



**Submission to the
Hon. Brendan O'Connor
Minister for Employment Participation**

EMPLOYMENT SERVICES

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submission please contact:

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Background

Since 1877, Berry Street has been providing services to Victoria's vulnerable children, young people and families. Incorporated under the Associations Incorporation (Amendment) Act 1997 with a voluntary Board of Directors, Berry Street is now the largest independent child and family welfare organisation in Victoria.

Berry Street provides a range of services for children, young people and families in a number of different locations. Services include: home-based care; residential and reception care services; intensive youth services, including youth support, outreach, employment services for young people including JPET (Job Placement Employment & Training) and housing services; child abuse prevention programs; mediation and family counselling; education & employment programs and a school; family violence work & networking; domestic violence outreach; financial literacy and counselling programs; adoption & origins information; a publicity and recruitment unit for volunteer caregivers; a children's contact service; a sexual abuse prevention program; community development and support programs including **Safe and Caring Communities** and a Statewide intensive therapeutic service for children and young people (Take Two).

Berry Street works across Victoria, from 19 offices and another 35 worksites, with the majority of services in the Gippsland, Hume, Northern and Southern regions. Berry Street employs approx. 385 (EFT) staff and has the support of over 208 carer households and 419 volunteers. The budget for 2007/08 is more than \$33 million.

The Berry Street Strategic Plan for 2007-2010 outlines our current strategic objectives within the five key goal areas of: *Services; People; Resources; Community; and Knowledge*. The Plan reaffirms our commitment to deliver the highest quality services and to promote a learning culture to support the development of new service responses to identified and emerging needs.

Scope of this submission

Berry Street does not intend providing a submission on the full range of employment services being considered in this consultation. Rather, this submission focuses on our experience as a provider of the pre employment Job Placement Employment Training Program (JPET) in Morwell (Gippsland) and Seymour (Hume) and as a partner in the Victorian Government funded Workforce Participation Project in Seymour. Berry Street has been a JPET provider since the program's inception in 1999, providing services for young people in Gippsland and Hume Regions in Victoria.

RECOMMENDATIONS

- Longer term funding should be introduced for WPP programs and consideration should be given to integrating, or combining the WPP with the JPET programs within a Federal funding framework.
- The Federal JPET program should be reviewed (incorporating the findings of the 2002 evaluation) with the program able to concentrate on young people with the highest levels of need who require intensive but gradual engagement. Berry Street believes that this be through a casework approach predicated upon a thorough assessment of the social and emotional capacity of the young people engaged.
- Federally funded Employment program funding should be available for young people who are still in care, where this is in their best interests.

Department of Education, Employment & Workplace Relations

JPET: Job Placement Employment Training Program

Berry Street has concerns that relate to the gradual shift in the direction of the JPET program over the last two years, since its move from the former Department of Family and Community Services to the Department of Employment and Workplace Relations.

As an early intervention program specifically targeting high-risk youth, this program has been subject to changes that do not adequately reflect the needs of the target group.

We are concerned that Berry Street's expertise in working with young people is not being fully utilised and that our capacity to engage with and assist disadvantaged young people to achieve positive outcomes continues to be diminished.

We believe that these outcomes are being compromised by the changes to JPET in recent years.

Our most significant concerns are:

- **The introduction of participation reporting as a requirement of JPET service provision.**

The use of participation reporting (PR) as an 'engagement tool' is problematic. The very nature of the target group requires flexibility in design of engagement strategies. JPET providers were originally selected on the basis of their expertise with the young people they assist. This expertise is reflected in Berry Street's ability to determine the best way to engage a particular client and when and how to use the right balance of enticement and enforcement. The current PR system does not allow the level of discretion and flexibility that is necessary to engage this vulnerable client group

- **A shift in the program balance away from a pre-employment model towards one that focuses mainly on economic outcomes.**

Addressing the barriers to employment and the role of education and skills development have been relegated to second place as a result of the increased emphasis on achieving economic outcomes. Our knowledge and experience of 'best practice' in working with vulnerable young people informs us that these pre-employment elements must be addressed as a pathway toward achieving successful and sustainable social and economic outcomes.

- **The partnership arrangements between the Federal Government and providers, established at the commencement of JPET, have become overly contractual and cumbersome.**

We have experienced a significant shift in the nature of the relationship between government and service providers. The benefits of a partnership approach that supports us to deliver the best service possible, have, we believe, been diminished within the current, overly formal, contract management approach.

- **The increasing level of administration and associated costs now required to deliver the program.**

Historically the funding for the JPET program has been comparatively low (in comparison to other DEWR programs) partially due to the pre-employment status of the program and the equal weighting of social outcomes and economic outcomes. Additional administrative requirements as part of the new emphasis on compliance, activity agreements, PRs and EA3000 have all been introduced without any recognition of the increased workload and associated costs.

There has been no indexation increase during the 2006/09 contract period, nor have there been any funding adjustments to offset the extra administration requirements. The current unit cost funding for JPET is \$1,556.00.

This fixing of costs has resulted in a significant net reduction in the level of program resources and this has been further exacerbated by the diversion of resources to administration tasks and functions. The end result is that relevant staff have less time to assist clients, which, in turn, leads to a reduction in service provision and, consequently, a reduction in quality outcomes.

