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New Enterprise Allowance

Phase 2 - CPA12a

Specification and Supporting Information

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1. OVERVIEW

- 1.01 This specification sets out the delivery requirements which apply to the Department for Work and Pensions (DWP), New Enterprise Allowance (NEA) Mentoring Phase 2; Contract Package Area (CPA) 12a.
- 1.02 The NEA Phase 2 Contracts were originally for 2 years, with Referrals commencing April 2017 to March 2019, with Contracts expiring December 2020. These Contracts were subject to a two-year extension agreed in December 2018 with Referrals commencing 1 April 2019 to 28 March 2021, and Contracts expiring 2 July 2023. For the current CPA12, the incumbent has declined the extension and therefore we are looking to cover this CPA by a mini competition under the Umbrella Agreement for Employment and Health Related Services (UAEHRS) – CPA4; Southern.
- 1.03 The NEA Phase 2 services are not required for the whole of CPA 4 as defined in the Umbrella Agreement. The JCP Districts included for the purpose of this procurement are;

 Devon, Cornwall and Somerset; and

 Avon, Severn and Thames
- 1.04 Delivery of these services is required from 1 April 2019 to 2 July 2023. There will be no extension to these services after this date.
- 1.05 The New Enterprise Allowance scheme was designed to support the move into self-employment for those people who want to start their own business. The NEA Phase 2 extended this support to some Universal Credit Participants already self-employed. It provides Mentoring support and financial assistance (NEA allowance for New Business Start Ups only) to Participants who satisfy eligibility and are referred to the scheme by Jobcentre Plus
- 1.06 The commercial requirement for CPA 12a is to provide business advice and support, particularly business mentoring, to help out of work Participants who want to move into self-employment develop their Business Plans, commence trading and develop a sustainable business. Further, there is a requirement to support Universal Credit (UC)¹ Participants already self-employed / in business who have fallen below the minimum income floor (MIF) deemed acceptable for UC claimants, to access mentoring support via NEA to help them develop and grow their business to achieve an average income above the MIF and sustain this for a 6 month period.

Background to NEA

- 1.07 The NEA programme has been very successful and Ministers were keen to extend NEA provision to cover the current parliament. The original NEA (Phase 1) Contracts had a Referral end date of 31st March 2017. The evidence at that time showed NEA was

¹ Information regarding Universal Credit can be found at <https://www.gov.uk/universal-credit>

overwhelmingly positive. The Michelle Mone review² found that the NEA is a successful, value for money programme, our evaluation³ report showed that 80% of businesses started through the scheme were still trading after a year.

- 1.08 However, as with any scheme, there were improvements we could make, and we needed to take account of wider economic and structural changes that have taken place since NEA's introduction. When the scheme began in 2011, there was an emphasis on ensuring as many people as possible had the opportunity to move into self-employment from the relatively high levels of unemployment that existed at that time. We need to reflect that, with the introduction of UC, there is an expectation that people will be supported into self-employment if this will enable them to become self-sufficient – and we should therefore ensure that the NEA Phase 2 takes account of this expectation when referring to and supporting people through the scheme. This specification takes account of the increased need to focus on the quality of businesses established through the scheme.
- 1.09 As at 30 June 2018, there had been 221,000 starts with a business mentor which has resulted in 118,510 new businesses being started.

Introduction

- 1.10 A brief outline of the elements of NEA Phase 2 for new business starts is as follows:
- **Pre-NEA Phase 2 Workshop** called Link Up: Start Up, providing claimants with an overview of the impact, commitment and responsibilities of being self-employed. While participation in the new business start-up NEA Phase 2 offer is voluntary attendance in this Workshop is mandatory for all who want to progress within the programme
 - **Initial Assessment.**
 - **Mentoring**
 - Mentoring support including at least 3 mentoring sessions over 12 weeks
 - Additional Workshops

² Mone review can be found at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/511542/boosting-enterprise-in-more-deprived-communities.pdf

³ The qualitative evaluation can be found here: <https://www.gov.uk/government/publications/new-enterprise-allowance-qualitative-evaluation-rr-836>

The cohort study alongside the above evaluation is here: <https://www.gov.uk/government/statistics/new-enterprise-allowance-analysis-of-benefit-status-of-Participants>

and the survey of Participants that was published back in January can be found here: <https://www.gov.uk/government/publications/new-enterprise-allowance-survey>

- **Business Plan assessment.** an approval process for Participants Business Plans providing the Participant with feedback after assessment.
- **Business Development phase** – Up to 13 weeks after the Business Plan has been signed off to undertake additional work aimed at building a successful platform for their business launch.
- **Post-trading support** – mentoring support available from the Provider will be extended to up to 12 months / 52 weeks⁴ (currently 6 months / 26 weeks).
- As in the current NEA programme new business start-up Participants will also be eligible to receive an allowance, from DWP, for the first 6 months / 26 weeks that they are trading.

1.11 With the introduction of UC, NEA has been extended to include an additional Participant group allowing UC claimants who are already in business, to access mentoring support from the NEA. The offer for this group will be:

- **Initial Assessment** - to assess the current state of the business and to decide if the provision could help them, sifting out those who are not suitable, for example, those whose business does not have the potential to grow.
- **Mentoring** - Similar to the new business start-up mentoring offer – UC existing self-employed mentoring will last for up to 12 weeks with a minimum of 3 mentoring sessions over the 12 weeks and will include additional Workshops e.g. on financial planning and marketing support.
- **Business Development and Growth Plan** - development of a Business Development and Growth Plan (BDGP), which will include short, medium and long term activities aimed at improving business earnings to above the Minimum Income Floor (MIF) ⁵ and therefore, business sustainability.

1.12 For this particular Participant group, it may be appropriate to utilise alternative forms of communication rather than face to face. This is to facilitate the service where a Participant has limited availability as they are already running their business. Any proposals to do this through on line channels will be subject to agreement through an agreed security plan (as per Schedule 6)

⁴ The 6 month / 26 week 12 month / 52 week references throughout the document reflect the difference between legacy benefit outcomes measured in weeks and UC outcomes measured in months.

⁵ Information regarding Minimum Income Floor can be found at <https://www.gov.uk/government/publications/universal-credit-and-self-employment-quick-guide/universal-credit-and-self-employment-quick-guide#the-minimum-income-floor-mif>

Critical Success Factors

1.13 Below are the Critical Success Factors against which the success of NEA Phase 2 will be judged:

- Number of people progressing into sustained self-employment; and
- Number of UC existing self-employed Participants who increase their earnings from the business to above the MIF.

For new business starts we will measure whether these Critical Success Factors have been achieved by the:

- number of Link Up:Start Up Workshop attendees who are suitably informed about self-employment to decide whether they want to be referred to the assessment stage and access NEA Phase 2 mentoring;
- number of Participants who receive an Initial Assessment / screen (within 10 Working Days of Referral);
- proportion of Participants who complete the mentoring phase and have Business Plans assessed;
- proportion of Participants who commence trading;
- proportion of Participants who complete 6 months / 26 weeks of trading; and
- proportion of Participants who complete 12 months / 52 weeks of trading.

For those who are UC existing self-employed we will measure success by the:

- number of existing self-employed Participants referred to NEA Phase 2;
- proportion of existing self-employed Participants who have their business assessed;
- proportion of existing self-employed Participants who complete the mentoring phase and have their BDGP assessed;
- proportion of existing self-employed Participants who increase their earnings to equal to or above the Minimum Income Floor (MIF) on average from completing the mentoring phase to 6 months / 26 weeks; and.
- proportion of existing self-employed Participants who increase their earnings to equal to or above the Minimum Income Floor (MIF) on average between from months 7 and 12 after completing the mentoring phase.

Commercial Approach

1.14 The NEA Phase 2 service will be procured via a mini competition under the Umbrella Agreement for Employment and Health Related Services (UAEHRS) – CPA4

- 1.15 The NEA Phase 2 services are not required for the whole of CPA 4 as defined in the Umbrella Agreement. The JCP areas included for the purpose of this procurement are;
- Devon, Cornwall and Somerset; and
- Avon, Severn and Thames
- 1.16 NEA is currently being delivered in CPA 12 by Gloucestershire Enterprise Limited. Referrals under this Contract will end on 29th March 2019. The incumbent will retain responsibility for delivering the full current programme to Participants referred to the provision up to the end of the Contract (31st December 2020).
- 1.17 The new service is required to commence delivery on the 1st April 2019, with last Referrals on 28 March 2021. Given the tight timescales we will allow Providers to propose an alternative Go Live date no later than 22nd April 2019. The contract end date will be 2 July 2023. We intend to award the Contracts by the 15th March 2019.
- 1.18 Bids will be assessed on both Quality and Price, with bids that achieve highest combined score being awarded the Contract.
- 1.19 The Provider must achieve a Call Off Commencement Date of no later than 22 April 2019 to avoid any gap in provision, though an earlier commencement date is preferable. This should be evidenced in their Implementation Plans to be submitted as part of their tender.
- 1.20 It should be noted that by Call Off Commencement Date the Provider must be ready, in all relevant locations across CPA12, to receive Referrals and offer Participants a place on the Link Up:Start Up Workshop within 15 Working Days of the Referral (where appropriate) and a place on the subsequent mentoring phase within 10 Working Days of Referral.
- 1.21 Last Referrals to start the mentoring phase will be made on 28 March 2021. From the last NEA Phase 2 Referral date. After 28 March 2021 The Provider will have the following periods to carry out their service delivery obligations:
- The final date for a Participant to start mentoring and be recorded on the Provider Referral and Payments (PRaP) system⁶ is 13 October 2021 (following the LU:SU, Participants have 26 weeks to decide if they want to progress to NEA mentoring).
 - Up to 12 weeks to undertake business mentoring and advice and support to Participants in developing their Business Plans. (Following the Business Plan approval, Participants can then have up to 13 weeks for the Business Development Phase to develop their Business Plans prior to starting trading and signing off benefit, reporting a change of circumstances if a UC claimants and start claiming the NEA allowance).

⁶ For information on the PRaP system see Para 4.09 where there is a link to further information.

- Following that, support Participants through the first 12 months / 52 weeks of trading or actions from the BDGP.
- 1.22 Bids will be assessed on both quality and price. A bid that achieves highest score will be awarded the Contract. Details of the tender evaluation can be found in the Instructions to Potential Providers
- 1.23 DWP are keen to build on the success of the existing NEA programme. Local knowledge is key to the successful delivery of sustainable businesses. In support of the government's commitment on Small Medium size Enterprises (SMEs), DWP encourages its larger Providers to make their sub-contracting opportunities accessible to smaller companies and implement SME-friendly policies in their supply-chains. **The Provider will need to demonstrate knowledge of local labour market and local business issues (e.g. to at least Jobcentre Plus District level) and how they can support Participants in developing sustainable businesses within the local economic climate.** Throughout the lifetime of the Contract, the Provider will be required to report on the use of SMEs in their supply chain, and the spend with SMEs.

Specification

- 1.24 This document provides information about DWP's requirements so that the potential Provider can develop a comprehensive delivery proposals and related Contract Cost Register.

Flexibility during the life of the Contracts

- 1.25 The Contract will be sufficiently flexible to handle the changes that might occur during its lifetime and any variations will be subject to discussion and agreement at the appropriate time. Any proposed changes would be subject to agreement via formal change control procedures as detailed in the Contract.

European Social Fund 2014 -2020

- 1.26 DWP may choose either at the outset or at any point during the Contract to use NEA Phase 2 as match for the European Social Fund 2014 – 2020 (ESF 14/20) provision. Further details can be found at the relevant annex of the Call off Contract.

2. THE SERVICE REQUIREMENT

- 2.01 NEA Phase 2 is an entirely voluntary scheme that will provide self-employment support to people who are:
- in receipt of an eligible benefit who are interested in self-employment; or
 - already self-employed claiming UC and deemed to be 'Gainfully self-employed' (passed the gainfully self-employed test) for UC purposes.

2.02 This means that NEA Phase 2 consists of two customer journeys that are similar in parts, but with a slightly different focus. The requirement outlined here will therefore be split into two sections. See Annex 1 for Customer Journey graphic.

New Business Starts

Eligibility

2.03 The eligibility criteria is:

- Jobseeker's Allowance (JSA) claimants and their partners;
- Employment and Support Allowance (ESA) claimants and their partners;
- Income Support - The only Income Support claimants who are eligible are lone parents claiming Income Support (IS) on the grounds of being a lone parent and people claiming as sick. This includes lone foster parents and single people with a child placed with them prior to adoption. Note that claimants in receipt of Carer's Allowance are not eligible for NEA.
- Some Universal Credit customers. Eligible Universal Credit claimants will primarily fall within the following conditionality groups:
 - all work related requirement
 - the 'Work Preparation'
 - the Work Focussed Interview only.

Referrals

2.04 All eligible and suitable claimants will be referred to the Link Up:Start Up Workshop by Jobcentre Plus. The Link Up:Start Up Workshop marks the beginning of the NEA process.

