

DfE Energy for Schools Service

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 Department for Education



DfE Energy for schools & Maximising Value for Pupils

Maximising Value

Our ambition is to work with you to maximise value from the investment in the school system, so every pound delivers for children

Shared Endeavour

This is a shared endeavour, and the collective responsibility of government and the entire school system.

Sharing the excellent practice, we know there is across the sector, seizing opportunities to go further in unlocking the full value of the substantial resources available.

Tackle systemic issues

Government has a role to play - systemic challenges at a national level can be barriers for schools and trusts striving to get the most out of their budgets. We have the collective power to take on key spending areas, such as energy and agency supply, to secure better deals for schools and trusts to ensure more money is best invested in our children.

Support for Schools

We are equipping schools and trusts with the data and insights to identify opportunities to secure better value. Matched with the practical support from the new Maximising Value for Pupils programme where we have identified key opportunities across four pillars and are taking action to support schools and trusts – commercial spend, financial and physical assets, workforce deployment, and capability development (including digital).

Key Headlines

Building on existing support provided through legacy programmes such as SRM – this programme will go broader and deeper providing an expanded level of support.

Our new offers include:

Energy for Schools

- **Launched April 2025**
- Our pilot identified an average 36% saving for participating schools.
- Supporting schools and trusts to achieve good value for money, save time, buy compliantly, and reduce risk

Banking comparison tool

- **Now live**
- Free DfE banking comparison tool
- DfE Approved Savings Management Platform for diversifying savings - Insignis
- Enables schools and trusts to explore a range of current accounts and savings accounts to increase the interest paid on balances in the short and long term

Agency Supply

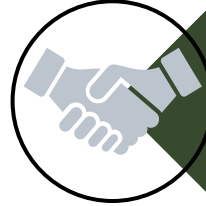
- Eradicating unacceptable practices and excessive supplier margins within the teacher supply market;
- With a **newly negotiated Crown Commercial Framework** to launch in June 2026, providing significant savings to schools and trusts.
- We will set greater expectations that, unless schools and trusts are achieving better value for money (through a compliant alternative), they must use the new framework

DfE Energy for schools – The Pilot

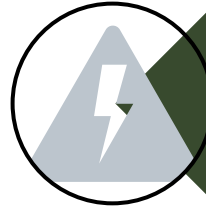


The Problem

- Energy Spend increased from £0.6bn to £1.3bn per annum
- Energy procurement is challenging
- Complex
- Volatile pricing
- Market conditions impacted by global events
- Reliance on 3rd party intermediaries



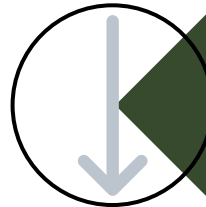
Exploring Opportunities



Building relationships



Account management & service support



Reduce the burden

Objectives and Strategic Intent

“Ensuring schools are protected, future ready, and able to focus funding where it has the greatest impact – on pupils”



Why Government intervention is necessary

Market reality

- Energy markets remain volatile with limited transparency or protection for schools
- Individual schools lack purchasing power and risk expertise

Impact on schools

- Locked-in contracts at poor value
- Budget uncertainty and financial risk
- Inequity: schools with the least capacity face the greatest exposure

Government response

- Use collective buying power: commercial expertise and scale
- Shift risk away from schools

Gas Prices: Forward Delivery Contracts - Weekly Average (GB)



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Evidence of impact – what the pilot demonstrates

Engagement and Reach

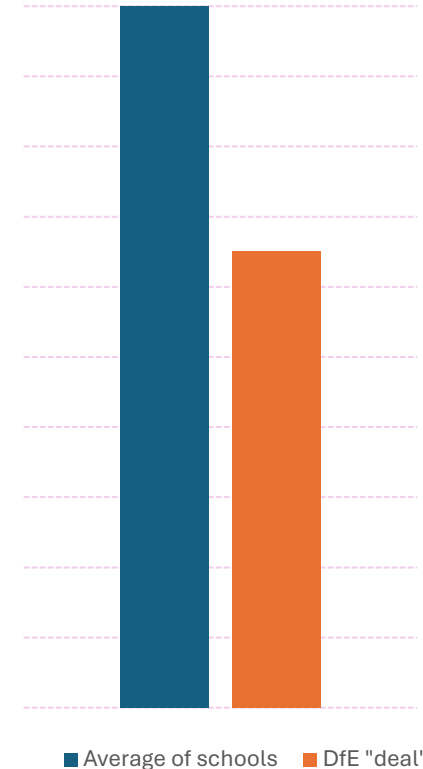
- Engagement with around 4,000 schools (MAT's and LA maintained)
- C.960 schools already transitioned to the service.

