

# Withdrawn

**This publication is withdrawn.**

This publication is no longer current.

## CPA18 – Work Programme Provider Guidance

### Chapter 9 - Work Programme Payment Validation (CPA 18 Maximus only)

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#### Introduction

1. This chapter outlines the payment, evidence and validation requirements for payments specific to the Work Programme for CPA 18 – Maximus only.
2. The information detailed in the following paragraphs needs to be read in conjunction with [Work Programme Provider Guidance Chapter 15 CPA18 – standard definitions for the Work Programme](#) and [Generic Provider Guidance Chapter 5 – evidencing and validating payments – Job Outcomes and Sustained Job Outcomes](#).

#### Attachment fee

3. No attachment fees will be paid for the period of this contract but you must record all “attachments” in the Provider Referral and Payment (PRaP) system, which will ensure Management Information is collected.
4. Date one in PRaP is the date you record the attachment, and date two is the anticipated end date on provision. The attachment date you record in PRaP must always be today’s date. This date may not necessarily be the date on which the two-way discussion actually took place.

5. Even though no attachment fees are to be paid, you have a responsibility to ensure that attachments you record on PRaP are valid. You are required to retain evidence of the two way conversation/action planning, which supports the conditions of the claim and fully meets the definition as detailed in [Work Programme Provider Guidance Chapter 15 CPA18 – Standard definitions for the Work Programme](#).
6. You are required to make this evidence available for testing by DWP and other external bodies when requested, and it must be retained in line with ESF document retention requirements.
7. Failure to record an attachment date on PRaP may lead to ESF requirements not being met, and the recovery of funds.

### **Written and informed consent via designation order**

8. You will need to present all new participants and those participants who have previously not provided/withdrawn consent (prior to or at the point of a claim being made) with a Fair Processing Notice explaining the Departmental position in respect of consent to contact an individual's employer. This can be found in Annex 3 of [Generic Provider Guidance Chapter 5 – evidencing and validating payments – Job Outcomes and Sustained Job Outcomes](#).
9. The designation order in place allows the Department and Providers to contact the customer's employer directly to validate employment details for the without requiring the consent from customers.
10. There is no longer a requirement for you to have customer consent to contact a customer's employer in connection with you gathering evidence to support Job or Sustained Job Outcomes.
11. You may also share this information with DWP.

### **Special Customer Records**

12. The majority of claims for payment must be submitted via PRaP however, where you have a claim for a customer who is granted Special Customer Records (SCR) status (as determined by HMRC Special Section D) you are required to submit the claim following the SCR clerical claim process. Where DWP identifies that SCR status is not granted the claim will be rejected.
13. Where you have a SCR claim/s, you are required to print off the relevant form and complete manually. The forms can be found at Annex 3 of this guidance.

**You must only submit claims on these forms on the rare occasions that SCR status is granted.**

14. This clerical process mirrors the PRaP automated process; you are required to provide all information regarding employment details that you would normally submit in PRaP on the appropriate claim form and supporting annex, if applicable. The Provider Payment Validation Team will conduct a clerical off-benefit check and validate employment with employers and/or customers. Incomplete forms will not be actioned and will be returned.

15. Guidance to assist you in the completion of the form can be found by opening the excel form and placing the cursor over the small red corners of the relevant cells.

16. You should send your fully completed claim form to:

Provider Payment Validation Team (PPVT)  
Department for Work and Pensions  
Finance Group  
Contracted Employment Provision Directorate  
Ground Floor  
GW Zone A,  
Quarry House  
Quarry Hill  
Leeds  
LS2 7UA

17. All clerical documents carrying personal information should be retained securely in line with the Data Protection Act Principles.

[http://ico.org.uk/for\\_organisations/data\\_protection/the\\_guide/the\\_principles](http://ico.org.uk/for_organisations/data_protection/the_guide/the_principles)

18. Once validated, the supporting information for job and sustainment claims should be retained for ESF audit purpose until 31 December 2022.

## **Job Outcomes overview**

19. Full requirements relating to Job Outcomes are detailed in [Work Programme Provider Guidance Chapter 15 CPA18 – standard definitions for the Work Programme](#) and [Generic Provider Guidance Chapter 5 – evidencing and validating payments – Job Outcomes and Sustained Job Outcomes](#).

