

Title: Connect to Work Programme
Report of: Leigh Mills, Head of Skills and Inclusion
Portfolio: Education, Skills and Inclusion

Report Summary

In November 2024, Cabinet delegated responsibility to the Chief Executive, in consultation with the Director of Finance and Investment and Cabinet Member for Education, Skills and Inclusion, to approve the commissioning approach, delivery plan and grant cost register for the Connect to Work Programme.

The purpose of this report is to seek approval of the commissioning approach.

The North East Combined Authority (North East CA) is the Accountable Body (AB) for the programme, working in partnership with the constituent local authorities. The North East CA will receive just under £50 million to support 13,500 participants into work or to remain in work, from 1st August 2025 to 31st March 2030.

The proposed commissioning approach is firstly to undertake a procurement exercise for the Individual Placement Support (IPS) intervention for a total funding value of £29,975,000, opening the Invitation to Tender (ITT) on 20th March 2025. Secondly to enter into Grant Funding Agreements on a phased roll-out basis with our constituent Local Authorities for the Local Supported Employment (LSE) intervention, for a total funding value of £16,875,000.

Recommendations

The Chief Executive is recommended to approve the commissioning approach for the Connect to Work Programme, as outlined in this report, and:

- the related procurement specification (appendix 1) for the IPS intervention
- the proposed grant allocations to Local Authorities for the LSE intervention as detailed in section 2.8, subject to completion of delivery plans and final approval in line with the Single Assurance Framework.

A. Context

1. Background

1.1 Connect to Work is a Department for Work and Pensions (DWP) funded Supported Employment Programme, that will help people with disabilities, health conditions and additional barriers to seek sustained employment. The programme is a voluntary intervention which will be targeted at the right people, at the right time and based on an individual's circumstances. The North East CA is the Accountable Body (AB) for the programme, working in partnership with the constituent local authorities, and will enter into a Grant Funding Agreement with DWP to deliver the programme. The North East CA will receive £49,950,000 to support 13,500 participants into work or to remain in work, from 1st August 2025 to 31st March 2030. As AB, the North East CA is responsible for the commissioning, outputs and outcomes of Connect to Work delivery.

1.8 A Connect to Work Implementation Group was established in December 2024 to oversee the design and implementation of this programme. The Senior Responsible Officer (SRO) for Connect to Work is the North East CA's Director of Finance and Investment. The SRO chairs the Implementation Group, and membership includes representatives from legal services, financial services, the Connect to Work Programme Management Team and Economic Directors representing the seven

constituent local authorities. The commissioning approach proposed by the Implementation Group is outlined below.

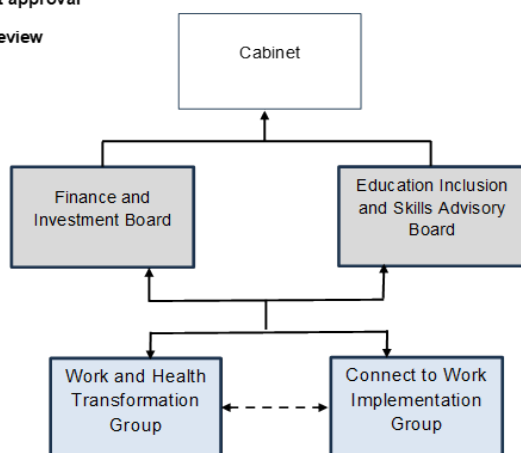
- 1.9 In addition to the Implementation Group, a Work and Health Transformation Group has been established to oversee the development, implementation and delivery of Connect to Work, the Economic Inactivity Trailblazer and the North East and North Cumbria Integrated Care Board's (NENC ICB) Health and Growth Accelerator, with representatives from the North East CA, DWP and the NENC ICB. Both the North East CA Finance and Investment Board and the Education, Inclusion and Skills Advisory Board provide the mechanism for key stakeholders and politicians to oversee and advise on the development of this programme. The Education, Inclusion and Skills Advisory Board includes, among others, representation from DWP, NENC ICB and the Department for Education (DfE).

Key

□ Investment approval

■ Impact / Review

■ Delivery



2. Commissioning Approach

Individual Placement and Support Intervention

- 2.1 It is proposed that the IPS intervention is commissioned via an open procurement exercise, informed by a market assessment of current IPS provision across the region. A specification for the IPS intervention has been developed to provide background to the programme, information about the North East CA, and key delivery requirements including the supported employment model, participant journey, and fidelity assurance process. The specification reflects the Connect to Work Grant Guidance and the North East CA Single Assurance Framework.
- 2.2 The specification has been broken down into geographical lots, alongside the minimum number of participants to be supported in each area. Applicants will be required to select which geographical areas they will deliver in and how many participants will be supported.
- 2.3 The specification and related Invitation to Tender (ITT) documentation will be published on the Open portal on Thursday 20th March 2025 and will be live for 30 days. As part of the application process potential providers will be asked to complete a series of quality questions, which will be scored and weighted by an application evaluation panel (representation to be confirmed). Applications will be scored based on a weighting of 80% quality and 20% pricing. During the evaluation process, the panel will ensure the applications align with the Grant Guidance and that the required geographical coverage and participant numbers are met.

