



Rethink  
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UK

**Briefing:**

# Lessons Learned from Employment Support Programmes

Rethink Mental Illness, January 2025

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# Overview

## Purpose

This document examines the successes and challenges of employment support programmes for individuals severely affected by mental illness, aiming to inform future commissioning while emphasising collaboration with Voluntary, Community and Social Enterprise (VCSE) organisations in design and delivery. It explores how effectively these programmes support people with severe mental illness (SMI) in securing tailored, suitable employment, and makes recommendations for new programmes based on this learning. This paper synthesises findings specifically relevant to mental health and illness and employment support, leveraging official reviews, evaluations of programmes and their commissioning, and responses from key stakeholders to provide a comprehensive and informed assessment.

The briefing is aimed at government departments, agencies, and arm's-length bodies (ALBs) responsible for designing and commissioning employment support programmes, calling on them to invest in person-centred, holistic approaches to employment support.

## Why we should focus on employment support tailored for people with SMI

In 2023/2024, around 630,000 people in the UK were economically inactive due to mental ill-health (1). The government prioritises addressing economic inactivity because of its importance in driving economic growth and enhancing quality of life. Tailored employment support programmes for individuals with SMI can help them access and sustain suitable jobs where possible, aligning with the government's mission to tackle economic inactivity.

## Recommendations for Commissioning Future Employment Support Programmes

The evaluations we have reviewed demonstrate that government departments, agencies, and arm's-length bodies (ALBs) responsible for designing and commissioning employment support programmes should:

1. **Invest in person-centred, holistic employment support** – expanding effective return-to-work programmes and reallocating resources from generic services will help people living with SMI find meaningful employment.
  - a. For example, Mental Health UK's Into Work programme, launched in 2023, provides tailored support based on the IPS model, addressing barriers like finances, housing, and social connections, with ongoing support after employment is secured.
2. **Commission organisations with expertise in the complexity of mental health and employment** to ensure delivery of high quality, tailored services.
  - a. Where providers are not mental health/illness specialists, providers must invest in comprehensive training for staff to effectively manage and be aware of the complex needs of individuals living with SMI, ensuring quality employment and health outcomes.
3. **Award long-term contracts** to ensure service stability and improve staff retention.
4. **Commissioners and providers should foster partnerships** between the VCSE and health and care mental health services to ensure comprehensive support from trusted and expert providers for participants.

# Policy Context

The government's employment support plans include:

- **£240 million investment** to trial new approaches addressing ill-health-related inactivity, support NEET (not in education, employment, or training) youth, and assist career development.
  - **£125 million in eight 'trailblazer' areas** across England and Wales to fund local work, health, and skills initiatives, including **NHS growth and health accelerators** in three trailblazer areas to prevent work loss due to ill health with an additional **£45 million** in funding allocated to those areas.
  - **Connect to Work programme** launching in 2025-26 with £115 million to support disabled individuals or those with health conditions, assisting 100,000 people annually by 2026-27. Local authorities can tailor it to regional needs.
- **Health and disability benefits reform** in early 2025 to better support individuals in work or job-seeking, ensuring fairness and sustainability.
- **IPS expansion** to support 140,000 individuals with SMI by 2028-29 (continuing from Autumn Budget 2023's commitment).
- **Addressing health-related inactivity** by improving NHS services, increasing mental health support, preventing illness, and adding 8,500 mental health staff to cut waiting lists.

For more information, see the recently published White Paper: [Biggest employment reforms in a generation unveiled to Get Britain Working again - GOV.UK](#). (2)

Also of relevance is the following White Paper published December 2024: [English Devolution White Paper - GOV.UK](#) (3). The government **prioritises partnerships across multiple Local Authorities**. The ambition remains for all parts of England to ultimately have a **Mayoral (and eventually Established Mayoral) Strategic Authority**. Mayoral Strategic Authorities will **co-design and help commission future employment support programmes** that are evidence-based, cost-effective, aligned with DWP services, and delivered under clear accountability frameworks.

# The Work Programme (2011 – 2017)

## Overview

- Launched in **June 2011** as part of the Coalition Government's welfare reforms alongside Universal Credit.
- The goal was to **support individuals at risk of long-term unemployment, including those with disabilities or complex health conditions**, in finding sustained employment.
- It was delivered by a range of private, public and voluntary sector providers.

## Commissioning Arrangements

- **Nationally commissioned (DWP)** contracts held by **18 prime providers** managing regional delivery through subcontractors. Notable examples include, Serco, Maximus, A4E, and Ingeus.
- **Payment-for-Results** - providers receive payments based on sustained employment outcomes, with higher rewards for helping those furthest from the labour market.
- **Five-year contracts** foster investment in infrastructure and collaboration across sectors.

