Submission to the Inquiry into the contract management frameworks operated by Commonwealth entities

Terms of reference

Are the expertise, governance arrangements, record-keeping, performance measures, and policies and guidelines supporting contract management by various Commonwealth entities fit for purpose to ensure project delivery.

This submission focuses on the delivery of the Adult Migrant English Program (AMEP).

Summary

Effective project delivery is a result of trust between the funding entities, the contract managers, the service providers, the professional practitioners, the students and the taxpayers. Appropriate contract framing will ensure that this trust is earned. Contracts will be fit for purpose when they ease rather than increase an unnecessary, unsuitable and ultimately unsustainable burden of compliance. Such easing can come from the greater engagement of those with appropriate expertise in the design and delivery of the program. This would free the potential of all involved to ensure more successful outcomes.

Following a recent audit of the AMEP by the Australian National Office of Audit (ANOA) the Inquiry Committee has identified five key elements that need to be fit for purpose to ensure project delivery. In this submission I address the three elements with which I have had most experience and suggest how they can be reframed to ensure not simply delivery but *effective* delivery. The three are expertise, performance measures, and policies and guidelines.

I have had fifty years' experience in the AMEP and vocational education as a teacher, curriculum manager, teacher developer and academic consultant. Some form of compliance has always, rightly, been required of program providers by contract managers. Over the past thirty years, however, compliance has gone from being a routine feature of the professional work of teachers to an almost insurmountable burden of detailed minutiae, especially following the 2017 AMEP contract. This burden of compliance has had highly negative effects on students, teachers and on the quality of the program itself.

One reason for this change is the lessening of trust in program providers on the part of governments and funding agencies. This was the result of the belief that the providers would not work effectively and appropriately without the imposition of a detailed compliance regime. Such a regime began in the early 1990s when the AMEP moved into the Vocational Education and Training (VET) sector, which itself had moved from being part of a national training system to part of a competitive national training market. The reduction of the current compliance burden, through the introduction of compliance requirements that are more fit for the AMEP's purpose, would ensure more effective program delivery by enabling program participants to focus on the things that matter most in learning. So how can this burden be reduced?

One of the key messages from the audit of the AMEP, which the ANOA deemed significant for all Australian Government entities, is Item 29:

- Continuity in contract management staff, who are appropriately experienced and trained, along with clear lines of responsibility within an organisation, contributes to effective contract management.

The key word here is continuity. Prior to the introduction of competitive tendering of the AMEP in the early nineties, continuity was a feature of not just the contract managers, but also the service providers and the teachers. However, in order to avoid the possibility of inappropriate provider collusion and influence ('provider capture'), such continuity, with its associated expertise and beneficial collaboration, has been seriously undermined by the contracting process. This now needs to change in order to unlock the potential expertise of all program participants.

A search of the term 'expertise' across the ANOA website confirms the importance of expertise in ensuring effective contract management. Continuity helps develop expertise in a virtuous cycle. Continuity brings experience and thus facilitates the development of practical expertise, not just in contract managers and service providers, but in teachers as well, as they all develop a deeper understanding of program needs over time. Continuity ensures that providers can focus on successful teaching, not just successful tendering. Continuity attracts teachers who are able to make a career in this specialist area of education by developing their expertise in the needs of the program's target groups. Continuity thus benefits the students as well.

Successful program outcomes require appropriate performance measures. An AMEP service provider can ensure that a student experiences an excellent teaching program, but, as with any professional service, the provider cannot guarantee the rate or extent of individual change on the part of students, or what happens after a course. The effect of language teaching on complex life events like employment and settlement can only indirectly be linked to the program. Attempting to measure success in terms of elements that are beyond the control of the service provider leads to performance indicators that are not fit for purpose. More appropriate measures would relate to the quality of the teaching as judged by the students and external professionals in English Language Teaching.

Value for money is central to government procurement of services, but it does not simply mean that the lowest delivery price is the most appropriate choice in an increasingly complex social environment. Programs with a settlement focus like the AMEP potentially provide broader non-financial value for the community in the form of supporting mutually respectful civic engagement. This goal has never been more important yet does not lend itself to simple measurements. The framing of the elements of the AMEP contracts as a 'business model' is particularly unhelpful in this regard. The AMEP should be seen not as a business but as a vital social service. A better framing of outcomes requires input based on the expertise of all involved in the provision of the service.