2.4 It is anticipated that delivery organisations for the IPS intervention will be awarded and contracted in early June 2025, allowing them to mobilise and prepare for delivery in line with the Go Live date of August 2025.

Local Supported Employment Intervention

2.5 It is acknowledged that the LSE intervention is more intensive than the IPS intervention, due to the depth of support requirement by participants with multiple and complex barriers to employment. Based on feedback from DWP, desktop research undertaken and the current costs of delivery by Durham County Council, it has been agreed to decrease the proportion of funding allocated to the IPS intervention and increase the proportion of the funding allocated to the LSE intervention to take account of the different intensities of the support provided.

2.6 It is proposed that the North East CA enters into Grant Funding Agreement with the seven constituent Local Authorities to deliver the LSE intervention. Connect to Work LSE participants are expected to be those residents who belong to a specified disadvantaged group and or have a learning disability or autism. Local Authorities have streamlined access to the most likely referral sources and strong routes into the support services that are likely to be required to ensure these participants' needs are met, e.g. Adult Social Care, Housing, Domestic Abuse and Carers Services.

2.7 The GFA's between the North East CA and each Local Authority will reflect the content of the GFA between the North East CA and DWP, to ensure the requirements of the Grant Guidance and conditions with the GFA are met. It is anticipated that GFA's will be in place in early April 2025, allowing Local Authorities to mobilise and prepare for delivery in August 2025. A phased roll out will be undertaken based on individual Local Authority's capacity, readiness, and experience.

2.8 The Local Authority area participant volumes and funding values for the LSE intervention are:

Local Authority Area	Participants	Funding value
County Durham	975	£4,875,000
Gateshead	375	£1,875,000
Newcastle	525	£2,625,000
North Tyneside	300	£1,500,000
Northumberland	450	£2,250,000
South Tyneside	375	£1,875,000
Sunderland	375	£1,875,000
Total	3,375	£16,875,000

B. Impact on North East Combined Authority Objectives

All activity will contribute to progressing the Mayor and Cabinet's priorities, with specific emphasis on the Education, Inclusion and Skills Portfolio and the Public Service Innovation Programme.

C. Key risks

The specific commercial risks related to the commissioning approach are detailed below.

Risk	Mitigations
Inadequate design of the programme, leading to non-compliance with the Connect to Work Grant Guidance or Grant Funding Agreement with DWP.	<ul style="list-style-type: none"> Evidence-led approach to designing the Programme and commissioning approach Input sought from the appropriate North East CA support teams throughout the planning and design

	<ul style="list-style-type: none"> • Delivery Plan, grant cost register and commissioning approach to be approved by the Chief Executive and Finance Direct as per delegated decisions from Cabinet.
Commissioning approach is not fit for purpose resulting in poor number of applications, inappropriate applications, delayed contract awards and delays to the programme Go-Live date.	<ul style="list-style-type: none"> • Input sought from the appropriate North East CA support teams and the constituent local authorities throughout the development of ITT. • Commissioning approach to be approved by the Chief Executive and Director of Finance and Investment as per delegated decisions from Cabinet.
Insufficient awareness of the Connect to Work ITT opportunity. Insufficient awareness of the programme across the region. Non-compliance with Connect to Work Branding Guidance by Delivery Organisations.	<ul style="list-style-type: none"> • Engagement – NEPO notification, PIN and Website/social media posts issued from 24th February and on launch of ITT. Pre-launch online event held on 19th March. • Programme-level comms plan to be developed to ensure sufficient awareness is raised. • The North East CA will ensure projects have access to clear and up to date branding guidance for Connect to Work.

D. Financial and other resources implications

As set out in the Cabinet Report November 2024

E. Legal implications

The comments of the Monitoring Officer have been included in this report.

F. Equalities implications

The programme's commissioning approach has been designed to increase opportunities for residents most at risk of poor social and economic outcomes including women and girls, disabled people, and people from minoritised ethnic groups. The programme's delivery model will be designed to support the North East CA's equality objective to work with partners and other funders to ensure our funding opportunities are accessible to organisations working with some of our most under-represented residents.

G. Consultation and engagement

Extensive consultation to support the design and development of this new programme has taken place with a range of key stakeholders including DWP, North East and North Cumbria ICB, members of the North East Regional Labour Market Partnership (including VONNE and employer representatives), Mayoral Combined Authorities and the 7 constituent local authorities.

