

Withdrawn

This publication is withdrawn.
The publication is no longer current.

Payment Validation

Introduction

16.1. 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 included in this guidance **DN: location of outcome definitions in Provider Guidance to be agreed** and in conjunction with the Generic [Provider Guidance Chapter 5](#).

High Level Provider Requirements

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

16.3. 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.

16.4. 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.

16.5. Where a participant has not given consent to contact employers **you must set the consent tab on PRaP to "no"**. 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.

16.6. 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 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.

The working/shift pattern drop down, on the Job Details screen can also be used for any relevant additional information.

- 16.7. 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 which is currently in operation.
- 16.8. Providers 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.
- 16.9. Where you require a claim for **any** payment type to be removed from PRaP at the post payment stage, you need to notify the PRaP Operational Support Team (POST) 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. See paragraph 16.32 and 16.46.
- 16.10. 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.

Pre-Payment Off-benefit Check

- 16.11. **The Department is currently undertaking a pre-payment Off-benefit Check on Work Choice claims. Please note this is not part of the validation process.**
- 16.12. Every Job Outcome submitted will be subject to an Off-benefit Check (OBC). This automated check is an interface with PRaP and the Customer Information System (CIS), the Departmental system which holds benefit history details.
- 16.13. The check is to determine whether 13 or 26 weeks off benefit has been identified between the job started date (Date 1 in PRaP) and the outcome qualifying date (Date 2 in PRaP) against the following benefits:
- Jobseekers Allowance (JSA)
 - Employment Support Allowance (ESA)
 - Incapacity Benefit (IB) and
 - Universal Credit (UC)

- 16.14. The PRaP system OBC is 'flexed' by 15 days to allow for minor date mismatches. This effectively increases the period the automated check looks for the required number of days off-benefit, either side of the dates you have supplied in the claim submitted in PRaP, to a maximum of 15 days in total.
- 16.15. Where an outcome fails the off benefit check it will be placed on hold whilst the Department considers whether there is a likely case of benefit fraud.
- 16.16. DWP will keep management information about claims that do not pass the check. This will be used to inform other activities that may take place, for instance, constantly high off-benefit check fails could indicate a weakness in a provider's systems and information of this nature may, for example, be used to inform Performance Manager and Provider Assurance Team activities (see Generic Guidance Chapter 6 - Provider Assurance for more information).

Post Payment Validation.

Short Job Outcome Claims

- 16.17. 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 for validation. If the total short Job Outcomes paid is less 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.
- 16.18. 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.
- 16.19. 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 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 weeks).
- Please note: no breaks in employment means no break in 16 (or more) hours per week.
- 16.20. A week of employment is defined as a 7 day period including Saturday and Sunday and starts from the day employment started.
- 16.21. 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 1/1/2015
- 16 hours of work was undertaken between 1/1/2015 – 7/1/2015 (1st week towards the 13 continuous weeks total)
- Participant completed 8 hours work on the 8/1/2015 at the end of which the employment ended. (this is the 1st day of the 2nd week)
- Participant starts a new job on the 13/1/2015 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.

- 16.22. Where PPVT identify that 16 hours or more of work has not been undertaken, in each week then the claim will fail validation.
- 16.23. For supported Short Job Outcomes 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.
- 16.24. For unsupported Short Job Outcomes PPVT will check that the job started after the participant left provision and within the 6 weeks (Tracking Period). Cases that do not meet this criteria will fail validation.
- 16.25. 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.
- 16.26. 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.
- 16.27. 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.
- 16.28. Where the employer is unable/unwilling to validate the claim, PPVT will contact the participant.
- 16.29. PPVT will, at post-payment validation, fail claims where the job details have been removed.
- 16.30. 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).
- 16.31. 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.
- 16.32. 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. Therefore the Department would not normally expect a request to back out a claim once a sample has been drawn.
- 16.33. There are four possible validation results:

- **Pass** – An employer/participant confirms the condition for payment, as set out in the Short Job Outcome definition, has been met.
 - **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 and will not contribute to 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 and will not contribute to 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.
- 16.34. 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 paragraphs 16.49 to 16.68 of this section.