A Case Example

Zack (not his real name), a young man aged 19 years, has been placed in out of home care in the Gippsland area of Victoria since he was 18 months old. Zack has experienced repeated instability in his life together with trauma involving the murder of his sister and his remaining siblings also being admitted to care.

Zack completed his last full year of mainstream education when he was 12 years old. Since that time, his attendance at alternative school provision has been limited. He has developed serious substance abuse issues

Zack's literacy and numeracy skills are very limited. He undertook a Job Capacity Assessment through DEWR and was determined by that assessment to be ready for employment. Zack failed to keep appointments and his payments were regularly breached, leading to greater instability in accommodation, and a downward spiral towards engagement in more serious self-harm and crime.

The example of Zack highlights the increasingly high needs of JPET clients. Young people with high needs often have a history of instability within their families and disrupted relationships with education and welfare services. Such young people require more intensive support and more gradual transitions in order to be able to take advantage of possible employment and training options.

Getting JPET Back on Track

The program changes outlined above are having, and will continue to have, a negative impact on the capacity of Berry Street as a JPET provider to engage with, and achieve outcomes for, vulnerable young people. It is our view that the particularly complex needs of disadvantaged young people are best addressed by specialist youth-focused services. This view is supported by the various DEWR reports on the less than satisfactory levels of access to the Job Network by disadvantaged young people.

We therefore suggest a full review of the JPET Program, given that a number of significant changes have occurred and are now impacting negatively on the capacity of the program to assist vulnerable young people.

A comprehensive review will need to include:

- Analysis of current research in pre-employment programs for vulnerable youth;
- An assessment of best national and international practice in the field;
- A thorough consultation with current providers and, more broadly, youth services;
- Feedback from past and current JPET clients;
- Analysis of the impacts of the compliance and penalties regime; and
- A means of measuring added value in relation to those young people who have yet to achieve an economic outcome.

Berry Street also has concerns that young people are currently not eligible for the JPET Program if they are still in out of home care. We strongly recommend that eligibility for JPET should include young people in care, many of whom have significantly complex needs and for whom this program would be a positive alternative to full time education.

History and Context of JPET

JPET was originally funded between 1993 until 1994/95 when it was de-funded at the same time as the introduction of the Employment Services Regulatory Authority and the contracted case management system. The funding was restored in 1997 and was evaluated in 2001. This evaluation was commissioned and conducted by the Department of Family and Community Services.

The evaluation described the JPET objective as:

“to assist young people who are homeless or at risk of homelessness, or facing similar severe problems, in ways which not only help them with their income and personal support needs, but which also ensure they secure career paths and sustainable futures”.

JPET is intended to be a flexible and integrated program that aims to:

- Establish a stable lifestyle for the participant;
- Assist the participant to attain life skills;
- Re-establish, or strengthen family links where appropriate;
- Improve the participants participation in education and pre-vocational and vocational training; and
- Prepare participants for, and maintain them in, entry-level training or work opportunities, which are appropriate to their needs.

The 2001 Evaluation found that:

“JPET has very positive outcomes for accommodation, education, training, employment and income support across all client target groups. ... These positive results are comparable with or better than similar government programs. The results presented here, therefore, provide strong support for the continuation of JPET”.

The Evaluation’s conclusion was that the success factors of JPET included:

- Use of holistic case management - the assessment of whole client needs and the development of individualised action plans in response which address practical, psychological and developmental issues for clients;
- Ability to spend money on training and other personal requirements to do whatever was required to support clients;
- Use of local service providers well integrated into their communities with good track records in related service provision; and
- Flexible programme delivery - allowing local service providers considerable scope to ‘mould’ services to the needs of local circumstances.

Key success factors were identified in the 2001 evaluation, as well as the following additional key success factors that have been identified by Victorian JPET providers in 2007:

- A focus on young people and pre- employment;
- Provision of a relationship with key worker;
- Supported referrals;

- Continuity through collaboration and partnerships;
- Adequate income and incentives;
- Interface with family and/or significant community; and
- Delivery of outcomes valued by participants.

Department of Innovation, Industry & Regional Development

Workforce Participation Partnerships (WPP)

Berry Street is a partner in the Workforce Participation Partnerships in the Seymour area of the Hume Region. This is a Victorian Government funded program administered by the Department of Innovation, Industry and Regional Development.

WPP aims to address two priorities of the Victorian Government:

- Increasing sustainable employment opportunities for Victorians facing significant barriers to work; and
- Addressing areas of emerging labour and skill shortages.

WPP provides case management services to targeted jobseekers; and at the same time, forges stronger links between service agencies, unions, local Government and employment services. Berry Street supports the casework components of service design.

The WPP has shortcomings:

- The short-term nature of the funding for each participant creates instability and problems with sustainability; and
- The program has somewhat unrealistic expectations of the speed of engagement and progress in meeting goals and underestimates the significant barriers to engagement of young people.

Some of the key findings of the Evaluation of JPET services apply equally to the WPP program. However, the key issue is that there is a significant overlap between the programs and Berry Street believes that the division of responsibilities between Federal and State Governments for Employment placement programs is unhelpful and that the Federal Government should assume overall responsibility for all employment, training and placement programs for vulnerable unemployed persons (albeit with a more flexible, needs-led assessment and intervention planning approach) reflecting the need for earlier interventions and more intensive case based support for service users and improved, more sustainable long term employment outcomes.