H. Appendices

Appendix 1 – Connect to Work Specification (IPS Intervention)

I. Background papers

November 2024 Cabinet Report

J. Contact officers

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K. Glossary

DWP	Department of Work and Pensions
AB	Accountable Body
IPS	Individual Placement Support
LSE	Local Supported Employment
ITT	Invitation to Tender
GFA	Grant Funding Agreement

L. Sign-off

1) Cabinet Member: Yes	2) Head of Service: Yes	3) Director of Finance and Investment: Yes	4) Monitoring Officer: Yes
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**Invitation To Tender
Schedule 1
Specification**

North East Combined Authority (North East CA)

008691 - Connect to Work Programme

Open Tender Reference Number: xxxxxx

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1 Introduction and Background

- 1.1 The key objective of this Invitation to Tender (ITT) is to enter into Contract(s) for Service with Provider(s) for delivery of the Connect to Work Programme as suppliers of the services described within this specification.
- 1.2 The specification sets out the background and requirements related to the submission of a tender. It should be read in conjunction with Part 1 – Introduction and Organisations Guide to Open Procedure and Part 2 – Summary Instructions and Details of Contract, as well as other documentation associated with this ITT.
- 1.3 The North East Mayoral Combined Authority (North East CA) was formed on 7 May 2024, is led by an Elected Mayor and Cabinet and covers the seven local authority areas of County Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland.
- 1.4 The North East CA has power to make decisions on areas such as transport, skills, housing, finance, and economic development. The purpose of the North East CA is to champion the full potential of the region, collaborating with partners and local authorities to create a better way of life by connecting communities, giving people the skills to succeed, and improving wellbeing for all, so that the North East is recognised as an outstanding place to live, work, visit and invest.

2 Scope and Estimated Value of the Procurement

- 2.1 The estimated total value of this procurement is £29,975,000.
- 2.2 The £29,975,000 figure reflects the total value of this procurement that the North East CA may deploy as part of this activity including any possible contract extensions. The value of the procurement has been calculated to reflect the anticipated requirement for the Services as specified at this time.
- 2.3 The initial term of a Contract for Service is anticipated to start in June 2025 and will run until 31 March 2028. The North East CA may extend that Contract Term for 24 months to 31 March 2030 subject to funding and contract performance.
- 2.4 If the North East CA intends to take up the option to extend, the Provider shall be notified in writing not less than three months prior to the commencement of the extension. If no such notification is issued, the Contract for Service shall automatically expire at the end of the Contract Period.
- 2.5 The procurement will be broken down into geographical lots as follows. The minimum number of participants to be supported in each lot, along with the funding value allocated to each area, for the duration of the Programme is also detailed. These figures represent the total value and volumes required as part of this activity including any possible contract extensions.

	Geographical Area	Participant Volumes	Funding Value
Lot 1	County Durham	2,925	£8,659,444
Lot 2	Gateshead	1,125	£3,330,556
Lot 3	Newcastle	1,575	£4,662,778
Lot 4	North Tyneside	900	£2,664,444
Lot 5	Northumberland	1,350	£3,996,667
Lot 6	South Tyneside	1,125	£3,330,556
Lot 7	Sunderland	1,125	£3,330,556

- 2.5 Tenderers can bid for either single or multiple lots. For each geographical lot applied for, bidders must detail the participant volumes that can be supported and complete the relevant tender response form (ITT Schedule 5 a, b, c, d, e, f and/or g) and Pricing Schedule (ITT Schedule 3a).
- 2.6 The Pricing Schedule should include the overall funding value bid for, alongside the overall number of participants that will be supported, for the entirety of the Programme to 31 March 2030. These figures should then be broken down into the funding value and participant volumes applicable to the initial contract period (from Commencement Date to 31 March 2028) which will be used to assess applications, and the funding values and participant volumes applicable to the optional extension period (from 1 April 2028 to 31 March 2030) which is for information only.
- 2.7 Potential Providers are required to have the capacity to deliver as a minimum the participant volumes detailed for each Lot applied for. If your organisation has the capacity to support additional participants, this should be detailed in your response.
- 2.8 Potential Providers' responses to the questions set out in the tender response forms for the applicable Lot (Schedule 5 a, b, c, d, e, f and/or g) will be used to assess the Quality of the tender, with an 80% weighting against the scoring criteria set out in ITT Part 2 – Summary, Instructions and Details. The relevant lot set out in ITT Schedule 3a will be used to assess your pricing of the tender, with a 20% weighting. The number of participants the potential provider is able to support, and the funding applied for, for the initial contract period (from Commencement Date to 31 March 2028), will be considered to determine best value for money. The best value for money will be awarded the highest score and all other bids will be scored using the scoring rational detailed in ITT Part 2 – Summary, Instructions and Details of Contract. Providers will be appointed based on highest overall score of both quality and price.
- 2.9 A single provider will be appointed to each Lot.
- 2.10 Once all Providers are appointed, the North East CA is required to submit a Grant Cost Register to DWP, detailing a monthly breakdown of costs and participant volumes for the entirety of the Programme. A copy of this Grant Cost Register is included with the ITT for information purposes (Appendix 2 DWP Connect to Work Grant Guidance - Grant Cost Register). During the contract award stage, the appointed Providers will be asked to complete an

individual version of the Cost Register for each lot they are awarded. Support will be provided as required. The Cost Register will be used for contract and performance management purposes throughout delivery – please see section 12 for further details.

- 2.11 Providers may wish to use the Cost Register to inform the participant volumes and pricing schedule however, this should not be submitted with the tender.

3 Regional Context

3.1 The North East CA is the second largest Mayoral Combined Authority by area and covers a diverse geography encompassing County Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland local authorities.

3.2 The area has three cities, many vibrant towns and extensive rural and coastal communities. It has great assets in our universities, innovative businesses, international connectivity and rich cultures. It has a strong track record of creating jobs and supporting world leading businesses. Our unique combination of city, coast and countryside offers a range of great places to live, work and bring up families.