20. A Job Outcome can be claimed when an individual has been in employment each week of the required period (a week is defined as a 7 day period) and off benefit for the required 182 day period. This applies to all participants, including those transferred from Newcastle College Group (NCG). **Periods of**

**employment during participation with NCG will NOT count towards the qualifying period.**

21. Where a single day or accumulation of days within a week, from each job start day, removes a full seven days of benefit (there is no claim to benefit) the full seven days (one week) can be counted towards the job outcome.
22. A Job Outcome can only be claimed when the job starts after the attachment date recorded by you on PRaP. There is no link between any attachment dates entered during participation with NCG.
23. Only one Job Outcome can be claimed for an individual per period of allotted time. Outcomes can include self employment and subsidised employment.
24. For individuals who take up self-employment, you can only claim a Job Outcome once the individual is off benefit and trading independently. Once they have traded independently for the required period of 26 weeks and provided the claim meets the conditions for payment as per the definition, you are entitled to claim a Job Outcome.
25. Periods of subsidised employment count towards the qualifying periods for Job Outcomes, excluding participants employed by you within your employment business, provided that the Job Outcome definition is met in full.
26. Job Outcomes cannot be claimed for individuals who remain on pension credit. If an individual moves onto Pension Credit from another benefit, they will also need to be off Pension Credit for the required period before you are entitled to make Job Outcome claim.
27. Where there is a break in employment (in excess of two calendar days) after the 104 weeks allotted time with you, you are not eligible to claim a Job Outcome, even if the individual remains off benefit. **For the benefit of doubt, no period spent with NCG will count towards the allotted time.**

## **High level provider requirements**

28. You are required to maintain a robust system of internal control which must include appropriate checks, monitoring arrangements and adequate records to demonstrate that you are entitled to make the claim. The records maintained need to be sufficient not only to support a claim for the outcome, but also to allow internal management checks, scrutiny from other external bodies and DWP validation checks. The records maintained must document how and when the employment information was obtained. All information relating to claims you have submitted must be kept as part of the ESF document retention

requirement. Please refer to [Generic Provider Guidance Chapter 11 – ESF 2007 to 2013 Requirements \(England Only\)](#).

29. DWP will utilise its own systems to satisfy itself that the claims are valid, this involves an off-benefit check (in all cases) prior to payment being made, followed by sample post-payment validation to confirm that participants have been in employment for the required period, as detailed in the definition for the outcome claimed.
30. The DWP Provider Assurance Team will also review your systems to ensure that they are effective and manage risk to DWP expenditure and data. See [Generic Provider Guidance Chapter 6 - Provider Assurance](#) for more information. DWP will keep management information about claims that are rejected and this will be used to inform other contract management activities.
31. DWP does not prescribe the way in which you should track participants or record information about their employment. There is however specific information that you are required to input to PRaP when you submit the claim. This includes:
  - whether the period is in employment or self-employment (or a combination)
  - employer contact details including the address, employer contact name, full business telephone number and e-mail address
  - the participant's contact details
  - job title
  - start date of the period
  - end date of the period
  - the number of hours worked each week
  - the working/shift pattern
  - an employee identifier such as works or payroll number (optional).

This information must be provided for every job the participant has held in the claim period. Failure to provide all or part of this information may result in payment being recovered and extrapolated if DWP invalidates the outcome as a result.

### **Job Outcome validation process**

32. DWP will validate Job Outcomes by conducting a series of pre and post payment checks. The checks include a pre-payment off-benefit check (OBC) on 100% of all claims submitted, and a post-payment check on a sample of claims to ensure that the participant has been in work for the required period of time and it is in line with the outcome definition.

## Pre-payment validation for job outcome payments

31. Every Job Outcome claim is subject to an Off Benefit Check (OBC) before being released for payment. This automated check is an interface with PRaP and the Customer Information System (CIS), the departmental system that holds benefit history details. The check is to determine whether the participant has remained off-benefit for the required days. The check is against the following benefits:

- Jobseeker's Allowance (JSA)
- Employment Support Allowance (ESA)
- Incapacity Benefit (IB)
- Universal Credit (UC).

If the claim fails the OBC, that is the participant did not remain off benefit for the required period, the claim will fail pre-payment validation, backed out of PRaP and will not be paid. Should you establish a subsequent valid outcome for the same participant, the line will be available for you in PRaP to resubmit another claim. It is expected that the necessary steps will have been taken to establish the validity of the claim and the information supplied with it.

32. If you identified potential fraud by a participant, you are required to inform Jobcentre Plus. Information on how to make these referrals can be found at <http://www.gov.uk/national-benefit-fraud-hotline>. You are also required to keep a record of this activity on your internal systems.

