

## Greater Manchester Combined Authority

Date: Friday 28<sup>th</sup> March 2025

Subject: Working Well: Individual Placement and Support in Primary Care (IPSPC) programme

Report of: Councillor Eamonn O’Brien, Portfolio Lead for Education, Skills and Work, and Sara Todd, Portfolio Lead Chief Executive for Education, Skills and Work

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### Purpose of Report

- To provide an update on the Working Well: Individual Placement and Support in Primary Care (IPSPC) programme, including an overview of the current procurement process being undertaken for a similar service to be in place for 2025/26.
- To propose and seek delegated authority to approve the award of a new contract of a similar service to the current Working Well: IPSPC programme, including any post-award variations to the contract and allowed for extensions.

### Recommendations:

The GMCA is requested to:

1. Approve the procurement of a similar service to the current Working Well: IPSPC programme for 2025/26 on the basis set out in this report.
2. Delegate authority to the GMCA Treasurer (in consultation with the Chief Executive Officer Lead and Portfolio Lead for Education, Skills and Work) to approve the award of the new contract and any post-award variations to the contract including approving any extensions provided for in the contract.

### Contact Officers

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## Risk Management

The current Working Well: IPSPC programme is due to cease referrals from 30<sup>th</sup> April 2025. The procurement of a similar service will need to progress to prevent a gap in provision for vulnerable residents who are either out-of-work or at risk of falling out-of-work as a result of health conditions and disabilities.

## Legal Considerations

The current contract has been extended until 31st March 2026 with starts ending in April 2025 and has been varied significantly already in terms of value. Under regulation 72(b) of the Public Contract Regulations 2015, the annual contract value cannot exceed more the 50% of the originally awarded annual contract value and the remaining available values would not allow provision to meet the growing need for GM employment support.

In addition, the project team have identified that the Provider Referrals and Payments (PRaP) system needs to be introduced into this service along with a number of smaller variations. The introduction of PRaP would constitute a material/significant change and would not be allowed for under any future modification of the current contract.

Due to the value of funding remaining and the need to introduce the above changes, it was agreed that a procurement of a similar programme to Working Well: IPSPC would be necessary to utilise the funding whilst ensuring compliance with procurement regulations, and to ensure there is a minimal gap in provision for GM residents.

## Financial Consequences – Revenue

The new contract will be funded through the GM integrated settlement allocation for employment support to the sum of £5.013m. In addition to this there is £557,000 in programme office administration costs.

<b>Total Service Starts</b>	2,000
<b>Funding</b> to March 2027	£5,013,000
<b>Management Fee</b> (including evaluation)	£557,000
<b>Total</b>	£5,570,000

## Financial Consequences – Capital

N/A

## **Number of attachments to the report:**

N/A

## **Comments/recommendations from Overview & Scrutiny Committee**

N/A

## **Background Papers**

N/A

## **Tracking/ Process**

Does this report relate to a major strategic decision, as set out in the GMCA Constitution

No

## **Exemption from call in**

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?

- The current Working Well: IPSPC programme is due to cease referrals from 30<sup>th</sup> April 2025. The procurement of a similar service will need to progress to prevent a gap in provision for vulnerable residents who are either out-of-work or at risk of falling out-of-work as a result of health conditions and disabilities.

## **Bee Network Committee**

N/A

## **Overview and Scrutiny Committee**

N/A

# 1. Introduction/Background

This paper should be read in conjunction with GMCA paper on the allocation of Integrated Settlement and use of flexibilities.

Employment support for GM's long-term unemployed and economically inactive residents – particularly those with health conditions and disabilities – has been provided in recent years under the GM Working Well suite of programmes. That suite encompasses a number of commissioned programmes and services, supported by national and local funding streams of varying durations.

As outlined in the 2024 Autumn Budget, GM will receive its share of employment support funding (to be focused on a Supported Employment programme) from UK Government through an integrated settlement, rather than through Department for Work and Pensions (DWP) grant funding as per other areas. As a result, it is proposed that the national Connect to Work programme is not implemented here in GM. Instead, it is proposed that a future offer is developed in line with the current Working Well ambitions and the aligned Live Well ambitions outlined in the Mayoral manifesto.

The integrated settlement development will focus on building a more person-centred, outcome-driven employment support system that prioritises equality and access to learning and work – it is a three-year journey to integration and developing a Live Well ambition.

As the previous Parliament and Spending Review periods drew to a close, there were delays to decisions from UK Government about successor funding/programmes, despite recognition that both the national contracted employment support offer and those programmes that have been delegated to GM (such as the Working Well: Work and Health Programme) faced a funding cliff-edge. As a result, referrals to all live Working Well programmes have either closed or are due to close this year.

