

Withdrawn

This publication is withdrawn.
The publication is no longer current.

Section 17 Payment Validation

This Section pertains to referrals to Work Choice made from 25th October 2015 until the commencement of the contracts' extension period in England and Wales, and to referrals in Scotland up to 31st March 2017.

For guidance pertaining to all referrals to Work Choice in England and Wales made **during** the current extension period, specifically referrals from 25th April 2017 for contracts originally awarded in 2010, and from 7th April 2017 for Remploy, please see "Work Choice Provider Guidance: Post-April 2017" version which will be found on GOV.UK : <https://www.gov.uk/government/collections/dwp-provider-guidance>

For Remploy Ltd this section applies to programme referrals **from 7th April 2015** until the commencement of the current contracts' extension period in England and Wales, as above, and to referrals in Scotland up to 31st March 2017.

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Introduction

17.01 This chapter covers the validation of the Short Job Outcomes and Sustained Job Outcomes for Work Choice and should be read in conjunction with the outcome definitions at Section 16 of this Provider Guidance and in conjunction with the [Generic Provider Guidance Chapter 5](#).

High Level Provider Requirements

17.02 You are required to satisfy yourselves that you only submit accurate claims for payments that you are entitled to. DWP will utilise its own systems to satisfy itself that the claims are valid. This will include a series of checks to confirm that claimants have

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started in supported and/or unsupported employment for the required period of time and hours as outlined in the definitions.

17.03 You are required to maintain a robust system of internal control that needs to be sufficient not only to support any claims but also to allow you to undertake internal management checks and independent testing and validation, by DWP and other external bodies. The records maintained should document how and when the appropriate supporting evidence was obtained.

17.04 The designation order in place which allows the Department and Providers to contact the customer's employer directly to validate employment details without requiring consent from participants **does not** apply to Work Choice. In cases where the participant explicitly requests we do not contact the employer, as it may highlight a disability they have chosen not to declare (participant does not allow consent), PPVT will **only** contact the participant when attempting to validate claims. The customer consent form should be completed at programme start and is applicable to **any or all** employers in the relevant claim period. There should not be a mixture of consent for different employers.

17.05 Where a participant has not given consent to contact employers **you must set the consent tab on PRaP to "no"**. The consent tab can be found on the Job Details Screen. In these cases PPVT will only contact the participant. Where the consent tab is set to "yes" PPVT will contact the employer and/or the participant in an attempt to validate the claim.

17.06 Once a case has been selected for sample if the consent status changes (for example, it is withdrawn) or you identify that it has been set incorrectly you must inform PPVT, confirmation of this change must be received in writing. Confirmation should be sent to PPVT.POLICYANDGUIDANCEQUERIES@DWP.GSI.GOV.UK.

17.07 In addition you must enter in the "Other Information" box on the Job Details Screen if the first element of employment was either supported or unsupported. This will directly affect the validation criteria PPVT apply to outcomes selected in a post payment sample. This field can also be used for any information that PPVT may find useful whilst attempting validation, for example, any disabilities that may impact on PPVT's approach to validation, or notes of Performance Managers' "By Exception" decisions (as described in Section 16a).

17.08 DWP does not prescribe the way in which you should track claimants or record information about their employment activity. There is however specific information that you are required to input to the Job Details Screen within the PRaP system when you submit claims:

- Whether the period is employment or self-employment
- Employer/s contact details including the address, contact name, full business telephone number and email address
- The claimant's contact details
- Start date of employment/self-employment
- End date of employment/self-employment (if applicable)
- The number of hours worked in each week
- The working/shift pattern

An employee identifier such as a works or payroll number may help us validate but is optional.

17.09 The information input to the Job Details Screen must be accurate; inaccurate data could lead to the claims either failing validation or being deemed Unable to Validate at the post payment validation stage.

17.10 Where a participant has been placed in employment at a host organisation but you continue to pay the participants wages you must record the host employer's details in the Job Details Screen. You must also note in the "Other Information" field that you are responsible for paying the participant's wages.

17.11 You remain accountable for making sure that all outcomes are checked prior to claim and that all claims must be valid at the point of submission for payment. As such providers should not need an extensive checking regime in place that validates their outcomes after the claim has been submitted to DWP.

