

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Cabinet Member's Decision

Date: 09/01/2023

Subject: Holiday Activity and Food Programme Procurement Award Report

Report of: Cllr Alexandra Sanderson, Cabinet Member for Children and Education

Report author: Marcus Robinson, Programme Lead

Responsible Director: Jacqui McShannon, Director Children's Services

SUMMARY

This report seeks approval for the award of the following contracts:

- Coordination of the Holiday Activity and Food Programme from 2023

This award follows an open tender procurement exercise run for all contract Lots between the period 9th November 2022 – 9th December 2022.

RECOMMENDATIONS

1. To note that Appendix 1 is exempt under paragraph 3 of Schedule 12A of the Local Government Act 1972 because it contains information relating to the financial or business affairs of any particular person including the authority holding that information.
 2. To approve the award for the 'Coordination of the Holiday Activity and Food Programme' contract to **Let Me Play**, for the period 1st March 2023 – 31st March 2025, for the sum of **£1,207,180**. An optional extension for a further 1 years to 31st March 2026 is included, for the total sum of **£1,865,620**.
-

Wards Affected: All

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	This provision will help vulnerable children to build knowledge and resilience over the school holidays and create opportunities for local voluntary to deliver activity.
Creating a compassionate council	This provision will help vulnerable children have access to food and

	support and support early intervention to help children and young people thrive.
Doing things with local residents, not to them	This provision will involve a significant partnership of local organisations that work directly with communities to develop provision that is accessible and reaches children across the borough, developed based on feedback from young people and families.
Being ruthlessly financially efficient	This delivery makes use of dedicated grant funding to support residents, and build resilience.
Taking pride in H&F	This contract will deliver high quality holiday provision through a high-profile programme of delivery.
Rising to the challenge of the climate and ecological emergency	Provision will help children to have a greater knowledge of health and nutrition, that supports a more sustainable diet

Financial Impact

This contract will be fully funded through the Department for Education (DfE) Holiday Activity and Food (HAF) programme grant funding. The government has announced national funding for the Holiday activities and Food programme of £200 million per year for the financial years 2023/24 and 2024/25.

On 30 November 2022 provisional funding allocation to Hammersmith and Fulham for FY 2023/24 was announced as **£586,010**.

This is 6% higher than the original allocation for the current financial year of £551,900, however additional funding of £28,240 for FY2022/23 was allocated to the council on 30 November, bringing the total allocation for FY 2022/23 to £580,140. The provisional funding for next year represents a modest increase of 1% over this total; however there remains the possibility that the DfE will again choose to make unspent grant funding available to Local Authorities during subsequent financial years.

Provisional funding for 2024/25 has not been provided but is expected to be similar or follow a similar increase.

This is a ringfenced grant and the grant conditions do not allow the grant to be carried forward to future years.

Under this contract award funding will be awarded in two elements:

Element 1 is for administration and delivery and is defined by the winning tender of £149,150 over three years.

Element 2 is for the running holiday provision with the majority distributed to other organisations through a grant award process run by the winning tenderer. While tender submissions provided an illustrative example of how funding would be distributed, the maximum Element 2 amount provided to this contract will be defined by the annual DfE HAF allocation.

The table below sets out maximum expenditure per year under this contract if the total HAF funding remains constant:

	Year 1 FY2023/24	Year 2 FY2024/25	Year 3 FY2025/26 (Optional extension)	Max. total expenditure
Element 1	£49,900	£49,750	£49,500	£149,150
Element 2	£536,110	£536,110	£536,110	£1,608,330
Total	£586,010	£586,010	£586,010	£1,758,030

There has been no indication from the DfE if the grant will continue to increase past FY2022/23 but if an assumption is made that HAF grant funding increases by 6% per year, funding would be:

	Year 1 FY2023/24	Year 2 FY2024/25	Year 3 FY2025/26 (Optional extension)	Max. total expenditure
Element 1	£49,900	£49,750	£49,500	£149,150
Element 2 (if total grant funding rises 6% per year)	£536,110	£571,420	£608,940	£1,716,470
Total	£586,010	£621,170	£658,440	£1,865,620

No government funding has yet been announced for FY2025/26. The optional extension to 31st March 2026 would therefore be dependent on notification from DfE of further funding being available for this purpose.

Ozi Onwochei, Principal Accountant, 15/12/2022

Reviewed By: Tony Burton, Head of Finance Children's Services and Education, 15/12/22

Verified by Sukvinder Kalsi, Director of Finance, 21/12/2022

Legal Implications

The procurement of an external coordinator in respect of the Holiday Activates and Food Programme is above EU Thresholds and so the Public Contracts Regulations 2015 would apply (PCRs).

This is a high value contract under the Council's Contract Standing Orders. The competition which has been undertaken is in accordance with the requirements of the relevant standing orders and the PCRs.

All contract awards over £100,000 must be submitted to the Contracts Assurance Board before being submitted for approval to the decision maker (CSO 21.5). Contract Award approval needs to be by the relevant Cabinet Member (CSO.21.1).

