



Title of report: Connect to Work Programme

Decision maker: Cabinet Member for Economy and Growth

Decision date: xx October 2026

Report by: Alexia Heath, Post 16 Senior Advisor Post 16 Learning and Skills

Classification

Open

Decision type

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

(All Wards);

Purpose

The purpose of this key decision is to seek approval for Herefordshire Council to enter into and award a contract for the delivery of the Connect to Work Individual Placement and Support (IPS) programme in Herefordshire and to accept and utilise grant funding provided by the Department for Work and Pensions (DWP) to support programme delivery.

Recommendation(s)

That the Cabinet Member for Economy and Growth approves and delegates to the Service Directors for Economy and Growth and Education, Skills and Learning:

- a) the procurement of the Connect to Work Individual Placement and Support (IPS) programme in Herefordshire; and**
- b) the award of a contract to the successful bidder for a term of up to 3 years and 6 months, commencing in October 2026, with a contract value of up to £1.22 million; and**
- c) Delegates operational responsibility for the delivery of the Connect to Work programme in Herefordshire.**

Alternative options

1. Option 1: Do not procure an Individual Placement and Support (IPS) provider and do not participate in the Connect to Work programme. The advantages of this would be that there would be no requirement for procurement activity or contract management. The disadvantages of this option are:
 - a) Herefordshire residents with health conditions, disabilities and complex barriers to employment would not have access to the additional support and funded provision available through the Connect to Work programme.
 - b) The council would lose the opportunity to secure significant external funding to support employment outcomes and economic inclusion.
 - c) The council would be unable to contribute fully to national and local objectives relating to economic inactivity, employment and skills.
2. This option is rejected as it would result in Herefordshire residents missing out on a nationally funded employment support programme and would not support the council's objectives to improve employment outcomes and inclusive growth.
3. Option 2: Deliver the IPS service directly through the council without procuring an external specialist provider. The advantages of this would be that the council would have direct control over service delivery and performance and there would be a potential opportunity to align more closely with existing council services. The disadvantages of this option are:
 - a) The council does not currently have the specialist IPS workforce, infrastructure, systems or experience required to deliver the service at the scale and pace required by the programme.
 - b) Significant recruitment, training and operational setup costs would be incurred.
 - c) Greater financial and delivery risk would rest with the council.
 - d) Delivery timescales may be adversely impacted, risking achievement of programme milestones and outcomes.
4. This option is rejected as procuring a specialist provider offers the most cost-effective and efficient route to mobilise delivery within required timescales while ensuring access to established IPS expertise and proven delivery models.

5. The recommended option is to procure a specialist provider to deliver the IPS service. This option is recommended as it provides the best balance of value for money, delivery capability, compliance with programme requirements and achievement of employment outcomes for eligible residents. It enables the council to access specialist expertise, minimise delivery risks and maximise the benefits of external programme funding for Herefordshire residents.