Value Delivered

- Average savings of c.36% against historic like for like costs
- Clear evidence that national aggregation consistently outperforms local procurement

What this tells us

- The model works
- Demand exists
- There is a strong case to scale



%age saving is based on historic charges; i.e. what schools actually paid vs what they would have paid via DfE energy for schools.



DfE Energy for schools – Operating Model



DfE role

- Contracting authority and escalation point.
- Central commercial, data and supplier management capability

School role

- Retain autonomy over budgets and payment
- Freed from market timing and procurement complexity

System Benefits

- Consistent national data set
- Improved insight on consumption, risk and Net Zero across the estate

Commercial Strategy: managing risk over time

Our approach

- V30 basket
- Forward-purchased, flexibly traded energy
- Buying over time to smooth peaks and reduce exposure

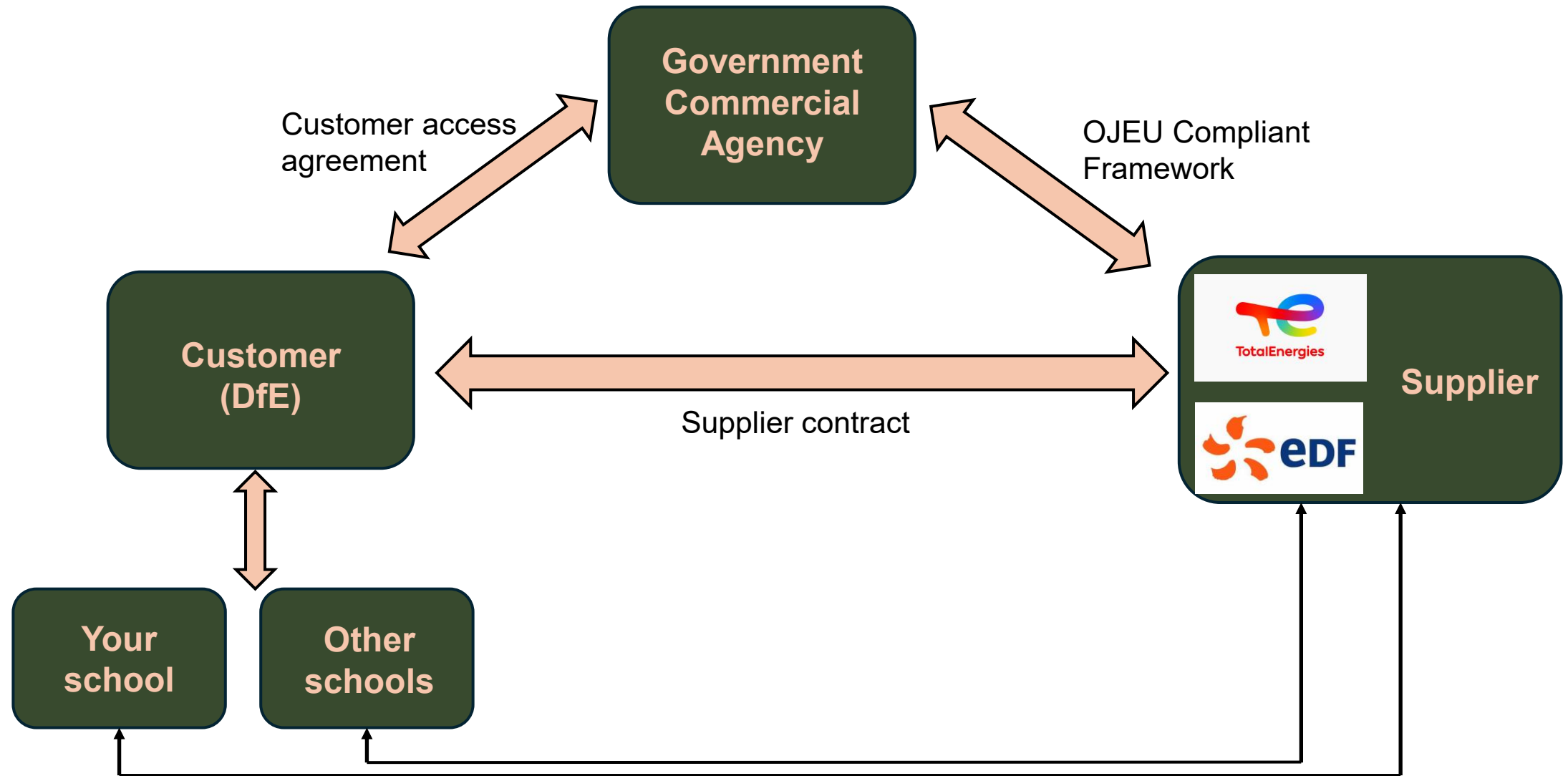
Why this matters

- Reduces volatility risk compared to fixed-point purchasing
- Prioritises stability and predictability, not short-term lowest price

This is a risk-managed, long term value strategy – not speculative trading.



