



An Australian Government Initiative

# CDEP Guidelines

# 2015-16

Community Development Employment Projects (CDEP) programme



Jobs Careers Future

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These guidelines outline the principles of CDEP programme management and delivery in 2006–07. Full conditions of CDEP organisation funding are contained within the *2006–07 General Terms and Conditions for Funding Agreements Relating to Indigenous Programs*, the *Program Funding Agreement 2006–07* and the *DEWR Schedule*.

These guidelines have been developed to assist DEWR Account and Contract Managers in the monitoring of the *Program Funding Agreement 2006–07* and to assist CDEP organisations, by explaining their rights, responsibilities and obligations under that agreement. These guidelines may be subject to change.

## List of Acronyms

<b>ACP</b>	Average Contracted Places
<b>AGI</b>	Activity Generated Income
<b>APP</b>	Average Per Participant
<b>ATO</b>	Australian Tax Office
<b>AWA</b>	Australian Workplace Agreement
<b>CDEP</b>	Community Development Employment Projects
<b>CDEPPI</b>	CDEP Placement Incentive
<b>CPI</b>	Consumer Price Index
<b>CPS</b>	CDEP Participant Supplement
<b>DEWR</b>	Department of Employment and Workplace Relations
<b>DOES</b>	Disability Open Employment Services
<b>IBA</b>	Indigenous Business Australia
<b>ICC</b>	Indigenous Coordination Centre
<b>ICV</b>	Indigenous Community Volunteers
<b>IEC</b>	Indigenous Employment Centre
<b>IEP</b>	Indigenous Employment Programme
<b>ISP</b>	Internet Service Provider
<b>IT</b>	Information Technology
<b>JNM</b>	Job Network member
<b>KPI</b>	Key Performance Indicator
<b>NEIS</b>	New Enterprise Incentive Scheme
<b>OEA</b>	Office of Evaluation and Audit
<b>OIPC</b>	Office of Indigenous Policy Coordination
<b>PEP</b>	Pathways to Employment Project
<b>PFA</b>	Program Funding Agreement
<b>QAP</b>	Quality Audit Project
<b>RAE</b>	Remote Area Exemption
<b>RPA</b>	Regional Partnership Arrangements
<b>SRA</b>	Shared Responsibility Agreements
<b>STEP</b>	Structured Training and Employment Projects

# **1 Introduction**

## **1.1 What is CDEP?**

The Community Development Employment Projects (CDEP) programme is an Australian Government funded initiative for unemployed Indigenous people providing activities which develop participants' skills and improve their employability in order to assist them move into employment outside the CDEP and to meet community needs. These activities can also lead to the development of business enterprises. The overall aim is to support Indigenous Australians to achieve economic independence.

The Department of Employment and Workplace Relations (DEWR) manages the programme. DEWR has responsibility for funding and contract management including monitoring and reporting of CDEP organisations' activities.

*Note:* In the Torres Strait, CDEP is managed by the Torres Strait Regional Authority. These guidelines do not apply to the Torres Strait Regional Authority.

## 2 Summary of changes for 2006–07

The vision for CDEP is of a programme that supports its participants by creating job and business opportunities, building skills and encouraging economic independence.

Achieving this vision requires change to the way the CDEP programme is delivered and managed. These changes began in early 2005 with an extensive consultation process across Australia to reinvigorate the CDEP programme. The feedback gained through this process informed the *2005–06 Future Directions for CDEP*.

Since these reforms were made to the programme many more people have moved into non-CDEP employment. DEWR is continuing to work with CDEP organisations to build their management and organisational capacity and assist participants to move into work.

These 2006–07 guidelines further consolidate the *Future Directions for CDEP*. The changes to CDEP for 2006–07 as outlined in these guidelines include some across-the-board reforms as well as some that target specific locations.

### 2.1 The changes by location for 2006–07 include:

#### 2.1.1 All locations

- to improve incentives for young people to complete their education, youth participant rates will be introduced. Youth participant rates will apply to most CDEP participants aged 20 years or under commencing in CDEP, or recommencing in CDEP after a break of more than 12 weeks, on or after 1 July 2006;
- funding agreements may be extended for an additional year for selected high performing organisations;
- CDEP activity supervisors' wages are to be funded from Activity Fees not CDEP Wage Funds;
- CDEP organisations are required to demonstrate satisfactory governance and have appropriate insurance;
- community activities in CDEP must lead to increased skills and improve the opportunities for participants to obtain employment in addition to meeting the needs of the community, wherever possible; and
- clarification that CDEP participants cannot be in receipt of Austudy or ABSTUDY Living Allowance.

#### 2.1.2 Urban and regional centres

- new participants will be required to register as job seekers with a Job Network member (JNM) within four weeks of commencing CDEP;

- existing participants will be required to register as job seekers with a JNM by 30 September 2006;
- new participants will be limited to a maximum of 52 weeks (1 year) participation in CDEP (in total) with assistance to transition to jobs or further assistance through early Job Network registration.

New participants are those who commence in CDEP or recommence in CDEP after a break of more than 12 weeks, on or after 1 July 2006.

Participants in urban centres are defined as those who live permanently in a State or Territory capital city. For participants in regional areas, if there is a JNM permanently located in the town where the participant lives, that participant will be required to register with the JNM. New CDEP participants in these areas will be time limited.

Each CDEP organisation's Program Funding Agreement (PFA) will clearly set out how these requirements affect their participants.

### 2.1.3 Other locations

- CDEP organisations will develop participant plans with those participants who are not required to register with a JNM. These plans will help identify their level of work readiness and set out a plan to move into non-CDEP employment; and
- new participants are required to complete a participant plan within one week of commencing CDEP;
- existing participants are required to have completed a participant plan by 30 September 2006; and
- CDEP organisations may play a role in assisting unemployed people who previously had a Remote Area Exemption (from activity testing).

## **3 CDEP activities**

### **3.1 Activities**

CDEP organisations manage activities aimed at increasing employment outcomes, providing business development opportunities and meeting community needs to benefit Indigenous people and their communities.

Each CDEP organisation is a unique blend of three elements – placing CDEP participants into non-CDEP employment, business development and community activities. Funding for each CDEP organisation will be negotiated based on the CDEP organisation's ability to provide a service which achieves these outcomes taking account of local circumstances particularly local job opportunities.

CDEP funds and assets acquired using CDEP funds are only to be used for the purpose of conducting approved activities identified in the DEWR Schedule and PFA. All activities must be approved by DEWR in writing before the commencement of the activity. A variation to an activity requires DEWR approval in writing and a variation to the PFA. The conduct of activities without DEWR's prior written consent may result in the suspension or cessation of funding.

#### **3.1.1 Employment**

CDEP organisations place participants in jobs outside CDEP through:

- placing participants with an employer;
- working closely with the Job Network to give participants easier access to funding for training, job search support and a wide range of job vacancies;
- links with other job placement agencies, recruiters and employers;
- links with other government programmes and services; and
- hosting an Indigenous Employment Centre (subject to meeting the IEC criteria).

#### **3.1.2 Community activities**

Community activities carried out by CDEP organisations aim to meet the priorities of the community with a view to:

- ensuring that community work is aligned with local job opportunities and builds skills through work experience; and
- meeting community needs, including those in a Regional Partnership Agreement (RPA), Shared Responsibility Agreement or in community plans.

Activities that do not meet these criteria (such as home duties or mowing your own lawn) will not be funded as community activities.

### 3.1.2.1 Shared Responsibility Agreements (SRA)

SRAs are agreements between the government and Indigenous communities or groups to provide a discretionary benefit in return for community obligations. These can be developed in remote communities and regional or urban areas if Indigenous people locally want to make changes in this way.

SRAs set out clearly what the family, community or governments are responsible for in contributing to a particular activity, the expected outcomes of the activity and the ways in which success will be measured.

The discretionary benefits may take the form of extra services, capital or infrastructure over and above essential services or basis entitlements.

### 3.1.2.2 Regional Partnership Agreements (RPA)

RPAs are considered to be a higher level agreement than SRAs. These identify common priorities (and the outcomes sought) for a region not just a community. RPAs do not necessarily detail the specific projects and community obligations that may be implemented to address the priorities identified. As these progress it is expected that SRAs will be developed within the broader RPAs.

RPAs can be time-limited or ongoing, can be about a single priority, such as getting local people into local jobs and can involve a range of parties, for example Australian, State and local government, private sector and community representatives interested in pursuing joint action to achieve a particular regional goal.

CDEP activities can and should link directly to SRAs and RPAs where these exist and where CDEP is relevant to the content of the SRA or RPA.

### 3.1.3 Business development

Business development within CDEP supports businesses or enterprises and involves:

- identifying commercially viable activities or contracting opportunities that could become viable businesses and create jobs outside the CDEP including providing municipal services;
- utilising CDEP resources to support the development of those activities;
- developing the business skills of CDEP participants and providing them with or linking them to business support and mentoring assistance; and
- establishing effective structures within the CDEP that will support commercially viable businesses.

