

## **Employment Services Review**

### **Submission to Hon Brendan O'Connor MP**

#### **Star Ratings**

The Star Ratings model is in my opinion not an accurate indication of performance. It is a high volume mainstream model applied to a low volume specialist area and does not ensure “best practice” for DEN providers. The premise of Star Ratings is the “Work First” approach, this is in direct conflict on how our organisation effectively works to engage people with a disability and/or disadvantage to find and maintain employment. The Cased Based Funding Model allows 18 months to reach a 26 week outcome - it takes time to prepare and place people with a disability and/or disadvantage for employment.

With Star Ratings results, there is limited guidance on how to improve performance. Health Check data has proven to be very misleading for our organisation and makes it difficult to develop effective remedial action to improve performance.

There is also no raw data available to verify either Star Ratings or Health Check performance. When providers have a concern about their performance, I have found that the advice provided does not have a direct correlation with improving Star Ratings performance.

Lower than expected Star Ratings results affect the morale of staff who are committed to assisting people with a disability.

If Star Ratings remains the main criteria on which to judge provider performance and reallocate business, I am afraid that many good organisations and people committed to people with a disability will be lost to the sector. I advocate some type of performance measurement to critique provider performance and ensure DEEWR receive “value for money,” however, I have serious doubts regarding the practical application of the Star Ratings model for our sector.

#### **JCA Process**

The JCA process is very inefficient and extremely time consuming for DEN Providers due to the number of inappropriate referrals that are made.

Our organisation has rejected a significant number of referrals due a variety of reasons:

- unfit for work with outstanding medical conditions that are still in the process of being treated
- wrong stream i.e. should be referred to VRS

- medical exemptions i.e. Medical Certificates lodged with Centrelink or job seekers who have had their medical certificates refused by Centrelink and are required to participate but are not in a position to do so
- referred to our DEN Capped Program as it is a requirement of the JCA process that a referral be made even when it is an inappropriate referral
- voluntary clients who fear their DSP will be breached / stopped should they not attend.

Solution: The income support determination process should be separated from the program referral process. At the very least a referral should not be mandatory when a JCA is undertaken. I know that DSP recipients now have the right to request that they not be referred to a PAGES when undertaking a JCA Assessment, which is a step in the right direction. Further education for JCAs is also required as many do not have the knowledge or experience to refer job seekers into the correct program stream.

Another idea to encourage DSP recipients to seek employment is that entry into DEN should be automatic, as it is for Special School Leavers.

### **DSP Recipient Safety Net**

Maintaining the safety net for DSP recipients who wish to seek employment assistance from DEN. This is fundamental to encouraging people with a disability to seek assistance to find employment. The current rules for entry into DEN perpetuate the fear and anxiety many people feel when even contemplating seeking employment.

Solution: All DSP recipients who "volunteer" to look for work must have their eligibility for the DSP retained.

### **Intermittent Support**

Clients who have been exited as independent or placed on intermittent support should have the right to return to their DEN provider in situations other than in a Job in Jeopardy scenario without the need for a JCA. I believe that this was the original intention behind the Intermittent Support concept.

Solution: Provide a safety net to clients and providers who are considering Intermittent Support as an option. DEN providers should be able to assist clients when they require assistance for skill improvement or a change in employment, which will prevent many clients having to rely on income support and going through the JCA / Referral process.

## **Removal of the Uncapped Stream**

Consideration for the DEN Uncapped Stream to be removed - how can a 1 hour JCA appointment help differentiate whether a job seeker has the capacity to work between 8-14 hrs and 15-29 hrs per week?

If a job seeker has barriers to employment then they should either be referred to a single DEN stream or VRS depending on the nature of their disability or disadvantage.

## **Job in Jeopardy**

Job in Jeopardy DEN clients should be afforded the same protection as clients in the DEN Maintenance Phase when they lose their job - the right to remain with their DEN for 6 months following the cessation of a job to have assistance to find a new job with our requiring an exit and going through the JCA process.

## **Education Outcomes**

We all know that education is a key to securing better quality employment. The current Star Ratings model encourages a "Work First" approach and perpetuates the "Working Poor" dilemma.

All Education outcomes should be recognised in DEN Star Ratings. Why should only one form of education (traineeship/apprenticeship) be recognised within the Star Ratings framework?

## **Increasing Financial Incentive to Employers**

Ensure the financial incentives that DEN Providers can offer match, if not exceed, those offered by other PAGES such as the Job Network.

Employers in my experience respond to financial incentives to try employing a client with a disability.

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