

UnitingCare Wesley Port Pirie is a large provider of JPET, PSP and DEN uncapped services throughout regional and rural South Australia, providing services for over 75 year. It has offices in Port Augusta, Peterborough, Kadina and Clare and its head office is in Port Pirie. All these communities are small to medium in size and are either older industrial based cities or rural agricultural based communities.

In this current climate of low unemployment Australians of working age who remain unemployed are likely to require specialist employment services to assist them to gain and maintain employment. At present these services are provided through Job Placement Employment Training (JPET), the Personal Support Programme (PSP), the Disability Employment Network (DEN) and Vocational Rehabilitation (Voc Rehab). Participants are referred after undergoing a Job Capacity Assessment (JCA) conducted by a Job Capacity Assessor (JCAssor).

### **Job Capacity Assessment System**

The JCA is used for capacity assessment, program streaming and determines the type of income received. Our experience is that it is ineffective as a tool for determining all three. Its functionality is also linked to an electronic web based system that is inflexible and on many occasions has streamed participants to a program that was inappropriate.

The assessment itself is based on the premise that individuals had the capacity to independently attend assessments, that they are able to access any medical documentation to present as evidence of reduced capacity, that the medical profession have been informed of the changes in the 'system' and support their patients to access their medical information and that a formal diagnosis actually exists.

Although the Department of Human Services insists that JCAssors have undertaken the appropriate training it is evident, in our region at least, that this is not the case. Recruitment remains an ongoing problem for providers which has led to instability and inefficiencies. The provider that is contracted to deliver the bulk of JCA's has employed over 15 assessors in 18 months.

Centrelink was the provider that was awarded the largest business throughout Australia however in our region they have the smallest percentage of the business share along with CRS. UCWPP questions the weighting of considerations in the process of awarding contracts to private providers with no infrastructure and relationships with PAGES or the Human Services Community while Centrelink has the infrastructure throughout the regional and remote areas of South Australia, employ local staff with local knowledge and networks throughout the ESA.

The electronic reporting system allows for few errors particularly from those who are inexperienced. The provider has to wait 28 days before the mistake can be corrected, as often due to the pressure of meeting timeliness and efficiency KPI's assessments are accepted without any checking. The JCAssors have been put under unrealistic pressure to meet KPI's and it is our understanding through conversations with JCAssors is that many have been instructed by their employers to complete and prepare the reports in one hour which raises the question of whether the individual has received a thorough and extensive assessment resulting in an appropriate referral. They have also been instructed not to attend PAGES network meetings or give time to building relationships with individual providers.

*Recommendation: that the assessment, income streaming and program referral system be overhauled in consultation with PAGES.*

### **DEN uncapped**

UCWPP has been pro active in building business through direct registration and receives 40% of the business share in the Port Pirie ESA. However a large proportion of referrals generated by the JCAssor have been inappropriate, for example several participants were in the appeal stage of a DSP application or they had multiple barriers to employment and should have been referred to the PSP.

The implementation of DEN uncapped has been difficult. The intent of the guidelines are often in conflict with the capacity of EA 3000 and certainly with the STAR performance measurement tool. An example of this is that the guidelines clearly define two types of employment outcomes; an intermediate outcome for 10 hours a week and a full outcome for 15 + hours per week. However an intermediate outcome is not rewarded in the STAR system and in fact becomes a disincentive as it takes a participant out of the running for a full outcome while at the same time counting them in the formula. In the rural and remote areas of Australia and particularly where there is drought even a 10 hour a week placement is very difficult to obtain. The ability to seek employment of 10 hours per week can be one of the best strategies in marketing a participant with a disability to a prospective employer who has limited financial capacity.

There are many positives in the program in particular designing a program that acknowledges people who have permanent disabilities but can work at full wages without ongoing support addresses the needs of this cohort more comprehensively than pre July 2006 (Many ISCA participants would also be eligible for DEN uncapped if they were supported to take the appropriate medical evidence to their JCA.) DEN uncapped clients are a different cohort than the DEN capped cohort although it is recognized that they tend to have other non vocational barriers to employment such as substance dependency, low numeracy and literacy skills and limited employability skills.

The data that is collected for the STARS lacks integrity and health checks have continually contained incorrect information. The time taken to check and recheck data is a burden on our staff and affects our capacity to service participants. The Disability Employment Sector while maintaining a competitive intent is able to work collaboratively, maintaining its commitment to the delivery of quality services to people with a disability. Therefore the development a performance management framework that supports best practice, measures a range of positive outcomes and promotes collaboration would be a positive move for the new government to ensure that the essence of the Disability Service Act is better reflected in the current employment programs and in the development of any new initiatives.

*Recommendation:*

- *conflict between intent of guidelines and EA 3000 system be rectified*
- *remove disincentives from system*
- *increases the range of measures in the performance management system to include other positive outcomes*
- *improves the accuracy of measures in the existing performance management system*

**Personal Support Program**

UCWPP has been a successful and effective provider of the PSP since its inception. The organization believes it is well placed to offer comment on the evolution of the PSP and its strengths and weaknesses pre and post June 2007.

**Strengths.**

<b>Pre June 2007</b>	<b>Current Format</b>
Two years duration	Two years duration
Addressing multiple barriers to employment	Addressing multiple barrier to employment
Flexible delivery	In principle EA 3000.
Compliance requirements considerate of vulnerable and volatile nature of participants	The principle of transitional servicing - supporting participants to move into employment programs such as DEN, Voc Rehab and ISCA
Promoted good working relationships with Centrelink	
Value of social outcomes	
Easy to support clients Centrelink obligations eg 12 weekly lodgment of forms	
Participants could progress naturally into economic outcomes	
Parallel Servicing	

## **Weaknesses**

Participant cannot return to PSP for one year	Participant cannot return to PSP for one year
No funding to support training and employment related costs	No funding to support training and employment related costs
EA 2000 did not interact to EA 3000	IT glitches in EA 3000 that cost providers milestone or outcome payments are not always recoverable
Action plan was not a dynamic document	Providers are expected to monitor EA 3000 for mistakes when they are on a learning curve themselves. DEWR has not taken responsibility for the integrity of its own reporting system. This is another administrative burden PAGES have to bear
Lack of direction at the conclusion of PSP for participant as exit interviews were often held weeks or months after exit without contact between Centrelink and PSP provider	Activity Agreement and Intervention Plan both have to be continually updated duplicating administration
When providing parallel servicing for the transition to ISCA most Job Network staff lack the skills to work with the client group	Performance Management Tools do not measure the providers success or failure in achieving the goals and objectives of the program
	Focus has moved to compliance and economic outcomes disregarding the challenges of the client group
	PSP is a capped program which in turn challenges DEEWR's ability to respond in a timely manner to the individual requirements of working age Australians.
	When providing parallel servicing for the transition to ISCA most Job Network staff lack the skills to work with the client group

UCWPP acknowledges the social and economic benefits of employment and its importance in addressing welfare dependency and its connection to health, wellbeing and the functioning of communities. The organisation has adopted a strategy of focusing on employment outcomes and the flow on benefits to individuals and communities by developing of a new team, the Employment, Training and Participation Team. This team provides services that support people who experience disadvantage to transition from welfare dependency to training, employment and other participation outcomes.

The importance of PSP and other specialist employment services is no greater than now in this climate of low unemployment. Evidence indicates that the majority of working age Australians who have the capacity to work are working, are getting jobs without support or require short term services from Job Networks. We believe that a significant proportion if not a majority of working age Australians who are presently unemployed require enabling programs that build their skill base and capacity to obtain and maintain employment. We believe that a new and revised suite of employment services programs should have less focus on the Job Network and provide greater financial, administrative and practical resources to support specialist programs. A key requirement of these specialist programs is staff who have expertise in working with people who experience disadvantage.

UCWPP also suggests that ISCA services become a stand alone program. The concept of ISCA is worthy and if it were properly implemented has an important role in supporting people into employment, however our observations suggest that Job Network staff are primarily employment consultants and their ability to work in a positive and empathetic manner developing trust and rapport with a client is limited and often results in the breakdown of the placement.

A significant change in PSP has been the downgrading of the value of social outcomes versus economic outcomes. The broader evidence confirmed by our own experience is that improved health and wellbeing for individuals and improvements in the functioning of communities can be linked to social outcomes that bring social participation and inclusion. They can also bring an economic benefit but may not be measured in the earning of a wage; in particular this occurs in the area of volunteering.

#### *Recommendation*

- *That the weighting to economic outcomes be limited or removed.*
- *That greater funding is made available to support individual clients achieve economic and social outcomes.*
- *That continual improvement is made in the EA3000 system to limit the administrative burden involved in for and following up mistakes.*
- *PSP places are increased to allow the assessment system to make the appropriate referrals.*
- *That further improvements are made in the links and understanding of specialist services by the job network.*

As participating authors in the PSP SA network response we have also included below a copy of that response.

#### **Pre-Employment Vs Employment Programme**

Previously the PSP was a Pre-Employment Program servicing the most disadvantaged members of our community. The core goals were to assist participants to address the multiple non vocational barriers to employment they were assessed as experiencing. The major focus being on social inclusion hence

social outcomes were highly regarded by DEWR. Economic outcomes were achieved if a participant became employed or undertook formal training. Under the previous guidelines the sector achieved 28% economic outcomes which for a pre-employment program was an outstanding achievement. Initially PSP was designed to support a person transition to the employment focused DEWR funded programs not to be an employment program itself.

The participants had been assessed as not being able to engage in mainstream programs due to their multiple barriers for a period of two years. They required specialist services to address their disadvantage and a program that had a large degree of flexibility.

In its current form PSP has become an Employment Programme with an emphasis on economic outcomes and compliance. 60% of the HPI single figure is for economic outcomes, We now duplicate some of the services provided by the Job Network e.g. employment/education placement, referral to Work-For-The-Dole but without the same financial compensation. Job Networks have access to a Job seeker account, wage subsidies and employment outcome fees for 13 and 26 week employment placements and they work with most capable members of our communities. At present PSP providers are expected to to achieve a high level of economic outcomes without any extra funds or employer incentives with the most disadvantaged members of the community.

Whilst we acknowledge that the most successful strategy to overcome welfare dependency is through employment, social inclusion is a prerequisite to sustainable economic inclusion.

Jobseekers with the highest level of disadvantage require the greatest intensive assistance, including when participating in training. Often mainstream educational programs are inflexible and don't take into account individual learning requirements.

### **Current Labour Market Climate and the Role of the PSP.**

**Given the low unemployment rate it would be reasonable to assume that most people who have the capacity to work are doing so with or with out the support of Job Networks. The remaining people who are unemployed in these times of nearly full employment experience extreme disadvantage and at present lack the skills and capacity to achieve sustainable employment. They require support by providers who deliver specialist services. The requirement for the Job Networks has become less as the majority participant's fall into the category of requiring specialised and intensive support.**

The SA PSP Provider Network recommends that the role of the PSP should be a preparatory programme by nature and delivers services that :

- promote social inclusion
- address the barriers identified in consultation with the participant
- identify and create pathways to employment and training.

- builds a skill base that ensures that all participants are able to achieve sustainable outcomes
- builds a skill base that promotes connectedness with the community

When modifying the PSP to meet the needs of its participants DEEWR should also take into account

- the episodic nature of the barriers the participant group experience eg mental health and homelessness,
- the fact that people from non English speaking backgrounds require adequate interpreter services
- the need to support people through the DSP application and appeal process – is this the role of PSP or Centrelink
- the complexities of working with single parents and their requirement for more flexibility around compliance
- the cost restrictions that mainstream education and training present

### **Compliance & Administration**

Compliance and administration go hand in hand. With the greater focus on compliance there has been an increase in time required to complete the associated administration. This is another example of the sector being required to provide an increase in services without adequate funding to do so. Many providers of the PSP have, philosophically, had difficulties coming to terms with the punitive nature of compliance requirements and believe that now is the time to address the flaws in the current system so that positive engagement is promoted and rewarded in a more progressive PSP service delivery model.

