

Delegated Decision Report



NOT FOR PUBLICATION by virtue of Paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972 and it is not in the public interest to disclose the financial information relating to the authority and the recommended contractor

Subject:	HomeStart Family Hubs Services Contract Extension 2026/2027
Decision maker: Senior Officer	Julie Daniels, Executive Director Childrens and Young People
Decision maker: Cabinet Member	Cllr Shaid Mushtaq, Cabinet Member for Children and Young People
Decision date:	14 January 2026
Report author:	Bruce Penhale, Assistant Director of Family Connect Chantelle Fraser, Commissioning Officer Children and Young People
Ward (s):	All

Reason for decision

HomeStart Host Ltd is currently contracted to deliver a variety of specific, targeted services through Oldham's Family Hubs Offer. These services are fully funded by the Department for Education (DfE) as part of this offer. DfE have just confirmed continued Family Hubs funding for Oldham for an additional 3 years.

To streamline services, avoid any gaps in delivery and ensure the best outcomes for Oldham's vulnerable families we are seeking to extend the current HomeStart contract up until 30 September 2026 and to use that time to go out to the market with a full, transparent competitive tender for one provider to deliver a variety of Family Hub services from 1 October 2026 up until 30 September 2029.

Recommendation(s)

- To align and extend the HomeStart Host Family Hubs services outlined in this report up until 30 September 2026. This will prevent any gaps in service delivery and ensure retention of experienced, skilled staff and volunteers to deliver Oldham based services and achieve outcomes for residents.

Background

During 2022, Oldham, alongside 74 other LAs, including Bolton, Tameside, Rochdale and Manchester met the government's criteria to receive a share of £82m ringfenced funding for Family Hub development.

The criteria used targets looking at areas with the highest levels of deprivation to support the government's levelling-up and Start for Life agenda.

Family Hubs and Start for Life Programme is a national initiative which is jointly overseen by the Department for Education (DfE) and the Department of Health and Social Care and looks to connect a range of services that support families at a universal and targeted level. The expectations for delivery include co-produced activities and achieving shared goals in partnership with the Voluntary, Community, Faith and Social Enterprise Sector (VCFSE). Oldham received £3,648,000.00 from the Family Hubs and Start for Life Programme to develop the Programme across the borough. DfE have now confirmed an allocation of over 5 million pounds for Oldham to continue the Family Hubs offer from 2026 – 2029. A range of activities have been delivered across Oldham Family Hubs including the commissioning of local providers to deliver specific, targeted work programmes.

Current Position

Oldham Family Hubs are now well established and delivering a range of high-quality services, including under the HomeStart contract which commenced on 1 July 2023 for an initial 2 year term with the option, which has been taken, to extend 1 year to 30 June 2026. The overall contract amount is £1,064,534.00. The goods and services delivered are:

- Parents Social Networking & Parenting Peer Support
- Mental Health Peer Support
- Play Learn and Grow including Bilingual Support
- Targeted home visiting support for vulnerable 2-5year olds
- Infant Feeding Peer Support
- Infant Feeding Equipment

Infant Feeding Peer Support is a jointly commissioned service which is led by Tameside and is not in scope for this report.

Historically, Family Hubs funding from DfE has been confirmed late in the financial year and for short periods. This has resulted in services being commissioned at varying times, creating challenges for streamlined contract monitoring and quality assurance. It has also placed pressure on providers to retain skilled staff, particularly where staff work across multiple service areas.

The recent confirmation of three-year funding for Oldham provides an opportunity to recommission services with improved specifications, clearer outcomes for families, and a longer term contract that supports workforce stability. A robust, competitive procurement process engaging service experts and young people will be undertaken to appoint a single provider to

deliver a range of Family Hub services. Details of this process are outlined in the Best Start for Life Cabinet paper.

However, as funding was only confirmed in November 2025, there is insufficient time to complete procurement and implement new arrangements before current contracts expire. Therefore, an extension of the HomeStart contract until 01 October 2026 is required.