## Post-payment validation for Job Outcome payments

33. DWP's post-payment validation is to provide assurance that participants are not only off-benefit, but also in work. Each month, DWP selects a random sample of claims for each individual Work Programme contract that have passed the OBC and been paid in the previous month.

34. Each post-payment sample is drawn on the first working day (or thereabouts) of the following month. Following this exercise, PPVT will not accept requests to back-out claims that appear in the sample.

**Please Note:** PPVT1's will be rejected if received after the sample has been drawn if the claim has been selected for post-payment validation.

35. You will be able to access the details of claims selected in the sample by using the reporting functionality in i-supplier. Provider reports are available to view when the sample has been uploaded to PRaP a few days after it has been drawn.

36. The sample is matched against HMRC data which includes information drawn from HMRC Real Time Information (RTI). This automated process is checking for tax records against the participants for the required period. If a record confirms that the participant was in employment for the required period, then the claim is deemed valid / pass.
37. Any claims that do not pass this check (that is, do not have tax records for the required period) will then be subject to further manual validation by PPVT. PPVT will contact the employer (and/or the participant) using the information supplied by you at the point of submitting the claim, to check the participant has been in work for the required period looking back from the qualifying date (date 2 in PRaP). PPVT will, where it had not been possible to make contact with the employer, or the participant is self-employed, contact the participant in the attempt to validate an outcome claim.
38. There are four possible manual validation results – pass, fail, technical fail or unable to validate:
- **Pass:** At the manual validation an employer or the participant confirms the employment details and no further action is taken
  - **Fail:** At the manual validation an employer or the participant supplies information which means the condition for payment, as set out in the outcome definition, has not been met. The individual payment (plus any related invalid payments) and performance figures will be adjusted to reflect the fail
  - **Technical fail:** At the manual validation stage there are two scenarios:
    - employer or the participant confirms that there is a valid Job Outcome payment however the employer details recorded in PRaP differs. The individual payment (plus any related invalid payments) and performance are recovered
    - if PPVT establishes that a participant has not been in work for a sufficient time within the claim period to meet the requirement but at the point of validation they have (and meet all other requirements), the claim will be treated as a ‘technical fail.’

As a technical failure the claim will be backed out of PRaP. You will be able to resubmit the outcome should you establish a subsequent valid outcome for the same participant. Technical failures are not included with the failure rate extrapolated across untested claims.

- **Unable to validate:** At the manual validation stage, PPVT has either not been able to contact the employer and/or participant, or they are unable/unwilling to provide the information required to validate the outcome.

**Please Note:** A number of claims assessed to be Unable to Validate will be apportioned as fails.

39. In cases where PPVT is experiencing difficulty making contact with the employer and/or participant, we may contact you to confirm the details you have supplied in PRaP. PPVT may also contact you where you have submitted incorrect or incomplete information (for example, incomplete telephone numbers).
40. You are required to establish the correct information and supply PPVT within the specified timescale. If you do not provide the detail that enables PPVT an attempt at validation, the claim will fail validation.
41. Claims that PPVT has genuinely not been able to validate, are not initially classed as a fail.
42. Providers must not remove job details from the mandatory fields in PRaP at any time. Should you identify an invalid claim, you can request for it to be removed using the required form as detailed in [Annex 1](#).
43. Where the Job Outcome claim includes periods of UC, PPVT will, as an interim process, validate all claims at the pre-payment stage and these claims are therefore not subject to post-payment validation and extrapolation.

## Job Outcome review process

44. Following the completion of the post-payment validation exercise, each quarter you will receive a report detailing the claims that have failed validation or were assessed as unable to validate. This report will also give you the information that informed the validation decision.
45. Before any of these claims are removed from PRaP and used to calculate the error rate for extrapolation, you will have 10 working days to consider this information. All requests for review, together with any supporting information or evidence, must be received within 10 working days of the validation failure report being sent. Late requests will not be accepted and will be returned to the provider.
46. If you do wish to request review, you must submit additional information that will allow the Review Team to have another attempt at validation. You are required to ensure that requests for review are proportionate and that you provide

something in addition to that supplied in the original claim that was not available to you at the time you made the submission. If the additional information supplied allows the Review Team to go back to an employer or participant, another attempt to validate the outcome will be made.