## 1.1. Plan for 2025/26

As we embark on the journey to develop this new system under the integrated settlement, we recognise the importance of maintaining continuity and stability for our residents. To prevent a gap in support and ensure a smooth transition from current provision to the future system, it is proposed that the GMCA plans to build on and extend / re-commission the current Working Well services for an additional year. This includes Working Well: IPSPC and Working Well: Support to Succeed. This transitional period for 2025/26 will

allow design and implementation of the bigger picture and full system envisioned in the Working Well and Live Well ambitions.

## **1.2. Working Well: Individual Placement and Support in Primary Care**

In September 2023, GMCA procured Working Well: IPSPC via an Open Invitation to Tender and the contract was awarded to The Growth Company. The programme (funded by DWP) is designed to support residents with physical or mental health disabilities to access or retain paid employment. The Individual Placement and Support (IPS) model that underpins the programme has traditionally focused on supporting individuals with severe mental illness accessing treatment through secondary mental health services. Working Well: IPSPC expands on the IPS model by taking referrals from primary care (e.g. Living Well, GP Practices, Primary Care Networks, Mental Health Practitioners, Social Prescribing Networks), including a wider cohort of participants (anyone with a physical or mental health disability), and introducing a job retention element for those struggling in work or off sick.

The contract commenced on 18<sup>th</sup> September 2023 and the initial period was due to end on 31<sup>st</sup> March 2023. The current contract has been extended until 31<sup>st</sup> March 2026 (with new starts till April 2025) and has been varied already in terms of value. Under Regulation 72(b) of the Public Contract Regulations 2015, the annual contract value cannot exceed more than 50% of the originally awarded annual contract value and so further variations are not recommended.

The programme has supported over 1,500 individuals between September 2023 and February 2025 to move into competitive employment if they are out-of-work, or to return to and retain their work if they are in-work and off sick or struggling due to their disability. The service is achieving all contractual targets and has successfully integrated with primary care and the wider GM ecosystem.

There is c£5m available that could be used to fund the Working Well: IPSPC programme through the integrated settlement. However, it is not possible to vary the contract by this value under Regulation 72(b). In addition, there is no option to direct award any remaining sum of money as we would not meet the criteria that would enable us to remain legally compliant.

It has also been identified that in order to adhere to the requirements of the integrated settlement and national evaluation, PRaP needs to be introduced into the service along with a number of small tweaks. The required updates would include amending outcome

measures to fall in line with the outcomes framework agreed with DWP under the terms of the integrated settlement. These amendments and the introduction of PRaP would constitute a material/significant change if made to the existing contract.

### **1.3. The plan for re-procurement**

Due to the value of funding remaining and the need to introduce the above changes, it was agreed that a procurement of a similar programme to Working Well: IPSPC would be necessary to utilise the funding whilst ensuring compliance with procurement legislation and ensuring there is a minimal gap in provision for GM residents.

Although the current Working Well: IPSPC programme contract has been extended, to ensure that anyone who is referred is able to complete the programme, it is due to cease referrals from 30<sup>th</sup> April 2025. The procurement of a similar service will need to progress to prevent a gap in provision for vulnerable residents who are either out-of-work or at risk of falling out-of-work as a result of health conditions and disabilities. The current service has created solid links and integration across primary care and is achieving all contractual targets. The new commission will be expected to build upon those successes.

Following an options appraisal of the potential procurement routes, it was agreed that the most suitable route to market would be to carry out a competition via the Education, Work and Skills Flexible Purchasing System (FPS).

This option allows GMCA to undertake a timely procurement exercise with a pool of suitable providers who have already been through supplier suitability checks, with the aim to minimise the gap in provision and to ensure a smooth transition in delivery.

A refreshed scope for the programme is being prepared taking into consideration of the changes noted above with a view to undertaking the procurement process during March and April 2025. It is intended that the new contract will be in place for the start of May to allow delivery to commence with a minimal gap in referrals to the service.

The proposed new service will provide support for 2,000 GM residents between 1<sup>st</sup> May 2025 and 31<sup>st</sup> March 2027 and will have a contract value of £5,013,000 for the initial period. The contract for the new service will also include an option to extend by a further year to 31<sup>st</sup> March 2028, up to a maximum value of £2.4m, the decision on which will be subject to GMCA requirements, funding, and contract performance alongside the future design of the employment support system.

## 1.4. Financial summary

The contract would be funded through the GM integrated settlement allocation for employment support to the sum of £5.013m. In addition to this there is £557,000 in programme office administration costs.

<b>Total Service Starts</b>	2,000
<b>Funding</b> to March 2027	£5,013,000
<b>Management Fee</b> (including evaluation)	£557,000
<b>Total</b>	£5,570,000

## 2. Recommendations

Recommendations appear at the front of this report.