

**Dear Hon. Brendan O’Conner MP  
Minister for Employment Participation**

**RE: SUBMISSION ON THE CURRENT EMPLOYMENT SERVICE MODEL – WITH SPECIFIC  
REFERENCE TO THE PERSONAL SUPPORT PROGRAM**

We would like to thank you for the opportunity to contribute to the proposed review of the current model of employment service provision.

Quantum Support Services (QSS) provides Personal Support Program (PSP) services within the ESA’s of VWSG – West and South Gippsland and VEGI – East Gippsland within the Gippsland Region of Victoria. Our targets for this program total 179 (122 & 57) and the program directly employs 3.5 staff.

Our views are submitted based on our experience in operating PSP, and its forerunner, the Community Support Program, since its initial introduction in 1999.

We would premise our comments by indicating that there has been a pronounced shift in the program guidelines since our initial involvement and that these changes have significantly eroded the original intentions to provide flexibility in meeting the needs of the long term unemployed.

Accordingly, we wish to indicate the following key issues that we have identified in how the PSP is currently operating:

**1. Increasing Complexity of Client Issues:** PSP has shifted in its focus towards becoming increasingly involved with clients with multiple complex needs. As an indication of this pronounced change is how the eligibility criteria for CSP/PSP excluded those clients on a disability benefit. Indeed, initially an outcome within CSP/PSP was the successful support of clients in accessing a disability benefit where this was considered the most appropriate outcome. Additionally, over the years there has also been a gradual tightening of client eligibility for disability benefits that has also impacted to create further changes in the client profile of those accessing the Program.

These changes have produced considerable pressures on how the program is delivered. For example, the capacity to successfully engage a significant number of the PSP client group is now linked to the capacity to provide increasing levels of assertive outreach work. This method of client engagement is especially acknowledged within mental health service provision and yet is not sustainable within current funding arrangements for PSP. The concern therefore is that the

increasing expectations placed on PSP will not produce the desired outcomes for this client group and will lead to increasing frustration from both staff and clients.

It is therefore recommended that consideration be given to:

- a. Assessing, and distinguishing, the relative level of client need: and
- b. The provision of an appropriate model of support for those long term unemployed with multiple complex needs.

It is of note in this regard that while some initial acknowledge of the special place of those with a mental health issue have been recently provided within PSP this has come with no real change to the model. Indeed, within these changes PSP service delivery staff are delegated responsibility for allocating mental health targets from amongst existing clients and there has been no additional funding allocated. It would seem that the only change with the recent 'innovation' of establishing mental health targets is that there is now a recognition that the program will continue to work with clients with barriers to employment based on significant mental health issues.

- 2. Staff to Client Ratios:** We believe that a particular constraint on the delivery of PSP is the current funding level and how this translates to high staff to client ratios. QSS operates its PSP program based on a staff to client ratio of approximately 1 EFT to 50 clients – and consider this to be the minimum level possible in order to maintain the financial viability of the program.

Given this budget setting for the program's operation we consider that there are inherent limitations about the scope of support that can be provided and how this places a clear tension between issues of quantity and quality of service provision. We further view that this has been largely neglected in the development of the program – and is made acutely evident by the trend towards the increasing complexity of client support requirements.

Under such circumstances several variables will have pronounced implications for the on-going capacity of PSP. These variables include, we believe, the:

- a. Nature and degree of the barriers to unemployment that client's confront when referred to PSP: and
- b. The level of engagement and motivation by the client in addressing the goals of participation within PSP.

This second variable relates to how the current referral process between Centrelink office staff and PSP is based on an assessment by Centrelink that the client has met the eligibility criteria for PSP. Once the client meets that eligibility criteria and chooses their PSP provider it is the role of PSP providers to clarify the goals to be undertaken. This process therefore exposes PSP to working with clients who have varying levels of interest in addressing their barriers to employment, or even to fully engage with PSP, without considerable effort and perseverance from PSP caseworkers – which is not readily available within the existing model.

