

# Annex C – Tariff Structure, Metrics and Evidence Requirements

## Arriving at a maximum tariff structure for the cohort

By their very nature, young, homeless people not in education, employment or training people (who may often be among the “hidden homeless”) with significant unmet support needs are a difficult group to price effectively.

Given the lack of data on the Fair Chance Fund cohort specifically, and the varied needs likely to be exhibited by the group, it is not possible to arrive at a clear cashable saving. However, we can use existing research on young people not in education, employment or training to suggest what the overall cost to the exchequer is of this broader cohort. We looked particularly at two reports – by Demos and York which both estimated the lifetime costs of young people not in education, employment or training to be well in excess of £100,000. Given that the FCF cohort is a high needs group compared to the average for young people not in education, employment or training and that we only pay for success, the potential indicative savings are very substantial compared to the maximum outcomes tariffs available.

To do this we have used an iterative process with the homelessness and youth support sectors and with social investors with experience of work with similar cohorts. This has included seeking feedback through the Fair Chance Fund Expressions of Interest process. The maximum tariffs are based on experience from the Greater London Assembly Rough Sleeping social impact bonds and the DWP Innovation Fund that have shown accommodation and education, employment and training outcomes can be effectively priced and are practical to measure. It is also likely that sustaining accommodation and employment or training are effective proxies for other important, but more difficult to measure outcomes, including reduced offending, improvements in mental health, confidence, engagement or substance abuse issues

We have taken the policy decision to offer a number of assessment fee payments in the first 12 months to encourage providers to properly assess needs and help incentivise best practice within the programme.

# Metrics and evidence requirements

The following section sets out an overview of each outcome, and what evidence will be required to make an Outcome Payment Claim. More specific details of these requirements will be made available in due course.

DCLG (or a contractor acting on their behalf) will require a mixture of full documentary evidence and self-certification to be supplied by grant recipients to support outcome claims. Whether documentary evidence or self-certification is required will depend on which outcome is being claimed; some types of outcomes will require documentary evidence in all cases, where others will alternate to reduce the burden on external service providers.

In addition to uploading the required evidence for outcome claims, it will be essential for delivery bodies to keep detailed records and evidence of each outcome, as DCLG will carry out regular spot-checks to ensure the evidence that underpins each payment is available. There may also be more comprehensive audits on a particular outcome metric or over a specific period.

Providers will need to register each individual onto the scheme before any outcome payment is made, and only outcomes achieved after registration onto the scheme can be claimed. Consent will need to be obtained from all Fair Chance Fund clients to satisfy data protection requirements.

## Assessment Outcomes

Three outcome payments can be claimed for completing assessments with the client. One upon initial referral and acceptance into the programme, and two additional assessments within the first nine months on the scheme.

The assessments must each involve the completion of a brief report assessing the client's ongoing needs and detailing progress on intermediate outcomes. These reports must be based on assessment activity which involves face to face meetings with the client.

It is for the provider to determine which intermediate outcomes areas to assess progress on and they must detail this in their bid. These are likely to cover areas such as reoffending, substance abuse, connecting with friends and family, managing finances, health, etc. Providers must detail in their bids how they intend to engage and work with clients, and how they will assess progress on these soft outcomes.

There are a variety of assessment tools available, and providers are free, and are encouraged, to use any assessment tool they deem appropriate to facilitate work with the client and to objectively measure progress. One particular appropriate assessment tool is the outcomes star. There are a range of outcomes stars available and it would again be for the provider to decide which is most appropriate to use with this cohort.

It is not necessary to use a pre-developed tool, however we will favour bids which can demonstrate that they will have effective assessment methodologies in place at the start of the scheme, and it will be necessary to show that a meaningful

assessment of progress has been carried out and there is a consistent approach across the organisation/consortia to assessment.

As part of a successful programme of intervention, ongoing assessment of clients' needs will be key and there should be continual assessment and monitoring of client's progress.

### **Completing Assessment Outcomes**

The outcomes are achieved by completing the assessments, and are not dependant on any measure of progress on the outcomes between assessments. However it is expected that any effective intervention will require ongoing work with the client to target these soft outcomes, in order to achieve and maintain other outcomes.

### **Timing**

All three Assessments Outcomes must take place and be claimed within 9 months of the client's acceptance onto the Fund. There must be at least a 10 week gap between the Initial Assessment and the Second Assessment, and between the Second and the Third Assessment. Therefore where there is a significant delay in undertaking the Initial or Second Assessment, it may not be possible to claim the Third Assessment outcome.

### **Evidence**

Providers should detail in their bids how they propose to evidence the completion of these outcomes, depending on the method they elect to use. This evidence must demonstrate that there has been engagement with the client, and must involve some form of aggregate/ summary report of the client's progress. Providers should send us an example of the tool and report format in their bid.

