

Withdrawn

This publication has been withdrawn.

It is no longer current.

Residential Training College Provider Guidance

Section 4 Outcomes and Funding

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Introduction

1. This section provides guidance on the outcome definitions and payments processes to support the performance regime. The financial terms and conditions are set out in Schedules 5 and 6 of the Provider contract agreement with DWP.
2. You must read this Section in conjunction with DWP Generic Provider Guidance, particularly Chapter 2 – Delivering DWP Provision, Chapter 5 Evidencing/Validating Payments and Chapter 7 - Self Assessment,

Starts and Assessments

3. Providers will undertake a thorough comprehensive Participant Assessment for each person referred to them by Jobcentre Plus
4. Providers must identify any persons not appropriate for the services they are delivering. If the Provider identifies that a person is not appropriate for the services he is delivering then the person must not be registered for the Programme but must be referred back immediately to the Jobcentre Plus Disability Employment Adviser stating the reasons for unsuitability.
5. Participant assessments will not generate payments this will be rolled up within the service fee element.
6. Participants who have been on provision for 2 weeks or more will be defined as a start and deemed to have entered training.
7. A Start will not generate payments; this will be rolled up within the service fee element.

Course Completions

8. A course completer is defined as a participant who has completed all actions agreed in their Individual Learning Plan or a participant who leaves training to take up employment after completing at least two weeks on provision.
9. This element is claimed monthly.

Course Completion Evidence

10. Evidence to support this claim should be a statement from the provider confirming that the participant has completed all activities detailed on their Individual Learning Plan. This statement will be incorporated into the Individual Learning Plan.

Residential Premiums

11. The rationale for this payment is to reflect the additional costs of offering residential provision. Providers are required to have in place a range of residential and medical facilities which demonstrate a commitment to the participant's well being and enable them to concentrate on their planned activities.

12. Claims will be made monthly and applicable to course completions, or when a participant leaves provision to take up employment, or when a participant leaves provision for other reason, ie illness.

13. As the premium is paid for the provision of a residential option there is the possibility that it could be paid more than once per participant, for example, if they have to leave provision for health reasons, but subsequently return and complete provision. However the number of premiums that can be paid will be capped, once the provider has reached this figure no further payments will be made.

14. When payments have been made for residential customers who subsequently do not become a course completer; or cease to be residential before they become a course completer the provider is liable to repay these Residential Premiums.

Residential Premium Evidence

15. Claims will not be accepted where the participant has attended for less than two weeks. Participants will be expected to sign their ILPs to confirm their attendance for this minimum period.

16. As evidence we will require a statement from the college confirming that the course has been delivered. This could be a signed-off copy of the Individual Learning Plan or where the participant leaves due to ill health (or other acceptable reasons), a statement from the provider is required.

Payment for Training Fees

17. The Provider will be paid a monthly Training Fee as specified in Schedule 6 of the Contract.

18. Please note that contract variations will detail any agreed updated monthly Trainee Fees.

Job Outcome

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19. Where an Outcome is achieved whilst the participant is on a programme and/or within 26 weeks of the last day of Training, the Provider shall be eligible to claim the associated Outcome Payment.

Payment for a Job Outcome

20. Job Outcome is defined as employment expected to last at least 13 weeks and the employment is of 16 hours per week or more.

21. The provider may claim a Job Outcome through Annex 1:

- if a participant leaves training, before they have completed all activities on their Individual Learning Plan, to enter into employment: or
- during the tracking period which is within 26 weeks from the last day of training.

22. Job Outcome Payments may be claimed for employment, including Self Employment, of at least 16 hours per week with one or more employers. Payment is subject to the evidence requirements set out below.

23. If the cumulative ratio of Job Outcomes to Starts falls 5% below target indicated in Schedule 3 of the contract, then the Authority can, at its discretion and having provided reasonable notice, suspend the payment of future Course Completion Payments to the Provider, until such time as the cumulative ratio of Job Outcomes to Starts improves to a level to be agreed, at the time of suspension, between the Authority and the Provider.

Providers Employing Residential Training Participants

24. DWP acknowledges that you may employ individuals who originally start out as a Residential Training participant. This is acceptable. However, the strategic intent of the Residential Training programme is to place participants into sustained employment that extends beyond the duration specified for performance and payment purposes.

25. In that respect, DWP would not find it acceptable for you to continuously turnover your employee base with Residential Training participants merely as a means of enabling Job Outcomes to be reported and subsequent payments to be claimed.

Please Note: You must seek permission from your DWP Performance Manager before you employ any Residential Training participant.

Sustained Job Outcome Payment

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26. A Sustained Job outcome is defined as employment of at least 16 hours per week with one or more Employers that has been sustained for at least 13 weeks in the 26 week period beginning on the first day of Employment.

