

# Commissioning Better Outcomes Independent Evaluation

Annexes to Synthesis Report. 2025

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These are the annexes that support the [CBO Evaluation Synthesis Report](#).

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## Annex A: Projects funded through CBO programme

We have used the GO Lab / Brookings definition of what constitutes a single social outcome contract project: *Each impact bond project that begins work under a new outcomes contract, with a new target cohort, a distinct geography, and/or with a later start date is counted separately.*

Based on this definition, CBO funded 27 projects, which can be divided into 15 ‘families’ – i.e. groups of projects that have very similar characteristics (such as the same service provider, same special purpose vehicle (SPV)<sup>1</sup> and/or very similar outcome payment structures).

Family / project name	Family / project summary	Location of project(s)
Children in Care Contract* (1 project)	This funding was be used to work with a service provider, Core Assets, to support young people in residential care to move successfully into stable family placements. The project was pr £3.2 million savings for the Council as well as £340,000 indirect savings including reductions in school exclusions, recorded crime, substance misuse, arrests, worsening mental health and anti-social behaviour.	Birmingham
Ways to Wellness* (WtW) (1 project)	This funding was used for a project designed to motivate up to 8,500 older people to take up healthy activities. The National Lottery Community Fund planned to pay £2 million if the wellbeing of 8,500 people aged 40 to 75 improved as predicted. The project was supported by up to £1.65 million social investment and was the first of its kind, designed to help with long-term health conditions, commissioned anywhere in the world. This project was extended by 1 year to run with CBO funding to September 2022.	Newcastle
Reconnections Social Impact Bond* (1 project)	This project aimed to help reduce social isolation and loneliness through a five year county-wide project, ending in August 2021. It aimed to improve well-being through person-centred techniques and community activities supported by 150 volunteers and co-ordinated by Age UK Malvern and Worcestershire. The project was managed by Reconnections Limited. It was	Worcestershire

<sup>1</sup> A special purpose vehicle (SPV) is a legal entity (usually a limited company) that is created solely for a financial transaction or to fulfil a specific contractual objective.

Family / project name	Family / project summary	Location of project(s)
	funded by £788,000 start-up social investment, followed by £2.02 million outcomes payments if reduced loneliness was evidenced for at least 3,060 older people. This project ran to August 2021.	
West London Zone Collective Impact Bond (2 projects)	This five-year youth engagement-focused collective impact bond (CIB) supported delivery of early interventions to 700 disadvantaged children and young people who, while not at immediate risk of requiring educational intervention, may not flourish without link worker and specialist provider support. This should help them achieve better long-term outcomes in adult life. The services were commissioned by children's services and local schools, with philanthropic individuals connected to foundation schools also contributing to outcomes payments. The award and project was extended to Kensington and Chelsea for a 2 year period from 2017. The CIB obtained £1.27m investment from Bridges Fund Management. The project finished CBO delivery in November 20192019 in Kensington and Chelsea and closed in Hammersmith and Fulham (H&F) in April 2021.	Hammersmith and Fulham (H&F)  Kensington and Chelsea
Turning the Tide (1 project)	This four year project aimed to tackle the causes of children and young people becoming looked after by the care system. Preventative interventions should help parents by enhancing their knowledge and skills and create positive family relationships. The project aimed to support up to 240 children and young people who were currently looked after or considered to be on the edge of entering care. The commissioner expected to generate up to £4m net savings and the investor, Bridges Fund Management, up to £1.83m return. The current project finished delivery in June 2021.	North Somerset

Family / project name	Family / project summary	Location of project(s)
Travel Training SIBs (3 projects)	This three-year family of projects delivered travel training for young people with a statement of Special Educational Needs or an educational health care plan. The service aimed to help young people become more independent by acquiring life skills and confidence. There were three projects within this family, operating in Lambeth, Norfolk and Surrey. All three involved HCT as the service provider. The project ended delivery in March 2020.	Lambeth Norfolk Surrey
Mental Health Employment Partnership (MHEP) SIBs (6 projects)	<p>The MHEP family of projects support people with severe and enduring mental illness to get into work through a recognised approach called Individual Placement and Support. Payments will be made after six weeks and six months as they take up placements. There are six projects within this family. The first three (Staffordshire, Haringey and Tower Hamlets) are referred to by The National Lottery Community Fund as 'MHEP 1' because they launched at relatively similar times and were part of the same CBO award. The second three (Barnet, Camden and Enfield) are referred to as 'MHEP 2' because they launched at a later date and are part of the same CBO award.</p> <p>The original Haringey MHEP 1 year project programme was not funded by CBO, but by the DCMS Social Outcomes Fund (as was Barnet in MHEP 2).</p> <p>Other MHEP projects have been funded through the Life Chances Fund.</p>	Staffordshire Haringey Tower Hamlets Barnet Camden Enfield

Family / project name	Family / project summary	Location of project(s)
Be The Change (1 project)	This four-year project aimed to address the needs of 105 homeless young adults aged 18-24 in Northamptonshire. It was a small-scale project that drew on the Fair Chance Fund <sup>2</sup> infrastructure and data around young people who are Not in Education, Employment or Training (NEET). It aimed to generate £0.7m in savings and would start up with £0.1m in social investment. CBO funding for the project ended March 2020, with a further nine months funded without CBO top up to December 2020.	Northamptonshire
Zero HIV (1 project)	This three-year project, working across Lambeth, Southwark and Lewisham, aimed to: improve the quality of HIV treatment, especially by ensuring equal access to HIV treatment and care; test an innovative commissioning model to help address isolation and allow investment in prevention; and develop an integrated model of HIV care to improve the care process. The project aimed to help 1,250 newly diagnosed participants with HIV to start care and get the treatment they need to stay healthy. The commissioners were expected to generate net savings of £15.2m with a planned 2% return for social investors.	Lambeth, Southwark & Lewisham
Pan-London Care Impact Partnership (PLCIP) (1 project)	This five and a half year project aimed to launch a 1010 London borough project for 384384 young people on the edge of care. Intensive therapeutic interventions were intended to reduce the numbers of people avoiding care. This would lead to considerable savings for children's services departments, with savings to health, justice, education and unemployment for the wider benefit of the community. Delivery finished in mid-2021 with 2 years post-delivery review of sustainment of impact.	Across London

<sup>2</sup> The Fair Chance Fund was a 3-year social impact bond programme which ran from January 2015 to December 2017. The aim was to improve accommodation, education, and employment outcomes for homeless young people aged 18-24. It was funded on a payment-by-results basis, with projects backed by social impact bonds. It was funded by the Ministry of Housing, Communities and Local Government (MHCLG). See: <https://www.gov.uk/government/publications/fair-chance-fund-evaluation-final-report>

Family / project name	Family / project summary	Location of project(s)
End of Life Care Integrator (EOLCI) Projects (5 projects)	These projects aimed to provide high quality care for people across care homes at the end of life, with the aim of allowing people to die in their preferred location, reduce A&E attendances and hospital admissions, and generate savings. In NW London, operating across eight LAs, a 24-hour telemedicine service provided support for care home residents with clinical assessments made in the homes. In Hillingdon and Sutton people were supported and clinically assessed face to face in their homes.	NW London (8 LAs) Hillingdon Sutton Somerset Bradford
Positive Behaviour Support Services – Commissioning for Outcomes Framework (1 project)	The four-year intervention offered a range of services to support up to 28 vulnerable adults with learning difficulties to live in a community setting, helping them to achieve greater independence and live more fulfilled lives. The project aimed to generate £11.8m in gross savings. The initial delivery of the interventions was funded through providers’ up-front funding in a payment by results model. CBO funded the project to August 2023.	Haringey
Bradford Positive and Included (1 project)	This project aimed to improve outcomes for children with learning disabilities and challenging behaviours by reducing rates of full-time residential care entry. This five-year project aimed to improve the lives of 13 children aged 8-13 in Bradford, using a service based on positive behaviour support. Bradford District Council and three local CCGs aimed to generate up to £2.5m savings. The project launched with £0.5m social investment capital. The project ran to 2022.	Bradford
Devon Lifestyle Intervention Programme (1 project)	This project aimed to prevent or manage type 2 diabetes for more than 6,500 people in Devon. The lifestyle of each patient would be reviewed to support improved mental health and well-being. The services would benefit the health of up to 1,400 people and would result in savings to future health and social care budgets. In the short term, the project was expected	Devon

Family / project name	Family / project summary	Location of project(s)
	to generate up to £300k net savings to Devon Public Health and would start up with £1m social investment to cover initial costs. The project delivered to August 2022.	
Community Owned Prevention (1 project)	This project allowed the delivery of non-medical, social and community-based support prescribing to up to 2,515 patients aged 18 to 65 to help them understand and manage their long-term health conditions. It aimed to improve service user well-being and reduce use of health and social care services which should generate up to £0.5million in savings.	North East Lincolnshire

*Text provided by The National Lottery Community Fund. Projects with a \* also received SOF funding*



## Annex B: CBO projects mapped against the six social outcome contract dimensions

Dimension	Lead commissioner	1: Nature of payment for outcomes	2. Strength of payment for outcomes	3. Nature of capital used to fund services	4. Role of VCSE in service delivery	5. Management approach	6. Invest-to-save
<i>Question examining degree to which each project aligns (at set up stage) with Social Outcome Contract (SOC) Dimensions (1 = a little, 3 = a lot)</i>		<i>To what extent is the SOC based on payment for outcomes?</i>	<i>To what extent does the outcome measurement approach ensure outcomes can be attributable to the intervention?</i>	<i>To what extent is the investor shielding the service provider from financial risk?</i>	<i>Is delivery being provided by a VCSE?</i>	<i>How is performance managed compared to similar interventions under PBR and fee-for-service?</i>	<i>To what degree is the SOC built on an invest-to-save logic?</i>
<b>Scale</b>		<b>3</b> - 100% PbR and 100% of the PbR is tied to outcomes <b>2</b> - 100% PbR, with a mix of outcome payments and engagement/output payments	<b>3</b> - Quasi-experimental <b>2</b> - Historical comparison <b>1</b> - Pre-post analysis	<b>3</b> – Investor taking on 100% of financial risk; service provider fully shielded and receives fee-	<b>3</b> - VCSE service provider <b>2</b> - Public sector service provider <b>1</b> - Private	<b>3</b> - Intermediated performance management: An organisation external to the ones providing	<b>3</b> – SOC designed on invest-to-save logic, with savings generated used to pay for outcome

