

Disability Employment Services – Technical Advisory Group

Minutes of meeting held on Tuesday, 27 October 2009, 12.45pm – 5.00pm

Meeting Number 1

Present: Tony Waslin (Chair), Robyn Mckenzie, David Thompson, Rosemary Wallage, Sally Sinclair, Bec Jackson, Peter Tanner, Jason Mckey, Jenny Kitchen, Greg Hall, Viv Gugger, Stuart Reidy-Croft, Carl Princehorn, Annette Williams, Nikki Brouwers, Annett Gill, Robert Montgomery, Nick Bolto, Paul Cain, Kristin Lumley, Joe Dwyer, Alex Kerr, Raymond Lubansky, Sharon Stuart, Cedric Seveque, Lesley Wilkinson, Andy Weiss (Access Economics), Heather Byrne (Probity).

Apologies: Lucy Macali, Alison Durbin, Greg Barton.

Welcome & Introductions

1. The Chair welcomed everyone to the meeting and members introduced themselves. The Chair informed the group that Jenny Chadwick, former Branch Manager of Disability Employment Policy and Performance Branch, had moved to a new role in the Department.

Probity

2. The Probity Advisor provided a presentation on probity considerations for the meeting and for the operation of the Group. Deed polls were distributed by the Probity Advisor and signed by members of the group.

Terms of Reference

3. The draft Terms of Reference were tabled and the Chair asked for comments from the group. There was a discussion about whether the key performance indicators and associated weights are able to be changed by the TAG, or whether they have been agreed to. It was indicated that the decisions outlined in the Industry Reference Group Report (including KPI's and weights) were included in the RFT and would not be reviewed unless there were any major oversights.
4. The suggestion was made by a TAG member that the opening sentence of the Terms of Reference be changed to read 'The Technical Advisory Group will examine and provide advice on the Disability Employment Services (DES) performance management framework, including:'. This was agreed to by the Chair.

#	Action Item	Responsible	Due Date	Status
1	Change the opening sentence of the Terms of Reference to read 'The Technical Advisory Group will examine and provide advice on the Disability Employment Services (DES) performance management framework, including:'.	Department	Next meeting	New

- The group discussed whether there would be an ongoing role for the TAG in evaluating the performance framework, and in particular, moving towards a benchmarking system. The investigation of benchmarking will be undertaken during the first contract period.

Recommendations of the Industry Reference Group

- Members of the TAG were provided with a summary of recommendations from the Industry Reference Group (Attachment A).
- The TAG discussed the choice of regression methodology. It was requested that the Department make available to TAG a presentation given by John Manthey on the Star Ratings to assist TAG members to understand the regression methodology.

#	Action Item	Responsible	Due Date	Status
2	John Manthey to give a star ratings overview to TAG members.	Department	Next meeting	New

- Several members of the group asked if performance and caseload data could be provided that could be disaggregated by client characteristics, such as disability. It was indicated that reporting requirements will be discussed at a later stage in the consultation process.
- The Key Performance Indicator and associated weightings, in particular the exclusion of wages and hours as a KPI and the weighting for KPI 2.8 (ongoing support) for Program B were discussed. It was agreed that data on wages and hours, and ongoing support, as presented in the IRG meetings, be presented at the next TAG meeting and this was agreed to by the Chair.

#	Action Item	Responsible	Due Date	Status
3	Present ongoing support and wages and hours data at the next TAG meeting.	Department	Next meeting	New

Overview of Star Ratings Model

- Cedric Seveque asked the TAG to make suggestions of additional independent variables to be included in the regression models. At the request of the TAG Cedric Seveque confirmed that additional variables being used by JSA would be provided to the group for consideration. He also asked for suggestions on how to measure disability in the regression models and suggested this be further explored by the consultants. The department also confirmed that percentile rank would be available.

Role of Consultants

- Dr Andy Weiss outlined his role in the TAG as an independent statistical consultant and some of the statistical issues that will require consideration by the group.
- The group discussed the effects of removing half stars and removing the fixed star distributions.
- The request was made that ongoing support be a major part of the statistical analysis. The Department confirmed that this would be the case.

Key Performance Indicators – Measurement Definitions

14. TAG members were provided with a draft copy of the DES Performance Measure Definitions. There was a wide ranging discussion of the draft measurement definitions used for the performance measures, these will be updated and form the basis of further discussions.

Other Business

15. The Chair asked if there was any other business for discussion. There was no response from TAG members.

Schedule of Tasks and Future Meetings

16. The Department confirmed that the next meeting of the TAG would occur at the Melbourne Airport Hilton on 4 November 2009. The Department informed members that the remaining meetings indicated on the timeline are tentative at this stage and teleconference will be available.

