

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD3129

### Title: Food Roots 2 – supporting the sustainability of the food-aid sector

#### Executive summary:

This Mayoral Decision seeks approval for expenditure of up to £1,240,000 of the Equality and Fairness team's core budget in 2023-24, on the next phase of the Food Roots Incubator and grant-giving programme (Food Roots 2).

The funding will be used to deliver a range of activities to support the sustainability of food partnerships and their constituent food-aid organisations, so they can better support Londoners who need to use emergency food aid. This includes supporting partnerships to embed cash-first approaches.

This decision takes into account the previous approval for the expenditure of up to £370,000 on the Food Roots 2 programme in 2023-24. This approval was granted under cover of MD3048: Food Roots 2 – supporting the sustainability of the food-aid sector.

#### Decision:

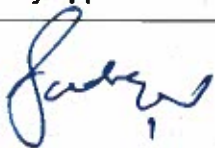
That the Mayor approves the expenditure of up to £1,240,000 to fund the delivery of the next phase of the Food Roots Incubator and grant-giving programme in 2023-24, comprising an amount of up to £370,000 previously approved under MD3048 and an additional amount of up to £870,000.

#### Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

11/5/23

## **PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR**

### **Decision required – supporting report**

#### **1. Introduction and background**

- 1.1. This Mayoral Decision (MD) seeks approval for expenditure of £1,240,000 on the next iteration of the Food Roots Incubator and grant-giving programme (Food Roots 2) in 2023-24.
- 1.2. MD3048 previously authorised £370,000 of expenditure from the 2023-24 budget to fund the delivery of Food Roots 2 (subject to future budget approvals). With the GLA's 2023-24 budget now confirmed, this MD seeks approval to spend up to £1,240,000 on the delivery of Food Roots 2 comprising an amount of up to £370,000 previously approved under MD3048 and an additional amount of up to £870,000.
- 1.3. The larger quantum of funding sought by this MD (in comparison to MD3048) will enable the programme to additionally:
  - increase the number of food partnerships that the programme can grant-fund from 10 (as proposed in MD3048) to between 20 and 25, thereby increasing impact by boosting coverage across London
  - provide more tailored support for less-established food partnerships through the provision of an additional type of grant, specifically aimed at recruiting part-time coordinator roles
  - procure extra incubator support to cover the higher number of grantees and to make learning sessions available pan-London, including to all food partnerships funded as part of the GLA's crisis granting round in early 2023
  - procure extra Healthy Start Voucher training and support to cover the higher number of grantees, and commission the development of resources, specific to the no-recourse-to-public-funds (NRPF) condition, to support greater uptake of vouchers amongst all eligible Londoners.
- 1.4. The original Food Roots Incubator programme ran from May 2021 to August 2022. It supported and invested in 10 local food partnerships to help them strengthen new relationships formed during the pandemic; and to encourage them to develop in ways that did not embed emergency food aid as the solution to food insecurity.
- 1.5. As a precursor to the launch of the full Food Roots 2 programme this financial year, Food Roots crisis grants were awarded to food partnerships in 30 different London boroughs in early 2023. These supported new and continuing best practice in partnership working and cash-first support, despite the acute capacity pressures that organisations were experiencing.
- 1.6. The Survey of Londoners 2021-22 found that 1.2m adults, and the children of one in seven parents, have low or very low food security. Since then, the sharp rise in inflation has meant that nearly 80 per cent of Londoners have seen an increase in their living costs. Inflation on food prices reached 18.2 per cent in February 2023, the highest observed rate for over 45 years.
- 1.7. GLA polling from March 2023 shows that half of Londoners are now either financially struggling or just about managing; and 60 per cent of those on the lowest incomes are buying less food and other essentials to make ends meet. Therefore, providing support to food partnerships and embedding approaches to help Londoners increase their incomes is likely to make a tangible difference to many households.
- 1.8. The 'food partnerships' described in this document are (typically) local partnerships that provide support to Londoners experiencing food insecurity. They involve local authorities, voluntary and community sector (VCS) organisations, and businesses. Many of them were formed at the height of the pandemic.

- 1.9. 'Cash-first' approaches are interventions or measures that focus on providing cash or in-kind support to service users (e.g., supermarket vouchers, cash payments, or help to increase income through new benefit claims) rather than emergency food parcels. These approaches help to tackle the underlying causes of food insecurity; offer greater choice and dignity to those who benefit from them; and are more sustainable to provide in the longer term.
- 1.10. The Healthy Start Voucher scheme is open to pregnant people, and those responsible for a child under four, who are also on a low income. The vouchers, worth between £4.25 and £8.50 a week, can be used anywhere that accepts debit cards to purchase fruit and vegetables, milk, and infant formula. In London only 57 per cent of eligible households are claiming Healthy Start vouchers, compared to 64 per cent across the whole of England.