A commercially viable business is one that:

- is managed by an individual or team with the necessary skills and experience;
- is managed in accordance with best governance practice;
- can cover all operating expenses, including living wages, loan repayments and taxes; and
- provides the business owner(s) a positive return over the life of the business on the capital invested. The return may be in the form of a profit, dividend or an increase in the commercial value of the business.

For those activities which have been identified as being potentially commercially viable or where an organisation wishes to move an existing activity towards becoming a standalone viable business (that is no longer relying on assistance such as CDEP Wage Funds), a CDEP organisation will need to submit a business case.

The business case will need to outline and justify how the activity can become a commercially viable business. In developing a business case, there are a range of factors to consider, including but not limited to the following:

- the structure of the business activity;
- demonstrating that the business will be commercially viable;
- the level of support and resources, including CDEP Wage Funds and Activity Fees and capital equipment (new or existing) required and how these will be utilised;
- the capacity of the CDEP organisation, individual or business entity to undertake the project, including financial capacity;
- the CDEP participants who will be involved, their relevant skills and experience or their capacity to acquire such skills and whether these participants have the necessary drive to ensure a successful business;
- agreement with the CDEP Board on the proposed funding for the purchase of equipment or investment; and
- an action plan which outlines the steps to be taken and the timeframe in which these will be undertaken.

When an activity has been identified as being commercially viable, the CDEP organisation must ensure the business is operated by a separate legal entity which is established for the express purpose of engaging in a business enterprise. It will be vital to identify who will own the separate legal entity. For example whether the business will be owned and operated by an individual, a community or the CDEP organisation.

Where a business is operated by a separate legal entity, CDEP labour may be contracted to the business and utilised to help pay wages under a host agreement for a specified period of up to twelve months. Where the organisation believes it requires a longer host agreement, it needs a business case to support the claim. Additional support is limited to a maximum period of twelve months for remote areas. As is standard for host employers, all costs such as workers compensation

insurance and taxation are to be met by the business and not the CDEP organisation.

In supporting the development of a business a CDEP organisation may elect to lease or hire equipment, land or buildings to the business, subject to the overriding conditions and in accordance with the PFA. The leasing costs must be at market value as determined by an independent valuation.

The CDEP organisation must not provide any goods or services free of charge to the business entity.

Competitive neutrality protects existing businesses. CDEP organisations are to operate fairly in undertaking their activities. Commercial rates are to be charged for goods and services produced.

### **3.2 CDEP participant plan**

CDEP organisations will develop plans with participants who are not subject to compulsory Job Network registration to identify the participants' level of work readiness and set out a plan to move into non-CDEP employment. For all new participants the participant plan must be developed within one week of commencing in CDEP. Existing participants as at 1 July 2006 must have plans in place by 30 September 2006.

The participant plan must include the CDEP participant's:

- work goals and aspirations;
- educational attainments;
- work history;
- skills profile; and
- training needs.

The plan must also outline what assistance and support the CDEP organisation will provide to the participant.

A template plan is provided at Attachment D.

### **3.3 Support for participants gaining employment (post placement support)**

CDEP participants placed in non-CDEP employment are more likely to remain in employment if ongoing support and assistance is received. CDEP organisations are to establish and maintain regular contact with former CDEP participants and provide ongoing support and assistance. Continued employment will result in the CDEP organisation being better placed to claim the full CDEP Placement Incentive.

### **3.4 Pathways to Employment Project (PEP)**

The Pathways to Employment Project (PEP) is a pilot programme being delivered by selected CDEP organisations across Australia. The project aims to improve employability of CDEP participants through identifying their skills needs and linking them to appropriate Vocational Education and Training.

A further goal of the project is to develop an approach to skills analysis and training which can be used in other CDEP organisations throughout the country.

The project will run until December 2006.

### **3.5 Opportunities for young people**

Wherever possible young people should complete their education and be in a position to accept non-CDEP training and work opportunities.

To improve incentives to complete education a youth participant rate is being introduced in 2006–07 for participants aged 20 years and under. The requirement for 15-17 year olds choosing to participate in CDEP to undertake accredited training while in CDEP remains. CDEP organisations must ensure that this requirement is met. Organisations must use the difference between the payment from DEWR (paid at the adult participant rate) and the amount paid to young people (youth participant rates) for the provision of training to young people.

Youth participant rates are discussed at 7.3.4.2

Participants on the non-remote youth participant rate are not eligible for top-up payments from CDEP. However they may obtain wages from host employment or other employment outside CDEP.

## 4 Outcomes and KPIs

DEWR works in partnership with CDEP organisations to achieve better results. DEWR staff in Indigenous Coordination Centres (ICCs) and State and regional offices will work with each CDEP organisation to set realistic goals for performance and assist in meeting targets.

The level of achievement by individual CDEP organisations against their Key Performance Indicators (KPIs) and capacity building plans will be taken into account when considering future funding and possible PFA extensions.

### 4.1 Key Performance Indicators (KPIs)

The following KPIs apply for the 2006–07 funding agreements. Targets based on local circumstances will be individually negotiated with CDEP organisations. DEWR will work closely with CDEP organisations to monitor and improve performance.

#### 4.1.1 Employment KPI

KPI 1: Number of CDEP participants who move into non-CDEP employment.

Outcomes will be measured by the number of initial CDEP Placement Incentive payments and the number of employment placements through Indigenous Employment Centres (IECs) where CDEP organisations have an IEC contract.

#### 4.1.2 Community Activity KPIs

KPI 2: Activities have a relationship to community priorities and wherever possible improve employability skills.

Community priorities are to be identified through SRAs, RPAs or community plans where these exist or by other arrangements where required.

DEWR will agree with each CDEP organisation on community priorities and how these will be measured.

KPI 3: An effective rate of utilisation of allocated CDEP places.

Outcomes will be measured through actual utilisation and the flow into non-CDEP employment.

### 4.1.3 Business Development KPIs

KPI 4a: Number of commercially viable businesses created.

A commercially viable business is one that:

- is managed by an individual or team with the necessary skills and experience;
- is managed in accordance with best governance practice;
- pays all operating expenses, including living wages, loan repayments and taxes; and
- provides the business owner(s) a positive return over the life of the business on the capital invested. The return may be in the form of a profit, dividend or an increase in the commercial value of the business.

KPI 4b: Number of commercially viable businesses being progressed.

For a business to be considered as having progressed, it must meet major milestones outlined in a business plan as agreed with DEWR.

KPI 5: Number of non-CDEP jobs created in those businesses.

Non-CDEP jobs are defined under KPI 1.

These KPIs will be negotiated with particular reference to existing and potential business activities run by the CDEP organisation. Not all CDEP organisations will have Business Development KPIs 4 and 5.

### 4.1.4 DEWR Quality KPI

DEWR's satisfaction with the delivery of services will be measured through the CDEP organisation's compliance with the *Employment and Related Services Code of Practice* (Attachment A), the *CDEP Service Guarantee* (Attachment B) and the *2006–2007 General Terms and Conditions for Funding Agreements Relating to Indigenous Programs* as contained within the PFA. (Note a similar KPI applies to all DEWR programmes.)

KPI targets incorporated into the DEWR Schedule can be varied by agreement between DEWR and the CDEP organisation throughout the term of the PFA. Any changed target will require a PFA Variation.

## **5. Capacity building of CDEP organisations**

As part of the process of negotiating funding for 2006–07 DEWR and CDEP organisations will consider areas where the CDEP organisation may improve its skills or structure in order to achieve better results.

### **5.1 Succession planning for Indigenous people**

An area of importance is succession planning for Indigenous people into management, administrative and supervisory positions within CDEP organisations. CDEP organisations are required to plan for Indigenous succession using Capacity Building Plans.

This requirement should be a goal for all organisations and activities funded in communities.

### **5.2 Capacity Building Plans**

A Capacity Building Plan is a tool to target improvement in areas such as governance, management, financial viability and compliance. The Capacity Building Plan will be used to assist the organisation in developing strategies to implement improvements in those four key areas as well as in succession planning for Indigenous people.

In developing a Capacity Building Plan the organisation needs to consider its:

- capacity and ability to successfully manage its overall affairs;
- ability to successfully manage and operate CDEP activities;
- ability to manage financial matters to ensure ongoing viability of CDEP activities; and
- performance and ability to comply with programme conditions and achieve the CDEP KPIs.

These plans are incorporated into the PFA. The CDEP organisation's achievement against the Capacity Building Plan will be taken into account when considering future funding.