## CBO EVALUATION: SYNTHESIS REPORT

Dimension	Lead commissioner	1: Nature of payment for outcomes	2. Strength of payment for outcomes	3. Nature of capital used to fund services	4. Role of VCSE in service delivery	5. Management approach	6. Invest-to-save
		<p><b>1</b> - Partial PbR: Split between fee-for-service payments and PbR</p>		<p>for-service payments  <b>2</b> – Investor and service provider sharing risk; service provider paid based on number of engagements  <b>1</b> – Investor and service provider sharing risk; service provider paid (at least in part) on outcomes and/or has to repay some money if</p>	<p>sector service provider</p>	<p>direct delivery of the intervention is monitoring and managing the performance of service providers  <b>2</b> - Hybrid: A ‘social prime’ organisation is responsible for managing the performance of their own service provision, and the performance of other service providers  <b>1</b> - Direct performance management:</p>	<p>payments  <b>2</b> – SOC designed on a partial invest-to-save logic; SOC anticipated to generate savings to commissioner but these are either not cashable and/or will not cover the full outcome payments  <b>1</b> - SOC not designed on invest-to-save logic; savings either do not</p>

Dimension	Lead commissioner	1: Nature of payment for outcomes	2. Strength of payment for outcomes	3. Nature of capital used to fund services	4. Role of VCSE in service delivery	5. Management approach	6. Invest-to-save
				outcomes not achieved		The organisation delivering the service is also responsible for managing their own performance, and there is no external intermedia	fall to outcome payer and/or savings not a key underpinning logic for pursuing a SOC
Be the Change	Northamptonshire CC*	2	1	3	3	2	1
Birmingham Step Down	Birmingham City Council	2	2	3	3	1	3
EJAF	Lambeth LBC*	3	1	1	2.5	2	1
EOLCI	Hammersmith CCG*	3	2	3	2.5	3	2
	Hillingdon ICB*	3	2	3	2.5	3	2
	Sutton ICB	3	2	3	2.5	3	2
	Waltham Forest LBC	3	2	3	2.5	3	2

Dimension	Lead commissioner	1: Nature of payment for outcomes	2: Strength of payment for outcomes	3: Nature of capital used to fund services	4: Role of VCSE in service delivery	5: Management approach	6: Invest-to-save
Devon Lifestyle Intervention Programme	Devon CC	2	1	1	3	3	1
HCT*	Lambeth LBC*	3	1	3	3	2	3
	Norfolk CC*	3	1	3	3	2	3
	Surrey CC*	3	1	3	3	2	3
MHEP	Haringey LBC*	3	1	1	3	1	2
	Staffordshire CC*	2	1	1	3	3	1
	Tower Hamlets LBC*	2	1	1	3	3	1
	Barnet LBC	2	2	2	3	3	1
	Camden LBC	2	2	2	3	3	1
	Enfield LBC	2	2	2	3	3	1
PLCIP	Sutton RBC*	3	2	3	2.5 <sup>3</sup>	3	3
Positive and Included	Bradford MDC	3	1	3	3	1	2

<sup>3</sup> 2.5 for the 'Role of VCSE in service delivery' dimension means that delivery is being undertaken by both VCSE and public sector organisations

Dimension	Lead commissioner	1: Nature of payment for outcomes	2: Strength of payment for outcomes	3: Nature of capital used to fund services	4: Role of VCSE in service delivery	5: Management approach	6: Invest-to-save
Reconnections	Worcestershire CC*	3	1	3	3	2	2
Thrive	NE Lincolnshire ICB	3	1	3	3	3	2
Turning The Tide	North Somerset DC	3	1	3	3	1	2.5 <sup>4</sup>
Ways to Wellness	Newcastle Gateshead ICB*	3	3	2	3	3	3
West London Zone	Hammersmith & Fulham LBC*	2	1	1	3	2	1
	Kensington & Chelsea RBC*	2	1	1	3	2	1

*Source: Projects with a \* next to their name had their dimension numbering produced by the Ecorys and ATQ, drawing on information gathered during research for the in-depth reviews. The other projects had their dimension numbering produced by funding officers at The National Lottery Community Fund, following training provided by Ecorys and ATQ. The funding officer numbering was reviewed by Ecorys to ensure the analysis was being applied consistently.*

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<sup>4</sup> The savings are a mixture of cashable savings and costs avoided.

## Annex C: Assessing SOC designs against the ‘Triple A’ rating

In-depth review (IDR) project	Alignment between payable outcomes & policy objectives	Avoidance of perverse incentives	Attribution (Accurate price-setting of attributable payable outcomes)
Be the Change	<b>Green:</b> Flexible rate card aligned with all policy priorities & allowed service to be tailored to individual needs	<b>Green:</b> No evidence of perverse incentives	<b>Red:</b> No attribution accounted for in outcomes. Led to some commissioners unsure of impact
Zero HIV	<b>Green:</b> Strong alignment between payable outcomes & policy objectives	<b>Green-Amber:</b> No evidence of cherry picking. However metrics regarded as imperfect, as they didn't incentivise focus on achieving <i>sustained</i> outcomes	<b>Amber-Red:</b> No attribution accounted for in outcomes. Some questioned necessity of this, considering there was no testing beforehand (so attribution can be assumed to be 100%). However, others questioned ability to ensure impact due to no attribution built in
EOLCI NWL	<b>Amber:</b> Service had to be reshaped to fit into SOC structure – including excluding some cohorts – meaning intervention not fully aligned with original policy objectives	<b>Green:</b> No evidence of perverse incentives	<b>Green-Amber:</b> Attempted to estimate attribution by comparing outcomes to historical comparison group. Altered intervention to increase confidence in attribution. However, still questions around ability to attribute outcomes to the intervention
HCT	<b>Green:</b> Strong alignment between payable outcomes & policy objectives	<b>Green:</b> No evidence of perverse incentives. Robust referral mechanisms to avoid cherry picking	<b>Amber-Red:</b> No attribution accounted for in outcomes. However, questionable whether one was necessary considering highly unlikely outcome would be achieved in absence of intervention

In-depth review (IDR) project	<b>Alignment</b> between payable outcomes & policy objectives	<b>Avoidance</b> of perverse incentives	<b>Attribution</b> (Accurate price-setting of attributable payable outcomes)
MHEP	<b>Amber:</b> Majority of outcome payments linked to engagements & job starts rather than sustained employment	<b>Green:</b> No evidence of perverse incentives	<b>Red:</b> No attribution accounted for in outcomes
PLCIP	<b>Green:</b> Strong alignment between payable outcomes & policy objectives	<b>Green:</b> Robust referral mechanisms meant couldn't cherry pick. No evidence that single metric disincentivised focus on wider outcomes	<b>Amber:</b> Some deadweight built into payments, but this was assumed not actually measured, and this cast doubt for some commissioners on actual level of attribution and associated savings
Reconnections	<b>Amber-Red:</b> Policy objective was to reduce expenditure & reduce loneliness. Only one policy objectives (loneliness) had payments attached to it. Intervention did not reduce expenditure	<b>Green:</b> Robust referral mechanisms & criteria to prevent cherry picking	<b>Red:</b> No attribution accounted for in outcomes
WLZ	<b>Green:</b> Priority was to support child development in a holistic way; rate card approach allowed this	<b>Green:</b> No evidence of perverse incentives	<b>Red:</b> No attribution accounted for in outcomes

In-depth review (IDR) project	<b>Alignment</b> between payable outcomes & policy objectives	<b>Avoidance</b> of perverse incentives	<b>Attribution</b> (Accurate price-setting of attributable payable outcomes)
WtW	<b>Green-Amber:</b> Strong alignment between <i>overall</i> between payable outcomes & policy objectives. Had initially wanted to also have a metric related to savings in primary care, but no outcome metric was suitable	<b>Green-Amber:</b> Very clearly set referral criteria, plus strong focus on referrals, reduced risk of cherry picking. However, payment structure discouraged people from working with service users for long time & achieving full impact – though attempts were made to minimise this risk & minimal evidence this really impacted on the service	<b>Green-amber.</b> Counterfactual approach meant strong level of attribution built into outcome measures, but in reality the approach had many limitations
<b>Summary</b>	<b>Green-Amber:</b> Overall, there was a strong link between the objectives stakeholders were trying to achieve with the projects, and the outcomes commissioners were paying for. Sometimes these aspects were not completely aligned; in some projects it was not possible to put in place a measurable outcome linked to some objectives (such as producing savings for primary care in WtW, or producing	<b>Green:</b> There was very little evidence of perverse incentives across the projects. Many of the IDR projects had robust referral mechanisms that made it impossible for projects to ‘cherry pick’ the easier-to-support service users. Furthermore, as we report in section xxx, many of the IDR projects struggled to achieve the number of referrals planned, and therefore we incentivised to support <i>more</i>	<b>Amber-Red:</b> In the majority of the IDR projects (6) the commissioner paid for all outcomes that occurred, with no allowance for outcomes that might have occurred anyway (sometimes called deadweight). This was for a number of reasons:  <i>Not feasible:</i> It was not possible to either access data to build a comparison group, or the time-lag in the data meant this could not be used for outcome payments  <i>Not seen as necessary:</i> Stakeholders in some IDR projects felt that it was so unlikely the outcomes



In-depth review (IDR) project	<b>Alignment</b> between payable outcomes & policy objectives	<b>Avoidance</b> of perverse incentives	<b>Attribution</b> (Accurate price-setting of attributable payable outcomes)
	<p>savings to the commissioner in Reconnections); and in some cases outcomes were more linked to intermediate outcomes than the main outcomes commissioners were interested in (e.g. MHEP).</p>	<p>service users, not limit the number by cherry picking.</p>	<p>would have been achieved without the intervention that a counterfactual study was not required</p> <p><i>Not deemed good value for money:</i> Some commissioners were comfortable paying for outcomes without knowing whether these were attributable to the service or not. They seemed satisfied that the payment mechanism was rewarding progress against indicators, even if attribution could not be assured. Other stakeholders felt that identifying suitable outcomes for a SOC was a complex process in itself – to add in an attribution measurement / estimate would increase costs and complexity further. Given that – as noted above – commissioners did not always ask for it, project stakeholders saw this additional cost as disproportionate and unjustified</p> <p><i>Too risky for investors:</i> this is because of the risk that investors would not receive a return because the outcomes could not be attributed to the intervention – what is sometimes termed as ‘evaluation risk’.</p>

## Annex D: Data analysis technical annex

This Annex provides additional technical detail on how the evaluation team analysed the CBO data. It

- ▶ describes the data cleaning and analysis process;
- ▶ provides an explanation for the use of the composite index metric and reasoning for its use over other alternatives; and
- ▶ defines the evaluation questions, maps these against research questions, and addresses how the data was used to answer these questions.