Link Up:Start Up Workshop

- 2.05 The aim of these Workshops is to ensure that Participants are fully aware of the implications of becoming self-employed so that only those with a viable business idea and who have the potential to both progress to trading and remain in sustainable self-employment long term, go on to actually start on provision.
- 2.06 The Provider will be expected to give an overview of what being self-employed means and the level of commitment required to set up a business. It is anticipated the Workshops will cover a range of areas and outline to Participants clearly the advantages and disadvantages of self-employment. Participants should also be provided with a clear outline of the wider implications of self-employment, such as the lack of paid annual leave etc.
- 2.07 The Provider must also ensure that Workshop Participants are informed about the implications self-employment will have on any benefits or working tax credits they receive. For those on UC who are subject to the Minimum Income Floor, this will include the expectation of earnings from the business reaching their MIF within 12 months of the date they are deemed to be Gainfully Self-employed.

- 2.08 Participation in the Link Up:Start Up Workshops will be voluntary, but only those who have attended a Workshop will be eligible to progress to the mentoring stage of NEA Phase 2. Participants who attend a Link Up:Start Up Workshop must progress to the New Business Start up NEA Phase 2 offer within 26 weeks of attending the Link Up:Start Up Workshops. Where a Participant attends the Link Up:Start Up Workshop but do not start NEA Phase 2 within 26 weeks they will need to re-attend the Link Up:Start Up Workshop in order to be eligible to start the NEA Phase 2 new business start up programme.
- 2.09 The Provider must work collaboratively with local Growth Hubs, Jobcentre Plus and other organisations to deliver the Link Up:Start Up Workshops. Following the Link Up:Start Up Workshop the Provider will refer the Participant back to Jobcentre Plus and confirm the attendance of all those referred to the Link Up:Start Up Workshop via PRaP. The Provider will offer a start on the Link Up:Start Up Workshops within 15 Working Days of Referral and the result of the Referral will be recorded in PRaP within 20 Working Days of the Referral.
- 2.10 We expect the Link Up:Start Up Workshops to provide attendees with a comprehensive overview of the pros and cons of self-employment. These Workshops should last at least three hours. It will be for the Provider to determine the minimum viable number of places on each Workshop to ensure waiting times are minimised for Participants. We expect the optimal maximum number of Participants to be around 15 to 20 on each Workshop. Depending on local circumstances the Provider may need to over book places on Workshops to account for fail to attends and ensure optimal attendance numbers are achieved.
- 2.11 All attendees should leave the Workshop with enough information to enable them to decide if self-employment is appropriate for them. Subjects covered in the Workshop should include:
- What does being self-employed mean?
 - How does being self-employed differ from being employed?
 - What impact will being self-employed have on benefits including Working Tax Credits for non UC Claimants.
 - What are the tax implications of being self-employed?
 - Other legal/technical implications – such as health and safety regulations, insurance costs, licencing etc.
 - An overview of accounting/book-keeping.
 - What happens when self-employed people have sickness or maternity/paternity absences?
 - What skills are needed to be successfully self-employed?

- Benefits of being self-employed, including being your own boss, deciding what hours you work, and how you carry out that work.
- The negative side of self-employment, including potentially long working hours, lack of paid holiday/sick leave, and potentially erratic income.

2.12 The above sets out our minimum requirement and is not an exhaustive list. The Provider is expected to add their considerable detailed business knowledge and knowledge of the local economy to these Workshops. We also expect there to be time at the end of the Workshop for a Q&A session.

2.13 Participants should also have the opportunity to have a brief one to one session with the Provider on the day. **These will be separate to the Initial Assessment and in no circumstances are to be treated as the Initial Assessment.** The purpose is to give the Participant an opportunity to briefly discuss any issues raised including their business idea on a one to one basis.

Initial Assessment

2.14 Only those Participants who have attended the Link Up:Start Up Workshop will be referred to the mentoring stage of the NEA Phase 2. For clarity separate Referrals will be needed for Link Up:Start Up and the Initial Assessment. All Referrals will be via Jobcentre Plus, however providing the JCP is in agreement, the Provider can expedite this process by contacting the JCP for the Referral prior to the Participant leaving the Link Up:Start Up meeting. Initial Assessments need to take place within 10 Working Days of the Referral and be recorded in PRaP within 15 Working Days of the Referral. The Initial Assessment will include:

- the individual's business idea;
- their ability to complete a robust Business Plan within 12 weeks;
- their self-employment prospects;
- the potential sustainability of the business; and
- their overall suitability for the NEA Phase 2 programme.

2.15 The Provider will only start people who are suitable to be on the NEA Phase 2 who have a viable business proposition. The Provider will report back to Jobcentre Plus, informing them of the outcome of the Initial Assessment. For those with a viable business idea, the 12 week Mentoring Phase will begin on the date of this Initial Assessment. This will become the Start Date.

2.16 Where distance or length of time of travel is a factor for the Participant, Initial Assessments may be conducted via telephone if no other options are available. This should be by exception and not the norm.

Mentoring phase

2.17 From a Participant's Start Date on the scheme, the Provider must provide mentoring support to the Participant to develop their Business Plan. The Provider may use a range

of Mentoring support and business advice through the duration of the Participant's time on the scheme. The minimum requirement is:

- The Provider must match the Participant with a suitable Mentor. The Mentor is responsible for supporting the Participant in developing their business idea and Business Plan. Mentors can be volunteers or paid advisers. The Provider is expected to ensure the mentoring delivered is to a high quality standard – see paragraph 2.50.
- The Provider is expected to provide advice support and guidance for the duration of the Participant's time on the scheme (i.e. 52 weeks from commencement of trading). This must include at least three mentor meetings (in addition to the Initial Assessment), the first one of which must be face to face between the Mentor and the Participant. In exceptional circumstances we may allow the first mentoring meeting to be conducted other than face to face. An 'exceptional circumstance' could be where the face-to-face meeting has been arranged but due to circumstances outside the Participant and Providers control (e.g. adverse weather conditions / travel disruptions) the meeting cannot take place on the agreed date or is re-arranged. In these circumstances alternative methods of communication (e.g. use of IT technology) can be considered / used.
Note: Any agreement to conduct mentoring sessions other than face to face must be with the agreement of the Participant and recorded in writing.

2.18 The Provider will deliver additional seminars to supplement the mentoring support, focused on particular aspects of self-employment. As a minimum we expect these seminars to cover:

- Financial Planning, including:
 - an overview of business accounts, invoicing etc;
 - forecasting of incomings, outgoings, overheads etc;
 - personal income; and
 - start-up funding or loans – and managing repayments.
- Marketing, including:
 - developing an online presence including social media;
 - use of local media; and
 - Advertising.

2.19 We expect each of these seminars to be at least 90 minutes, and for them to supplement, not replace, the mentoring support delivered. DWP's expectation is that ALL Participants will be offered a place on these seminars with the Provider responsible for ensuring a high level of attendance such that only in exceptional and documented circumstances Participants could be allowed to opt-out – for example, an accountant need not take part in the financial planning seminar.

2.20 Within a maximum of 12 weeks from the Participant's Start Date, the Participant must submit their Business Plan for the Provider to assess and approve or not approve. The Provider must consider whether the Business Plan meets at least the minimum

requirements outlined at paragraph 2.60, and is at a suitable standard for the Participant to move into self-employment.

- 2.21 All Participants **must** complete the mentoring phase and submit their Business Plan for assessment in no longer than 12 weeks from the Start Date. **There will be no scope for the mentoring phase to be extended beyond this time.**

Business Plan Assessment

- 2.22 The Provider is required to administer an approval process for Participants Business Plans which includes notifying the Participant of the assessment outcome. Participants can submit their Business Plan for consideration on more than one occasion, where it is initially declined, at the Provider's discretion. However, all Business Plans must be submitted, assessed and approved or not approved, no later than 12 weeks from the Start Date. **Considerations when deciding whether a re-submission should be approved will** include, but are not limited to;

- the proportion of the 12-week Period that has passed and;
- the likelihood that the Business Plan can be raised to the acceptable standard in the time remaining.

- 2.23 The Provider needs to have a clear approval process for the Business Plan. During this approval process the Participant will need to demonstrate that their Business Plan is viable and that the business is sustainable.

- 2.24 The mentors who have supported the development of the Business Plan can make a recommendation on whether or not it is robust enough to be approved, but the final assessment must be carried out by someone who has NOT been directly involved with the Participant.

Business Development Phase

- 2.25 Participants whose Business Plan has been approved but who are not yet ready to commence trading can choose to use the Business Development Phase to further prepare for business before commencing trading.

- 2.26 The Business Development phase allows Participants to further develop their business by, for example, undertaking additional market testing or applying for capital support such as a start-up loan. The Business Development Phase lasts for up to, but no longer than, 13 weeks after the Business Plan has been approved.

- 2.27 This phase is optional for Participants, and not all will use it. For those that do, we expect the Provider to offer at least one point of contact with a mentor/business adviser. During this period they will be subject to the normal conditionality of their benefit receipt.

- 2.28 As this phase is optional for Participants, there will be no associated payment point.

Post commencement of trading support

- 2.29 Support needs to be available to all Participants who successfully submit their Business Plan and start trading. The Provider must offer access to Mentoring support at appropriate intervals, tailored to individual needs, over 12 months / 52 weeks from the commencement of trading. **The minimum requirement is for the Provider to offer four mentor meetings at appropriate intervals based on the Participants needs over the 12 month / 52 weeks' period.**
- 2.30 It is recognised that often, effective support can be provided from other Participants who are travelling or have travelled the same journey. The Provider should therefore facilitate networking meetings for all Participants who commence NEA. This should be provided as part of the post commencement of trading support, but may also be offered to Participants going through the mentoring process.

UC claimants with existing businesses

- 2.31 NEA Phase 2 will also be available to UC claimants with existing businesses whose income falls below the Minimum Income Floor (MIF). The volumes associated with these claimants are much lower than originally anticipated, and are expected to remain low. The eligibility criteria is:
- UC (full service) existing self-employed claimants who are deemed to be gainfully self-employed; and either
 - the MIF applies (not in a start-up period); or
 - claimants who are in the start-up period, and within 3 months of the start-up period ending, who are unlikely to earn the MIF level when the start-up period ends

Note: If the UC (full service) existing self-employed Participant has previously participated in NEA provision, then a period of 12 months must have passed since the last day they were on NEA provision before they can be referred back to NEA Phase 2 and receive help to increase their earnings to equal to or above their MIF level.

Referrals

- 2.32 Eligible and suitable claimants will be referred to the Initial Assessment by Jobcentre Plus. The provision is voluntary. This group will not participate in the Link Up:Start Up Workshops.

Initial Assessment

- 2.33 The Provider will undertake an Initial Assessment of all eligible individuals. As a minimum this will include an assessment of:
- the individual's business including their financial position and marketing activities;

- the future potential of the business in the current market; and
- whether the support offered by the NEA Phase 2 will help them improve their earnings from the business to be equal to or above their MIF (an average over the first 6 months of support).

2.34 The Provider will only accept people on to the programme who will benefit from the support of the NEA Phase 2, where the business and the Participant have the potential to grow. The Provider will report back to Jobcentre Plus, informing them of the outcome of the Initial Assessment including providing reasons why NEA is not suitable for them. For those whose businesses could be successfully supported by the provision, the 12 week Mentoring Phase begins on the date of this Initial Assessment. This will become the Start Date.

Mentoring phase

2.35 From a Participant's Start Date on the scheme, the Provider must provide mentoring support to the Participant to develop their Business Development and Growth Plan. The Provider may use a range of Mentoring support and business advice through the duration of the Participant's time on the scheme.

2.36 As a minimum the Provider must provide advice, support and guidance for the duration of the Participant's time on the scheme. This must include at least three one to one meetings (in addition to the Initial Assessment for self-employment Participants) between the Mentor and the Participant. As this group of Participants will already be actively working in their businesses, these mentor meetings may be conducted via other methods (eg virtual methods, telephone). We recommend that at least one mentor meeting is conducted face to face. Any agreement to conduct mentoring sessions other than face to face must be with the agreement of the Participant and recorded in writing. Given that this group of Participants will already be trading, we expect the Provider to allow mentoring sessions to happen outside routine office hours, again only with the agreement of the Participant and recorded in writing.

2.37 The Provider must supplement the mentoring support with the delivery of additional seminars focused on particular aspects of self-employment. As a minimum we expect these seminars to cover:

- Financial Planning, including:
 - an overview of business accounts, invoicing;
 - forecasting of incomings, outgoings, overheads;
 - personal income;
 - re-investment of earnings into business; and
 - start-up funding or loans – and managing repayments.
- Marketing, including:
 - developing an online presence including social media;
 - use of local media; and
 - advertising.

2.38 We expect each of these seminars to be at least 90 minutes, and for them to supplement, not replace, the mentoring support delivered. DWP's expectation is that

ALL Participants will be offered a place on these seminars with the Provider responsible for ensuring a high level of attendance such that only in exceptional and documented circumstances Participants could be allowed to opt-out – for example, an accountant need not take part in the financial planning seminar.