Attachment A

RECOMMENDATIONS FROM THE IRG REPORT

The Industry Reference Group (IRG) was established by the Minister for Employment Participation, the Hon Mark Arbib MP, to provide advice on a performance management framework for the new Disability Employment Services (DES). The IRG recommended:

Comparative performance

Provider performance be assessed relative to other providers with consideration to job seeker and labour market circumstances (like with like). Performance be measured by programs and published for providers and job seekers at both the site and ESA level.

Methodology

The system apply a regression methodology to ensure performance ratings take account of the effects of labour market conditions and participant characteristics. Using a well tested regression methodology removes effects that are beyond a providers' control and allows for valid "like for like" comparison of providers.

Distribution of Providers across ratings bands

There should be no fixed distribution of the number of providers reported in each ratings band and no "half stars". The assignment of providers into each of five ratings bands should be determined by the distance a provider's performance is from the average performance of all other providers.

Measures and Weightings

The attached measures and weights were recommended for use in the new Disability Employment Services (Attachment B).

National Panel of Assessors

The performance framework will focus on the delivery of timely, quality assessments and be based on three Key Performance Indicators – efficiency, effectiveness and quality. The IRG recommends that the performance of an individual panellist be measured against quantitative targets, wherever possible.

Quality

Compliance with the Disability Service Standards (DSS) should form the cornerstone of assessments of quality. By better utilising the existing quality assurance framework the IRG believes the new performance framework will avoid duplication and red tape. Feedback from job seekers and employers, compliance with the Code of Practice and Service Guarantees will also be taken into account when measuring provider performance against KPI 3.

Technical Advisory Group

The IRG recommended that a Technical Advisory Group, including provider representatives, be formed to work with the Department to continue to provide advice on a performance management framework for the new DES. The tasks to be undertaken by the Technical Advisory Group are included in Attachment C.

ATTACHMENT B: MEASURES AND WEIGHTINGS

		Weightings	
Efficiency		Program A	Program B
1.1	Responsive Proportion of referrals who commence in the program	5	5
1.2	Time taken to achieve employment outcome Average time from commencement to the achievement of a 13 week Full Outcome for employment	5	5
Effectiveness			
2.1	Job Placements Proportion of commencements that are placed in employment	5	5
2.2	13 week Full Outcome Proportion of commencements that achieve a 13 week Full Outcome	25	20
2.3	13 week Pathway Outcome Proportion of commencements that achieve a 13 week Pathway Outcome <i>(including remote education-related outcomes)</i>	5	5
2.4	13 week Bonus Outcome Proportion of participants who achieve a 13 week Bonus Outcome <i>(including 13 week outcomes achieved by Indigenous Australians)</i>	5	5
2.5	26 week Full Outcome Proportion of commencements that achieve a 26 week Full Outcome	35	30
2.6	26 week Pathway Outcome Proportion of commencements that achieve a 26 week Pathway Outcome	5	5
2.7	26 week Bonus Outcome Proportion of participants who achieve a 26 week Bonus Outcome <i>(including 26 week outcomes achieved by Indigenous Australians)</i>	5	5
2.8	Ongoing Support Proportion of ongoing support participants who remain in employment or exit ongoing support as an independent worker	5	15
Quality			
3.1	Quality of services Compliance with the Disability Service Standards and DEEWR satisfaction with quality of services delivered	Compliance with the Disability Service Standards and DEEWR satisfaction with quality of services delivered	
3.2	Stakeholder satisfaction Participant and employer satisfaction with quality of services delivered	Participant and employer satisfaction with quality of services delivered	

ATTACHMENT C: RECOMMENDATION OF TASKS FOR THE TAG

The IRG recommended that a Technical Advisory Group, including provider representatives, be formed to work with the Department to:

- identify potential improvements and simplifications to the regression models used for the new DES Performance Ratings to be tested by statistical consultants, including, but not limited to, a:
 - review of the independent variables used in the current Star Rating models and the identification of any additional variables for consideration in the new model.
- further analysis and development of the weightings and measurement definitions for each KPI, including, but not limited to:
 - identifying circumstances in which particular referrals may not be counted in the referral to commencement ratio – for example, when the Provider seeks a review of the referral decision and a new referral option is agreed with a Job Capacity Assessor
 - the consideration of what circumstances would ‘stop the clock’ in the timeliness indicator– for example participation in accredited training
 - determining the general business rules associated with independent variables such as days in assistance.
- Further analysis on the placement of the bandwidths in the DES Performance Ratings model
- undertake additional development work on the evidence guidelines for the Disability Services Standards certification to support KPI 3 Quality
- assist in the development of the measures for use in assessing the performance of organisations on the National Panel of Assessors, and
- identify reporting requirements for DES.