3.3 Significant economic opportunities are identified in the North East devolution deal which include:

- A large and diverse manufacturing sector.
- An increasingly important low-carbon economy, including offshore wind technologies, electrification/batteries, and onshore wind and geothermal.
- A thriving tech sector - including Sage, Atom Bank, consultancy, games etc – and growing opportunities around screen industries.
- A major leisure and tourism sector - including urban and rural assets, two World Heritage Sites, a National Park, and the Gateshead Quays development.
- A professional services sector which is a large employer, a key driver of innovation and plays a role in supporting the growth of the regional economy.
- Internationally recognised healthcare and education assets.
- A national hub for public services, including significant HMRC and DWP assets.

3.4 The region's extensive range of assets also include:

- Four universities, with the region a net importer of students, and nine further education colleges.
- Innovative sectors that are poised for growth, with significant strengths in energy, health, life sciences, med-tech and research and development capability.
- World-class hospital trusts and a collaborative health and social care system.
- Strong representation from catapult network – including Offshore Renewable Energy, Digital Catapult NE&TV, NE Satellite Applications Centre of Excellence, High Value Manufacturing Catapult.

- International airport.
- Deep-water ports and riverside assets and infrastructure.
- Strategic transport connections including the East Coast mainline, rail links to Carlisle and Teesside; trunk roads including A1, A19 and A69; and Tyne and Wear Metro.

But it also has its challenges:

- Consistently higher economic inactivity than the national average.
- Lower productivity than the national average.
- Many residents are in low skilled, low paid jobs without the higher-level skills needed to progress into higher earnings.
- A high proportion of residents with no or low qualifications compared to national averages.
- Skills shortages - an increasing demand for higher level and technical skills.
- Social inequality with pockets of deprivation and a lack of job opportunities in some areas.

3.5 To fully realise its potential impact, the Connect to Work Programme must support activity which enables residents to access the local labour market, improve social mobility and support our inclusive economy ambitions.

4 Connect to Work

- 4.1 A key part of the new Government's mission to kick-start growth is a commitment to building an inclusive and thriving labour market where everyone has the opportunity of good work, and the chance to get on at work. This will improve living standards and ensure funding for vital public services. It is also central to delivering on missions to break down the barriers to opportunity, and to improve the health of the nation.
- 4.2 As part of this mission, the Government has set a long-term ambition to achieve an 80% employment rate. This would place the UK among the highest performing countries in the world, with the equivalent of over two million more people in work.
- 4.3 The recently launched "Get Britain Working" White Paper outlines Government's strategy to invest £240m to support this ambition and help improve workplace health and keep people in work, including trials of combined public services for those out of work due to ill health. The strategy will bring fundamental reform that transforms relationships with local areas and ensures a strong foundation of partnership working to support people into good, sustainable work.
- 4.4 Connect to Work is the first major element of the Get Britain Working Strategy. It will take a collaborative, locally led approach to tackling 'Hidden Unemployment'. It will help connect local work, health and skills support. The funding provides a coherent, systematic and joined up approach to maximise the benefits available for individuals and local communities.

- 4.5 Connect to Work will support the wider development of locally planned systems to drive growth, working jointly with the Government. It will be an important strand in local plans to tackle inactivity and expand employment opportunity. By encouraging join up between health systems and employment support, Connect to Work will support those, primarily, currently outside the workforce and facing greater labour market disadvantages, to stay in work and get back into work. In turn, supporting the Government's ambition for a more inclusive economy, supporting local people to realise their potential and supporting local and national growth.
- 4.6 The North East CA, on behalf of DWP, is Accountable Body for the Connect to Work Programme in the North East and as such is responsible for the commissioning, implementation and management of Connect to Work delivery.
- 4.7 The DWP Connect to Work Grant Guidance documents deemed relevant to this procurement have been included in this ITT. However potential Providers should reference the full suite of published guidance, as required, at <https://www.gov.uk/government/publications/connect-to-work/connect-to-work-grant-guidance-for-england>

5 Programme of Activity

- 5.1 Connect to Work is a voluntary programme to help tackle economic inactivity by providing a specific form of support targeted at the right people at the right time, based on their individual circumstances.
- 5.2 Participants must be both eligible and suitable for the provision. Connect to Work will deliver the evidence-based Supported Employment model, 'place, train, and maintain', to provide support via two different types of interventions based on the needs of the participant – Individual Placement and Support (IPS) and Local Supported Employment (LSE).
- 5.3 This ITT relates to the IPS intervention only.
- 5.4 IPS is an intervention which integrates employment support alongside primary and secondary health services, and other support services. IPS support will be provided to those residents with a health condition or disability, and support will be delivered based on the IPS fidelity scale.
- 5.5 A fundamental element of Connect to Work is to match participants into open labour market jobs quickly and provide support to the employer, as well as the participant, to enable work to be sustained.
- 5.6 Whilst the programme is primarily aimed at those residents who are out of work, there will be an element of provision for residents who are in work and at risk of losing their employment.
- 5.7 The Connect to Work IPS intervention will support a minimum of 10,125 people across the North East region over the entirety of the programme to 31 March 2030, with 3,375 people supported per year at peak volumes. The minimum

number of participant starts required by local authority area, across the entirety of the programme, is as follows:

Local Authority Area	Programme Starts (IPS)
County Durham	2,925
Gateshead	1,125
Newcastle upon Tyne	1,575
North Tyneside	900
Northumberland	1,350
South Tyneside	1,125
Sunderland	1,125

5.8 As detailed in section 2, the Pricing Schedule should include the overall number of participants that will be supported for the entirety of the Programme. These figures should then be broken down into the participant volumes applicable to the initial contract period (from Commencement Date to 31 March 2028) which will be used to assess applications, and the optional extension period (from 1 April 2028 to 31 March 2030) which is for information only.

5.9 Procurement for the IPS intervention of the Connect to Work Programme is across the following participant Employment Situations:

	Employment Situation	Indicative Participant Numbers	Indicative Intervention %
1	Out of Work	8,606	85%
2	In Work	1,519	15%

5.10 The Contract Period is anticipated to start in June 2025 with delivery commencing from August 2025 (allowing Providers to prepare for delivery) until March 2028. As set out at section 2.3 above, the North East CA will have an option to extend the Contract Period for 24 months (subject to funding) which, if exercised, could extend the Contract Period to March 2030.

5.11 Delivery covers two phases of activity:

- a phase where participants are recruited onto the Programme and supported appropriately (referred to as the recruitment phase)
- a phase where recruitment has ceased, but existing participants continue to be supported (referred to as the support only phase)

5.12 It is expected that the first referrals will be received in August 2025. Referrals should close for Out of Work participants 12 months before the end of the Contract Period, and for In Work participants 6 months before the end of the Contract Period. All delivery, including the “support only” phase, must end by 31 March 2030.

6 Key Requirements

6.1 Potential Providers submitting a tender for Connect to Work will be expected to:

- understand the characteristics of residents in the geographical area lot they are bidding for. The North East CA region covers Durham,

Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland.

- engage with other stakeholders/providers in the employability sector and demonstrate how their provision will align with, and not duplicate existing projects and programmes in the region.
- demonstrate effective approaches to participant recruitment and referral pathways, which are appropriate to meet the needs and characteristics of the specific groups of participants the programme supports (as detailed throughout the DWP Connect to Work Grant Guidance).
- demonstrate that effective safeguarding arrangements are in place, including identifying and supporting participants who might be subject to Multi Agency Public Protection Arrangements (MAPPA), or those who may be at risk, including online.
- have suitably experienced staff available to deliver the services being tendered for through this procurement.
- have the capacity and capability for accurate data and evidence collection, management and reporting, and must be able to comply with the North East CA's and the DWP's submission of data.
- have an understanding of the relevant fidelity assessment scales, as detailed within the DWP Connect to Work Grant Guidance, and the capacity and capability to engage with this process.

6.2 As well as the above, the North East CA aims to secure packages of provision that include and support, but are not limited to:

- targeting support that reflects local needs and labour market conditions.
- providing customised, targeted, easy-to-access support, to tackle entrenched disadvantage, health inequalities and disparities.
- building Voluntary, Community and Social Enterprise (VCSE) and Small and Medium Enterprise (SME) capacity across the region.
- preventing and reducing economic activity through alignment and integration, to deliver multi-agency support (i.e. employment and health services).
- increasing inclusion to open up the labour market to more women, ethnic minorities, young people and those from disadvantaged backgrounds.
- regional cross-sector collaboration and partnerships, with joined up solutions.
- stimulating economic regeneration, including growth of foundational economy, to create entry level jobs.

7. Geographical Coverage

7.1 The North East CA needs to ensure that Connect to Work provision is accessible to residents across the region. Therefore, this procurement has been broken down into Geographical Lots as detailed in section 2 and potential Providers will be asked to state the geographical coverage of their provision when submitting a Tender. Providers can apply for single or multiple lots depending on their capacity and capability to provide Connect to Work services in the specific geographical areas.

8. Eligible Activity

Participant Eligibility and Suitability

- 8.1 To be deemed eligible for Connect to Work support under the IPS intervention, participants must have a disability or a long-term health condition, as defined in the Equality Act 2010 or the Social Model of Disability. Definitions can be found in the DWP Connect to Work Grant Guidance.
- 8.2 People in these groups must also meet the following additional criteria to be eligible for Connect to Work, further details for which can be found in the DWP Connect to Work Grant Guidance:
- They must not currently be doing any paid work and would be available to start a suitable job (applies only to participants who are not working) or are at risk of losing work (retention participants only).
 - Should have been employed continually for at least 3 months before starting Connect to Work (retention participants only).
 - Are of working age, which means aged 18 or more in England.
 - Have the right to work in the UK.
 - Have the right to live in the UK and are resident in England or Wales – for this contract participants must be resident in the North East geographical area.
 - Do not belong to a group which has no entitlement to public funds.
 - Is not on a DWP employment programme.
- 8.3 If all the above eligibility requirements are met, the prospective participant must also meet the suitability criteria. To be suitable for Connect to Work, eligible people must meet at least one of the employment situation criteria and at least one of the 'would benefit from Connect to Work' situation criteria. The criteria, and definitions for each, can be found in the DWP Connect to Work Grant Guidance.
- 8.4 If the individual meets at least one of the criteria in each of the situation categories set out above and the individual is identified as motivated to work, they understand the Connect to Work offer and are willing to engage with Connect to Work, then they are eligible and suitable for Connect to Work.
- 8.5 Potential providers should refer to the DWP Connect to Work Grant Guidance for full eligibility and suitability criteria, and definitions.

