

## ACTIVITY 1.4.2



The example below is based upon the terms of a contract that was issued by a UK public body that commissions VET provision to a VET provider. The contract was aimed at unemployed job-seekers aged 18 – 30 years of age.

The contract was to support up to 500 job seekers and operated for 24 months. The payment schedule in the contract was as follows:

Milestone / Result	Amount €	Maximum numbers
Participant undertakes initial assessment on programme	100	500
Begins non-accredited learning programme	50	200
Begins accredited learning programme / VET course	75	200
Completion of non-accredited learning programme	150	150
Completion of accredited learning programme / VET course	50	200
Attainment of vocational qualification at Level 2	250	400
Achievement of job start	150	400
Sustained job – 4 weeks	250	300



Sustained job – 6 months	750	250
Sustained job – 12 months	750	250

What do you know about ‘payment by results’? Think about some of the issues that may arise from operating the payment by results schedule in the Example above. What problems can you foresee? Any answers? Write your thoughts down here:

