

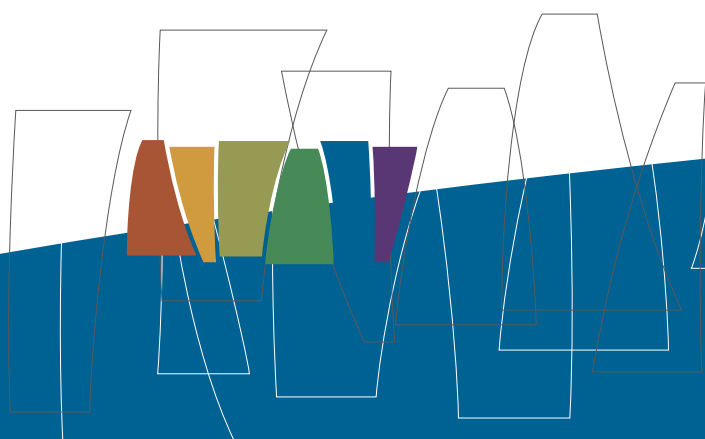


**Australian Government**

**Department of Education, Employment  
and Workplace Relations**

# Evaluation of Disability Employment Services Interim Report

## Reissue March 2012



## Acknowledgments

The evaluation team thanks DES providers for participating in evaluation activities and the 2010 Survey of DES Providers.

Thanks also to our Employment Monitoring and Evaluation Branch colleagues for the DES Post-Program Monitoring Survey and Survey of DES providers, the State Network for input and facilitation, and Specialist Employment Services Group for policy context information on Disability Employment Services 2010–2012.

978-0-642-33339-1 [PDF]

978-0-642-33340-7 [RTF]



With the exception of the Commonwealth Coat of Arms and where otherwise noted all material presented in this document is provided under a Creative Commons Attribution 3.0 Australia license (<http://creativecommons.org/licenses/by/3.0/au/>).

The details of the relevant licence conditions are available on the Creative Commons website (accessible using the links provided) as is the full legal code for the CC BY 3.0 AU licence (<http://creativecommons.org/licenses/by/3.0/au/legalcode>).

The document must be attributed as Evaluation of Disability Employment Services Interim Report Reissue March 2012.

# Contents

<b>Abbreviations .....</b>	<b>iv</b>
<b>Executive summary .....</b>	<b>v</b>
<b>1. Introduction.....</b>	<b>1</b>
1.1 Scope of the interim evaluation .....	2
1.2 Context and background .....	3
1.3 DES service model at a glance .....	6
1.4 DES providers .....	9
1.5 Governance arrangements .....	10
<b>2. Characteristics of DES participants .....</b>	<b>11</b>
2.1 Referral pathways .....	13
2.2 Funding levels and work capacities.....	13
<b>3 Interim findings .....</b>	<b>15</b>
3.1 Has DES improved access to services? .....	15
3.2 Has participation in services increased? .....	19
3.3 Are services more effective under the DES Deed? .....	21
3.3.1 Job placements and employment outcomes.....	22
3.3.2 Post program employment outcomes .....	26
3.3.3 Participant satisfaction—baseline data .....	27
3.3.4 More flexible support in the workplace.....	27
3.4 Qualitative feedback on program effectiveness for groups of DES participants.....	30
3.4.1 Aboriginal and Torres Strait Islander participants .....	30
3.4.2 Participants in remote and regional Australia .....	31
3.4.3 Participants from culturally and linguistically diverse backgrounds.....	32
3.4.4 School leavers with disability and the transition to work.....	33
3.4.5 Participants with mental illness.....	35
3.5 Key findings from the DES Provider Survey and in-depth interviews.....	36
3.5.1 Has DES reduced administrative load? .....	36
3.5.2 Has uncapping affected demand? .....	40
3.5.3 Provider perceptions of the DES Deed and guidelines as policy enablers.....	41
3.5.4 A note on employer servicing .....	42
<b>4. Next steps in evaluation.....</b>	<b>44</b>
<b>References .....</b>	<b>45</b>
<b>Glossary .....</b>	<b>46</b>
<b>Appendix A: Evaluation Key Performance Indicators .....</b>	<b>47</b>
<b>Appendix B: Outcomes of Ongoing Support Assessments .....</b>	<b>48</b>

## Abbreviations

<b>ABS</b>	Australian Bureau of Statistics
<b>DEN</b>	Disability Employment Network
<b>DES</b>	Disability Employment Services 2010-2012
<b>DMS</b>	DES Disability Management Service
<b>DSP</b>	Disability Support Pension
<b>EAF</b>	Employment Assistance Fund
<b>EPF</b>	Employment Pathway Fund
<b>EPP</b>	Employment Pathway Plan
<b>ESS</b>	DES Employment Support Service
<b>JCA</b>	Job Capacity Assessment
<b>JSA</b>	Job Services Australia
<b>JSCI</b>	Job Seeker Classification Instrument
<b>NDRC</b>	National Disability Recruitment Coordinator
<b>OSA</b>	Ongoing Support Assessment
<b>SDAC</b>	ABS Survey of Disability, Ageing and Carers
<b>SWS</b>	Supported Wage System
<b>VRS</b>	Vocational Rehabilitation Services
<b>WSS</b>	Wage Subsidy Scheme

## Executive summary

Disability Employment Services 2010–2012 (DES) is an Australian Government program that assists people with disability to secure and maintain employment in the open labour market. The program commenced on 1 March 2010, replacing the Disability Employment Network (DEN) and Vocational Rehabilitation Services (VRS) which had been operating since 2006. DES providers, mostly not-for-profit organisations, are contracted to the Department of Education, Employment and Workplace Relations to deliver employment services to eligible people with disability. Currently, around 220 DES providers deliver services at more than 2,000 sites across Australia. An evaluation of the program is to be completed in financial year 2012–13 according to a strategy developed jointly with the DES Reference Group (DEEWR 2010).

This report contains findings on the accessibility and effectiveness of DES in the program's first year of operation. Results to date reflect a transition period as it was evident that many DES providers were still adjusting to the new Deed and some of the data used for evaluation includes participants who transitioned from the previous programs. Interim evaluation has focussed on nine of twenty key indicators in the evaluation strategy and additional interim indicators, listed below. Measurement of these indicators will be expanded and updated as more data become available.

### Major achievements

The success stories so far are improved access to services for job seekers, the new model of Ongoing Support and more sustainable job placements.

### Improved access

More job seekers with disability are receiving employment assistance through the changes introduced in DES. Each month around 8,000 new participants commence in DES compared with an average of 7,000 commencements per month in DEN/VRS in 2009.

Improved access also shows at the population level, with relatively more of the target population—people of working age with disability who receive the Disability Support Pension, Newstart Allowance, or Youth Allowance(other)—using disability employment services. Participation in services had levelled out under the capped programs but increased from 7.7 per cent of target population just prior to DES to 8.8 per cent by December 2010. Improved access has particularly benefited job seekers who directly register with a service provider. The removal of service caps and provider discretion over referrals together with expanded pathways for Eligible School Leavers have all helped to improve access for job seekers with disability.



## Indicators of accessibility and effectiveness, Disability Employment Services 2010–2012

Indicator	DES	DEN/VRS
<b>Accessibility</b>		
Average referrals per month <sup>(a)</sup>	11,224	10,941
Average commencements per month <sup>(a)</sup>	8,043	6,975
Proportion of referrals that result in the participant commencing in the recommended service	DMS: 81.3% ESS: 74.2%	VRS: 74.9% DEN: 58.4%
Proportion of referrals that result in service commencement within 4 weeks of referral <sup>(b)</sup>	77.9%	85.5%
Program participants as a proportion of income support population	8.8%	7.7%
<b>Effectiveness</b>		
Proportion of participants who achieve a Job Placement <sup>(c)</sup> (interim indicator)	24.3%	27.9%
13 Week Outcome rate <sup>(c)</sup> (interim indicator)	14.0%	14.1%
Conversion rate	57.4%	50.5%
Proportion of exited participants who are employed 3 months after leaving the program <sup>(c)</sup>	DMS: 23% ESS: 18% Ongoing Support: 67%	VRS: 13% DEN: 20%
Number and proportion of Ongoing Support or Maintenance participants who exit as independent workers and remain employed 3 months after exit	86%	86%
Level of participant satisfaction with services	DMS: 67% ESS: 69%	See Note 1
Level of participant satisfaction with training and skills development provided by their DES provider	DMS: 56% ESS: 47%	Not measured in DEN/VRS
<b>Administrative load</b>		
Per cent of DES provider sites that agree or disagree administrative load is lower under DES	Agree: 8% Disagree: 79% “About the same”: 13%	n.a.
<p>(a) Based on observation of outcomes achieved by participants who commenced in DES between 1 March and 30 June 2010 and participants who commenced in DEN/VRS between 1 March and 30 June 2009. DES outcomes observed to 31 December 2010; DEN/VRS outcomes observed to 31 December 2009. See Section 3.3.1.</p> <p>(b) Referrals to DES between 1 April and 31 December 2010, and to DEN/VRS between 1 April and 31 December 2009.</p> <p>(c) DES PPM in 2010 collected data from exits only; satisfaction among early exits might not reflect satisfaction among the wider participant population.</p> <p>Notes:</p> <ol style="list-style-type: none"> <li>The satisfaction measurement scale was changed to give greater sensitivity in the DES PPM and results for DES and DEN/VRS are not directly comparable. Adjusting DES results to the 4-point scale used previously in the DEN/VRS PPM, around 80 per cent of DES participants were satisfied with service, similar to results for DEN/VRS in 2008 and 2009 (refer section 3.3.3).</li> <li>Sample survey estimates rounded to nearest whole integer.</li> </ol> <p>n.a. Not applicable.</p>		

Better access for job seekers has meant stronger demand at many DES sites. More than half (57 per cent) of respondents to the 2010 Survey of DES Providers attributed increased demand at their site to the lifting of service caps on the introduction of DES. Some providers gave accounts of more referrals for people with mental illness and the administrative data confirmed that people with severe mental illness are among the overall higher number of commencements in DES. While individual sites may have experienced a changed profile of support needs this is not evident at the program level.

Disability employment services have always targeted job seekers with mental health conditions but some providers are grappling with the complex needs of participants with severe mental illness, currently numbering over 800 commencements per month. Seen as a positive development, the increased use of open employment services by highly disadvantaged job seekers would benefit from more guidance and information resources to assist providers with complex issues such as duty of care and advising participants on disclosure of disability to assessment agencies and employers.

## **More flexible and appropriate delivery of Ongoing Support**

Ongoing Support is well accepted by DES providers and participants. Seventy nine (79) per cent of participants expressed satisfaction with their experience of Ongoing Support and 72 per cent who recalled having an Ongoing Support Assessment were satisfied with the outcome. Most DES sites (70 per cent) agree with the principle of independent assessment and providers are undoubtedly making better judgements about whether participants need ongoing support, often exiting the participant just prior to an Ongoing Support Assessment. In a typical month between 600 and 800 participants exit DES as independent workers, outstripping the long term trend in previous programs of 200 to 400 exits to independent work each month. An estimated 676,500 participant days were saved between April and December 2010 by virtue of provider initiated exits just prior to Ongoing Support Assessment, theoretically freeing resources for other participants.

The evaluation found no evidence that employed participants are being exited prematurely because of the new guidelines. DES is registering fewer returns to service of people exited as independent workers compared with DEN Maintenance (17 per cent and 20 per cent respectively) and the proportion of exited participants who remain employed at six-months post exit appears to have been maintained, estimated at between 49 and 83 percent, similar to DEN. The wide interval of estimation is due to the limitations of administrative data for measuring post-program employment status.

## **More sustainable jobs**

Early indications are that DES is on track to achieve its key objective of more sustainable employment for participants. The evaluation compared a cohort of 26,385 newly commenced DES participants with 26,202 DEN/VRS participants in 2009, observed for an equivalent period of time. Relatively fewer of the DES cohort obtained a job, 24.3 per cent compared with 27.9 per cent of the DEN/VRS cohort, but more of the employed participants in DES went on to achieve a 13 Week Outcome: 57.4 per cent compared with 50.5 per cent of DEN/VRS participants. This suggests that less sustainable job placements have fallen away under the DES model. See section 3.3.1 for more details.

A higher rate of conversion to outcome was observed in the Disability Management Service and at both funding levels of the Employment Support Service. With a conversion rate of 62.0 per cent, Employment Support Service Funding Level 1 is outperforming Employment Support Service Funding Level 2 (57.1 per cent) and the Disability Management Service (55.1 per cent) on this measure.

A lower job placement rate was perhaps to be expected with the tighter rules on breaks in employment and revised employment benchmark settings. With each successive monthly cohort of commencements the gap between the DES and DEN/VRS job placement rates has narrowed, from a 4.8 percentage point difference between the two March cohorts to a 1.6 percentage point difference between the June cohorts. Lifting the job placement rate while maintaining or bettering the outcome rate will require strong commitment to training and skills development for participants, effective employer servicing, and a willingness on the part of employers to recruit suitably qualified job seekers with disability.

The evaluation will continue to monitor outcomes using a cohort approach but only towards the end of the contract period will it be possible to account for participant characteristics and labour market conditions in the analysis. Data in early to mid-2011 will need to be interpreted cautiously because of the effects of recent floods on labour markets.

## **Areas for improvement**

Strong and consultative governance has ensured that most of the major challenges to arise under the new Deed have been or are being addressed, including stabilisation of the Funding Level Tool, improvements to DEEWR IT systems and more flexible minimum contact requirements. These measures should have a flow-on effect in reducing the administrative load on providers.