17.12 Where you require a claim for any payment type to be removed from PRaP at the post payment stage, before a sample has been drawn, you need to notify the PRaP Operational Support Team (POST) at PRAP.support@dwp.gsi.gov.uk using the current PRaP 14 process. POST will then arrange for the claim to be backed out of PRaP and the recovery of funding where the fee has been paid.

17.13 All Provider requests to back out claims should be minimal as Providers are expected to check that all claims are valid at the point of submission. The Department will monitor volumes of backed out cases as these can be evidence of poor systems of internal control. All cases that are likely to be invalid due to potential fraud should be notified to DWP immediately.

17.14 Where you identify an error after the sample has been drawn the Department would not normally expect a request to back out a claim as the error will be dealt with through extrapolation. In such circumstances the records/entry on your system(s) should be annotated by cross referencing [WPLRM 201](#). You should also annotate the claim on PRaP using the "other information" field.

17.15 Claims which fail validation, or PPVT are unable to validate, will be subject to a challenge period. This provides you with the opportunity to seek review by submitting additional information which allows DWP to have another attempt at validation. Any claim selected as part of a post payment validation sample will not be removed (backed out) of PRaP following completion of the Review Process.

Special Customer Records

17.16 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.

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17.17 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 1 of this guidance. **You must only submit claims on these forms on the rare occasions that SCR status is granted.**

17.18 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 PPVT will then validate all elements of employment with employers and/or customers. Incomplete forms will not be actioned and will be returned.

17.19 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.

17.20 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

17.21 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

17.22 Once validated, the supporting information job and sustainment claims as detailed in programme specific guidance should be retained for ESF audit purpose until 31 December 2022.

Post Payment Validation

Short Job Outcome Claims

17.23 Each month DWP will randomly select for validation a sample of 17 Short Job Outcomes for each individual Work Choice contract that have been paid in the previous month. If the total Short Job Outcomes paid is fewer than 17 in any month then all will be selected. Please note, DWP reserve the right to sample additional claims at any point.

17.24 The Provider reports available through i-supplier are not available to view until the sample has been uploaded to PRaP a few days after it has been drawn. DWP will not accept any requests from providers to back-out claims that appear in the sample.

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17.25 The sample for Short Job Outcomes will be subject to checks to establish if participants have been in work, for at least 16 hours per week, for 13 continuous weeks (from the job start date), with no breaks in employment (or, in the case of a self-employed participant, they have traded independently for at least 13 continuous weeks).

17.26 **Note:** no breaks in employment means no break in 16 (or more) hours per week. A week of employment is defined as a 7 day period, including Saturday and Sunday, which starts from the day employment started.

17.27 Outcomes can be made up of more than one employer as long as 16 or more hours are completed in each week, for example:

- Participant started unsupported employment on the 01/01/2015
- 16 hours of work was undertaken between 01/01/2015 – 07/01/2015 (1st week towards the 13 continuous weeks total)
- Participant completed 8 hours work on the 08/01/2015 at the end of which the employment ended (this is the 1st day of the 2nd week)
- Participant starts a new job on the 13/01/2015 and works another 8 hours
- Therefore the 2nd week can count towards the 13 continuous weeks total.

This scenario also applies to breaks in employment with the same employer.

17.28 Where PPVT identify that 16 hours or more of work has not been undertaken, in each week then the claim will fail validation.

17.29 For Short Job Outcomes that started in PRaP as Supported, PPVT will check that the job started within 12 months of the start date on Module 1. Short Job Outcome claims which do not meet this criteria will fail validation.

17.30 For Short Job Outcomes that started in PRaP as unsupported, PPVT will check that the job started after the participant left provision and within the 6 week Tracking Period. Cases that do not meet this criteria will fail validation.

17.31 Where PPVT identify during validation that the job start date (Date 1 in PRaP) is prior to the date the participant started on Work Choice the claim will fail validation, unless the claimant has increased hours to a minimum of 16 hours per week. In these cases you must include the date employment started in the “other information” box to help PPVT when attempting to validate the claim.

Guidance for Remploy Ltd only – April 2015

Remploy Ltd began commercial delivery of the Work Choice programme **from 7th April 2015**. Programme delivery Terms and Conditions vary slightly for this provider.

Where PPVT identify that a Short Job Outcome has an employment start date of before the 7th April 2015 the claim will fail validation.

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17.32 Where a participant is in employment at a host organisation PPVT will attempt validation via the host organisation or the participant.

17.33 For self-employed participants DWP will contact either the individual or, in cases where the participant work for an employer but is paid on a self-employed basis, DWP may also contact the employer for validation purposes.