It is therefore recommended that the current review of PSP evaluate the impact of these two crucial variables as they place constraints on the PSP model of service delivery. Indeed, it is proposed that what is required is an analysis of what can be achieved from a program with high caseloads within a context of pronounced differences in the circumstances of clients.

- 3. Client Non-compliance Issues:** Originally, CSP and PSP were both developed based on voluntary participation. If the client chose to withdraw their involvement from the Program they returned to the pre-existing arrangements (e.g. Newstart etc) without any penalty. However, and in contrast, under the existing arrangements PSP staff are placed in the position of recommending that the client is 'suspended' from the Program, with inevitable financial penalties placed on the client. We consider this to be against the initial philosophy of CSP/PSP and represents a serious erosion to the compassionate understanding of the needs of those with significant personal barriers to obtaining employment.

Indeed, given the nature of the client group, and the issues they confront in their daily lives, we believe this requirement of participation within PSP to be counter-productive to the interests of the client group and would recommend that consideration be given to a less punitive approach to non-engagement with PSP.

In addition, we wish to stress that any withdrawal of financial assistance to this client group will likely produce a significant burden on other community services – and as a major local homeless service provider we would strongly endorse that further work be undertaken to ensure that no customer of PSP is placed in the position of descending into homelessness due to non-compliance.

A further point we would like to make is that the existing arrangements requiring PSP staff to make decisions about non-compliance conflicts with their primary role of supporting clients in making personal change. Working closely with clients places staff in a more problematic position that is not the case with the more specific role of Centrelink in determining the eligibility rights of client for income security. We therefore disagree with the current emphasis in extending the responsibility to PSP for making decisions about client compliance that has implications for the clients' access to income security. At the least we consider there needs to be a clear separation in roles in the area of decisions about compliance. However, ideally we recommend that PSP clients should not be subject to compliance requirements – rather that they should be given a choice as to whether or end their involvement in PSP and return to the pre-existing status with Centrelink.

- 4. Rural Service Provision:** In considering the issues confronting the PSP model, the theme of effective client engagement through outreach follow-up is viewed as essential, however this is constrained by the current funding level. For services such as QSS, providing PSP within rural catchment areas, outreach service provision becomes an essential element of the service model – but at the price of further diminishing the time available for direct client service provision.

QSS provides PSP across a large rural region within Victoria. In doing so we would consider there is a further unacknowledged cost in both time and infrastructure costs that creates a relative advantage for metropolitan based services. We consider therefore that there is a significant imposition on rural service providers through poor or non-existent transport necessitating that client engagement, as well as a user friendly approach to client involvement, will occur through appointments occurring based on some level of outreach service provision.

In light of this impact on rural service provision it is recommended that this review give further consideration to addressing the existing funding anomaly between metropolitan based and rural (as distinct from remote rural) based service providers.

**5. Increasing Emphasis on Economic Outcomes:** Previously PSP's emphasis was towards overcoming barriers to employment through seeking to leverage change in the personal/social circumstances of the client. This represented expectations around improvements in the commitment, capacity and level of motivation by clients, including their interest to pursue skills development. However, at the very time that we consider the client group to be increasing in their complexity and the magnitude of their support needs, we have also experienced a shift towards increasing expectations to achieve economic outcomes. While the intention for clients to sustain economic outcomes is to be commended the issue this raises for QSS is that such a shift represents untested assumptions as to the appropriateness and capacity of PSP in meeting these expectations. We consider this changed emphasis significantly re-defines the basis for the program's effectiveness and places a heightened, and arguable unrealistic, burden on PSP and its staff.

**6. Increased Administrative Demands:** QSS PSP staff indicate that the requirements for computer-based reporting is excessive and deflecting time away from direct service delivery work with clients. Indeed, there is a concern that staff have become increasingly driven by the need to maintain documentation and reporting demands based on the EA 3000 to the point that it is seriously compromising their ability to provide direct client-based services.

We would be pleased to explore these contributions to your review process in more detail with you should you require.

Please do not hesitate to contact either myself, or Steve Koczwar, Manager of Homelessness Housing & Community Support if you require any further information.

Yours sincerely,

Alan Wilson  
Chief Executive Officer  
Quantum Support Services