The contract modification to extend the term is permitted as the value is less than 10% of the initial contract value, pursuant to regulation 72(5) of the Public Contracts Regulations 2015.

A breakdown of the services in scope and the extension period they require is below:

Service	Current End Date	Extension Required	Cost for extension Period	Current funding Source
Baby Bank and breastfeeding loan service	30 June 2026	3 months	£5000.00	Family Hubs
Play Learn Grow	30 June 2026	3 months	£6,500.00	Family Hubs
Peer Support (PIMHS)	30 June 2026	3 months	£22,991.75	Family Hubs
Dad Matters	30 June 2026	3 months	£5,675.00	Family Hubs
Play Learn Grow Bilingual Support	31 August 2026	1 month	£4,166.67	Family Hubs
Targeted Home Visiting for vulnerable 2-5yo	31 March 2026	6 months	£17,000.00	Family Hubs
Infant Feeding – Outreach	31 March 2026	6 months	£26,898.50	Family Hubs
Befriending Service	31 March 2026	6 months	£15,000.00	Supporting families
Total increased spend			£103,231.92	

Alternative option(s) to be considered *(please give the reason(s) for recommendation(s))*

Option One – Recommended:

- To extend the HomeStart Host Family Hubs services contract outlined in this report up until 30 September 2026. This will prevent any gaps in service delivery and ensure retention of experienced, skilled staff and volunteers to deliver Oldham based services and achieve outcomes for residents.

Option two

- Do not extend the HomeStart services contract term. This option is not recommended as this would reduce services available for families and could impact on any future DfE funding.

Consultation



All activity delivered as part of the Family Hubs Offer is overseen by the Family Hubs Board, co-chaired by Director of Education & Skills and Director of Children’s Social Care & Early Help. Regular consultation and co-production are completed by Family Hub Parent Panels.

Risks

If these services were not extended, support through Family Hubs for vulnerable families would be reduced. Families could be forced to use higher cost, high demand services.

Furthermore, if a timely robust, competitive tender exercise is not completed, service delivery post 2026 could be negatively impacted.