The Capacity Building Plan is jointly developed by DEWR and the CDEP organisation and signed by DEWR and an authorised signatory of the CDEP organisation. The Capacity Building Plan is to be developed by the end of August 2006 and the CDEP organisation is to update the plan quarterly to reflect progress with implementation and other achievements that will influence capacity building. A Capacity Building Plan template is provided at Attachment C.

## 6. Delivering CDEP

CDEP organisations are funded by DEWR to manage activities under the CDEP programme.

To receive CDEP funding for 2006–07 organisations are subject to financial viability checks and a risk assessment to ensure the organisation can achieve programme outcomes and meet local Indigenous community priorities.

### 6.1 Conditions of funding

#### 6.1.1 Governance

Organisations must have the infrastructure necessary to deliver the CDEP programme including:

- capacity to undertake the day-to-day administration of the CDEP programme;
- capacity to manage their financial affairs, including adequately preparing financial accounts, maintaining and retaining records and having appropriate administrative processes in place;
- ability to comply with relevant legislation and terms and conditions of funding agreements; and
- personnel with relevant knowledge and experience.

Good governance principles include an expectation that a CDEP organisation has a Board of Directors or Governing Committee that can guide the organisation to meet its commitments under the PFA.

Directors of a Board or Members of a Governing Committee must have the appropriate skills and knowledge to govern a commercial organisation, be free of any real or perceived conflicts of interest and be eligible for the position (see the *2006–2007 General Terms and Conditions for Funding Agreements Relating to Indigenous Programs*).

To ensure commercial effectiveness CDEP organisations are also encouraged to have Board or Governing Committee members who have accounting, legal and/or business qualifications. It is also important that the Board or Governing Committee is representative of the community in which the organisation operates. As an initial step DEWR requests that wherever possible CDEP organisations work towards a goal of no more than 50 per cent of their Board or Governing Committee be active participants, supervisors, coordinators or managers of the organisation by the end of 2006–07.

CDEP organisations are expected to discuss any difficulties with achieving this goal with their DEWR contract manager and exceptions to the

50 per cent requirement will be considered by the DEWR delegate on a case by case basis.

CDEP organisations must also adhere to corporate governance conditions stated in the *2006–07 General Terms and Conditions for Funding Agreements Relating to Indigenous Programs* included in the PFA.

### 6.1.2 Insurance

CDEP organisations will continue to be responsible for ensuring that adequate insurance cover is in place. DEWR will work with CDEP organisations to build capacity in this area and streamline the process.

As a minimum, DEWR requires all CDEP organisations to have the appropriate insurance in respect of CDEP operations. This may include but is not limited to:

- insurance for the replacement of buildings (if owned by the organisation) and contents;
- insurance for the replacement of assets such as motor vehicles, machinery, marine equipment and aircraft (as applicable);
- public liability;
- product liability; and
- workers compensation insurance as required by law.

An insurance information fact sheet provides advice to CDEP organisations about insurance matters. Further information and advice regarding insurance will be sent to CDEP organisations as appropriate and is available on [www.workplace.gov.au/cdep](http://www.workplace.gov.au/cdep)

### 6.1.3 Program Funding Agreement (PFA)

In the 2006–07 financial year CDEP programme funding is being offered via a PFA. A PFA is an agreement between the Australian Government and Indigenous communities (or organisations operating within those communities). It specifies how much funding an organisation will receive and for what purposes those monies can be used. The Office of Indigenous Policy Coordination (OIPC) advertises nationally for organisations to manage and implement the Australian Government's various programmes for Indigenous communities. Information submitted via eSub forms the basis for DEWR's assessment and, if approved, the CDEP component of the PFA (the DEWR schedule).

High performing CDEP organisations may be offered a one year extension to their PFA beyond 2006–07 in recognition of achieving results and improving capacity. Organisations to be offered a one year extension will be notified by DEWR prior to the 2007–08 CDEP funding submission process.

#### 6.1.4 DEWR Schedule of the PFA

The terms and conditions for the provision of CDEP funding, including the amount and frequency of funding and performance targets, will be contained in the DEWR Schedule of the PFA. The DEWR Schedule also defines the CDEP organisation's operational and reporting obligations.

#### 6.1.5 Assessment of funding submissions

DEWR Account and Contract Managers may liaise with potential CDEP organisations to assess CDEP programme submissions to:

- analyse claims against CDEP evaluation criteria, risk, financial viability and utilisation levels;
- assess the ability to meet KPI outcomes;
- consider priority needs in deciding the allocation of funding for activities; and
- negotiate a draft CDEP offer before making recommendations to the DEWR State Manager. This offer is still a draft until it has been approved by the DEWR National Office delegate.

#### 6.1.6 Funding approval

DEWR State Managers review and submit recommendations for funding to the National Office delegate for final approval.

#### 6.1.7 PFA variations

The CDEP organisation may request a variation to the DEWR Schedule in accordance with the PFA. DEWR may also vary the terms and conditions of the Schedule. Any variation requires the written approval of a DEWR delegate before taking effect.

### **6.2 Making links**

CDEP organisations are expected to make links with other government programmes and services that will help them achieve the best outcomes for participants. DEWR will work with CDEP organisations to facilitate this process.

DEWR also works with many industries and employers to identify and create job opportunities for Indigenous people. CDEP organisations can work in partnership with DEWR to link to these opportunities and place participants in these jobs.

#### 6.2.1 Compulsory registration with Job Network

Job Network is Australia's largest and most effective programme in finding jobs for Indigenous people and it continues to improve. JNMs can help CDEP participants prepare a résumé and job application and give advice on

career options and programmes. JNMs may pay for work-related training courses and materials for participants and assist participants to obtain non-CDEP employment by using Wage Assistance.

All CDEP participants are encouraged to register with a JNM. From 1 July 2006 it is compulsory for all participants who are living permanently in a capital city to register with a local JNM. For participants in regional areas, if there is a JNM permanently located in the town where the participant lives, that participant will also be required to register with the JNM.

Each organisation's PFA will make it clear how these requirements affect the organisation and its participants.

CDEP organisations will be required to ensure that new participants on or after 1 July 2006 register with a JNM within four weeks of starting on CDEP and that current CDEP participants register with a JNM by 30 September 2006.

#### 6.2.2 Direct registration with Job Network

Direct registration with Job Network allows CDEP participants to register with a JNM without having to register with Centrelink first. CDEP organisations are expected to assist CDEP participants with this process by making links with their local JNMs and informing participants of the benefits of registration. DEWR will work with CDEP organisations to assist in this process.

#### 6.2.3 Maintaining registration with Job Network

If a participant is required to register with Job Network and does not maintain their registration this will affect their eligibility to remain in CDEP.

It is up to each participant to ensure compliance with the requirements of their JNM, such as keeping appointments and attending arranged job interviews.

CDEP participants are also required to be willing, able and available to take up an offer of non-CDEP work. It is expected that a participant who is offered a job through their JNM will accept the offer. Not accepting the job offer without a reasonable explanation will affect their eligibility to continue in CDEP.

#### 6.2.4 Other DEWR programmes

The Indigenous Employment Programme (IEP) comprises a range of initiatives to improve employment and business opportunities for Indigenous Australians. One part of the programme, the Structured Training and Employment Projects (STEP), provides assistance to employers to create training and long-term employment opportunities for Indigenous Australians.

In remote areas employment services are often delivered by fee-for-service providers. By linking with these providers, CDEP organisations can provide even more support to Indigenous Australians living in remote and very remote regions.

Disability Open Employment Services (DOES) play a specialist role in assisting people with disabilities who need ongoing assistance to obtain and/or retain employment in the open labour market. DOES assist with employment preparation, job search, placement and post placement support and also provide vocational training and other employment related assistance. DOES focus on job seekers who may need ongoing support to retain employment after having found a job.

The New Enterprise Incentive Scheme (NEIS) is an initiative that helps eligible unemployed people start and run their own small business. NEIS provides support through small business management training, NEIS Allowance (income support) for up to twelve months as well as business advice and mentor support during the first year of business operation through a network of approved providers.

Indigenous Community Volunteers (ICV) can provide assistance to Aboriginal and Torres Strait Islander communities and organisations anywhere in Australia by providing volunteers with particular skills at no cost to support projects. ICV works with each community to develop the project but communities drive the process – ICV and the community decide what skills are needed, how and when the project will proceed and choose the volunteer.

Further information on the range of DEWR programmes can be found at [www.workplace.gov.au](http://www.workplace.gov.au) and from DEWR staff.

#### 6.2.5 Indigenous Business Australia programmes

The Indigenous Business Australia (IBA) Business Development Programme (BDP) can provide funding through discounted commercial loans and access to a range of business support assistance. IBA Enterprises aims to develop viable business opportunities for Indigenous people.

## 7 Funding CDEP organisations

CDEP organisations receive funds to support the delivery of CDEP activities. This funding is split into:

- Management Fees;
- Activity Fees; and
- CDEP Wage Funds.