Streamlined access is another area for attention. The key indicator, number of days from referral to commencement of service, shows that on average job seekers are taking longer to commence service than under the previous programs (see Section 3.1). The difference is most evident in average commencement times for participants without a need for regular, long-term support in the workplace. In 2010, participants took an average of 18 days to commence in the DES Disability Management Service, compared with 11 days to commence in Vocational Rehabilitation Services in 2009. This finding highlights a number of issues that are discussed in Chapter 3. It is concluded that participants and providers would benefit from:

- clearer eligibility rules that distinguish eligibility for DES from eligibility for Stream 4 and define ‘non-vocational’ barriers in this context
- further refinement of the Job Capacity Assessment guidelines to enable more consistent and thorough consideration of support needs for informing referrals to the Disability Management Service and Employment Support Service of DES
- increased use of specialist assessments where indicated, particularly for job seekers with suspected undiagnosed mental illness; this would require a review of existing policy and possible significant budget implications
- improved processes for DES providers to request reviews of recommended referrals (‘Dispute resolution’ in the DES Deed)
- a review of the performance framework for the Job Capacity Assessment program to ensure it gives appropriate emphasis to the quality of assessment outcomes
- ongoing communication with Centrelink and other assessment providers to prevent DES from being ‘lost’ in the shadow of Job Services Australia
- better communication between Centrelink and participants with poor command of English or other communication barrier to help them understand the meaning of a referral to DES or other DEEWR employment program
- improved internet-based and print information about DEEWR employment programs, in multiple languages and accessible formats for access by consumers and family members, and covering key documents such as the Service Guarantee and Employment Pathway Plans.

The need for clearer eligibility guidelines for DES and Stream 4 has also been raised in the evaluation of Job Services Australia (Stream Services). Key informants to both evaluations described the difficulties that can arise when a job seeker lacks insight into their condition, or resists diagnosis and treatment, or cannot access mental health services for diagnosis. Timely access to the most appropriate type of assistance depends on timely and accurate assessment of work capacity which is in turn dependent on the availability of relevant evidence. From 1 July 2011 all assessments for employment services will be conducted by Centrelink, which is expected to bring economies of scale and facilitate more consistent and regular communication between providers. This together with improvements suggested above should do much to improve the assessment and service experience of DES participants.

Inevitably there will still be some people referred to JCA and DES providers in a state of crisis, for whom employment assistance is just one thread in a tapestry of support needs. While assessors must make every effort to link these people to the most appropriate local services they do not have an ongoing case management role. Anecdotally, some job seekers who need assistance to obtain further evidence for comprehensive assessment or who are assessed as unsuitable for immediate referral to an open employment service may be falling through a service delivery gap. People in these situations may benefit from a period of case management.

DES providers acknowledged that administrative gains have been made in some areas but most sites (79 per cent) say that, overall, administrative load has increased. The new IT system, particularly the job placement and anchoring module, was singled out as a particular cause. Unstable funding levels, resolved in October 2010, also contributed to the sector’s first verdict on administrative load. Specifically, 72 per cent of Employment Support Service sites reported increased administrative workloads associated with managing business under the new fee structure during a period when funding levels fluctuated, at times unpredictably. The resolution of these implementation issues should help to ease the administrative load on providers.

The move to stronger performance-based contracting has challenged some providers more than others, which appears to be related to the level of preparedness for change and ability to predict and respond to increased demand at the site level. Some sites were clearly more prepared for the changes that occurred with DES than others.

Evaluation activities in 2011 will focus on participant experiences and employer servicing. Evaluation of outcomes will be extended to include 26 Week Outcomes, Education Outcomes and Job in Jeopardy Outcomes. In addition, more detailed reporting on outcomes, for example, by primary disability and age or location, will become possible towards the end of the year.

In 2012 the evaluation will turn to questions of cost effectiveness (cost per employment outcome) and the program’s net impact.



# 1. Introduction

Disability employment services have existed in Australia for over 100 years but it was under the *Disability Services Act 1986* (the Act) that a national program of open employment assistance was established as an alternative to the traditional model of sheltered employment for people with disability. While the Act continues to provide the legislative framework, some significant policy reforms have changed the way that employment services are funded and delivered (Box 1.1). In particular, the move in 2005 from block grant to case-based funding laid the foundations for greater transparency and measurable outcomes and Welfare to Work reforms a year later were aimed at increased participation.

Despite these initiatives the labour force participation of people with disability has remained stubbornly low, having nudged up only slightly from 53.2 to 54.3 per cent in the six years to 2009 (ABS 2010a, 2004). In that year an estimated 1,503,200 people aged 15 to 64 years had disability that reduced their capacity to work or study. This population group registered a labour force participation rate of 46.5 per cent and unemployment of 10.4 per cent, almost twice the national unemployment rate at the time. The imperative for accessible and effective disability employment services is clear. First, low employment incurs high individual and social costs—higher risk of poverty, social exclusion and long-term health, especially mental health, consequences—creating a double jeopardy for many people with disability. Second, people with reduced work capacity who are unrepresented in the labour market are an important part of the solution to the contracting supply of labour into the future (OECD 2010).

The latest major milestone in disability employment services and subject of this report is Disability Employment Services 2010–2012 (DES), introduced on 1 March 2010. DES aims to help people with reduced work capacity due to disability, injury or health condition to achieve sustainable employment in the open labour market. Its key policy objectives are increased employment participation of people with disability, more sustainable employment and through this, greater social inclusion, and increased workforce productivity. The program is administered by the Australian Government Department of Education, Employment and Workplace Relations (DEEWR) under the Disability Employment Services Deed 2010–2012 (the Deed) and related guidelines. Services are delivered by around 220 organisations at over 2,000 sites across Australia.

This interim report marks the first stage of an evaluation of DES by the department's Employment Monitoring and Evaluation Branch. Program evaluation will be completed in 2012–13

## Box 1.1 Development of employment programs under the Disability Services Act 1986

- 1983–1985** Commonwealth Government review of funding programs for people with disabilities (the Handicapped Person's Review).
- 1986** Passage of the *Disability Services Act 1986*, heralding reform of the disability service system. The Act came into effect on 5 June 1987.
- 1987** Two types of disability employment service were established under the new Commonwealth Disability Services Program: the competitive employment, training and placement (CETP) service and supported employment service (Part II of the *Disability Services Act 1986*). The Commonwealth Rehabilitation Service continued to operate (Part III of the *Disability Services Act 1986*).
- 1988** Commencement of the Workplace Modifications Scheme, to reimburse employers and employment service providers for the cost of workplace modifications and special equipment.
- 1991** Reform of Commonwealth income support payments for people with disabilities (Disability Reform Package). Access to rehabilitation, training and labour market programs was expanded. The first Commonwealth/State Disability Agreement (CSDA) clarified the roles and responsibilities of federal and state and territory governments, handing responsibility for employment, training and placement services to the Commonwealth.
- 1992–1993** Federal Parliament passed the Disability Discrimination Act. The *Disability Services Act 1986* was amended to allow for the introduction of Disability Services Standards, which applied to all services provided under the *Disability Services Act 1986*.
- 1995** The Baume Review of employment-related components of the Disability Services Program handed down its findings. The 1995 Budget reflected Government's response, including definition of the Disability Services Program as a labour market program and development of a framework for performance-based funding of disability employment services.

Sources: Lindsay, 1996; FaCS, 2003.

### Box 1.1 Development of employment programs under the Disability Services Act 1986 (cont)

- 1997** Centrelink was established as the gateway to income support and employment and related services. An Employer Incentives Strategy was announced in August 1997. Elements included the Disability Recruitment Coordinator service, the Supported Wage System, and the Special Employment Placement Officer. A year later two more schemes were brought under the strategy: Wage Subsidy Scheme and Workplace Modifications Scheme.
- 1999–2002** Case Based Funding Trial, a trial of new funding arrangements for disability employment assistance. Under this model, fees are based on a job seeker's assessed level of support need and employment outcomes achieved by providers.
- 2003** The 2003 Budget announced new funding to implement case based funding for Disability Open Employment Services and Business Services.
- 2004** Disability Open Employment Services program transferred from the portfolio of the Department of Families and Community Services (FaCS) to the Department of Employment and Workplace Relations (DEWR) in November 2004. DEWR purchased disability open employment services from a national network of government and non-government organisations. Supported employment (Business Services) remained with FaCS.
- 2005** Case-based funding replaced block funding for Disability Open Employment Services from 1 July.
- 2006** In May 2006, prior to the issue of new service contracts, the program name was changed to the Disability Employment Network (DEN). Rehabilitation services continued to be delivered by CRS Australia under the Vocational Rehabilitation Services program (VRS). DEWR contracted for the provision of services under DEN and VRS from 1 July 2006 to 30 June 2009.
- As part of the Welfare to Work introduced on 1 July reforms a new uncapped stream was introduced to DEN to complement the existing capped stream.
- 2007** Partial contestability was introduced to VRS; CRS Australia retained two-thirds of business.
- 2009** Contracts for DEN and VRS extended to 28 February 2010.
- 2010** Disability Employment Services 2010–2012 commenced on 1 March.  
A review of National Standards for Disability Services commenced in April.

Sources: Lindsay, 1996; FaCS, 2003.

## 1.1 Scope of the interim evaluation

The evaluation of DES follows an approach developed jointly by DEEWR and consumer and industry representatives on the DES Reference Group (DEEWR 2010). Interim findings relate to those parts of the evaluation strategy for which sufficient data are available to make informed early comment, covering nine of 20 key indicators in the evaluation strategy plus three interim indicators (see Appendix A):

### Timely and appropriate service

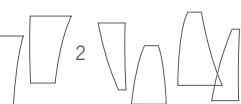
- Numbers of referrals and commencements per month (KI 1).
- Proportion of referrals that result in the participant commencing in the recommended program (KI 2).

### Equity of access to services

- Program participants as a proportion of income support population (KI 3).

### Participants receive skills development and skills transfer

- Level of participant satisfaction with training and skills development provided by their DES provider (KI 5).



### More effective services

- Proportion of participants who achieve a job placement (interim indicator).
- Proportion of participants who achieve a 13 Week Outcome (interim indicator).
- Proportion of job placements that convert to a 13 Week Outcome (interim indicator).
- Proportion of exited participants who are employed 3 months after leaving the program (KI 9).
- Number and proportion of Ongoing Support or Maintenance participants who exit as independent workers and remain employed 3 months after exit (KI 10).
- Level of participant satisfaction with services (KI 11).

### More efficient services

- Proportion of referrals that result in service commencement within 4 weeks of referral (KI 15).
- Extent to which providers agree or disagree that administrative load is lower under DES (KI 20).

This partial and preliminary coverage is based on data up to 31 December 2010. Other indicators will become available progressively throughout the course of the evaluation and the indicators reported here may change as the program matures.

Interim evaluation has focussed on access to services—the effectiveness of uncapping—and the experiences of providers in delivering services under the new Deed. More time is needed to properly evaluate employment and education outcomes though some preliminary results are included and the usual caveats of preliminary data apply.

Qualitative findings are based on in-depth interviews with selected DES providers and a Survey of DES Providers conducted in October 2010. Surveys of participants and employers will deliver those critical perspectives from mid-2011, which will be reflected in the final report. This interim report contains some baseline measures of participant satisfaction with services.

Transition to DES is out of scope of the evaluation. A separate post-implementation review has reported on the transition.

## 1.2 Context and background

DES is part of a wider disability service system governed by the Act and Disability Services Standards. Disability employment programs including DES and Australian Disability Enterprises<sup>1</sup> contribute to the objectives of the National Disability Agreement and are core elements of the National Mental Health and Disability Employment Strategy (Council of Australian Governments 2008; DEEWR 2009a). DES operates alongside DEEWR's mainstream employment program, Job Services Australia, which can also provide employment assistance to people with disability but does not operate within the same legal and regulatory framework as DES and other specialist disability programs.

DES replaced the Disability Employment Network (DEN) and Vocational Rehabilitation Services (VRS) programs that had been in operation since 2006. The rest of this introduction outlines the DEN, VRS and DES service models, highlighting the main policy changes introduced in DES. Readers familiar with this background may wish to go straight to Chapter 2.

Prior to 2006 DEN was a capped program of assistance for people with permanent disability who were eligible under the Act. Most participants were in receipt of the Disability Support Pension. An uncapped stream was introduced in 2006 to guarantee assistance for people with disability who, under the Howard Government's Welfare to Work reforms, were required to look for work to meet income support requirements. Many of these people had partial work capacity and were in receipt of Newstart Allowance. Likewise, a demand-driven stream was established in VRS. Growth in numbers of participants in the ensuing years was confined to the uncapped and demand-driven streams. People found eligible for the capped and fixed-place streams were not always able to access the recommended service (Table 1.1).

---

1. Australian Disability Enterprises is a supported employment program administered by the Australian Government Department of Families, Housing, Community Services and Indigenous Affairs.

**Table 1.1 DEN and VRS, number of participants by stream at 31 December, 2006–2009**

Year	DEN		VRS	
	Capped	Uncapped	Fixed place	Demand driven
2006	40,601	3,894	n.a.	n.a.
2007	39,419	10,872	19,872	17,038
2008	39,287	16,925	18,367	23,519
2009	39,919	21,443	17,840	25,898
n.a. Not applicable				

Eligibility for DEN and VRS was determined by Job Capacity Assessment (JCA), a non-diagnostic review of available evidence of vocational and non-vocational barriers, including a person's disabilities, injuries and health conditions, and an assessment of these barriers on the person's capacity to work. Once eligibility was determined a job seeker would be referred to the most appropriate available service by DEEWR's IT system using information contained in the JCA report.

DEN provided up to 18 months of employment assistance (resumé preparation, job search and placement) which could be followed by 'maintenance' support in the workplace, for as long as required. VRS offered specialist rehabilitation combined with employment assistance but did not offer long-term support in the workplace (Figure 1.1).