Identification and Introduction to the Programme

- 8.6 Providers are required to identify and secure eligible and suitable people to participate in Connect to Work and find appropriate routes to reach economically inactive people to offer them support. Providers should utilise established relationships with key strategic and delivery partners and local supporting organisations to stimulate interest in the programme for potential participants so that expected starts profiles are met.
- 8.7 Potential participants and local supporting organisations should understand:

- What Connect to Work is.
- The benefits offered by participation in Connect to Work.
- What participation in Connect to Work involves.
- Eligibility and Suitability for Connect to Work.
- How to register interest in Connect to Work.
- Where to go for further information.

8.8 Some participants may be sexual, violent or certain other dangerous offenders who are being managed in the community. Potential providers will need to ensure arrangements are in place to work with any individuals who are subject to MAPPA and ensure appropriate safeguarding is in place to keep staff and other participants safe, such as lone working systems or job application disclosure processes as required.

The Supported Employment Model

8.9 Providers are expected to adhere to the 5-stage place, train and maintain Supported Employment Model, as follows. Further details about each stage of the model can be found in the DWP Connect to Work Grant Guidance.

- Expression of Interest and Initial Meeting
- Vocational Profiling
- Employer Engagement
- Job Matching
- On and Off the Job Support, including In Work Retention Support and Self-Employment Support

8.10 A key element throughout Connect to Work delivery is Employer Engagement, which should last for the duration of the employer's involvement with Connect to Work, including providing access to workplace adjustments where appropriate.

8.11 Financial incentives for employers to employ participants is not part of the Supported Employment model and must not be used to encourage an employer to engage with Connect to Work, to employ a Connect to Work Participant, or for any other reason.

8.12 Connect to Work should be delivered by Employment Specialists adhering to the IPS-25 fidelity model. The Employment Specialist will actively provide support to a number of participants at any time, this being their caseload. Caseload averages form a key element of demonstrating fidelity to the IPS models, and maximum caseloads are suggested as 25. For more information about caseloads, please see the DWP Connect to Work Grant Guidance.

End of Provision for Participants

8.13 Support for participants will end when:

- They have achieved their agreed employment goals and no longer require programme support.
- They have been on the programme for 12 months (365 calendar days) for 'Out-of-Work' participants, or 4 months (122 calendar days) for participants that required 'In-Work' retention support, and their participation on the programme has not been extended.
- There has been a change of circumstances and/or the Participant has left the programme, unless by exception an extension is agreed by the North East CA.

8.14 At the end of provision, where possible, the Employment Specialist should conduct a discussion with each participant and jointly complete, and then agree, a final version of the Vocational Action Plan to guide further activity by the participant. In addition to this, in cases where participants did not transition into employment, the participant should be signposted to any suitable local provision, using the provider's knowledge of the local provision landscape.

9. Fit with Other Provision

9.1 Potential providers should consider the principles below when making decisions on whether other support accessed alongside Connect to Work will help the Participant get the most from the programme, or whether it will duplicate or overlap with what they are likely to receive from Connect to Work, representing poor value for money.

Any employment support delivered at the same time as Connect to Work should be complementary, with the aim of improving the likelihood of individuals securing or retaining employment.

- Individuals are referred to provision that is the best fit for their needs, even if this is not Connect to Work.
- Individuals cannot be on Connect to Work at the same time that they are on another intensive employment provision designed to deliver sustained work outcomes, or on a programme that may be detrimental to participants' engagement with Connect to Work.
- Integration with other relevant services for individual participants is key and will be encouraged as far as possible, in order to provide holistic support.
- Individuals who are on DWP programmes should continue with the programme up to the agreed end point. Participants who have previously been on other provision may access Connect to Work if they meet the Eligibility and Suitability Criteria.

9.2 Any local or national Supported Employment programme, such as Individual Placement and Support for Alcohol and Drug Dependence and Individual Placement and Support for Severe Mental Illness, should not be accessed by individuals simultaneously with Connect to Work. If these services are available, there should be consideration as to which is more appropriate for the individual.

9.3 The previous completion of any local or national Supported Employment programme does not prevent individuals from accessing Connect to Work if they meet the Eligibility and Suitability Criteria.

10 Fidelity Assurance

- 10.1 Connect to Work will be underpinned by a Fidelity Assessment system to ensure the development and consistent delivery of high-quality services. Assessments will be undertaken by a third party, procured by DWP.
- 10.2 All Fidelity Assessments will be conducted against the IPS-25 fidelity scale. An initial Fidelity Assessment will be undertaken after month 12 of the delivery period.
- 10.3 Providers will be expected to actively engage with the Fidelity Assurance process. Please refer to the DWP Connect to Work Grant Guidance (section 5) for further information.