Key considerations

6. Connect to Work is a voluntary supported employment programme led by the Department for Work and Pensions (DWP) and devolved to local authority areas for delivery. The primary aim of the Connect to Work programme is to provide intensive, voluntary, and tailored support to help disabled people, individuals with long-term health conditions, or those facing complex barriers enter and sustain meaningful employment. The programme focuses on supporting individuals both to secure employment and to retain employment where they may otherwise be at risk of leaving the workforce.
7. The programme forms part of the Government's wider Get Britain Working agenda and seeks to address economic inactivity by providing evidence-based employment support integrated with wider health, wellbeing and community services. National evidence demonstrates that supported employment approaches can improve employment outcomes for disabled people and people with health conditions whilst contributing to improved wellbeing and financial resilience.
8. While Herefordshire has a relatively strong overall employment rate at 82.1% above national levels of 75.5% (NOMIS March 2026), it does experience several labour market challenges including a rapidly ageing population, economic inactivity associated with long-term health conditions, lower than average earnings, low productivity and rural transport barriers which can make accessing employment opportunities more difficult. Evidence from local labour market intelligence, the Herefordshire Economic Plan, Joint Strategic Needs Assessment, NHS partners and DWP data demonstrate an ongoing need for targeted employment support for residents who face significant barriers to entering or remaining in work. In Herefordshire, this is heavily concentrated within the county's most socially and financially deprived neighbourhoods.
9. The Connect to Work programme's delivery model has been prescribed nationally by DWP and comprises two distinct interventions with separate targets and funding allocations:
 - a) Individual Placement and Support (IPS): A supported employment approach focused on helping individuals access or retain employment through close integration with primary care, secondary health services and wider support networks. IPS is particularly effective for individuals with mild to moderate mental health conditions and physical health conditions.
 - b) Supported Employment Quality Framework (SEQF): A more intensive supported employment model designed primarily for autistic adults, people with learning disabilities and individuals with more complex support needs where clinical integration may be less appropriate.
10. DWP requires local authority areas to deliver a programme mix comprising approximately 75% IPS provision and 25% SEQF provision, with delivery activity split between supporting individuals into employment (85%) and supporting individuals to remain in employment (15%).
11. Participants can be supported on the programme for up to 12 months if they are unemployed and for up to 4 months if they are in employment.
12. DWP has designated Shropshire Council as the accountable body for the Marches economic area. Through this arrangement, Herefordshire has been allocated up to £2.221 million to

support 605 participants through to March 2030. Of this allocation, up to £1.22 million has been identified for the delivery of the IPS element over a period of three years and six months, supporting approximately 437 Herefordshire residents.

13. Given the scale, specialist nature and prescribed delivery requirements of the IPS model, it is proposed that a specialist provider is commissioned through a competitive procurement process to deliver the IPS element of the programme. Preliminary market engagement has been undertaken through a Request for Information process and has identified several providers already delivering IPS-related services within Herefordshire, including IPS Drug and Alcohol Services, IPS Mental Health Employment Support and NHS Talking Therapies employment support provision.
14. It is proposed that the council commissions the delivery of the full IPS element of the programme, together with approximately 60% of the SEQF requirement. The remaining 40% of SEQF delivery will be provided through the existing Youth Employment Hub, which supports young people aged 18 to 24. This approach reflects existing local expertise and demand, particularly amongst young people with autism, learning disabilities and additional support needs who are already engaging with Youth Employment Hub services.
15. The proposal is expected to increase local service delivery by providing access to specialist IPS practitioners with expertise in supporting disabled people and people with health conditions into sustainable employment. Delivery will complement existing provision, including the Youth Employment Hub, NHS services and community-based employment support, creating a more coordinated and integrated support pathway.
16. The procurement process will be undertaken in accordance with the council's Contract Procedure Rules and the Procurement Act 2023. Procurement officers will support the tender process to ensure compliance, transparency, value for money and robust contract management arrangements.
17. Employment responsibilities relating to delivery staff will sit with the commissioned provider. The provider will be required to recruit, train and retain appropriately qualified and experienced advisers to deliver services in accordance with DWP programme guidance and IPS fidelity requirements.
18. The council will recruit a Connect to Work project officer to manage the IPS contract fully funded by the Connect to Work grant.
19. Expected outcomes from the programme include increased employment participation amongst disabled people and individuals with health conditions, reduced economic inactivity, improved confidence, wellbeing and financial resilience for participants and stronger integration between employment, health and support services.
20. Performance will be monitored through contract management processes and DWP reporting requirements. Key performance indicators include participant starts, job outcomes, sustained employment outcomes, participant satisfaction, referrals received and achievement against contracted delivery profiles and IPS fidelity requirements. Performance will be monitored through regular contract management meetings and reported through programme governance arrangements with Shropshire Council, DWP and council performance reporting processes as appropriate.
21. Following contract award, a communications and stakeholder engagement plan will be implemented. Information regarding the service will be shared with DWP, NHS partners, primary care networks, social care teams, the voluntary and community sector, employers, referral agencies, councillors and other key stakeholders. Promotion will be undertaken through council communication channels, partner networks and the Youth Employment Hub to ensure eligible residents are aware of and able to access the support available. This

communication activity will support accessibility, inclusion and participant wellbeing whilst ensuring stakeholders understand referral routes and delivery arrangements.

