



## Employment Services Charter of Contract Management

The Employment Services Charter of Contract Management (the Charter) is applicable to all areas of the Department of Employment that have direct or indirect interactions with employment services providers (providers) and contribute to the effective management and implementation of employment services.

The Charter sits alongside the formal legal contract and sets out minimum standards of performance and conduct that providers can expect from the Department of Employment.

### A new way of working

The Department of Employment (the Department) and providers share mutual goals—which include building a more socially inclusive Australia by assisting unemployed Australians to improve their economic and social circumstances through participation in work.

The Charter creates a new way for the Department to work in a cooperative, collegiate, strategic partnering relationship with providers to achieve our mutual goals.

The Department is committed to building a positive working relationship with providers. The Department and providers share the values of respect, integrity, accountability, cooperation, openness and transparency. These values will underpin all aspects of the Department's partnering relationship with providers.

The Department also has a responsibility to ensure that taxpayer funds are spent efficiently, effectively and ethically. It is

committed to carrying out its contract and performance management responsibilities in a way that strikes the right balance between its need to be accountable for taxpayers' funds, and the need to ensure that providers can work flexibly and innovatively with job seekers.

The Department welcomes provider feedback on any aspect of its relationship or contract and performance management processes. The Department commits to ensuring that providers can raise issues, problems or complaints, being confident that the issue will be dealt with promptly, fairly and ethically. The Department acknowledges that it is responsible for ensuring that providers can have confidence that raising any issue or dispute will not adversely impact on the provider's relationship with the Department.

The Department will be accountable to the Minister for Employment Participation on its performance under this Charter. As part of its commitment to continuous improvement, the Department commits to undertaking a formal evaluation of its

performance against this Charter before the end of the 2009-2012 contract period. The Department will consult providers on the form and content of this evaluation.

## **Principles underpinning the Charter**

**Partnering** - The Department commits to a partnering relationship with providers to facilitate the achievement of improved employment outcomes for all Australians, particularly those who are disadvantaged.

**Building a strong and vibrant sector** - The Department recognises and acknowledges the mutual dependence of the department as purchaser of employment services and providers of those services. The Department commits to strengthening its relationship with the industry and to supporting and helping to build a strong and vibrant sector.

**Achieving outcomes** - The primary focus of the Department and providers is on obtaining employment and/or education outcomes for disadvantaged unemployed Australians rather than on process.

**Continuous improvement** – The Department commits to continuously working with the industry to reduce ‘red tape’ and streamline processes.

**Supporting innovation** - The Department acknowledges the independence of employment services providers and the skills, experience and expertise of those who work in the industry and will support innovation, flexibility, creativity and individualised service to assist job seekers.

**Working cooperatively** - The Department commits to working cooperatively with providers to attempt to resolve any disputes, complaints or problems as quickly as possible. In working to resolve any disputes, problems or issues, the Department will focus on obtaining a preferred outcome, one which allows both the Department and the provider to meet their needs.

## **What Providers can expect from the Department**

The Department will demonstrate its commitment to these principles and shared values in the following ways.

### **Communication and feedback**

The Department commits to full, open, transparent and consistent communication with providers.

#### ***Jointly developing an individually tailored Communication Protocol with each provider***

The Department will work with each provider to agree who Department staff will communicate with on particular issues. Providers will be invited to negotiate with their Account Manager to establish a Communication Protocol that suits their

needs. It is intended that each provider will have an individually tailored Communication Protocol in place within 30 days of the start of the contract which will be reviewed as part of regular performance feedback arrangements or as required.

***Meeting regularly with each provider***

Regular performance feedback meetings will be held at least once each six months involving senior Departmental State office staff including the Account Manager and Contract Manager and, where possible, the State Manager.

***Providing timely and constructive advice and feedback in relation to routine contract and performance management meetings***

The Department will provide written feedback within 28 days of conducting a monitoring visit. The Department will provide balanced feedback that includes things that are being performed well and any areas for improvement. The Department will engage in discussion with the provider, prior to a meeting or a visit, to enable appropriate preparation. The Department will ensure that all meetings with providers focus on improving performance and sharing better practice. Where the Department requests information from a provider, it will do so in a timely manner as far as is possible and will acknowledge the information received and advise the provider of the outcome as appropriate.

***Providing early advice to a provider in relation to perceived performance issues***

The Department undertakes to provide advice to providers as soon as possible after it becomes aware of a performance management issue and to give the provider reasonable time to respond to and address the issue before it takes further action (this will not apply in cases where it is not appropriate to do so, for example, where fraud is suspected).

***Encouraging the use of recognised quality accreditation frameworks to reduce departmental monitoring activities***

The Department will encourage providers to invest in and implement continuous improvement through quality accreditation or business excellence frameworks. The Department will take such processes into account when planning or conducting monitoring activities in relation to that provider with the ultimate aim of reducing red tape. It is expected that a demonstrated commitment to, and implementation of, such a framework will reduce the Department's need to undertake monitoring activities in relation to that provider.

