

**REPORT TO:** Executive Board

**DATE:** 11<sup>th</sup> December 2025

**REPORTING OFFICER:** Executive Director Environment and Regeneration

**PORTFOLIO:** Employment Learning, Skills and Community

**SUBJECT:** Connect to Work Programme

**WARD(S)** Borough wide

## **1.0 PURPOSE OF THE REPORT**

- 1.1 To inform Executive Board of the opportunity for the Council to participate in the Liverpool City Region Combined Authority's (LCRCA) delivery of the national Connect To Work programme and seek delegated authority to negotiate and execute related Grant Funding Agreements.

## **2.0 RECOMMENDATION: That**

- 1) Executive Board approve the indicative £2,170,118 funding allocation from the LCRCA for delivery of the Halton Connect to Work programme; and**
- 2) Delegate authority to the Executive Director Environment and Regeneration, in consultation with the Portfolio Holder for Employment Learning, Skills and Community, the Director of Finance / Section 151 Officer and the Director of Legal and Democratic Services, to negotiate and execute Grant Funding Agreements for delivery of the Connect To Work programme.**

## **3.0 SUPPORTING INFORMATION**

- 3.1 The new Connect To Work programme is a key strand of the Government's Get Britain Working Strategy. It is designed to help people with health conditions, disabled people, and those with more complex barriers to work, who are outside the labour market, in 'hidden unemployment', and who wish to be in employment, to find a suitable job and sustain work. It will also help those in work but at risk of falling out of the labour market (and who will struggle to get back into work if they lose their job) to retain employment. The programme is voluntary (non-mandatory) and designed to tackle economic inactivity.
- 3.2 The Connect To Work programme is designed to deliver the evidence-

based supported employment model, 'place, train and maintain', building on the existing DWP-funded supported employment programmes, Local Supported Employment (LSE) and Individual Placement and Support in Primary Care (IPSPC). The programme will operate a five-stage model to help people into work and to retain work over a 12 month period. The five stages are: engagement, vocational profiling, employer engagement, job matching and on and off the job support.

- 3.3 The Connect To Work programme will be delivered across all areas of England by 45 Accountable Bodies. In the Liverpool City Region, the Lead Accountable Body will be LCRCA. Funding is scheduled to run across a 5-year period from 2025/26 to 2030/31 and will be routed to the LCRCA via a Section 31 grant.
- 3.4 The Connect To Work programme applies two evidence-based models of supported employment designed to support individuals with health conditions, disabilities, or complex needs into sustainable employment, but differ in approach and application:
- 3.5 **Supported Employment Quality Framework (SEQF)**  
Approach: structured and phased – includes vocational profiling, job matching, and preparatory training.  
Target Group: often used for individuals with autism, learning disabilities, or more complex barriers.  
Key Features: Greater flexibility in delivery approach; emphasis on long-term job retention; Delivered in line with SEQF standards.
- 3.6 **Individual Placement and Support (IPS)**  
Approach: "Place then train" – individuals are rapidly placed into competitive employment with ongoing, tailored support.  
Target Group: Initially designed for individuals with severe mental health conditions but now applied more broadly.  
Key Features: High fidelity to the IPS model is required; integration with health services; focus on mainstream employment.
- 3.7 The Connect To Work programme currently mandates a 75% IPS/ 25% SEQF mix of delivery; however, in Year 1, flexibility has been granted to LCRCA to allow IPS-only delivery, supporting earlier mobilisation and workforce planning. Both models are integral to achieving inclusive employment outcomes across the Liverpool City Region. The LCRCA has provisionally offered each of the six City Region local authorities the opportunity to deliver IPS in their local area; however, they have stated their intention is to centrally commission the SEQF element of the programme for the Liverpool City Region.
- 3.8 The allocated unit cost varies nationally across areas from £3,500 up to £4,400. The ringfenced Connect To Work programme grant will be paid to Accountable Bodies under Section 2 of the Employment and

Training Act (1973) and will be paid quarterly in arrears based on allowable eligible expenditure; therefore, this is not a payment by results funded programme (which the Council has current experience of delivering).