Evaluation and review identified a number of shortcomings in DEN and VRS (DEEWR 2009b; DEWR 2007). Caps on services were criticised for limiting access to the most appropriate assistance and there were calls for more flexibility in servicing people with episodic conditions. The National Mental Health and Disability Employment Strategy (DEEWR 2009a) and fourth National Mental Health Plan (AHMC 2009) also informed the development of a new model for disability employment services.

Certain key features of the previous model were retained in DES. The JCA gateway to services remains (Figure 1.2) with one important change that goes hand-in-hand with uncapping: whereas DEN providers had discretion to reject referrals, DES providers must accept all referrals. As before, two distinct programs operate for the two target groups defined in legislation:

- Employment Support Service (ESS) for persons eligible under Part II of the Act
- Disability Management Service (DMS) for persons eligible under Part III of the Act.

DES continues to provide services to people who volunteer for employment assistance and others who are required to participate under the *Social Security Act 1991*. The removal of service caps to create a fully demand-driven system allowed four service streams to be collapsed into two. In practice this means one set of operational procedures applies to volunteers and activity tested participants where, before, separate guidelines arguably made a clearer distinction. Two statements of program objective in the DES Deed reflect subtly different perspectives, one conveying a stronger sense of Welfare to Work philosophy and the other more reflective of the historical context of disability services with its underpinnings of individual aspirations and outcomes (Box 1.2).

### Box 1.2 Objectives of Disability Employment Services

10.1 The Objective for the delivery of Disability Employment Services is to improve the nation's productive capacity by employment participation of people with disability, thereby fostering social inclusion.

74.1 The objective of the Program Services is to help individuals with disability, injury or health condition to secure and maintain sustainable employment. The Program Services will increase the focus on the needs of the most disadvantaged job seekers and will achieve greater social inclusion. The Program Services will boost employment participation and the productive capacity of the workforce, address Skills Shortage areas and better meet the needs of employers.

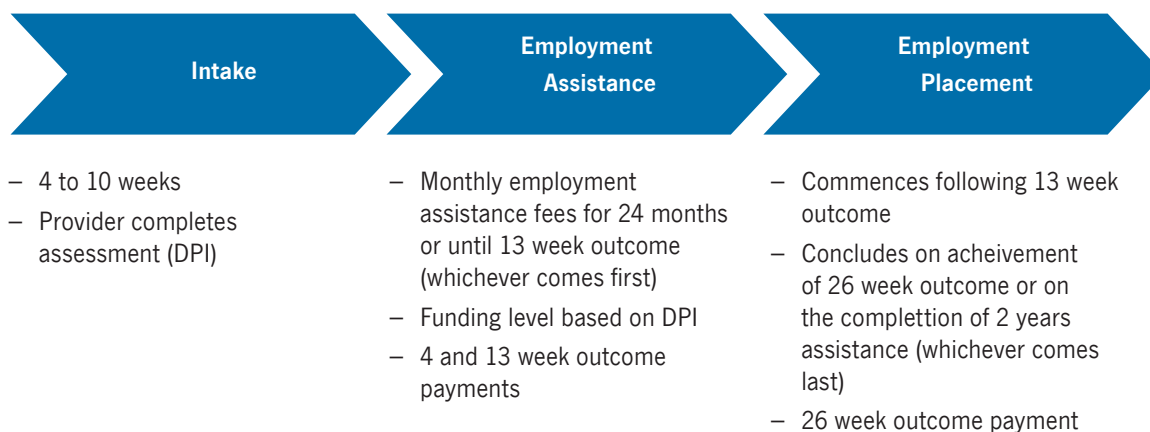
Source: Disability Employment Services Deed 2012–2012.

**Figure 1.1 VRS and DEN service models**

**VRS demand driven and fixed place streams**



**DEN Uncapped**



**DEN Capped**

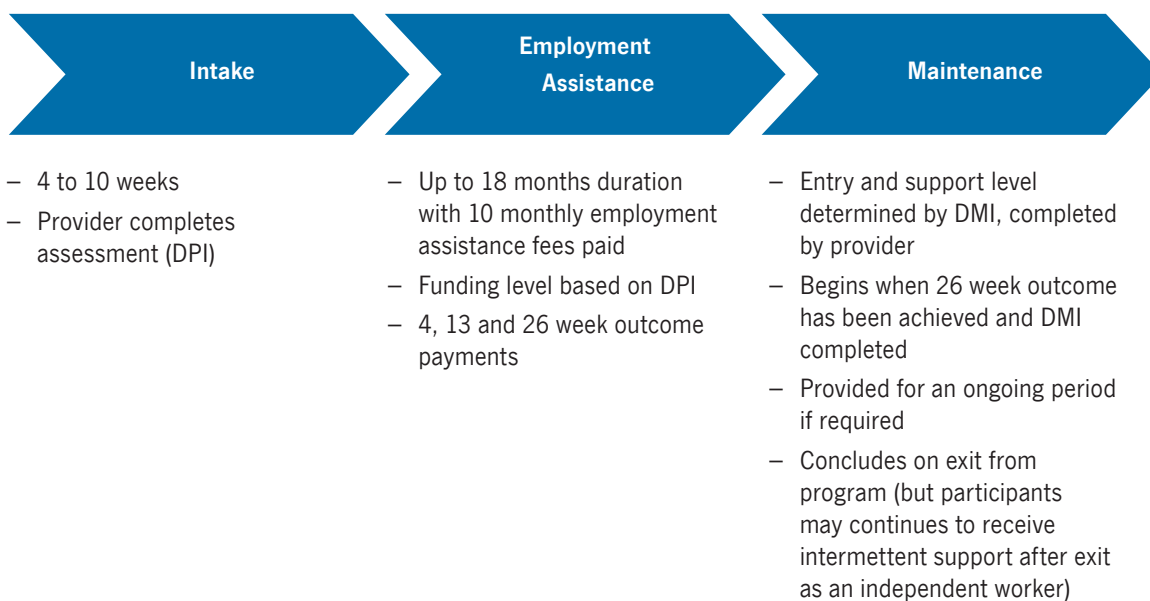
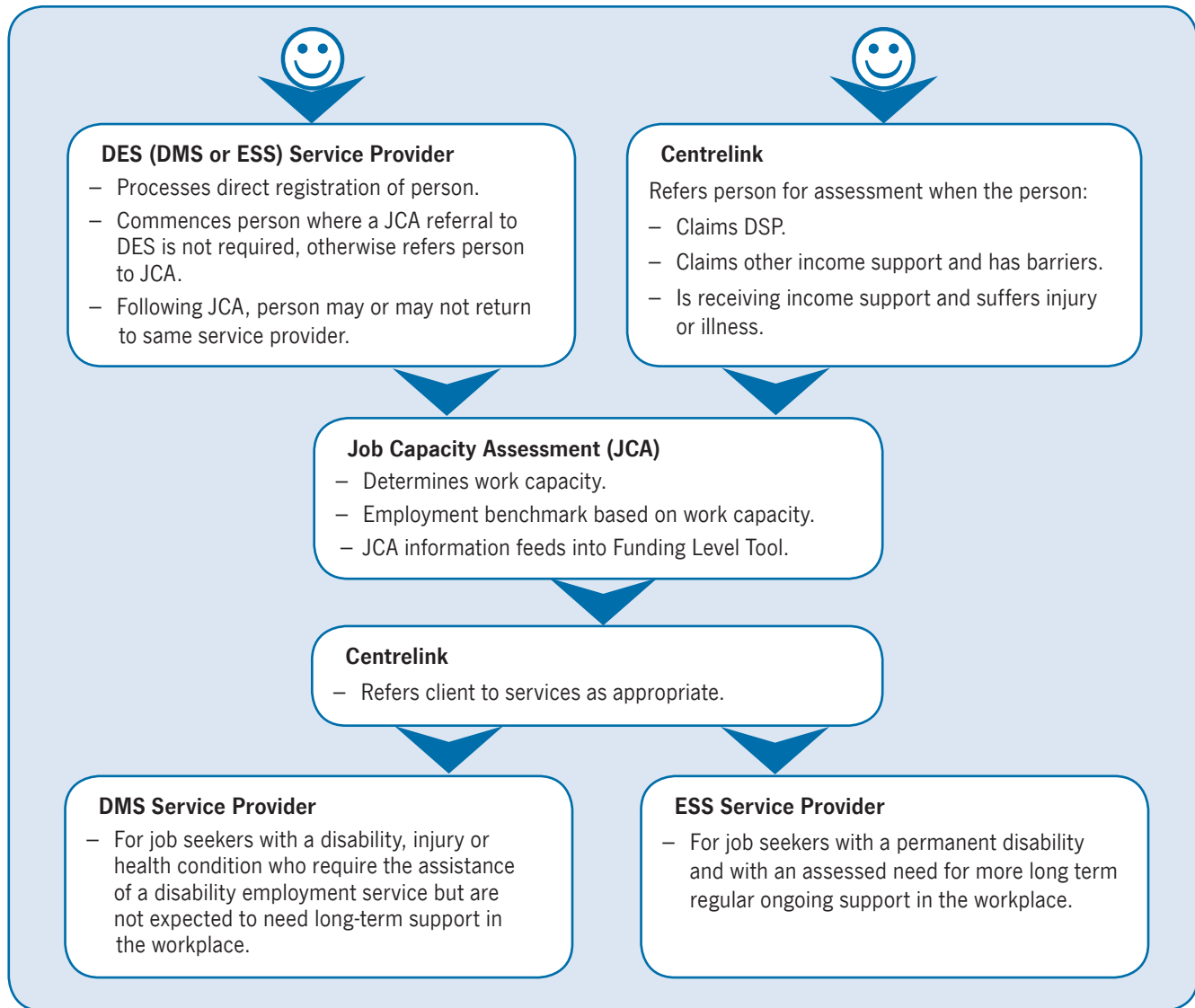


Figure 1.2 Pathways to DES

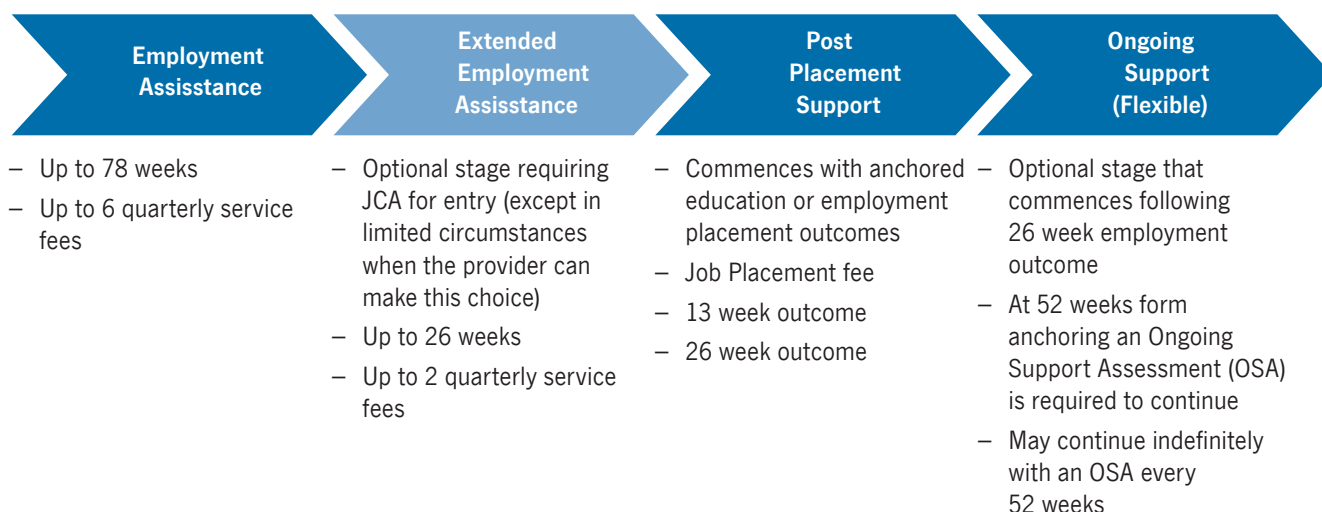


### 1.3 DES service model at a glance

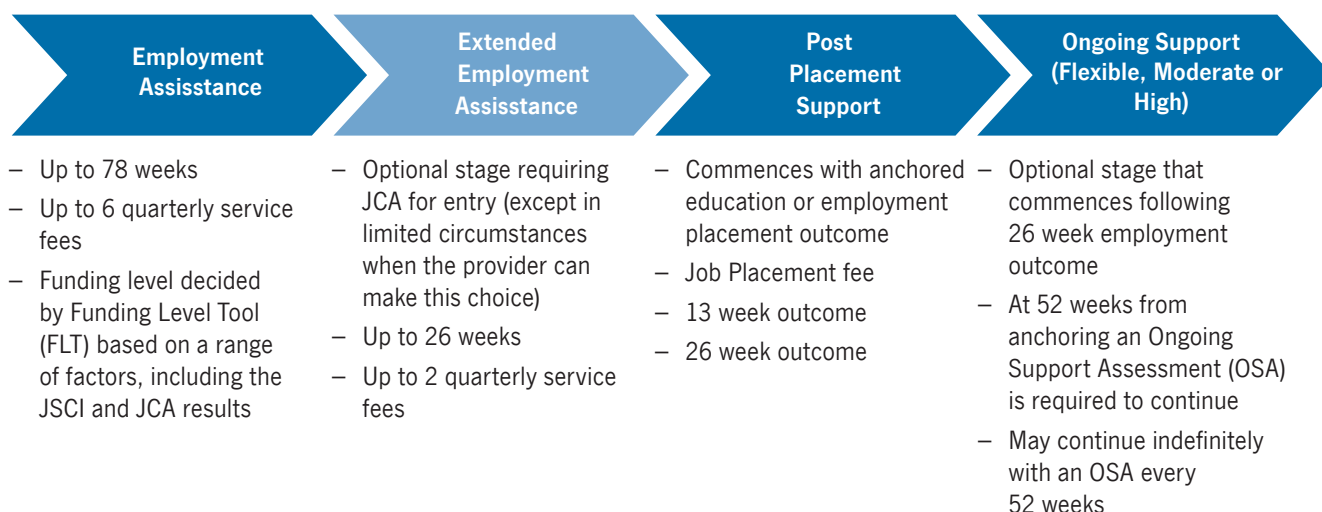
DES offers up to two years of employment assistance followed by support in the workplace. Actual periods of service vary according to the needs of individual participants. During employment assistance—up to 18 months with a possible 6-month extension—a participant develops an employment pathway plan and is assisted with job search and placement. The participant may go on to receive support in the workplace after commencing in employment, typically for at least six months (Figure 1.3).