Key Performance Indicators

27. Provider performance will be managed against the Key Performance Indicators (KPI) in Schedule 11 of the contract.

28. Providers will be required to produce performance improvement plans to improve performance where these KPI targets are not being met.

Payment for Qualification and Credit Framework (QCF) or Work Based Qualification

29. A Qualification Payment may be claimed for the achievement by the Participant of a QCF qualification of any level (minimum 'Award') or other work based qualification that is recorded in the trainees Individual Learning Plan and supports the Trainees stated work goal in the contract period up to August 31 2014. Only one qualification payment can be made for each trainee. For the avoidance of doubt the decision of the Authority on the eligibility of a qualification for this payment is final. See [Annex 1](#), [Annex 2](#) and [Annex 3](#) for the payment claims.

30. For customers starting provision from September 1 2014 payments for Qualifications will no longer apply.

Payment Evidence

31. All payments are subject to evidence requirements.

32. In order to minimise bureaucracy, hard copy evidential material will not be submitted to DWP with invoices for payment. However, outcomes must not be claimed by Providers until they have obtained the prescribed evidence in relation to the payment claimed.

33. Proposals for processes to manage the collection and retention of evidence to support payments are included at Schedule 3 of the Contract.

34. Evidence must be readily available and retained in such a way as to allow DWP to conduct audit and validation checks to gain assurance that any payments claimed adhere to Departmental requirements.

35. Audit and validation checks may include, but are not restricted to asking for evidence to be submitted to DWP by post and visits to the Provider's premises. These checks will not be restricted to reviewing evidence and may also include

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reviews of systems in place regarding the retention of evidence and other aspects of the delivery of the service.

36. Evidence requirements for the payment of outcomes are as follows:

Payment for Participant Assessment

37. The evidence required to validate the payment up to August 31 2014 is the completed participant Assessment in a format agreed by the Authority.

38. For customers starting provision from September 1 2014 payments for assessments will no longer apply.

Payment for Starts

39. The evidence required for the payment of starts up to August 31 2014 is the completed Individual Learning Plan signed by both the Provider and the Participant.

40. For customers starting provision from September 1 2014 payments for starts will no longer apply.

Evidencing Claims

41. An important part of measuring provider performance is to ensure the Department get the supporting evidence requirements right, not least to balance the risk of paying for inappropriate outcomes against the effort required in establishing appropriate levels of control.

42. For the purpose of evidencing claims RTC's are required to obtain evidence that meets the following criteria. It should be retained and made readily available for audit and validation checks, as set out in the Residential Training Contract

43. In developing these evidence requirements, we take account of the criteria used by the National Audit Office in assessing evidence and adapt it to DWP business. These criteria are:

- **Written statements as opposed to oral evidence;**
- **Independently validated** – i.e. obtained from an independent source. This is why employer verification templates require less supporting evidence than information provided by trainees;
- **Restricted to official access** – which is why we accept only official supporting employer documentation (letterheads, business cards, etc.) as opposed to that which might be easily accessible to members of the public (menus, till receipts, etc.);

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- **Cost of acquiring the evidence** – although this is a consideration when deciding evidence requirements, the cost would not outweigh the need to collect it; and
- **Usefulness or purpose** – i.e. if what is collected does not demonstrate it meets the intended purpose it will not support evidence claims regardless of the amount collected. In this case, the intended purpose is the job outcome and that means that the evidence collected must support all aspects of the job outcome definition, i.e. that the participant is in work, that it's more than the minimum hours and that it is expected to last 13 weeks or more.

Extension of Acceptable Employer Evidence

Principal NAO Criteria Used: Restricted To Official Access

44. Existing guidance currently states that the Employer Verification Template (See [Annex 4](#)) must be supported by either:

- company letter headed paper; or
- compliment slip; or
- company stamp; or
- business card.
- trade invoices - an invoice for goods or services bought by the employer organisation relevant to the employer business; or
- trade receipts - receipt/sales invoice for goods or services supplied by the employer organisation relevant to the employer business; or
- utility bills – a utility bill for gas, electricity or water consumed by the employer organisation; or
- fax headers – where a fax header is set up using the fax settings and this is clearly displayed on an incoming fax to a provider from an employer, this will be treated in the same way as company letter headed paper; or
- a company payslip.

45. In all cases, the supporting documentation must show the name of the employer organisation (and ideally the address) and be signed by the same person who signed the Employer Verification Template. To minimise the risk of potential collusion, we would expect the supporting evidence to be official and would not therefore accept documentation where the employer details are handwritten.

Clarification of Acceptable Evidence to Support Participant Declaration

Principal NAO Criteria Used: Independently Validated Usefulness or Purpose

46. Where a signed statement cannot be obtained from the Employer, alternative evidence can be accepted to support the Job Outcome payments. A signed

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declaration by the Participant can be accepted (in a format agreed with DWP). See Self Declaration Employment Verification Template ([Annex 5](#)) that confirms the date the Participant started to work and the number of hours worked per week. The statement must also confirm that the employment is reasonably expected to last for a minimum of 13 weeks. This must be supported by independent evidence that fully supports the job outcome definition.