Community impact

22. The Connect to Work programme is expected to have a positive impact on communities by increasing employment opportunities for residents who experience the greatest barriers to work. Benefits are anticipated to include improved health and wellbeing outcomes, increased household income, reduced social isolation and greater independence. The programme will also support employers by helping them access a wider and more diverse workforce.
23. The programme supports the delivery of the Herefordshire Council Plan 2024-2028 priorities by supporting residents to access skills development, training and employment opportunities, to realise their potential, to be healthy and to be part of great communities that support each other.
24. Connect to Work aligns with a range of local and national strategies and policies including the Government's Get Britain Working agenda, the Herefordshire Economic Plan, Herefordshire Health and Wellbeing Strategy, Herefordshire and Worcestershire Health and Work Strategy and the Marches Local Skills Improvement priorities. By supporting individuals with disabilities, health conditions and complex barriers to employment, the programme will assist in reducing economic inactivity and addressing health inequalities across the county.
25. The programme has been designed by DWP in response to growing levels of economic inactivity associated with disability and poor health. Local intelligence from employment support services, health partners, Adult Social Care, the Youth Employment Hub and community organisations demonstrate continued demand for specialist employment support for individuals with complex barriers to work.
26. The proposed delivery model has been developed through engagement with DWP, Shropshire Council as the accountable body for the Marches area, NHS partners, primary care representatives, Adult Social Care, employment and skills providers and local voluntary and community sector organisations. The programme relies on strong partnership working to create referral pathways and ensure participants receive coordinated support that addresses both employment and wider health and wellbeing needs.
27. The IPS model specifically requires close integration with health services and wider support agencies. The commissioned provider will be expected to work collaboratively with health partners, community services, employers and council services to ensure participants receive holistic support and can access employment opportunities appropriate to their individual circumstances.
28. Care experienced young adults are more likely to face barriers to employment, education and training than their peers. Connect to Work provides tailored employment support for care experienced young adults who meet the eligibility criteria. The commissioned provider will work collaboratively with relevant council services and the Youth Employment Hub, to ensure eligible young people can access support.

Environmental impact

29. The Connect to Work programme is an employment support service and is expected to have a limited direct environmental impact. However, the successful commissioned provider will demonstrate how they will minimise environmental impacts and reduce carbon emissions, including consideration of digital approaches where appropriate, reducing unnecessary travel,

utilising existing local venues, encouraging sustainable and active travel options and supporting the council's carbon reduction ambitions through their organisational policies and practices.

30. Participants in the programme will be encouraged and supported to consider sustainable travel options when accessing services and employment opportunities, including walking, cycling, community transport and public transport where available and appropriate. This aligns with the County Plan objective of increasing the number of short-distance journeys undertaken through sustainable modes of travel.