All funds provided by DEWR must be acquitted. Acquittal is the process by which the CDEP organisation demonstrates that funding has been used for the purpose for which it was provided.

### 7.1 Management Fees

Management Fees provide funds to operate and manage the CDEP organisation including employing and paying wages of managers and administration staff and establishing the basic infrastructure essential to operating the organisation. Management Fees vary for each organisation and are reflected in the PFA.

Budget items which make up Management Fees include, but are not limited to:

- accounting fees;
- wages for management and administrative staff;
- audit fees;
- bank charges;
- consultants;
- general IT costs and equipment;
- meetings/seminars; and
- recruitment.

CDEP organisations are encouraged to place their management and administrative staff on Australian Workplace Agreements (AWA). For more information on AWAs please see [www.workplace.gov.au/workplace/organisation/employer/agreements/](http://www.workplace.gov.au/workplace/organisation/employer/agreements/)

#### 7.1.1 Sitting fees

CDEP programme funding must not be used to pay fees or allowances to board members of the CDEP organisation.

### 7.2 Activity Fees

Activity Fees cover items necessary to run activities such as insurance, training equipment and materials. Any IT equipment purchased with Activity Fees must be associated with a specific activity. Activity Fees may vary for each organisation and are reflected in the PFA.

Examples of budget items which are covered by Activity Fees:

- equipment hire or procurement costs;
- supervisors' wages;
- insurance including Workcover;
- postage;
- rates;
- rent;
- telephone/fax;
- supplies; and
- travel.

Where items relate to general support and cannot be easily attributed to individual activities these may be identified as a separate management support activity. However all costs that can be directly attributed to specific CDEP activities must be identified as a cost for that activity.

From 2006–07 wages for supervisors will be funded from Activity Fees. A supervisor is someone specifically designated as being responsible for overseeing CDEP participants as negotiated with DEWR.

CDEP organisations are encouraged to place supervisors on Australian Workplace Agreements (AWA). For more information on AWAs please see [www.workplace.gov.au/workplace/organisation/employer/agreements/](http://www.workplace.gov.au/workplace/organisation/employer/agreements/)

### **7.3 CDEP Wage Funds**

CDEP Wage Funds are paid to CDEP organisations based on the actual number of registered CDEP participants engaged in approved activities. The organisation then pays CDEP participants for work done on CDEP activities.

Only participants entered as active in CDEPManager can be paid participant payments from CDEP Wage Funds.

#### **7.3.1 Average Contracted Places (ACP)**

The Average Contracted Places (ACP), previously referred to as the Target Employment Level or TEL, is the number of participant places allocated to a CDEP organisation. The ACP may be varied during the year by DEWR if utilisation is not achieved or if there are changes to CDEP activities. The ACP is not an upper limit to the number of participants a CDEP organisation can have at any one time but rather an average for the year. For example, an organisation with ACP of 100 could have 95 participants for the first six months of the year which would allow the organisation to have up to 105 participants for the next six months of the year.

If the ACP is re-allocated during the funding year Activity Fees will be adjusted accordingly.

### 7.3.2 Utilisation

Utilisation is the actual number of participant places a CDEP organisation has filled in a funding period. It is normally expressed as a percentage of the number of ACP allocated to the CDEP organisation during the funding process (for example 98 per cent utilisation).

A Utilisation Report can be produced by the CDEP organisation using the CDEPManager application which shows utilisation and the number of participants that need to be put on from the current day until the end of the financial year to meet allocated ACP for the year.

### 7.3.3 Participant payments

The amount of CDEP Wage Funds paid to CDEP organisations in each funding release is based on actual participation up to the limit prescribed by the Average Contracted Places (ACP) in the DEWR Schedule. This amount is adjusted retrospectively, based on actual participation for each period.

DEWR will fund CDEP organisations at the adult participation rate for all participants. The difference between the payment from DEWR and the amount paid to young people must be used for the provision of training to young people. This will be subject to the acquittal process.

### 7.3.4 Participant rates

The Average Per Participant (APP) rate is the minimum amount from CDEP Wage Funds each participant must be given the opportunity to earn.

Two different average per participant rates are used when calculating participant payments:

- remote rate - for participants in remote areas as defined by the Australian Taxation Office Zone A and Special Zone B; and
- non-remote rate - for participants in any other area.

Both rates are adjusted annually based on the Consumer Price Index (CPI).

From 2006–07 most CDEP participants aged 20 years or under will receive the youth participant rate equivalent to the independent rate of Youth Allowance.

#### 7.3.4.1 Adult participant rates

2006–07 CDEP adult participant rates are:

- remote \$235.41 per week
- non-remote \$212.03 per week

The adult participant rate is the minimum amount each adult participant must be given the opportunity to earn.

#### 7.3.4.2 Youth participant rates

From 1 July 2006 participants aged 20 years or under who have never participated in CDEP before or whose previous placement in CDEP ended more than 12 weeks prior must be paid youth participant rates. The non-remote youth participant rate will be the same as that for independent Youth Allowance as at 1 July 2006. This will help remove the potential financial incentive for young people to leave formal education and take up CDEP. The youth remote participant rate will be slightly higher to reflect the approach of paying higher adult participant rates to CDEP participants in remote areas.

CDEP organisations should note that the Youth Allowance rates for 1 July 2006 had not been set at the time of printing\*. Organisations will be informed of the rates prior to 1 July 2006.

Participants aged 20 years or under who are custodial parents or legal guardians are exempt from youth participant rates and are able to earn the CDEP adult participant rate.

Participants on the non-remote youth participant rate are not eligible for top-up payments from CDEP. Top-up may be obtained from host employment or other employment outside CDEP.

Participants on the remote youth participant rate are eligible for top-up payments from CDEP if there are no opportunities for host employment in their local area.

*\*Rates as at 1 January were \$176.45 per week for remote and \$167.35 per week for non-remote. 2006-07 rates are expected to be slightly higher.*

#### 7.3.5 Positions not to be funded from CDEP Wage Funds

CDEP Wage Funds (including top-up) are not to be used to pay people working in management and administration positions of CDEP organisations or to pay wages for supervisors. These positions are to be funded from Management Fees and Activity Fees respectively.

#### 7.3.6 Hourly rates and hours worked

The relevant Australia Pay and Classification Scale, Federal transitional award, workplace agreement, Certified Agreement, Australian Workplace Agreement (AWA), State award or other standard, as applicable, is to be used to calculate a CDEP participant's hourly rate of pay (based on the activity in which the participant is engaged).

Wages and conditions that apply to CDEP participants when performing their activities must comply with all relevant instruments and any requirements under State/Territory and/or Commonwealth legislation.

If a CDEP participant is approved to work more hours than necessary to earn the adult average per participant rate the CDEP organisation must ensure that there are sufficient funds to cover this work. These funds are called top-up.

The participant's payment rate is divided by an hourly rate to calculate the minimum number of hours per week an adult CDEP participant must be offered in approved activities. The same process is used to calculate the maximum number of hours a CDEP participant on the youth participant rate must be offered in approved activities. Top-up is not permitted for participants on the non-remote youth participant rate.

Some participants may choose to work fewer hours than required to earn the adult or youth participant rate. In such cases participants can only earn CDEP participant payments for the hours worked at the appropriate instrument rate.

If no applicable award rate applies minimum conditions of employment as set out in the Fair Pay and Conditions Standard apply. For more information refer to [www.workchoices.gov.au](http://www.workchoices.gov.au)

#### 7.3.7 Superannuation

CDEP participants may be entitled to superannuation payments for top-up. Advice about compliance with superannuation payments requirements can be sought from the CDEP organisation's nearest Australian Taxation Office (ATO) or [www.ato.gov.au/super](http://www.ato.gov.au/super).

#### 7.3.8 Limits on CDEP payments

There are maximum gross quarterly limits on how much a participant can be paid from CDEP Wage Funds before becoming ineligible for CDEP. These limits are contained within the DEWR Schedule. For 2006-07 maximum earnings per quarter are \$5873 from CDEP Wage Funds and \$5873 from other sources.

### **7.4 Funding releases**

The funds provided to CDEP organisations will be released in stages throughout the financial year.

The frequency of these releases may be affected by the CDEP organisation's compliance with all terms and conditions within the PFA and risk assessment of an organisation. This means that higher risk organisations may receive monthly releases rather than quarterly releases.

## **8. CDEP assets**

### **8.1 Assets register**

CDEP organisations are required to maintain an Assets Register. All purchased capital items with a value over \$5000 must be included in the register. All asset movements (including the purchase and disposal) must be included in the register. Prior approval must be sought from DEWR for the disposal and movement of all assets that were acquired with CDEP funds. Organisations must be able to verify the existence of their assets as at 30 June each year.