- 2.39 The Provider will support existing self-employed Participants to increase their earnings from the business by developing a Business Development and Growth Plan (BDGP). The BDGP will consist of a range of activities specifically tailored to each business and include short, medium and longer term goals. These activities will include, but not limited to:
- developing a marketing plan;
 - using social media;
 - mapping the competition – what sets this business apart?;
 - market research;
 - developing their customer base;
 - keeping accurate accounting records;
 - reinvesting in the business;
 - personal budgeting plans
 - ways to reduce overheads/business expenses; and
 - developing links to other businesses in the area
- 2.40 BDGP must include short, medium and long term goals for increasing earnings from the business. These should cover six months, 12 months and beyond 12 month timescales.
- 2.41 Within a maximum of 12 weeks from the Participant’s Start Date, the Participant must submit their BDGP for the Provider to assess and approve or not approve. The Provider must consider whether the BDGP meets at least the minimum requirements outlined at paragraph 2.60, and is of a suitable standard for the Participant to increase their business earnings.

Business Development and Growth Plan assessment

- 2.42 The Provider must administer an approval process for Participant’s Business Development and Growth Plans (BDGP).
- 2.43 Participants can, at the Provider’s discretion, submit their BDGP for consideration on more than one occasion if it is initially declined. However, all plans must be submitted, assessed and approved or not approved, no later than 12 weeks from the Start Date. Considerations when deciding whether a re-submission should be approved will include, but are not limited to;
- the proportion of the 12-week Pre Start-up Period that has passed the likelihood that the BDGP can be raised to the acceptable standard in the time remaining

- 2.44 The Provider needs to have a clear approval process for the BDGP which includes notifying the Participant of the assessment outcome. During this approval process the Participant will need to demonstrate that their Business Plan is viable and that the business has sustainability potential.
- 2.45 The mentors who have supported the development of the BDGP can make a recommendation on whether or not it is robust enough to be approved, but the final assessment must be carried out by someone who has NOT been directly involved with the Participant during the mentoring phase.

Post mentoring support

- 2.46 The Provider must continue to offer access to Mentoring support for one year from the date the BDGP was assessed. The minimum requirement is for the Provider to offer four mentor meetings during this period. Access to Mentoring support should be at appropriate intervals, tailored to individual needs, over 12 months from the commencement of trading.
- 2.47 Following the approval of the BDGP we expect to see an increase in earnings to equal to or above the MIF at 6 months and 12 months. Recognising that earnings from self-employment can be irregular, this will be assessed by calculating the average earnings over months 0 – 6 months and again by calculating the average earnings over months 7 - 12.

Generic Provider Requirements

- 2.48 The Provider, and partners as appropriate, will deliver the NEA Minimum Requirements and Participant support set out in their bid and supporting information. In particular, this will include support to develop the business idea, match the Participant with a Business Mentor and a move to Trading. The Provider will also ensure that there are adequate procedures in place to deal with complaints or disputes raised by individuals at any point during their participation on NEA Phase 2 Mentoring.
- 2.49 The Provider must source appropriately experienced Business Mentors to work with NEA Phase 2 Participants. They must also ensure there are sufficient Business Mentors to work with all NEA Phase 2 Participants.

Mentoring Standards

- 2.50 The Provider must ensure that Business Mentors have the business experience and skills needed to support Participants to prepare for self-employment and develop a viable Business Plan that demonstrates the business's sustainability and growth potential. Business Mentors will be expected to understand the local business landscape and be candid with Participants, but at the same time have the ability to listen and empathise.
- 2.51 The Provider is expected to assess the skills and experiences of the mentors, and match those to Participants' needs. We also expect the Provider to monitor the quality

of mentoring support delivered, and in particular we expect The Provider to encourage written feedback on the mentoring support from Participants.

Management Information / Reporting

2.52 The Provider is required to inform DWP / Jobcentre Plus of Participants' progress on the NEA Phase 2. Full details are included in the Provider Guidance. For new business starts, the Provider is required to report against the following key events for each Participant:

- attendance at the Link Up:Start Up Workshop;
- result of the Initial Assessment;
- start on NEA Phase 2;
- completed the mentoring phase of the programme and submitted a Business Plan;
- commenced trading;
- completed 6 months / 26 weeks of trading; and
- completed 12 months / 52 weeks of trading.

2.53 For existing self-employed the Provider is required to report against the following key events for each Participant:

- result of the Initial Assessment;
- start on NEA Phase 2;
- completed the mentoring phase of the programme and submitted a Business Development and Growth Plan;
- sees an average increase in earnings from their business for the 6 months / 26 weeks after the BDGP approval; and
- sees an average increase in earnings from their business for the months 7 to 12 after the BDGP approval.

Referrals

2.54 For new business starts:

- Jobcentre Plus (JCP) will refer eligible people to the Link Up:Start Up Workshops by contacting the Provider by phone before submitting the Referral on the Provider Referral and Payment (PRaP) system.
- JCP will also refer those who have attended the Link Up:Start Up Workshop who still want to explore their self-employment options, by contacting the Provider via phone, arranging a one-to-one, face-to-face Initial Assessment and submitting the Referral on PRaP. The Provider must have a designated point of contact to field and manage phone calls to book these appointments.
- Where there is a requirement to organise an Initial Assessment quickly, subject to local JCP agreement, the Provider can contact JCP to arrange for the Referral to be fast

tracked, and book the Initial Assessment with the Participant before they leave the Link Up:Start Up Workshop.

2.55 For UC existing self-employed starts:

- Jobcentre Plus (JCP) will refer eligible people to an Initial Assessment by contacting the Provider by phone before submitting the Referral on the Provider Referral and Payment (PRaP) system.

2.56 The JCP Work Coach will make the Participant Referral which will create a Referral in the PRaP system. The Referral information sent as part of the Referral will include:

- Full name (including title) and National Insurance Number;
- Address and (where available) a contact telephone number;
- If a Participant has informed JCP that they have a health condition;
- The Participant's attendance arrangements;
- Activities already undertaken and details of qualifications (where available); and
- For those already self-employed, length of time trading and nature of the business.

2.57 **Please Note:** The Referral will not be available to the Provider in PRaP until the day following JCP telephone Referral. It should also be noted that while the vast majority of Referrals will be made through PRaP, there may be a very small number of Referrals made clerically, not through PRaP e.g. Special Customer Records (SCR) (further information regarding SCRs is available in Chapter 2 of DWP Generic Provider Guidance)
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/278159/pg-chapter-2.pdf.

2.58 Although new Referrals for Initial Assessments will cease on 28th March 2021, there will be continued activity after that date. The Provider will need to schedule Link Up:Start Up Workshops to ensure NEA Phase 2 starts can take place during March 2021. Activities that will take place beyond 28th March 2021 will include, but not exclusively;

- Conducting the Initial Assessment;
- Pre Start-up Mentoring;
- Assessment of Business Plans; and
- Post Start-up Mentoring support for Participants who are referred (to start / Initial Assessment) on or before 28th March 2021, who have had their Business Plan approved and are either in the Business Development Phase, or Trading.

Provider-Participant Link Up:Start Up Workshop and Initial Assessment Meeting

2.59 Where a Participant fails to attend either the Link Up:Start Up Workshop or their Initial Assessment meeting The Provider must update PRaP (of the failure to attend) within 20 Working Days of the Link Up:Start Up Workshop Referral and within 15 Working Days of the Initial Assessment Referral, detailing the Participant has failed to attend.

Business Plans / Business Development and Growth Plans

2.60 The content of Business Plans / BDGP will differ between individuals; however, each Business Plan / BDGP must include sufficient information to demonstrate the viability of the business / business idea. Each plan must include the following as a minimum:

- A summary of the individual and the business / business idea including both the Participant and the business name, address(es) and contact details, including website details if applicable, and the expected date of the business launch or length of time trading.
- A detailed description of the business covering:
 - the products/service delivered/sold or to be delivered/sold;
 - how the products /services are delivered/sold or how and when the products/services will be delivered/sold;
 - what makes the business different or will make this business different to competing businesses in the area,
 - where appropriate, identification of the limiting factors that have not allowed the business to develop and grow and
 - a description of the Participant's short, medium and longer term vision for the business.
- Personal information about the Participant including:
 - Where appropriate, why they are interested in self-employment;
 - their work experience and educational qualifications; and
 - the knowledge of the industry/sector.
- An overview of the products or services to be / being delivered including:
 - what the product/service is, and how it will be delivered or sold;
 - the production or delivery costs;
 - the pricing structure for service/product delivery or sales;
 - legal requirements such as certification or health and safety compliance;
 - insurance requirements and costs;
 - realistic forecasted business growth;
 - who will buy the products/services;
 - why would they choose this business over competing/existing businesses?
 - does this business already have a customer base? and
 - how limiting factors/barriers to business growth will be overcome
- A full breakdown of start-up costs / on-going costs
- An analysis of the competition
- Marketing plan
- Business Financial Planning
 - Business cash-flow:
 - Incomings
 - Outgoings

- Overheads such as insurance, rent, business rates, stock/equipment costs etc.
- Personal budget plan – how will you manage financially whilst your business develops? What will your income be? How will you make loan repayments etc.? This will help individuals ensure they can manage financially on what might be a low income when they first start trading.

Re-referring new start-up customers who fail to attend the Link Up:Start Up Workshop

2.61 The Provider will notify JCP via PRaP when a Participant fails to attend their Link Up:Start Up Workshop. JCP will then discuss with Participants to establish if NEA remains appropriate. If it is still the right choice, JCP will make a new Referral, following the same process in which the original Referral was made (telephoning the Provider, booking a place at the next Link Up:Start Up Workshop and making a new electronic referral through PRaP).

Re-referring new start-up customers / UC customers already in self-employment who fail to attend the Initial Assessment

2.62 Where a Participant has failed to attend their Initial Assessment Meeting, JCP will be notified via the action the Provider takes in PRaP (recording the failure to attend or failure to start - which will close the Referral).

2.63 JCP will then establish the reasons why Participants may have failed to attend/ start and will establish if NEA remains appropriate. Where JCP establish that NEA remains appropriate for a Participant they will make a new Referral, following the same process in which the original Referral was made (ringing the Provider, booking a further Initial Assessment Meeting and making a new electronic Referral through PRaP).

Re-referring new start-up customers / UC customers already in self-employment who had previously dropped out

2.64 If a Participant who previously dropped-out of NEA Phase 2 during the mentoring stage enquires about returning to the scheme, assuming they are eligible, Jobcentre Plus work coaches will decide whether or not re-Referral is appropriate.

2.65 If re-Referral is considered appropriate and the claimant wishes to develop a different business idea from their previous one, the Participant will be treated as a new Referral to the Provider and the standard processes will apply to all aspects of the programme.

2.66 If a Participant wishes to pursue the same business idea, the Jobcentre Plus Work Coach must telephone the Provider to explain the circumstances of the case and discuss the feasibility of the claimant resuming the mentoring relationship at the point they left. If the Provider agrees, the Participant can then re-start the scheme for the balance of time remaining, but this will not count as a new Referral.

Conditionality while participating on NEA

- 2.67 Conditionality will only apply to some of the new start-up Participants of NEA Phase 2. UC claimants who are already self-employed will be deemed to be “Gainfully Self-Employed” for UC purposes and therefore will not be subject to conditionality.
- 2.68 All start-up Participants in the NEA Phase 2 are expected to engage fully in the scheme and complete the NEA Phase 2 mentoring phase within 12 weeks. This cannot be extended further.
- 2.69 These Participants remain subject to the conditionality associated with their benefit receipt. For JSA Participants the condition to be ‘actively seeking paid employment’ is replaced by a requirement to participate fully in the Mentoring phase of the NEA Phase 2. This will mean (but is not restricted to):
- Attending all appointments with Mentor / mentoring Provider organisation (or their representative) where given at least 24 hours notice of the appointment;
 - Doing things each week to develop the business proposal; and
 - Informing Jobcentre Plus within 2 Working Days if the business idea is no longer being pursued and/or the mentoring relationship ends.
- 2.70 Participants in receipt of other benefits, such as Income Support or the Employment and Support Allowance, remain subject to their usual benefit conditionality whilst they are participating in the NEA Phase 2. However, they are expected to complete the NEA phase within the same 12 weeks as JSA claimants.
- 2.71 Participants in start-up who are claiming UC may be subject to conditionality depending upon their individual circumstances. For example, some UC claimants may be subject to a work search requirement that means they should spend up to 35 hours per week looking for employment. Whilst on the mentoring phase of NEA Phase 2 any business preparation activity a Participant undertakes – including working on their Business Plan – can be counted toward their work search requirement.
- 2.72 NEA Phase 2 participation is voluntary for all eligible groups, and Participants can leave the scheme at any time without threat of a benefit sanction. However, JSA claimants must inform Jobcentre Plus within two Working Days of their decision to leave the scheme otherwise they may incur a sanction. This may also be the case for some UC customers.

PRaP Actions

- 2.73 There are points within NEA where the Provider must ensure it updates NEA Phase 2 Referrals on the Provider Referrals and Payments (PRaP) system. The below are the key actions required:
- Acknowledge each Link Up:Start Up Workshop Referral;
 - Record attendance at the Link Up:Start Up Workshop;
 - Acknowledge each NEA Phase 2 Referral;

- Record a NEA Phase 2 Initial Assessment result (start, fail to attend, did not start) for each Participant;
- Record where Participants complete pre start-up period; and
- Where making outcome claims, record all details in relation to the outcomes i.e. start, completing pre start-up period, start trading and completion of 6 months / 26 weeks of trading in the Job Details screen, prior to the claims. Record the details of completion of 12 months / 52 weeks of trading / UC existing self-employed sees an average increase in earnings from their business for the months 7 to 12 after the BDGP approval;

See also sections covering Minimum Performance Levels and Customer Service Standards

Further information regarding PRaP actions will be detailed in NEA Phase 2 Provider guidance.

