



cerebral palsy league

Cerebral Palsy League of Queensland Position Paper on Proposed DEEWR Tender for 2013

Background

The Cerebral Palsy League of Queensland (CPL) has been successfully providing services to people with disabilities for over 60 years and used that expertise in the successful provision of Disability Employment Services for the past 20 years.

The CPL operates employment services under the name of Mylestones Employment (previously Access Employment). The capped service consistently operated at 4.5 to 5 stars under the previous contract and as a DES-ESS currently operates at 3 to 4 stars, as the service adapts to the new performance framework.

CPL and Mylestones are community based and involved in a range of initiatives that promote and facilitate employment. It is the preferred service provider for a number of schools and has a contract for the Queensland Mental Health Employment Initiative in three ESAs demonstrating success well above average in securing traineeships for Eligible School Leavers, and durable employment for people under case management within the mental health system.

Mylestones is a participating member of the Community Connections to Work within the Ipswich ESA assisting people with multiple barriers to employment and community participation to develop goals.

All community initiatives bring clients who are in the most need but who also require more significant, pre-employment support to secure long term employment, not paid work experience, and as a result have a potential detrimental effect on star ratings.

Proposed Tender

The CPL is gravely concerned for the consequences for people with a disability about the mooted Tender process for service delivery from 2013 onwards.

There are three main areas of concern:

1. Flaws in the current model.
2. Using 4 stars as the cut-off (value for money)
3. Tender inequities.

Current Model

While the CPL applauds the Government's attempts to increase the focus on securing on-going employment for people with a disability through the current deed, there has been an unfortunate gap in the process that enables less scrupulous providers to ensure high star ratings, without ensuring long-term employment for people with a disability.

This flaw is due to the strong emphasis on 6 month outcomes (30%) without adequate weighting for longer term milestones. This enables some providers to cycle people through two lots of heavily subsidised 13 week terms with separate employers, or their own business initiative with little or no likelihood of on-going employment. The impact of this approach can be quite devastating for someone with a disability.



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Another flaw in the model is that services are effectively being actively discouraged from taking on clients that may require more time to secure job opportunities. As the star ratings are based on percentage of outcomes and within a tight timeframe, it is extremely risky for services to take on clients that can't be placed within 13 weeks. The model also discourages services taking on new clients in most need at all for the same reason.

Examples:

- K, a young woman of 23 with CP, having previously used Mylestones to secure employment while studying, returned some months ago seeking to re-engage. Having completed her degree in Psychology with a distinction average, K is seeking assistance to secure an internship leading to employment. The internship will enable K to become a registered Psychologist and a highly employable professional, but the process is both costly and can take up to two years to complete. K does not have the finances to pay for the internship supervision, nor the stamina to work part time whilst doing a full time internship. Additionally although internships bring no educational outcome, the hours place K over her benchmark so a referral to DES is not practicable in any event.

K has studied hard and to fulfill her career aspirations, now requires an agency to register her and assist with internship costs (\$120pw) and modifications knowing that an employment outcome will simply not be achievable inside 12 months. There is little in the DEEWR KPIs to encourage a service to do so. K requires a service committed to assisting people to making a meaningful, long term change outside of the constraints of the performance framework. Fortunately CPL and Mylestones is that service, however, as K is not being registered, she will not be eligible for higher rate of mobility allowance, SWS or significant modifications.

- G who lives in an outlying area of a large ESA and who first needs assistance to complete non accredited industrial training then to relocate in order to pursue employment goal. G is not in receipt of benefits and cannot find a service to accept his direct registration until his training is complete and new residential address confirmed.
- Local high schools in a number of ESAs and with whom we have solid relationships have expressed frustration at being unable to register Eligible school leavers wishing to attempt open employment before pursuing an ADE or other option. Mylestones is one of the few services willing to directly register young people with more significant support needs.