***Responding to queries as promptly as possible***

The Department undertakes to respond to all queries as promptly as possible. If it is not able to respond to a query within 10 working days, the Department commits to providing advice to providers about the progress of their query and to provide a realistic and reasonable estimate of when a response will be provided. Providers can assist this process by supplying as much information as possible to assist the department in responding.

***Facilitating innovation and sharing 'better practice'***

In addition to its commitment to make every meeting with providers an opportunity to share and discuss better practice, the Department commits to working with the industry to foster and encourage innovation, continuous improvement and better practice.

***Listening to and acting on providers' feedback***

All meetings will include opportunities for providers to give the Department feedback on any aspect of the relationship. Supplying as much information as possible will assist the department to respond. Providers are encouraged to provide feedback either formally or informally directly to their Contract Manager, Account Manager or State Manager or to the Group Manager, Employment Services Support Group.

Feedback to the department can also be provided via a third party. The Department will respect the confidentiality of any information if requested by the provider unless it is not appropriate to do so.

A dedicated webpage will be established to facilitate providers sending in comments, ideas, feedback, suggestions for process improvements or other comments. Providers may of course raise any issue with any senior Department staff member at any time.

### ***Problem solving***

The Department commits to working cooperatively with providers to attempt to resolve any disputes, complaints or problems as quickly as possible without recourse to the Dispute Settling Mechanism in the first instance. In working to resolve any issues, the Department will focus on obtaining an outcome which allows both it and the provider to meet their needs. In supporting ongoing and long term business partnering relationships, the Department seeks to apply certain principles to the resolution of issues. These principles include:

- considering the issue from the perspective of all parties— including employers and job seekers
- considering the underlying factors giving rise to the issue
- encouraging the provider's input into the range of possible solutions or options to deal with the issue, and
- considering the outcome in terms of productivity and relationships.

If a provider has a problem, issue or a complaint that they are not able to resolve with their Contract Manager, they are encouraged in the first instance to jointly raise the matter with their Account Manager or the State Manager. If for some reason this process does not resolve the issue then providers are encouraged to seek further support through raising it either verbally or in writing with the Group Manager, Employment Services Support Group, who

will attempt to facilitate a resolution, including if necessary, consulting with more senior executives. If for any reason a provider does not wish to raise the issue with the Account or State Manager, they can approach the Group Manager, Employment Services Support Group directly.

As part of its commitment to continuous improvement, the Department, in consultation with industry will undertake an analysis of the issues raised through the problem solving process and the action taken by it to resolve the issues. Feedback on the results of this analysis will be provided to the industry.

### ***Dispute Settling Mechanism***

The Department will approach problem solving, disagreements and disputes in a professional and constructive manner. The Department believes that adversarial dispute resolution based on litigation or enforced arbitration is undesirable and contrary to the principles of strategic partnering.

After accessing the options for problem solving set out in the Charter and as a last resort, if the provider remains dissatisfied with the outcome or handling of the matter, the Department will appoint a mediator to attempt to resolve the issue. The mediator will be an appropriately skilled and qualified independent person agreed by the Department and the provider (and NESAs or another relevant peak body if desired by the provider).

The Contract (Section 6C - Resolving Problems) sets out procedures for the resolution of any dispute or problem that cannot be resolved using the processes set out in this Charter.

## Consultation

The Department commits to open consultation with providers over issues that affect their operations.

***Open, transparent consultation with providers over proposed Contract Variations before such Variations are finalised and wherever possible over the development or amendment of guidelines.***

Wherever possible, such consultation will involve the establishment of a Working Group, including provider representatives.

***Providing reasonable notice of implementation of new or amended guidelines***

Where ever possible, Providers will be given reasonable notice of the Department's intention to introduce new or amended guidelines prior to implementation. In addition, it will ensure that it communicates such changes effectively and allows a 'settling in' period where if providers don't comply with the new or amended guidelines because they were not aware of the changes or did not fully understand the changes, they will be given an opportunity to fix the problem before being penalised for non-compliance.

## Consistency

The Department will put in place on-going staff training and development processes to improve the consistency of the advice and information that is provided to providers. The Department will also ensure that it has Quality Assurance and other systems in place to monitor and review the consistency of advice provided. Providers are encouraged to use feedback processes described in this Charter to raise any issues of consistency with the Department, which undertakes to address any instances of inconsistent advice promptly.

## Personal Conduct

Departmental staff will be professional and outcomes focused in their dealings with providers. The Department's staff will behave in accordance with the Australian Public Service (APS) Code of Conduct and APS Values and the values embodied in this Charter. The Department will adhere conscientiously to the Commonwealth Procurement Guidelines including with respect to principles of probity, and ethical and fair dealing with all providers.