



Innovative practice case studies

Supply chain partner:
Fedcap

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Fedcap

This case study covers Fedcap, as a prime provider who also operate as a supply chain partner in another area (on behalf of G4S). It is based on two interviews with Fedcap staff, and one with G4S.

Operating as both a prime provider and a supply chain partner brings benefits including sharing ideas, reflections and best practice between the two areas, and also highlights that, as a prime, they are privy to strategic meetings and have access to more data which helps them understand the broader context behind Restart, which may not be available to other supply chain providers; this can be utilised to ultimately improve delivery.

Introduction and overview

Fedcap is the prime provider for South Central and also operate seven sites in the supply chain for the North West on behalf of G4S, in Accrington, Skelmersdale, Blackburn, Burnley and Preston (all in Lancashire) and Crewe and Macclesfield (Cheshire). G4S does not deliver any provision directly. Some of these areas also have other supply chain partners.

Prior to Restart, Fedcap had not previously operated in the North West. On winning the contract, some managers were brought across from other parts of the business, but most staff and all offices needed to be set up for Restart. The ability to gain experience in a new region and grow the organisation, drove Fedcap's decision to work within the supply chain.

Since delivering Restart, Fedcap have secured the Inspiring Futures contract in Crewe and Macclesfield, and believe this helps integration and establish relationships with stakeholders including employers and Jobcentre Plus.

Strengths of the supply chain model

Fedcap note many advantages of their dual role as a prime and a supply chain partner, particularly around sharing best practice, innovation, and access to information and data.

Fedcap can share best practice between their North West and South Central teams. In particular, they highlight that as they have performed well in South Central, this learning is especially valuable as a supply chain partner. For example, Fedcap in South Central have had success with a partner specialising in helping participants secure meaningful self-employment, and have therefore introduced this partner into delivery in the North West. G4S have utilised them more widely since.

Fedcap bring together colleagues from the South Central and North West areas in workshops to share ideas, discuss common challenges, and co-design interventions. As well as holding regular meetings

between managers, other teams such as employer engagement also come together. They believe that having several offices in the North West better prepares them to share best practice.

Fedcap also believe that acting as a prime enables them to be more innovative because a supply chain partner would not necessarily have the same flexibility to innovate and assign spending – these might have to be signed off by a prime contractor. Subject to G4S’s approval, these innovative practices can be applied in the North West.

As a prime contract in another areas, Fedcap are part of various strategic meetings and forums which provides them with solid awareness of the context underpinning Restart. This knowledge can then be filtered to their colleagues in the North West.

As a prime organisation we attend DWP forums/ events and receive updates/ intelligence directly. If you’re a supply chain partner that’s not a prime, you don’t necessarily always know what’s going on. I have the added bonus of knowing both because I attend all the meetings as a prime, I know what gets filtered to the supply chain because I’m a supply chain partner.

Fedcap

As a prime, Fedcap also have access to some data which may not otherwise be available to supply chain partners. For example, colleagues in South Central noted G4S were top of the league table because they have access to the data which ranks CPA performance. They then informed the Fedcap team in the North West, who were not otherwise told.

As a prime, Fedcap perform business intelligence and trend analysis, which can bring up lessons learned and best practice, which can then be applied in the North West. They have utilised their investment in reporting mechanisms in South Central, to create a suite of reports for the North West. This data can build understanding of issues and support the design of effective strategies.

Fedcap believe their dual role as a prime and a supply chain partner means they have a good understanding of both roles and can bring in relevant learnings into each. They believe they are better placed to manage their own supply chain partners in South Central because they have good experience of delivery, both in that CPA and in the North West, and can also emphasise with their position as a supply chain partner. They can also share experiences with G4S based on their own experiences of managing a supply chain. One provider shares a geography with Fedcap in the North West as well as being a supply chain partner in South Central, which helps strengthen the relationship.

Relationship between prime and supply chain

Fedcap note that G4S are very transparent around data which enables the supply chain to understand how they are performing on different metrics relative to others.

G4S and Fedcap, along with other supply chain partners work together to share best practice. G4S bring together their supply chain partners on a quarterly basis, and present information to this group.

Additionally, Fedcap take the initiative to build links with other providers, including Growth Company who also operate in Preston. A senior member of Fedcap staff will be spending a day with them to facilitate knowledge sharing. Fedcap also note that different individuals within the team communicating is a positive, rather than only doing this at a senior level.

Fedcap also find that G4S can support in their recruitment of employment advisors and other staff, if individuals have previously worked with another supply chain provider on the contract.

G4S hold formal monthly and quarterly reviews to discuss performance on the contract, and also have Supplier Relationship Managers that will visit the Fedcap office. While regular meetings are typically held between the Fedcap's lead in the North West and the supply chain manager, different individuals from Fedcap and G4S, such as employer engagement teams, will also have separate meetings as appropriate.

Challenges and mitigations

The main challenge for Fedcap has been that they cannot operate with the same freedom and flexibility in the North West compared to South Central (within DWP requirements) because ultimately, they are working for G4S. For example, they note they have invested heavily in a health and wellbeing team in South Central, but as a supply chain partner they do not have the same flexibility to introduce this in the North West. In Brighton and Staines, they set up two 'Clubhouses' to support individuals with mental health challenges, but an organisation rolling out something similar as a supply chain partner would be dependent upon their prime funding it.

As expected as a supply chain partner, Fedcap have also found that the employee experience can differ between colleagues in the North West and South Central teams. As a supply chain partner, they must work with the requirements of the prime provider, which uses different operating systems and reporting mechanisms, and has different training resources and support available to staff operating in South Central.

Some of the challenges Fedcap have faced relate to sharing a particular geography with another provider. For example, they may find themselves competing with another supply chain partner when attempting to recruit. Existing staff may also move over to the other provider. There is a potential risk that different supply chain partners within the same area may be contacting the same local employers, but Fedcap have worked with other providers to coordinate this and share vacancies from employers they have engaged. G4S report that selecting multiple providers helps mitigate risk and allows them to work flexibly and change the balance of referrals if necessary. For example, if one provider is short-staffed, they can temporarily allocate more referrals to another provider.