### Data cleaning and quality assurance

This section discusses the monitoring information (MI) data collected by The National Lottery Community Fund and provided to the evaluation team, describes the steps taken to ensure data quality assurance, and outlines how the data was prepared for analysis. The data analysis included finalised and reconciled project data, as agreed with projects at End of Grant, and excluded unreconciled data and forecasts.

Eight spreadsheets of data were received for analysis. These included data on:

- ▶ Commissioners, VCSE Engagement and Learning Events
- ▶ SIB costs and income
- ▶ SIB management and other SIB costs
- ▶ Investment financial metrics
- ▶ Service users, annual
- ▶ Engagement, annual
- ▶ Outcomes progress, annual
- ▶ Outcome results and outcome payments.

Project names were first standardised across spreadsheets and variables indexed. Please see Table D1, overleaf, for the complete variable list.

Within each spreadsheet, numbers were sense-checked to ensure they were consistent and within the expected scope, including any typos for extra digits. Formulae, including sums and other equations involving other variables, were checked for their logic and consistency across all projects.

Where the same variable was present more than once in different spreadsheets, we cross-checked to ensure these values were consistent. Queries raised with the CBO team also

included clarification of variables' sources and their definitions, as well as their relationships with other variables. For example, "Generic Project Costs" was clarified as costs that a project would have incurred whether a social outcome contract or not, which are not payable to the provider or investor and are not additional costs chargeable by the social outcome contract managing agent (if they existed).

The eight spreadsheets were then compiled into a single spreadsheet. The data was then checked again for logic and consistency, and any ambiguities, discrepancies, and clarifications were discussed with the CBO team by email correspondence and meetings. Throughout this data quality assurance process, we received seven updated batches of the data. After each iteration, the same process above was followed.

On 30th May, 2024, we received confirmation from the CBO team that the data was final and analysis could commence. All analysis is thus based on cleaned and checked data as of 30/05/24.

Table D1: Variable list

Source	Variable
Commissioners, VCSE Engagement and Learning Events	Commissioners - Planned
Commissioners, VCSE Engagement and Learning Events	Commissioners - Actual
Commissioners, VCSE Engagement and Learning Events	VCSE Engagement - Planned
Commissioners, VCSE Engagement and Learning Events	VCSE Engagement - Actual
Commissioners, VCSE Engagement and Learning Events	VCSE paid engagement - Planned
Commissioners, VCSE Engagement and Learning Events	VCSE paid engagement - Actual
Commissioners, VCSE Engagement and Learning Events	Learning Events - Planned
Commissioners, VCSE Engagement and Learning Events	Learning Events - Actual
SIB costs and income	Delivery Costs paid to providers - Award
SIB costs and income	Delivery Costs paid to providers - Actual
SIB costs and income	Generic Project Costs - Award
SIB costs and income	Generic Project Costs - Actual

Source	Variable
SIB costs and income	Evaluation and Learning - Award
SIB costs and income	Evaluation and Learning - Actual
SIB costs and income	SIB Management Costs - Award
SIB costs and income	SIB Management Costs - Actual
SIB costs and income	Investment Return Cost - Award
SIB costs and income	Investment Return Cost - Actual
SIB costs and income	Other Investment Cost - Award
SIB costs and income	Other Investment Cost - Actual
SIB costs and income	Total Costs - Award
SIB costs and income	Total Costs - Actual
SIB costs and income	Funding from Outcomes - Award
SIB costs and income	Funding from Outcomes - Actual
SIB costs and income	Other Funding - Award
SIB costs and income	Other Funding - Actual
SIB costs and income	Investor Capital Loss Income to SIB
SIB costs and income	Total Income - Award
SIB costs and income	Total Income - Actual
SIB costs and income	SIB Surplus/Deficit - Award
SIB costs and income	SIB Surplus/Deficit - Actual
SIB costs and income	Delivery % all
SIB costs and income	SIB costs % all
SIB costs and income	Investment return as % all
SIB management and other SIB costs	Delivery Support by 3rd Party - Award
SIB management and other SIB costs	Delivery Support by 3rd Party - Actual
SIB management and other SIB costs	SIB Performance Management - Award
SIB management and other SIB costs	SIB Performance Management - Actual
SIB management and other SIB costs	SIB Data Management - Award
SIB management and other SIB costs	SIB Data Management - Actual
SIB management and other SIB costs	SIB SPV Costs - Award
SIB management and other SIB costs	SIB SPV Costs - Actual

Source	Variable
SIB management and other SIB costs	Unrecovered VAT - Award
SIB management and other SIB costs	Unrecovered VAT - Actual
SIB management and other SIB costs	Other SIB Management - Award
SIB management and other SIB costs	Other SIB Management - Actual
SIB management and other SIB costs	Total SIB Management - Award
SIB management and other SIB costs	Total SIB Management - Actual
SIB management and other SIB costs	Investment Return Cost - Award
SIB management and other SIB costs	Investment Return Cost - Actual
SIB management and other SIB costs	Other Investment Cost - Award
SIB management and other SIB costs	Other Investment Cost - Actual
SIB management and other SIB costs	Total SIB Management Costs - Award
SIB management and other SIB costs	Total SIB Management Costs - Actual
Investment financial metrics	Social Investment Leveraged and Drawn - Median Plan
Investment financial metrics	Social Investment Leveraged and Drawn - Actual leverage
Investment financial metrics	Social Investment Leveraged and Drawn - Actual Recycled Investment Leverage
Investment financial metrics	Social Investment Leveraged and Drawn - Actual New Investment Drawdown
Investment financial metrics	Social Investment Leveraged and Drawn - Actual recycled investment drawdown
Investment financial metrics	Investment Return - Award
Investment financial metrics	Investment Return - Actual New Investment
Investment financial metrics	Investment Return - Actual Recycled Investment
Investment financial metrics	Actual Investor Capital Loss
Investment financial metrics	Investor MM - Plan
Investment financial metrics	Investor MM - Actual to leverage
Investment financial metrics	Investor MM - Actual to drawdown
Service users (annual)	Service User Cohort - Median Target
Service users (annual)	Service User Cohort - Actual

Source	Variable
Service users (annual)	Service User Engagements - Median Target
Service users (annual)	Service User Engagements - Actual
Service users (annual)	Service Users Main Outcome
Service users (annual)	Service Users Main Outcome - Median Target
Service users (annual)	Service Users Main Outcome - Actual
Service users (annual)	Service Users Main Outcome - %
Service users (annual)	Service Users 2nd Outcome
Service users (annual)	Service Users 2nd Outcome - Median Target
Service users (annual)	Service Users 2nd Outcome - Actual
Service users (annual)	Service Users 2nd Outcome - %
Service users (annual)	Service Users 3rd Outcome
Service users (annual)	Service Users 3rd Outcome - Median Target
Service users (annual)	Service Users 3rd Outcome - Actual
Service users (annual)	Service Users 3rd Outcome - %
Service users (annual)	Service Users 4th Outcome
Service users (annual)	Service Users 4th Outcome - Median Target
Service users (annual)	Service Users 4th Outcome - Actual
Service users (annual)	Service Users 4th Outcome - %
Service users (annual)	All Outcomes - Median Target
Service users (annual)	All Outcomes - Actual
Service users (annual)	All Outcomes - %
Service users (annual)	Performance Against Award - Engagement
Service users (annual)	Performance Against Award - All Outcomes
Engagements (annual)	2014/15 - Planned Engagements
Engagements (annual)	2014/15 - Actual Engagements
Engagements (annual)	2014/15 - % of Planned Engagements
Engagements (annual)	2015/16 - Planned Engagements
Engagements (annual)	2015/16 - Actual Engagements
Engagements (annual)	2015/16 - % of Planned Engagements
Engagements (annual)	2016/17 - Planned Engagements

Source	Variable
Engagements (annual)	2016/17 - Actual Engagements
Engagements (annual)	2016/17 - % of Planned Engagements
Engagements (annual)	2017/18 - Planned Engagements
Engagements (annual)	2017/18 - Actual Engagements
Engagements (annual)	2017/18 - % of Planned Engagements
Engagements (annual)	2018/19 - Planned Engagements
Engagements (annual)	2018/19 - Actual Engagements
Engagements (annual)	2018/19 - % of Planned Engagements
Engagements (annual)	2019/20 - Planned Engagements
Engagements (annual)	2019/20 - Actual Engagements
Engagements (annual)	2019/20 - % of Planned Engagements
Engagements (annual)	2020/21 - Planned Engagements
Engagements (annual)	2020/21 - Actual Engagements
Engagements (annual)	2020/21 - % of Planned Engagements
Engagements (annual)	2021/22 - Planned Engagements
Engagements (annual)	2021/22 - Actual Engagements
Engagements (annual)	2021/22 - % of Planned Engagements
Engagements (annual)	2022/23 - Planned Engagements
Engagements (annual)	2022/23 - Actual Engagements
Engagements (annual)	2022/23 - % of Planned Engagements
Engagements (annual)	2023/24 - Planned Engagements
Engagements (annual)	2023/24 - Actual Engagements
Engagements (annual)	2023/24 - % of Planned Engagements
Engagements (annual)	2015-23 Total Planned Engagements
Engagements (annual)	2015-23 Total Actual Engagements
Engagements (annual)	2015-23 Total % of Planned Engagements
Outcomes progress (annual)	2015/16 - Planned Outcomes
Outcomes progress (annual)	2015/16 - Actual Outcomes
Outcomes progress (annual)	2015/16 - % of Planned Outcomes
Outcomes progress (annual)	2016/17 - Planned Outcomes