- 2.74 DWP will use Management Information (MI) presented by PRaP for the on-going management of the provision and for discussions regarding performance with individual Provider.

For further information regarding performance please see Section 5.

3. PERFORMANCE AND PAYMENT MODEL

Contract Packages, including indicative budgets and volumes

3.01 Information regarding details of the Contract Package Area (CPA), including indicative volumes, budgets and competition parameters for the CPA are detailed in Annex 2. Within Annex 2 there are a number of assumptions, based on DWP experience of delivering NEA, regarding the flow of Participants through the NEA journey. These assumptions have been used to inform the maximum unit costs for each element of NEA Phase 2 and to help The Provider in assessing realistic cohort profiles in their bids. In addition, we have included current performance data to assist you with completing your bid

Payment Model

3.02 There will be different payment models for the Unemployed new business start ups and the support for UC existing self-employed Participants. The stages of the programme are summarised below: These must be claimed in order with necessary criteria being met.

3.03 Unemployed New Business Start ups

- Link Up:Start Up
- NEA Phase 2 Programme Start / Initial Assessment
- Mentoring phase / Business Plan assessment
- Start of trading
- 6 months / 26 weeks sustained business
- 12 months / 52 weeks sustained business

3.04 A Delivery Fee equivalent to **40%** of the final agreed Contract value will be paid, with the remainder paid as individual outcomes. Trading Starts equivalent to **20%** of the Contract value, 6 month / 26 week sustained business equivalent to **40%** of the Contract value. **NB for clarity the percentages relate only to the element of the final Contract value that applies for new business starts.** For the avoidance of doubt, no outcome payment will be attached to the 12 months / 52 week sustained business measure, however performance against this will be measured and be part of the Minimum Performance Levels.

3.05 The Delivery Fee will be paid over 23 months, in equal amounts from the Call Off Commencement date. The Delivery Fee nominally covers Link Up:Start Up Workshops, Initial Assessment and Mentoring Business Plan Assessment stages of

the programme, DWP acknowledge that these stages are unlikely to equate to 40% of the Provider costs in delivering the programme.

- 3.06 Contract values are fixed and further information in relation to indicative volumes and budget is provided in [Annex 2](#). Information in relation to the tender evaluation process is outlined in the Instructions to Potential Providers.

Link Up:Start Up Workshops

- 3.07 Funding for the Link Up:Start Up Workshops will be nominally included in the Delivery Fee. The planning assumption for the volume of the places required can be found in Annex 2.

NEA Start / Initial Assessment

- 3.08 Funding for the Start / Initial Assessment will be nominally included in the Delivery Fee. In order to record a NEA Phase 2 Start a Provider must ensure a Participant has attended a Link Up:Start Up Workshop and participated in an Initial Assessment Meeting and have been accepted onto the NEA Phase 2 scheme by the Provider.

Mentoring / Business Plan Assessment:

- 3.09 Funding for the mentoring Business Plan assessment will be nominally included in the Delivery Fee. Participants must have;
- attended a Link Up:Start Up Workshop.
 - Attended the Initial Assessment Meeting and been accepted onto the NEA Phase 2 scheme by the Provider.
 - Undertaken the Pre Start-up Period of the NEA Phase 2 and worked with the Business Mentor or Business Advisor assigned by the Provider; prepared a Business Plan and had this assessed by the Provider.

Commencement of Trading Fee:

- 3.10 The Provider will be able to claim a Commencement of Trading Outcome Fee when the Participant has:
- Attended a Link Up:Start Up Workshop;
 - Attended the Initial Assessment and been accepted onto the NEA Phase 2 scheme by the Provider;
 - Undertaken the Pre Start-up Period of the NEA Phase 2 and worked with the Business Mentor or Advisor assigned by the Provider; prepared a Business Plan;
 - Submitted the Business Plan to the Provider, and had the Business Plan assessed and approved, according to the process set out by the Provider;
 - Terminated their and their dependant partners claim to JSA/ESA/IS and started trading and or when continuing to claim UC, reported a change of circumstances to register a Trading Start.

Completion of 6 months / 26 weeks of Trading Outcome Payment:

- 3.11 The Provider will be eligible to claim a Completion of 6 months / 26 weeks of Trading Outcome Payment where a new business starter has been trading in a self-employed capacity and off benefit or where continuing to receive UC has reported / maintained the change of circumstances for 6 months / 26 weeks, for a cumulative period of 6 months / 26 weeks, where periods of self-employment begin on or after the Start Date and within the maximum 118 weeks allotted time.

For further information regarding definitions please see [Annex 3 - Definitions](#)

UC existing Self-employed

- 3.12 There will be different payment model for UC existing self-employed and the support for Participants. The stages of the programme are summarised below: These must be claimed in order with necessary criteria having been met.

- NEA Phase 2 Programme Start / Initial Assessment
- Mentoring phase / Business Development and Growth Plan assessment
- Average earnings increased to at least the Participants MIF on average over months 0 to 6.
- Average earnings increased to at least the Participants MIF on average over months 7 to 12.

- 3.13 All outcomes will be paid via individual outcome fees.

- NEA Phase 2 Programme Start / Initial Assessment equivalent to **20%** of the Contract value,
- the mentoring / BDGP development and assessment phase equivalent to **40%** of the Contract value,
- average earnings increased to the MIF during 0 - 6 months equivalent to **40%** of the Contract value. **NB for clarity this is the element of the final Contract value that applies for UC existing self-employed.**

No outcome payment will be attached to the increase in earnings to the average of at least their Minimum Income Floor level over months 7 to 12, however performance against this will be measured and be part of the Customer Service Standards.

Programme Start / Initial Assessment fee:

- 3.14 The Provider will be eligible to claim a Programme Start / Initial Assessment fee when the Participant has participated in an Initial Assessment Meeting and have been accepted onto the NEA Phase 2 scheme by the Provider.

Mentoring / Business Development and Growth Plan Assessment fee:

- 3.15 For the Provider to be eligible to claim a Mentoring/ Business Development and Growth Plan Assessment Fee. Participants must have;
- Attended the Initial Assessment meeting and been accepted onto the NEA Phase 2 programme by the Provider.
 - Undertaken the mentoring phase of the NEA Phase 2 and worked with the Business Mentor or Advisor assigned by the Provider; prepared a Business Development and Growth Plan and had this assessed by the Provider.

Completion of 0 - 6 months increased earnings fee:

- 3.16 The Provider will be eligible to claim a Completion of 6 months of increased earnings fee where a UC claimant with an existing business has achieved an increase in earnings to the average of at least their Minimum Income Floor level over the 6 months following the sign-off of the Business Development and Growth Plan.
- 3.17 Contract values will be fixed and further information in relation to indicative volumes and indicative budget is provided in Annex 2. Information in relation to the Tender evaluation process is outlined in the Instructions to Potential Providers.

For further information regarding definitions please see Annex 3 - Definitions.

Minimum Performance Levels

New Business Start ups

- 3.18 Following attendance at a Link Up:Start Up Workshop and subsequent Referral to NEA mentoring, 100% of Initial Assessments will be held within 10 Working Days of the Referral date and the outcome (start, DNA or DNS) will be recorded in PRaP within 15 Working Days for each monthly Referral cohort;
- 3.19 **After attendance at a Link Up:Start Up Workshop all claimants/customers who want to continue to pursue S/E will be referred for Initial Assessment. A minimum of 85% of these Initial Assessment Referrals should start the programme.**
- 3.20 Following attendance at a Link Up:Start Up Workshop and subsequent Referral to start NEA no more than 4% of Referrals will be in backlog;
- 3.21 Following attendance at a Link Up:Start Up Workshop and subsequent Referral to start NEA, 0% of Referrals will be in backlog for over 25 Working Days from the date of Referral;
- 3.22 X% of Participant starts will commence trading. This will be the Provider specified expected 'Trading Starts' rate as part of the tender; these are expressed as a single

percentage for each monthly cohort of Participant starts. Each monthly cohort will have been profiled by the Provider and each cohort profile is a Minimum Performance Level;

- 3.23 'Trading Starts' will always be 100% of the cumulative profiled cohort expectation;
- 3.24 X% of Participant starts will reach 26 weeks trading. This will be the Provider specified '26 weeks trading' rate as part of their tender; these are expressed as a single percentage for each monthly cohort of Participant starts. Each cohort will have been profiled by the Provider and each cohort profile is a Minimum Performance Level;
- 3.25 X% of Participant starts will reach 52 weeks trading. This will be the Provider specified '52 weeks trading' rate as part of their tender; these are expressed as a single percentage for each monthly cohort of Participant starts. Each cohort will have been profiled by the Provider and each cohort profile is a Minimum Performance Level;
- 3.26 26-week and 52-week Trading outcomes will always be 100% of the cumulative profiled cohort expectation;
- 3.27 All Trading Start', 26 and 52 weeks trading outcome performance measures will be measured both on an in-month basis and a cumulative basis from day one of the Contract;

Validation

- 3.28 DWP (or its representative) will validate payments on a regular basis by conducting a series of pre and post payment checks using independent evidence (DWP / HMRC systems and/ or directly from the Participant).

For further information please see [Annex 5 – Additional Information](#).

Payments to Providers

- 3.29 All payments will be made via PRaP. Please note, that DWP can only make direct payments to United Kingdom and Northern Ireland bank accounts.
- 3.30 The indicative Contract values quoted at Annex 2 – Contract Packages give figures based on the total expected number of starts multiplied by the maximum unit cost. Therefore, this presumes all outcomes will be achieved. Also there are figures that provide an estimated Contract value based on the assumption that the minimum performance levels will be achieved for the volumes stated.
- 3.31 The actual Contract values will be dependent on the unit cost agreed for the CPA following the Mini-Competition.

Making claims for payment

- 3.32 Before submitting any claim, the Provider will need to assure itself that they only submit claims for payment to which they are entitled. The Provider will be expected to make a declaration to this effect.
- 3.33 To do this, the Provider will be expected to maintain a robust system of internal control which must include appropriate checks, monitoring arrangements and adequate records to demonstrate that it is entitled to make the claim.
- 3.34 The records maintained need to be sufficient not only to support any claims but also to allow internal management checks and independent validation, for example by DWP and other external bodies. The records maintained should document how and when the self-employment information was obtained and be made available to test by DWP and other external bodies.
- 3.35 For each Participant the Provider must retain a copy of the Business Plan / BDGP and evidence of their assessment of the plan. The Provider must also record confirmation of attendance at the seminars and confirm full participation in the mentoring process.

Outcome fees

- 3.36 DWP will validate Outcome Payments on a regular basis by conducting a series of pre and post payment checks. These checks will be performed at the optimum time to allow DWP systems to be updated. Further details will be provided in NEA Phase 2 Provider Guidance.
- 3.37 As part of the post-payment validation process, where DWP identifies erroneous outcomes, not only will these be recovered, but also the error rate will inform extrapolation calculation across the total population of paid claims for the sample period concerned. In order to perform this adjustment a statistically valid sample will be used that is representative across the total paid claim population.

4. ADDITIONAL INFORMATION AND DELIVERY REQUIREMENTS

4.01 This section provides additional information the Provider may wish to consider when setting out their tender, and expected delivery standards.

Partnership Working

Working with Government, DWP, JCP and BEIS (Start-up Loans Company).

4.02 During the lifetime of the Contracts, there will be regular interactions between the Provider and JCP staff to ensure the effective delivery of provision and services to Participants. DWP expects that local agreements will be put in place for regular contact between the Provider and JCP districts. Performance managers will set the timing for these discussions and the Provider will be required to attend.

4.03 The Provider must **not** accept payments or bonuses from external organisations for referring NEA Phase 2 Participants to start-up funding.

Working with strategic and local partners

4.04 Partnerships are central to the delivery of DWP objectives and statutory duties and DWP believes that effective partnership working will be the key to the delivery of the programme. The Provider will be expected to engage with, and where appropriate signpost Participants to additional business support that may be available locally or nationally. For example, schemes available through DWP such as Access to Work and the Department for Business, Energy and Industrial Strategy, including the Start-up loans scheme.

4.05 Jobcentre Plus will inform eligible individuals about the NEA Scheme. Eligible Individuals will be referred by Jobcentre Plus. The Provider (or other members of the partnership as identified by the Provider and agreed with DWP / Jobcentre Plus), will maintain on-going communication with DWP / Jobcentre Plus, to discuss progress.

Relationship management

4.06 The Provider must manage relationships effectively, including working with DWP / Jobcentre Plus, managing the Referral process, mentoring timescales and communications, ensuring Participants are working with their Mentors during the Pre Start-up/Mentoring phase and providing timely notifications at each stage of the process, in particular when Business Plans/BDGP are approved.

4.07 The Provider must ensure that the Management Information is provided in the format required by DWP / Jobcentre Plus and that its storage and transfer complies with the requirements of all relevant Data Protection Legislation including the Data Protection Act 2018; For further information see [Annex 5 – Additional Information](#)

4.08 Where Participants have an approved Business Plan, The Provider should signpost / notify Participants of companies which provide start up loans.