## **2. Objectives and expected outcomes**

- 2.1. The aim of the Food Roots 2 grant-giving and incubator programme is to help food-aid partnerships across London to develop and embed more sustainable ways of working. This will enable them to better support Londoners who are forced to rely on emergency food aid. The work of the programme includes supporting cash-first approaches in food-aid organisations.
- 2.2. Through the delivery of Food Roots 2, the programme's aims can be achieved through the following objectives:
- an increase in the number of food-aid providers within partnerships that offer support beyond food – including cash-first and wraparound approaches, and referrals to advice services
  - increased awareness of Healthy Start across food partnerships, including newly trained staff and volunteers who can signpost and support applications
  - improved ability of food partnerships to access sustainable external funding
  - new and strengthened relationships across the VCS within an area, and between borough councils and their local food-aid providers.
- 2.3. The primary aim of the programme is to support food partnerships to become more sustainable in the medium to long term, by moving away from traditional food-bank models. However, the support offered through the programme will also allow partnerships to take steps to tackle shorter-term delivery challenges arising from the likely spike in demand for emergency food aid over the coming months.
- 2.4. The programme budget will be used to:
- provide grant funding to 20-25 food partnerships, allowing them to recruit a dedicated part-time or full-time coordinator who will: develop, share and embed best practice; build relationships between organisations; and address any short-term delivery challenges
  - commission an expert incubator partner to: support grantees by facilitating peer-learning and running learning sessions; and create a community of practice across London
  - commission a dedicated training and support offer for partnerships to help increase the uptake of Healthy Start vouchers (as an introduction to cash-first delivery in their settings)
  - commission the development of resources to support partnerships to identify Londoners with the NRPF condition, so that Londoners who have NRPF but are eligible for Healthy Start can be supported to access vouchers
  - commission/provide funding to organisations already modelling best practice in the sector to provide mentorship or other personalised support to partnerships

- commission a robust programme evaluation, to demonstrate the value of best practice and equip partnerships to obtain longer longer-term funding from sustainable sources.

2.5. The expenditure and deliverables are detailed below:

<b>Deliverables</b>	<b>Total to be agreed under this decision</b>
20-25 food partnership grants (estimated 12 full-time grants of £45,000; and 12 part-time grants of £22,500 – exact numbers decided following receipt of applications)	£810,000
Procurement of incubator support and best-practice mentors	£210,000
Procurement of Healthy Start trainer and NRPF-specific resources	£100,000
Procurement of programme evaluator	£120,000
<b>Total</b>	<b>£1,240,000</b>

2.6. Through the programme evaluation we will seek to track some or all of the following outcomes:

- the number of people who receive advice or other cash-first support as a result of partnerships, including referrals to local council crisis support
- the number of people supported to claim Healthy Start vouchers via the programme (and the resulting monthly/annual cash value of the claims)
- the number of organisations that, at the end of the supported programme, would maintain or expand cash-first delivery in their settings
- any changes in staff and volunteer attitudes and confidence in offering support beyond the provision of emergency food
- the value of any additional external funding that partnerships, or organisations within them, obtain for sustainable models of support following the Food Roots programme
- if possible, the experiences of people who no longer need emergency food aid as a result of cash-first support

2.7. A final set of outcomes will be developed with the procured evaluation partner for the project, alongside definitions of success where possible.

### **3. Equality comments**

3.1. Many groups of Londoners with protected characteristics are disproportionately likely to experience financial hardship, which makes them particularly vulnerable to rising living costs and the need to rely on emergency support. For example:

- the poverty rate amongst households in which a disabled person lives is 35 per cent, compared to 25 per cent of non-disabled households
- children in families with a disabled member are more than twice as likely to experience low income and material deprivation (20 per cent) than children in families where no one is disabled (8 per cent)
- 38 per cent of Londoners who are Black, Asian, or Minority Ethnic are in poverty, compared to 21 per cent of Londoners of White ethnicity
- 19.1 per cent of households with an ethnic minority as the household reference person (HRP) are in fuel poverty, compared to 12.6 per cent with a White HRP

- older Londoners, and households in which a disabled person lives, are also disproportionately likely to experience fuel poverty due to having higher energy requirements
- single parents, disabled Londoners and Black Londoners are more likely to experience low or very low food security
- migrant Londoners – especially those with no recourse to public funds – face a particularly high risk of destitution.

