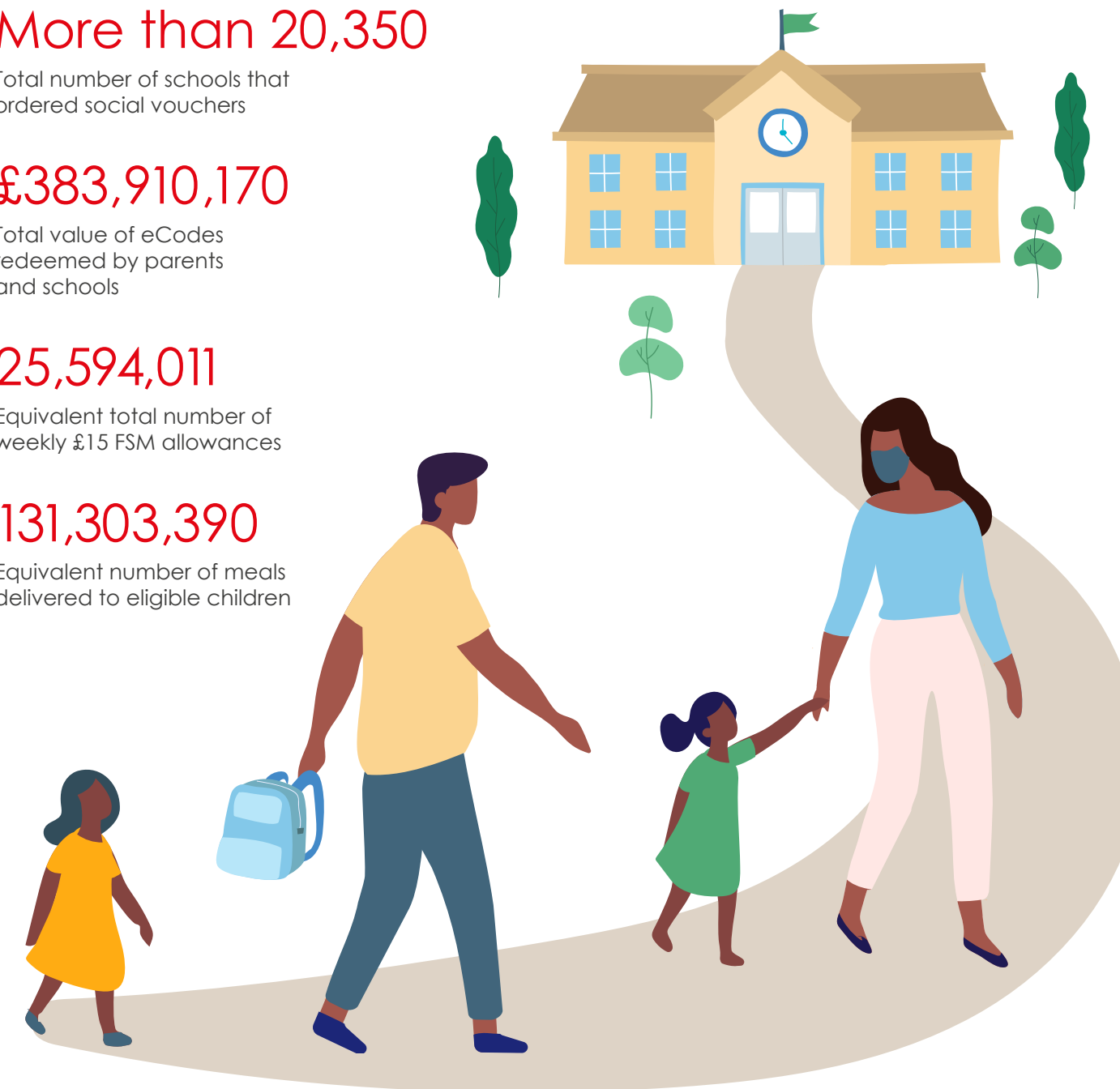
£383,910,170

Total value of eCodes redeemed by parents and schools

25,594,011

Equivalent total number of weekly £15 FSM allowances

131,303,390

Equivalent number of meals delivered to eligible children

"I realise it is a massive scheme to have set up in an unbelievably short period of time.

…I know there were problems with it and we had a lot of questions about it, but it was an incredible scheme to set up in such a short time. We should all give you credit for that."

Rob Halfon MP, Chair of the Education Committee

Conclusion

Social vouchers as a long-term solution

The COVID-19 pandemic highlighted widespread issues around how those in need are currently supported throughout Europe, and the need to complement existing solutions with new and smart tools. Throughout the pandemic, social voucher programmes were able to provide efficient and adaptable solutions to the challenges faced by public authorities and charities. There is a long-term role that social voucher programmes should continue to play post-pandemic, as these stakeholders consider further solutions to the social challenges exposed or exacerbated by COVID-19.

While the different social voucher programmes demonstrably achieved their main aim of providing immediate person-centred support to recipients throughout the pandemic, the wider, long-term benefits they can provide cannot be overlooked.

The targeted nature of social vouchers extends beyond providing specific goods and services to beneficiaries; they can also provide an economic boost to several economic sectors. For instance, the food vouchers in Germany not only supported the beneficiaries, but also provided much needed income to local restaurants and food stores at a time of heightened uncertainty. This sector targeting can be a powerful way to provide economic support to specific businesses – and can also be adapted to local economies in need.

The pandemic also highlighted the benefits of a digitalised – and therefore sanitary – social voucher system and accelerated its uptake. The scale and speed of programme rollouts were made possible due to the adaptability of social vouchers to digital forms – for instance vouchers with QR codes could be sent directly to recipients' devices for immediate use. Digital vouchers allow governments, charities and organisations to react quickly to urgent needs as they arise. They also help to reinforce the financial education of at-risk population groups who are in need of financial support.

There is no doubt digital social vouchers will continue to evolve and will increasingly become the norm across Europe, opening up a wealth of possibilities for their future use. For social voucher recipients with complex and ever-changing needs, the multi-wallet option of digital vouchers allows for different types of targeted support to be easily accessed alongside each other, further enhancing this person-centred design.

As we look beyond the pandemic and to the period of recovery that is still to come, the ongoing need for support systems to be scaled and adapted to suit those in need will be crucial. However, for social vouchers to reach their full potential, there needs to be greater awareness and understanding of the positive impacts they are already having on communities across Europe. The success of the social voucher solution was borne out of necessity in a crisis situation, but it is vital this kind of targeted support continues in the long run. With this in mind, there still remains significant scope for social voucher solutions to be rolled out to help address the complex needs of millions of European citizens.

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If you would like to speak about any of the issues discussed in this report, or to find out more about our solutions and how they can help you achieve your objectives, please contact:

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