17.34 Where 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 Pass.

17.35 Where a participant has not given consent to contact employers PPVT will only attempt validation via the participant. Due to the nature of the provision it is important that you set the consent tab on PRaP to “no” in all of these cases. Where the consent tab is set to “yes” PPVT will contact both the employer and or the participant in an attempt to validate the claim.

17.36 Where consent to contact the employer has been given but the employer is unable/unwilling to validate the claim, PPVT will contact the participant.

17.37 PPVT will, at post-payment validation, fail claims where the job details have been removed.

17.38 In cases where PPVT is experiencing difficulty making contact with the employer and/or individual, PPVT may, but is not obliged to, contact you to confirm the details you have supplied in PRaP. For example, where you have submitted incorrect or incomplete information (e.g. unobtainable telephone numbers).

17.39 You are required to establish the correct information and supply it promptly to PPVT to maximise the chances of positive contact during the validation window. If you do not provide the detail that enables PPVT an attempt at validation, the claim will fail validation. Providers must not remove job details from PRaP at any time.

17.40 Error rates are derived from checking a representative sample of claims and extrapolating against the total population. This means the correct level of payment and performance will be attributed to a provider.

17.41 There are four possible validation results:

Pass – An employer/participant confirms that the condition for payment, as set out in the Short Job Outcome definition, has been met. These results will contribute to lowering the error rate for extrapolation.

Technical Pass – at the manual validation stage there are two scenarios:

1. An employer/participant confirms that there is a valid claim however the employer details recorded in PRaP differ. PPVT will inform you of the correct information and you are required to make the changes in PRaP. The payment will not be recovered. These results will contribute to lowering the error rate for extrapolation.

2. 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 Pass. The payment will not be recovered. These results will contribute to lowering the error rate for extrapolation.

Fail – An employer/participant provides information which means the condition for payment, as set out in the Short Job Outcome definition, has not been met. The claim is recorded as an error.

Unable to Validate – PPVT has either not been able to contact the employer/participant, or they are unable/unwilling to provide the information required to validate the claim.

17.42 Claims that PPVT have genuinely not been able to validate, will be apportioned across the other validation results. Before any of these claims are apportioned, you will have the opportunity to seek review by submitting additional information that will allow DWP to have another attempt at validation. This process is detailed in the Post Payment Review Process.

Sustained Job Outcome claims

17.43 Each month DWP will randomly select for validation a sample of 17 Sustained Job Outcomes for each individual Work Choice contract that have been paid in the previous month. If the total number of Job Outcomes paid is fewer than 17 for any contract in any month then all will be selected. Please note, DWP reserve the right to sample additional claims at any point.

17.44 The Provider reports available through i-supplier are not available to view until the sample has been uploaded to PRaP a few days after it has been drawn. DWP will not accept any requests from providers to back-out claims that appear in the sample.

17.45 The sample for Sustained Job Outcomes will be subject to checks to establish if participants have been in employment for at least 16 hours per week, that lasts for at least 26 weeks out of 30 starting from the date that Work Choice support was withdrawn i.e. when the participant leaves the programme.

17.46 For Sustained Job Outcomes PPVT will check that the claim period started after the participant left provision and, for unsupported employment i.e. where the Sustainment period overlaps or runs concurrently with the 13 week Short Job Outcome, within the 6 week Tracking Period. Claims which do not meet this criteria will fail validation.

17.47 For Retention customers PPVT will check that the claim period started after the participant left provision.

17.48 For claims (other than Retention Claims) where PPVT identifies during validation that the job start date is prior to the date the participant started on Work Choice, the claim will fail validation, unless there has been an increase in hours to at least 16 hours per week. In these cases you must include the date employment started in the “other information” box to help PPVT when attempting to validate the claim.

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17.49 'For self-employed participants DWP will contact either the individual or, in cases where the participant work for an employer but is paid on a self-employed basis, DWP may also contact the employer for validation purposes'.

17.50 Where a participant is employed on a zero hours contract PPVT will check that 16 hours, in each week has been worked. Where 16 hours has not been worked the claim will fail validation.

17.51 Where 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 Pass.

17.52 Where consent to contact the employer has been given but the employer is unable/unwilling to validate the claim, PPVT will contact the participant.

