North East Combined Authority

Economic Inactivity Trailblazer call for projects

Priority 2.4: employment support for social housing tenants

1. About the North East Combined Authority

The North East Combined Authority covers the seven local authority areas of County Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland. The North East faces some deep-rooted challenges including skills, productivity and GVA which fall behind national averages, poor indicators of health, including healthy life expectancy, and some of the highest levels of economic inactivity across the country.

The North East Combined Authority has successfully secured funding to deliver the DWP Economic Inactivity Trailblazer, which is designed to:

- Align with DWP priorities on tackling economic inactivity
- Maximise the impact of existing local and national resources
- Focus on groups facing the most significant barriers to employment
- Be bold and ambitious in its design and delivery
- Pilot new, integrated models of support
- Drive long-term system reform across sectors.

2. The Economic Inactivity Trailblazer

The DWP Economic Inactivity Trailblazer is a flagship initiative under the UK Government's wider strategy to reduce economic inactivity and support more people into work. Funded by DWP for the 2025/26 financial year, the programme is being piloted across eight areas in England through a one-year, test-and-learn model.

This place-based pilot is closely aligned with the ambitions of the Get Britain Working White Paper, aiming to bring together local health, skills, and employment systems to better support working-age residents who are economically inactive due to long-term health conditions, caring responsibilities, or other complex barriers.

In the North East, the Trailblazer will test innovative, locally tailored approaches to improve employment outcomes. It will strengthen collaboration between public health, employment support, and skills providers, and drive system change and unlock new ways of working.

The Trailblazer offers us the opportunity to develop and test new and innovative ways to address the persistent challenge of economic inactivity – with the aim of harnessing untapped human potential to help grow our economy, raise living standards, reduce child poverty and create opportunities from which everyone can benefit.

2.1 Trailblazer evidence base

In order to target this work on the areas of strongest opportunity and need we will be informed by our Growth Plan – Local Growth Plan which outlines our target sectors; North East Evidence Hub and our forthcoming employment and skills strategy, A New Deal for North East Workers, which outlines target populations, currently excluded or under-represented in the labour market, and our future skills and employment needs.

The North East Combined Authority have undertaken a robust review of the evidence base to inform the development of the Trailblazer and this call for projects. Applicants should reflect on the evidence base and good practice and set out how they can be embedded into project delivery.

Applicants are not required to submit evidence for their application but are requested to develop proposals that develop and build on the existing evidence base to bring new learning and understanding to employment support in the North East.

2.2 The objectives of the Trailblazer

The North East Economic Inactivity Trailblazer is centred around three priority areas:

Priority one: Better pathways into employment
This priority will develop approaches to provide an enabling environment and resources to bring together, coordinate and maximise existing service provision to enhance the coherence and impact of existing and emerging employment support interventions.

This approach will bring together organisations delivering employment support services in their area and will shape and direct the local infrastructure to better support mainstream services. This will ensure that both residents and employers benefit from high quality, comprehensive and reliable employment support services, and remove barriers to improving the skills and employability journey.

Priority two: New ways of working
We will invest in new employment provision addressing identified needs, to move residents into employment, education or training, or closer to the labour market. This priority aims to stimulate innovation and explore new models of delivery, which provide learning and the opportunity for future scale-up. Priority two has six strands of activity:

- Supported placements for young people

- Supported placements for neurodiverse residents
- Support to individuals within primary care
- Support for social housing tenants
- Support for women
- Support for employers

In addition to the activity outlined above, the Combined Authority will also invest £950,000 in a VCSE Small Grant Programme, with grants available of up to £100,000 for community-based projects.

Priority three: Systems reform – an integrated approach to health and employment
We want to break down barriers and redesign processes to create best in-class services for residents across employment, skills and health. We will fund three strands of activity:

- System redesign
- Carers and VCSE capacity building
- Labour market intelligence (LMI) Hub

The remainder of this document sets out the details for priority 2.4 employment supported for social housing tenants. This should be read in conjunction with the guidance for this call for projects.

3. Employment supported for social housing tenants (priority 2.4)

The purpose of priority 2.4 is to test new approaches to supporting economically inactive residents in social housing to move closer to employment. People living in social housing are more likely to be unemployed, economically inactive or working in insecure or low-wage sectors. Housing providers, due to their ongoing relationships with tenants, are well-positioned to offer support that addresses both housing stability and employment needs.

Priority 2.4 will provide integrated, person-centred support that addresses personal, structural, and systemic barriers to employment. A key feature will be the integration of employment support with housing services to develop social housing tenants' skills, experience, and confidence in the workplace and enable residents to make sustainable progress towards the labour market.

This priority is for social housing tenants of working age who are currently economically inactive in the North East Combined Authority area and have a health condition. However, we are particularly interested in proposals that will:

- support those social housing tenants who are over 50, or
- identify and engage social housing tenants who are not involved with other services and are 'hidden'.

Priority 2.4 aims to:

- Engage economically inactive social housing residents who face complex or multiple barriers, and provide personalised, holistic support that is co-developed with participants.

- Use new approaches to address barriers to employment, including a range of confidence building, soft skills development, employment coaching and vocational training etc.