Source	Variable
Outcomes progress (annual)	2016/17 - Actual Outcomes
Outcomes progress (annual)	2016/17 - % of Planned Outcomes
Outcomes progress (annual)	2017/18 - Planned Outcomes
Outcomes progress (annual)	2017/18 - Actual Outcomes
Outcomes progress (annual)	2017/18 - % of Planned Outcomes
Outcomes progress (annual)	2018/19 - Planned Outcomes
Outcomes progress (annual)	2018/19 - Actual Outcomes
Outcomes progress (annual)	2018/19 - % of Planned Outcomes
Outcomes progress (annual)	2019/20 - Planned Outcomes
Outcomes progress (annual)	2019/20 - Actual Outcomes
Outcomes progress (annual)	2019/20 - % of Planned Outcomes
Outcomes progress (annual)	2020/21 - Planned Outcomes
Outcomes progress (annual)	2020/21 - Actual Outcomes
Outcomes progress (annual)	2020/21 - % of Planned Outcomes
Outcomes progress (annual)	2021/22 - Planned Outcomes
Outcomes progress (annual)	2021/22 - Actual Outcomes
Outcomes progress (annual)	2021/22 - % of Planned Outcomes
Outcomes progress (annual)	2022/23 - Planned Outcomes
Outcomes progress (annual)	2022/23 - Actual Outcomes
Outcomes progress (annual)	2022/23 - % of Planned Outcomes
Outcomes progress (annual)	2023/24 - Planned Outcomes
Outcomes progress (annual)	2023/24 - Actual Outcomes
Outcomes progress (annual)	2023/24 - % of Planned Outcomes
Outcomes progress (annual)	2015-23 Total Planned Outcomes
Outcomes progress (annual)	2015-23 Total Actual Outcomes
Outcomes progress (annual)	2015-23 Total % of Planned Outcomes
Outcome results and outcome payments	Outcome 1: Trigger details
Outcome results and outcome payments	Outcome 1: Paid or unpaid



Source	Variable
Outcome results and outcome payments	Outcome 1: Type (e.g. engagement, unfunded above cap, etc)
Outcome results and outcome payments	Outcome 1: Planned Median
Outcome results and outcome payments	Outcome 1: Actual Complete
Outcome results and outcome payments	Outcome 1: Percentage Completed
Outcome results and outcome payments	Outcome 1: Planned Payments (CBO/SOF)
Outcome results and outcome payments	Outcome 1: Actual Payments (CBO/SOF)
Outcome results and outcome payments	Outcome 1: Planned Payments (Commissioner)
Outcome results and outcome payments	Outcome 1: Actual Payments (Commissioner)
Outcome results and outcome payments	Outcome 1: Total Planned Payment
Outcome results and outcome payments	Outcome 1: Total Actual Payment
Outcome results and outcome payments	Outcome 2: Trigger Details
Outcome results and outcome payments	Outcome 2: Paid or Unpaid
Outcome results and outcome payments	Outcome 2: Type
Outcome results and outcome payments	Outcome 2: Planned Median
Outcome results and outcome payments	Outcome 2: Actual Complete
Outcome results and outcome payments	Outcome 2: Percentage Completed
Outcome results and outcome payments	Outcome 2: Planned Payments (CBO/SOF)

Source	Variable
Outcome results and outcome payments	Outcome 2: Actual Payments (CBO/SOF)
Outcome results and outcome payments	Outcome 2: Planned Payments (Commissioner)
Outcome results and outcome payments	Outcome 2: Actual Payments (Commissioner)
Outcome results and outcome payments	Outcome 2: Total Planned Payment
Outcome results and outcome payments	Outcome 2: Total Actual Payment
Outcome results and outcome payments	Outcome 3: Trigger Details
Outcome results and outcome payments	Outcome 3: Paid or Unpaid
Outcome results and outcome payments	Outcome 3: Type
Outcome results and outcome payments	Outcome 3: Planned Median
Outcome results and outcome payments	Outcome 3: Actual Complete
Outcome results and outcome payments	Outcome 3: Percentage Completed
Outcome results and outcome payments	Outcome 3: Planned Payments (CBO/SOF)
Outcome results and outcome payments	Outcome 3: Actual Payments (CBO/SOF)
Outcome results and outcome payments	Outcome 3: Planned Payments (Commissioner)
Outcome results and outcome payments	Outcome 3: Actual Payments (Commissioner)
Outcome results and outcome payments	Outcome 3: Total Planned Payment
Outcome results and outcome payments	Outcome 3: Total Actual Payment

Source	Variable
Outcome results and outcome payments	Outcome 4: Trigger Details
Outcome results and outcome payments	Outcome 4: Paid or Unpaid
Outcome results and outcome payments	Outcome 4: Type
Outcome results and outcome payments	Outcome 4: Planned Median
Outcome results and outcome payments	Outcome 4: Actual Complete
Outcome results and outcome payments	Outcome 4: Percentage Completed
Outcome results and outcome payments	Outcome 4: Planned Payments (CBO/SOF)
Outcome results and outcome payments	Outcome 4: Actual Payments (CBO/SOF)
Outcome results and outcome payments	Outcome 4: Planned Payments (Commissioner)
Outcome results and outcome payments	Outcome 4: Actual Payments (Commissioner)
Outcome results and outcome payments	Outcome 4: Total Planned Payment
Outcome results and outcome payments	Outcome 4: Total Actual Payment
Outcome results and outcome payments	Total Outcomes: Planned
Outcome results and outcome payments	Total Outcomes: Actual
Hexagon Qualitative Commentary	Hexagon 1: Proportion of payment predicated on outcomes
Hexagon Qualitative Commentary	Hexagon 2: Level of counterfactual rigour in outcome measurement
Hexagon Qualitative Commentary	Hexagon 3: Extent to which provider is shielded from financial risk by social investors

Source	Variable
Hexagon Qualitative Commentary	Hexagon 4: Extent to which VCSEs are involved in delivery
Hexagon Qualitative Commentary	Hexagon 5: Level of additional performance management
Hexagon Qualitative Commentary	Hexagon 6: Degree to which project is built on "invest to save" logic
CBO MI Data analytical plan	Policy area per project

*This table refers to SIBs even though the term social outcome contract has been used throughout the rest of the report. This is because these terms are a direct quote of the names of the original source, which referred to SIBs because that was the term being used when the MI for CBO was established.*

### Development of the composite index

The measurement of outcomes is a critical aspect of evaluating the effectiveness of the projects. Due to the amount of variation in each project, including in scale and the number and complexity of the outcomes used, there were challenges in developing a way of standardising the level of outcomes achieved to enable cross-project comparison on a consistent basis.

After discussion of a number of options (see Table D2) it was agreed with the CBO team that the best approach was to use a composite indicator that takes an average of the achievement level of each outcome (excluding engagements). This method measures the achievement of outcomes as a percentage, and calculates the average percentage of actual outcomes compared to the median planned outcomes, by project. By using this composite indicator to average each outcome's achievement level, we could best address the challenges associated with multiple project outcomes and the inclusion in some projects of starts or engagements as paid "outcomes."

The alternatives we considered to the composite index, and their benefits and drawbacks, are summarised in Table D2. We would add that although the composite index provides a better quantitative assessment of performance than the alternatives, it still has the drawback of measuring performance against expectations, as defined in the Median plan for each project. It is therefore important to consider the impact of optimism bias and other factors that could affect the measurement. For example, for any of the below alternatives, projects that were more optimistic with their median plan will have a lower indicator of achievement compared to projects with more conservative expectations. However, the selected approach, in bold, was considered more advantageous overall than the other alternatives.

Table D2: Alternatives for measuring achieved outcomes versus planned outcomes

Approach	Advantages	Disadvantages
Selected approach: Create a 'composite indicator', i.e. calculate each outcome achievement %, then take a mean across them (excluding engagements)	<ul style="list-style-type: none"> <li>▶ Captures all measures of performance</li> <li>▶ Avoids being heavily skewed by the larger outcomes</li> </ul>	<ul style="list-style-type: none"> <li>▶ Achievements 'watered down' by less important outcomes</li> </ul>
Sum all 'outcomes' (regardless of whether they are outcomes or engagements)	<ul style="list-style-type: none"> <li>▶ Captures all measures of performance</li> </ul>	<ul style="list-style-type: none"> <li>▶ Skews the notion of 'outcomes' because it also includes engagements</li> <li>▶ The sum will be heavily skewed by the larger outcomes</li> </ul>
Sum all 'outcomes' (excluding engagements)	<ul style="list-style-type: none"> <li>▶ Captures all measures of performance, whilst being more accurate than the above approach because it excludes engagements</li> </ul>	<ul style="list-style-type: none"> <li>▶ The sum will be heavily skewed by the larger outcomes</li> </ul>
Use the 'main outcome' each project selected (i.e. 'Outcome 1' from outcome price summary sheet)	<ul style="list-style-type: none"> <li>▶ More focused than above approaches, so measure isn't 'watered down' by less important outcomes</li> <li>▶ Using projects' own definition of success</li> </ul>	<ul style="list-style-type: none"> <li>▶ Risk that projects' main outcome isn't really the 'main' in terms of being most closely associated with overarching goal</li> </ul>
Use the outcome that is most closely associated with the project's overarching goal, as defined by the evaluation team	<ul style="list-style-type: none"> <li>▶ More focused than above approaches, so measure isn't 'watered down' by less important outcomes</li> </ul>	<ul style="list-style-type: none"> <li>▶ Will be hard to do for some projects that have multiple outcomes all equally associated with the project's overarching goal</li> </ul>

	<ul style="list-style-type: none"> <li>▶ Provides more assurance that the 'main' outcome really is the most important outcome</li> </ul>	<ul style="list-style-type: none"> <li>▶ It is based on our subjective view rather than the self-reported view of the project</li> </ul>
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## Approach to analysis

The primary unit of analysis was at the project level, allowing a larger sample size and more accurate analysis of the data. However, investment information was analysed at the family level due to the complexities associated with the disaggregation of funds within projects in the same family.

With a sample size of 24 projects, regression and other forms of inferential statistical analysis were not feasible due to low statistical power and the high chance of omitted variable bias. Furthermore, the lack of confounding variables in our dataset would mean any "statistically significant" results from these would also be misleading, as this was not an attempt at casual inference. Instead, we undertook descriptive analysis that examined and reported on cross-tabulations and trends in order to better examine any emerging patterns within the data. This was then compared with the findings from the qualitative data to help interpret whether these patterns are likely to be correct (considering it was not possible to identify causal inference from the data alone) and what might explain these trends.

A MI analysis framework was developed which mapped research questions to the main evaluation questions, as shown in Table D3 below. The data analysis was conducted to answer these questions using R and R Studio, an open-source statistical programming language and interface, enabling us to perform complex data analysis tasks efficiently.