### **8.2 Capital**

CDEP organisations must seek individual approval for the purchase of all capital items over \$5000 and these items must be listed on the Assets Register. The purchase of capital items is paid out of Activity Fees and must support the activities being undertaken by the CDEP. If the activity ceases and/or the item is no longer required, subject to the approval of DEWR, the item may be sold or transferred and must be acquitted appropriately.

Examples include:

- buildings;
- tractors;
- rotary hoes; and
- vehicles, such as cars and trucks.

## **9. Income**

### **9.1 Activity Generated Income (AGI)**

Income generated by a CDEP work activity (or business) may be retained by the CDEP organisation for the purpose of furthering the development of the activity or such other purpose as approved in writing by DEWR.

From 1 July 2006 DEWR requires AGI to be reported through the acquittal process.

### **9.2 Employment outcome payments**

The CDEP Placement Incentive (CDEPPI) is paid to CDEP organisations when an Indigenous CDEP participant obtains ongoing work of at least 15 hours per week and exits CDEP. To be eligible for CDEPPI the work must be expected to last at least 13 weeks. When CDEP participants in a business activity are fully paid through the business and are off CDEP the CDEP organisation will also be eligible for the CDEPPI.

The CDEPPI is paid in two instalments. The first payment of \$550 is made on approval of the placement and the second payment of \$1650 after the participant has completed 13 weeks in the job. CDEPPI is claimed through the CDEPManager application.

CDEPPI is not payable for CDEP supervisors.

The CDEPPI must be reported through the acquittal process.

Information on how to claim is available at  
[www.workplace.gov.au/workplace/organisation/serviceprovider/communitydevelopmentemploymentprojectsplacementIncentive.htm](http://www.workplace.gov.au/workplace/organisation/serviceprovider/communitydevelopmentemploymentprojectsplacementIncentive.htm)

## 10. Participating in CDEP

### 10.1 Eligibility requirements

To be eligible to be a CDEP participant a person must be accepted as a member of an Aboriginal or Torres Strait Islander community by the CDEP organisation.

Each CDEP organisation is expected to work towards a goal of a maximum of three per cent non-Indigenous participants. DEWR will negotiate with each CDEP organisation about how it will move towards this goal. This may include not accepting new non-Indigenous participants into a CDEP organisation.

To be eligible for CDEP candidates must also be:

- aged 16 years and over; or
- aged 15 years and in receipt of Youth Allowance and not a full-time student;
- part of the community and living within the locality served by the CDEP organisation; and
- willing, able and available to take up CDEP activities and an offer of non-CDEP work. Not accepting a job offer without a reasonable explanation may effect eligibility to continue in CDEP.

Before a person starts as a participant with a CDEP organisation their personal details must be entered into CDEPManager. This information is then sent automatically to Centrelink who assesses the candidate's eligibility for income support benefits and determines whether they are eligible for a CDEP placement.

To be eligible to participate in the CDEP programme candidates must provide their CDEP organisation with information on all income that relates to themselves and any non-CDEP participant partner to enable the CDEP organisation to ensure the candidate meets the income requirements. If a participant's income or their partner's income changes they must inform the CDEP organisation so that their eligibility can be reassessed.

From 1 July 2006 a Participant Acknowledgement Form will be introduced for all new and returning participants. This form will be the first part of a two-part process in determining CDEP participant eligibility (the second stage is the Centrelink eligibility check). Failure to sign the form and comply with the conditions contained therein will result in the candidate or participant being ineligible to participate in the CDEP programme. Signed copies are to be provided to the participant and retained within the CDEP organisation. A pro-forma is at Attachment F.

DEWR, with absolute discretion, may determine a participant's eligibility.

## 10.2 Who is not eligible for CDEP

A person is **ineligible** to become a CDEP participant or ceases to be a CDEP participant if they:

- are a full-time student in receipt of ABSTUDY Living Allowance or Austudy or Youth Allowance;
- are a full-time secondary student;
- are in receipt of Sickness Allowance;
- are already recorded in the CDEPManager system of another CDEP organisation as an active participant;
- have a gross quarterly income from sources other than CDEP Wage Funds of more than \$5873. Where a CDEP participant is starting up a new business within CDEP, the business income is exempt from this rule for the first 12 months of business operations;
- have a gross quarterly income of more than \$5873 from CDEP Wage Funds;
- have a non-participant partner's gross quarterly income which exceeds \$11746;
- are in receipt of NEIS payments;
- are a new participant who is required to register with a JNM and has not registered with a JNM within four weeks of starting their participation in CDEP;
- are an existing participant who is required to register with a JNM and has not registered with a JNM by 30 September 2006; or
- are subject to time limited participation in CDEP and have completed 52 weeks participation.

## 10.3 Time limited participation in CDEP

Time limits will affect new participants in urban and regional areas.

Participants who:

- begin participation in CDEP on or after 1 July 2006; or
- return on or after 1 July 2006 following a break of more than 12 weeks; and
- are required under the PFA to register with a JNM (refer to 6.2.1);

will be limited to a maximum of 52 weeks participation in total, after which time they will exit CDEP and not be able to return.

## 10.4 Leave

### 10.4.1 Participants on leave

If the CDEP organisation provides prior approval a CDEP participant can remain eligible while on approved paid leave.

The CDEP organisation will not approve paid leave to a CDEP participant who becomes ineligible to remain in CDEP during the proposed period of leave. An end date must be entered into CDEPManager and the participant place may be reallocated to a new participant.

CDEP organisations should encourage participants to take all accrued leave as it falls due and prior to finishing CDEP.

#### 10.4.2 Long service leave

Long service leave can be paid out of CDEP Wages funds to those participants who become entitled to long service leave under the relevant award or industrial agreement. In this situation participants can remain eligible for CDEP while on approved long service leave subject to the prior agreement of the CDEP organisation. Participants should remain active with the organisation on CDEPManager for the duration of their long service leave.

#### 10.4.3 Participants absent from CDEP

CDEP participants who are absent from CDEP activities for more than two consecutive weeks, other than those participants on approved paid leave, cannot continue as a participant and must be exited from the programme.

When this happens an end date (that is the last day the participant worked and was eligible to be on the programme) must be entered into CDEPManager and the participant place may be reallocated to a new participant. If the exited participant wants to recommence they will be subject to normal waiting list and eligibility criteria.

### **10.5 No work, no pay**

It is a requirement that all CDEP organisations enforce the principle of 'no work, no pay'. If participants do not attend CDEP activities without approval they must not be paid. DEWR will monitor compliance with this rule and support organisations in implementing this requirement. CDEP organisations that do not implement 'no work no pay' are breaching their Program Funding Agreement and their funding may be discontinued.

### **10.6 Working outside CDEP while remaining a CDEP participant**

CDEP organisations may place participants with an external or host employer to provide work experience, training and/or employment opportunities. The objective of these placements is to eventually place the participants in employment outside CDEP without subsidisation. These placements must be time limited and not exceed twelve months for Host Employer Agreements or six months for work experience placements.

CDEP participant payments are not to be paid for any hours of work where wages are being paid by an employer outside CDEP.

#### 10.6.1 Focus on progression of individual participants

CDEP organisations are to focus on the needs and skills of individual CDEP participants and their progression to non-CDEP employment. It may involve, for example, moving a participant from undertaking community activities only to a job with an employer outside the CDEP using the CDEP participant payment as a wage subsidy for a limited period. CDEP organisations are to help participants to take the next step of moving into an unsubsidised (non-CDEP) job.

#### 10.6.2 Work experience

Placing CDEP participants into work experience positions outside the CDEP may increase their opportunity to gain non-CDEP employment. In negotiating work experience placements CDEP organisations should consider a graduated placement which involves moving participants from work experience to host placement and then to un-subsidised employment.

Work experience placements must be time limited and must be no longer than six months.

#### 10.6.3 Host employment

Under this arrangement the host employer assumes employer responsibilities including:

- paying workers compensation insurance;
- paying tax; and
- administering all personal records, time and wage records.

The participant may receive up to the maximum CDEP participant payment funded by the CDEP organisation plus any wages paid by the host employer under an industrial instrument as appropriate for the job they are doing.

The objective of Host Employment is to eventually gain employment for participants outside CDEP that is not subsidised by the CDEP Wage Funds. With this objective in mind placements with host employers must be time limited and must be no longer than 12 months. An agreement between the CDEP organisation and the host employer must be put in place to reflect this arrangement. DEWR will work with CDEP organisations to help them change the expectations of those employers who expect wage subsidies to be available for longer periods of time.

## 10.7 Other issues affecting CDEP participants

### 10.7.1 Remote Area Exemptions (RAEs)

Some income support recipients are currently exempt from participating in activities in return for their unemployment payment on the basis of the remoteness of where they live. Under the *Social Security Act 1991*, Centrelink can apply Remote Area Exemptions (RAEs) from activity testing to individuals who have no local access to a labour market, labour market programme or vocational training course. RAEs are being progressively removed around Australia in recognition of increased opportunities for people in remote areas to participate in work or work-related activities.

