

DWP Central Freedom of Information Team

e-mail: [freedom-of-information-request@dwp.gsi.gov.uk](mailto:freedom-of-information-request@dwp.gsi.gov.uk)

Our Ref: FoI 2220

DATE: 23 June 2017

Dear Mr Lawrence,

Thank you for your Freedom of Information request of 22 May 2017. You asked:

*Please provide information relating to the amount of money to be paid to a work and health programme provider (partner organisation) as an attachment fee when a person is referred to the programme.*

*Please provide information relating to the amount of money paid to the provider as an outcome payment when the participant enters employment.*

*Please state the earning threshold that the participant will be expected to achieve in order to trigger the outcome payment to the partner organisation (work and health programme provider).*

*Please state the duration that the participant must remain in employment before an outcome payment is payable to the provider.*

*Please provide all and any information relating to all and any payments that the work and health programme provider shall be liable to receive during the life cycle of the participant's involvement with the programme. What is the maximum amount of money that the provider can expect to be paid for an individual participant?*

*After what duration will the participant be deemed to have completed the programme?*

*After what duration, following entry to paid employment, will the participant cease to attract any outcome payment for the work and health programme provider?*

In response to your first question, DWP does not pay an attachment fee. The WHP Funding Model will predominantly be Payment by Results (PbR) to drive sustained work outcomes. DWP will pay for outcomes measured using earnings data provided by HMRC.

DWP will also make a monthly payment to providers for each contract once services have commenced up to a maximum of 60 months. The total amount equates to 30% of the total contract value but is paid equally over the service provision period.

In relation to the amount of money paid to the provider as an outcome payment when the participant enters employment, I can confirm that one outcome payment per participant will be paid on a unit price basis either at the standard rate outcome price or the higher rate outcome price. The unit prices will be different for each provider and each WHP contract depending on performance offers, volumes and contract values.

For each calendar month cohort of participants starting on the programme, a standard outcome payment will be paid for the first 75% of the contracted outcome volumes and all further outcomes achieved (above and beyond) will be paid at a higher rate. This higher rate is set 40% higher than the lower rate.

For the employed, an outcome payment would be triggered when a participant earns in the (456 + 182) day period from the participant's Start Date on WHP, the equivalent of someone working for 16 hours per week for 182 days, earning the adult rate (aged 25 or over) of the NLW. This threshold currently stands at approximately £2,995, and will be uprated in line with NLW.

For the self-employed, an entitlement to an outcome would be triggered when a participant achieves a cumulative period of not less than 182 days self-employment

In relation to the duration that the participant must remain in employment before an outcome payment is payable to the provider, I can confirm that Employed Outcome payments are made based on participant earnings not on length of time in employment. It is only self-employed outcome payments that are dependent of the period of employment as previously stated this is a cumulative period of 182 days.

One outcome payment per participant will be made where the earnings threshold has been met for employed outcomes or where the cumulative period of 182 days has been met for self-employment. The value of this payment will be determined by the contract value, performance offer and the accelerator payment mechanism and will differ by contract and provider.

A participant will be deemed to have completed the programme as follows:

- participation on programme automatically ends, at 456 days from the date the participant started on the programme, where the participant is not in employment at this point; or
- where the participant is in employment at the end of the 456 day period, such that In Work Support may be provided, the programme for the participant will then end no later than 639 days from the date the participant started on the programme.

In response to your final point, as per previous answers outcome payments are dependent on earnings thresholds not duration of employment.

If you have any queries about this letter please contact me quoting the reference number above.

Yours sincerely,

DWP Strategy Fol Team

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### **Your right to complain under the Freedom of Information Act**

If you are not happy with this response you may request an internal review by e-mailing [freedom-of-information-request@dwp.gsi.gov.uk](mailto:freedom-of-information-request@dwp.gsi.gov.uk) or by writing to DWP, Central FoI Team, Caxton House, Tothill Street, SW1H 9NA. Any review request should be submitted within two months of the date of this letter.

If you are not content with the outcome of the internal review you may apply directly to the Information Commissioner's Office for a decision. Generally the Commissioner cannot make a decision unless you have exhausted our own complaints procedure. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow Cheshire SK9 5AF [www.ico.gov.uk](http://www.ico.gov.uk)