Table D3: MI Analytical Framework

Main evaluation questions	CBO MI Data specific research questions
<b>How were the SIBs developed in terms of model, outcomes, metrics, and payments? Did their design change and why?</b>	What is the split in terms of 'engagement' payments and outcome payments? As in: <ul style="list-style-type: none"> <li>▶ How much of the payments was attached to 'engagements', and how much was attached to outcomes?</li> <li>▶ How much was provided as additional funding not attached to results?</li> </ul>
<b>How and when were investors engaged and was risk transfer appropriate?</b>	How much investment in total was committed to CBO? How much of that was then drawn down? <ul style="list-style-type: none"> <li>▶ What is the average committed and drawn down per project (mean and median), plus range?</li> </ul>

<p><b>How were service providers and service users engaged?</b></p>	<p>How many VCSEs were engaged in CBO?</p> <p>How many service users were supported? How does this compare to the original intentions?</p> <ul style="list-style-type: none"> <li>▶ Total across CBO</li> <li>▶ Average per project (mean and median) plus range</li> <li>▶ Policy area</li> </ul>
<p><b>Were the SIB mechanisms within the projects designed well, and what lessons have we learnt in terms of good SIB design?</b></p>	<p>Is there any relationship between the SIB design and the level of outcomes achieved across the projects? (see above for description)D</p> <p>Are there particular stakeholders that seem to have been involved in projects with higher levels of outcomes achieved?</p> <ul style="list-style-type: none"> <li>▶ Is there a relationship between the investment fund manager and level of outcomes achieved?</li> </ul>
<p><b>Did the SIBs deliver the outcomes and financial benefits expected?</b></p>	<p>What outcomes were achieved? How does this compare to the original intentions?</p> <ul style="list-style-type: none"> <li>▶ Total number of outcomes achieved across CBO (separated out by engagements and outcomes) plus range</li> <li>▶ Average outcomes achieved per project (mean and median), plus range</li> <li>▶ How outcomes compare to original intentions, using composite indicator (see above)</li> <li>▶ How outcomes achieved vary by policy area</li> </ul> <p>What level of return did investors receive?</p> <ul style="list-style-type: none"> <li>▶ Absolute return figures: <ul style="list-style-type: none"> <li>▷ Total across CBO</li> <li>▷ Average per project (median and mean) plus range</li> </ul> </li> <li>▶ Money multiples: <ul style="list-style-type: none"> <li>▷ Total across CBO</li> <li>▷ Average per project (median and mean) plus range</li> </ul> </li> </ul>
<p><b>Was the SIB mechanism good value for money?</b></p>	<p>What proportion of the programme budget went on the SIB?</p>

	<ul style="list-style-type: none"> <li>▶ Breakdown of programme costs, including breakdown of SIB and delivery costs</li> </ul> <p>How does the SIB cost vary across the projects? i.e. proportion split between SIB costs and delivery costs. How does it vary by:</p> <ul style="list-style-type: none"> <li>▶ Policy areas</li> <li>▶ Design features, as defined by the CBO SOC hexagons (see CBO 3<sup>rd</sup> Update Report, chapter 2: <a href="https://tnlcommunityfund.org.uk/CBO-3rd-update-report.pdf">CBO-3rd-update-report.pdf (tnlcommunityfund.org.uk)</a>)</li> </ul>
<b>Was the CBO programme an effective model for scaling impact bonds, and what lessons can be learnt for future outcomes funds?</b>	<p>How much did the CBO programme 'unlock' in terms of local commissioner contributions?</p> <ul style="list-style-type: none"> <li>▶ How much did local commissioners &amp; other funders put into the projects?</li> <li>▶ What is the funding split between CBO, SOF and local commissioners? How does this compare to the planned amounts?</li> </ul>

### Findings from the data analysis

The key findings from the analysis are included in the main body of this report. Below are some other findings the reader may find interesting, as they provide further information on the activities and outcomes within the CBO fund. We have not included tables where, after triangulating the data with the qualitative findings, we concluded that the data patterns were either misleading or inconclusive.

For Table D6, please note the optimism bias that featured in most planned figures, which predominantly explains why most social outcome contracts did not achieve planned figures.

Table D4: Total outcome payments, split into outcome payments and engagement payments

Payment type	Total sum of <i>planned</i> payment	Percentage of <i>planned</i> sum*	Total sum of <i>actual</i> payment	Percentage of <i>actual</i> sum	Min actual payment	Max actual payment
Outcome	£49,096,833	91%	41,614,623	91%	£0	£972,126
Engagement	£4,677,588	9%	3,925,847	9%	£0	£83,891
<b>Total</b>	<b>£53,774,421</b>	<b>100%</b>	<b>£45,540,470</b>	<b>100%</b>	#	#



*\*As in, out of all the payments, the % that are outcome payments and % that are engagement payments*

Table D5: Social investment committed and drawn down across all of CBO

Variable	Sum	Mean	Median	Min	Max
Social investment committed - Median Plan	£20,449,436	£1,076,286	£1,000,000	£94,000	£4,234,000
Social Investment committed - Actual (new investment)	£17,024,378	£896,020	£570,000	£0	£5,175,000
Social Investment drawn down - Actual (new investment)	£11,386,207	£599,274	£530,383	£0	£2,867,704

*New investment refers to new investment made into a SOC, rather than investment being moved from one SOC to another within the same SPV / investment structure.*

Table D6: % of outcomes achieved against plan, split by policy area

Policy area	% of planned outcomes achieved
Children and family welfare	89%
Education	84%
Employment and training	75%
Health	83%
Homelessness	111%

## Annex E: Methodology

Each of the evaluation activities is detailed below.

### In-depth reviews

The evaluation included nine in-depth reviews. These focused either on an individual project, or a family of projects when more than one similar project was commissioned within a relatively close time-period. The list of nine ‘families’ is provided in Table 1 in the introduction. The in-depth reviews tracked the development of these projects from their inception to closure, visiting them at multiple points (at least a baseline (up to the launch of the project) and final (end of delivery) visit, with a mid-point visit (half way through delivery) for the longer families of projects. At each point, the evaluation team interviewed key stakeholders and reviewed Management Information and key documents.

Due to the small number of interviews undertaken, coupled with the fact that each in-depth review had its own separate report, it was not possible to undertake interviews anonymously, because they would be identifiable within the reports. Consequently, stakeholders were given the opportunity to review drafts of the in-depth reviews and confirm or request that direct quotes from them were removed. They were also provided with the opportunity to correct any factual errors in the reports. However, they were not able to influence the interpretation of the findings or conclusions by the evaluation team, in order to not undermine the independence of the research.

### Interviews with stakeholders from projects that received CBO funding but did not launch

The evaluation team undertook interviews with local areas that received a development grant to test the feasibility of a social outcome contract, but then decided not to develop their social outcome contract. The purpose of the interviews was to understand the reasons why stakeholders did not pursue the social outcome contract. In total, the evaluation team interviewed 20 stakeholders. Based on the findings from this research, the evaluation team co-authored a report on the factors that affect whether social outcome contracts launch: *Ronicle et al, 2017. The LOUD SIB Model: The four factors that determine whether a social impact bond is launched. See: [loud\\_sib\\_model.pdf \(ox.ac.uk\)](#)*

### Pipeline research

Ecorys and ATQ interviewed stakeholders from 11 organisations that were in the process of applying to CBO. This was to understand the progress in project development, main barriers to development and how they could be overcome, and how to improve the CBO process. The

evaluation team produced an internal report for The National Lottery Community Fund based on these findings.

## Analysis of internal project monitoring provided by The National Lottery Community Fund

This included:

- ▶ Project Monitoring and End of Grant Reports submitted by projects (see Annex D for further information on approach to analysis of monitoring data)
- ▶ 2016 survey of intermediaries on experiences of the CBO development grant process (13 responses)
- ▶ Internal lessons learnt log

## Stakeholder surveys and consultations

We undertook stakeholder surveys with three stakeholder groups over three waves (2014, 2017, 2020):

- ▶ **Commissioners:** These were e-surveys. The first two waves of the survey were mainly closed-questions, with similar questions over both waves to measure changes in responses over time. For the 2020 survey we shifted to open-text questions to capture more nuanced views. In the first survey wave we adopted a purposive sampling approach. We surveyed stakeholders involved in social outcome contracts, stakeholder who had shown an interest in social outcome contracts, stakeholders likely to have a view on the model, and stakeholders known to be active in social investment. For waves 2 and 3, we took a census sampling approach, surveying commissioners involved in CBO only. For the final two waves, we used a snowballing sampling approach – using the contact details held by The National Lottery Community Fund in the first instance, and asking stakeholders to forward the survey onto other relevant stakeholders. This change in population between waves 1 and then 2 and 3 was for three reasons:
  - ▷ The focus of the survey shifted from general views of social outcome contracts to views of the CBO projects in particular
  - ▷ The population size had increased, so it would not have been possible to gather contact details for a wider population of stakeholders involved or interested in all social outcome contracts
  - ▷ To reduce research burden, as other surveys were taking place over the same time period that would have surveyed wider stakeholders (e.g. [LCF evaluation \(ox.ac.uk\)](https://www.nlc.org.uk/evaluation)).

The number of responses across the three waves was 24, 91 and 6 respectively.

- ▶ **Service providers:** The service provider survey was administered in a similar way to the commissioner survey (i.e. same survey mode, same timescales, same approach to sampling). The number of responses across the three waves was 49, 77 and 12 respectively.
- ▶ **Investors:** This was an in-person semi-structured survey in order to capture more nuanced views. A purposive sampling approach was used across all three research waves. Due to COVID-19 restrictions the final survey wave took place in 2023. The number of responses across the three waves was 19, 18 and 13 respectively.

A detailed account of the survey results from the 2014 wave can be found in: [SIBs: The State of Play](#). The 2017 survey results can be found in [Views and Experiences of SIBs: Findings from surveys with commissioners, service providers and investors from 2014 and 2017.](#) The 2020/23 survey results are covered in this report.

## Analysis of local project evaluations

The National Lottery Community Fund provided evaluations and research undertaken by the CBO projects. The evaluation team analysed these for findings related to the social outcome contract. Local evaluation and research information was provided for nine of the 15 'families' of CBO projects.

### Rapid Evidence Assessment

In 2014 Ecorys undertook a Rapid Evidence Assessment (REA) of key literature on social outcome contracts published prior to 2014. The review covered the following sources:

- ▶ Academic articles
- ▶ Government reports including both strategies for policy and market development and reports commissioned by government into the evaluation of social outcome contracts
- ▶ Government and other press notices
- ▶ Feasibility studies into particular social outcome contracts
- ▶ Other reports into social outcome contracts and their development by third parties
- ▶ Press articles
- ▶ Online articles including selected blogs.

This REA was updated annually with key academic papers and social outcome contract evaluations.