- 3.9 A core principle of the Connect to Work Supported Employment model is person centred employment support provision that is integrated, where appropriate, with support for the participants' other needs, e.g. social care, probation, health, etc. Participants cannot be on the Connect to Work programme at the same time as they are being supported by another intensive employment programme.
- 3.10 12 months support will be provided to 'out of work' participants with 4 months of support for those who join the programme and already have a job but are at risk of falling out of the labour market. The programme recognises that not all participants will be able to manage full time employment with outputs.
- 3.11 The programme was due to roll out from October 2025, but it is now expected to roll out from January 2026, on a phased basis over two years initially, with a further additional three years indicated, taking the programme up to 2030. Nationally it is targeted to help 100,000 people to seek sustained work.
- 3.12 The LCRCA is the Lead Accountable Body for the Liverpool City Region and they will be required to work in partnership with local authorities and DWP to design and deliver the programme locally, including governance arrangements. The programme will be underpinned by a fidelity assurance system (quality framework), and this will be assessed within the first year of delivery.
- 3.13 Table 1 below shows the maximum funding envelope available to the LCRCA as confirmed by DWP, based on a unit cost of £3,500, and funding cannot be moved across financial years.

3.14 **Table 1: Liverpool City Region Connect to Work Allocation by Financial Year**

Year 1 (25/26)	Year 2 (26/27)	Year 3 (27/28)	Year 4 (28/29)	Year 5 (29/30)	Total
£3.5m	£9.4m	£13.1m	£12.9m	£6.5m	£45.4m

- 3.15 The LCRCA has projected central management costs as detailed below in Table 2, which is a percentage of the overall Connect to Work allocation by financial year.

3.16 **Table 2: Liverpool City Region Combined Authority Programme Management Costs**

Year 1 (25/26)	Year 2 (26/27)	Year 3 (27/28)	Year 4 (28/29)	Year 5 (29/30)	Total
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£746,990	£867,940	£995,000	£918,840	£814,580	£4,343,350
21.34%	9.23%	7.60%	7.12%	12.53%	9.57%

- 3.17 The LCRCA's intention is to submit a final delivery plan to DWP in November 2025, with DWP projecting a 9-week turnaround to finalise negotiations and issue a Grant Funding Agreement. Connect to Work IPS delivery will not be commence until January 2026 at the earliest given that Grant Funding Agreements will need to be entered into with the six City Region local authorities and programmes mobilised, etc.
- 3.18 DWP's proposed funding profile for the Liverpool City Region presents further inherent challenges for early mobilisation as the initial funding is significantly lower than anticipated. The LCRCA has also raised concerns with DWP regarding the mismatch between funding availability and delivery expectations, especially the limited flexibility to reallocate funds across years.
- 3.19 The LCRCA has worked closely with local authorities to finalise cost plans (Grant Cost Register) and ensure that delivery remains viable within the funding envelope. A key priority is to retain regional expertise and capacity, while mitigating the risk of staffing gaps as the Connect To Work programme scales up and transitions into future employment support models.
- 3.20 The funding envelope for The Connect To Work programme is extremely challenging, and it should be noted that, at this point, no other funding has been announced within the employment support space after the current year once the UK Shared Prosperity Fund programme completes in March 2026.
- 3.21 Tab 3 below provides indicative allocations for the Connect To Work programme delivery in Halton; however, at this stage there is no Grant Funding Agreement that definitively sets out the final funding allocations, volumes of outputs, eligibility criteria, or any other aspect of the programme.

3.22 **Table 3: Halton's Connect to Work (IPS) Allocation by Financial Year (indicative)**

Financial Year	£	Participant Numbers
Year 1: 25/26	200,362	71
Year 2: 26/27	440,232	156
Year 3: 27/28	620,840	220
Year 4: 28/29	615,196	218
Year 5: 29/30	293,488	52
<b>Total</b>	<b>2,170,118</b>	<b>717</b>

- 3.23 HBC's Halton People into Jobs (HPIJ) service is ideally placed to deliver the IPS element of this programme given its previous highly successful record in delivering other employment support

programmes.

#### **4.0 POLICY IMPLICATIONS**

- 4.1 The new Connect To Work programme is a key plank in the Government's Get Britain Working Strategy.
- 4.2 LCRCA is currently working with Government on its next Integrated Settlement, which will include Employment Support. The LCRCA has recently commissioned a piece of work about the Future of Employment Support in Liverpool City Region, to inform future policy around this piece of work.

#### **5.0 FINANCIAL IMPLICATIONS**

- 5.1 The Connect To Work programme will be funded through a Section 31 grant from DWP to the LCRCA, which would then allocate funding to local authorities, including Halton, via a Grant Funding Agreement(s). The current indicative allocations for the Council over the programme set out in Table 3
- 5.2 The funding profile presents challenges for early mobilisation and long-term planning. The Council would need to manage delivery within the constraints of the annual allocations and ensure that expenditure aligns with the agreed funding envelope.
- 5.3 The Connect To Work programme funding would support existing staff and may fund additional posts required to meet delivery targets.
- 5.4 The Council will be required to report on expenditure and outcomes in line with the terms of the Grant Funding Agreement(s). Finance officers would support the development of robust financial monitoring arrangements to ensure compliance and value for money. Finance officers would continue to work closely with programme leads to finalise cost plans, assess financial risks, and ensure that the programme is delivered within budget and in accordance with the Council's financial governance framework.

