
Executive Decision Report

Connect to Work Programme

Decision to be taken by: City Mayor

Decision to be taken on: 12 November 2025

Lead director: Peter Chandler

Useful information

- Ward(s) affected: Citywide
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- Report version number: 1

1. Summary

- 1.1. This report is seeking approval to accept grant funding for the delivery of the Connect to Work programme across Leicester, Leicestershire & Rutland for delivery from 1st April 2025 to March 2030.

2. Recommended actions/decision

2.1 The City Mayor is recommended to:

- (a) accept Department for Work & Pensions (DWP) revenue grant funding of £17.2m, and
- (b) agree for the City Council to act as Accountable body for the financial management of these funds.
- (c) To delegate to the Strategic Director City Development and Neighbourhoods authority to amend the funding between individual projects.

3. Scrutiny / stakeholder engagement

Included as part of the Get LLR Working update presented to Economic Development, Transport and Climate Emergency Scrutiny Commission on 27th August 2025.

4. Background and options with supporting evidence

Background

- 4.1 Connect to Work is the new DWP funded supported employment programme that aims to support disabled people, people with health conditions and people from disadvantaged groups with multiple and complex barriers to move into and maintain employment.
- 4.2 DWP is proposing an annual ring-fenced Connect to Work grant to support a maximum of 1,600 people per annum (at peak volumes) across Leicester, Leicestershire and Rutland, with volumes ramping up over time. The funding formula indicates a total grant of up to £17.2m from 2024/25 to 2029/30 to cover programme management and delivery costs.
- 4.3 Eligible participants will be either economically inactive, unemployed or employed/self-employed but at risk of dropping out of work. Individuals must have a disability or long-term health condition or belong to a specific disadvantaged group. These groups defined by Government are as follows:
 - An offender or ex-offender
 - A carer or ex-carer.

- A homeless person.
- A former member of His Majesty's Armed Forces, or reserves, or a partner of current or former Armed Forces personnel.
- A person with drug or alcohol dependency, or history of dependency.
- Care experienced young person or a care leaver
- A refugee, a resettled Afghan, or a person on the Ukrainian scheme.
- A victim/survivor of domestic abuse.
- Young people identified as being involved or at risk of being involved in serious violence.
- A victim of modern slavery.

4.4 Connect to Work requires the commissioning or establishment of a supported employment programme to 'place, train and maintain' eligible participants to move into and maintain, or retain, employment. The service will be delivered by teams of 'Employment Specialists', who will work with individuals and co-ordinate access to integrated health and wider support (for example – debt, housing, skills).

Delivery Model

- 4.5 Leicester City Council, as the 'Accountable Body' for the programme, is responsible for:
- Commissioning or establishing a Connect to Work service using the defined supported employment models.
 - Establishing Connect to Work governance arrangements with Leicestershire County Council and Rutland County Council, including securing sign-off of the Connect to Work proposals using agreed governance processes.
 - Leading the development of a Connect to Work Delivery Plan, working with Leicestershire County Council, Rutland County Council, Health Board/Integrated Care System partners and other key local stakeholders.
 - The day-to-day management of the programme and have overall accountability for the funding and how the grant operates. This will include managing eligibility and referral/ triage for individuals, and responsibility for managing external inspection audit requirements.
- 4.6 The Connect to Work programme needs to deliver the following two specific models of supported employment: individual Placement and Support (IPS) and Supported Employment Quality Framework (SEQF). Local areas can determine whether Connect to Work support is delivered in house, via contracted provision, or a mixture of the two, although DWP intends that this builds on any local Supported Employment provision already grant funded by DWP.

Individual Placement and Support (IPS)

4.7 IPS integrates employment support alongside primary and secondary health services, and other support services, usually through co-location. This aims to help people accessing health services find work to aid their recovery and is typically successful in supporting individuals with low to moderate health and/or physical health conditions. Individuals will be supported for up to 12 months for out of work individuals and 4 months for in-work individuals, and DWP estimate 75% of individuals will require IPS support.

- 4.8 We are aware of only two IPS services in the area – covering Serious Mental Illness and Drug and Alcohol Services - and Connect to Work should not seek to duplicate this provision. It is being proposed that we commission new IPS services across LLR, grouped into 'lots' by geography and/ or cohort. The services will need to be integrated within teams working with the client group, which could be both voluntary organisations or NHS/ICB provision. During the procurement, organisations will need to clearly outline how they will be looking to integrate the procured service within existing provision.
- 4.9 With a maximum caseload of 25 per Employment Specialist and allowing for the service to ramp up over time, the IPS service will aim to support 3,497 people in total across LLR over the lifetime of the programme.