The 2014 REA findings and bibliography can be found in [SIBs: The State of Play](#). The updated bibliography can be found in [Commissioning Better Outcomes Evaluation: 3<sup>rd</sup> Update Report](#).

## Research into the political economy of commissioning

As part of the CBO Evaluation Ecorys and ATQ undertook research into the wider political economy of commissioning. The overall purpose of the research was to understand:

1. What factors local government commissioners consider or are confronted with when commissioning health and social service interventions, in terms of choosing a contracting approach for overcoming the challenges that otherwise get in the way of pursuing earlier and better outcomes.
2. How, when, and why these factors affect which contracting approach commissioners opt for.
3. The implications of these factors for commissioning Social Impact Bonds (SIBs).

The method included a Rapid Evidence Assessment and primary qualitative research with commissioners from 10 LAs. The report covering the findings can be found [here](#). The findings have also been incorporated into this Synthesis Report.

**Mixed-methods analysis** All data was coded and analysed against the evaluation framework. For the qualitative data, the qualitative software package Nvivo was used. Interview notes were coded against topics within the evaluation framework, and then examined to identify emerging themes and where views differed across projects and stakeholder groups.

**Descriptive analysis** was used to analyse the surveys, again using the evaluation framework to identify how the survey responses answered the evaluation questions.

Once each data source was analysed separately, the findings were brought together in an overarching analysis grid, to explore how findings across data sources confirmed or contradicted each other. Where contradictions emerged, the data was examined further to understand what might explain these contradictions, considering the potential limitations of each data source including sample bias and response bias.

## Annex F: Positive and negative social outcome contract effects across the in-depth review projects

Project / SOC Effect	Improved data management	Better performance management	Greater service adaptation	Greater contract flexibility	Stakeholder alignment	Embedding outcomes culture
Brief definition of each SOC effect	<i>The SOC led to new or better systems to manage data being introduced, and/or better analysis of data from existing or new systems.</i>	<i>The SOC enabled improved management of performance delivered by additional specialist resource dedicated wholly or partly to the project.</i>	<i>Delivery partners (providers and/or intermediaries) were able easily to adapt service delivery during implementation to facilitate improved performance.</i>	<i>Stakeholders were able to renegotiate and change contract terms during implementation with greater ease than in conventional contracts.</i>	<i>SOC governance and structure enabled stakeholders to agree and work towards common goals and objectives.</i>	<i>The SOC encouraged providers actively to embrace better measurement of outcomes, including on other contracts with no SOC element.</i>
Be the Change	<p>■ <b>Strong evidence</b></p> <p>Provider and investment fund manager (IFM) collaborated in data deep dives to identify opportunities to improve delivery or performance</p>	<p>■ <b>Strong evidence</b></p> <p>Provider managed performance with part dedicated support from IFM. Improvements were implemented quickly and effectively</p>	<p>■ <b>Strong evidence</b></p> <p>Flexible funding from the IFM enabled an asset-based intervention to be adapted to each service user's needs</p>	<p>■ <b>Little/no evidence</b></p> <p>Contracts had to be novated to new commissioning organisations but no change in terms was required at any stage</p>	<p>◀ <b>Some evidence</b></p> <p>Provider and IFM were in strong alignment but commissioners were not strongly engaged due to churn and organisation change</p>	<p>■ <b>Strong evidence</b></p> <p>Provider (Mayday) was strongly supportive of outcomes-based approach which it took forward into other contracts</p>

Project / SOC Effect	Improved data management	Better performance management	Greater service adaptation	Greater contract flexibility	Stakeholder alignment	Embedding outcomes culture
EJAF Zero HIV	<p>■ <b>Strong evidence</b> A bespoke data management system was developed and enabled tight control of outcomes</p>	<p>■ <b>Strong evidence</b> Investor funding enabled EJAF to recruit a dedicated performance manager who worked closely and positively with providers</p>	<p>◀ <b>Some evidence</b> Support for service users was inherently flexible and adaptable but adaptation not a major issue. Mostly services resilient to impact of COVID-19</p>	<p>◀ <b>Some evidence</b> Grant award with CBO was renegotiated but commissioner contracts were unchanged. Main issue was addition of new contracts but these ere not SOC dependent</p>	<p>■ <b>Strong evidence</b> Stakeholders observed that the SOC galvanised multiple agencies to collaborate across fragmented NHS structures</p>	<p>■ <b>Little/no evidence</b> Mixed views on whether the SOC mechanism was needed, especially among community VCSE providers. Services sustained with no SOC element.</p>
EOLCI NWL	<p>■ <b>Strong evidence</b> MI and data analysis was above expectations of a conventional contract and enabled both performance monitoring and wider analysis of</p>	<p>◀ <b>Some evidence</b> Dedicated performance management team (from intermediary) supported delivery but could not resolve issues of attribution and service duplication</p>	<p>◀ <b>Some evidence</b> Services were modified or added to the contract but some planned developments (e.g. video) were not implemented</p>	<p>◀ <b>Some evidence</b> Intermediary was able to change baseline assumptions but more major contractual changes were proposed but not implemented</p>	<p>■ <b>Strong evidence</b> SOC enabled seven CCGs to collaborate across a single project, and an 8<sup>th</sup> to test the intervention separately. Oversight by the STP foreshadowed the</p>	<p>■ <b>Little/no evidence</b> No evidence of providers embracing SOC and both outcomes cap and NHS budget structures diluted the SOC effect</p>

Project / SOC Effect	Improved data management	Better performance management	Greater service adaptation	Greater contract flexibility	Stakeholder alignment	Embedding outcomes culture
	service variation across the CCGs				creation of the NW London ICB/ICS	
HCT	<p><b>Some evidence</b></p> <p>Data analysis enabled provider to challenge referrals process and suitability of those referred for training by one commissioner</p>	<p><b>Some evidence</b></p> <p>IFM worked with provider to improve referrals and performance and helped introduce dedicated interim operations manager</p>	<p><b>Some evidence</b></p> <p>Intervention itself was relatively rigid and did not require adaptation but referrals process was adapted and varied across commissioners</p>	<p><b>Medium evidence</b></p> <p>Contracts in 2/3 sites were renegotiated to reflect suitability of referral issues and reset of performance expectations</p>	<p><b>Little/no evidence</b></p> <p>Poor engagement with commissioner stakeholders in 2/3 areas and some tension between IFM and provider</p>	<p><b>Little/no evidence</b></p> <p>Outcomes approach proved challenging and provider was considering adoption of a hybrid model before withdrawing from this sector</p>
MHEP	<p><b>Strong evidence</b></p> <p>A dedicated MHEP performance management team used data extensively to review referral and outcomes</p>	<p><b>Medium evidence</b></p> <p>Most commissioner and provider stakeholders valued the role played by MHEP in providing external and additional</p>	<p><b>Some evidence</b></p> <p>There were changes to outcome metrics and referral processes but service change was de factor limited by the use</p>	<p><b>Some evidence</b></p> <p>Contracts were renegotiated but this had downsides for commissioners (see below). MHEP was required and able to vary contracts</p>	<p><b>Some evidence</b></p> <p>Despite operational challenges providers were supportive of intermediary and both providers and intermediary collaborated well</p>	<p><b>Strong evidence</b></p> <p>2/3 providers stated explicitly that they had benefited from the additional discipline and scrutiny of delivering an outcomes-based</p>



Project / SOC Effect	Improved data management	Better performance management	Greater service adaptation	Greater contract flexibility	Stakeholder alignment	Embedding outcomes culture
	performance and support providers	performance management which was 'head and shoulders above the usual contract management experience'.	of a high-fidelity intervention	with each provider on commencement	with commissioners in 2/3 areas	contract, and have used the experience gained to win follow-on SOCs
PLCIP	<p>■ <b>Strong evidence</b> Significant investment in better data systems supported by IFM to enable better monitoring of both out of care and wider outcomes</p>	<p>■ <b>Strong evidence</b> The final IDR identifies a strong emphasis on continuous service improvement supported by the additional role of the IFM in providing additional scrutiny and support.</p>	<p>🟡 <b>Some evidence</b> Stakeholders highlighted that there were a range of programme innovations that they implemented but adaptation of the high fidelity interventions (MST And FFT) was de facto limited</p>	<p>🟡 <b>Some evidence</b> The SOC contract enabled PLCIP to adapt quickly to emerging needs as a result of COVID-19 although no contractual changes were needed.</p>	<p>🟡 <b>Some evidence</b> The project enabled several LA commissioners to work within a single overarching SOC structure although their level of engagement and commitment to the project was variable</p>	<p>■ <b>Little/no evidence</b> Some limited evidence of increased reflection on the part of providers in IDR1 only</p>
Reconnections	<p>■ <b>Strong evidence</b></p>	<p>■ <b>Strong evidence</b></p>	<p>■ <b>Strong evidence</b> Strong</p>	<p>■ <b>Strong evidence</b></p>	<p>■ <b>Little/no evidence</b></p>	<p>🟡 <b>Some evidence</b></p>

Project / SOC Effect	Improved data management	Better performance management	Greater service adaptation	Greater contract flexibility	Stakeholder alignment	Embedding outcomes culture
	<p>Data was used extensively to inform performance management and actions to improve performance, including the removal of three out of seven providers.</p>	<p>Stakeholders reflected that throughout Reconnections, there was a strong focus on the emerging data and insights, regular review meetings to ‘course correct’ if needed, and scrutiny from the independent board and investors.</p>	<p>consensus across stakeholders that an outcomes-based funding model enabled the Reconnections team to work flexibly and adapt their service delivery to the needs of the service users.</p>	<p>Contracted outcome payment terms were adjusted to reflect the increased complexity of needs of service users, and to lower the threshold for the service, to help increase rates of eligibility. Contracts also moved from outcomes-based payment to output-based payment during COVID-19 restrictions.</p>	<p>No evidence for this effect identified in the IDR</p>	<p>Even though service providers were paid on a fee-for-service basis, joining the monthly data review meetings helped them to think increasingly about outcomes and how best to measure them in terms of their wider (non-SOC) delivery.</p>
<p>WLZ</p>	<p>■ <b>Strong evidence</b> WLZ embedded advanced data monitoring</p>	<p>■ <b>Strong evidence</b> WLZ was viewed widely as successful in the</p>	<p>■ <b>Strong evidence</b> WLZ made two large-scale service revisions and a</p>	<p>■ <b>Medium evidence</b> WLZ successfully renegotiated contracts to</p>	<p>◀ <b>Some evidence</b> Successes in aligning a range of commissioning</p>	<p>■ <b>Strong evidence</b> WLZ has embraced the outcomes-based</p>

