

From: **Derek Murphy, Cabinet Member for Economic Development**
Simon Jones, Corporate Director, Growth, Environment and Transport Directorate

To: **Growth, Economic Development and Communities Cabinet Committee 22 January 2025**

Subject: **Connect to Work Programme**

Key decision **24/00102**

Classification: **Unrestricted**

Past Pathway of report: N/A

Future Pathway of report: N/A

Electoral Division: All

Summary: This report provides an overview of the Department for Work & Pensions' 'Connect to Work' supported employment programme and plans to roll this out in Kent & Medway.

Recommendation(s):

The Growth, Economic Development & Communities Cabinet Committee is asked, to consider and endorse or make recommendations to the Cabinet Member for Economic Development on the proposal outlined in this paper for

Kent County Council to ACT as Accountable Body and oversee the delivery of the Kent & Medway element of the national 'Connect to Work' supported employment programme; and

To DELEGATE to the Director of Growth & Communities in consultation with the Corporate Director of Finance to take necessary actions including but not limited to entering into relevant contracts, or other legal agreements to implement this decision.as shown at Appendix A.

1. Introduction to Connect to Work

1.1 The Department for Work & Pensions (DWP) is launching a new national supported employment programme called 'Connect to Work' (C2W). C2W is a key part of the Government's new Get Britain Working Strategy and its commitment to supporting the 1.8m people in the UK who would like to work but are not currently participating in the labour market.

1.2 C2W aims to support up to 100,000 people with a disability or health conditions and those with complex barriers to employment to access and succeed in work per year. The primary focus is on supporting people who are economically

inactive (85% of programme) but the programme will also provide some support people who are at high risk of falling out of work (15% of programme).

- 1.3 Long-term sickness continues to be the most common reason for non-engagement in the labour market among the working age population and people with complex barriers to work often also have health conditions or a disability.
- 1.4 C2W will provide tailored support to participants using two specific supported employment models 'Individual Placement and Support' (IPS) and the Supported Employment Quality Framework (SEQF). According to DWP, these models have proven highly effective in the implementation of existing supported employment programmes Local Supported Employment (LSE) and Individual Placement and Support in Primary Care (IPSPC). Local areas are therefore required to adhere to them in the delivery of the C2W programme and there may be opportunities for individuals supported by other skills/training programmes to participate in Connect to Work if deemed eligible.
- 1.5 Supported Employment is tailored to meet the needs of an individual and their (prospective) employer through five stages of activity outlined in the DWP guidance:
 1. **Engagement** - an opportunity for a potential participant to learn about Supported Employment and decide whether it is right for them
 2. **Vocational profiling** - a planning process enabling a participant to identify what they want to achieve and work out a plan for getting there
 3. **Employer Engagement** - the participant learns about the job and the employment advisor works out a plan with the employer on how the participant would be supported through the recruitment process and in the workplace
 4. **Job Matching** - the participant is supported to find vacancies that meet the jobseeker's employment goals
 5. **On and off the job support** - the participant is supported to learn the job and sustain employment. This could include job coaching, training/support from a mentor and workplace reviews
- 1.6 The target participant groups set out in the DWP guidance are as follows:
 - People with a disability or long term health condition
 - Specified disadvantaged groups:
 - Offenders / ex-offenders
 - Carers / ex-carers
 - Homeless people
 - Armed Forces (AF) veterans / current AF personnel
 - People with drug or alcohol dependencies
 - Care experienced young people / care leavers
 - Refugees (resettled Afghans) / people on the Ukrainian scheme
 - Victims / survivors of domestic abuse
 - Young people (19+) involved in or at risk of serious violence
 - Victims of modern slavery

1.7 DWP requires Local Authorities to run the C2W programme in their areas as they are considered by Government to be best placed, along with support from their local partners, networks and stakeholders, to engage with relevant people in their communities who would benefit from supported employment and to engage with local employers to ensure that the programme can assist with tackling skills gaps.