## Evaluation and Lessons Learned

The following evaluation is primarily informed by insights and commentary from respected charity stakeholders and prominent media articles:

- [Providers prioritised easier cases](#) to maximise payments, **sidelining individuals with complex needs such as severe mental health issues** (4).
- Vulnerable jobseekers were often **passed to subcontractors or ignored**, reducing their chances of employment.
- Cost-driven decisions – **cheap bids during tendering raised concerns about profit motives over meaningful support**. Discounts on contracts led to financial strains, risking service quality.
- There was **inadequate specialist support for participants with mental health conditions**, often worsening stress and anxiety.
- National commissioning overlooked support at the **local level**, where there is a **varied landscape of employment support provision for disabled people**, typically commissioned by the NHS or local authorities, or delivered by the voluntary sector.
- A 2014 [report](#) supported by Mind further argued that **the Work Programme overwhelming failed to adapt jobs or support** in line with the needs of people severely affected by mental illness (5).
- The BBC highlights (6) that the Work Programme's **preference for large private providers, delayed payment structure, and reliance on prime contractors**—who often retained significant referral fees while providing inconsistent referrals—**caused severe financial instability for charities**, leading to closures like Eco-Actif Services (small social enterprise) and widespread criticism.

# The Work and Health and Programme (2017)

## Overview

- Launched in 2017, the Work and Health Programme (WHP) **supports disabled people, the long-term unemployed, and early access groups** in finding permanent jobs.
- Initially mandatory for some benefits claimants, WHP became voluntary, with 410,000 participants referred by May 2023.
- Delivered by third-party providers through competitive tendering, it emphasises service quality and job outcomes.

## Commissioning Arrangements

- Delivered by **third-party providers chosen through competitive tendering**, with payments based on service delivery and employment outcomes.
- Each area had a **single prime provider** managing WHP delivery, often **supported by a network of subcontractors**. Key providers included Shaw Trust, Ingeus, and Maximus.
- **Local authorities involved** in the Devolved Deal Area (DDA commissioning).

## Evaluation and Lessons Learned

The following evaluation is primarily informed by insights from a research report carried out by Kantar Public, ICF and BPSR on behalf of the Department for Work and Pensions (7):

- **Flexible design, dedicated contacts, and long-term support** helped participants secure employment.
- **Involvement of local authorities** encouraged tailored services aligned with local area needs.
- Providers **trained staff to handle physical and mental health complexities**, particularly mild to moderate conditions, with an employment focus (e.g., managing workplace anxiety).
- Key workers referred participants to specialist services, **though gaps in mental health, addiction, and bereavement support were noted** due to resource shortages and long waiting times.
- **The programme primarily addressed mild-moderate mental health needs**, signposting participants with severe conditions to public health services or charities, though these were often difficult to access quickly.
- This points toward the need for enhanced personalisation of support through **improved staff training on managing complex participant needs**.

# The Restart Scheme (2021)

## Overview

- DWP launched in **June 2021** as part of the government's 'Plan for Jobs'.
- Aimed to **provide up to 12 months of personalised support** to help individuals find and sustain employment following the economic impact of the COVID-19 pandemic.
- Later widened to include other eligible individuals due to lower-than-expected unemployment rates.
- It was **initially mandatory for specific Universal Credit claimants** who had been unemployed for 12 to 18 months.

## Commissioning Arrangements

- The DWP commissioned **eight prime contractors covering 12 contract areas** in England and Wales. Common providers included Serco, Reed, and Maximus.
- **Hybrid payment structure – payment combined fixed fees and performance-based incentives for sustained employment.**
- Prime contractors had flexibility in support delivery and could **subcontract, involving 77 providers in total.**

## Evaluation and Lessons Learned

The following evaluation is primarily informed by insights from a research report carried out by researchers at Learning and Work Institute (L&W) and Ipsos (8):

- **Restart participants had higher employment rates** than non-participants.
- By the second wave, 38% of participants were employed, a 21% increase from the first wave.
- Participants reported improved confidence, motivation, and job-search self-efficacy.
- Skills development and reduced job selectivity were noted among participants.
- **Some participants** with specific needs (e.g., English for Speakers of Other Languages (ESOL), childcare, transport barriers) **received targeted support.**
- **The scheme was less effective for people with physical health conditions, severe mental health conditions, the long-term unemployed (over two years), and those with higher skill levels.**
- [Guidance](#) from the DWP (9) outlines that 'it is the **responsibility of the Restart Scheme Provider to source and fund all appropriate mental health support for participants who require it whilst on this programme.**' This means it is very important that providers work closely with organisations that can provide this.
- An NAO evaluation report can be found [here](#) (10).

# Individual Placement and Support Scheme (IPS)

## Overview

- Individual Placement and Support (IPS), a suite of evidence-based practices, offers **intensive, individually tailored support to help people to choose and find the right job**, with ongoing support for the employer and employee to help ensure the person keeps their job.
- Case study: **Rethink Mental Illness's IPS employment service runs across Coventry & Warwickshire** and helps people accessing mental health services find work to aid their recovery.