Referrals and payment system

- 4.09 The Provider will use the Provider Referrals and Payments (PRaP) system to receive their Referrals and to record Participant activity. When a NEA Start Date, completion of Pre Start Up period/mentoring phase date, Trading Start date or completion of 6 months / 26 weeks trading/increased earnings date are entered into PRaP where appropriate it will prompt the system to release a payment, subject to validation by DWP (*See Annex 6 – Evidence Requirements* for further information on making claims for payments).
- 4.10 The Provider will therefore need to have met relevant security requirements when Contracts go live. More information on the PRaP system can be found at:

<https://www.gov.uk/government/publications/Provider-Referrals-and-payments-prap-system-for-dwp>
- 4.11 It should be noted that while the vast majority of Referrals will be made through PRaP, there may be a very small number of Referrals made clerically, not through PRaP. These are cases where JCP has granted the Participant 'Special Customer Record Status' due to certain personal circumstances (further information regarding SCRs is available at;
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/278159/pg-chapter-2.pdf).
- 4.12 Direct access to PRaP will be limited to NEA Phase 2 Prime Provider / Contract Holders.

Business Continuity

- 4.13 As part of the Contract start up, the Provider will be asked to supply details of how business continuity arrangements will be implemented and how these requirements will be covered.

We expect the Provider to:

- Provide robust Business Continuity Plans and Disaster Recovery Arrangements for all services;
- Provide DWP with sufficient evidence to demonstrate these are in place;
- Regularly test all contingency arrangements, providing relevant evidence and outcomes of tests to DWP via Category Managers; and
- Immediately notify DWP in the event of a business continuity incident or a significant disaster

Maintaining and Improving Quality

- 4.14 The Provider must be able to demonstrate continuous improvement of mentoring standards and the quality of mentoring provided to all Participants. The Provider will also need to demonstrate that the information given during the Link Up:Start Up Workshops and during the seminars of the mentoring phase is high quality, up to date and relevant to the needs of the audience.

Participant feedback and complaints handling

- 4.15 The Provider must have an appropriate complaints process across the whole supply chain to attempt to resolve Participants' complaints. Where complaints cannot be resolved, a Participant can complain to the Independent Case Examiner (ICE). ICE will mediate between the prime Provider and Participant to attempt to broker a resolution.
- 4.16 If a resolution cannot be agreed between either party, ICE will undertake a full investigation of the complaint. If the complaint is upheld at this stage, in part or in full, then the Provider will be charged a fee of £5,000 and will also be liable for any financial redress recommended by ICE. In the event that the complaint against the prime Provider or sub-contractor is dismissed, no fee shall be payable. Any fees in respect of complaints that have been upheld against the prime Provider or the sub-Provider and any financial redress due to the Participant shall be paid within four (4) weeks of the date of the ICE final investigation report.
- 4.17 Further information regarding complaint resolution can be found at:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/261107/core-briefing-pack-for-Providers-complaints-resolution.pdf

Data Storage and Security

- 4.18 The Provider will be required to comply with overall DWP data storage and data movement requirements. These obligations are included in the Contract and will be made available to a Provider's planning and IT departments. *Annex 5 – Additional Information* outlines data protections and security requirements.

Legal Requirements and Minimum Standards

- 4.19 The Provider must ensure that it remains compliant with current and future changes in the law, supporting the Secretary of State in meeting all obligations under the relevant legislation and principal regulations as set out in the Contract, and fraud prevention covered in the Umbrella Agreement at Clause A8.
- 4.20 Additionally, the Provider will need to have met the minimum standards for equality, diversity and equal opportunities including training and diversity plans throughout the supply chain and that partner organisations and mentors also adhere.

Code of Conduct and Merlin Standard

4.21 The Provider must ensure that all sub-contractual relationships adhere to the DWP Code of Conduct and they attain the Merlin Standard. The Provider will be assessed against the Merlin Standard by a third party organisation within a year of Contract go live and every two years thereafter. For further information regarding the Merlin Standard, please see: <https://www.gov.uk/government/publications/the-merlin-standard-guide-for-dwp-Providers>

Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE)

4.22 The purpose of TUPE is to protect employment rights, continuity of employment and the terms and conditions of service of people who are transferred from one employer to another when a business or part of a business (an undertaking) in which they work is transferred. The new employer takes over all rights, duties and obligations of the former employer. It is as though the individual's Contract of Employment was originally made with the new employer and not the original employer.

Life Chances

4.23 DWP is required by the Public Services (Social Value) Act 2012 to have regard to economic, social and environmental well-being in connection with public services Contracts. Our Contracts also include obligations from the Equality Act 2010.

4.24 Life Chances⁷ through procurement is part of the Department's response to these obligations and allows Commercial Directorate to make a greater contribution to the objectives of the Department. The Life Chances Schedule in the Contract communicates this to our Providers. The schedule addresses the following DWP Priority Groups:

- **Disabled People:** a person is disabled under the Equality Act 2010 if they have a physical or mental impairment that has a substantial and long term negative effect on their ability to do normal daily activities.
- **Young People:** people under 25 are under-represented in work and training which affects future life chances and increases social inequality.
- **Older Workers:** people over 50 are often overlooked for employment opportunities despite high levels of skill and experience.
- **Black and Minority Ethnic People:** a person who identifies themselves as being of non white descent.
- **Ex-Offenders:** people with unspent convictions who often face discrimination resulting in difficulty securing employment.

⁷ <https://www.gov.uk/government/publications/life-chances-through-procurement-guidance-for-dwp-Providers>

And to champion the provision of:

- **Apprenticeships:** providing work and practical training with study for people from all walks of life.

4.25 It is mandatory to include the Life Chances Schedule in DWP Contracts where the Contracts duration is more than 12 months

5. QUALITY, EVALUATION, CATEGORY AND PERFORMANCE MANAGEMENT

- 5.01 This section provides a summary of the information requirements to meet Contractual obligations relating to quality, evaluation, performance and Contract management (Further details will be set out in Provider guidance).
- 5.02 DWP is committed to raising the standards of its Contracted provision making continuous improvement an integral part of its Contracting arrangements.

Performance Management and Category Management

- 5.03 Performance of the NEA Phase 2 Contracts will be managed by DWP Performance Managers. Provider performance is based on an assessment of performance priority which considers a range of factors including Contract value, compliance with the Contract, performance and security.
- 5.04 The Provider will be responsible for managing the Contract, including addressing poor performance, arrangements with partner organisations and Mentors and also the performance of their sub-contractors. The Provider will need to ensure that all systems and processes (including robust cohort tracking) used for the monitoring and recording of performance are robust, provide a clear audit trail of evidence, and give confidence to DWP that the Provider and its supply chain are delivering the Programme in accordance with the Provider's overall Contractual obligations.
- 5.05 Commercial management of the NEA Phase 2 Contracts will be the responsibility of the Contract Manager in the Category Management team.
- 5.06 The Provider must appoint appropriate named contacts who will work with the DWP Contract Manager and Performance Managers to ensure that NEA Phase 2 is delivered as specified in the Contract and that required standards and performance levels are met.

Performance

- 5.07 DWP Performance Managers will be constantly reviewing performance including, holding regular Contract Performance Review (CPR) meetings with the Provider which will focus on the achieving Contractual performance and service targets (see Annex 4 – Service Delivery Standards) and improving performance and delivery in line with the Contract. Staff representing JCP districts may also attend these meetings.
- 5.08 DWP will use MI presented by PRaP for the ongoing management of the provision and for discussion with individual Providers.
- 5.08 As DWP is committed to transparency on how its programmes are working, The Provider needs to be aware that MI may also feed into published Official Statistics on NEA Phase 2. Consequently, The Provider must treat information they have access to

as restricted, and for their use only, ahead of formal publication. Official Statistics may also cover performance expectations at Provider level.

Contracted Employment Programmes (CEP) Provider Assurance Team

- 5.09 The primary purpose of the (CEP) Provider Assurance Team is to provide the DWP CEP Director with an assurance that Provider systems of internal control are such that payments made to the Provider are in accordance with DWP and Treasury requirements. PAT reviews and tests the Provider's systems of internal control to establish how effective they are at managing risk to DWP in relation to CEP expenditure, service delivery and data security, including the arrangements they have in place for their supply chain.
- 5.10 This work is carried out by the Provider Assurance Team by reviewing the Providers internal control systems to assess their ability to manage risk across four key areas:
- **Governance Arrangements** – covering the Provider's governance arrangements, systems for tracking and reporting performance and their anti-fraud measures;
 - **Service Delivery** – includes the Provider's systems for starting, ending and moving Participants through Provision and generally looks to ensure that DWP is getting the service it is paying for. This section also covers management of the supply chain;
 - **Claim Procedures and Payments** – looks to ensure that the Provider has in place effective systems to support their claims for payment, including appropriate segregation of duties; and
 - **Data Security** – looks to ensure that the Provider has in place adequate systems to safeguard DWP data whilst it is being stored and/or transmitted around their organisations. This scope area is assured by DWP's Supplier Security Team as part of each PAT review.
- 5.11 The Provider Assurance Team operates at a national level enabling it to present CEP Providers operating across regions with a single view of the effectiveness of their systems; each Provider will have a nominated Senior Provider Assurance Manager and therefore a single point of contact within DWP for management of assurance related issues / concerns.
- 5.12 On completion of each review, Providers are awarded an assurance rating from the following four categories – weak, limited, reasonable and strong. They are also sent a formal report which details the review findings including key strengths and areas for improvement; where weaknesses have been identified they are asked to complete an action plan setting out appropriate steps for improvement and this is followed up at an agreed point.
- 5.13 The timescale for a subsequent review is determined by several risk factors; these include the Provider's current assurance rating, the Contract value and intelligence

from internal stakeholders. Provider reviews are conducted over a period of up to 20 weeks. The resource allocated to each review depends on the complexity of the Contract delivery.

- 5.14 Findings from each review are routinely reported to the relevant category managers/supplier managers and other DWP stakeholders. Remedial actions may be taken in the following circumstances:
- if following a Weak or Limited Assurance level from the Provider Assurance Team and / or an equivalent rating from the Security and Business Continuity Team, the Provider's subsequent assurance level is the same or worse for the same reasons, or the Provider is awarded a consecutive third weak or limited assurance, regardless of the reasons;
 - following a review, if the Provider fails to submit and/or implement the Action Plan within the agreed timescale;
 - where there are suspicions that a Provider may be acting inappropriately the team will refer to Internal Investigations as the experts trained in the legalities and techniques required to carry out formal investigations; or
 - where there are serious concerns around data security these are reported through the respective channels to colleagues in Supply Chain Information Assurance Team.
- 5.15 DWP may periodically publish Provider assurance levels and names (note - this will not include reports or supporting information). This is to satisfy a commitment DWP made in response to a Freedom of Information request and to support DWP's commitment to public transparency.
- 5.16 The Provider Assurance Team will work with the successful Provider to ensure that they understand what is expected of them and are, therefore, adequately equipped to develop robust systems to support their service delivery model when the Provision goes live.