Supported Employment Quality Framework (SEQF)

- 4.10 SEQF typically supports individuals with learning disabilities, autism and/or other complex disadvantages, and hence is a more intensive intervention than IPS, with individuals supported for up to 12 months for out of work individual and 4 months for in-work individuals. The SEQF model does not involve integration/ co-location of Employment Specialists within into integrated services (i.e. clinical teams). It follows a five stage a process (client engagement, vocational profiling, job finding, engagement, on and off job support) by improving services for vulnerable job seekers, employees, and their employers. DWP estimate 25% of individuals will require this more intensive SEQF support.
- 4.11 It is proposed that we deliver the SEQF service in house across LLR as follows:
- 4.12 **SEQF Leicester City:** Leicester City Council has an existing in-house SEQF Local Supported Employment team in Adult Social Care, which focuses on individuals with autism and learning difficulties. It is proposed to expand this team working across Leicester city to increase support volumes and cover all of the additional eligible cohorts.
- 4.13 **SEQF Leicestershire / Rutland:** A similar SEQF service does not currently exist in either Leicestershire or Rutland areas. It is proposed to establish new equivalent in-house SEQF services covering Leicestershire and Rutland respectively. These will be managed by Leicestershire County Council for Leicestershire residents and Rutland County Council for Rutland residents. All eligible cohorts will be covered by these service areas.
- 4.14 With a maximum caseload of 20 per Employment Specialist and allowing for the service to ramp up over time, the SEQF service will aim to support 1,165 people in total across LLR over the lifetime of the programme.

Delivery Volumes

- 4.15 The overall proposed number of people supported for each element of the programme are as follows.

Table 1: People to be supported

	2025/26	2026/27	2027/28	2028/29	2029/30	Total
People to be supported						
% of Peak volume	5%	50%	100%	90%	35%	
Total No. People	78	1000	1600	1440	544	4662
SEQF (25%)						
Leicestershire	33	120	228	235	0	616
Rutland	0	15	25	29	0	69
Leicester	45	115	153	167	0	480
Total SEQF	78	250	406	431	0	1165
IPS (75%)	0	865	1194	1100	338	3497
Total SEQF/ IPS	78	1115	1600	1531	338	4662

Table 2: Targets/ outcomes:

Description	No's	Percentage
Unemployed Individuals supported	3963	85%
In-Work individuals supported	699	15%
	4662	100%
<u>Performance Indicators</u>		
1) Unemployed Individuals into employment (starts)	1981	50%
2) Unemployed individuals in employment over 13 weeks at minimum wage	1585	40%
3) Unemployed individuals in employment over 26 weeks at minimum wage	1149	29%
4) In-work individuals returning to work from sick leave	559	80%

4.16 The in-house SEQF services for Leicester City Council, Leicestershire County Council and Rutland being planned to launch end of November/ early December 2025, subject to funding approval from DWP and recruitment/ mobilisation of the teams. The IPS service(s) will be commissioned during Autumn/ Winter 2025 and are currently planned to start from April 2026.

4.17 The number of people supported is forecast to ramp up over time as services are established, starting with just under 5% of peak volumes overall in 2025/26, rising to peak volume in 2027/28 and then declining towards the end of the programme. In total, the programme aims to support 4,662 individuals to 2029/30.

Delivery Costs

4.18 DWP is proposing an annual ring-fenced Connect to Work grant for LLR, based on an average cost of £3,700 per individual. The funding formula indicates a total grant of up to £17.2m from 2024/25 to 2029/30 to cover all programme management and delivery costs.

4.19 Maximum annual allocations have been set by DWP and therefore the costings have been developed on the basis of these annual allocations to meet the DWP requirements.

4.20 Detailed costings have been provided by partners relating to delivery of their element of the programme, and these are summarised below. As the annual allocations have been fixed, we have had to consider this aspect in developing the final cost structure. This has been agreed by the project group working on the project and DWP have confirmed they agree with these costings subject to final sign off.

Table 3: Delivery Costs

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£000	£000	£000	£000	£000	£000	£000
IPS Service	0	250	1,370	3,442	2,880	800	8,742
Leicestershire SEQF	45	525	531	919	951	373	3,344
Rutland SEQF	0	42	76	99	118	60	395
Leicester SEQF	45	342	404	712	680	343	2,526
Accountable Body	50	241	439	548	571	394	2,243
Total	140	1,400	2,820	5,720	5,200	1,970	17,250

Delivery Plan Submission

4.21 Planning for the Connect to Work programme across LLR is proceeding with an officer steering group in place with representatives from Leicester City Council, Leicestershire County Council and Rutland County Council that is guiding the development of the programme, and we have also been engaging with local partners including public health, the Integrated Care Board (ICB) and DWP to develop the new programme.