**Figure 1.3 DES service models**

### DES Disability Management Service



### DES Employment Support Service



All participants referred to DES are expected to require capacity building and/or support in the workplace (post-placement support). A recommendation for ESS implies a need for regular and ongoing post-placement support. Therefore, a participant's required level of post-placement support is the main consideration in the recommendation of ESS over DMS. DMS offers Flexible Ongoing Support only. Flexible Ongoing Support, Moderate Ongoing Support and High Ongoing Support are all available in ESS, though at point of referral to ESS a participant should have a requirement for Moderate Ongoing Support or High Ongoing Support. The new Flexible Ongoing Support is designed for participants who need infrequent or irregular support in the workplace, possibly over a prolonged period.

External assessors on the National Panel of Assessors assess the ongoing support needs of participants who may require more than 12 months of post-placement support. This Ongoing Support Assessment (OSA) can result in a recommendation for Flexible Ongoing Support, Moderate Ongoing Support or High Ongoing Support.

Table 1.2 summarises the key policy objectives and policy drivers in DES.<sup>2</sup>

2. The DES Deed and Guidelines are the authoritative source of information on how the program operates.



Changes to employment benchmarks and the definition of employment outcomes (*Building participants' capacity and More sustainable employment* in Table 1.2) affect some of the metrics that are conventionally used to compare service models, such as paid employment outcomes (13 Week and 26 Week Outcomes). An evaluation of the DEN Case Based Funding model, for example, compared 26 Week Employment Outcome rates under alternative funding models (DEWR 2007). For employment to count towards a 26 Week Outcome in DES the participant must be employed at or above their employment benchmark hours, which in DES is set at future work capacity with intervention. A person may have a higher employment benchmark in DES than they would have had in DEN because of the new settings. In addition, stricter rules on breaks in employment mean that paid employment outcomes in DES are linked to more sustained employment than was the case in DEN/VRS. These differences in the nature of paid outcomes need to be considered when using outcomes to compare the current and previous service/funding models.

For evaluation this means that the relative effectiveness of DES cannot be assessed by simply comparing paid outcome rates. As well, time taken to achieve a job placement may be a poor measure of relative efficiency if placements achieved under the two models are qualitatively different. The evaluation uses outcomes measured by the Post Program Monitoring survey (PPM) at three months post-program in addition to paid outcomes to compare the effectiveness of DES with DEN/VRS. PPM outcomes are directly comparable. Measures of efficiency, such as time to placement and time to outcome, will need to be assessed in the context of relative effectiveness. Limited PPM data were available for the interim report but the rolling nature of the PPM means that it should be possible to produce reliable indicators of relative effectiveness in the second half of 2011.

**Table 1.2 New policy in DES**

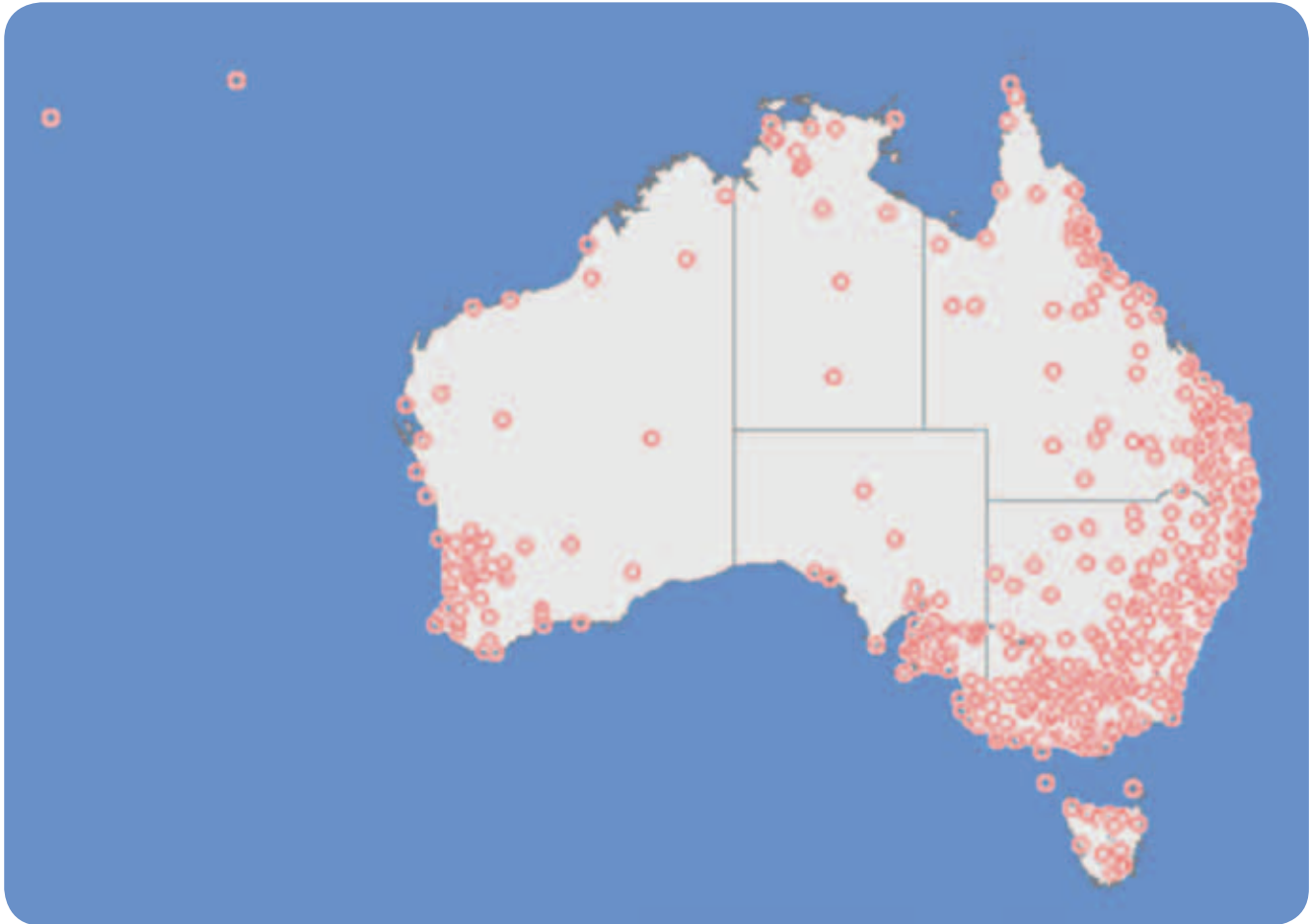
Program objective	How would this be achieved or improved?
Fully demand-driven services	No caps on services. DES providers must accept all referrals. A provider has 28 calendar days to dispute a JCA or OSA.
Building participants' capacity	A participant's employment benchmark is based on their future work capacity with intervention. Employment outcome payments to providers are tied to employment at or above benchmark hours.
More sustainable employment	<p>Changed definition of Employment Outcome through tighter rules on breaks in employment.</p> <ul style="list-style-type: none"> <li>– Permissible Breaks of up to 28 calendar days.</li> <li>– If a participant voluntarily changes employer a Change in Employment can be recorded as long as the break does not exceed 7 calendar days.</li> </ul> <p>Breaks that are longer than the specified maximums void progress towards an Outcome.</p>
Increased training and skills development for job seekers	<p>New Bonus Outcome payment for participants who receive training and, within 12 months, commence in employment directly related to the training.</p> <p>Apprenticeship bonus fees extended to cover all apprenticeships.</p>
Increased resources for job seekers in remote areas	<p>New 70 per cent loading on Service Fees and Ongoing Support Fees paid to providers for participants who reside in designated remote Employment Service Areas (excluding Excised Remote Areas).</p> <p>New Remote Education Commencement Outcome Fee and Remote Educational Achievement Outcome Fee.</p>
Better support for employed participants with episodic disability including mental health	<p>New Flexible Ongoing Support allows up to 6 instances of support in any 26 week period, as required, for an indefinite length of time.</p> <p>Specialist support from a recognised psychologist or psychiatrist available through the Employment Assistance Fund.</p>
Increased accountability of services through independent assessment of support and funding levels	<p>An IT based Funding Level Tool assigns funding levels based on information in the JCA report and other administrative data.</p> <p>External bodies conduct OSA.</p>
Reduced administrative load for service providers	<p>Simpler eligibility criteria, less complex assessment and referral processes.</p> <p>Providers no longer complete the administratively burdensome Disability Pre-employment Instrument (DPI) and Disability Maintenance Instrument (DMI).</p> <p>New Funding Level Tool replaces DPI and OSA replaces DMI.</p> <p>Reduction from four separate service streams to two and from nine to two funding levels.</p> <p>Significant flexibility around tailoring services for participants.</p>
Source: Request for Tender for Disability Employment Services 2010–2012.	



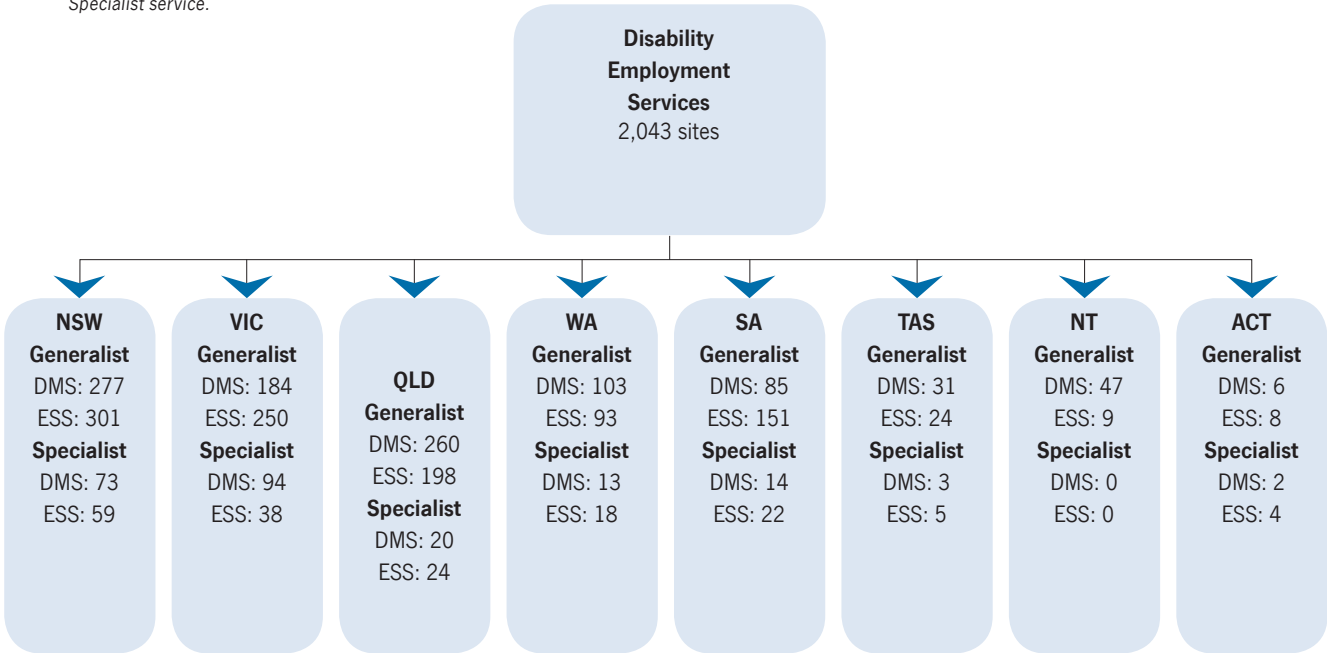
# 1.4 DES providers

At 30 November 2010, 221 providers were delivering services under the DES Deed from 2,043 sites across Australia, including 66 DMS providers and 207 ESS providers.

**Figure 1.4 DES provider sites across Australia**



*Note: As at 30 November 2010. Site numbers may not sum to total because some sites provide both DMS and ESS services and/or both Generalist and Specialist service.*



Specialist providers in DES can provide services to members of the relevant specialist group and must not provide services to non-members of that group (DES Deed, Clause 78). For example, a psychiatric specialist can accept referrals for people with psychiatric disability but not for people with sensory disability, except in cases of dual psychiatric and sensory disability. This is unlike specialist providers in Job Services Australia who are able to accept referrals outside the specialist group.

Psychiatric disability is the most common specialist site in DES (Table 1.3).

**Table 1.3 Number of specialist sites by state/territory and specialisation, 30 November 2010**

Specialty	NSW	VIC	QLD	WA	SA	TAS	NT	ACT	Aust
<b>Disability type</b>									
Psychiatric disability or mental illness	89	92	31	21	27	3	—	5	268
Sensory impairment (hearing or vision loss)	7	13	5	3	6	—	—	1	35
Intellectual or learning disability	16	—	—	—	3	5	—	—	24
Physical, Cerebral palsy, neurological conditions, spinal cord injuries, acquired brain injury, brain disorders/diseases, Other disability	8	4	8	—	—	—	—	—	20
Autism Spectrum inc. Asperger's syndrome	—	8	4	3	—	—	—	—	15
<b>Population group</b>									
Aboriginal or Torres Strait Islander	8	—	5	4	—	—	—	—	17
Ex-offenders	—	15	—	—	—	—	—	—	15
Culturally and linguistically diverse	4	—	—	—	—	—	—	—	4
Youth at risk	2	—	—	—	—	—	—	—	2
Notes:									
1. Site numbers may not sum to total because some sites provide services for more than one specialty.									
2. A larger number of specialist codes have been grouped to match as best as possible the five primary disability groups in the evaluation strategy and sub-populations of special interest.									