Commercial Model



Smart Meter Installation



The **DFE Energy for Schools Service** is supporting the Government led initiative to upgrade the UK's Energy infrastructure by **replacing all non-smart meters with smart meters**.

Smart meters deliver **various benefits** for schools over older meter types including:

- **More accurate Billing**
- **Save time**
- **Access data insights**
- **A smart step to net zero**
- **No extra cost**



Accuracy

- Accuracy



Savings

- Savings



Time-Saving

- Time-Saving



Therefore, when **joining the EFSS, suppliers will automatically engage you to schedule the installation of smart meters** at your sites at a time of your convenience.

DfE Commitment to Sustainability and Net Zero



Energy for Schools supports a wider government ambition
The DfE is committed to supporting schools to:

- Reduce energy consumption
- Improve efficiency
- Contribute to Net Zero and Climate resilience

How the service supports sustainability:

- National aggregations provides better visibility of energy use and risk
- Smarter procurement reduces exposure to short term market shocks
- Foundations for:
 - Data-led decarbonisation planning
 - Solar and on-site generation opportunities
 - Consistent insights across the school estate



This is about enabling progress

- practical, proportionate steps
- Aligned to schools' capacity and priorities
- Integrated with wider sustainability and climate action planning



Access and adoption

Driving adoption across the sector

- Clear, simple access routes aligned to school circumstances
- Managed transition from existing contracts
- Minimal burden on schools

Respecting local accountability

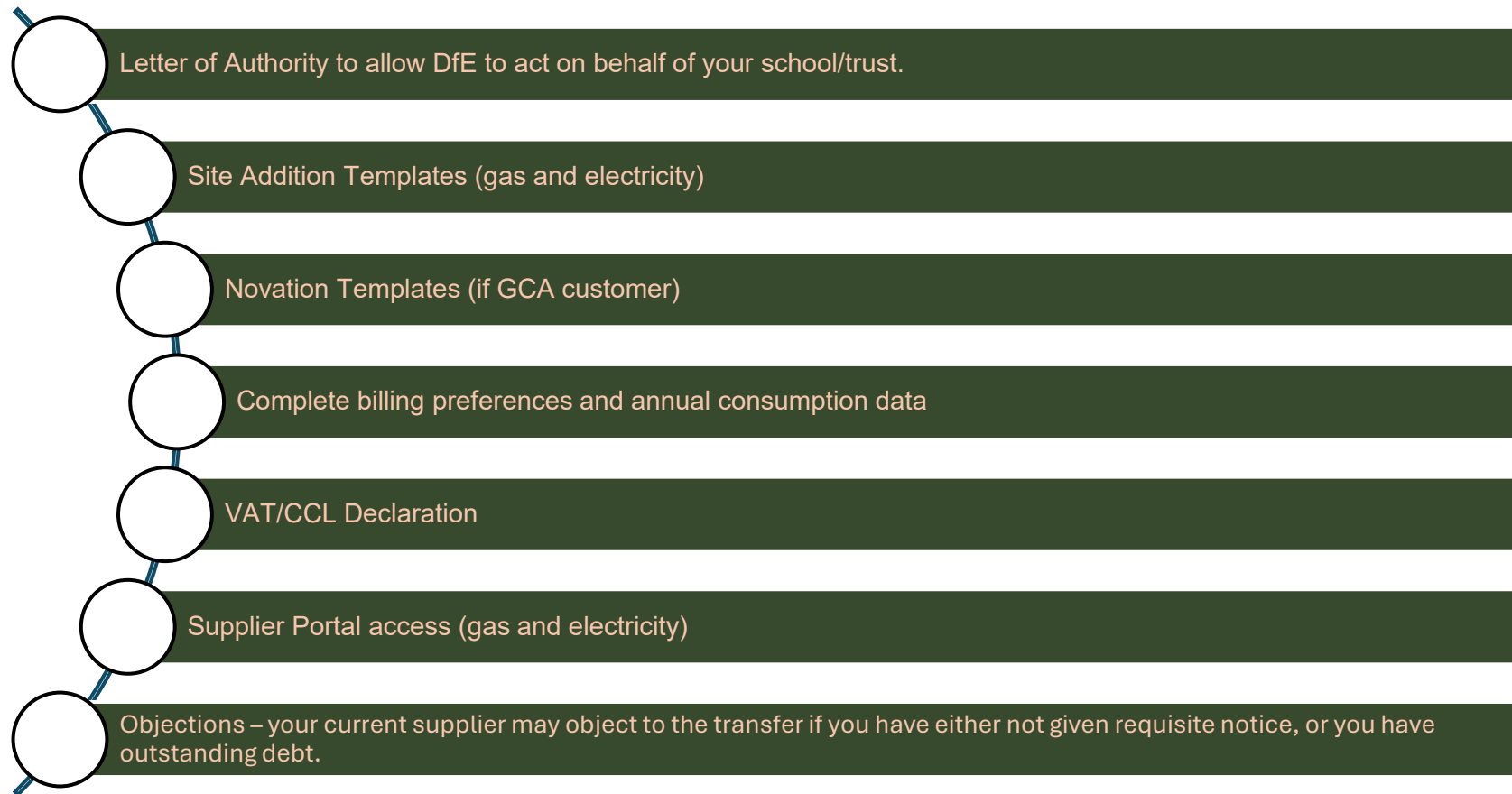
- Schools remain responsible for understanding contractual commitments
- DfE supports access and onward transition, not contract breakage
- If you receive your energy through your Local Authority you must ensure you seek approval from them to move to another source of energy supply
- If your current contract is with GCA (CCS) you can novate your contract to the V30 basket under the DfE contract

