

<b>Committee(s):</b> Finance Committee	<b>Dated:</b> 13 January 2026
<b>Subject:</b> Connect to Work – change of named contracting body	<b>Public</b>
<b>Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?</b>	<b>1,3 and 4</b>
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>No</b>
<b>If so, how much?</b>	<b>N/A</b>
<b>What is the source of Funding?</b>	<b>Department for Work and Pensions</b>
<b>Has this Funding Source been agreed with the Chamberlain’s Department?</b>	<b>N/A</b>
<b>Report of:</b> Damian Nussbaum, Executive Director, Innovation and Growth	<b>For Information</b>
<b>Report author:</b> Liz Millington, Senior Programmes Manager Laura Davison, Research and Intelligence Director, Innovation and Growth	

### Summary

Central London Forward (CLF) is the partnership of the 11 central London local authorities and the City of London Corporation. The City of London Corporation acts as the contracting body for CLF. In June 2024, Finance Committee and Court of Common Council approved grant funding receipt from the Department of Work and Pensions (DWP) to deliver the new Connect to Work programme to help economically inactive and disabled people into work. The budget for the programme is £73 million to 2030, with the contract live since July 2025.

The government’s new ‘Integrated Settlement’ approach to funding means that the existing contract will be moved from DWP to the GLA. All other aspects will be ring-fenced and unchanged, including funding levels and targets. This paper is therefore coming to alert Members that going forward, this contract will be signed with the GLA as ‘successor body’, rather than DWP.

### Recommendation(s)

Members are asked to note:

- CLF will sign a ‘succession’ contract with GLA for the Connect to Work programme and funding, as it is handed across from DWP.

## **Main Report**

### **Background**

1. Central London Forward (CLF) is the sub-regional partnership of the 11 central London local authorities and the City of London Corporation.<sup>1</sup>
2. The City of London Corporation is the Contracting Body for CLF. As such, the City Corporation enters into contracts on behalf of the member authorities.
3. CLF's work is overseen by the CLF Board. The Chair of Policy and Resources represents the City of London Corporation on the Board. CLF programmes are overseen by the CLF Programmes Board. The Town Clerk represents City of London Corporation on the CLF Programmes Board. CHECK
4. Connect to Work is a supported employment programme, funded by the Department of Work and Pensions (DWP). The programme will primarily support people who are disabled and economically inactive.<sup>2</sup> The programme is based on the 'place, train and retain' model of supported employment.
5. In June 2024 a paper went to Finance Committee and then to Court of Common Council where it was approved that CLF could accept the grant funding from the Department for Work and Pensions.
6. The contract went live in July 2025 and is now being delivered across all 12 central London boroughs.

### **Current Position**

7. Connect to Work has been devolved to CLF to manage on behalf of the 12 central London local authorities. This represents significant progress in devolution, building on the successful devolution of the Work and Health Programme.
8. Connect to Work will support around 18,000 residents over a 5-year period to March 2030. The funding is circa £73m in total.
9. As part of the Government's Integrated Settlement, in April 2026 the Department for Work and Pensions will be handing over the Connect to Work contract to Greater London Authority to manage.
10. This is part of the UK government's new Integrated Settlement agreement approach in London. This will see a number of grants and funding streams all brought together as a single flexible funding pot.

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<sup>1</sup> City of London, Camden, Hackney, Haringey, Islington, Kensington and Chelsea, Lambeth, Lewisham, Southwark, Tower Hamlets, Wandsworth and Westminster

<sup>2</sup> This refers to people who are not in employment and not actively looking for work, or immediately available to start work

11. The shift is part of a broader push to update devolution arrangements across England — similar settlements have already been granted to other “Mayoral Strategic Authorities” (MSAs) such as the Greater Manchester Combined Authority (GMCA) and West Midlands Combined Authority (WMCA).
12. The settlement for London will be managed by the Greater London Authority (GLA) and as such, the existing contract for Connect to Work will be moved across from DWP to GLA.
13. The contract will be ringfenced – no changes to current funding allocations or the contract already agreed and in place. This will just be a matter of the GLA re-issuing the contract for City of London to sign on behalf of CLF.
14. After consultation with City of London legal team they have confirmed that GLA can be classed as a **successor body**.
15. Therefore this paper is coming to Committee for information only. As the contract previously agreed in June 2024 will remain the same and the only change will be the funding / commissioning body, as the successor body.

## Options

16. This paper is for information and confirms that GLA will be managing the Connect to Work contract instead of DWP from April 2026 as part of the Integrated Settlement for London. The City of London will sign the new agreement on behalf of CLF. There will be no changes to the original contract that was signed with DWP.

## Proposals

17. Members are asked to note the change of commissioner and contract signature for Connect to Work from GLA to DWP as from April 2026.
18. This will enable CLF to continue to deliver the contract across Central London without any negative impact on the support being provided to our residents.

## Key Data

19. There are **1.3m** economically inactive Londoners. Of these, over **300,000** are inactive as a result of a health or mental health condition. **One in 6** economically inactive Londoners would like to work.
20. The Connect to Work programme has a value of circa £73m and will support up to 18,000 central London residents over the next 5 years.
21. CLF’s employment and skills programmes supported over **10,000** central London residents into work in the last 5 years.

## **Corporate & Strategic Implications**

### **Strategic implications**

22. The funding supports the delivery on outcomes 1, 3 and 4 of the Corporate Plan. It will enable the delivery of priority 1 of the [CLF Strategy](#).

### **Financial implications**

23. There are no financial implications for the City Corporation. The Connect to Work Contract was approved through CoL governance committees in June 2024. This paper seeks to inform the Committee that the commissioner will change from DWP to GLA in April 2026. The contract and the grant funding will remain the same.

### **Resource implications**

24. Before signing the contract with GLA we will require some support from City of London legal team to check the document. This support would be funded by the DWP grant.

### **Legal implications**

25. There are no legal implications for the City Corporation.

### **Risk implications**

26. There are no risk implications for the City Corporation.

### **Equalities implications**

27. The funding has a positive impact through tackling labour market inequalities. CLF work to targets relating to protected characteristics to ensure the programme supports all groups of residents.

### **Climate implications**

28. There are no climate implications.

### **Security implications**

29. There are no security implications.

## **Conclusion**

30. As part of the new government Integrated Settlement which will happen in April 2026, the Department for Work and Pensions will be handing over the management of the Connect to Work contract to the Greater London Authority (GLA).
31. This means that the existing contract that was signed by City of London on behalf of CLF, will be reissued by GLA for signature again.

## **Background Papers**

Universal Support – Grant funding for new CLF employment programme

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