For example, if an assessment tool such as the Outcomes Star is being used, the completed outcome star, signed by the client and worker, would need to be uploaded as evidence of the assessment having been completed.

### **Bid Evaluation**

Where providers intend to claim these Assessment Outcomes it will be necessary as part of the Bid to explain how they intend to use assessment as part of their intervention, and the purpose it will serve. It will support the bid if providers can show that their workers will have the relevant knowledge, skills, experience and line management support to effectively utilise the relevant assessment tool to be used in assessing needs and monitoring the clients' progress and producing the brief report.

Whilst these Assessment Outcomes are only claimable in the first 9 months of the scheme, it is expected that assessment plans will continue beyond this period where appropriate to the client's needs.

This assessment ability will be assessed as part of the 'Proposed Intervention' element of our Bid Assessment Criteria. Fundamentally providers need to show that they will be utilising a credible method with staff who are properly equipped to use it effectively.

### **Discount**

Unlike other outcome payments, no discounts on the fee for these assessment outcomes should be offered in bids.

# Accommodation Outcomes

The following accommodation options are acceptable to claim these Outcome Payments. The verifications and evidence required to certify **Entry into Accommodation** are as follows:

- Independent accommodation; this could be in general needs social rented or in private rented accommodation under an assured shorthold (fixed or periodic), an assured non-shorthold, a secure tenancy or in certain circumstances on a licence.  
Evidence: a signed copy of the tenancy agreement.
- Living with friends or family: This must involve exclusive occupation of their own bedroom (sharing with a partner or family member may be allowed).  
Evidence: signed confirmation of exclusive occupation from the friend or family member, together with the address.
- Supported Lodgings:  
Evidence: a written agreement between the individual and the landlord or copy of the licence agreement.
- other (e.g. mobile home, boat):  
Evidence: a written agreement between the individual and the landlord/owner.
- Hostel (not direct access) and supported housing:  
Evidence: licence or tenancy agreement.

It is a requirement that individuals referred onto the Fair Chance Fund are not able to be suitably housed in existing supported accommodation at the point of referral. It will therefore be necessary for local authorities to clearly state in their supporting letters that they will ensure those referred into supported accommodation under the Fair Chance Fund would not have been accommodated without the Fair Chance Fund support and that they will not reduce supported accommodation funding as a result of the Fair Chance Fund provision.

All accommodation provided must be suitable. The statutory homelessness guidance provides guidelines on considering suitability and we would recommend providers use these guidelines in securing accommodation. The evidence required for **Sustained Accommodation** Outcomes will effectively alternate for each claim, between documentary evidence and self certification i.e. every other claim relating to a continued stay in accommodation may be self certified by the grant recipient, to reduce the burden on landlords. Where documentary evidence is required then a signed letter from the landlord, or equivalent, should be uploaded.

Individuals can move from one stable accommodation option to another, with this arrangement being treated as continuous. However frequent moves indicate that the accommodation is not stable and the sustainment period would therefore have to be

reset. A small gap between accommodations may be acceptable and not reset the period of sustainment.

Sustained accommodation payments are cumulative. Therefore the 6 month Outcome can be claimed 91 days after the 3 month Outcome was achieved, and the 12 month Outcome can be claimed 182 days after the 6 month Outcome was achieved.

Accommodation Outcomes can only be achieved once for each individual. Therefore if accommodation is abandoned before the achievement of the next 'Sustained Accommodation' date, the period will reset to the new 'valid start date' i.e. when the previous accommodation outcome was achieved.

## Employment Outcomes

Employment Outcome payments will be made upon entry into full or part time employment, and upon completion of a period of employment. Payments can also be claimed for periods of volunteering.

### Entry into Employment Outcome

To claim this outcome it will be necessary to show that the individual has been made, and has accepted, an offer of employment. They must also have attended on at least the first day of employment.

Evidence:

- Signed letter from employer, on headed paper;
- A copy of the individual's payslips; or,
- A copy of the employment contract.

### Volunteering

To receive payment under this metric a volunteer must carry out at least 6 hours voluntary work a week (this can be averaged over the 13 and 26 week period, provided that the minimum is met).

Normally an individual will volunteer for a charity or a not for profit organisation (e.g. registered social landlord). However, there may be circumstances where an individual is placed with a company to receive work experience, which can also be treated as volunteering.

Consideration must be given to the requirements of claiming JSA.

Evidence:

- Signed letter from organisation confirming volunteering agreement and attendance
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## **Period of employment Outcomes**

Full time employment: minimum 16 hours/ week

Part time employment: between 8-16 hours/ week

Payments can be claimed upon completing 13 and 26 weeks.

Evidence:

- Signed letter from employer, on headed paper; or
- Copy of all relevant payslips

There must also be evidence of the number of hours worked per week in the relevant period. This can be self-certified by claiming the relevant outcome, but full evidence of the number of hours should be available for spot-check and audit purposes.