Where RAEs are being removed individuals may voluntarily join CDEP or have CDEP in their activity agreement with Centrelink. Individuals may also take part in other non-CDEP activities. If people have CDEP as part of their activity agreement they may face penalties if they do not join CDEP, do not work while they are in CDEP or leave CDEP without valid reasons. The CDEP organisation is responsible for accurately recording a person's reason for leaving CDEP and for applying 'no work no pay' if people in CDEP do not participate.

### 10.7.2 CDEP Participant Supplement (CPS)

This supplement is an ongoing payment to eligible CDEP participants paid through Centrelink to assist with the cost of participating in a CDEP. Basic conditions of eligibility apply and participants must contact Centrelink to check their eligibility for this payment. It is a requirement that a Tax File Number is supplied to Centrelink in order to receive the CPS payment.

### 10.7.3 Other Centrelink payments

Participants should be advised that they may still be able to claim some payments or benefits from Centrelink for example the CPS or Health Care Card, and should be assisted by their CDEP organisation to apply if necessary.

## 11. Roles and responsibilities

### 11.1 CDEP organisations

#### 11.1.1 Responsibilities to DEWR

CDEP organisations must:

- comply with all relevant laws including the *Racial Discrimination Act (1975)*, *Sex Discrimination Act (1984)*, *Disability Discrimination Act (1992)*, *Workplace Relations Act (1996)* and relevant State or Territory legislation concerning occupational health and safety;
- comply with the relevant instruments in calculating a CDEP participant's hourly rate of pay;
- comply with the requirements of the PFA including the DEWR Schedule;
- achieve KPIs in accordance with DEWR Schedule;
- hold all appropriate insurance policies;
- manage complaints and actively assist Indigenous Employment Centres (IECs) and DEWR Customer Service Officers in resolving complaints; and
- adhere to the *Employment and Related Services Code of Practice* and *CDEP Service Guarantee* (see Attachments A and B).

As part of the process of negotiating CDEP funding for 2006–07 DEWR and each CDEP organisation will identify areas where the CDEP may improve its management skills in order to achieve better results. These areas of improvement will be included in a Capacity Building Plan. Capacity Building Plans may cover areas such as financial management, governance, compliance, management and succession planning for Indigenous people. DEWR will support organisations to implement the plan.

#### 11.1.2 Responsibilities to Centrelink

CDEP organisations are required to provide any relevant information requested by Centrelink in relation to their employees and participants.

Before a participant starts in CDEP the organisation must ensure that all necessary details are entered into CDEPManager and that Centrelink has confirmed the prospective participant's eligibility. Any associated forms generated from CDEPManager must be signed and sent to Centrelink within two days of the participant's actual start date.

When exiting a participant from CDEP the organisation must ensure that all necessary details are entered into CDEPManager within two days to allow notification to be sent to Centrelink including the correct reason for leaving. Any associated forms generated from CDEPManager must be sent to Centrelink within two days of the participant's actual end date.

### 11.1.3 CDEP organisations' obligations for taxation

While CDEP participant payments paid from CDEP Wage Funds are covered under the Beneficiary Tax Rebate CDEP organisations may have taxation obligations. For advice about compliance with taxation requirements CDEP organisations can contact their nearest Australian Taxation Office (ATO) or phone the ATO National Aboriginal and Islander Resource Centre on 13 10 30. The ATO website also provides advice on all matters relating to taxation obligations at: [www.ato.gov.au](http://www.ato.gov.au)

### 11.1.4 Responsibilities to participants

CDEP organisations must:

- ensure participants understand and sign the Participant Acknowledgement form, provide participants with a copy and retain a copy of the form for monitoring purposes;
- ensure participants who are subject to compulsory Job Network registration, time limit rules or participant plans comply with and understand the requirements;
- pay participants the appropriate adult or youth participant rates and determine payments and conditions for participants consistent with the relevant instruments and these guidelines;
- ensure all participants are covered by adequate workers compensation insurance;
- meet all employer obligations in relation to payslips, taxation, superannuation and accrued leave (including long service leave where appropriate);
- develop and monitor appropriate activities;
- ensure all CDEP participants are aware of their rights and responsibilities;
- establish and implement internal arrangements in line with these guidelines regarding work rules and absences and types of approved activities;
- make work rules available to all participants;
- formulate and define what constitutes approved leave in the work rules, subject to the condition that work rules exclude the undertaking of full-time secondary or tertiary studies as being approved paid leave or on approved CDEP activity;
- ensure CDEP participants are advised about the CDEP Participant Supplement (CPS);
- offer every 'active' participant in CDEPManager appropriate hours and type of work;
- ensure the allocation of work is fair and equitable;
- ensure that health and safety standards for each activity are maintained;
- ensure appropriate supervision is provided for activities;
- develop Host Employer Agreements and monitor the progress of these externally placed participants;

- make available to participants the *CDEP Service Guarantee* and *Employment and Related Services Code of Practice*;
- not release information collected from CDEP participants except for the purposes of the funded activities; and
- check continuing eligibility of participants.

## **11.2 DEWR National Office**

DEWR's National Office sets policy and procedures for CDEP. It researches, develops and implements strategies and guidelines for the effective delivery of the CDEP programme. Along with State Offices it also holds financial delegations for the programme.

## **11.3 DEWR State Offices**

DEWR State Managers hold delegations relating to CDEP within their State or Territory and are responsible for decision-making pertaining to CDEP within their State or Territory. State Managers delegate authority to their Account and Contract Managers to contract manage the CDEP programme including monitoring, reporting and reviewing the programme.

## **11.4 DEWR Account and Contract Managers**

DEWR Account and Contract Managers are based in Indigenous Coordination Centres or State and Regional Offices. DEWR Account and Contract Managers are the first point of contact with DEWR as they can provide additional information on CDEP service provision and contracting.

## **11.5 DEWR Solution Brokers**

DEWR Solution Brokers are located in Indigenous Coordination Centres or DEWR offices. Their job is to develop solutions which lead to employment outcomes for Indigenous people including business development opportunities within communities. Solution Brokers help Indigenous communities to develop relationships with local businesses, employment service providers, other Commonwealth, State and local government agencies and other organisations that provide services to Indigenous people in the local area; they broker solutions to build Indigenous economic independence.

## **11.6 Office of Indigenous Policy Coordination (OIPC)**

OIPC is responsible for:

- coordinating and driving whole-of-government Indigenous policy development and service delivery across the Australian Government;
- brokering relations with State and Territory Governments on Indigenous issues;
- reporting on the performance of government programmes and services for Indigenous people to inform policy review and development; and

- communicating government policy directions to Indigenous people and the wider community.

### **11.7 Indigenous Coordination Centres (ICCs)**

Thirty ICCs operate in metropolitan and regional Australia. Staff in ICCs bring together Indigenous-specific services. ICC staff work with local Indigenous communities and negotiate regional and local agreements for effective partnerships and shared responsibilities.

ICC Managers are employed by the Office of Indigenous Policy Coordination (OIPC). Their role is to develop and coordinate innovative responses to local Indigenous needs. The ICC arrangements call for creativity and accountability together with sensitivity to the needs of local Indigenous people and the ability to negotiate with them.

## 12. Accountability, monitoring, and reporting

Improved accountability, monitoring and reporting are built into the PFA, the DEWR schedule and these guidelines. There is a focus on performance outcomes supported by compliance with funding conditions and strong business and administrative processes.

CDEP organisations will be required to achieve job outcomes and meet agreed key performance indicators and Capacity Building Plans.

### 12.1 Monitoring and reporting framework

DEWR will monitor and report on progress against the PFA throughout the funding period and will use a range of methods to assess performance against the funding agreement including desktop monitoring, site visits and activity monitoring. Examples of issues considered and addressed within this framework include:

- CDEP organisation performance against KPIs;
- satisfactory financial reports;
- provision of periodical financial statements or audited financial statements;
- financial management of projects (including authorised expenditure);
- adequate business management and planning;
- compliance with relevant legislation;
- administrator and/or supervisor skills;
- implementation of ‘no work no pay’;
- sufficient supervision of work activities;
- development of and progress against capacity building plans; and
- implementation of previously required corrective action.

CDEP organisations are required to provide financial information consistent with the PFA including the DEWR schedule. This includes the acquittal of all funds provided.

CDEP organisations’ performance will be monitored throughout the contract period against negotiated Key Performance Indicators.

#### 12.1.1 CDEPManager

This online information technology application is used by CDEP organisations to manage participant and activity records and connects CDEP organisations with Centrelink. Information entered into this system must be accurate as it also tracks and records Key Performance Indicators.