Programme Evaluation

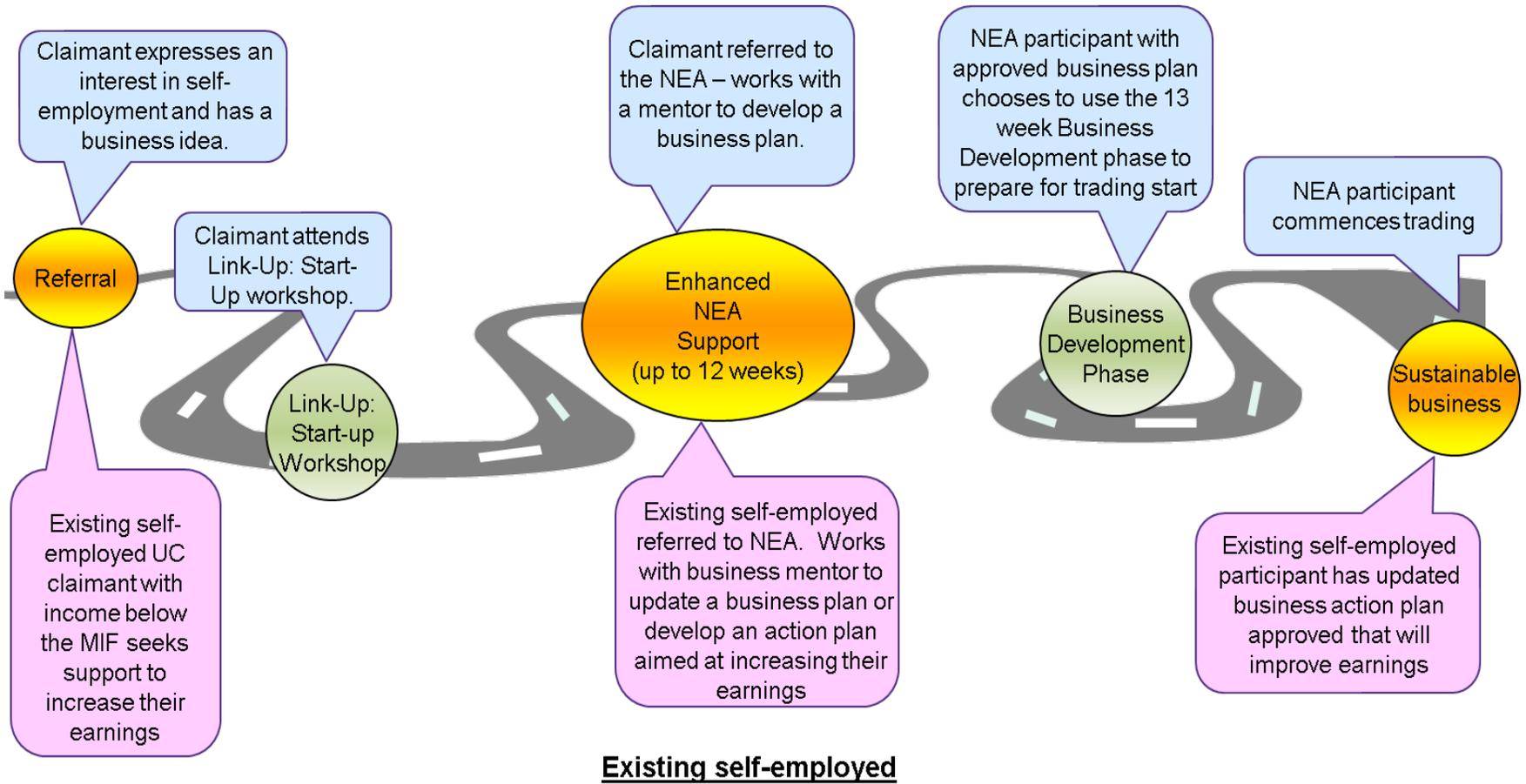
- 5.17 Evaluation of the programme may be required during the Contract Period. Any such evaluation may seek to determine the success of the overall support for the target group and on Participant outcomes. DWP may conduct a combination of in-house impact assessments which may be supplemented by some externally commissioned research.
- 5.18 Researchers may wish to visit and interview the Provider, Participants and Business Mentors /Advisers as part of the evaluation. The Provider will be contacted in advance

of any fieldwork. The Provider are required to fully co-operate with any programme evaluation activity commissioned by DWP.

Annex 1

Customer journeys

New businesses



Key:
■ New business starts
■ Existing self-employed

Annex 2 - CONTRACT PACKAGES, INDICATIVE VOLUMES AND Contract Values – see the assumptions that follow the table

Contract Package Area	Group	District	New Business Starts		U/C Existing S/E	Estimated actual Contract value (2 years starts + payment Tail)**
			volume of places for Link Up:Start Up	volume of starts*	volume of starts*	
CPA 12	Southern England 1	Devon, Cornwall and Somerset	2690	1748	109	£790,435
		Avon, Severn, Thames				

The volumes provided have been adjusted from the original Contract volumes, based on the current level of Referrals to the provision. This volume can be exceeded to a maximum of 3338 New Business Starts and 1430 UC Existing Self-employed should the demand for the provision warrant this. This adjustment will ensure more realistic profiling of volumes, and make performance targets more achievable.

CPA 12 – Actual In Month Flows Year 1 and Year 2 (to Nov 2018)

	2017/18 (Year 1)													Contracted Volumes
Referrals	Apr	may	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total	
LU:SU	171	234	239	224	201	207	220	237	113	230	221	201	2498	
Starts														
LU:SU	72	147	176	174	135	127	194	131	106	159	127	162	1710	
NBS	11	80	76	89	116	93	105	106	56	74	60	66	932	1678
ESE	-	2	1	1	-	1	5	5	1	5	4	2	27	530

	2018/19 (Year 2)													Contracted Volumes
Referrals	Apr	may	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total	
LU:SU	218	221	205	214	199	183	197	182					1619	
Starts														
LU:SU	120	148	137	110	151	105	124	132					1033	
NBS	55	80	66	71	69	59	75	68					543	1120
ESE	1	3	3	2	4	3	6	2					24	600

DWP assumptions for new business start ups

Total programme volume of places for Link Up Start Up Workshops - 86154

This is DWP's assumption of the overall volume of Link Up Start Up Workshops that will be allocated across all CPAs and is based on current usage of NEA starts. These are indicative breakdowns

Total programme volume of Initial Assessments / Starts – 56000.

Total Extension volumes of Initial Assessments/Starts - 33,904

This is the overall volume of Initial Assessments / Starts that will be allocated across all CPAs and is based on current usage of NEA starts. All other figures and assumptions are based on this figure. These are indicative breakdowns.

67% of Initial Assessments / Starts will complete the mentoring phase and have their Business Plan assessed.

55% of Initial Assessments / Starts will Start Trading

For the purpose of the extension, this was increased to 61.5% of Initial Assessments/Starts will Start Trading

45% of Initial Assessments / Starts will complete 6 months / 26 weeks of Trading

For the purpose of the extension, this was increased to 49% of Initial Assessments/Starts will complete 6months/26 weeks Trading

36% of Initial Assessments / Starts will complete 12 months / 52 weeks of Trading

The Maximum Unit Cost for new Business Starts is £751.75

DWP assumptions for UC Existing Self-employed

Total programme volume of Initial Assessments / Starts – 24,000.

Total Extension volumes of Initial Assessments/Starts - 2,107

This is the overall volume of Initial Assessments / Starts that will be allocated across all CPAs and is based on current usage of NEA starts. These are indicative breakdowns

75% of Initial Assessments / Starts will complete the mentoring phase and have a Business Development and Growth Plan assessed.

For the purpose of the extension, this was increased to 79.5% of Initial Assessments/Starts will complete mentoring and have a Business Development and Growth Plan assessed

50% of Initial Assessments / Starts will increase their earnings over months 0 to 6 equal to at least 6 months / 26 weeks of their Minimum Income Floor level.

For the purpose of the extension, this was increased to 56% of Initial Assessments/Starts will increase their earnings over months 0 to 6 equal to at least 6 months / 26 weeks of their Minimum Income Floor level.

40% of Initial Assessments / Starts will increase their earnings over months 7 to 12 equal to at least 6 months / 26 weeks of their Minimum Income Floor level.

The Provider should note that **DWP does not guarantee volumes.**

In addition to the Contracted provision costs the budget available may be impacted by the Participant Allowance payment costs that are inter dependant on the level of Trading Starts. DWP reserves the right to manage the volumes of Referrals and starts in order to ensure the NEA Programme as a whole lives within its allocated budget.

DWP reserves the right to flex the volumes between New Business Starts and UC Existing Self-employed, within the Contract value, to meet business requirements.

The Minimum Performance Levels / Customer Service Standards will be the performance levels / conversion rates contained in the Tenders received from bidders. The assumptions provided above are for information and guidance only. See p3.18 (Performance and Payment Model) for information on Minimum Performance Levels and Annex 4 for Customer Service Standards.

DEFINITIONS

NEA Phase 2 Link Up:Start Up Referral

A3.1 The date Jobcentre Plus (JCP):

- Contacts the Provider by telephone and arranges the Link Up:Start Up Workshop; **and**,
- Makes the Participant Referral through DWP IT systems (PRaP).

A3.2 **Please Note:** The Referral will not be available to the Provider in the Provider Referrals and Payments (PRaP) system until the day following JCP Referral.

NEA Phase 2 Referral

A3.4 The date Jobcentre Plus (JCP):

- Contacts the Provider by telephone and arranges the Initial Assessment; and,
- Makes the Participant Referral through DWP IT systems (PRaP).

A3.5 **Please Note:** The Referral will not be available to the Provider in the Provider Referrals and Payments (PRaP) system until the day following JCP Referral.

Initial Assessment Meeting

A3.6 The initial two-way, face to face, one-to-one meeting between the Participant and Provider. During Initial Assessment the Provider must consider:

- the Participants business proposition, and whether their business idea has a reasonable chance of success;
- Whether the Participant is likely to be able to produce a Business Plan within 12 weeks;
- Whether the Participant has a reasonable chance of succeeding in self-employment;
- Start to develop and agree an individually tailored Action Plan.

NEA Start

A3.7 A Participant will be deemed to have started on NEA Phase 2 once a Provider has:

- Undertaken the Participant Initial Assessment Meeting; and,
- been accepted onto the NEA Phase 2 scheme by the Provider.

- Once the Participant has started, the Provider is required to record the NEA Phase 2 Start date on PRaP. The NEA Phase 2 Start Date will be the date on which a Participant attended the Initial Assessment.
- The Contractual target for starting Participants is for NEA Phase 2 Starts to be achieved and recorded in PRaP within 15 Working Days of the NEA Phase 2 Referral.

Allotted Time

- A3.8 The maximum NEA Phase 2 Allotted Time period for a new business start Participant is 118 weeks. Allotted Time is continuous and starts at the point of the NEA Phase 2 assessment. This is the maximum period of time in which all outcomes for a Participant must be achieved and claimed. 118 weeks will be for exceptional circumstances only and DWP would expect the majority of Participants to have completed 12 months / 52 weeks of trading by the end of Contract Period.
- A3.9 The maximum NEA Phase 2 Allotted Time period for a UC claimant with an existing business Participant is 66 weeks. Allotted Time is continuous and starts at the point of the NEA Phase 2 assessment. This is the maximum period of time in which all outcomes for a Participant must be achieved and claimed.

Completion of Pre Start-up Period

- A3.10 Attended the Initial Assessment Meeting and been accepted onto the NEA Phase 2 scheme by the Provider
- A3.11 Undertaken the Pre Start-up Period of the NEA Phase 2 and worked with the Business Mentor or Advisor assigned by the Provider; prepared and submitted a Business Plan to the Provider

Commencement of Trading Outcome Payment

- A3.12 The Provider will be eligible to claim a Commencement of Trading Outcome Payment when the Participant has:
- Attended the Initial Assessment and been accepted onto the NEA Phase 2 scheme by the Provider
 - Undertaken the Pre Start-up Period of the NEA Phase 2 and worked with the Business Mentor or Business Advisor assigned by the Provider; prepared a Business Plan
 - Submitted the plan to the Provider, and had the Business Plan assessed and approved, according to the process set out by the Provider
 - Terminated their claim to JSA/ESA/IS and commenced trading and or reported a change of circumstances to register a start of trading if they are claiming UC

- Applied to register their business at HMRC or has claimed the NEA Phase 2 weekly allowance.

Completion of 6 months / 26 weeks Trading Outcome Payment

A3.13 The Provider will be eligible to claim a Completion of 6 months / 26 weeks of Trading Outcome Payment where a Participant has been in trading in a self-employed capacity for a cumulative period of 6 months / 26 weeks, where periods of self-employment begin on or after the Start Date and within the 92 week allotted time (or within the 2 week tracking period).

UC existing Self-employed

Programme Start / Initial Sift Outcome Payment:

A3.14 The Provider will be eligible to claim a Programme Start / Initial sift Outcome Payment when the Participant has participated in an Initial Assessment Meeting and have been accepted onto the NEA Phase 2 scheme by the Provider.

Mentoring / Business Development and Growth Plan Assessment fee:

A3.15 For the Provider to be eligible to claim a Mentoring Business Plan Assessment Fee. Participants must have;

- Attended the Initial Assessment Meeting and been accepted onto the NEA Phase 2 scheme by the Provider.
- Undertaken the Mentoring Phase of the NEA Phase 2 and worked with the Business Mentor or Advisor assigned by the Provider; prepared a Business Development and Growth Plan and had this assessed by the Provider.

Completion of 0 - 6 months / 26 weeks increased earnings Outcome Payment:

A3.16 The Provider will be eligible to claim a Completion of 6 months / 26 weeks of increased earnings Outcome Payment where a UC claimant with an existing business has achieved an increase in earnings to the average of at least their Minimum Income Floor level over the 6 months / 26 weeks following the signoff of the Business Development and Growth Plan.

Minimum Service Levels

A3.17 Minimum Service Levels are defined in the Contract and means the set of service levels to which the Services must be provided as set out in Appendix A to Schedule 3 and any other service levels as notified by the Authority to the Provider from time to time

CUSTOMER SERVICE DELIVERY STANDARDS

New Business Starts

- A4.1 Link-up: Start Up Workshops must be held at appropriate delivery locations and at a frequency to be agreed with JCP districts.
- A4.2 100% of Referrals to Link-up : Start-up will start, DNA or DNS within 15 Working Days of Referral and this activity will be recorded in PRaP within 20 Working Days of Referral.
- A4.3 100% of Referrals to NEA Start / Initial Assessment will start, DNA or DNS within 10 Working Days of Referral and this activity will be recorded in PRaP within 15 Working Days of Referral.
- A4.4 During the 12-week Pre-Start Up period, Participants must receive a minimum of 3 one-to-one mentor meetings (in addition to the Initial Assessment). The first mentor meeting must be face-to-face between the Mentor and the Participant (in exceptional circumstances, the first mentoring meeting may be conducted via other appropriate means (other than face-to-face) in accordance with DWP data-security standards/guidance.)
- A4.5 Where Participants choose to utilise the 13 week Business Development Phase, Participants must be offered at least one point of contact with a mentor.
- A4.6 100% of Business Plans must be assessed (including viable and non-viable Business Plans) and outcome notified to Participant within 12 weeks of NEA start-date (i.e. within 12-week Pre-Start Up period);
- 100% of Participants will have an approved/fully signed off Business Plan before starting trading
- A4.7 During weeks 1 – 52 of trading period, Participants must be offered a minimum of 4 interventions (on a one-to-one basis) with a Business Mentor to review progress/discuss any help needed to sustain/expand the business and to review/update the Business Plan as appropriate (*where distance or length of time of travel is a factor, these meetings may be conducted via any appropriate means in accordance with DWP data-security standards).