Equality duty

31. The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations and demonstrate that it is paying 'due regard' in our decision making in the design of policies and in the delivery of services.
32. Due to the scope of this programme and its potential impact on certain protected characteristics, an Equality Impact Assessment (EIA) is attached as an appendix to this report.
33. In summary, this activity impacts on protected characteristics as follows:
 - a. Connect to Work is specifically designed to support disabled people, people with long-term health conditions and other complex barriers (definition of these can be found in the grant guidance document. The link to this document can be found in the background papers) to access, retain and progress in employment. The programme seeks to reduce inequalities experienced by disabled people within the labour market. In July-September 2025, across the UK, the employment rate for disabled people was 52.8% and the rate for people who are not disabled was 82.5%, meaning that the gap was 29.7% (source: [Department for Work & Pensions](#)).
 - b. Race, Sex, Pregnancy and Maternity, Religion or Belief, Sexual Orientation and Gender Reassignment: Individuals within these groups may experience additional barriers to securing and sustaining employment. The service will provide person-centred support, promoting equality of access and opportunity regardless of background or protected characteristic.
 - c. Care Experienced Young People and Care Leavers: Eligible care leavers and care experienced young adults may benefit from enhanced access to employment support, helping improve long-term outcomes, financial independence and social inclusion.
34. Although negative impacts are not foreseen, negative impacts will be identified and mitigated by the actions below which are intended to ensure that the Connect to Work programme remains accessible, inclusive and responsive to the needs of all eligible participants, while supporting the council's commitments under the Equality Act 2010 and Public Sector Equality Duty.
 - a. Delivering services that are accessible, inclusive and compliant with the Equality Act 2010.
 - b. Requiring the commissioned provider to offer reasonable adjustments and flexible methods of engagement and delivery, including community-based, outreach and digital support where appropriate.

- c. Ensuring referral pathways are developed with health services, adult social care, the Youth Employment Hub, care leaver services, the voluntary and community sector and other partners to ensure underrepresented groups can access support.
- d. Deliver employer engagement activities promoting inclusive recruitment practices, reasonable adjustments and disability equality. Provide participants with advocacy and in-work support.
- e. Regularly monitor participation, referrals, starts, feedback and outcomes by protected characteristic and take corrective action where disparities are identified.
- f. Ensuring staff complete Equality, Diversity and Inclusion training and understand safeguarding, confidentiality and inclusive practices.

Resource implications

35. The Connect to Work programme is fully funded through Department for Work and Pensions (DWP) revenue grant funding awarded to Shropshire Council as the Accountable Body for the programme in the Marches economic area. The council has entered into a grant funding agreement with Shropshire Council for delivery of the programme in Herefordshire.
36. Herefordshire has been allocated up to £2,221,448 to support 605 individuals up to March 2030. Of which, the IPS contract value is up to £1.22 million for 3 years 6 months to support 437 residents.
37. The programme is expected to operate from 2025/26 to 2029/30 financial years, with expenditure aligned to the DWP funding allocation and approved delivery model. There is no requirement for additional council revenue funding, capital funding or borrowing to deliver the programme. All eligible programme costs, including staffing, programme management, delivery, quality assurance, monitoring and evaluation, will be funded from the DWP grant allocation.
38. The programme will be managed within the approved grant allocation and therefore should not create an unfunded pressure on council budgets. Any future variation to the grant funding, delivery requirements or participant volumes will be subject to appropriate governance and approval processes.
39. Delivery of the programme will require appropriate ICT software to support participant management, performance monitoring, claims management, data sharing and reporting. The council and any successful delivery provider will be using Alcium Software Evolutive cloud-based system for client record management and reporting. The council already uses Evolutive as a client record management system in the economic development team. Additional user licences can be purchased for the system designed specifically for the Connect to Work programme which is separated from the economic development employer client record system. The licences are funded through the Connect to Work programme grant allocation. A data sharing agreement is already in place with Shropshire Council as the Accountable body and DWP. Data sharing arrangements with the successful commissioned provider will comply with UK GDPR, Data Protection Act 2018 and DWP information governance requirements.
40. The programme will require dedicated programme and contract management capacity within the council and appropriately qualified delivery staff within any contracted delivery organisations. A Connect to Work Project Officer post has been created specifically for the programme which will be funded through the external grant allocation and managed in accordance with the council's recruitment and employment policies. Risk of redundancy costs being incurred should programme end in 2030 can be absorbed by the programme as an allowable cost.

41. There are no significant property implications arising from this decision. Delivery will primarily utilise existing council, partner and community facilities, including the Youth Employment Hub and other local delivery venues where appropriate. Any venue costs associated with programme delivery will be met through the approved grant allocation.

Legal implications

42. Legal implications are referenced throughout other parts of this report.
43. The relevant legal provisions for this decision can be found in the council's constitution, www.herefordshire.gov.uk/constitution.