## 1.5 Governance arrangements

The implementation of DES has benefited from a high level of stakeholder engagement, initially through the Transition Reference Group and subsequently the DES Reference Group established in April 2010. The Reference Group provides the Minister for Employment Participation with strategic advice on disability employment services and related issues of broader policy relevance.

The DES Operational Working Group is a forum for DES provider and consumer peak bodies to work collaboratively with DEEWR on operational, management, administrative and performance-related matters. Many of the issues discussed in this report are being addressed in consultation with Operational Working Group. These arrangements are in addition to routine employment services stakeholder forums convened by the department. In summary, strong governance arrangements are in place to support continuous improvement in the DES program.

## 2. Characteristics of DES participants

As at 30 November 2010, just under 144,000 job seekers had commenced or were about to commence in DES (Table 2.1). The active caseload of 126,900 participants represented a 19 per cent increase over DEN/VRS in November 2009.

Physical disability is the most common primary disability, accounting for around half of all DES participants and two in three DMS participants. ESS has a more even balance of physical and psychiatric primary disabilities, accounting for 35 per cent and 33 per cent of ESS participants respectively. Some 85 per cent of DES participants live in major cities or inner regional areas.

Almost 4 per cent of participants identify as Aboriginal and Torres Strait Islander people. Indigenous Australians account for 2 per cent of the working-age population but they experience unemployment at three times the rate of non-Indigenous people. Disability is also more prevalent in the Indigenous population. Indigenous Australians are twice as likely to need assistance with the core activities of self-care, mobility and communication and they experience psychological distress at twice the rate of the non-Indigenous population (ABS 2010b, 2010c). On these measures it appears that Aboriginal and Torres Strait Islander people are underrepresented in the DES participant population.

Over 60 per cent of DES participants are aged 35 years or over. The 50 years and over age group has grown from around 5,700 participants, or 12 per cent of participants, in 2005 to 40,300 (28 per cent) in 2010 (DES program data; FaCSIA 2006). The number of older job seekers will continue to rise in line with population ageing and the higher prevalence of disability at older ages. Mature age participation policies are thus highly relevant to the DES target population. Relatively more men than women use DES which is in line with Australian Bureau of Statistic's estimates of male and female proportions of unemployed people with employment restrictions of 60 and 40 per cent respectively<sup>3</sup> (ABS 2010a:Table 2).

DMS is used mainly by job seekers in receipt of Newstart Allowance or Youth Allowance(other). Only 6 per cent of DMS participants on 30 November 2010 were in receipt of DSP. ESS on the other hand registers roughly equal proportions of participants on Newstart/Youth Allowance(other) and DSP.

**Table 2.1 Characteristics of program participants, 2009 and 2010 (per cent active caseload)**

	30 November 2009			30 November 2010		
	DEN <sup>(a)</sup>	VRS	Total	DES ESS	DES DMS	Total
<b>Total caseload:</b> <sup>(b)</sup>	68,221	47,235	115,456	78,460	65,523	143,983
<b>Active caseload:</b> <sup>(c)</sup>	60,902	45,837	106,739	69,646	57,254	126,900
<b>Gender</b>						
Female	39.2	43.3	41.0	39.2	43.1	40.9
Male	60.8	56.7	59.0	60.8	56.9	59.1
<b>Age group (years)</b>						
<20	10.5	1.6	6.7	11.5	3.1	7.7
20–24	14.6	6.8	11.2	13.9	7.2	10.9
25–34	21.4	17.1	19.6	19.9	16.1	18.2
35–49	31.8	42.4	36.3	31.0	40.3	35.2
50–64	21.6	32.0	26.0	23.5	33.2	27.9
65+	0.2	0.1	0.1	0.2	0.1	0.1

(a) DEN as at 27 November 2009.

(b) Total caseload includes job seekers referred to DES but not commenced and suspended participants.

(c) Active caseload includes all commenced participants (including those commenced and then suspended). Excludes job seekers referred to DES but not commenced. Percentages in table apply to active caseload.

(d) Includes Autism Spectrum Disorders.

(e) Based on country of birth.

(f) Based on mapping of participant's home postcode to ARIA+ category.

(g) Includes those who attended special schools.

(h) Intellectual disability caseload is under enumerated in these figures as a result of system classification errors.

Source: Evaluation analysis of program data (total caseload for DEN/VRS; active caseload numbers and profile for DEN/VRS and DES); Disability Employment Services Report December 2010 (total caseload at 30 November 2010).

3. According to the ABS 2009 Disability, Ageing and Carers Survey an estimated 43,400 unemployed men and 29,400 unemployed women had schooling or employment restrictions. The estimated total labour force with schooling or employment restrictions numbered 366,800 men and 332,000 women (many of whom would be able to work without specialist employment assistance). Male and female labour force participation rates of people aged 15–64 years with schooling or employment restrictions were 50.2 and 43.0 per cent respectively (ABS 2010a:Table 2).

**Table 2.1 Characteristics of program participants, 2009 and 2010 (per cent active caseload)**

	30 November 2009			30 November 2010		
	DEN <sup>(a)</sup>	VRS	Total	DES ESS	DES DMS	Total
Total caseload: <sup>(b)</sup>	68,221	47,235	115,456	78,460	65,523	143,983
Active caseload: <sup>(c)</sup>	60,902	45,837	106,739	69,646	57,254	126,900
<b>Primary disability</b>						
Psychiatric	34.1	29.6	32.2	32.9	29.2	31.2
Physical/diverse	31.9	63.9	45.7	35.0	66.5	49.3
Intellectual <sup>(h)</sup>	12.6	0.1	7.3	11.6	0.3	6.5
Learning disability <sup>(d) (h)</sup>	13.5	0.7	8.0	14.6	1.8	8.8
Sensory/speech	6.0	1.6	4.1	5.6	2.1	4.0
Unknown/missing	1.9	4.1	2.8	0.1	0.1	0.1
<b>Aboriginal or Torres Strait Islander</b>						
Culturally and linguistically diverse <sup>(e)</sup>	13.3	23.5	17.7	14.9	23.3	18.7
<b>Remoteness<sup>(f)</sup></b>						
Major City	60.2	63.2	61.5	61.8	63.8	62.7
Inner Regional	23.1	22.3	22.7	22.2	21.9	22.1
Outer Regional	14.0	12.1	13.2	13.6	12.1	12.9
Remote	1.6	1.3	1.5	1.5	1.2	1.3
Very Remote	1.1	1.0	1.1	1.0	1.1	1.0
<b>Educational attainment</b>						
Less than Year 10	17.1	20.1	18.4	16.5	16.9	16.7
Completed Year 10	28.8	34.1	31.1	28.3	31.8	29.9
Completed Year 12	14.3	15.8	14.9	14.1	15.2	14.6
Trade/TAFE	16.0	21.3	18.3	17.1	24.2	20.3
Tertiary	5.1	7.2	6.0	5.7	8.4	6.9
Unknown <sup>(g)</sup>	18.7	1.5	11.3	18.2	3.5	11.6
<b>Employed</b>	36.5	28.9	33.2	33.1	23.3	28.7
<b>Income support type</b>						
Not on benefit	15.3	11.3	13.6	15.0	13.6	14.4
DSP	40.3	5.4	25.3	38.1	5.7	23.5
NSA/YA(o)	39.3	72.6	53.6	38.0	70.2	52.5
Parenting Payment	3.7	9.5	6.2	3.5	7.3	5.2
Other	1.5	1.2	1.4	5.4	3.3	4.4

(a) DEN as at 27 November 2009.

(b) Total caseload includes job seekers referred to DES but not commenced and suspended participants.

(c) Active caseload includes all commenced participants (including those commenced and then suspended). Excludes job seekers referred to DES but not commenced. Percentages in table apply to active caseload.

(d) Includes Autism Spectrum Disorders.

(e) Based on country of birth.

(f) Based on mapping of participant's home postcode to ARIA+ category.

(g) Includes those who attended special schools.

(h) Intellectual disability caseload is under enumerated in these figures as a result of system classification errors.

Source: Evaluation analysis of program data (total caseload for DEN/VRS; active caseload numbers and profile for DEN/VRS and DES); Disability Employment Services Report December 2010 (total caseload at 30 November 2010).

## 2.1 Referral pathways

Eligible job seekers can enter DES via a referral from Centrelink or other JCA provider, or by directly registering with a DES provider<sup>4</sup>. Uncapping has improved access via direct registration: around 2,000 more job seekers directly registered in seven months of DES than in the 12 months of DEN/VRS to June 2009 (Table 2.2).

Direct registrations accounted for 13 per cent of all referrals between April and October 2010. An extension of the Eligible School Leaver eligibility guidelines from 1 July 2010 together with uncapping has contributed to increased direct registrations of recent school leavers.

**Table 2.2 Number of participants by referral pathway, referrals to DEN/VRS from July 2008 to June 2009 and to DES from April to October 2010**

	DEN/VRS			DES		
	Direct Registration	Other	Total	Direct Registration	Other	Total
<b>Primary disability</b>	<b>Number</b>					
Psychiatric	1,315	27,667	28,982	1,967	15,551	17,518
Physical/diverse	1,449	41,648	43,097	1,823	27,121	28,944
Intellectual	697	2,176	2,873	295	611	906
Learning disability	1,194	3,823	5,017	2,140	2,875	5,015
Sensory/speech	521	2,480	3,001	512	1,667	2,179
Unknown/missing	125	364	489	531	877	1,408
<b>Total</b>	<b>5,301</b>	<b>78,158</b>	<b>83,459</b>	<b>7,268</b>	<b>48,702</b>	<b>55,970</b>
<b>Primary disability</b>	<b>Per cent</b>					
Psychiatric	4.5	95.5	100.0	11.2	88.8	100.0
Physical/diverse	3.4	96.6	100.0	6.3	93.7	100.0
Intellectual	24.3	75.7	100.0	32.6	67.4	100.0
Learning disability	23.8	76.2	100.0	42.7	57.3	100.0
Sensory/speech	17.4	82.6	100.0	23.5	76.5	100.0
Unknown/missing	25.6	74.4	100.0	37.7	62.3	100.0
<b>Total</b>	<b>6.4</b>	<b>93.6</b>	<b>100.0</b>	<b>13.0</b>	<b>87.0</b>	<b>100.0</b>
<b>School leaver<sup>(a)</sup></b>						
Number	1,292	756	2,048	2,464	249	2,713
Per cent	63.1	36.9	100.0	90.8	9.2	100.0

(a) Special School Leaver or Eligible School Leaver.

Note: Referrals to DEN/VRS (commenced) from July 2008 to June 2009; referrals to DES from April to October 2010.

## 2.2 Funding levels and work capacities

An IT-based Funding Level Tool uses a set of objective factors including information on a participant's disability and barriers to employment to set the funding level for a participant. The tool replaced the Disability Pre-employment Instrument which was completed by providers under the previous program. Table 2.3 presents data on funding levels and assessed work capacities of DES participants as at 30 November 2010.

At a program level there is little difference in the work capacity profiles of participants in DES and DEN/VRS. Just over half of DES participants fall into the 8–14 or 15–22 hour bandwidths for current work capacity. Based on future work capacity, 34 per cent of participants were classified into these two bandwidths.

Provider experiences of the Funding Level Tool in the early months of DES are discussed in section 3.5.

4. To be eligible a person needs a current JCA or be an Eligible School Leaver or Job In Jeopardy participant.

**Table 2.3 Funding level and work capacity of participants, 2009 and 2010 (per cent)**

	30 November 2009			30 November 2010		
	DEN	VRS	Total	ESS	DMS	Total
Active caseload:	60,902	45,837	106,739	69,646	57,254	126,900
Participants with at least one JCA:	48,572	45,576	94,148	62,513	56,373	118,886
<b>Funding Level</b>						
DMS	n.a.	n.a.	n.a.	n.a.	99.2	45.1
ESS Funding Level 1	n.a.	n.a.	n.a.	52.1	n.a.	28.6
DPI 1	4.3	n.a.	2.5	n.a.	n.a.	n.a.
DPI 2	30.7	n.a.	17.5	n.a.	n.a.	n.a.
ESS Funding Level 2	n.a.	n.a.	n.a.	32.6	n.a.	17.9
DPI 3	23.4	n.a.	13.4	n.a.	n.a.	n.a.
DPI 4	16.8	n.a.	9.6	n.a.	n.a.	n.a.
Flexible Ongoing Support	n.a.	n.a.	n.a.	4.9	0.8	3.1
Moderate Ongoing Support	n.a.	n.a.	n.a.	6.4	n.a.	3.5
DMI 1	10.5	n.a.	6.0	n.a.	n.a.	n.a.
DMI 2	4.0	n.a.	2.3	n.a.	n.a.	n.a.
High Ongoing Support	n.a.	n.a.	n.a.	3.4	n.a.	1.9
DMI 3	3.4	n.a.	2.0	n.a.	n.a.	n.a.
DMI 4	4.2	n.a.	2.4	n.a.	n.a.	n.a.
<b>Assessed work capacity (hours/week)</b>						
<b>Current</b>						
Not recorded	<0.1	<0.1	<0.1	<0.1	<0.1	<0.1
0-7	12.5	1.6	7.2	13.4	2.3	8.2
8-14	30.7	15.6	23.4	29.7	15.2	22.8
15-22	27.4	33.5	30.4	26.9	36.2	31.3
23-29	8.2	13.9	10.9	6.6	12.9	9.6
30+	11.3	34.2	22.4	7.6	31.1	18.7
8+	9.8	1.2	5.6	15.7	2.4	9.4
<b>Future with intervention</b>						
Not recorded	4.8	0.5	2.8	3.8	0.4	2.2
0-7	2.0	0.0	1.0	1.4	0.3	0.9
8-14	18.0	2.3	10.4	18.2	3.9	11.4
15-22	23.5	19.4	21.6	24.1	20.5	22.4
23-29	18.4	24.9	21.6	17.7	26.0	21.6
30+	21.1	51.4	35.8	14.9	46.1	29.7
8+	12.1	1.4	6.9	20.0	2.7	11.8
With valid JCA at referral	79.8	99.4	88.2	89.8	98.5	93.7
n.a. Not applicable.						