A4.8 The Provider must send 'NEA1 to appropriate DWP/JCP contact within 2 Working Days of a change of circumstances in accordance with DWP security requirements, including:

- Report on the outcome of the Initial Assessment;
- Confirm date the Business Plan was approved (required to progress claim for NEA Allowance Payments);
- Report when the Participant's engagement on NEA ends; and
- Any other Customer Service Standards detailed in the Provider's tender.

Customer Service Standards (Universal Credit – Existing Self-employed with Earnings below Minimum Income Floor (MIF))

A4.9 During the 12-week Pre-Start Up period, Participants must receive a minimum of 3 one-to-one mentor meetings (in addition to the Initial Assessment). The first mentor meeting must be face-to-face between the Mentor and the Participant (in exceptional circumstances, the first mentoring meeting may be conducted via other appropriate means (other than face-to-face) in accordance with DWP data-security standards/guidance.)

A4.10 100% of the Business Growth Development Plans must be assessed and outcome notified to Participant within 12 weeks of the NEA Start-Date;

A4.11 During months 1– 12 from the date the BDGP approved, Participants must be offered a minimum of 4 interventions (on a one-to-one basis) with a Business Mentor to review progress/discuss help needed to achieve self-employment earnings at or above the MIF and to review/update the Business Development and Growth Plan (*where distance or length of time of travel is a factor, these meetings may be conducted via any appropriate means in accordance with DWP data-security standards).

A4.12 All conversion rates submitted by the Provider for starts and achievement or exceeding the Minimum Income Floor for 0 to 12 months will become Customer Service Standards.

A4.13 The Provider must send NEA1 – UC for UC claimants to appropriate DWP/JCP contact within 2 Working Days of a change of circumstances in accordance with DWP security requirements, including:

- Report on the outcome of the Initial Assessment;
- Confirm date the Business Plan/Action Plan was approved); and
- Report when the Participant's engagement on NEA ends.

A4.14 Any other Customer Service Standards detailed in the Provider's Tender

ADDITIONAL INFORMATION

Travel expenses

- A5.1 Local provision is deemed to be essential to the successful delivery of NEA Phase 2, as a result the Provider are not expected to provide travel expenses for Participants. Participants experiencing issues with travel costs for participation in NEA Phase 2 need to discuss these with a JCP Adviser.
- A5.2 Existing self-employed UC claimants will **not** be eligible to claim travel expenses.

Childcare

- A5.3 Childcare costs are not the responsibility of NEA Phase 2 Providers, however in exceptional circumstances may be covered by a discretionary payment from JCP.
- A5.4 Existing self-employed UC claimants will **not** be eligible to claim childcare expenses.

Partnerships

- A5.5 The Provider is encouraged to work with Local Authorities (LA) and local partners to ensure that their proposals reflect the specific needs of Participants in each CPA and take into account local strategies and services. The Provider should aim to improve performance and Participant service across the piece, reduce duplication wherever possible and improving the holistic use of public funds in a locality/area.
- A5.6 Local partners may include, but are not limited to:
- DWP/ JCP;
 - City Region and emerging Local Enterprise Partnerships; and
 - BEIS (Business, Energy & Industrial Strategy) Start-up Loan Company

Data Protection

- A5.7 In order to protect Departmental information appropriately, the Provider must put into effect and maintain the security measures and safeguards appropriate to the nature and use of the information throughout their supply chain. The Provider of services to DWP must comply, and be able to demonstrate compliance, with the Department's relevant policies and standards including the DWP (Authority's) Security Standards. The Standards are based on and follow the same format as International Standard 27001, but with specific reference to the Department's use. Departmental

information must not be processed outside the United Kingdom without the express written permission of DWP in line with the DWP Security Policy for Providers and DWP Terms & Conditions.

- A5.8 Security assurance for the Provider and their supply chain is through completing a draft security plan. The Provider will be expected to submit their draft security plans as part of their response to this competition and are expected to maintain this. This will set out the security measures to be implemented and maintained by the Prime Provider throughout the entire supply chain in relation to all aspects of the service, including processes associated with delivery. The Provider must send their draft security plan as part of their tender for NEA Phase 2 by completing and returning the template. Further information is available in the Instructions to Potential Providers.
- A5.9 Data security is one of the areas risk assessed by the (CEP) Provider Assurance Team. In addition, data security will remain subject to spot checks by the Supply Chain Information Assurance Team (SCIAT). Furthermore, the Head of Compliance will continue to regularly report the number and outcomes of data security checks carried out during the previous quarter to the DWP Permanent Secretary.
- A5.10 In the event of any breach of information security which may or may not result in an investigation by the Information Commissioner's Office (ICO), DWP will consider whether a major breach of Contract has occurred within the T&Cs. The Provider will be responsible for paying any fine levied on DWP following an investigation by the ICO.

Legislation and Principal Regulations

- A5.11 The Provider must ensure that they remain compliant with current and future changes in the law and DWP Policy. For example:
- Ensuring the NEA supports the DWP's Public Sector Equality Duty as outlined in the Equality Act 2010,
 - Providing appropriate services to ensure compatibility with the Equalities Act for example, to enable communication with Participants who do not speak English as a first language or who are deaf, hearing impaired or have a speech impediment;
 - Where the Provider is operating in an area with a high minority ethnic population, materials in the appropriate ethnic minority language must be made available on request.

Making claims for payment

- A5.12 Before submitting any claim, the Provider will need to assure themselves that they only submit claims for payment to which they are entitled. The Provider will be expected to make a declaration to this effect.

A5.13 To do this, The Provider will be expected to maintain a robust system of internal control which must include appropriate checks, monitoring arrangements and adequate records to demonstrate that they are entitled to make the claim.

A5.14 The records maintained need to be sufficient not only to support any claims but also to allow internal management checks and independent validation, for example by DWP and other external bodies. The records maintained should document how and when the self-employment information was obtained and be made available to test by DWP and other external bodies.

Outcome fees

A5.15 DWP will validate outcome payments on a regular basis by conducting a series of post payment checks. These checks will be performed at the optimum time to allow DWP systems to be updated. Further details will be provided in NEA Phase 2 Provider guidance.

A5.16 As part of the post-payment validation process, where DWP identifies erroneous outcomes, not only will these be recovered, but also the error rate will inform extrapolation calculation across the total population of paid claims for the sample period concerned. In order to perform this adjustment a statistically valid sample will be used that is representative across the total paid claim population.

EVIDENCE REQUIREMENTS

- A6.1 Evidence that can support delivery of the provision as specified within this document must be kept by the Provider.
- A6.2 The Provider must keep key documentation about the delivery of provision. It is the Prime Provider's responsibility to ensure that documents and data can be relied on. The Provider must have robust systems in place to ensure that documentation (paper or electronic) is securely held and are easily accessible.
- A6.3 Please Note:** DWP and The National Archives recommend that electronically held data is migrated onto new formats every 5 years to ensure the data remains readable and usable.

Table 1 (over the next pages) lists the documentation that must be retained as a minimum.

MANAGEMENT INFORMATION REQUIREMENTS

- A6.4 DWP reserve the right to request any information deemed appropriate to support the performance management (including MPL's/CSS's) of the NEA Contract and the Provider should have systems in place to record, capture and provide such information upon request.
- A6.5 DWP will obtain the following information for each individual starting the programme from PRaP:
- A6.6 New Business Start Ups
- Number of Referrals
 - Number of Starts on Link Up:Start Up
 - Number of Starts
 - Number of Trading Starts
 - Number of Participants trading for 6 months / 26 weeks
 - Number of Participants trading for 12 months / 52 weeks
- A6.7 UC existing Self-employed
- Number of Referrals

- Number of Starts
- Number of Trading Starts
- Number of Participants whose average earnings increased to at least the Participants MIF on average over months 0 to 6.
- Number of Participants whose average earnings increased to at least the Participants MIF on average over months 7 to 12.

A6.8 NB - DWP reserve the right to use Management Information to produce and publish performance information, tables, etc. as appropriate.

Table 1 - Evidence Requirements

Timing	Process	Evidence Description	Responsibility
Pre Start Link Up:Start Up Referral	Work Coach Referral	Referral by JCP Work Coach by telephone (LMS, WSP, PRaP, clerical Referral to follow initial telephoned Referral)–	DWP
Link Up:Start Up	Attendance at Link Up:Start Up	<p>Provide a Link Up:Start Up Workshop. Eligible Individuals that are referred to them by Jobcentre Plus. Workshops to provide attendees with a comprehensive overview of the pros and cons of self-employment. These Workshops should last at least three hours. It will be for the Provider to determine the minimum viable number of places on each Workshop to ensure waiting times are minimised for Participants. We expect the optimal maximum number of Participants to be around 15 and maximum number to be 20 on each Workshop.</p> <p>The Provider must obtain signed confirmation from Participants that the they have attended the Link Up:Start Up Workshop.</p> <p>Where a Participant fails to attend Link Up:Start Up Workshop The Provider must also update PRaP (within 20 Working Days of the Referral that the Participant failed to attend) detailing the Participant has failed to attend.</p> <p>Update PRaP when Participant attend Link Up:Start Up Workshop.</p> <p>Refer Participants who wish to start NEA Phase 2 back to JCP Work Coach for a Referral to start NEA Phase 2 main programme.</p>	Provider
Day 1	Work Coach Referral	Referral by JCP Work Coach by telephone (LMS, WSP, PRaP, clerical Referral to follow initial telephoned Referral)– key date from which claim periods are counted.	DWP

Timing	Process	Evidence Description	Responsibility
		Referral made in PRaP.	
Contractual Target Within 10 Working Days of Referral	Delivery of Initial Assessment / pre-screen appointment	<p>Provide an Initial Assessment/ pre-screen of Eligible Individuals that are referred to them by Jobcentre Plus, recording the result on PRaP within 15 days. This will include an Initial Assessment of the individual's self-employment prospects, their business proposition, its sustainability potential and their overall suitability for the NEA Phase 2 programme.</p> <p>The Provider must obtain signed confirmation from Participants that the Initial Assessment has taken place.</p> <p>Where a Participant fails to attend their Initial Assessment meeting the Provider must also update PRaP (within 15 Working Days of the failure to attend) detailing the Participant has failed to attend.</p> <p>Update PRaP when Participant accepted onto NEA Phase 2 main Programme.</p> <p>The Provider to complete NEA1 form with outcome of appointment and return to Jobcentre Plus</p>	Provider
Contractual Target within 10 Working Days of the Referral	Participants matched with a Business Mentor.	<p>Evidence of the initial (and subsequent) meetings taking place will be required for DWP Performance Management and audit purposes.</p> <p>The Provider must keep a written log of each meeting and contact that takes place with Participants, including with business Mentors. The Provider must obtain signed confirmation from Participants for each face to face meeting that takes place with Participants.</p>	Provider

Timing	Process	Evidence Description	Responsibility
<p>Contractual Target within 12 weeks of Participants being matched with Business Mentor</p>	<p>Mentor Phase</p>	<p>Ensure that the Mentor or Adviser is providing appropriate Mentoring and business advice, including making an Initial Assessment of the Participant's business proposition. Helping them to prepare a Business Plan, delivering seminars and a minimum of 3 mentor meetings, the first one of which must be face to face.</p> <p>Evidence requirement must record of activity that has taken place (including meetings) to develop the Participants Business Plan.</p> <p>Evidence must be recorded where exceptional circumstances are applied for not holding these meetings face to face.</p>	<p>Provider</p>
<p>Contractual Target within 12 weeks of Participants being matched with Business Mentor</p>	<p>Approval process of the Business Plan. The Business Mentor will make a recommendation to the Provider as to whether Participants should proceed to Trading and qualify to apply for the NEA Allowance.</p>	<p>During this approval process the Participant will need to demonstrate that their Business Plan is viable and that the business has sustainability potential.</p> <p>Evidence required, that the Business Plan meets the minimum requirement, date approved and copies of Participants completed Business Plan and recommendation / feedback.</p> <p>Evidence of work with the Business Mentors / Business Advisers and other local partners to signpost Participants to other sources of business support and funding that may be available;</p> <p>Evidence the final assessment has been carried out by someone who has not been directly involved with the Participant</p> <p>Update PRaP when Participants Business Plan has been assessed.</p> <p>The Provider to complete NEA1 form with outcome of appointment and return to Jobcentre Plus</p>	<p>Provider</p>