Where the award report concerns the award of contract in excess of £300,000 in value or the expenditure is otherwise significant, then it is a Key Decision (see Article 12 of the Constitution) and must be submitted to Committee Services for publication on the Council's website. The award decision cannot be implemented without the expiry of the call-in period for that decision as shown on the website and expiry of the Standstill Period.

Joginder Bola, Senior Solicitor (Contracts & Procurement), 14/12/2022

Background Papers Used in Preparing This Report

None

DETAILED ANALYSIS

Proposals and Analysis of Options

1. Officers have undertaken an open tender procurement exercise for this contract from 9 November 2022 to 9 December 2022 via the capitalEsourcing portal. Tender responses have been evaluated and moderated by a selected panel of officers.
2. In total four bids were received and progressed to evaluation stage.
3. Following evaluation and moderation it is recommended that Let Me Play be appointed the contract for the stated duration.

Reasons for Decision

4. Hammersmith and Fulham have delivered the Holiday Activity and Food programme for two years. This has been delivered through an external coordinator, working with a wide range of partners that can provide the range high quality, inclusive provision that the council expects. Feedback from delivery partners over the last two years of delivery has been positive about this model of delivery.

5. The service is fully grant funded by the Holiday Activity and Food Programme grant, of which 10% can be allocated to coordination costs. The tender defined a maximum award for co-ordination of £156,000 over three years. The winning bid of £149,150 represents a 4% reduction which will be added to the delivery of additional provision.
6. The award follows the agreed option of the procurement strategy, with the contract including both coordination costs and a separate element of delivery funding. This option provides key contract controls and allows for continued, robust accountability of the provider, as well greatly improving efficiency of delivery, giving more time to develop, adjust and promote holiday provision.
7. The delivery element will be funded by the remainder of the HAF grant. This includes costs for direct delivery of face-to-face provision and associated costs including marketing, capital, support materials. Under the contract it will be required that at least 80% of this element must be distributed to other organisations for the delivery of face-to-face provision, with an expectation of then percentage being even higher. Payment of invoices under this element will be subject to the council agreeing delivery plans.
8. This contract also supports stronger opportunities to innovate and continuously improve delivery through the lifetime of the contract. Looking at systems and partnerships to enhance the offer for residents and improve outcomes for children.
9. The Holiday Activity and Food Programme supports many of our vulnerable children and other residents over the holiday period. Appointing an external coordinator draws upon knowledge, expertise and relationships held by the market.
10. The open tender process attracted a range of quality bids, including national suppliers, and offered the opportunity to contractually define improvements over current delivery. This includes additional focus on engagement with a range of target groups and improvements to award processed.
11. The external coordinator is also expected to work to provide additional value, for example though expanding the offer through other funding opportunities and brining in wider donations and support.

Timetable for Implementation

12. As the incumbent provider, Let Me Play, will be able to mobilise delivery as soon as formal award is made, without requiring a contract handover period.
13. Along with contracting, early steps will including updating steering groups, monitoring and delivery plans in line with the new contract deliverables in preparation for Easter holiday delivery.

16 Jan	Cabinet member award
19 Jan	Standstill letter issued – enter 10-day standstill period. Contract mobilisation
30 Jan	Formal award
17 Feb	Delivery plan from provider
6 March	Steering group
10 March	Grant recommendations made
20 March	Publicity of Easter delivery
3 April	Delivery of Easter provision

Equality Implications

14. There are no anticipated negative implications for groups with protected characteristics, under the Equalities Act 2010, by the proposed procurement exercise set out in this report.
15. As part of the role of the coordinator, quality of service and reach to groups with protected characteristics will be monitored regularly with actions for any hard-to-reach groups.

Risk Management Implications

16. The report recommends the commissioning of a holiday activities provider awarded through an open competitive process. This is in line with the council objective of being ruthlessly financially efficient.

Comments verified by: David Hughes, Director of Audit, Fraud, Risk and Insurance, 14 December 2022.

Climate and Ecological Emergency Implications

17. This contract will require that the coordinator develop a programme of activity that supports the objectives of the council's climate strategy. This includes supporting nutritional education that promotes healthy, low carbon and sustainable diets to children and young people. The contract will also build on previous collaborative work between the holiday programme and climate team to integrate climate activity and information into holiday activity.

Verified by Jim Cunningham, Climate Policy & Strategy Lead, 15 December 2022

Procurement implications

18. The results of the evaluation process have been verified against the e-tendering system on 16th December 2022. Once the standstill letters have been dispatched and the standstill period has elapsed an executed signed contract will need to be uploaded onto CapitalESourcing, the Council's contact register and both an FTS Contract Award Notice and a Contracts Finder Award Notice.

by Sarah Reardon, Procurement Lead, 16th December 2022.

Local Economy and Social Value

19. The Element 2 funding is passported and covered by Section 31 Grant Determination for the Holiday Activity and Food Programme and as such the Council's Social Value policy cannot apply to the contract because social value is not included in the grant conditions.

Consultation

20. This procurement strategy for this contract was developed with consideration of feedback gathered from parents and providers during the first two years of delivery of the HAF programme, as well as consultations that have taken place as part of the development of the Early Intervention strategy.

LIST OF APPENDICES

Exempt Appendix 1