- Integrate housing, employment, health, and other services to deliver joined-up support to remove barriers to employment.

- Learn from the different types of support to inform the North East evidence base.

Summary of priority 2.4:

- The target group is 18 to 64-year-olds, not in education, employment or training and economically inactive, who are social housing tenants.

- Priority 2.4 is expected to support 250 social housing tenants in total.

- An indicative allocation of £875,000 is available for this priority.

- The Combined Authority expects to fund three or four projects in this strand of activity.

- The minimum grant request is £200,000, and the maximum request is £300,000. Projects that apply for more or less funding will not be assessed.

- For this priority it is expected that projects will cover specific communities in the North East, that are local and may be aligned to social housing stock.

- People who are not residents in social housing are not eligible for this priority.

- All delivery must be completed by 31 March 2026.

Key dates:

- Applications must be received by **noon on Friday 27 June**. Any application not fully completed and submitted by this date and time will not be assessed.

- Interviews may be held with the assessment panel between **9 and 11 July,** if required. Applicants are requested to hold this date in diaries and alternative dates will not be available.
- Successful applicants will be expected to enter into contracts and mobilise projects in August 2025.

- The projects must be mobilised **during August 2025** and ready to take referrals from 1 September 2025.

- All activity and spending must be complete, and outputs and outcomes achieved by the **31 March 2026.**

Eligible activity for priority 2.4 may include:

It is anticipated that projects will deliver some of the following activities to achieve the objectives of this priority. This list is not exhaustive, and we are keen to fund new approaches.

Recruitment and onboarding, may include:
- Identifying social housing tenants that are economically inactive, for example though working in new ways with housing officers and neighbourhood teams or interrogating internal data systems.
- Assessment of eligibility, needs, barriers, and aspirations across employment, housing, health, and wellbeing.
- Developing co-produced action plans focusing on incremental steps towards work readiness.
- Using relational approaches to build trust, confidence and motivation.

New approaches to integrated employment support may include:
- Coordinated support that addresses barriers to work.
- Regular case conferencing and shared case management approaches, across housing, employment, health and any other relevant services, as required.
- Support to improve confidence, digital skills, and work readiness through tailored interventions.
- Practical help with job searches, CV writing, and interview preparation.
- Opportunities for volunteering, work trials, and links to other education of training, as appropriate.

Employer engagement could include:
- Identifying vacancies within the housing sector and with the social housing providers supply chain.

- Work with employers to help participants explore sectors aligned to their interests.
- Educate employers on the value of older workers and age-friendly recruitment and support employers to develop suitable roles and promote flexible working.

Transition support may include:
- New approaches to developing personalised exit plans and ongoing progression pathways for social housing tenants.
- Signposting participants to longer-term opportunities including employment support services including Connect to Work, apprenticeships, or education providers.
- Delivering in-work support, as appropriate, to sustain employment and manage transitions.

4. Eligible participants

Residents in the North East area will be eligible for support under this priority if they are:

- Economically inactive
- Are resident within the North East area
- Are aged between 18 and 64
- Live in social rented accommodation
- Have the 'right to work' in the UK.

Eligible participants must meet the following **definition of economic inactivity**:

Economically inactive individuals are those not in work and not actively seeking work (unlike unemployed individuals who are actively seeking work).

Not all economically inactive individuals claim benefits. For those that do, this would include those claiming either "legacy" benefits or those within specific conditionality regimes in Universal Credit (UC). The former includes Employment Support Allowance (ESA), Incapacity Benefit (IB) and Income Support (IS). The latter includes claimants within the Preparation Requirement or Work Focused Interview Requirement conditionality regimes (or equivalent).

There is no minimum time period of economic inactivity.

5. Outputs and outcomes

It is for providers to demonstrate that the provision they propose will deliver the eligible activities, outputs and outcomes we are seeking. Applicants are expected to submit proposals which demonstrate impact and additionality. In addition to the output and outcomes listed, we are particularly interested in learning what works well or less well, for social housing tenants and employers in the North East.

All activities should contribute to the following outputs and outcomes:

Outputs:

The following outputs are expected from priority 2.4:

- 250 economically inactive social housing tenants recruited
- 175 social housing tenants engaging with keyworker support services
- 140 social housing tenants supported developing skills (life skills, employment skills)
- 100 economically inactive social housing tenants supported to engage in job searching
- 170 socially excluded social housing tenants accessing support
- 140 social housing tenants are making progress towards or into the labour market.

We will require applicants to demonstrate how they intend to progress participants towards and / or into work, including progression into training or other support to address a specific need, and what tool(s) will be used to monitor the individual's progress.

Outcomes:

The following outcomes are expected from priority 2.4:

- 140 social housing tenants with improved employability skills
- 20 social housing tenants are progressing into further education or training
- 30 social housing tenants accessing permanent employment
- 50% of employers reporting improved confidence in recruiting economically inactive over 50's.

Please refer to the project application guidance document for additional information regarding outputs and outcomes definitions and evidence requirements.

6. Budget

There is a budget allocation of £875,000 for priority 2.4. The Combined Authority expects to invest in three or four projects. All funding must be spent by 31 March 2026.