Timing	Process	Evidence Description	Responsibility
Up to 13 weeks from the Business Plan approval	Business Development Phase	<p>Optional phase for Participants to further develop their business before commencing trading.</p> <p>The Provider should offer at least one point of contact with a mentor where the Participant does not move into trading immediately following the Business Plan</p> <p>The Provider must retain evidence of the offer to Participants.</p>	Provider
Up to 13 weeks from the Business Plan approval	Start Trading	<p>Update PRaP when Participant commences trading / Self-Employment.</p> <p>The Provider need to obtain evidence to confirm the Participant has commenced trading, this could include: (list not exhaustive)</p> <ul style="list-style-type: none"> • HMRC registration • Confirmation of NEA allowance claim (letter issued to claimant by JCP) where claimed by Participant • Proof of benefit claim closed (letter issued to claimant by JCP) 	Provider
After 26 Weeks Self Employment	Completion of 26 Weeks of Trading Outcome fee	<p>Evidence to show:</p> <ul style="list-style-type: none"> ○ Participant has been in self-employment for a cumulative period of 26 weeks. ○ As per the bullets below. <p>Update PRaP when Participant completes 26 weeks of trading / Self-Employment.</p>	Provider
During 52 weeks of Self Employment	Business Mentors to provide on-going support for a minimum of 52-weeks, once the	<p>Evidence of support the Business Mentors provide.</p> <p>The <u>minimum</u> requirement for post Mentoring support is to offer Participants at least four face to face meetings</p>	Provider

Timing	Process	Evidence Description	Responsibility
	Participant has left Jobseeker's Allowance, Employment and Support Allowance or Income Support and commenced Trading	The Provider must obtain evidence of the post start up Mentoring support given or offered to Participants. This could include: <ul style="list-style-type: none"> • A log of each contact, or attempt to contact Participants. • Signed confirmation of face to face meetings that take place • Correspondence between Provider and Participant that demonstrates post start-up Mentoring support given or offered. 	
After 52 Weeks Self Employment	Completion of 52 Weeks of Trading	Evidence to show: <ul style="list-style-type: none"> ○ Participant has been in self-employment for a cumulative period of 52 weeks. ○ As per the bullets in the above line. Update PRaP when Participant completes 52 weeks of trading / Self-Employment.	Provider

Evidence Requirements for UC Participants already in Self-Employment

Timing	Process	Evidence Description	Responsibility
Day 1	Work Coach Referral	Referral by JCP Work Coach by telephone (LMS, WSP, PRaP, clerical Referral to follow initial telephoned Referral)– key date from which claim periods are counted. Referral made in PRaP.	DWP
Contractual Target Within 10 Working	Delivery of the Initial Assessment / pre-screen appointment	Provide an Initial Assessment / pre-screen of Eligible Individuals that are referred to them by Jobcentre Plus, within 10-Working Days of the Referral date. This will include an Initial Assessment of the individual's self-employment prospects, their business proposition, its	Provider

Timing	Process	Evidence Description	Responsibility
<p>Days of Referral</p>		<p>growth potential and their overall suitability for the NEA Phase 2 programme.</p> <p>The Provider must record the date of the Initial Assessment and obtain signed confirmation from Participants that the Initial Assessment has taken place.</p> <p>Evidence that they feel the business proposition is viable.</p> <p>Where a Participant fails to attend their Initial Assessment meeting the Provider must also update PRaP (within 5 Working Days of the failure to attend) detailing the Participant has failed to attend.</p> <p>Update PRaP when Participant accepted onto NEA Phase 2 main Programme.</p> <p>The Provider to complete NEA1 form with outcome of appointment and return to Jobcentre Plus</p>	
<p>Contractual Target within 10 Working Days of the Referral</p>	<p>Participants matched with a Business Mentor.</p>	<p>Evidence of the initial (and subsequent) meetings taking place will be required for DWP Performance Management and audit purposes.</p> <p>The Provider must keep a written log of each meeting and contact that takes place with Participants, including with business Mentors. The Provider must obtain signed confirmation from Participants for each face to face meeting that takes place with Participants.</p>	<p>Provider</p>

Timing	Process	Evidence Description	Responsibility
<p>Contractual Target within 12 weeks of Participants being matched with Business Mentor</p>	<p>Mentor Phase</p>	<p>Ensure that the Mentor is providing appropriate Mentoring and business advice, including making an Initial Assessment of the Participant's business proposition. Helping them to prepare a Business Development and Growth Plan. delivering seminars and a minimum of 3 face-to-face mentor meetings.</p> <p>Evidence of any seminars offered and attended detailing the duration. Evidence obtained of signed confirmation of attendance at seminars.</p> <p>Evidence that those who opt out of any seminars and include any exceptional reasons. Evidence must be obtained of signed confirmation of opting out.</p> <p>Evidence requirement records of activity that has taken place (including meetings) to develop the Participants Business Plan.</p>	<p>Provider</p>
<p>Contractual Target within 12 weeks of Participants being matched with Business Mentor</p>	<p>Approval process of the Business Plan. The Business Mentor will make a recommendation to the Provider as to whether Participants business has the potential to grow and achieve average earning to the level of the Participants MIF.</p>	<p>During this approval process the Participant will need to demonstrate that their Business Development and Growth Plan is viable and that the business has sustainable growth potential.</p> <p>Evidence required, copies of Participants completed Business Development and Growth Plan and recommendation / feedback.</p> <p>Evidence of work with the Business Mentors / Business Advisers and other local partners to signpost Participants to other sources of business support and funding that may be available;</p> <p>Update PRaP when Participants Business Development and Growth Plan has been assessed.</p> <p>The Provider to complete NEA1 form with outcome of appointment and return to Jobcentre Plus</p>	<p>Provider</p>

Timing	Process	Evidence Description	Responsibility
<p>After 6 months / 26 weeks Self Employment</p>	<p>Completion of 0 – 6 months / 26 weeks increase in average earnings</p>	<p>Evidence to show:</p> <ul style="list-style-type: none"> ○ Participant has remained in self-employment for 6 months following the sign off of the Business Development and Growth Plan ○ Participant has achieved an increase in earnings to the average of at least their Minimum Income Floor level over the 0 to 6 months following the signoff of the Business Development and Growth Plan <p>Update PRaP when Participant achieved 6 months of earnings to the average of at least their Minimum Income Floor</p>	<p>Provider and DWP</p>
<p>After 12 month Self Employment</p>	<p>Completion of 7 - 12 months increase in average earnings</p>	<p>Evidence to show:</p> <ul style="list-style-type: none"> ○ Participant has remained in self-employment for 12 months following the sign off of the Business Development and Growth Plan ○ Participant has achieved an increase in earnings to the average of at least their Minimum Income Floor level over months 7 to 12 following the signoff of the Business Development and Growth Plan <p>Update PRaP when Participant achieves 6 months of earnings to the average of at least their Minimum Income Floor</p>	<p>Provider and DWP</p>

Timing	Process	Evidence Description	Responsibility
<p>During 12 months of Self Employment</p>	<p>Business Mentors to provide on-going support for a minimum of 12 months,</p>	<p>Evidence of support the Business Mentors provide.</p> <p>The <u>minimum</u> requirement for post mentoring support is to offer Participants at least four meetings</p> <p>The Provider must provide evidence of the Mentoring support given or offered to Participants. This could include:</p> <ul style="list-style-type: none"> • A log of each contact, or attempt to contact Participants. • Signed confirmation of face to face meetings that take place <p>Correspondence between Provider and Participant that demonstrates post start-up Mentoring support given or offered.</p>	<p>Provider</p>

GLOSSARY OF TERMS

Action Plan	A document that specifies each element of activity.
Allotted Time	The maximum period of time in which all outcomes for a Participant must be achieved and claimed.
Business Development and Growth Plan (BDGP)	Universal Credit existing Self-employed Business Development and Growth Plan setting out short, medium and long term goals to help the business grow and increase the Participants earnings
Business Plans	Participants Business Plan setting out business proposal, containing the mandatory elements as outlined para 2.60.
Commencement of Trading Fee	The fee payable by DWP/Jobcentre Plus when an individual has been demonstrably trading as self-employed, registered their business with HMRC and claimed the allowance element of NEA.
Completion of 0-6 months / 26 weeks increased earnings Fee	The fee payable by DWP/Jobcentre Plus when Universal Credit existing Self-employed Participant has achieved an increase in earnings to at least the average of the minimum income floor (MIF) over the 0 to 6 months / 26 weeks' period from the date the BDGP approved.
Completion of 6 months / 26 weeks of Trading Fee	The fee payable by DWP/Jobcentre Plus when an individual has been demonstrably trading for 6 months / 26 weeks.
Contract Package Area (CPA)	The successful Provider will be offered Contracts to deliver in specific areas. Contract Package Area is the term used to describe the geographic area of the Contract.
Critical Success Factors	The factors (i.e. the positive outcomes or benefits) against which the success of a programme will be judged in order to justify the investment.
Delivery Fee	A Delivery Fee equivalent to 40% of the final agreed Contract value (NB for clarity this is the element of the final Contract value that applies for new business starts) will be paid over 28 months, in equal amounts from the commencement date

Employment and Support Allowance	ESA – an allowance payable to Participants who have a disability or health condition. For NEA purposes, this refers specifically to people who have been through a Work Capability Assessment and placed in the Work Related Activity Group. It may also refer to those who are in the ‘Support Group’.
Participant	An eligible individual who uses JCP services for the purposes of preparing for work, returning to work or claiming benefits.
Gainful Self Employment Test	In order to make a decision about whether self-employment is a Participant’s main occupation, DWP will look at how many hours are spent undertaking self-employed activity and how much is earned from it. If DWP decide you are gainfully self-employed, you are exempt from all work-related requirements, meaning you can focus totally on your business.
Income Support	For NEA purposes, recipients of IS will be lone parents who have a child under the age of 5 or recipients who are claiming as sick
Jobcentre Plus	Part of DWP, JCP provides an integrated service to people of working age. It offers help to people looking to move into work and support for people who cannot. JCP also provides services to employers wishing to fill vacancies.
JCP District	A specified area of England, Scotland or Wales within which to deliver services to JCP Participants.
Jobseeker’s Allowance (JSA)	JSA – An allowance payable to Participants who are out of work, or work less than 16 hours a week on average, are below pension age and are available for, actively seeking and capable of work.
Link Up: Start Up	Link Up :Start Up Workshops are pre self-employment seminars lasting at least 3 hours where The Provider will give an overview of what being self-employed means and the level of commitment required to set up a business. The Workshops will cover a range of areas and outline to Participants clearly the advantages and disadvantages of self-employment including the implications on Benefits and tax credits, etc.
Mentor	Mentor to provide the Participant with support and guidance while they develop their Business Plan and to provide on-going support for the initial 52 weeks of trading.
Minimum Income Floor	Universal Credit includes a ‘Minimum Income Floor’ (MIF) if you are gainfully self-employed, and your business has been running for more than 12 months. The MIF is an assumed level of

	earnings. This is based on what we would expect an employed person to receive in similar circumstances.
New Enterprise Allowance (NEA)	DWP scheme that aims to help eligible claimants who want to move off benefit and into self-employment
Performance Manager	A DWP/Jobcentre Plus employee whose role will be to measure the performance of the Contract against expected outcomes.
Pre Start-up Period	The period in which the Business Mentor and/or Business Adviser works with the Participant prior to them commencing Trading
Prime Provider	An Organisation that delivers a service directly and/or via a network of sub-contractors or a combination of both.
Procurement	The process of purchasing goods and/or service: identification to payment.
Provider(s)	The generic term used to describe the Provider of NEA. This includes all sub-contractors involved in service delivery under the prime Provider procurement model.
Provider Guidance	Detailed guidance and information (including processes) which is provided by DWP to the successful Provider to use when delivering the Contracted service.
Provider Referrals and Payments System (PRaP)	The DWP prescribed IT system which will be used to refer Participants and pay The Provider. Note, where PRaP is not available a clerical system will be adopted.
Provision	A term used to describe the services offered to a Participant when they are participating in a government programme. These can be services provided in-house, for example, by DWP, or by organisations from the private and voluntary sector.
Start-up Loans	A government funded initiative that provides start-up support in the form of a repayable loan.
Trading start	Trading is when a Participant has completed the Pre Start-up Period, commenced trading and is registered with HMRC as self-employed.
Universal Credit (UC)	UC – Universal Credit is a new single payment for people who are looking for work or on a low income. Universal Credit will help Participants and their families to become more independent and will simplify the benefits system by bringing together a range of working-age benefits into a single streamlined payment.

LIST OF ABBREVIATIONS [DN - needs checking when spec finalised]

BDGP	Business Development and Growth Plan
BEIS	Department for Business, Energy and Industrial Strategy
CEP	Contracted Employment Programmes
CPA	Contract Package Area
CPR	Contract Performance Review
DWP	Department for Work and Pensions
ESA	Employment Support Allowance
ICE	Independent Case Examiner
ICO	Information Commissioner's Office
IS	Income Support
IT	Information Technology
JCP	Jobcentre Plus
JSA	Jobseeker's Allowance
LA	Local Authorities
LMS	Labour Market System
MI	Management Information
NAO	National Audit Office
NEA	New Enterprise Allowance
PAT	Provider Assurance Team
PRaP	Provider Referrals and Payments system
SCIAT	Supply Chain Information Assurance Team
SCR	Special Customer Records
T&Cs	Terms & Conditions
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
UC	Universal Credit
UK	United Kingdom
WSP	Work Services Platform