Why this matters

- Protects schools and DfE from legal and financial risk
- Maintains trust with the sector



Next Steps



A safer, simpler, better value way to buy energy. Reduced volatility exposure for thousands of schools



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Useful information

- Depending on when your school's current contract expires, you may be put onto an interim rate which is essentially just a bridging contract until you transition onto the next available V30 basket. You don't have to worry about the contracting side of things as we move you into the V30 basket automatically once your interim contract expires.
- You can add additional sites during the contract. You will just need to provide site information, and they can be added to the DfE account like any other school in your trust
- This is a rolling contract, and you must commit to the V30 basket for at least 30 months. To leave you will need to give at least 30 months' notice. You can only terminate within 1 month, if the building is sold, demolished or change of tenancy.

How to apply



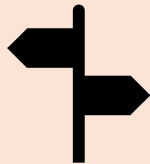
Apply as a Multi Academy Trust

Complete our [form](#) to register your interest.
We will get in touch.



Apply as a Single School / Single Academy Trust

Complete our [online digital tool](#) with your school's information.



Get further information

Email: DFE-energy.SERVICES-TEAM@education.gov.uk

Online: [DfE Energy for Schools - Get help buying for schools](#)

Blog: [A new way to buy energy for your school or trust – Buying for Schools](#)

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How you can benefit from the energy cost recovery service

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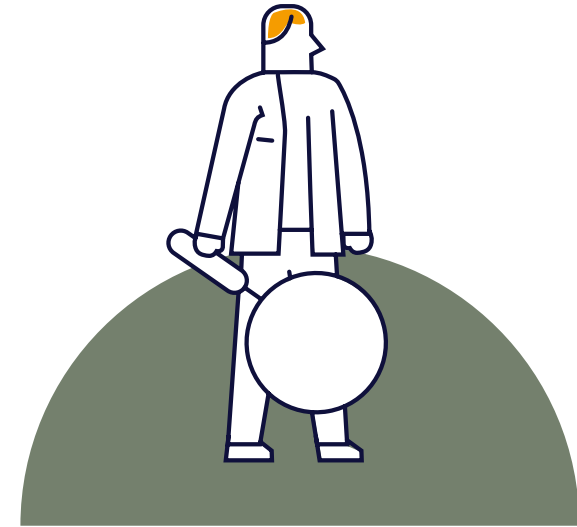
Energy cost recovery service



Forensic audit of your **settled** energy billing



Period covered:
previous 6 years



An interrogation of the wholesale costs and non-commodity 'pass through' charges

How to access the energy cost recovery service

This service is quick and easy to access. You simply need to:

- Complete an expression of interest form - [Energy cost recovery services for schools](#)
- You will then be contacted by the DfE to complete a Letter of Engagement
- Once this has been signed by both parties you will need to complete a Letter of Authority enabling PCMG to deal directly on your behalf with your suppliers to obtain the necessary information
- As part of the engagement with this contract, the school and trust are agreeing that all collated utility spend data will be shared with the DfE which will be used to inform further energy work by the DfE

Please put your questions in the chat or email
DFE-energy.SERVICES-TEAM@education.gov.uk

Thank you



Share your ideas and feedback with DfE

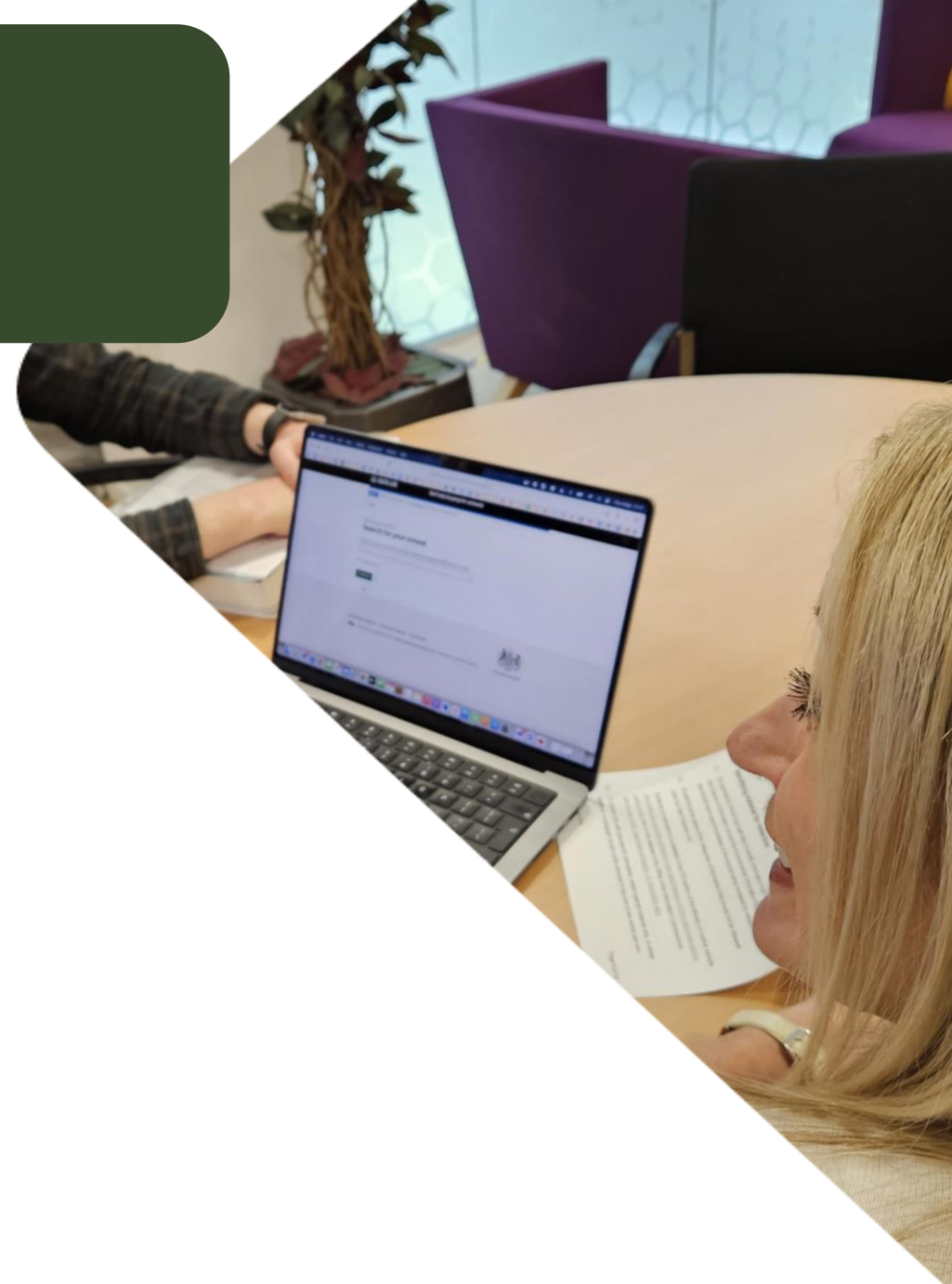
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to sign up



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