11 Performance Measures

- 11.1 Performance will be measured against the Cost Register submission made by appointed Providers (see section 2 for further details) and the Performance Measures as set out below.

Job Starts	<p>At least 50% of total Programme Starts to achieve first earnings ('Out-of-Work' Participants) To be achieved up to 456 calendar days from the Participant's programme start date, or if extended up to 638 calendar days from the start date.</p>
Outcomes	<p>At least 40% 'Out-of-Work' participants of total Programme Starts to achieve a Lower Threshold Job Outcome. Earnings threshold calculation (9hrs x 13 weeks x National Living Wage (NLW)) and self-employed equivalent measured over 13 cumulative weeks. To be achieved up to 456 calendar days from the Participant's start date, or if extended up to 638 calendar days from the start date.</p>
	<p>At least 29% 'Out-of-Work' participants of total Programme Starts to achieve a Higher Threshold Job Outcome. Earnings threshold calculation (18 hrs x 26 weeks x NLW) and self-employed equivalent measured over 26 cumulative weeks. To be achieved up to 456 calendar days from the Participant's start date, or if extended up to 638 calendar days from the start date.</p>
	<p>At least 80% of 'In-Work' Retention Support participants to achieve a Higher Threshold Job Outcome (higher only – Employed and Self-employed Job Outcomes). Earnings threshold calculation (18 hrs x 26 weeks x NLW) and self-employed equivalent measured over 26 cumulative weeks. To be achieved up to 365 calendar days from the Participant's start date.</p>

- 11.2 Performance against these measures is expected to be achieved over the life of the programme. When profiling participant volumes, providers should allow for performance to build up against those levels over time, as the service matures.
- 11.3 The Cost Register uses a performance curve created by DWP analysts to reflect and account for the differing time periods across the Delivery Period. This performance curve will be used to help track appointed provider's performance against the Performance Measures on a monthly and quarterly basis (see section 12 for further details).
- 11.4 The agreed Performance Measures may be adjusted by DWP during delivery if required. The North East CA will engage with Providers to reflect and progress any adjustments, as necessary.
- 11.5 DWP will carry out an Annual Review of the Connect to Work Programme and will consider the delivery of funded activities against the submitted Grant Cost Register. Each Annual Review may result in DWP deciding that delivery should continue within existing plans, that a remedial action plan is agreed, that unspent monies will be recovered. This list is not exhaustive. The North East CA will engage with Providers to reflect and progress any outcome of the Annual Review as necessary.
- 11.6 Further detail about the performance measures can be found in the DWP Connect to Work Grant Guidance, section 9.3.
- 11.7 As required under the Procurement Act 2023 regulations, the North East CA will publish appointed providers' performance against these measures on an annual basis.

12 Management Information (MI) Reporting, Claims and Payments

- 12.1 Alongside the Fidelity Assessment System, the North East CA will engage with Providers regularly to understand what is going well and what is proving challenging. Performance will be measured through analysis of MI on a monthly basis and appropriate support will be co-ordinated as required.
- 12.2 To support this process, Providers will be expected to have to capacity to collect, evidence and report participant information which may include participant demographics, socioeconomic status, vocational profiling plans, appointments and interventions received, distance travelled, job starts and outcomes achieved and employment / earnings information. It is anticipated that "live" participant information will be input to a specific Connect to Work Customer Relationship Management (CRM) System provided by the North East CA which is anticipated to be in place at the start of delivery. However, if the CRM is not available at the start of delivery an interim spreadsheet-based process for collecting, evidencing and reporting participant information will be put in place. Further details will be discussed with Providers during the project mobilisation phase.
- 12.3 Payment will be made to Providers quarterly in arrears, based on allowable costs incurred, following the validation process. For Allowable Cost

reimbursement, Providers are required to capture all Connect to Work related expenditure over the quarter, against each expenditure stated.

- 12.4 Throughout delivery, Providers will be asked to submit quarterly claims which will include the Cost Register (Appendix 2) detailing allowable costs incurred, programme starts and job starts and outcomes achieved, on which a cost validation and outcome audit process will be undertaken.
- 12.5 As noted in section 11, the Cost Register uses a performance curve created by DWP analysts to reflect and account for the differing time periods across the Delivery Period. This performance curve will be used to help track Providers performance against the Performance Measures on a monthly and quarterly basis
- 12.5 Where Providers are consistently underperforming against financial profiles, participant volumes and the performance measures outlined in section 11, remedial action plans will be put in place. One possible outcome of consistent underperformance following remedial actions may be reduction or reallocation of funding.