Project / SOC Effect	Improved data management	Better performance management	Greater service adaptation	Greater contract flexibility	Stakeholder alignment	Embedding outcomes culture
	<p>systems to learn from and improve service delivery, expecting Investment in these to be returned once they scaled to more schools.</p> <p>A data driven process, combining a survey with students and feedback from teachers, was used to select children and young people most suitable for the WLZ cohort</p>	<p>dual role of direct service provider and 'backbone organisation' managing all contracts &amp; performance. It grew its management structure to effect this and was increasingly autonomous of the IFM in its performance management approach.</p>	<p>series of smaller scale refinements based on organisational learning, data from delivery or in strategic response to changing circumstances</p>	<p>implement major changes to the outcomes payment structure, which had proved challenging to implement</p>	<p>stakeholders were more attributable to WLZ implementing the collective impact model rather than requirements of the SIB structure. If anything, including the IFM within the collective impact partnership may have created additional challenges for WLZ, at least initially.</p>	<p>measurement and contracting approach and has taken this forward into subsequent contracts, including both direct successors to WLZ in the same areas and contracts inn new areas</p>
WtW	<p>■ <b>Strong evidence</b> Significant investment in data</p>	<p>🟡 <b>Some evidence</b> WtW led, and made some</p>	<p>🟡 <b>Some evidence</b> The SOC enabled the service to</p>	<p>🟡 <b>Some evidence</b> Provider contracts were renegotiated</p>	<p>🟡 <b>Some evidence</b> Overall stakeholders</p>	<p>■ <b>Little/no evidence</b> No evidence that the SOC</p>

## CBO EVALUATION: SYNTHESIS REPORT

Project / SOC Effect	Improved data management	Better performance management	Greater service adaptation	Greater contract flexibility	Stakeholder alignment	Embedding outcomes culture
	systems to provide real-time impact data to evidence outcomes, reported by commissioners as critical in demonstrating the value of the service.	investment in performance management but it was not as significant a factor as in some other IDR projects. IFM did not manage the project directly though it was represented on the WtW Board	adapt readily to COVID-19 and to changes in referral processes, but service adaptation was not a significant issue	and the grant award with CBO was refiled but the CCG did not agree to requested contractual changes when outcomes and payments were falling short of expectations	worked collaboratively and successfully together even though there were challenges at the time of the 2 <sup>nd</sup> IDR (see below)	impacted on the outcomes culture of the service providers

Negative effects

Project / SOC Effect	Stakeholder engagement issues	Optimism bias in business case	Imperfect measurement of impact	Tension between stakeholders	Risk reallocation on renegotiation	Provider risk under-estimation
Brief definition of each SOC effect	<i>One or more key stakeholders did not fully engage with the project or there was disengagement later due to changes in personnel or organisation structure</i>	<i>Stakeholders over-estimated what could be achieved in terms of referral, engagement and/or outcomes when developing the project business case</i>	<i>Commissioners did not have confidence in the outcome measurement approach and its ability accurately to reflect real social impact</i>	<i>Performance did not meet expectations leading to strained relationships between one or more key stakeholders</i>	<i>Contracts were renegotiated in a way that changed the allocation of risk between key parties, to the detriment of one and benefit of another</i>	<i>Providers underestimated or were not aware of the degree of risk they were taking in the SOC, leading to financial or operational pressures</i>
Be the Change	<p>■ <b>Strong evidence</b> Three changes of commissioning organisation plus personnel churn within them caused major and recurring re-engagement challenges for the provider</p>	<p>■ <b>Little/no evidence</b> Outcome targets appeared realistic at Median and were largely met or exceeded</p>	<p>■ <b>Medium evidence</b> Final commissioner was not convinced of the net impact of the intervention in the absence of a strong counterfactual measure</p>	<p>■ <b>Little/no evidence</b> While commissioners had to be re-engaged there was no evidence of significant issues. IFM and provider worked harmoniously</p>	<p>■ <b>Little/no evidence</b> Contracts were not renegotiated and risk remained with the investors, via the IFM, throughout</p>	<p>■ <b>Little/no evidence</b> The provider was 100% shielded from outcomes success risk by the IFM, which paid the provider monthly for actual costs incurred</p>




Project / SOC Effect	Stakeholder engagement issues	Optimism bias in business case	Imperfect measurement of impact	Tension between stakeholders	Risk reallocation on renegotiation	Provider risk under-estimation
				together throughout.		
EJAF Zero HIV	<p>■ <b>Strong evidence</b> Despite substantial engagement effort by EJAF only one local commissioner agreed to pay for outcomes, and to do so only in part. EJAF had to step in as an outcomes payer to sustain the project.</p>	<p>◐ <b>Some evidence</b> Original Median plan for outcomes proved somewhat optimistic and was reset on contract renegotiation in 2018</p>	<p>◐ <b>Some evidence</b> Some commissioner stakeholders were sceptical about net impact in the absence of a counterfactual, but others disagreed</p>	<p>■ <b>Little/no evidence</b> Very little evidence of major disagreement or issues between stakeholders.</p>	<p>■ <b>Little/no evidence</b> Although Median plan targets were renegotiated with CBO, there was no change in core contracts with local commissioners or risk share between commissioners, Zero HIV and providers</p>	<p>■ <b>Little/no evidence</b> Although providers were bearing financial risk if they could not meet agreed outcome targets all were aware of this and accepted contractual terms</p>
EOLCI NWL	<p>■ <b>Strong evidence</b> More CCGs than intended had to be engaged to make the project viable, and the complexity of multiple</p>	<p>◐ <b>Some evidence</b> The project fell short of Median plan for referrals but over-achieved on outcomes, albeit with some doubts</p>	<p>◐ <b>Some evidence</b> The intermediary worked hard to establish an agreed moving baseline against which to measure</p>	<p>■ <b>Little/no evidence</b> Evidence suggests that stakeholders worked collaboratively and positively</p>	<p>◐ <b>Some evidence</b> While contracts were not renegotiated, stakeholders observed that the premise of</p>	<p>■ <b>Little/no evidence</b> Providers were paid for services delivered, and faced only the risk (as in any contract) that</p>

Project / SOC Effect	Stakeholder engagement issues	Optimism bias in business case	Imperfect measurement of impact	Tension between stakeholders	Risk reallocation on renegotiation	Provider risk under-estimation
	commissioner management and coordination caused challenges for the project, especially in its early stages.	about attribution to the service.	outcomes but faced changes both in setting this baseline and proving attribution to this service rather than other overlapping provision	together, despite a number of operational challenges	paying only for outcomes proved in practice to be at odds with NHS financial structures, within which CCGs had to budget for future payments	their contract might be terminated for under-performance or other breach
HCT	<p>■ <b>Strong evidence</b></p> <p>All three sites failed to engage fully during project design, leading to over-forecasting of referrals. One site never fully engaged during implementation, leading to early contract termination</p>	<p>■ <b>Medium evidence</b></p> <p>Some evidence that there was over-estimation of referral levels, but due in part to poor commissioner engagement and referral definition issues rather than optimism bias.</p>	<p>■ <b>Little/no evidence</b></p> <p>There was a single outcome metric which clearly measured whether the service user was able to travel independently. All stakeholders viewed measurement against a</p>	<p>■ <b>Strong evidence</b></p> <p>Issues on one site around the failure of the commissioner to engage fully with the project, and on another about the suitability of referrals, compliance with contractual obligations and</p>	<p>◐ <b>Some evidence</b></p> <p>Contracts were renegotiated on 2/3 sites to introduce fixed payments for a number of suitable referrals, rather than all payment being linked to outcomes as originally agreed</p>	<p>◐ <b>Some evidence</b></p> <p>The provider under-estimated financial risk of there being fewer suitable referrals than contracted for by commissioners, although they were partly shielded from risk by the IFM</p>

## CBO EVALUATION: SYNTHESIS REPORT

Project / SOC Effect	Stakeholder engagement issues	Optimism bias in business case	Imperfect measurement of impact	Tension between stakeholders	Risk reallocation on renegotiation	Provider risk under-estimation
			counterfactual as unnecessary	alleged service quality		
MHEP	<p><b>Some evidence</b></p> <p>1/3 sites failed to allow colocation of the service with their mental health team, which critically undermined the fidelity of the intervention and led ultimately to early termination</p>	<p><b>Strong evidence</b></p> <p>The original performance targets proved to be unrealistic, and there is evidence that both the business case forecasts prepared by MHEP, and the bids by the providers to deliver the targets implied, exhibited optimism bias</p>	<p><b>Some evidence</b></p> <p>MHEP originally planned to measure impact against a counterfactual but did not do so (though commissioners did not object to this)</p>	<p><b>Medium evidence</b></p> <p>There was tension between both MHEP and commissioners (with early termination of one contract) and some tension between providers and MHEP as the former experienced cashflow pressure</p>	<p><b>Strong evidence</b></p> <p>Both outcome targets and metrics were reset on all three sites, with fixed payments introduced and payment linked to employment starts rather than sustainment</p>	<p><b>Medium evidence</b></p> <p>Providers were paid partly on user engagement and partly on outcomes and appear to have underestimated the cashflow challenges they would face when forecast volumes were not achieved</p>
PLCIP	<p><b>Strong evidence</b></p> <p>Engaging senior decision-makers was a key challenge during SOC development,</p>	<p><b>Little/no evidence</b></p> <p>Not identified as a significant issue in the IDRs</p>	<p><b>Some evidence</b></p> <p>Some commissioners were sceptical about attribution of care</p>	<p><b>Little/no evidence</b></p> <p>Although there were challenges in engaging and re-engaging stakeholders and</p>	<p><b>Little/no evidence</b></p> <p>While a number of boroughs joined PLCIP (leading to the merging of two</p>	<p><b>Little/no evidence</b></p> <p>Not an issue. Providers were paid actual costs by the IFM</p>