## 3 Interim findings

### 3.1 Has DES improved access to services?

#### Box 3.1 Key indicators of access

An average of **11,224 job seekers were referred to DES each month** in 2010, compared with a monthly average of 10,941 referrals to DEN/VRS in 2009.

- Between April and December 2010, **81.3 per cent of participants with a JCA recommendation for DMS commenced in DMS; 74.2 per cent with a recommendation for ESS commenced in ESS**. Corresponding figures for April to December 2009 were: 74.9 per cent and 58.4 per cent for VRS and DEN respectively.

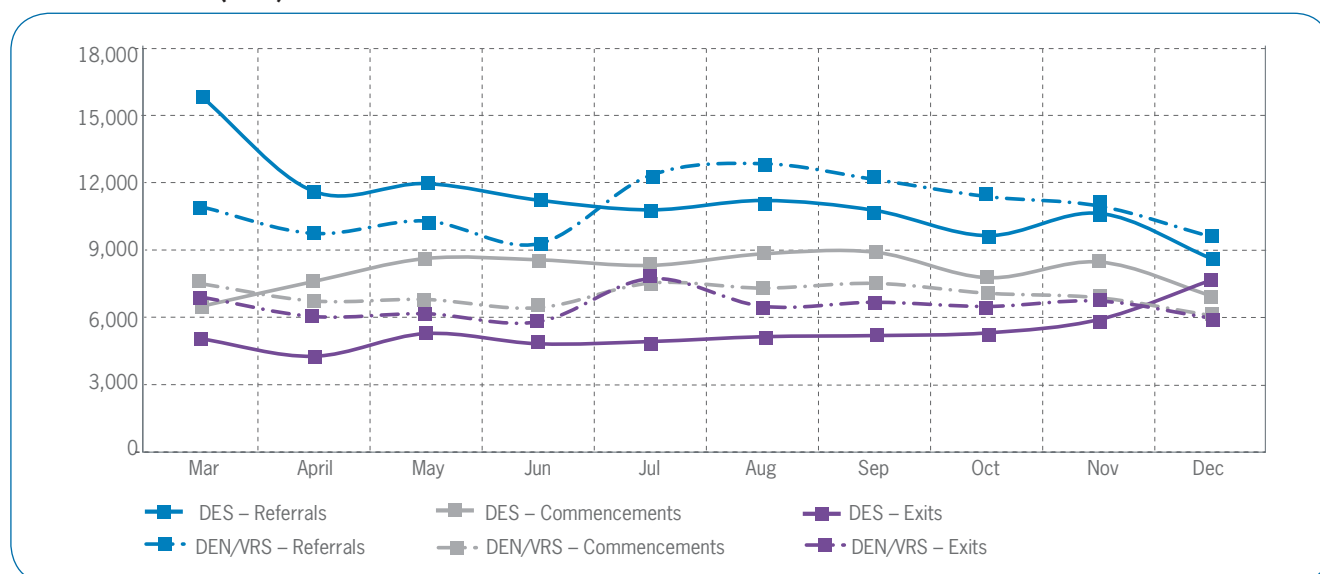
Time from referral to commencement has increased overall: **77.9 per cent of job seekers commenced within 28 days of referral** compared with 85.5 per cent under the previous model.

A criticism of the previous model was that some job seekers with disability were not able to receive the most appropriate type of service. If no capped place was available within reasonable travelling distance a job seeker with participation requirements who was eligible for a capped or fixed place stream would be referred to Job Services Australia or placed on a waiting list. Similarly, volunteers unable to access a capped place would be informed of their options, which included waiting for a capped place or referral to a Job Services Australia provider. The evaluation has sought to determine if more job seekers are getting into services under the new model and, further, if more commence in the recommended service.

More people are using services under the new model. Uncapping might have been expected to result in more referrals to the program and monthly referrals were indeed above 2009 levels between March and June 2010 (note that economic conditions improved in this period). By November-December referrals to DES were sitting at roughly the same level as in DEN/VRS a year earlier (Figure 3.1). The more marked change was in the number of commencements: monthly commencements in DES averaged 8,043 compared with 6,975 per month between March and December 2009.

Three-quarters (75.5 per cent) of persons referred to DES between 1 April and 31 December 2010 were commenced, compared with fewer than two-thirds (62.4 per cent) of referrals to DEN/VRS between 1 April and 31 December 2009. Note that non-activity tested eligible job seekers are not required to participate and therefore might not act on a referral.

**Figure 3.1 Monthly referrals, commencements and exits, March to December 2009 (DEN/VRS) and 2010 (DES)**



Note: Commencements in the month that they occurred regardless of when the Jobseekers were referred.

Source: Disability Employment Services Report (data as at 31 January 2011).

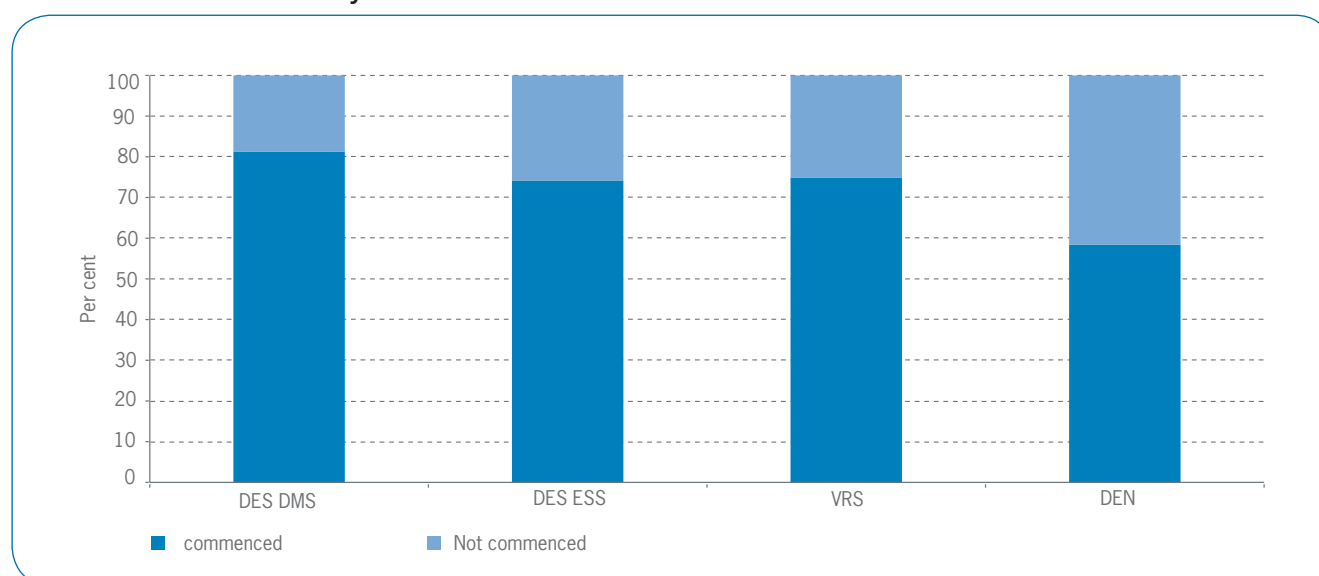
Most importantly, participants are now more likely to be in the program recommended by JCA. Based on JCA assessments finalised between January 2008 and December 2010 for newly referred job seekers:

- 81.3 per cent with a recommendation for DES DMS commenced in DMS
- 74.2 per cent with a recommendation for DES ESS commenced in ESS.

Corresponding figures for VRS and DEN were 74.9 per cent and 58.4 per cent respectively (Figure 3.2).

Improved access to the most appropriate program is likely to be the result of the removal of service caps and the requirement that DES providers accept all referrals whereas, previously, DEN providers could exercise a degree of discretion. Not all job seekers with disability are required and wish to participate in employment services so that 100 per cent commencement is not to be expected. While there remains significant potential for increased participation in services by the target population these are strong early signs of improved access, particularly for job seekers who need regular, ongoing support in the workplace.

**Figure 3.2 First referrals to DES and DEN/VRS, percentage of job seekers who commenced in program recommended by JCA**



*Note: Based on persons first referred to disability employment services following JCA assessments between January 2008 and December 2010. Excludes referrals for job seekers with multiple assessments and existing program participants.*

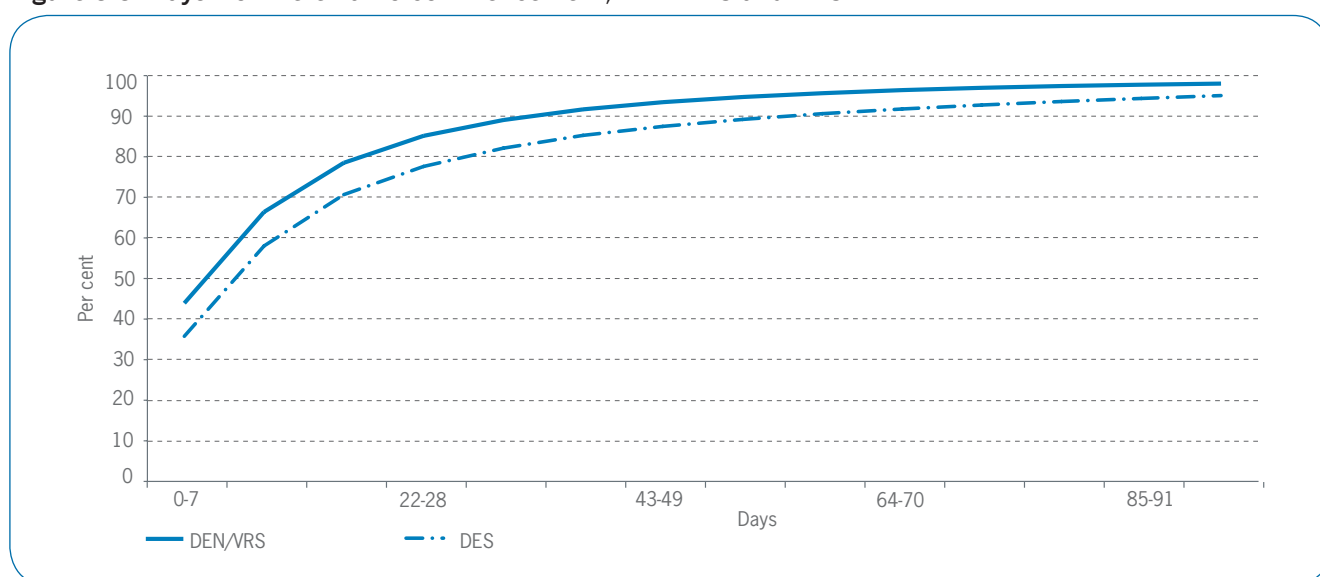
Timeliness of access was also examined, using the key indicator *Proportion of referrals that result in service commencement within 4 weeks of referral*. 'Commencement' refers to the first contact between a participant and service provider. In DEN this corresponds to the beginning of the Intake Phase and in VRS and DES, the beginning of Employment Assistance (refer Figures 1.1 and 1.3). In most cases there is a period of needs assessment and service planning by the service provider post 'commencement'. The following discussion is about how long it takes participants to connect to a service provider following referral.

Simpler eligibility criteria and less complex assessment and referral processes in DES were expected to give participants more streamlined access to the recommended service. Evidence to date suggests that these benefits have not yet been realised. Some 77.9 per cent of referrals to DES between April and December 2010 resulted in the person commencing in the service within 28 days, compared with 85.5 per cent for DEN/VRS in 2008-09 (Figure 3.3). On average, participants are taking longer to commence with a provider, particularly in DMS (Table 3.1).

Participants who directly registered in DEN/VRS tended to experience longer waiting times than referred participants. This is less apparent in DES because referred participants are now taking longer on average; that is, there has been no marked change in average time from referral to commencement for direct registrations. In both DES and DEN/VRS, approximately 80 per cent of direct registrations commenced within 28 days.



**Figure 3.3 Days from referral to commencement, DEN/VRS and DES**



Note: Commencements in DEN/VRS between 1 July 2008 and 30 June 2009; commencements in DES from April to December 2010.