## Commissioning Arrangements

- **NHS England > ICBs who contract primarily with VCSE providers, but short-term contracts can cause financial instability and staffing challenges; parity with trust providers is essential.**
- Effective performance management of VCSE and trust providers is critical for maximising IPS service outcomes.
- Commissioners should incorporate IPS access and referral targets into performance frameworks with trusts who are not IPS providers.

## Evaluation and Lessons Learned

The following evaluation is primarily informed by insights from research carried out by RAND (11):

- IPS has proved to be **effective in helping people with SMI into employment.**
- A systematic review showed that IPS is more than twice as likely to lead to competitive employment as traditional vocational rehabilitation, and its benefits remain evident over a long time.
- Compared to clients receiving standard treatment only, **participants in IPS programmes achieve better job outcomes (e.g. job tenure and income) and a possible improvement in their quality of life.**
- Early evaluation of Mental Health UK's Into Work programme indicates positive outcomes for clients and a clear Return on Investment.

Other:

- Flexibility of IPS - **IPS is a time-unlimited service, meaning that there are no fixed limits to the duration of support.** Clients may have multiple job starts and re-access the service after job loss. Services should monitor active caseload to ensure each ES can support 40 – 50 clients per year.
- However, as noted above, **short-term contracts can cause financial instability and staffing challenges.**



# Information about Providers

## **The Work Programme:**

- Nationally commissioned (DWP) contracts held by 18 prime providers managing regional delivery through subcontractors, meaning they were able to pass some cases on.
- Providers included: Ingeus, Serco, Working Links, Maximus.

## **The Work and Health Programme:**

- Delivered by 5 providers across 6 Contract Package Areas (CPAs).
- In some CPAs, the WHP is designed in collaboration with Local Enterprise Partnerships and city regions, referred to as Devolved Deal Areas (DDA).
- In London and Greater Manchester, Local Government Partners (LGPs) manage the WHP, funded through devolution deals and matched by the European Social Fund (ESF).

## **The Restart Scheme:**

- The Restart scheme is delivered across England and Wales by 8 providers across 12 areas, known as Contract Package Areas (CPAs). These CPAs represent 12 geographic areas of England and Wales, with Wales as a single area (CPA 6).

## **IPS:**

### **There are two main varieties of contracting arrangements:**

- ICB contracts with trusts payable through either a block contract or separate commission. Trusts will either provide the service in-house or will sub-contract the IPS service to an independent provider. Typically, these are VCSE but there are some local authority, housing association and private sector providers.
- ICB contracts directly with providers, the majority of these are VCSE providers.

# Key Lessons Learned and Recommendations for Commissioning Future Employment Support Programmes

## Key Lessons Learned

- Historical programmes often prioritised easier cases, sidelining those with severe mental health issues.
- Many programmes lacked adequate mental health support, worsening participants' conditions.
- Cost-driven decisions – cheap bids during tendering raised concerns about profit motives over meaningful support. Discounts on contracts led to financial strains, risking service quality.
- National commissioning overlooked the need for localised, tailored services.
- Successful programmes provided tailored support with well-trained key workers.
- Ongoing, flexible support led to better outcomes for people with severe mental illness.
- Long wait times/poor coordination of mental health services e.g., NHS and VCSE hindered access to necessary support.

## Recommendations for Commissioning Future Employment Support Programmes

The evaluations we have reviewed demonstrate that government departments, agencies, and arm's-length bodies (ALBs) responsible for designing and commissioning employment support programmes should:

1. **Invest in person-centred, holistic employment support** – expanding effective return-to-work programmes and reallocating resources from generic services will help people living with SMI find meaningful employment.
  - a. For example, Mental Health UK's Into Work programme, launched in 2023, provides tailored support based on the IPS model, addressing barriers like finances, housing, and social connections, with ongoing support after employment is secured.
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# Endnotes

- (1) UK Govt (2024). Employment of disabled people 2024. Last accessed on 07/01/2025 via [The employment of disabled people 2024 - GOV.UK.](#)
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- (7) UK Govt (2024). Work and Health Programme evaluation: synthesis report. Last accessed on 07/01/2025 via [Work and Health Programme evaluation: synthesis report - GOV.UK.](#)
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- (10) NAO (2022). Report – The Restart scheme for long-term unemployed people. Last accessed on 23/12/2024 via [The Restart scheme for long-term unemployed people.](#)
- (11) RAND (2021). Evaluation of IPS Grow. Last accessed on 23/12/2024 via [Evaluation of IPS Grow: Final report | RAND.](#)



Leading the way to a better quality of life for everyone severely affected by mental illness.

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