13 Marketing and Communications

- 13.1 Raising Awareness of Connect to Work amongst eligible and suitable participants in local areas can help to build trust and encourage participation – providers are encouraged to build awareness before going live in August 2025.
- 13.2 To raise awareness, Accountable Bodies should promote Connect to Work, ensuring it is recognised across their locality. This should include:
- Ensuring easy access to information on the programme through social, online and print media.
 - Making information accessible in formats suitable for people with sensory impairment and/or in other languages.
 - Using both existing and new networks to Connect to Work across a range of systems.
- 13.3 DWP will provide Connect to Work Branding Guidance which will be shared with appointed Providers and contain information about use of the Connect to Work name and any national branding requirements, as well as materials to support Providers to take account of these requirements in any publicity, marketing, or communications materials.
- 13.4 Materials produced by Providers must not adversely affect the reputation of the programme, the North East CA, or the Government. For example, marketing materials should not include communications or messages which could lead to adverse media attention or could be misunderstood or misinterpreted.
- 13.5 Marketing and communications products do not need to be submitted to the North East CA for quality assurance, however this may be requested where deemed necessary. Providers can submit products to be checked if they would find that helpful.

14 Evaluation

14.1 DWP plans to conduct a national evaluation of Connect to Work and may commission a third-party evaluation organisation to undertake this or elements of it. Providers are required to actively participate in the national evaluation and to support the engagement of all types of research participants which may include potential programme, programme participants, staff, employers, wider stakeholders and other research participant groups identified by DWP. The North East CA will engage with Providers in relation to the national evaluation as necessary.

15 Social Value

15.1 Social value is at the heart of the North East CA's commissioning and procurement activity. It seeks to maximise the collective benefit of our investments for our communities and residents. Added social value benefit will be scored as a sub-criteria under the Quality assessment, as detailed in Part 2 – Summary, Instructions and Details.

15.2 With specific reference to the ambitions outlined in the Get Britain Working White Paper (Nov 2024 <https://www.gov.uk/government/publications/get-britain-working-white-paper/get-britain-working-white-paper>), potential Providers of Connect to Work will be asked to outline the steps their organisation currently takes as an employer to address the following challenges, alongside the additional steps they will commit to taking if awarded this contract:

- too many people are excluded from the labour market – especially those with health conditions, caring responsibilities or lower skill levels.
- too many young people leave school without essential skills or access to high-quality further learning, an apprenticeship or support to work so that they can thrive at the start of their career.
- too many people are stuck in insecure, poor quality and often low-paying work, which contributes to a weaker economy and also affects their health and wellbeing.
- too many women who care for their families still experience challenges staying in and progressing in work.

15.3 Additional steps may include the following, and potential providers should add values against these in their application (please note this list is indicative and not exhaustive):

- becoming an accredited real living wage employer
- creation of local jobs for local people
- creation of apprenticeships
- number of carers recruited as a result of the contract
- number of disabled employees or employees with a health condition recruited as a result of the contract
- utilising local community organisations in delivery supply chains
- providing engagement and or information advice and guidance sessions to particular groups of hard-to-reach residents
- providing relevant awareness and information sessions to specific businesses or sectors

- 15.4 Potential providers are encouraged to sign up to the North East CA's good employer accreditation scheme. Please visit www.goodworkpledge.co.uk for more information, and note the scheme is currently under re-development to align with the North East CA branding and priorities.
- 15.5 Social value commitments will be monitored as part of the ongoing contract and performance management process.
- 15.6 If applying as the lead body of a partnership, potential Providers will also be asked to set out their commitment to working effectively with partners during delivery. This should seek to make a lasting positive impact on the resilience, capacity and functionality of the local ecosystem and may include:
- a procurement process that is open and accessible to local organisations.
 - reasonable expectations of partners.
 - clear lines of accountability and shared influence.
 - strong mechanisms for open dialogue between partners, including the efficient resolution of any issues.
 - a financially sustainable model that does not expose delivery partners to disproportionate financial risk.
 - the provision of support that builds the long-term capacity of delivery partners and local employers.
 - service user involvement in planning, delivery and evaluation.

16 Sub-contracting

- 16.1 Subcontracting and collaborative partnerships have an important role to play in providing outreach to communities, supporting non-traditional routes to support, supporting the delivery of specialist and niche provision, and creating partnerships which benefit participants. Where approached strategically and with integrity, subcontracting can build capacity and support flexibilities across the sector.
- 16.2 Acknowledging the benefits that subcontracting can provide, we want to drive forward best practice in terms of the management of subcontracted provision and will include the following terms within all contracts:
- all subcontracted provision must be declared in the application with a clear strategic rationale.
 - All subcontractors must pass the criteria set out in our Selection Questionnaire. The selection questionnaires for the appointer provider's sub-contractors will be requested during contracting stage.
 - no additional subcontractors can be brought on board during the financial year without prior approval from the Authority.

17 GDPR

- 17.1 Each Provider must ensure that in carrying out the Funded Activities, it complies with all of its obligations under the UK General Data Protection Regulation (UK GDPR) and Data Protection Act 2018 in relation to processing personal and special category data.

- 17.2 Providers should ensure that information is protected together with IT systems, equipment and processes which support its use. Accountable Bodies must demonstrate an appropriate level of security.
- 17.3 Providers must acknowledge and act in accordance with their duty of care to protect vulnerable adults enrolled on the programme during all activities related to it. This includes ensuring that all staff, Delivery Partners and employers are appropriately trained and that sufficient background checks have been carried out to safeguard all who engage with the Connect to Work Programme (irrespective of the stage of interaction) in line with the Providers existing safeguarding policy for vulnerable adults.