3.2. Although the programme of work set out above is designed to indirectly support all Londoners who require emergency crisis support, the Healthy Start training offer means there's a specific focus on pregnant people and parents of young children. Parents are particularly likely to be struggling with the cost-of-living crisis. For example, GLA polling in July 2022 found that households with children were nearly twice as likely as average (23 per cent versus 12 per cent) to have, by necessity, purchased fewer essentials; and therefore to have either gone without, or relied on outside support. The polling also found that Healthy Start is seriously underclaimed: only 57 per cent of eligible households in London are claiming in February 2023, compared to 64 per cent in England as a whole. This suggests that specific focus on encouraging Healthy Start uptake could be an effective targeted measure to support low-income parents with young children.

#### 4. Other considerations

##### *Key risks and issues*

4.1. The key risks and issues are as follows:

<b>Risk/issues</b>	<b>Mitigation</b>
Despite funding increased capacity and supporting work to end the need for food banks, food-aid providers and other organisations within food partnerships may continue to be overwhelmed.	<p>The increased capacity resulting from this funding could be temporarily used (if required) to take steps to address short-term delivery challenges – for example, by recruiting additional volunteers.</p> <p>If this risk cannot be sufficiently mitigated, it is likely organisations will have less capacity for best-practice partnership work and the programme will have less reach.</p>
There is a limited number of organisations with the skills and expertise to tender successfully for the procurement contract.	<p>Officers will conduct market-warming exercises with potential suppliers to encourage strong applications. The process will also support and encourage both modular and cohort approaches to tendering, to make it easier for smaller organisations to tender successfully and anticipate the necessity of onward grants or subcontracting.</p> <p>A small delay in procurement would have minimal impact on the programme, but a larger delay could delay the programme and reduce the impact of and learning from the grants.</p>
The programme requires a variety of recruitment. This may take time and cause delays to project delivery.	GLA officers and incubator partners will assist partnerships in promoting any job vacancies amongst wider stakeholder networks and via multiple channels.
GLA staff capacity is insufficient to launch and manage the full programme of work within the desired timeframe.	Commissioning the learning and mentoring component via a single procurement process will help reduce the capacity required from staff during both procurement and delivery.

#### *Considerations for procurement, the provision of grant funding and subsidy control*

- 4.2. All procurement of goods and services or grant funding will be carried out/provided in accordance with the GLA's Contracts and Funding Code. Officers will liaise with TfL procurement to agree the best strategy for procuring the goods and services required for delivery of the programme. Furthermore, all recipients of the GLA's grant funding will be selected via an open and transparent process where prospective proposals will be reviewed in accordance with a published prospectus including award criteria.
- 4.3. All programme funding will come from the 2023-24 budget, and the majority of delivery will take place within 2023-24. A small proportion of funding for procured elements of the programme may be spent in 2024-25.
- 4.4. GLA officers have carried out an analysis of the proposal against the Statutory Guidance for the UK Subsidy Control Regime.<sup>1</sup> They have assessed that the Subsidy Control Regime is non-applicable in these circumstances because the proposed financial assistance does not constitute a subsidy.
- 4.5. In particular, the proposed financial assistance fails to satisfy Limb B of the four-limbed test set out in the Subsidy Control Act, as none of the recipients of grant funding through this project will be enterprises that are engaged in economic activity to offer goods or services on a market. In addition, none of the enterprises that receive financial assistance in exchange for the delivery of goods or services as part of this project will receive an economic advantage. This is because all goods and services will be purchased at market rate upon completion of a public procurement process, carried out in accordance with the GLA's Contracts and Funding Code.
- 4.6. As such, no further assessment of the proposal against the Subsidy Control Principles is deemed necessary.

#### *Links to Mayoral strategies and priorities*

- 4.7. This funding will invest in food partnerships, helping to ensure that Londoners who experience extreme financial hardship receive appropriate, dignified and sustainable support – including access to advice and income maximisation support that can help end the need for emergency food aid. This will contribute to the long-term goal of the Robust Safety Net mission: "By 2025 every Londoner can access the support they need avoid or alleviate financial hardship."
- 4.8. These proposals also link to the Building Strong Communities recovery mission by supporting the emergency food-aid sector to develop relationships across their local voluntary sector, and with their borough council; and by embedding more sustainable and resilient ways of working.
- 4.9. This activity described in this decision document seeks to help Londoners mitigate the rising cost of living, which is a current Mayoral priority under the wider Getting London Back on its Feet priority.