4.22 Local areas have been required to submit a Connect to Work Delivery Plan to DWP for approval before they issue a grant agreement. The timescale agreed with DWP for this, which is similar to other areas, is as follows:

- Submission of 1st draft Delivery Plan – Completed 6th June 2025
- DWP review and comments on draft delivery plan by end of June 2025
- Submission of 2nd Draft Delivery Plan – submitted end of July 2025
- Comments from DWP on 2nd Draft – Early-Mid Aug 25
- Submission of final Delivery Plan – end Aug 2025
- Grant funding agreement signed – November 2025
- Mobilisation/ recruitment/ commissioning – started from August 2025
- Target launch dates
 - November/December 2025: Leicester / Leicestershire / Rutland SEQF
 - April 2026: IPS

4.23 The delivery plan has been approved by senior managers of Leicester City Council, Leicestershire County Council and Rutland County Council based on the details in

the report. The Delivery Plan has been approved by DWP and the grant funding draft agreement has been received and is currently being reviewed for sign-off subject to this executive decision notice.

5. Financial, legal, equalities, climate emergency and other implications

5.1 Financial implications

This report proposes that Leicester City Council acts as accountable body for £17.2m of revenue grant funding from the Department for Work & Pensions (DWP). The grant agreement will set out the grant conditions and these will need to be reviewed before it is entered into.

Leicester City Council will need to incur expenditure (including payments to the other local authorities) in advance of receiving the funds from government. Any risk associated with having to repay grant money already handed over to other local authorities will be mitigated by mirror grant agreements with those organisations.

The grant includes a sum to cover the administrative cost to the Council of acting as Accountable Body. As such, it is not anticipated that there would be any net cost to the Council of the proposed arrangements.

Signed: Stuart McAvoy – Head of Finance

Dated: 29th October 2025

5.2 Legal implications

The Council is expected to become an accountable body and accept a nominated fund as mentioned within this report on behalf of LLR. As the accountable body, the Council will work with local partners and would be expected to take on the responsibility to lead on the design and commissioning of services, as well as implementation, delivery and the management of outcomes

The acceptance of funding requires entering and complying with the Department of Work & Pensions' grant agreement conditions and guidance, once the final grant agreement is issued this will be reviewed by Legal Services prior to acceptance.

Any expenditure of the Grant will be in line with the Subsidy Control Act 2022.

Any contracts entered into in respect of the Grant funding will be in accordance with the Procurement Act 2023 and the Council internal Contract Procedure Rules.

The Council will need to ensure that it enters into and where relevant all appropriate contract terms are mirrored to the procured providers and/or a partner authority to ensure accountabilities and responsibilities are governed appropriately.

Signed: Mannah Begum, Principal Solicitor, Commercial Legal

Dated: 27th October 2025

There are no direct employment legal implications arising out of the recommendations sought in this report.

However, it is recommended that HR advice is obtained on the recruitment of new staff, as required. Employment legal advice should also be obtained on the procurement of any contracts for services to be delivered, to ensure that consideration is given to the applicability of the TUPE Regulations at the relevant time.

Signed: Julia Slipper, Principal Lawyer (Education & Employment)

Dated: 27th October 2025

5.3 Equalities implications

Under the Equality Act 2010, public authorities have a Public Sector Equality Duty (PSED) which means that, in carrying out their functions, they have a statutory duty to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation and any other conduct prohibited by the Act, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't.

Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

This report seeks approval to accept grant funding for the delivery of the Connect to Work programme. For disabled people and disadvantaged groups who have been out of work for some time, it can be challenging to obtain, and then remain, in a job. The program specifically targets individuals who face barriers to employment, such as disabilities and health conditions, to help them enter or remain in the workforce. It helps individuals by providing personalised, one-to-one support, including help with job searching, skills training, and upskilling opportunities. The program also assists those already in work who are at risk of losing their jobs to stay employed. People will be from a range of protected characteristics. The programme must ensure equitable access.

Signed: Equalities Officer, Surinder Singh, Ext 37 4148

Dated: 27th October 2025

5.4 Climate Emergency implications

There are no significant climate emergency implications directly associated with this report. As service delivery generally contributes to the council's carbon footprint, any impacts could be managed as part of any changes made to the service, such as encouraging the use of sustainable travel options, using buildings and materials efficiently and following the council's sustainable procurement guidance, as appropriate and relevant to the option selected.

Signed: Phil Ball, Sustainability Officer, Ext 2246

Dated: 27th October 2025

6. Background information and other papers:

N/A

7. Summary of appendices:

N/A

8. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?

No

9. Is this a “key decision”? If so, why?

No