Implications

Financial	<p>This report seeks approval to align and extend the HomeStart Host Family Hubs services up until 30 September 2026, at a confirmed cost of £103,231.92 as analysed in the table in the main body of the report above. This expenditure will continue to be fully funded through the Family Hubs and Start for Life Programme (FHSLP) grant and has been incorporated into the overall programme of works for FY2025/26 and subsequent years.</p> <p>Delivery under the FHSLP grant is subject to rigorous monitoring by the Council, encompassing both service performance and financial compliance. Regular engagement with the Department for Education ensures that all activities remain within the agreed scope and budget throughout the programme’s duration.</p> <p>The Local Authority has received its FHSLP grant allocation for FY2025/26, totalling £1,381,400.</p> <p>Additionally, the Local Authority has been notified of Best Start and Family Hubs grant allocations for the following financial years:</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th></th> <th>FY2026/27</th> <th>FY2027/28</th> <th>FY2028/26</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>1,819,400</td> <td>1,736,400</td> <td>1,774,100</td> <td>5,329,900</td> </tr> <tr> <td>Capital</td> <td>99,300</td> <td>101,200</td> <td>103,200</td> <td>303,700</td> </tr> <tr> <td>Total</td> <td>1,918,700</td> <td>1,837,600</td> <td>1,877,300</td> <td>5,633,600</td> </tr> </tbody> </table> <div style="text-align: center; margin-top: 20px;">   </div> <p style="font-size: small; margin-top: 5px;">Oldham_December_November_2025_Bes 2024_Family_Hubs_at_Start_Family_Hubs_</p> <p style="margin-top: 20px;">Vicki Hayes – Senior Accountant</p>		FY2026/27	FY2027/28	FY2028/26	Total	Revenue	1,819,400	1,736,400	1,774,100	5,329,900	Capital	99,300	101,200	103,200	303,700	Total	1,918,700	1,837,600	1,877,300	5,633,600
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Procurement	<p>The initial contract was awarded under PCR2015 so this legislation continues to define the approach taken, unless it is deemed as a PSR contract (see below). Under PCR there are a couple of options under Regulation 72. 72b allows for increases of up to 50% and states:</p> <p>72.—(1) Contracts and framework agreements may be modified without a new procurement procedure in accordance with this Part in any of the following cases:—</p> <p>(b) for additional works, services or supplies by the original contractor that have become necessary and were not included in the initial procurement, where a change of contractor—</p> <p>(i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations procured under the initial procurement, or</p> <p>(ii) would cause significant inconvenience or substantial duplication of costs for the contracting authority, provided that any increase in price does not exceed 50% of the value of the original contract;</p> <p>72(5) allows for increases of up to 10% (as this is services) and states:</p> <p>(5) This paragraph applies where the value of the modification is below both of the following values:—</p> <p>(a) the relevant threshold mentioned in regulation 5, and</p> <p>(b) 10% of the initial contract value for service and supply contracts and 15% of the initial contract value for works contracts, provided that the modification does not alter the overall nature of the contract or framework agreement.</p> <p>The contract would have been LTR under PCR2015 so a threshold of £663,540 would apply. The proposed increase is below this threshold, and the paper states it would be below 10%.</p> <p>The intention is to go out to procurement during the extension period, so to change this sooner would likely cause the authority significant inconvenience, and impact on services to the public.</p> <p>If the elements that make up this contract were classed as PSR CPV codes then the following could apply:</p> <p>Modifications to contracts originally awarded under direct award process C, the most suitable provider process or the competitive process, or to contracts that were originally awarded under the Public Contracts Regulations 2015. Such modifications are permitted during the term of the contract in the following instances:</p>
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	<ul style="list-style-type: none"> the modification is attributable to a decision of the relevant authority and does not materially alter the character of the contract or framework agreement, and the cumulative change in the lifetime value of the contract or framework agreement, compared to its value when it was entered into, is under £500,000 or under 25% <p>(other bullet points that are not relevant have been removed) NHS England » The Provider Selection Regime: statutory guidance</p> <p>This could apply where the CPV codes are aligned to PSR guidance, or where there is a mixed procurement, with the majority being PSR. In this case, based on the information available, it appears that the majority would not be PSR CPV codes so it would continue under PCR2015 legislation. The contract would however be below the relevant thresholds (50% 72b or 10% 72(5) for PCR and 25%/500k (the higher) for PSR) for whichever approach. It is recommended to go with 72(5) as 72b) would require a notice.</p> <p>The overall spend relating to this contract over its entire lifetime needs to be added to confirm this is within the specified thresholds.</p> <p>A new procurement process should be started as soon as possible to be able to achieve the timelines for new services to be in place, as this will take around 6 months.</p> <p>James England – Procurement Manager 07.01.2025</p>
Legal	<p>I confirm that the proposal to extend the term of the contract as specified is lawful, relying on PCR 2015 regulation 72(5) as the increase in contract value is less than 10% of the initial contract value. Accordingly the proposal complies with the Council’s constitution.</p> <p>Bryan Boese Solicitor 07.01.2025</p>
Equality impact including implications for Children and Young People	Not required as recommended option is for services to continue.
Other	

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council’s Constitution?	Yes
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Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the Council's budget?	Yes
Are any of the recommendations within this report contrary to the Policy Framework of the Council?	No


Background Papers under Section 100D of the Local Government Act 1972


1. Best Start for Life Cabinet Paper
- 2.

Appendix

- 1.
- 2.

Report author sign-off	Bruce Penhale
Role	Assistant Director of Family Connect
Date of sign-off	19.12.2025

Approval	
Officer approval sign-off	
Role	Julie Daniels – Executive Director of Children and Young People (DCS)
Date of sign-off	14 January 2026

Approval	
Member(s) approval sign-off	
Role	Cllr Mohon Ali- Cabinet Member for Education and Skills

Date of sign-off	24 th March 2026
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