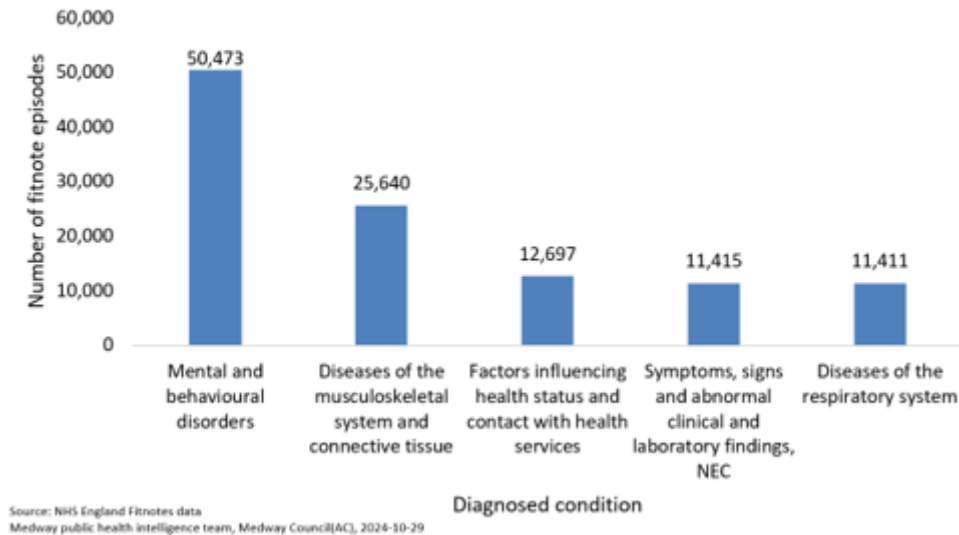
2. The Kent & Medway Approach

- 2.1 KCC has been asked by DWP to become the Accountable Body for the C2W programme in Kent & Medway. As such KCC will be responsible for management and oversight of the local programme, commissioning a range of service providers to deliver programme activity and reporting back to DWP on progress and outcomes.
- 2.2 The programme will run until 31 March 2030 and indicative annual 'programme starts' in Kent & Medway should reach 2,900 participants per year (2,500 Kent, 400 Medway) at peak delivery. Support to assist people into work lasts for up to a year, while support to help people remain in work can run for up to four months.
- 2.3 The first step is for KCC and Medway Council to draft and submit a delivery plan to DWP for approval. The document outlines information including:
- The proposed delivery model (we will be proposing a mix of in-house and commissioned services)
 - How the programme will be launched, managed and scaled up
 - A breakdown of how the allocated budget will be used
 - Stakeholder, participant and employer engagement
 - Governance and oversight
 - The participant journey
 - Risk management, financial management, performance management
 - Synergies with local programmes and priorities
- 2.4 Once the delivery plan is agreed by DWP, a grant funding agreement will be issued enabling the necessary arrangements to be put in place to formally launch the programme in Kent & Medway. KCC's new 'External Grant Application Process' is also being followed.
- 2.5 Local areas are encouraged to focus support on target groups where there is a particular need and available data will be used to highlight areas of Kent & Medway where there might be high numbers of people from the target groups and to inform which of the target groups should be a particular focus for the local programme. The programme will respond to a known local need - unemployment due to long-term health conditions which is a significant issue in Kent with 27% of economic inactivity among 16-64 year olds is due to long term sickness. The figure is 20% for Medway, 22.7% in the wider South East and 27.3% nationally¹. For Kent & Medway there are around 63,000 people of working age who are currently economically inactive due to a long term health

¹ <https://www.nomisweb.co.uk/>

condition. The data does not explain why there is such a marked difference between these rates in Kent compared to Medway but a breakdown of the different health conditions affecting economic inactivity are as follows:

Top 5 Diagnoses from fitnote episodes by NHS kent and Medway ICB
(Apr 2019 to June 2024)



- 2.6 As the programme has a fixed end date, the intention is to launch as soon as possible to maximise the number of people who can benefit from the programme.
- 2.7 Given the size, scope and specialist nature of the programme, a number of providers will be required to deliver supported employment services to eligible participants and a procurement process will be launched to identify suitable suppliers. The Education People (TEP), which has significant expertise, experience and capacity to deliver supported employment activity under the two specified models, will be used as an initial provider. Regulations governing Local Authority Trading Companies (LATCOs) allow this and mean that the programme can be launched while other providers are procured during 2025.
- 2.8 Support from and ongoing engagement with local stakeholders will be essential for the successful delivery of the programme. Government has written to Integrated Care Systems encouraging them to support the implementation of the programme. The Kent & Medway Employment Task Force, the Strategic Partnership for Health & Economy, the Kent & Medway Economic Partnership and the Integrated Care Partnership have been regularly updated on early developments with the programme and will continue to play a role in supporting its delivery. The NHS, Social Care and Public Health services and employer representative bodies (Kent Invicta Chamber of Commerce, Federation of Small Businesses, Institute of Directors), District and Borough Councils and the voluntary & community sector will all have a role to play in encouraging referrals and supporting employer engagement. The intention is to establish a specific multi-agency steering group led by KCC, and including various KCC departments, to

enhance the implementation of the programme and ensure the close monitoring of activities and a robust evidence trail.

3. Implementation Timetable

January 2025	<ul style="list-style-type: none"> • Decision Reports presented to GEDCCC and Medway Council Cabinet and Key Decisions taken • Submission of (draft) Delivery Plan to DWP • Market Questionnaire sent to potential service providers • Stakeholder Meetings to share programme information, plans and prepare for programme launch • Recruitment of Programme Team commences
February 2025	<ul style="list-style-type: none"> • DWP Approval of K&M Delivery Plan
March 2025	<ul style="list-style-type: none"> • Grant Funding Agreement signed • Market Engagement Sessions for potential providers
April/May 2025	<ul style="list-style-type: none"> • Initial Programme Launch with TEP as delivery partner • Formal procurement process launched
October 2025	<ul style="list-style-type: none"> • Formal procurement process concludes
January 2026	<ul style="list-style-type: none"> • Other providers commence delivery