### 12.2 Quality assurance

DEWR will apply quality assurance measures to complement other monitoring and reporting processes. CDEP organisations may also be

evaluated or audited by the Australian Government's Office of Evaluation and Audit or the Australian National Audit Office.

#### 12.2.1 Quality Assurance Projects and audits

Quality Assurance Projects (QAP) and Quality Audits are flexible but are intended to entail a formal examination of data from a number of sources. This may include gathering of additional data from the CDEP organisation. Issues arising through desktop monitoring, complaints or unacceptable risk levels may require further investigation and be the subject of a QAP. Quality Audits may be carried out on a targeted or random basis to provide additional information about the quality and consistency of services provided by CDEP organisations.

#### 12.2.2 Office of Evaluation and Audit (Indigenous Programs)

The Office of Evaluation and Audit (Indigenous Programs) (OEA) is a division of the Department of Finance and Administration. The OEA's function is to ensure the highest standards of public accountability and programme performance within Australian Government agencies.

The OEA undertakes evaluations and audits of the CDEP programme, including CDEP organisations. The evaluations involve research and quantitative and qualitative analysis to obtain information about outcomes of funding provided for Indigenous programmes.

### **12.3 Accountability action**

The DEWR Schedule of the PFA is designed to support transparency, equity and efficiency in CDEP service delivery. When issues are identified through the monitoring and reporting framework, follow-up action will be determined. This may involve increased monitoring activity, corrective action, suspension or even termination of the PFA.

#### 12.3.1 Breaching the Agreement

A CDEP organisation is in Breach when it fails to comply with any term or condition of the PFA. There are serious consequences of breaching the PFA thus it is critical that CDEP organisations are appropriately governed and take appropriate steps to address any risks that may lead to a breach. Further releases of DEWR funds may be postponed until remedial action of a breach is undertaken.

#### 12.3.2 Corrective action

When a breach is identified Account and Contract Managers recommend corrective action and a timetable for implementation. Corrective action is the preferred method for addressing breaches as it allows the CDEP organisation to take an active role in rectifying its own internal problems.

### 12.3.3 Funds Controller

A Funds Controller can be appointed at DEWR's discretion or a CDEP organisation may choose to employ a funds controller to assist with financial management of the CDEP organisation.

The appointment by DEWR of a Funds Controller must be for no more than three months. In extenuating circumstances this may be extended by no more than an additional three months.

## **Attachment A: Employment and Related Services Code of Practice**

We commit to observe the highest standards of fairness and professional practice as we deliver the services and obligations outlined in our respective PFAs with the Commonwealth Government. At all times, our priority is to assist CDEP participants to achieve the best employment outcomes. We will deliver services to CDEP participants to the best of our ability and with adherence with our obligations under the PFA.

We operate our services in a manner that:

- A.** Upholds the integrity and good reputation of employment services by:
  - I. acting with honesty, due care and diligence;
  - II. behaving ethically and professionally and being openly accountable for our actions;
  - III. avoiding any practice or activity which could reasonably be foreseen to bring the CDEP programme into disrepute; and
  - IV. complying with all relevant Australian laws, including privacy, fair trading, trade practices and anti-discrimination laws.
  
- B.** Demonstrates our commitment to CDEP participants by:
  - I. being supportive and helpful to CDEP participants in their pursuit of employment;
  - II. focusing our assistance to help CDEP participants to achieve the best outcome;
  - III. treating CDEP participants fairly and with respect;
  - IV. addressing CDEP participants and employers in a friendly, courteous and culturally sensitive manner;
  - V. considering CDEP participants' individual circumstances and backgrounds; and
  - VI. delivering assistance in accordance with service guarantees.
  
- C.** Is accurate and relevant by:
  - I. providing ongoing assistance to CDEP participants for the duration of our service to them;
  - II. providing information about programmes or services that may assist in their job search;
  - III. ensuring that we have premises and facilities appropriate to deliver services with privacy and dignity;
  - IV. ensuring that the information that we collect about CDEP participants is relevant and necessary and is kept confidential;
  - V. tailoring assistance to CDEP participants with consideration of their individual job search needs; and

- vi. demonstrating flexibility in service delivery as CDEP participant's circumstances change.

**D.** Is communicated clearly and effectively by:

- i. ensuring that CDEP participants are aware of their rights and obligations;
- ii. providing timely feedback and information to CDEP participants about decisions that we make that could affect them; and
- iii. providing CDEP participants with access to relevant records we have about them, on request.

**E.** Encourages feedback without prejudice by ensuring that:

- i. we have a complaints process of which CDEP participants are made aware;
- ii. staff seek and appropriately respond to CDEP participants' feedback with the aim of continuously improving services;
- iii. staff support CDEP participants when resolving any issues or concerns they may have; and
- iv. we advise CDEP participants of the free DEWR Customer Service Line.

CDEP participants are encouraged, in the first instance, to raise with us any concerns they may have with us. If CDEP participants are dissatisfied with how we respond to their concerns or feel that they cannot discuss the issue with us, they can contact the DEWR Customer Service Line on free call 1800 805 260. If CDEP participants are dissatisfied with how we have managed their concerns, they may make a complaint to the Commonwealth Ombudsman's Office.

We and the Indigenous Coordination Centre (ICC) should have copies of the Employment and Related Services Code of Practice which CDEP participants can take. It is also available on the internet at [www.workplace.gov.au](http://www.workplace.gov.au).

## **Attachment B: CDEP Service Guarantee**

### **Introduction**

1. We are required to carry out the Activity at or above the minimum standards set by the Service Guarantee.
2. We must prominently display and make available to eligible job seekers and to employers, promotional material made available by DEWR on the Service Guarantee.

### **CDEP Service Guarantee for Participants**

CDEP participants will receive services from us that take into consideration the participant's circumstances, background, needs and skills.

#### **CDEP participants can expect us to:**

- (a) tell them about their rights and responsibilities;
- (b) give them information about how to find employment or participate in community development activities that where possible suits their preferences and skills;
- (c) tell them how to find and register with a JNM; and
- (d) tell them about the work rules.

#### **CDEP participants will receive from us:**

- (a) help and quality supervision;
- (b) the opportunity to develop and apply their skills;
- (c) the opportunity to interact with others;
- (d) a safe working environment; and
- (e) answers to their questions about their participation.

We and the Indigenous Coordination Centre (ICC) should have copies of the CDEP Service Guarantee which CDEP participants can take. It is also available on the internet at [www.workplace.gov.au](http://www.workplace.gov.au)

## Attachment C: CDEP Capacity Building Plan 2006–07

Legal Name of CDEP organisation: .....

ABN Number: .....

This section is completed through negotiation between the CDEP and the DEWR Account Manager	To be completed quarterly by the CDEP and available to the DEWR Account Manager
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Issues	Actions	Completion Date	Progress at 30/11/06	Progress at 28/2/07	Progress at 31/5/07
Issue number 1	Action number 1	Enter a date (rather than "ongoing")			
	Action number 2				
	Add more rows if more Actions are required to address Issue number 1.				
Issue number 2	Add more Action rows for Issue number 2 as required.				
Add further Issues rows as required					

**Governance** - *the ability of the organisation to govern its overall affairs through an effective Board that ensures delivery of its objects sets its strategic direction and upholds its values.*

Issues	Actions	Completion Date	Progress at 30/11/06	Progress at 28/2/07	Progress at 31/5/07

**Management** - the ability of the organisation to put in place and regularly review the effectiveness of its system of internal controls, policies, procedures and reporting mechanisms, maintain and manage systems infrastructure, protect the assets and property of the organisation and ensure these are used to deliver the objectives of the DEWR PFA.

Issues	Actions	Completion Date	Progress at 30/11/06	Progress at 28/2/07	Progress at 31/5/07

**Financial Viability** - the ability of the organisation to ensure its solvency, financial strength and good performance and to submit its annual returns, performance and other reports and accounts as required.

Issues	Actions	Completion Date	Progress at 30/11/06	Progress at 28/2/07	Progress at 31/5/07

**Compliance** - the ability of the organisation to comply with its own governing document, relevant laws, the requirements of regulatory bodies and of the DEWR PFA.

Issues	Actions	Completion Date	Progress at 30/11/06	Progress at 28/2/07	Progress at 31/5/07

**Other** – other actions that will assist the organisation to build capacity .For example succession planning. (How does the organisation increase the employability of participants or community members to move into key position internal or external to the CDEP organisation?)

Issues	Actions	Completion Date	Progress at 30/11/06	Progress at 28/2/07	Progress at 31/5/07

**Account Manager Signature**

I confirm that the above Capacity Building Plan has been developed in negotiation with the CDEP organisation and the CDEP organisation is aware of and agrees to the plan.

Name of Account Manager (print): .....