4 Star Bench-mark cut-off

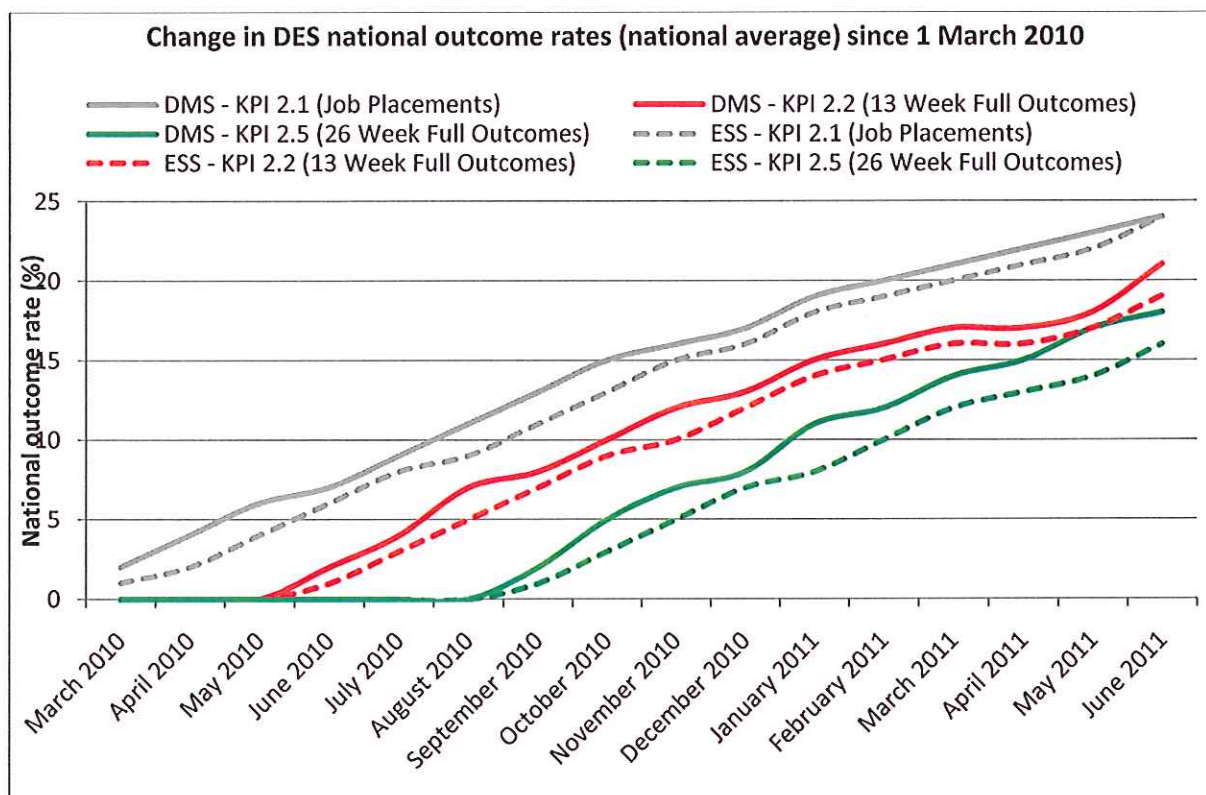
The CPL is confused that the Government has elected to opt for such a high bench-mark, particularly given the flaws in the existing model and the fact that below 3 stars was generally considered to be the likely bench-mark for tender when this issue has been previously mooted.

This approach might seem reasonable if other providers had not had the opportunity to bid in 2010 or if the sector was performing particularly poorly.

DEEWR statistics over the last 2 years indicate that the sector has in fact performed particularly well.



See graph below:



Extracted from Attachment A – DEEWR DES provider handout, page 16, 10/08/2011.

Given this performance at a time when base level service and manufacturing jobs have been lost, it is difficult to understand why the Government would want to disrupt an apparently successful sector with an expensive and time-consuming tender process. The high risk of many services losing momentum to concentrate on tender submissions at a critical time for the Australian economy makes poor strategic sense.

Tender Inequities

The stated aim of bringing more new players into the Disability Employment Service market is likely to attract large, resource rich multi-national players. While it is debatable whether a franchise approach to disability service delivery is desirable, there is no doubt that the capacity of the larger corporations to dedicate huge resources to the tender process far exceeds the ability of community based not for profits to do the same. The trend in the mainstream job services area supports this view.

With the greater emphasis on local community connections, the capacity to provide individualised services, disability expertise and job matching within the existing DES providers, the CPL sincerely doubts that the introduction of the large franchise type corporations would improve service delivery for people with a disability. In fact we have grave concerns on the negative impact this could have on people with a disability securing long term, sustainable, meaningful employment and reduced reliance on income support.



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Conclusion

It is the view of the CPL that Government needs to seriously reconsider their approach to the upcoming DEEWR tender.

The CPL is supportive of the original intention to tender services operating below 3 stars, as concerns about inequities in the current model are unlikely to fully account for performance at that level. This will allow new players to enter the market without disrupting the majority of providers and service provision to job seekers.

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