4. Financial Implications

- 4.1 The programme is fully funded by a DWP grant so KCC can undertake the role of Accountable Body on a full cost recovery basis. A maximum DWP grant of £3,900 per participant can be allocated which will cover all programme management and operational costs for KCC, associated costs for Medway Council and all services to be procured for the implementation of the programme. The programme will be managed as a single programme with a single detailed budget for the area (currently being worked up), which KCC as accountable body will manage. A review by KCC legal services will determine whether a partnership agreement is required with Medway Council to ensure that any elements of the programme led by Medway pose no additional financial risks to KCC as accountable body.
- 4.2 At peak delivery, the annual value of the Kent & Medway programme will be in excess of £10m if the target number of participants can be achieved.
- 4.3 KCC has received an initial 'Section 31' grant instalment of £100,000 to cover up to six months preparation costs and enable a recruitment process to commence for a programme management team. The full grant agreement will be signed following KCC's external grants acceptance requirements including a legal review of the terms and conditions and sign off from the S151 Officer/Corporate Director of Finance.
- 4.4 The programme management team will to be appointed on the basis of fixed term contracts aligning with the timelines set out in the grant agreement and grant funding would be planned to ensure that any redundancy liabilities are minimised.

4.5 Once the programme is up and running, funding will be paid on a monthly basis in arrears once satisfactory monitoring and reporting information and evidence is submitted by KCC to DWP.

5. Options considered and dismissed, and associated risk

5.1 Not engaging with the C2W programme. This would miss a significant opportunity to help a large number of local people to access the labour market while tackling known skills gaps in Kent & Medway. It would also reflect poorly on Kent and Medway's commitment to Growth, undermining positioning work undertaken to date with the new Government.

5.2 Not using TEP as a key delivery partner and relying solely on the external market place to source providers to deliver the programme. This would delay the launching of the programme and the implementation period in Kent & Medway.

6. Policy Frameworks

6.1 The C2W programme will support the following local priorities and strategies:

Securing Kent's Future:

The Connect to Work programme will support Securing Kent's Future through securing external funding to deliver a programme on the basis of full cost recovery. The programme will also reduce demand for public services that support people who are currently economically inactive.

Kent & Medway Economic Framework:

- Action Area 2: Focusing support to business on measures that will increase long-term productivity and resilience.
- Action Area 6: Investing in Kent and Medway's skills infrastructure
- Action Area 7: Retaining and developing talent
- Action Area 13: Ensuring that everyone who wants a job can find work

Framing Kent's Future: Priority 1: Levelling Up Kent

- To support the Kent economy to be resilient and successfully adapt to the challenges and opportunities it faces over the coming years.
- To see significant improvements in the economy, connectivity, educational attainment, skills and employment rates and public health outcomes in deprived communities in coastal areas so that they improve faster than the rest of Kent to reduce the gaps.
- To work with our partners to hardwire a preventative approach into improving the health of Kent's population and narrowing health inequalities.

Kent & Medway Integrated Care Strategy:

- Shared Outcome 4 - Empower people to best manage their health conditions
- Shared Outcome 6 - Support and Grow our Workforce

The emerging Kent & Medway Integrated Strategy for Work & Health

- **Aspiration A: Build Employer Confidence** - Build employer confidence in the ways they support employees with LTHC and disabilities and access to relevant support.
- **Aspiration C: Person-Centred Approach** - Build employee confidence to engage in meaningful work.

The strategy aligns with the recent commitment to create a **Marmot Coastal Region in Kent** with that commitment's aim of reducing health inequalities in the boroughs of Swale, Canterbury, Thanet, Dover, Folkestone and Hythe, and Ashford.

7. Legal Implications

- 7.1 KCC will be required to enter into a grant funding agreement with DWP and will be expected to deliver the programme in line with government guidance. Contracts will be put in place with service providers to highlight their responsibilities with delivering elements of the programme.
- 7.2 In line with KCC's new grant acceptance policy, KCC's legal team will undertake a check of the grant funding agreement to ensure that the Authority is able to comply with the terms and conditions. The team will also review contracts prior to them being issued and signed to ensure that the financial risk to KCC is minimised and that suppliers can be held to account for any under-performance

8. Equalities Implications

- 8.1 An Equalities Impact Assessment (EqIA) is attached to this report and it is anticipated that the C2W will have positive impacts for a number of groups with protected characteristics in Kent & Medway who will benefit from enrolment in the supported employment programme.

9. Other Corporate Implications

- 9.1 KCC's finance, legal and procurement teams have provided and will continue to provide support to the Economy Team to ensure the successful implementation of the programme. Other parts of the KCC and Medway Council (including Adult Learning & Skills, Public Health, Adult Social Care) will also be involved as the programme supports their work in supporting local residents. These and other services will have a role to play in supporting referrals e.g. from care leavers to sign up for the programme.

10. Data Protection implications

- 10.1 A full Data Protection Impact Assessment will be completed once further details of DWP systems and reporting requirements are known.
- 10.2 Data sharing agreements will be required between KCC and the service providers for the purposes of monitoring and reporting and to ensure that personal data for beneficiaries is correctly handled and protected.

11. Appendices and Background Information

- Appendix A - Proposed Record of Decision
- Equalities Impact Assessment

12 Recommendation(s):

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13. Contact details:

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