



Block funded contract

A block funded contract is one in which a care or support provider is commissioned to deliver a service to a class of service user over time. The service users are not specific named individuals - the commissioned care or support is available to anyone who uses the service from time to time over the period of the contract.

For example, a hostel for single homeless people has a block contract to provide support to 20 people at any one time over three years. Turnover is rapid, with service users tending to stay between three and six months: so, at the outset of the contract, no-one knows who the 20 service users will be from time to time: people will come and go and as many as 300 different individuals might pass through the service over the three-year contract period. But the hostel has the capacity to support whoever its current cohort of 20 service users may be any time.

The alternative to a block funded contract is a “spot contract” where a service is commissioned for a specific person.