

To Whom It May Concern,

I am writing on behalf of Equal Access Employment Service, a division of Access Industries for the Disabled Ltd regarding the Submission to Senate inquiry into the administration and purchasing of Disability Employment Services.

The tender process for non-remote DES-ESS providers does not reflect proper consideration of the services that are provided, as it is based on a performance framework that is number focused with no measure for quality of jobs and makes it difficult for providers to comply with the Disability Service Standards. The actual tender process itself is problematic both in the short term and long term to clients, employers and providers.

A key element of the performance framework is “rigorous performance assessment and star ratings to inform and support high-quality outcomes” (*DEEWR Guidelines p.4*). However, the current performance framework is an outcome based star rating system, with minimal focus on quality of outcomes. The performance framework focuses on the number of employment placements, it does not recognise quality measures. This is evident in the weightings for the star ratings, with job placement, 13 week and 26 week employment outcomes equalling 55% of the total weighting.

The commitment to quality is lacking in the current star rating measures as there is no weighting given to quality of the job, such as hours of work and rates of pay, as there was in the 2006-2009 star ratings measures. This gives providers the opportunity to source one full time job and split the job between several clients to achieve a greater number of outcomes, thus improving their star ratings. Other providers, who focus on the quality of the placement by putting one client in the full time job and providing ongoing support, are likely to end up with fewer outcomes, resulting in a lower star rating.

With the majority of the weighting in the star ratings given to job placement and employment outcomes, those providers with a commitment to supporting their clients in ongoing support are disadvantaged. In the performance framework there is only 15% weighting given to maintaining clients in ongoing support, this is a relatively low weighting compared to the actual support and staff resources that are needed to maintain clients in quality employment.

While the performance framework states it has “a commitment to quality through compliance with the Disability Services Standards (DSS)” (*DEEWR Guidelines p.4*) the lack of inclusion of quality measures in the star ratings cuts across the commitment providers have to the Disability Service Standards (DSS).

For example, Standard 6: “Valued Status,” and Standard 10: “Service Recipient Training and Support” specify that services must give clients the training they need to not only find a job and keep a job but also keep their skills up to date (<http://www.fahcsia.gov.au/sa/disability/standards/Pages/policy-nsds1993.aspx>). However, to do this clients need extra support from their provider. When this support is provided it takes staff resources away from placing other clients into employment, thus negatively affecting the provider’s star ratings in order to comply with the DSS.

Another example of where the performance framework contradicts the DSS is Standard 9: “Employment Conditions”. Standard 9 outlines that a person with a disability should have the same working conditions as a person without a disability, reiterating that they should also have the same career options and promotion opportunities as people without a disability (<http://www.fahcsia.gov.au/sa/disability/standards/Pages/policy-nsds1993.aspx>). For providers that are committed to supporting their clients in a career path they have to do so without any acknowledgement of this in the performance framework. This makes it difficult for providers to support clients in ongoing support to achieve their employment goals whilst aiming to achieve a high star rating.

As Minister Ellis has acknowledged, the tender process will be costly in the short term to both providers and the Government, however, there is no acknowledgment of the negative long term impact this tender process will have on clients, providers and employers.

Staff resources taken away from service delivery for the duration of the tender process will have a negative ongoing effect on service delivery. There will be less time available for staff to continue to build on relationships with employers, resulting in fewer employer vacancies for clients both in the immediate future and in the long term.

The uncertainty that this tender process brings will directly impact providers, employers and most importantly, clients. Many employers employ clients because of the relationship they have with the DES provider, as they know exactly what support will be provided on site to the client. With the uncertainty of the future of approximately 80% of DES providers, employers may be less likely to employ clients. This will have a medium to long term effect on clients and providers as there may be less employment vacancies offered to clients of DES providers.

The uncertainty the tender process brings will also impact in staff. Currently, it is difficult enough to recruit quality staff to jobs in DES. The tender process will only exacerbate this situation as people will not want to apply for positions given any uncertainty regarding the security of the job.

If some providers close as a result of the tender process, it is logical that those staff members previously employed by the closed services will apply for jobs with those services that were successful in the tender process. Therefore, with the same front line staff working in services taking over the contracts, the question needs to be asked, will there be much difference in service delivery in the services that are successful in the tender process compared to those services that were not? Given that DEEWR staff have acknowledged that just because DES providers have a one or two star rating it does not mean that they are a poor service, it is difficult to understand why the Government continues to pursue the tender process for providers rated three stars and below. Surely other measures of performance, specifically including quality considerations, would be fairer to clients and providers, and more relevant to continuation of good services.

As outlined above, the performance framework is not a quality measure of providers, but merely a numeric count of job placements without much regard to the Disability Service Standards and quality of employment. Therefore, to base an Invitation to Treat on a

providers star rating does not guarantee that the 'best performing' providers will be delivering services to clients.

References

Disability Employment Services Performance Framework Guidelines, V1.2 (July 2011)
Department of Education, Employment and Workplace Relations

<http://www.fahcsia.gov.au/sa/disability/standards/Pages/policy-nsds1993.aspx>