Eligible costs include:

- Provider staffing costs

- Training and development costs for participants
- Participant travel costs
- Provider overheads
- Costs for project level data collection, learning and evaluation

7. Applications and assessment process

Applications

Providers should submit a completed application using the standard template. Each question has a word limit and any text over this word limit will not be assessed. Additional documents or appendices will not be assessed.

Providers are expected to be able to demonstrate in their application:

- Experience in delivering employment programmes.
- Strong links exist with local employers.
- The ability to mobilise in August and begin delivery by 1 September 2025
- The capacity to manage health and safety and safeguarding requirements associated with the delivery of an employment programme.
- A commitment to Equality, Diversity, and Inclusion (EDI).
- Systems for safeguarding, risk management, and data protection.

All applications will be scored in line with the North East Combined Authority award criteria set out in the project application guidance document.

Assessment

The North East Combined Authority will hold an assessment panel with applicant interviews, if required, between 9 and 11 July 2025. Applicants are advised to hold these dates in diaries, as alternatives will not be available.

8. Quarterly claims and payments

The North East Combined Authority's claim process operates quarterly in arrears with projects able to claim for actual expenditure on project activities, on a quarterly basis, after the money has been spent. Applicant organisations are required to cashflow project activity.

Claims are due one month following the quarter end. The North East Combined Authority will pay claims when:

- A fully completed claim form has been approved by the Combined Authority together with supporting information, including a detailed transaction list and evidence of defrayment
- Any project specific funding conditions have been complied with
- Financial, output, milestone, risk and progress information has been uploaded correctly onto the portal

The Combined Authority will withhold 10% of the project value until all necessary checks have been undertaken and the project can be satisfactorily closed.

9. Alignment with other projects and programmes

We expect that applications will demonstrate how they align with, and not duplicate, existing projects and programmes. This includes UKSPF People and Skills funded projects as well as other projects funded by the Economic Inactivity Trailblazer and Connect to Work.

Providers will be expected to attend quarterly provider forum meetings and engage with other Trailblazer activities, including integration and system change workstreams.

10. Monitoring, evaluation and learning

The monitoring information for each participant will be collected via the Participant Registration Form. It will be the responsibility of each provider to ensure every participant has completed this information.

Monitoring returns, along with claims, will be submitted on a quarterly basis, and sample checks will be completed by the Combined Authority.

The evaluation of the Trailblazer is vital to inform future direction. All participating organisations must commit to participating in the Combined Authority programme level evaluation by collecting and providing data, taking part in qualitative interviews, completing surveys and allowing their data to be processed and analysed for this purpose.

Providers have a critical role in learning and evaluation for the Trailblazer. Applicants are encouraged to include research, learning and evaluation in their applications. The Combined Authority is particularly interested in the following research questions:

Social housing tenants:

- What are the biggest challenges that social housing tenants face when trying to find and stay in work?

- How do these challenges differ depending on someone's background - for example, their age, education, disability, or where they live?

- What kinds of support have been most helpful for social housing tenants who are getting ready for work, especially those dealing with issues like poor mental health or limited work experience?
- What specific approaches have helped build people's confidence and resilience to take the next step towards work?

    - How do flexible jobs or the option to work from home help tenants overcome barriers to work?

    - How important is access to things like transport, childcare, or financial help in enabling social housing tenants to attend training, placements, or work?

- What kind of ongoing support makes the biggest difference for tenants preparing to enter the workplace?

- How do social housing tenants feel about the world of work? What makes them feel welcome or unwelcome in a workplace? Does this differ for over 50's?

- How helpful is having a mentor or peer support for tenants moving from benefits or training into work?

- What would help more social housing tenants learn about and take up job or training opportunities? What's currently getting in the way?

Housing providers:

- How can housing providers more effectively identify economically inactive tenants, particularly those not currently engaging with employment services?

- What data sources (e.g. tenancy data, arrears patterns, self-referrals) are useful in identifying employment support needs?

- Which economically inactive social housing tenants are most likely to engage with support? Does targeting tenants with the biggest arrears, households with children etc. have more success? Does the length of tenancy have an impact on the likelihood of engagement with employment support?

- How can early indicators of employment readiness or barriers be captured and monitored by housing providers?

- How can housing providers successfully adapt their processes to better identify and support economically inactive tenants to make progress towards work?

- What methods are most effective for housing providers to engage tenants who are economically inactive and build trust around employment support?

    o How can frontline staff (e.g. housing officers, tenancy sustainment teams) be supported to have employment-related conversations sensitively and appropriately?

    o What training or support do housing staff need to deliver employment-related conversations and referrals confidently and appropriately?

    o What role do existing tenant relationships play in identifying and supporting employment journeys, and how can these relationships be strengthened or adapted?

- What organisational processes or partnerships (e.g. with Jobcentre Plus, local authorities, third sector) enable housing providers to deliver integrated employment support?

- How can data sharing and joint case management be improved while maintaining confidentiality and trust?

- How can housing providers build employment support into existing housing management processes (e.g. sign-up, arrears recovery, welfare checks) without increasing stigma or tenant disengagement?