#### *Conflicts of interest*

- 4.10. There are no conflicts of interest to note from officers involved in the drafting and approving of this decision form.

### **5. Financial comments**

- 5.1. This Mayoral Decision (MD) seeks approval for the expenditure of £1,240,000 of the Equality and Fairness team's core budget in the 2023-24 financial year, on the next phase of the Food Roots Incubator and grant-giving programme (Food Roots 2).

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<sup>1</sup> BEIS, [Statutory Guidance for the United Kingdom Subsidy Control Regime](#), November 2022

- 5.2. MD3048 previously authorised £370,000 of expenditure from the 2023-24 budget to fund the delivery of Food Roots 2 (subject to future budget approvals). With the GLA's 2023-24 budget now confirmed, this MD supersedes MD3048; and seeks approval to spend £1,240,000 on the delivery of Food Roots 2. This includes the original £370,000 and is not additional to that sum.
- 5.3. £1,010,000 will be funded from the Cost-of-Living programme budget and £230,000 from the Low Income and Food programme budget within the Equalities and Fairness team's core budget.
- 5.4. There is sufficient budget within the 2023-24 approved budget to meet the expenditure of £1,240,000 within the Equalities and fairness team's core budget.

## **6. Legal comments**

- 6.1. The foregoing sections of this report indicate that the decisions requested of the Mayor concern the exercise of the GLA's general powers and fall within the GLA's statutory power to do such things considered to further or that are facilitative of, or conducive or incidental to, the promotion of social development within Greater London; and in formulating the proposals in respect of which a decision is sought, officers have complied with the GLA's related statutory duties to:
- pay due regard to the principle that there should be equality of opportunity for all people
  - consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom
  - consult with appropriate bodies.
- 6.2. In taking the decisions requested, the Mayor must have due regard to the Public Sector Equality Duty – namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010; advance equality of opportunity between persons who share a relevant protected characteristic (age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation) and persons who do not share it; and foster good relations between persons who share a relevant protected characteristic and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to section 3 (above) of this report.
- 6.3. The decision seeks approval of up to £1,240,000 in budget for the Food Roots Incubator and grant-giving programme. GLA officers have explained in paragraph 4.2 above that all procurements and the provision of grant funding will be undertaken in accordance with the GLA's Contracts and Funding Code.
- 6.4. Paragraph 2.5 above envisages the provision of 20-25 food partnership grants of an estimated value between £22,500 and £45,000. This would keep the grants below the subsidy control threshold; currently £315,000. In any event, officers have set out in section 4 above how the proposed grant funding has been assessed as falling outside the scope of the subsidy control regime, such that further consideration of those principles is not required.
- 6.5. Finally, officers must ensure that an appropriate contract or funding agreement be put in place between the GLA and the service provider or grantee before the commencement of the provision of the services or the funded activity.

## **7. Planned delivery approach and next steps**

<b>Activity</b>	<b>Timeline</b>
Procurement of incubator support contracts	May – June 2023

Competitive grant award exercise	May – June 2023
Mobilisation phase (e.g. recruitment, data sharing agreements, governance agreements, evaluation framework design, etc)	June – July 2023
Delivery period	July 2023 – June 2024
Evaluation of project (largely concurrent with delivery)	Aug 2023 – July 2024
Evaluation findings	July 2024 – Aug 2024
Project close	July 2024

**Appendices and supporting papers:**

None.



**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will be published either within one working day after it has been approved or on the defer date.

**Part 1 – Deferral**

**Is the publication of Part 1 of this approval to be deferred? NO**

**Part 2 – Sensitive information**

Only the facts or advice that would be exempt from disclosure under the FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

**Is there a part 2 form – NO**

**ORIGINATING OFFICER DECLARATION:**

Drafting officer to confirm the following (✓)

**Drafting officer:**

Emily Spoor has drafted this report in accordance with GLA procedures and confirms the following:

✓

**Sponsoring Director:**

Tunde Olayinka has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

**Mayoral Adviser:**

Dr Debbie Weekes-Bernard has been consulted about the proposal and agrees the recommendations.

✓

**Advice:**

The Finance and Legal teams have commented on this proposal.

✓

**Corporate Investment Board**

This decision was agreed by the Corporate Investment Board on 9 May 2023.

✓

**EXECUTIVE DIRECTOR, RESOURCES:**

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

**Signature:**

*D. Bone*

**Date:**

10/05/2023

**CHIEF OF STAFF:**

I am satisfied that this is an appropriate request to be submitted to the Mayor.

**Signature:**

*D. Bellamy*

**Date:**

09/05/2023