Sustained Job Outcome claims

- 16.35. 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 for validation. If the total short Job Outcomes paid is less 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.
- 16.36. 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.
- 16.37. The sample for Sustained Job Outcomes will be subject to checks to establish if participants have been in work, for at least 16 hours per week, which has lasted 26 weeks out of 30, starting from the date that Work Choice support was withdrawn i.e. when the participant leaves the programme.

- 16.38. For Sustained Job Outcomes PPVT will check that the job started after the participant left provision and within the 6 weeks (Tracking Period). Claims which do not meet this criteria will fail validation.
- 16.39. For Retention customers PPVT will check that the claim period started after the participant left provision.
- 16.40. For claims (other than Retention Claims) where PPVT identify during validation that the job start date is prior to the date the participant started on Work Choice the claim will fail validation.
- 16.41. 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.
- 16.42. Where consent to contact the employer has been given but the employer is unable/unwilling to validate the claim, PPVT will contact the participant.
- 16.43. PPVT will, at post-payment validation, fail claims where the job details have been removed.
- 16.44. 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).
- 16.45. 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.
- 16.46. 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. Therefore the Department would not normally expect a request to back out a claim once a sample has been drawn.
- 16.47. 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.
 - **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 and will not contribute to 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 and will not contribute to 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.

16.48 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 paragraphs 16.49 to 16.68 of this section.

Post Payment Review Process

16.49 Following the completion of the post-payment validation exercise for each payment type, every quarter, you will receive a report detailing the claims that have either failed and/or PPVT have been unable to validate. This report will also give you the information that informed the validation decision. Note: extrapolation is conducted 6 monthly see paragraph 16.63.

16.50 Before any of these claims are 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. Later requests will not be accepted and will be returned.

16.51 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 original submission. If the additional information supplied allows the Review Team to go back to an employer or individual, another attempt to validate the outcome will be made.

16.52 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 may choose to 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.

16.53 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 individual again and been given different information.

- 16.54 Where the original validation result failed because PPVT had been given information from an employer or participant that positively invalidates a claim, it is not acceptable for the Review Team to attempt to revalidate the claim with the individual.
- 16.55 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) 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 appropriate outcome, and will not be accepted in its own right.
- 16.56 You can either e-mail 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.
- 16.57 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.
- 16.58 If you are submitting evidence by post you must notify the Review Team of your intention by email to PPVT.REVIEWTEAM@DWP.GSI.GOV.UK. You need to ensure that your evidence will arrive at Caxton House London within the 10 working days.
- 16.59 If no formal request has been received by the Review Team by close of business on the 10th working day, Unable to Validate cases will be apportioned and an Extrapolation Report and invoice (if applicable) will be raised.
- 16.60 Once the cases have been reviewed, the Review Team will present the review findings to a Review Board. This Board will have a senior 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 National Audit Office, 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.
- 16.61 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.
- 16.62 Providers should note that following challenge an Unable to Validate claim could be overturned to a Pass or a Fail. If it becomes a Fail, any such fails will be taken into account when calculating extrapolated recoveries.
- 16.63 DWP operate quarterly Review Boards, but extrapolation is conducted 6 monthly. Quarterly results will be made available but the extrapolation calculations and

recovery will take place on a six monthly basis. I.e. DWP will combine two quarterly results to obtain an extrapolation rate reflecting six months of validation.

Extrapolation Process Short and Sustained Job Outcomes

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

16.65 Following the Review Board decisions at the end of the six monthly validation period, the number of Passes, Fails, Unable to Validate 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.

16.66 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
- g = simple fail rate = b/f
- h = Apportioned Unable to Validate Outcomes = $a*b/e$
(rounded to the nearest whole number),
- I Total Outcome Fails = b+ h
- Apportioned fail rate = i/f

16.67 A worked example is attached below:

Short Job Outcome Extrapolation Example

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

16.68 PPCD are currently working on a timetable for validation which will detail when samples are to be drawn, when Review Boards will be held and when extrapolation will be applied. This will be shared with you once finalised.

Please note: A Live Running Memo on backing out across all programmes will be issued in the near future.