47. Payslips are the most common form of independent evidence. However, whilst a single payslip can be used to verify that an individual is in work, it often wouldn't confirm the number of hours worked and very rarely (if ever) confirms that the job is expected to last 13 weeks.

48. If this is the evidence route chosen by the provider then additional (independent) evidence must be supplied if one payslip does not provide all of the required information. Typically, the additional evidence could include:

- A job offer letter from the employer (providing it supports that part of the job outcome definition not covered by the payslip); or
- A contract of employment (again providing it supports that part of the job outcome definition not covered by the payslip).

49. Should the provider be unable to obtain the required evidence from either the employer or the individual at the start of the job, then it would be acceptable to gather sufficient wage slips to make a claim in retrospect although clearly this is subtly changing the job outcome definition to 'has been in work' 13 weeks as opposed to 'expected to last' 13 weeks.

Clarification of Acceptable Evidence to Support Self Employed Jobs

Principal NAO criteria used: Independently validated

50. Existing guidance states that the participant is allowed to complete the 'Employer' Verification Template Self-Employment Verification Template (See [Annex 6](#)). This is the only instance where DWP will accept the participant's word that the job is 16 hours or more and expected to last at least 13 weeks without an independent statement to this effect (because the participant is in effect the employer).

51. However, this statement must be supported by independent evidence that the individual is actually trading. This can be either:

- a letter from a recognised business start-up organisation which must include a business plan; or
- evidence of trading that is clearly linked to the company and is proportionate to the business.

Example 1

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52. There has been some confusion as to what is meant by 'proportionate to the business'. The following examples set out what we would deem to be acceptable and what is not.

Scenario: Nick Brown is a self employed plumber. A self employment verification template has been completed and fully supports the job outcome definition. This is supported by a trade invoice for 100 x 3m lengths of 22mm copper pipe, 200 x 22mm copper elbow joints and a balanced condenser flue adaptor. The invoice is addressed to Nick Brown at his trading address and dated after he started to trade as a self employed plumber.

The supporting evidence in this case would be acceptable as it is reasonable to assume that someone purchasing this amount of materials is using it for the purpose of trading as opposed to domestic use.

Example 2

Scenario: Nick Brown is a self employed plumber. A self employment verification template has been completed and fully supports the job outcome definition. However, this is supported by a trade invoice for 2 x 3m lengths of 22mm copper pipe, 2 x 22mm copper elbow joints and a balanced condenser flue adaptor. The invoice is addressed to Nick Brown at his trading address and dated after he started to trade as a self employed plumber.

The supporting evidence in this case would be unacceptable as it is reasonable to assume that someone purchasing this amount of materials may be using it for domestic use as opposed to trading.

In this example, the supporting evidence could become acceptable if a number of invoices were submitted to ensure that the 'proportionate to the business' criteria is met.

Payments for Sustained Employment

53. In order to claim a Sustained Job Outcome, you must hold evidence that:

- shows that the job starting the sustained employment period commenced after the customer joined your provision; and
- shows that the customer has been in work of at least 16 hours a week with one or more employer for 13 weeks in the 26 weeks beginning on the first day of employment.

Where employer certification can be obtained this must be supported as per [Annex 4](#) of the DWP Generic Provider Guidance. Where a signed statement cannot be obtained from the employer i.e. where the employer refuses to provide information or where the participant has not signed/refuses to sign a declaration authorising the

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passing of information, alternative evidence is required to support Job Outcome payments. It is expected that alternative evidence would only be used in very exceptional circumstances.

54. The only alternative evidence to that which may be accepted by the Authority is the following:

- signed declaration by participant confirming they have been in work for 13 weeks in the previous 26 weeks; and
- customer's pay advice(s) confirming cumulative periods of employment that adds up to 13 weeks out of previous 26 weeks. This should also confirm the number of hours worked.

55. Where the participant is in self employment at least two pieces of evidence of sustainment of Employment is required as follows:

- signed declaration by the participant that confirms the date self-employment started and the nature of business, from which confirmation can be obtained that the participant has been in work of 16 hours or more per week for at least 13 weeks or 13 cumulative weeks within the previous 26 weeks from the commencement of self-employment; and
- at least one of the following:
 - letter from a recognised business start up organisation - such as a bank or the Prince's Trust confirming that the business is continuing; or
 - evidence of trading such as trading bank statements, trade invoices, to evidence the continuing nature of the business; or
 - tax registration for self-employment - Self-Employment Tax Reference Number

Payment for Achievement of Qualifications

56. The evidence required for a Qualification Payment on claims up to August 31 2014 is as follows:

- the Individual Learning Plan identifying the qualification achieved as clearly linked to the trainees Employment or career objectives, and
- a copy of the relevant certificate confirming that the Participant has achieved the Qualification.