Signature: ..... Date: ...../...../20

**CDEP Signature (Capacity Building Plan)**

*(Signatory must be authorised on to sign on behalf of the CDEP organisation)*

I/we confirm that I/we have taken part in the development of the above Capacity Building Plan and agree with the terms outlined . I/we are aware that failure to comply with this plan may impact on access to future CDEP funding.

Name and position of Signatory (print):.....

Signature: .....Date: ...../...../20

**CDEP Signature (Quarterly Progress)**

*(Signatory must be authorised on to sign on behalf of the CDEP organisation).*

I/we confirm that I/we have completed the quarterly progress sections of above Capacity Building Plan as follows:

	Name of Signatory	Position of Signatory	Signature	Date
Progress at 30/11/06				
Progress at 28/2/07				
Progress at 31/5/07				

## ATTACHMENT D: CDEP Participant Plan

<b>CDEP PARTICIPANT PLAN</b>	
<b>Name:</b>	
<b>CDEP Organisation:</b>	
<b>Work goals and aspirations</b> (e.g. station manager, nurse, storekeeper, to earn enough money to look after my family)	<b>Skills</b> - Language
_____	_____
_____	_____
_____	- Trade/technical skills
_____	_____
_____	- English Literacy and Numeracy
_____	_____
_____	_____
<b>Education level</b> (e.g. Primary school, High school, TAFE)	- Other skills (e.g. driver's licence, driving, caring for children, first aid, computing)
_____	_____
_____	_____
<b>Voluntary/community participation</b>	<b>Training needs</b>
_____	_____
_____	_____
_____	<b>Training opportunities</b>
_____	_____
_____	_____
<b>CDEP work history</b>	<b>Local job opportunities/Host employment</b>
_____	_____
_____	_____
_____	<b>Support to be provided by CDEP organisation</b>
_____	_____
<b>Work history</b>	<b>CDEP Participant's signature:</b>
_____	_____
_____	<b>Date:</b>
_____	<b>CDEP Supervisor's signature</b>
_____	_____
_____	<b>Date:</b>
_____	_____

## **ATTACHMENT E: Access to DEWR Information Technology (IT) Systems**

### **Access to DEWR IT systems**

In general service providers to DEWR are required to have access to and use a number of internet based web sites and transactional systems.

CDEP organisations will be required to access DEWR IT systems and use the CDEPManager application.

For optimum performance, CDEP organisations should have the following:

- a personal computer running Microsoft Windows XP with a recommended minimum 1.5GHz processor, 256MB of memory and 16 bit (1024x768) graphics; and
- internet connectivity that provides broadband capacity for every concurrent user (with a recommended minimum of 128Kbs bandwidth per concurrent user).

Note that the optimal personal computer configuration for a specific environment will be influenced by the number and type of applications that will be run at the same time as DEWR applications. If staff intend to run other applications such as Word or email at the same time, it is recommended that the personal computers have at least 512 Mb of memory and a 3GHz processor and preferably a 64Mb (or larger) graphics card.

### **Identity and access management**

CDEP organisations will be required to take reasonable steps to secure the confidentiality, integrity and availability of the DEWR system and the information within the system.

Each user required to perform DEWR transactions must have their own User ID and password to access the DEWR systems. It is the responsibility of each CDEP organisation to ensure their relevant staff are issued with a DEWR User ID and password.

DEWR reserves the right to introduce alternative systems of authentication during the PFA. In the event DEWR introduces alternate authentication technology it will serve CDEP organisations with at least 21 days notice.

CDEP organisations will be required to keep all identity records current and to advise DEWR to terminate staff access promptly on separation.

DEWR prohibits the sharing of User ID and passwords between individuals and CDEP organisations will need to put appropriate procedures and policies in place to prevent members of staff using another person's User ID and password. Where staff members share a personal computer they must ensure that they exit DEWR systems before relinquishing the computer to a colleague to log into DEWR systems.

The Information Privacy Principles described in the Privacy Act 1988 that apply to DEWR will also apply to CDEP organisations under the PFA. CDEP organisations must therefore ensure that all reasonable steps are taken to safeguard the confidentiality of all

information accessible through the DEWR systems. DEWR may require CDEP organisations to install a secure operating system on all personal computers that have access to DEWR systems. The security controls in the operating system must safeguard the data that is stored on the personal computer's disk drive from being read by unauthorised personnel. The operating system must also prevent unauthorised personnel from accessing software on the personal computer that would facilitate access to confidential data.

It is recommended that CDEP organisations install Microsoft Windows XP Professional Edition as the base configuration for personal computer operating systems where DEWR systems are to be accessed. CDEP organisations who believe that an alternative system can deliver the same level of security controls and functionality may request approval from DEWR to use the alternative system.

## **Printing**

DEWR systems have been designed to minimise the information that CDEP organisations will need to print, however, access to a printer is essential. Whenever possible, information to be printed will fit within a single screen display. CDEP organisations will need to have access to a printer that is locally connected to their personal computer or accessible via their office local area network.

It is the responsibility of the CDEP organisation to provide equipment capable of printing from DEWR systems. The choice of equipment is up to each CDEP organisation.

## **Access to the Internet**

### Access arrangements

To obtain full access to the Internet, CDEP organisations will need an Internet Service Provider (ISP) (access to the internet is separate from access to DEWR systems). ISP charges for full Internet access will normally depend on use.

### Email

To enhance communication, DEWR maintains a mailing list to disseminate information. It is mandatory that CDEP organisations have email accounts accessible via the Internet for appropriate staff. ISPs can provide information about obtaining email services.

DEWR reserves the right to use email for serving notices on CDEP organisations.

## **Information technology support**

### **Help desk**

The following information technology support services are available:

- security, registration and subsequent changes, password resets and troubleshooting; and
- help desk facilities.

Access to these services is available for the cost of a local call to 1300 305 520.

### **Information technology training**

DEWR may provide CDEP organisations with training on the CDEPManager. The training, in general, will be limited to instructional material (User Aids) for CDEPManager but could from time to time be face-to-face.

### **Information technology costs**

CDEP organisations will be required to meet the cost of:

- all ISP charges;
- acquiring and installing any equipment (hardware and software) described in this section; and
- any alternative network solution proposed by the CDEP organisation.

Internet charges are a matter for negotiation between each CDEP organisation and their ISP. CDEP organisations are responsible for providing the equipment it will use as DEWR will not provide any equipment.

All DEWR help desk services can be used for the cost of a local call.

# ATTACHMENT F: CDEP Participant Acknowledgement Form

## CDEP Participant Acknowledgement Form

This is an agreement between *<insert participant's name>*, *<insert name of CDEP organisation >* and the Commonwealth.

### I confirm that:

*<Insert name of CDEP organisation>* has explained and I understand the workplace rules and regulations, including OH&S policies and procedures;

*<Insert name of CDEP organisation>* has made the CDEP Service Guarantee and Employment Services Code of Practice available;

I am willing, able and available to take up CDEP activities and an offer of non-CDEP work;

I have been advised of and agree to comply with the "no work, no pay" principle;

I have read and understand the information provided about the CDEP Participant Supplement (CPS);

I understand the conditions of my participation in CDEP, including registration with a JNM and time limited participation, where applicable;

I am not in receipt of Austudy or ABSTUDY Living Allowance;

My quarterly income does not exceed \$5,873; and

My non-participant partner's quarterly income does not exceed \$11,746.

### I understand that:

The personal information I provide will be used to decide suitable services for me and for the purposes of CDEP programme management, evaluation and reporting. My information may also be used to detect or prevent debts or fraud;

My personal information may be given to Centrelink and other Government agencies involved in the provision of services to me, Job Network members and other service providers who are contracted to deliver services to me;

I must advise *<Insert name of CDEP organisation>* and Centrelink of any change of my non-participant partners circumstance;

I must advise *<Insert name of CDEP organisation>* and Centrelink of any change of circumstance, including change of income details and employer name if applicable.

### I certify that:

I have read (or if applicable, have had the agreement read to me) and understand this agreement,

I agree to the conditions of participating in the CDEP programme.

I understand that failure to agree and comply with the terms and conditions described herein will result in me being ineligible to participate in the CDEP programme;

Participant's name

Participant's Signature and Date

*\*If you are under the age of 18 years, your parent or guardian must sign and date this form.*

Parent/Guardian Signature and Date

Witnessed By:

*<Insert Name of CDEP Organisation>* Name and Position

*<Insert Name of CDEP Organisation>* Signature and Date

### Your Rights

If you think a decision made by *<Insert name of CDEP organisation>* or the Commonwealth in relation to your participation in the CDEP programme is incorrect please speak to the CDEP coordinator. If you still do not agree you can ring the DEWR Customer Service Line (1800 805 260) and they will check the facts and explain the decision. If you still do not agree you can contact the Commonwealth Ombudsman.