**Table 3.1 Time from referral to commencement in services, DES and DEN/VRS**

Days	DES DMS <sup>(a)</sup>	DES ESS <sup>(a)</sup>	VRS <sup>(b)</sup>	DEN <sup>(b)</sup>
Mean	23	24	11	22
50th percentile (median)	10	14	7	14
75th percentile	22	28	13	27
95th percentile	97	90	36	71

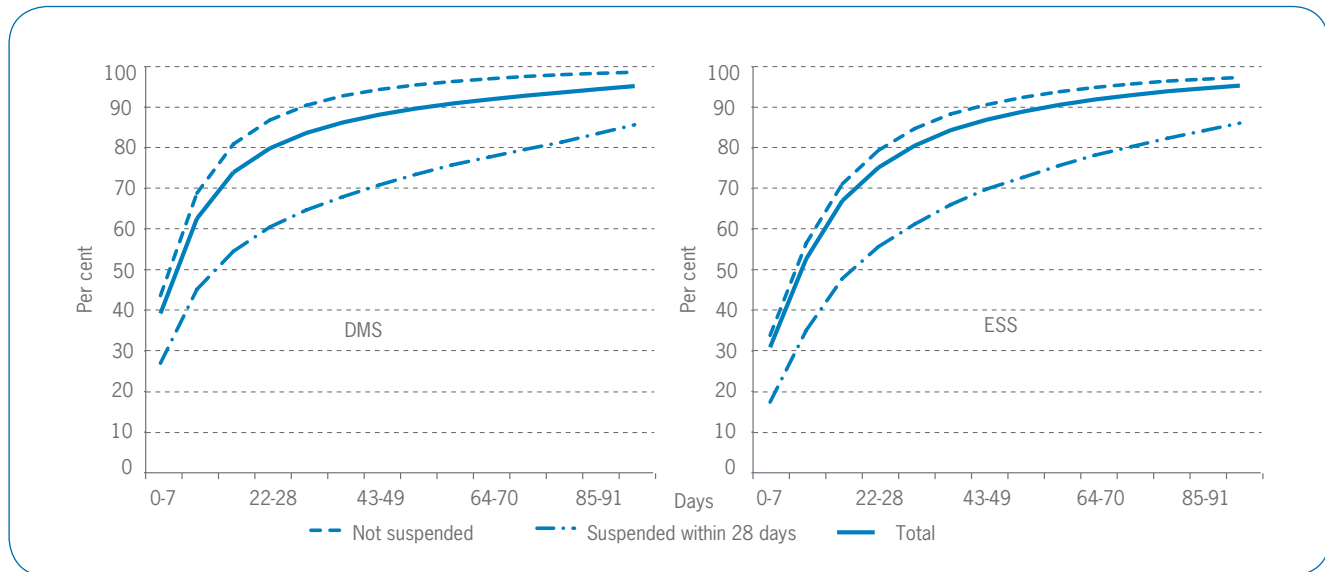
(a) Based on 37,145 commencements in DES DMS and 36,216 commencements in DES ESS between April and December 2010.  
(b) Based on 43,188 commencements in VRS and 40,271 commencements in DEN between July 2008 and June 2009.  
Source: Analysis of DES program data as at 31 December 2010.

The contrast between DES and DEN/VRS shown in Figure 3.3 might seem unremarkable except that access is supposed to be more streamlined under DES. Some implementation problems which might have contributed to longer commencement times have already been addressed, for example:

- stabilisation of the Funding Level Tool
- resolution of a problem between Centrelink and DEEWR IT systems that resulted in DES providers receiving referrals for job seekers who were exempted from participation requirements
- refinement of Programs of Assistance guidelines on eligibility for DMS and ESS to clarify the different eligibility criteria for the two services for JCA purposes.

But bedding down is only a part explanation. The removal of provider discretion over referrals may be a factor. Those types of referrals that were once rejected by providers—estimated at around 20 per cent of referrals to DEN—must now be accepted and the person commenced. However, as longer time to commence is also evident in DMS the removal of provider discretion is unlikely to be the sole or main cause. Further analysis found a pattern of delayed commencement linked to suspension within 28 days of commencement, in both DMS and ESS (Figure 3.4). Participants who are suspended shortly after commencement tend to experience *up front* delays, that is, prior to commencement. This group exerts a strong influence on the key indicator of streamlined access.

**Figure 3.4 Days from referral to commencement in DES, by whether suspended within 28 days of commencement**



Note: Based on commencements from April to December 2010.

## Discussion

Observations made by DES providers seem relevant to this finding. Individual cases outlined to the evaluation described what tends to happen and why commencement is delayed. While not *proving* a link between JCA, delayed commencement (compared to average) and suspension within 28 days, it is a strong indication. This does not mean that these were flawed assessments of the available evidence: JCA reports are audited by allied health professionals for quality assurance and around 98% are found to be adequately documented and accurate. Information may come to light after a JCA is completed and the referral made. DES providers say that undiagnosed or undisclosed psychiatric and behaviour disorders often lead to this situation.

In the context of total referrals the numbers may be small but the effect is enough to show in the indicator of streamlined access. It further suggests that we need to know more about the experiences and outcomes of this group of participants (participant experiences of the gateway into DES will be gathered in the next stage of evaluation). At this point the evidence is provider perspectives, summed up by these responses to a question on the working relationship with JCA providers in the 2010 Survey of DES Providers:

“JCA assessors send VERY inappropriate referrals - making our job too administrative trying to help client in right direction.”

“Incorrect referrals and we have a lot of people referred in their 60 and they have a lot of medical conditions. Do not speak English.”

“Many participants remain undiagnosed medical conditions especially psychiatric and behaviour disorders. Centrelink not providing correct support to place participants in correct income streams. Some participants unable to do this without assistance.”

Two themes are apparent in these comments. One is the mistaken belief that job seekers of a certain age or from non-English speaking backgrounds or with complex medical conditions are on that basis ineligible for DES. This suggests a lack of understanding of the range of characteristics that eligible job seekers may have. It also implies that, previously, providers may have inappropriately rejected referrals for eligible persons on the basis of demographics or poor attitude (non-compliance) and highlights a need for clear and well communicated eligibility criteria and education or re-education of staff at the service delivery front-line.

The second theme relates to what JCA does and does not do. JCA is intended to be a comprehensive assessment of a person's work capacity based on the evidence provided to the assessor at the time of assessment. The assessment process does not have a diagnostic or case management component. In accordance with social security law, JCA assessors must base their assessment and recommendations on medical evidence provided by the job seeker. Difficulties can arise if a job seeker presents for assessment without the evidence that is required to make a full and accurate assessment, for example, because they do not comprehend the process and have not obtained the evidence, are unaware of or do not disclose their disability, or are

uncooperative. In many cases the job seeker is commenced and then suspended once the DES provider suspects the job seeker has an undiagnosed condition or a condition that was not revealed in the initial assessment.

The evaluation concludes that this second category of referral lies behind the performance of DES on the timeliness indicator, not the removal of provider discretion over referrals *per se*.

Asked what might be a more appropriate program for referrals deemed 'inappropriate' a common reply was "the old PSP [Personal Support Program] or now Stream 4". There is obvious confusion or at least differing opinions on the respective roles of DES and Stream 4 in assisting people to become 'work ready'. Stream Services providers have similarly remarked on the need for clearly eligibility guidelines to distinguish Stream Services from DES (unpublished findings from the evaluation of Job Services Australia).

The question then is whether this occurs at random or systematically and whether the level is within tolerance limits. More work needs to be done to ensure DES providers and JCA providers have a common understanding of the assessment and referral process and of program eligibility. A stronger focus on participant needs, including addressing unmet diagnostic needs through specialist assessment could be considered. JCA assessors normally refer job seekers for specialist assessments where it is required to inform the person's claim for the Disability Support Pension. Extending the Guidelines for referral to specialist assessment to include any substantial number of job seekers in receipt of activity tested payments would have significant budgetary implications.

Monitoring the quality of assessment outcomes, as distinct from quality of assessment process and reports, through the JCA performance framework may also assist and further development of provisions in the DES Deed and guidelines for resolving disputes between DES and JCA providers would benefit all parties.

The Government has announced that from July 2011 all assessments will be conducted exclusively by Centrelink. This is expected to improve the consistency of reports and referrals due to consistent training and work practices across Centrelink sites. It should also facilitate regular local forums at which providers can reach common understandings, identify policy interpretation issues (and escalate to national office, if necessary) and resolve specific issues including individual cases of incorrect referrals. DES providers who participate in regular meetings with local Centrelink officers remarked to the evaluation that strong inter-agency relationships are critical to providing participants with timely and effective service.

## 3.2 Has participation in services increased?

### Box 3.2 Key indicator of participation

An estimated **8.8 per cent of the target population was using services** in December 2010, up from 7.7 per cent in December 2009.

An important question is whether uncapping of services has resulted in increased use of services by the eligible, or target, population. Waiting lists had developed under the previous programs, mainly affecting job seekers recommended for the capped and fixed-place streams. Around half of sites operated a waiting list under the previous contracts<sup>5</sup> and some job seekers were turned away without being placed on a waiting list.

The number of program participants as a proportion of target population gives a population perspective on the impact of uncapping. For this purpose the target population for disability employment services is defined as people who receive Disability Support Pension (DSP) plus people with disability who are in receipt of Newstart Allowance or Youth Allowance(other) (NSA/YA(o)).

In December 2010 the target population so-defined comprised around 783,500 DSP recipients and 265,700 NSA/YA(o) recipients with disability, or a combined target population of some 1,049,200 persons. This broad target population is used here only to produce a consistent measure of participation over time and should not be interpreted in an absolute sense. While many members of this population would be eligible for DES (and, previously, DEN and VRS), many others would not—the tests of work capacity and other eligibility requirements have not been applied. Some members of this target population may be participating in Job Services Australia and are therefore counted in the population denominator but not in the numerator used to estimate participation in disability employment programs. Note too that not all members of the target population are required

5. Finding from the 2010 Survey of DES Providers.

to participate in services and therefore full participation is perhaps not to be expected. For example, many DSP recipients are not in the labour force and of those who are, some with very limited work capacity are ineligible for employment programs. Conversely, some people of working-age people with disability receive benefits other than DSP and NSA/YA(o), for example Parenting Payment, and may be eligible for disability employment services. The exclusion of this small latter category for purely data-related reasons (disability identification) does not affect the analysis.

A main advantage of the definition of target population used here is that it can be measured consistently over time to give a reasonably accurate and reliable picture of participation trend.<sup>6</sup>

Between July 2006 and July 2009 participation in services increased from 4.1 per cent to around 7.7 per cent of target population and then levelled out in the second half of 2009. The uncapping of disability employment services on 1 March 2010 had an immediate and noticeable effect on participation, which had reached 8.8 per cent by December 2010 (Figure 3.5). Participation by income support recipients from culturally and linguistically diverse backgrounds was higher at 9.4 per cent. Steady at around 5.5 per cent, the use of disability employment services by Indigenous income support recipients with disability is well below the national average participation rate.

Participation by primary disability can be examined by restricting the target population to people who receive DSP, for whom primary disability is recorded in administrative data (Figure 3.6, best viewed in colour).

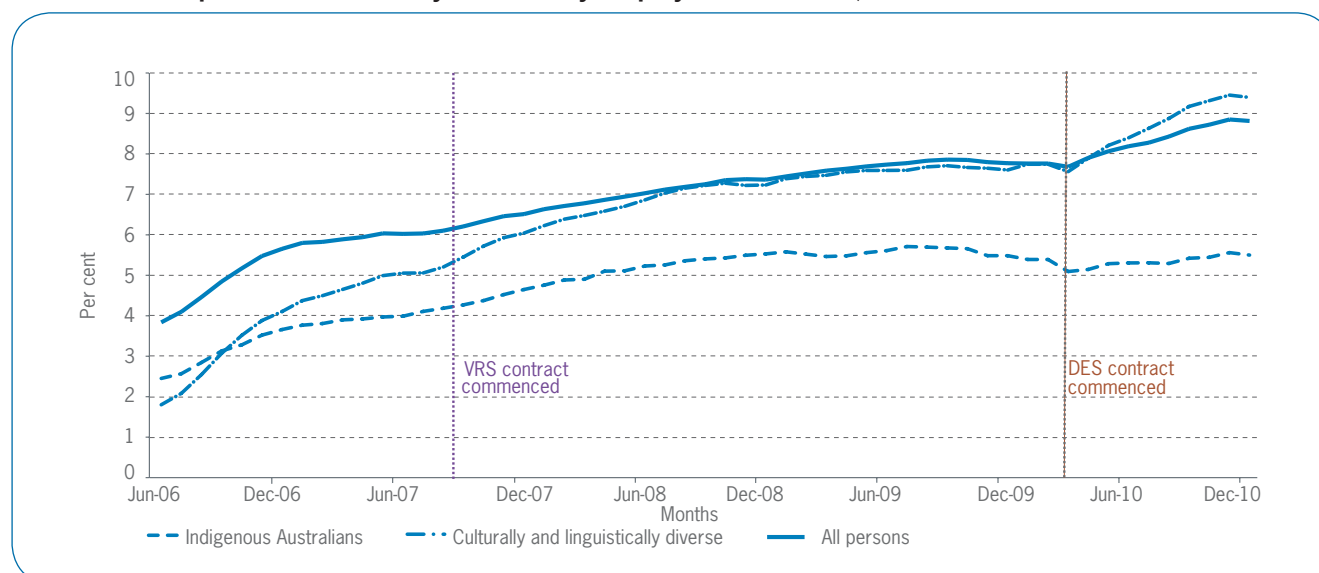
Among DSP recipients, participation in disability employment services is:

- higher for learning, intellectual<sup>7</sup>, and sensory primary disabilities, at between 8 and 10 per cent of the respective subpopulation since mid-2008.
- lower for psychiatric or physical primary disabilities (3.5 per cent and 1.8 per cent respectively in December 2010), but rising gradually.

This analysis does not adjust for differences in the age structure of primary disability subpopulations. DSP recipients with physical disability, for example, are older on average than those with intellectual disability. Age would account for some of the difference in participation rates by primary disability.

Comparing 'All DSP' in Figure 3.6 with 'All persons' in Figure 3.5 shows that increasing overall participation is almost entirely due to increased participation within the NSA/YA(o) component of the target population.