17.53 PPVT will, at post-payment validation, fail claims where the job details have been removed.

17.54 In cases where PPVT is experiencing difficulty making contact with the employer and/or individual, PPVT may, but is not obliged to, contact you to confirm the details you have supplied in PRaP. For example, where you have submitted incorrect or incomplete information (e.g. unobtainable telephone numbers).

17.55 You are required to establish the correct information and supply it promptly to PPVT to maximise the chances of positive contact during the validation window. If you do not provide the detail that enables PPVT an attempt at validation, the claim will fail validation. Providers must not remove job details from PRaP at any time.

17.56 Error rates are derived from checking a representative sample of claims and extrapolating against the total population. This means the correct level of payment and performance will be attributed to a provider.

17.57 There are four possible validation results:

Pass – An employer/participant confirms the condition for payment, as set out in the Sustained Job Outcome definition, has been met. These results will contribute to lowering the error rate for extrapolation.

Technical Pass – at the manual validation stage there are two scenarios:

1. An employer/participant confirms that there is a valid claim however the employer details recorded in PRaP differ. PPVT will inform you of the correct information and you are required to make the changes in PRaP. The payment will not be recovered. These results will contribute to lowering the error rate for extrapolation.

2. 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 Pass. The payment will not be recovered. These results will contribute to lowering the error rate for extrapolation.

Fail – An employer/participant provides information which means the condition for payment, as set out in the Sustained Job Outcome definition, has not been met. The claim is recorded as an error.

Unable to Validate – PPVT has either not been able to contact the employer/participant, or they are unable/unwilling to provide the information required to validate the claim.

17.58 Claims that PPVT have genuinely not been able to validate, will be apportioned across the other validation results. Before any of these claims are apportioned, you will have the opportunity to seek review by submitting additional information that will allow DWP to have another attempt at validation as outlined in the Post Payment Review Process.

Post Payment Review Process

17.59 Following the completion of each post-payment validation exercise, you will receive a Validation Report detailing the claims classified as Fails or Unable to Validate (UTVs). This report will also give you the information that informed the original validation decision.

17.60 Before any of these claims are used to calculate the error rate for extrapolation you will have 10 working days to consider and respond to this information. Where you are able to supply additional, relevant supporting information, you may request that DWP revisit the case.

17.61 Requests for review must be submitted electronically to the relevant DWP Review Team Mailbox. PPVT.WKCREVIEWTEAM1@DWP.GSI.GOV.UK. Supporting documents should (where possible) also be submitted electronically. Supporting documents will be used in an attempt to revalidate the claim; this information cannot however be used to validate the outcome without independent confirmation. You are required to submit any documentation to the Review Team in line with Departmental security guidelines.

17.62 All requests for review, together with any supporting information (including hard copy information) must be received by the Review Team within 10 working days of the validation report having been issued. Nil returns are required to confirm that no additional review activity is to be undertaken. Late review requests or supporting information will not be accepted.

17.63 If no formal request has been received by the Review Team by close of business on the 10th working day, an Extrapolation Report and invoice (if applicable) will be raised at the end of the validation round. Where no formal requests have been received by the DWP Review Team, the original validation decision will be applied i.e. Fail or UTV.

17.64 Requests for review should only be made where you have identified additional, relevant information that was not available when you made the original submission. If the additional information supplied allows DWP's Review Team to go back to an employer, host organisation or individual, attempts will be made to re-validate the outcome.

17.65 All additional, relevant information will need to be updated on the Validation Report (i.e. Decision Log) supplied by the DWP Review Team. An example of this form can be found at Annex 2. In order to satisfy our internal audit control, all requests for review must be recorded on this template.

17.66 Requests for review will initially be assessed by the DWP Review Team before these are managed through the Review Process. Where no new or relevant information is identified, these cases will be treated as 'Out of Scope' and no additional review activity will be undertaken; in these instances the original validation decision will be applied i.e. Fail or UTV.

17.67 Where the original validation result failed (i.e. an employer or host organisation positively invalidated the claim with the PPVT Validation Team) the Review Team will not attempt to revalidate the claim with the individual.

17.68 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 comprehensive list of every circumstance where you will make a request. There may be instances where you subsequently identify a different employer/host organisation contact, or that you have obtained additional/relevant information from the employer/host organisation that allows the Review Team to follow up an additional line of enquiry.

17.69 You are required to establish the correct information and supply the Review Team within the specified 10 day timescale. If you do not provide the detail that enables the Review Team an attempt to validate, the claim will fail.