## **Claiming Employment Outcomes**

A payment can be made for each employment outcome. This means that an individual can move from voluntary work to part time employment and then onto full time employment, with a payment made for each outcome.

Each employment outcome can only be claimed once however.

The time periods can be cumulative, which means that an individual can be employed/volunteer with gaps in between the periods spent employed or in voluntary work, and the cumulative total of weeks employed/ volunteering can be claimed.

It will be possible to claim outcomes for employment and volunteering concurrently. However it is not possible to claim for any combination of part time and full time employment at the same time.

## **Education Outcomes**

Where an individual is already enrolled on an educational course, prior to the FCF, then they will not meet the eligibility requirement of being not in education, employment or training. It will therefore not be possible to accept such individuals on the programme.

### **Entry into Education or Training Outcome**

An outcome payment will be made where an individual has had an individual skills assessment from an education or training provider, a learning agreement is in place, and the individual has been registered onto a course and has attended an initial session.

All qualifications must be accredited and have a Qualification Accreditation Number (QAN) that can be checked on Ofqual Register of Regulated Qualifications database.

Evidence:

- Signed and headed letter from the education or training provider certifying the above.

## **Entry Level Qualification Outcome**

This outcome can only be claimed where the individual has no existing qualifications. The individual must have had an individual skills assessment from an education or training provider on enrolling on the course, and must have completed an accredited entry level course and achieved the relevant qualification.

The entry level course must be accredited, and must involve at least 45 Guided Learning Hours (GLH). It must include either Mathematics or English.

The enrolment on, and commencement of, the qualification(s) must be subsequent to acceptance and registration onto the Fair Chance Fund, otherwise the participant would not be eligible to be accepted onto the FCF. This means that an outcome payment will not be made where an individual had already enrolled on or started a course for this qualification.

Evidence:

- qualification Certificate; or,
- a signed headed letter from the education or training provider.

## **Level 1 Qualification Outcome**

An Outcome Payment will be made where an individual completes the minimum of a Level 1 qualification which involves at least 120 GLH. This could be an NVQ Level 1, a GCSE or an equivalent Level 1 qualification. It could also include a combination of Level 1 qualifications which together equate to at least 120 GLH.

This Outcome also includes Level 2 qualifications and above which do not meet the 325 GLH required to claim the full Level 2 Outcome below.

Where the individual does not have a Mathematics or English Qualification, this Outcome claim must include a qualification in one of these subjects.

As above, both to be able to claim this outcome, and even to be eligible for FCF, the commencement of any qualification(s) must be subsequent to acceptance and registration onto the Fair Chance Fund.

Evidence:

- qualification Certificate; or,
- a signed headed letter from the education or training provider.

## **Level 2 Qualification Outcome**

An Outcome Payment will be made where an individual complete a full Level 2 qualification, involving at least 325 GLH. This requires the achievement of a full NVQ Level 2 or equivalent, e.g. 5 GCSEs at grades A\*-C.

Where the client does not have existing Mathematics and English qualifications at a minimum of Level 1, then this Level 2 Outcome claim must include Mathematics and English.

As above, both to claim this outcome, and even to be eligible for the Fair Chance Fund, the commencement of any uncompleted qualification(s) must be subsequent to acceptance and registration onto the Fair Chance Fund. This means that the 325 GLH cannot include qualifications begun before referral to the FCF.

Where an individual has existing Level 2 qualifications prior to the FCF, but not the full Level 2 qualification (i.e. not NVQ 2 / 5 A\*-C GCSEs equivalent), then those existing qualifications can be used towards claiming this Outcome. However the Outcome claim must involve additional Level 2 qualifications, commenced after the client's acceptance onto the FCF, involving the requisite 325 GLH's. For example, if the client already has 2 GCSE's at grade A\*-C, these could be used towards claiming the Level 2 Outcome, provided the additional Level 2 qualifications undertaken towards this Outcome after FCF referral included 325 GLH (e.g. 3 more GCSEs).

Evidence:

- qualification Certificate; or,
- a signed headed letter from the education or training provider

## Submitting Outcome Claims

It will be for each organisation to decide their internal procedures for monitoring outcomes, uploading evidence and making outcome claims. This internal governance will need to be broadly outlined as part of the bid, particularly in the case of consortium bids where there is a need to ensure effective client-pathway monitoring.

In addition to individual outcome claims there must also be a letter, signed by the grant recipient, verifying that all claims made that quarter are correct and taking responsibility for the veracity of all claims and that the clients referred onto the scheme meet the agreed eligibility criteria. No outcome payments for a given quarter will be made until this outcome certification has been uploaded to the system and verified.

## Payments

Payments will be made quarterly made quarterly in arrears on receipt of suitable evidence.

Detailed evidence requirements will be made available before contracting and instructions for uploading data will be provided before the schemes commence.