The SA PSP Providers Network recommends that;

- PSP providers who work intensely with the participants are able to record and register their vulnerabilities. This would bypass the current long drawn-out process through Centrelink ensuring that less vulnerable participants receive a participation report
- DEEWR recognise the value of PSP providers developing and nurturing good relationships with participants and not force the sector to implement its compliance requirements in a manner that jeopardises this working relationship
- Any performance measurements account for the vulnerable and volatile nature of the participant group and that they actually reflect a providers achievement in meeting the programme goals and objectives
- Administration processes be more efficient eg updating both the Activity Agreement and the Intervention Plan is unnecessary but time consuming,
- EA 3000 the Specialist Service Application be reviewed particularly as it is the major source of data for performance measurement. The system

lacks integrity and its accuracy is questionable. It has little capacity for easy overrides – correcting a systems error is a time consuming process that PSP case managers undertake on a regular basis without any compensation even though the error was generated by another entity.

## **Funding**

**The PSP has changed from its inception to the current model, however there has been few adjustments to the fee structure. Although there is now a 13 week economic outcome payment, this falls short of what other Employment Programs receive. Eg a Job Network provider receives \$3300 for the same outcome. The cost of meeting the increased administration requirements places the continued delivery of quality services at risk.**

**The SA PSP Provider Network recommends that;**

- the fee structure of the PSP reflect the increased requirement for administration
- the fee structure is indexed to fall in line with the increased costs of implementing the program
- interpreter fees adequately support best practice by covering face to face interviews with the case manager and participant over the duration of the program
- PSP Providers have access to wage subsidies, an account that subsidises training opportunities and employment related costs and that employment outcomes are equal to those available to the Job Network

## **Star Rating & KPI's**

**The performance measurement tool used for the PSP needs to reflect a providers success in achieving the goals and objectives of the program. At present the High Performance Indicator measures commencement to referral ratio (20%), time taken to commence from referral (20%) and economic outcomes (60%).** There are also various KPI's which address timeliness and efficiency however there is no measurement on the sectors efficiency in addressing the barriers, in supporting participants to gain the skills to become independent or manage their own lives. In fact if a participant progresses to a place where they can be independent and perhaps get a job and wish to withdraw from the program the provider is penalised both financially and by the current performance tool. Another example is when a participant is referred whilst still in the process of applying for the DSP. The provider will give support the participant and if DSP is granted and the participant elects to leave PSP the retention rates are adversely affected.

The introduction of a star rating system is not supported by our sector and can only impact negatively on the goodwill and collaborative nature that currently exists between providers.

Our sector fully supports performance measurement as an integral part of the National Accountability Framework and welcomes this opportunity to develop an alternative system which sits within this framework but also encourages continuous improvement in the delivery of PSP.

The SA PSP Provider Network recommends that;

- an overhaul of the performance management system used for PSP in its current and proposed form be conducted in consultation with the sector

### **Staff recruitment and retention**

Due to the PSP becoming more employment focussed and the increased time now taken to administer the compliance framework - the required work skills of staff have altered from a social or counselling background to that of an employment consultant. This has resulted in -

- loss of experienced staff
- provider anxiety on retaining and recruiting appropriate staff
- staff who were passionate about assisting disadvantaged people leaving, as this was their prime reason for working in the industry
- remaining staff with a social or counselling background under utilising their skills and may be lost in the near future
- arguably new staff with an employment consultant only focus, will not have the skills to fully assist the most disadvantaged in our community