17.70 Any decision to overturn the original result needs to stand up to scrutiny by DWP Internal Audit (IA) and the National Audit Office (NAO). It is not sufficient to say that you have contacted the same employer, host organisation or individual again and have been given different information.

17.71 There are five possible review outcome results:

Pass – An employer/host organisation/participant confirms the condition for payment, as set out in the relevant definition, has been met. These results will contribute to lowering the error rate for extrapolation.

Technical Pass – at the manual validation stage there are two scenarios:

1. An employer/host organisation/participant confirms that there is a valid claim however the employer details recorded in PRaP differ. PPVT will inform you of the correct information and you are required to make the changes in PRaP. The payment will not be recovered. These results will contribute to lowering the error rate for extrapolation.

2. 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 Pass. The payment will not be recovered. These results will contribute to lowering the error rate for extrapolation.

Unable to Validate – PPVT has either not been able to contact the employer/host organisation/participant, or they are unable/unwilling to provide the information required to validate the claim.

Fail – An employer/host organisation/ participant provides information which means the condition for payment, as set out in the relevant definition, has not been met. The claim is recorded as an error.

Out of Scope - Where no new or relevant information is identified, these cases will be treated as 'Out of Scope' and no additional review activity will be undertaken; in these instances the original validation decision will be applied i.e. Fail or UTV.

Please note that a claim found to be Unable to Validate at the Review Stage can not overturn a claim which PPVT have already Failed.

17.72 Once the cases have been reviewed, the DWP Review Team will present their recommendations for cases classified as Fail or Unable to Validate, to a Review Board. This Board includes DWP representatives from Controls, Policy, Commercial and Performance Management Teams. The purpose of the Board is twofold; to be satisfied that any reviewed decisions will stand up to scrutiny by DWP Internal Audit and the NAO, and to approve the original validation decision if it remains unchanged. The Board may also direct the Review Team to progress additional lines of enquiry before finalising their decisions.

17.73 Following approval from the Review Board, the DWP Review Team will notify you of the results and issue you with an Extrapolation Report and Validation Report (outlining the rationale for the Board decisions). These decisions will have gone through a rigorous and robust review process signed-off by senior DWP representatives to ensure that all valid claims are recognised. Board decisions are therefore final and no further challenge will be accepted.

Extrapolation Process Short and Sustained Job Outcomes

17.74 The following paragraphs detail the extrapolation process. This process will be applied separately to short Job Outcomes and Sustained Job Outcomes.

17.75 Following the Review Board decisions at the end of the six monthly validation period, the number of Passes, Fails, Unable to Validates and Technical Passes, 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.

17.76 A number of claims assessed to be Unable to Validate 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 Unable to Validate Outcomes
- b = number of Outcome Fails
- c = number of Outcome Technical Passes
- d = number of Outcome Passes
- e = denominator = b + c + d
- f = total number of Outcome Payments in the sample = a + b + c + d

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$g = \text{sample fail rate} = b/f$
 $h = \text{apportioned Unable to Validate Outcomes} = a*b/e$
 (rounded to the nearest whole number),
 $I \text{ total Outcome Fails} = b+ h$
 $\text{apportioned fail rate} = i/f$

17.77 A worked example is attached below:

Short Job Outcome Extrapolation Example

Outcome	Count
Unable to Validate Short Job Outcomes (UtV)	10
Short Job Outcomes Fails	10
Short Job Outcomes Technical Pass	9
Short Job Outcomes Passes	70
Denominator (b+c+d)	89
Total number of Short Job Outcome Payments in the sample (a+b+c+d)	99
Sample Fail Rate (b/f)	10%
Apportioned Unable to Validate Short Job Outcomes (a*b/e)	1
Total Short Job Outcome Fails (b+h)	11
Extrapolation Rate (i/f)	11%

17.78 The Department also wants to be more transparent with its planning for Post Payment Validation and will therefore be publishing the timetable, on a monthly basis from August 2019 in BRAVO for all Contracted Employment Programmes.

Annex 1

Annex 1 PRaP11WC (SCR)

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/555570/work-choice-section-17-annex-1-prap11wc-scr.xls

Annex 1 PRaP11J

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/555572/work-choice-section-17-annex-1-prap11j.xls

Annex 2

Annex 2 validation report

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/555580/work-choice-section-17-annex-2-validation-report.xls