Risk management

44. The Connect to Work programme presents a significant opportunity to improve employment outcomes for residents with disabilities, health conditions and complex barriers to work. However, delivery of the programme carries several risks which will require active management through established governance arrangements, contract management and performance monitoring.
45. Unsuccessfully mobilisation and delivery of the programme could result in reduced participant outcomes, underperformance against Department for Work and Pensions (DWP) targets, loss of investment locally, reputational damage to the council and loss of confidence amongst local partners and employers. Conversely, failure to approve the recommendation would result in Herefordshire residents being unable to access the support and funding available through the national Connect to Work programme, potentially leading to reduced employment opportunities and poorer health and wellbeing outcomes for residents furthest from the labour market.
46. Regular contract management meetings, performance monitoring, financial oversight and partnership governance arrangements will provide assurance on programme delivery, identify emerging risks and enable timely mitigation actions to be implemented.

47. Risks / opportunities and mitigations

Risk / Opportunity	Mitigation
Insufficient referrals onto the programme from health, social care and community partners.	Establish formal referral agreements, undertake stakeholder engagement, provide partner briefings and monitor referral volumes through governance structures.
Delivery provider capacity and workforce challenges impacting service quality and participant outcomes.	Clear contractual requirements, workforce planning, performance management and escalation procedures through contract monitoring meetings.
Failure to achieve DWP participant start and job outcome targets, resulting in reduced programme performance and potential funding recovery.	Robust mobilisation plan, regular performance monitoring, clear referral pathways, targeted engagement activity and contract management arrangements with delivery partners.
Non-compliance with DWP grant conditions, IPS Fidelity requirements, subsidy control, data protection or procurement regulations.	Dedicated programme management, legal and procurement support, staff training, compliance audits and adherence to DWP guidance and contractual requirements.

Financial risk arising from under-delivery, profiling variances or ineligible expenditure.	Monthly financial monitoring, claims verification, budget oversight and early intervention where performance concerns are identified.
Reputational risk to the council if services fail to meet participant expectations or agreed outcomes.	Strong governance arrangements, quality assurance processes, participant feedback mechanisms and transparent performance reporting.
Changes in national policy, funding arrangements or economic conditions affecting programme delivery.	Ongoing liaison with DWP and regional partners, programme flexibility and regular review of delivery plans and forecasts.
Opportunity: Increased employment rates for people with disabilities and health conditions.	Delivery of evidence-based Individual Placement and Support (IPS) and Supported Employment Quality Framework (SEQF) approaches, employer engagement and integrated support pathways.
Opportunity: Reduced economic inactivity and increased household income.	Effective partnership working with employers, health services and community organisations to support sustainable employment outcomes.
Opportunity: Improved health, wellbeing and social inclusion outcomes for residents.	Integration with health, wellbeing and wider employment support services to provide holistic support.

48. The risks associated with the Connect to Work programme will be managed primarily at directorate level through the Economy and Environment Directorate, with operational risks managed through the service risk register and programme governance arrangements.

49. Due to the scale of funding, strategic importance of the programme and the potential impact on council reputation and financial performance, significant delivery, financial and compliance risks will be reviewed monthly and escalated to the directorate risk register, with consideration for inclusion on the corporate risk register where risk scores exceed the council's agreed thresholds.

50. Programme risks will be monitored through established governance processes, contract management meetings, financial monitoring processes and performance reporting arrangements throughout the lifetime of the programme.

Consultees

51. The provider market has been consulted. Views have been taken into consideration in developing the service specification and model of procurement.

Appendices

Appendix 1 – Equality Impact Assessment for Connect to Work Programme

Background papers

[Connect to Work: Grant Guidance for England - GOV.UK](https://www.gov.uk/guidance/connect-to-work-grant-guidance-for-england)

Glossary of terms, abbreviations and acronyms used in this report

DWP – Department for Work and Pensions

IPS – Individual Placement and Support

SEQF – Supported Employment Quality Framework