Project / SOC Effect	Stakeholder engagement issues	Optimism bias in business case	Imperfect measurement of impact	Tension between stakeholders	Risk reallocation on renegotiation	Provider risk under-estimation
	with some being sceptical about the SOC model and the role of investment. This persisted later where there were senior management changes		avoidance to PLCIP, even though the contracts made an allowance for non-attribution. Some commissioners also doubted the cashability of savings from care avoided.	convincing them of the value of the intervention there were no notable relationship issues	CBO grant awards) there were no significant contractual changes, including during COVID-19.	
Reconnections	<p>■ <b>Little/no</b>  <b>Some evidence</b></p> <p>Commissioner engagement was strong throughout but providers were unable to engage sufficient volunteers to work with cohort especially when it proved that more of them required</p>	<p>■ <b>Strong evidence</b></p> <p>Stakeholders highlighted that, with hindsight, the figures for the needs, demands and potential take-up of the service were over-estimated.</p>	<p>■ <b>Medium evidence</b></p> <p>There was no counterfactual built into the outcome payment, even though research has found that loneliness outcomes can improve without support. Service</p>	<p> <b>Some evidence</b></p> <p>The number of providers was reduced from seven to four during the first year of the contract, although this was heavily 'data-driven' and therefore less</p>	<p> <b>Some evidence</b></p> <p>The contract moved entirely to payment based on output, rather than outcome, during COVID-19 restrictions</p>	<p>■ <b>Medium evidence</b></p> <p>The optimism bias in the business case was compounded by providers bidding to deliver the intervention overstating their capabilities – especially to</p>

## CBO EVALUATION: SYNTHESIS REPORT

Project / SOC Effect	Stakeholder engagement issues	Optimism bias in business case	Imperfect measurement of impact	Tension between stakeholders	Risk reallocation on renegotiation	Provider risk under-estimation
	intensive support than expected.		providers also had concerns about the soft outcome measure because it was self-reported.	contentious than it might have been		recruit sufficient volunteers.
WLZ	<p>🔴 <b>Some evidence</b> There were delays in engaging LA commissioners (though some of these were expected), and there was limited engagement with one LA due to staff turnover.</p>	<p>🟡 <b>Little/no evidence</b> The project achieved Median case for outcomes, although comparison with Median was complicated by changes to the outcome metrics in the early years of the project</p>	<p>🔴 <b>Some evidence</b> There were delays during the CBO funding period in setting up a robust counterfactual to provide better evidence on the difference WLZ made, although a counterfactual has now been modelled to evaluate performance under LCF.</p>	<p>🔴 <b>Some evidence</b> Control of the project and its priorities lay with WLZ as both provider and coordinator, which contributed to tension with one commissioner, who felt they were expected to pay for a service without having much say in its design or operation</p>	<p>🔴 <b>Some evidence</b> WLZ updated the rate card twice during the CBO contract, firstly to reduce complexity in the overall mechanism; and secondly, in response to the impact of COVID-19. While agreed with commissioners, the effect was in</p>	<p>🟡 <b>Little/no evidence</b> The risk share with WLZ was unusual and potentially risky for WLZ. However, there was good evidence that WLZ were aware of all the downside (and upside) of the investment terms and the inclusion of first loss capital in the first</p>

Project / SOC Effect	Stakeholder engagement issues	Optimism bias in business case	Imperfect measurement of impact	Tension between stakeholders	Risk reallocation on renegotiation	Provider risk under-estimation
					part to change the risk profile, as noted in the 2 <sup>nd</sup> IDR.	part of the contract reduced the risk for WLZ (as well as incentivising their performance)
WtW	<p>🔴 <b>Some evidence</b>                      Merger of CCGs and changes in staffing meant that relations with commissioners were weaker than they might have been, with a risk at one point that the project would be terminated</p>	<p>🟢 <b>Strong evidence</b>                      The initial forecasts of referral volumes were extensively modelled by the team supporting the design of the SOC, but nevertheless proved optimistic and unlikely if not impossible to achieve.</p>	<p>🔴 <b>Some evidence</b>                      Although reduced costs to the CCG were measured against a counterfactual, the comparison group was confounded by the introduction of a similar service by the NHS. In addition errors in data collection and comparison caused issues at</p>	<p>🟢 <b>Strong evidence</b>                      There was considerable tension between stakeholders including the withdrawal of two providers, disagreement between Board members including resignations, and antagonism from some within the commissioning organisations towards</p>	<p>🔴 <b>Some evidence</b>                      Contracts were renegotiated to reprofile payments from the CBO and increase the amount paid for the self-reported wellbeing outcome relative to the hard cost reduction outcome. But no major changes to risk share between WtW and the CCG</p>	<p>🟢 <b>Medium evidence</b>                      Provider payments were linked to referrals and some providers appear to have underestimated or misunderstood the implications of this, with 2/4 withdrawing from the project (although the remaining 2/4 were content to take on more referral risk)</p>

## CBO EVALUATION: SYNTHESIS REPORT

Project / SOC Effect	Stakeholder engagement issues	Optimism bias in business case	Imperfect measurement of impact	Tension between stakeholders	Risk reallocation on renegotiation	Provider risk under-estimation
			the time of the 2 <sup>nd</sup> IDR	involvement of the IFM		

## Annex G: Achievement of identified use cases across the in-depth review projects

Project / stated use case	Improve evidence base for intervention	Fund preventative intervention with later savings	Share risk of an untested intervention	Improve delivery performance and accountability	Expand range of organisations able to get involved in SOCs
Be the Change	<ul style="list-style-type: none"> <li>■ <b>Partly achieved</b> Proved value of strengths-based approach but commissioners had doubts over net impact due to no counterfactual</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Not a use case for this project</b></li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Partly achieved</b> Most payment on outcomes but some linked to engagement</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Achieved</b> Outcomes-based approach proved its value and has been taken forward into other projects</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Not a use case for this project</b></li> </ul>
Zero HIV	<ul style="list-style-type: none"> <li>■ <b>Achieved</b> Evidence for effectiveness of opt out testing strongly influenced NHS decisions to roll out locally and nationally</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Not a use case for this project</b></li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Not a use case for this project</b></li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Achieved</b> Focus on treatment outcomes held all providers accountable and proved effectiveness of testing for service users</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Partly achieved</b> Community providers not persuaded of benefits of SOC in longer term and for other projects</li> </ul>
EOLCI NWL	<ul style="list-style-type: none"> <li>■ <b>Not achieved</b> Evidence limited and undermined by lack of counterfactual and</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Partly achieved</b> Payment mechanism linked payment to reductions in</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Partly achieved</b> Payment on outcomes but CCGs had to</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Partly achieved</b> Commissioners supportive of outcomes-based</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Not a use case for this project</b></li> </ul>

Project / stated use case	Improve evidence base for intervention	Fund preventative intervention with later savings	Share risk of an untested intervention	Improve delivery performance and accountability	Expand range of organisations able to get involved in SOC
	challenges of proving attribution	unplanned admissions but savings hard to verify	budget for payments under NHS budget rules	approach but hard to prove its effectiveness relative to other services	
HCT	<p>■ <b>Not a use case for this project</b></p>	<p>■ <b>Not achieved</b> Level of savings much lower than expected due to low level of suitable referrals and consequential lower scope to rationalise existing provision</p>	<p>■ <b>Partly achieved</b> Payment entirely on outcomes until renegotiation of 2/3 contracts which introduced referral payments</p>	<p>■ <b>Not a use case for this project</b></p>	<p>■ <b>Not a use case for this project</b></p>
MHEP	<p>■ <b>Partly achieved</b> Some evidence that IPS was an effective intervention but slightly undermined by no counterfactual and poor fidelity on one site</p>	<p>■ <b>Partly achieved</b> Savings were achieved but only part attributable to local commissioners</p>	<p>■ <b>Partly achieved</b> Payment was only partly on outcomes and renegotiation further increased risk to commissioners</p>	<p>■ <b>Partly achieved</b> 2/3 providers thought they benefits from focus on outcomes. Support for performance management from some commissioners</p>	<p>■ <b>Partly achieved</b> Providers able to deliver within SOC framework but with challenges. 2/3 have taken on subsequent SOC contracts</p>

Project / stated use case	Improve evidence base for intervention	Fund preventative intervention with later savings	Share risk of an untested intervention	Improve delivery performance and accountability	Expand range of organisations able to get involved in SOCs
PLCIP	<p>■ <b>Partly achieved</b> The project overachieved its targets so the intervention worked, but some commissioners continued to be sceptical about net impact of intervention despite deadweight allowance in payment mechanism. Service decommissioned at end of CBO funding period</p>	<p>■ <b>Partly achieved</b> Some commissioners uncertain if all those supported would have entered care without the service and/or doubtful about the impact of intervention and cashability of savings</p>	<p>■ <b>Achieved</b> Payment for key outcome (care avoidance) was wholly on outcomes with allowance for non-attribution</p>	<p>■ <b>Not a use case for this project</b></p>	<p>■ <b>Achieved</b> Stakeholders view was that none of the delivery providers would have been able to engage on their own because they either could not take on the financial risk, be able to cover the costs needed to launch the service or cover the geography on their own</p>
Reconnections	<p>■ <b>Partly achieved</b> Good outcomes achieved for users with higher than expected complex needs but some doubts about the self-reported nature of the outcome metric</p>	<p>■ <b>Not a use case for this project</b></p>	<p>■ <b>Partly achieved</b> Payment remained linked wholly to outcomes except during COVID-19 period, but some concerns about</p>	<p>■ <b>Not a use case for this project</b></p>	<p>■ <b>Partly achieved</b> Serval providers were enabled to take part in the project but 3/7 had their contracts</p>

Project / stated use case	Improve evidence base for intervention	Fund preventative intervention with later savings	Share risk of an untested intervention	Improve delivery performance and accountability	Expand range of organisations able to get involved in SOCs
			robustness of the outcome metric		terminated in year 1.
WLZ	<p>■ <b>Partly achieved</b> Collective approach validated by good outcomes but some commissioners uncertain about impact in absence of counterfactual</p>	<p>■ <b>Not a use case for this project</b></p>	<p>■ <b>Achieved</b> Commissioners supportive of the ability of the project to successfully test a highly innovative approach</p>	<p>■ <b>Achieved</b> Expectation largely met that a rate card would support the collective impact partnership's intention to increase value for money and accountability.</p>	<p>■ <b>Not a use case for this project</b></p>
WtW	<p>■ <b>Achieved</b> Project considered to have made a strong contribution to making the case for the effectiveness of linkworker based social prescribing</p>	<p>■ <b>Achieved</b> Key commissioner stakeholders accepted that the project had "washed its face" as required, despite achieving avoided costs rather than cashable savings</p>	<p>■ <b>Achieved</b> Commissioners very clear that intervention would not have been commissioned at this scale without payment based on outcomes</p>	<p>■ <b>Not a use case for this project</b></p>	<p>■ <b>Partly achieved</b> Four providers were enabled to take part in the project but two withdrew after two years.</p>