47. Each case will be different and the information provided by you in support of your request will vary. For that reason it is not possible to provide a list of every circumstance where you will make a request. It could be that you subsequently establish there is a different contact for the employer or that you have obtained additional evidence from the employer that allows the Review Team to follow up an additional line of enquiry.
48. Any decision to overturn the original result needs to stand up to scrutiny by DWP Internal Audit and the National Audit Office. It is not sufficient to say that you have contacted the same employer or participant again and been told something different.
49. Where the original validation result failed because PPVT had been given information from an employer that positively invalidates a claim, it is not acceptable for the Review Team to attempt to revalidate the claim with the participant.
50. Where you have established some extra information that will allow the Review Team to make additional enquires in the attempt to elicit a positive validation result, you are required to submit a Request to Review template (See [Annex 2](#)) detailing all relevant and appropriate information. To satisfy our internal audit control, all requests for review must be recorded on the template, you can however enter more than one case on the same form. You may also attach physical evidence, however this will only be used in an attempt to revalidate the job, and will not be accepted in its own right.
51. If you identify that a claim has failed initial post-payment validation because the contact information you submitted in PRaP is inaccurate, or you have identified an additional job, you are required to update PRaP with these details. This will avoid outcomes that subsequently pass validation during the review process, being treated as technical fail and will reduce the amount of backing-out and reclaiming action. You can either email the request for review or send it with supporting information to the address stated on the form. You are required to submit any documentation to the Review Team in line with Departmental security guidelines.
52. If no formal request has been received by the Review Team by close of business on the tenth working day, an Extrapolation Report and invoice (if applicable) will be raised.

53. Once the cases have been reviewed, the Review Team will present the review findings to a Review Board. This Board will have a representative from both Account and Performance Management Teams. The purpose of the Board is twofold: to be satisfied that any reviewed decisions will stand up to scrutiny to DWP Internal Audit and the NAO, and to approve the original validation decision if it remains unchanged. The Board may also request that the Review Team supply further information or investigation before finalising decisions.
54. Following approval from the Board, the Review Team will notify you of the results and issue you with an extrapolation report. These decisions will have gone through a rigorous challenge process signed-off by senior DWP representatives to ensure that all valid claims are recognised. It will therefore mean that they are final and no further challenge will be accepted.
55. From 1 October 2014, DWP will be operating quarterly Review Boards, but moving to six monthly extrapolation. The number in the sample drawn each month will reflect this. Quarterly results will be made available, but the extrapolation calculations and recovery will take place on a six monthly basis, that is DWP will combine two quarterly results to obtain an extrapolation rate reflecting six months of validation.

### Job Outcome extrapolation

56. Following the Review Board decisions at the end of the six monthly validation period, the number of Passes, Fails, Unable to Validate and Technical Fails will be totalled for each monthly sample in the period. Claims that are positively invalidated and fail post-payment validation contribute to the error rate for extrapolation.
63. A number of claims assessed to be Unable to Validate (UTV) will be apportioned as Fails; the number is calculated as follows where the results of a round of validation will comprise of:

a = Number of Sampled Outcomes: Unable to Validate (UTV)

b = Number of Sampled Outcomes: Fails

c = Number of Sampled Outcomes: Technical Fails

d = Number of Sampled Outcomes: Passes

e = Total Number of Sampled Outcomes = a + b + c + d

f = UTV Outcomes apportioned as Fails =  $a * b / (b + c + d)$   
(f is rounded to nearest whole number)

g = Total Outcome Fails = b + f

h = Extrapolation Rate =  $g / e = (b + f) / (a + b + c + d)$

64. A worked example is attached below

<b>Extrapolation Example</b>	
(a) Sampled Outcomes: Unable to Validate (UTV)	10
(b) Sampled Outcomes: Fails	10
(c) Sampled Outcomes: Technical Fails	9
(d) Sampled Outcomes: Passes	70
(e) Sampled Outcomes: Total [a+b+c+d]	99
(f) UTV Outcomes apportioned as Fails [ $a*b/(b+c+d)$ , rounded to nearest whole number]	1 <small>[i.e. 1.12 rounded to 1]</small>
(g) Total Outcome Fails [b+f]	11
(h) Extrapolation Rate [ $g/e$ , or $(b+f)/(a+b+c+d)$ ]	11.11%

65. The Extrapolation Rate is calculated using the Total Outcome Fails (Fail Outcomes + Apportioned Unable to Validate Outcomes) divided by the total number of Outcome Payments in the sample. The amount recoverable arising from extrapolation (the “Outcome Aggregate Error Amount”) is calculated by applying the extrapolation rate to the total (unsampled) Outcome Payments which have been paid to you in respect of the contract in that Payment Validation Period.