#### **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

##### **6.1 Improving Health, Promoting Wellbeing and Supporting Greater Independence**

The Connect To Work programme is designed to deliver direct and meaningful benefits to residents across Halton, particularly those who are economically inactive due to health conditions, disabilities, or complex personal circumstances. The programme would provide tailored, person-centred support to residents including one-to-one coaching, job matching, and in-work support, helping individuals to overcome barriers and achieve sustainable employment.

HPIJ customers are signposted to various health and wellbeing initiatives that are delivered by Halton Borough Council and other external agencies including those to support individuals with a range of complex health barriers and promote greater independence. A high proportion of customers that access HPIJ is well versed at delivering support to economically inactive and socially isolated residents.

## **6.2 Building a Strong, Sustainable Local Economy**

The Connect to Work programme supports those who are unemployed, economically inactive and with health conditions to prepare for and apply for local jobs. A high proportion of residents supported into work now live and work locally, contributing towards the local economy. HPIJ also provides 'in work support' to help individuals retain employment, contributing to a strong and sustainable workforce for many Halton employers.

## **6.3 Supporting Children, Young People and Families**

Helping individuals into work has wider benefits for families and communities, including improved financial stability, reduced reliance on public services, and increased community participation. Whilst Cared for Children and Care Leavers are not primary target groups, the programme's inclusive design and flexible delivery model will ensure that care-experienced young people can also benefit from support where eligible, contributing to better long-term outcomes.

## **6.4 Tackling Inequality and Helping Those Who Are Most In Need**

The programme specifically targets individuals who are furthest from the labour market, including those with mental health conditions, learning disabilities, and long-term health issues.

## **6.5 Working Towards a Greener Future**

The programme would be delivered through existing HPIJ infrastructure, including town centre locations in Widnes and Runcorn, thereby minimising the need for new premises and reducing the environmental impact associated with construction or additional energy use.

## **6.6 Valuing and Appreciating Halton and Our Community**

Through building on the existing HPIJ infrastructure, the programme would ensure that residents can access support in familiar, accessible town centre locations. This localised delivery model reduces travel barriers and increases engagement.

The programme is designed to be accessible to residents across all wards, ensuring that support is not concentrated in specific areas but equitably distributed based on need.

Delivery would take place in Widnes and Runcorn town centres, providing accessible, visible, and well-connected locations for

residents to engage with employment support services.

The Connect To Work programme would enhance collaboration with local organisations, including community groups, health services, and Jobcentre Plus, enabling more joined-up and responsive support tailored to the needs of each locality.

## **7.0 Risk Analysis**

- 7.1 Funding risk: the funding profile for the programme is uneven, with a low allocation in Year 1 and a steep increase in subsequent years. There is also uncertainty beyond March 2026 when UKSPF support ends. This creates challenges for long-term planning and sustainability.
- 7.2 Staffing and capacity risk: the ability to retain skilled staff is a key risk, due to the delay in the Connect to Work programme commencing and funding for other employment support programmes, delivered by HPIJ, coming to an end.
- 7.3 Programme mobilisation: delays in finalising the Grant Funding Agreement or receiving confirmation of delivery expectations from the LCRCA or DWP could impact HPIJ's ability to mobilise the programme effectively in Year 1 to deliver challenging outcomes.
- 7.4 Performance/outcomes: the programme is outcomes-based, and underperformance could result in reputational risk or financial clawback, although details of such are still to be understood. Robust monitoring and evaluation processes will be essential.
- 7.5 Integration with existing employment/health support provision: aligning the Connect To Work programme with existing employment and health services requires effective coordination. Poor integration could lead to duplication, inefficiencies, or gaps in support.

## **8.0 EQUALITY AND DIVERSITY ISSUES**

- 8.1 The programme is designed to reduce inequalities in access to employment and aligns with the Council's corporate priority: 'Valuing and appreciating Halton and our community'.
- 8.2 HPIJ supports many customers from a diverse range of backgrounds, many with protected characteristics, into a range of positive outcomes.
- 8.3 HPIJ has played an integral role in Halton Borough Council achieving Disability Confident Leader (level 3 status).

## **9.0 CLIMATE CHANGE IMPLICATIONS**

None to report

**10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF  
THE LOCAL GOVERNMENT ACT 1972**

‘None under the meaning of the Act.’