57. Payment will be made for Trainees who achieve a Qualification within 26 weeks of the last day of Training.

58. For customers starting provision from September 1 2014 payments for Qualifications will no longer apply.

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59. Further advice on acceptable evidence is available from the Residential Training policy team, by email on:

specialist.disabilityprogrammequeries@dwp.gsi.gov.uk

Methods of Payment

60. DWP reserves the right to set and/or alter, at its absolute discretion, the method of payment. All payments made by DWP to the Provider are conditional upon the Provider's provision of the Programme in accordance with the terms of this Contract. Further payments (whether in respect of job outcomes) are made on the assumption that the Provider entitlement to such payments can be verified on request by the production of the records required under this Contract (including under Schedule 3 of the contract). DWP shall be entitled to assume, in the absence of such records, or of any evidence which DWP may reasonably decide to accept in substitution, that such provision of the Programme ("Unsupported Provision") has not taken place. DWP shall be entitled to recover any and all sums paid in respect of such Unsupported Provision from the Provider.

Volumes

61. DWP gives no guarantees of volumes. Any volumes mentioned in the Contract, are indicative only and shall not be binding to DWP.

Claims for Payment/Invoices

62. For Outcome payments and any other payments, DWP shall make payment to the Provider monthly in arrears within thirty (30) calendar days of receipt of a correctly completed invoice (Summary Claim Form) accompanied by the supporting invoicing information as specified in the Provider Guidance [Annex 1](#).

63. The provider shall submit claims for payment in the format specified by DWP, in accordance with the timetable at [Annex 10](#). All claims shall be submitted within ten Working Days of the end of the appropriate claim period.

64. Where a participant starts work within the tracking period, an Outcome payment may be claimed.

65. The amount to be claimed in respect of the appropriate element of the Programme Fee shall be that as specified in Schedule 6 of the contract (Payment Schedule).

66. The percentage and amount of VAT should, if chargeable, be shown on claims in accordance with HMRC regulations.

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67. If the Provider fails to submit a claim within the period referred to, or fails to submit the claim in the prescribed form or accompanied by the appropriate supporting information, DWP shall not be in breach of this Contract if it fails to make payment within thirty (30) calendar days of receipt of the claim provided that DWP shall not unnecessarily delay payment of the relevant claim.

68. Details of the Provider's bank account must be notified to DWP on the standard form supplied by DWP for this purpose. DWP shall send notifications of payments to the Provider's address stated on the standard form.

Provider Assurance Team

69. The primary purpose of the Provider Assurance Team is to provide the DWP Contracted Services Director with an assurance that; payments made to DWP Contracted Employment Programmes (CEP) Providers are in accordance with DWP & Treasury requirements; public funds and DWP data are protected; and that value for money has been obtained.

70. This is achieved through the operation of a national standard risk based approach to provider assurance work. The Provider Assurance Team will operate at a national level enabling them to present CEP providers operating across regions with a single view of the effectiveness of their systems.

71. The work of the Provider Assurance Team is delivered primarily by visiting providers to review the systems of internal control in place to manage the risks to DWP in relation to CEP expenditure and customer data. This will include the arrangements they have in place for their sub-contractors

72. At the conclusion of their visit the Provider Assurance Team will discuss their findings with the provider and subsequently produce a report which will include an assurance rating for the overall system and an action plan detailing areas where control could be improved if necessary.

Please Note: for further detail about the remit of this team refer to the [Generic Provider Guidance Chapter 6](#)

73. In all instances, the Provider shall co-operate and provide such reasonable assistance as may be necessary to facilitate such monitoring. Failure to provide such reasonable assistance shall be deemed a "Serious Breach" for the purposes of Clause 17 of the contract.

Irregularities/Potential Fraud

74. You have a responsibility to minimise the risk of fraud within the programmes delivered. Funding should be safeguarded against fraud and serious irregularity on the part of directors, employees or subcontractors. Such abuse would include false

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or misleading claims for payments, whether designed to gain immediate financial advantage or overstate performance.

75. Deliberate and/or persistent non-compliance with prescribed standards of delivery would also be subject to investigation if a possible financial impact was identified.

76. In such instances DWP may contact you to pursue enquiries relating to potential abuses of funding. Their remit will be, primarily, to investigate fraud and financial irregularity but it can in certain circumstances extend to non-compliance with contract and guidance.

77. You should therefore ensure that all staff involved in the delivery and management of contracts are fully aware of the risks and consequences of any falsification, manipulation, deception or misrepresentation. Occurrence of fraud within any individual programme could lead to the termination of all contracts held as well as civil or criminal proceedings against those implicated.