66. Once all the checks have been completed, including those that have been reviewed, you will receive an extrapolation report that details the validation decisions against the sample to enable you to reconcile against your claims. The report includes the error rate and the total amount of money to be recovered (if applicable). The report will be sent before any invoice is raised.



## Annex 2

# PRaP Error Notification Form – Work Programme

### Provider Guidance

1. What is the purpose of the form?
2. When should it be used?
3. How should the form be completed?
4. Where does the form need to be sent to?
5. Who should complete the form?
6. Further detail

## 1. What is the purpose of the form?

This form is used to notify your appropriate Provider Payment Validation Team (PPVT) of any Job Outcomes that have either been claimed and are on hold, or have been claimed and paid, where additional information has come to light that invalidates the Job Outcome that needs to be notified to PPVT as an error. PPVT will arrange for the removal of the Job Outcome in PRaP where it is on hold, or for the removal from PRaP and the recovery of funding where the Job Outcome has previously been paid. This form is also used to notify your appropriate Provider Payment Validation Team (PPVT) of any sustainment payments that have been claimed and paid, that need similar action as described above.

**IMPORTANT:** Where sustainment payments are claimed and fail the automated off benefit check, these will be placed on-hold, and PPVT **will not** take any action with these.

Providers have 26 shipment lines (purchase order lines) for claiming sustainment payments, and once these have all been used for a customer, Providers will be responsible for notifying the PRaP Operational Support Team (POST) that they require these shipment lines to be made available for making further claims for sustainment payments. This process will need to be completed on Form PRAP17 and sent to the following mailbox [PRAP.SUPPORT@DWP.GSI.GOV.UK](mailto:PRAP.SUPPORT@DWP.GSI.GOV.UK) If Providers send requests for the sustainment payments that have been placed on hold to PPVT mailboxes, these will not be actioned as it is a POST responsibility.

## 2. When should it be used?

The PPVT 1 form should be used as soon as you become aware that information that has become available to you invalidates either a Job Outcome or a Sustainment Payment. It is suggested that errors are sent frequently to the PPVT mailboxes, at least on a weekly basis. Please be aware that prompt action to remove erroneous outcomes will be to your advantage as these will not be included in the Post Payment sample, and therefore will be removed from any potential extrapolation.

### **3. How should the form be completed?**

The form should be completed electronically in MS Word, Arial 12 font size. The Provider will need to enter the name of their organisation and who is notifying these errors at the top of the form.

The following fields need to be populated:

- Purchase Order (PO) Number
- The shipment line number
- The ERS Number
- The reason that you are requesting the claim be removed/recovered
  - Please give as much detail as is necessary, and not just that it is invalid.

It is the intention that where providers have contracts in different CPA's, they can put information on one form for all of their contracts, as this can be distinguished by the ERS Number. Providers should not add lines to the form, but use another sheet where space does not allow. Any forms not fully completed will be returned to Providers for correction.

### **4. Where does the form need to be sent to?**

Once fully completed, the PPVT1 form will need to be emailed to your relevant Provider Payment Validation Team (PPVT). The email will be taken as authority to process the request and the date will be taken from this email and logged.

Completed forms to be emailed to: [PPVT1.REQUESTS@DWP.GSI.GOV.UK](mailto:PPVT1.REQUESTS@DWP.GSI.GOV.UK)  
PPVT will action your requests in line with current guidance.

### **5. Who should complete the form?**

The form does not have to be completed by a PRaP user, but should be completed by an official within the Provider organisation that has access to information to support the error notification request.

## 6. Further detail

For information, the shipment lines set up in PRaP relate to different payment types. The following sets out the different types:

Line 1 Start date – Attachment

Line 2 End date – Attachment

Line 3 Job Outcome Payment

Line 4 – 29 Sustainment Payments

When requesting the Job Outcome is reversed/recovered, then it is not possible for sustainment outcome payments to remain in PRaP, as to satisfy the outcome definition, there has to have been a job outcome in the first place. Providers will need to make sure that all sustainment outcome payments are requested to be removed if this is the case. Sustainment outcome payments that are paid will need to be included on the PPVT1 form: Sustainment outcome payments that are on hold will need to be included on the PRaP17 form.

## Annex 3

**Work Programme: Clerical Claim for a Job Outcome - PRaP11J job details**

[Annex 3: PRaP11J Job details annex](#)

**Work Programme: Clerical Claim for a Outcome Payment (For Special Customer Records) - PRaP11WP (SCR)**

[Annex 3: PRaP11WP \(SCR\) Clerical Claim for a Outcome Payment \(For Special Customer Records\)](#)