**Figure 3.5 Percentage of Disability Support Pension and Newstart Allowance/Youth Allowance(other) recipients with disability in disability employment services, 2006–2010**



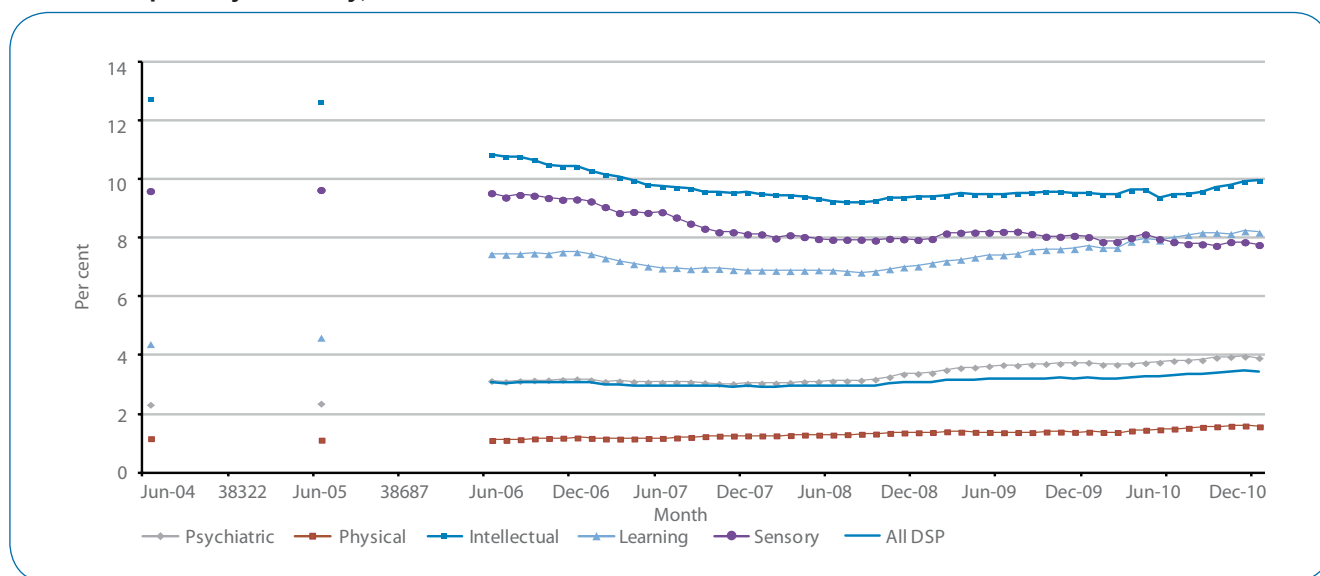
Notes:

1. Indigenous status based on self identification.
2. Cultural and linguistic diversity based on country of birth.

6. Unit record data on program participants became available in mid-2006, making this the earliest year available for analysis of usage rates.

7. The June 2011 issue of this report included figure 3.6 based on a misclassification of intellectual and learning disability codes. The problem was identified and resolved in December, as reflected in this revised Figure 3.6 (refer to the note on figure 3.6 in June 2011 report).

**Figure 3.6 (Revised) Percentage of Disability Support Pension recipients in disability employment service, by primary disability, 2004–2010**



Note: This revised figure 3.6 presents revised time series for intellectual and learning disabilities based on a (correct) reclassification of medical condition codes to primary disability groups.

Source: DEEWR and Centrelink administrative data (June 2006 onwards); FaHCSIA Disability Services Census (June 2004 and June 2005).

### 3.3 Are services more effective under the DES Deed?

#### Box 3.3 Indicators of effectiveness

##### 13 Week Outcomes (interim indicator)

- **14.0 per cent of a cohort of DES participants achieved a 13 Week Outcome**, compared with 14.1 per cent of a cohort of DEN/VRS participants observed over a six to nine month period.
- DES recorded a higher conversion rate during the interim evaluation period: **57.4 per cent of placements converted to a 13 Week Outcome**, compared with 50.5 per cent under DEN/VRS.

Source: DES program data. 13 Week Outcomes include Full and Pathway Outcomes.

##### Proportion of exited participants who are employed 3 months post-exit

- DMS: 23 per cent (13 per cent for VRS over a comparable period)
- ESS: 18 per cent (20 per cent for DEN over a comparable period)
- Ongoing Support: 67 per cent

##### Participant satisfaction with overall quality of assistance and service provided

- DMS Employment Assistance: 67 per cent satisfied, slightly below VRS
- ESS Employment Assistance: 69 per cent satisfied, as for DEN
- Ongoing Support: 79 per cent

##### Participant satisfaction with training and skills development

- DMS: 56 per cent satisfied
- ESS: 47 per cent satisfied
- Not measured in DEN/VRS.

Note: Satisfaction indicators show per cent satisfied includes responses of “very satisfied” and “satisfied”.

Source: DES PPM survey.

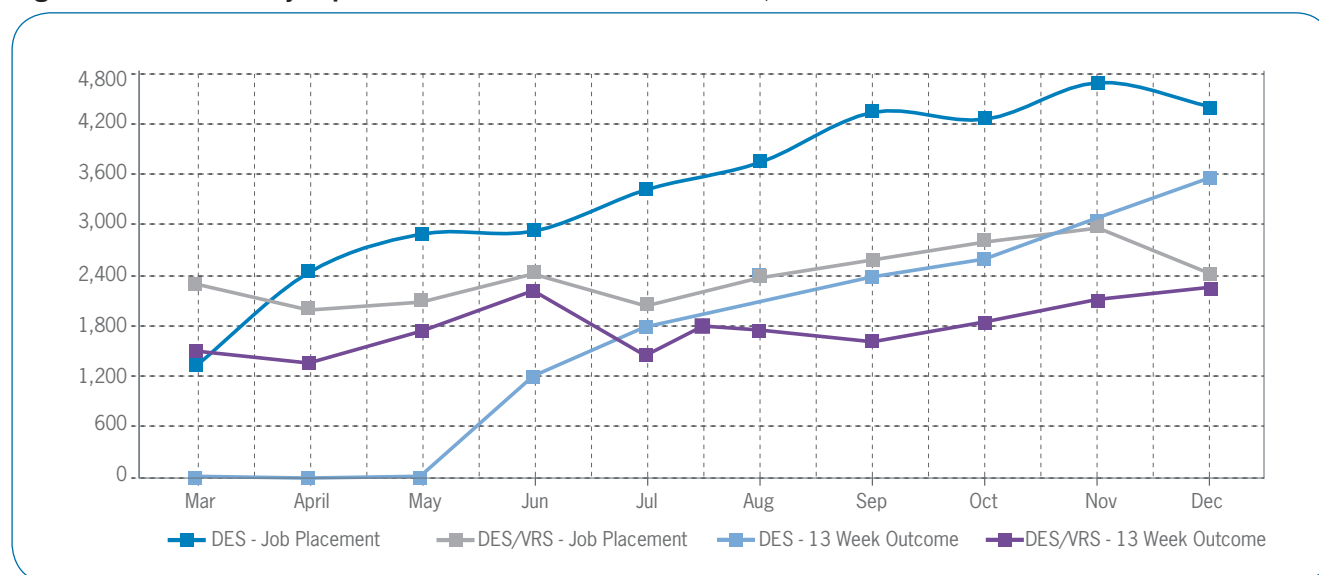
The evaluation is examining effectiveness from a number of angles, including employment and education outcomes, participant and employer satisfaction with services, job satisfaction of employed participants and program attrition. It is still too early to definitively answer the question of effectiveness but the interim evaluation found strong signs of achievement on the central policy objective of more sustainable employment for participants.

Some of the data sets used in the interim evaluation are small or include transitioned participants. Caveats are noted where applicable.

### 3.3.1 Job placements and employment outcomes

In 2010 DES recorded higher numbers of job placements and 13 Week Outcomes than DEN/VRS in 2009 (Figure 3.7). Some of these outcomes were achieved by participants who transitioned from the previous model and who may have spent most of their employment assistance phase under DEN or VRS.

**Figure 3.7 Number of job placements and 13 Week Outcomes, March to December 2009 and 2010**



Note: Outcomes include employment and education outcomes, both full and pathway (or intermediate).

Source: Disability Employment Services Report, December 2010 (data as at 31 January 2011).

The evaluation uses a commencement cohort approach to compare the effectiveness of the current and previous service models. This involves selecting a cohort of newly commenced participants to follow for a period of time and count the outcomes achieved. The observation timeframe is ideally long enough for cohort members to complete their periods of service; the employment assistance phase in DES can be up to two years. At the time of writing DES had been in operation for less than a year, not long enough for many participants to achieve 26 Week Outcomes but sufficient to look at job placements and 13 Week Outcomes.

The comparison of outcomes below is based on participants who commenced in DES between 1 March and 30 June, counting outcomes achieved by 31 December 2010 (six to nine months depending on when a participant commenced). Similarly, outcomes for DEN/VRS participants who commenced in services between 1 March and 30 June 2009 were counted to 31 December 2009.

This method of counting outcomes is different from program monitoring data in Figure 3.7 in a number of ways. First, it uses a subpopulation of participants, new commencements, and counts placements and outcomes for those participants only, not all job placements and outcomes recorded in the program. Second, it counts job placements and outcomes within a specified timeframe linked to when a person commences service. This gives a strong time dimension to measurement that is absent from program-based outcome measures. Note that a cohort continues to achieve placements and outcomes beyond the latest date of observation, in this case 31 December, so that the analysis does not count all outcomes that the cohort ultimately achieves over a longer timeframe. Rates reported below for DES and DEN/VRS participants observed over a six to nine month period should be viewed as baseline measures because with the passage of time job placement and outcome rates progressively increase above baseline levels. Third, the cohort method counts participant-level outcomes not program-level outcomes and produces participant-level rates. Moreover, if a participant commences in more than one job over the period only one is counted.

The cohort method is used here to compare the effectiveness of DES and DEN/VRS service models for achieving outcomes for

participants, in particular the comparative sustainability of employment outcomes. Results should be used in this context only and are not comparable to program-level outcomes measured in the conventional point-in-time (cross sectional) manner for the reasons outlined above.

It should also be noted that when observation ends on a fixed date members of a cohort are observed for different lengths of time depending on their commencement date. For example, a person who commences in June is observed for between six and seven months whereas someone who commences in March has up to nine months to achieve an outcome and for that outcome to be counted. This applies to both the DES and DEN/VRS cohorts and is not expected to affect the comparison. A limitation of the method at this early stage is that there are insufficient data to account for participant characteristics and labour market conditions. These factors will be incorporated into the analysis of outcomes for the final evaluation report.

Summary results in Table 3.2 show relatively fewer job placements in DES. For every 100 members of the DES cohort 24 had commenced in a job by 31 December 2010, compared with around 28 per 100 of the DEN/VRS cohort placed by 31 December 2009. This is owing to relatively fewer placements at both funding levels of ESS, for all disability groups (Table 3.3). The job placement rate for participants without long-term support needs is higher in DES (25 per cent for the DMS cohort compared with 21 per cent for the VRS cohort).

During the first six months of DES many ESS providers experienced increased demand and were challenged with managing business under the new fee structure (provider experiences are discussed in section 3.5). Attention to these ‘front end’ issues may have had a temporary impact on providers’ capacity to find and tailor jobs for participants and assist participants to become job ready. Comparisons of the March, April, May and June commencement cohorts showed a steady narrowing of the job placement gap between DES and DEN/VRS, which is strongly suggestive of a short-term, bedding down effect.

The DEN/VRS and DES cohorts both recorded a 13 Week Outcome rate of 14 per cent. That is, while the DES cohort recorded relatively fewer jobs those who obtained employment were more likely than their DEN/VRS counterparts to go on to achieve a 13 Week Outcome by 31 December: 57.4 per cent of placed participants in DES compared with 50.5 per in DEN/VRS (conversion rates). Conversion rates for both funding levels in ESS (62.0 and 57.1 for Funding Levels 1 and 2 respectively) were higher than the DEN conversion rate (48 per cent). These interim results are a strong indication that the DES model is producing more sustainable employment. Less sustainable placements appear to have fallen away.

**Table 3.2 Job placement and 13 Week Outcomes for DES and DEN/VRS cohorts**

Program	Cohort total	Job Placements (no.)	13 Week Outcomes (no.)	Job Placements (%)	13 Week Outcomes (%)	Conversion rate: placement to 13 Week Outcome (%)
DES DMS	14,389	3,642	2,005	25.3	13.9	55.1
DES ESS FL1	8,071	1,931	1,198	23.9	14.8	62.0
DES ESS FL2	3,925	851	486	21.7	12.4	57.1
<b>DES total</b>	<b>26,385</b>	<b>6,424</b>	<b>3,689</b>	<b>24.3</b>	<b>14.0</b>	<b>57.4</b>
VRS	14,645	3,062	1,656	20.9	11.3	54.1
DEN	11,557	4,261	2,045	36.9	17.7	48.0
<b>DEN/VRS total</b>	<b>26,202</b>	<b>7,323</b>	<b>3,701</b>	<b>27.9</b>	<b>14.1</b>	<b>50.5</b>
Notes: 1. Includes all participants who commenced in services between 1 March and 30 June of the reference year, 2010 for DES and 2009 for DEN/VRS. Placements and outcomes were counted only if they occurred by 31 December of the reference year. 2. DEN cohort includes capped and uncapped streams. 3. For DES, employment and education outcomes both full and pathway are counted. For DEN capped and uncapped, employment and education outcomes, both full and intermediate (in the case of DEN uncapped) are counted. For VRS, employment and education outcomes, both full and intermediate, are counted. Placements are employment placements only.						

Conversion rates for different types of primary disability are generally higher in the DES programs (Table 3.3). Psychiatric disability is no longer associated with lower outcome rates compared with other primary disabilities, as was the case in early generation case-based funding models (DEWR 2007). Results based on small numbers of participants, such as intellectual disability in DMS, should be interpreted with caution. Lower rates of job placement for participants with physical disability, across all funding levels, possibly relates to the older average age of this group (Figure 3.8). Results by age and primary disability will be produced as more data become available.

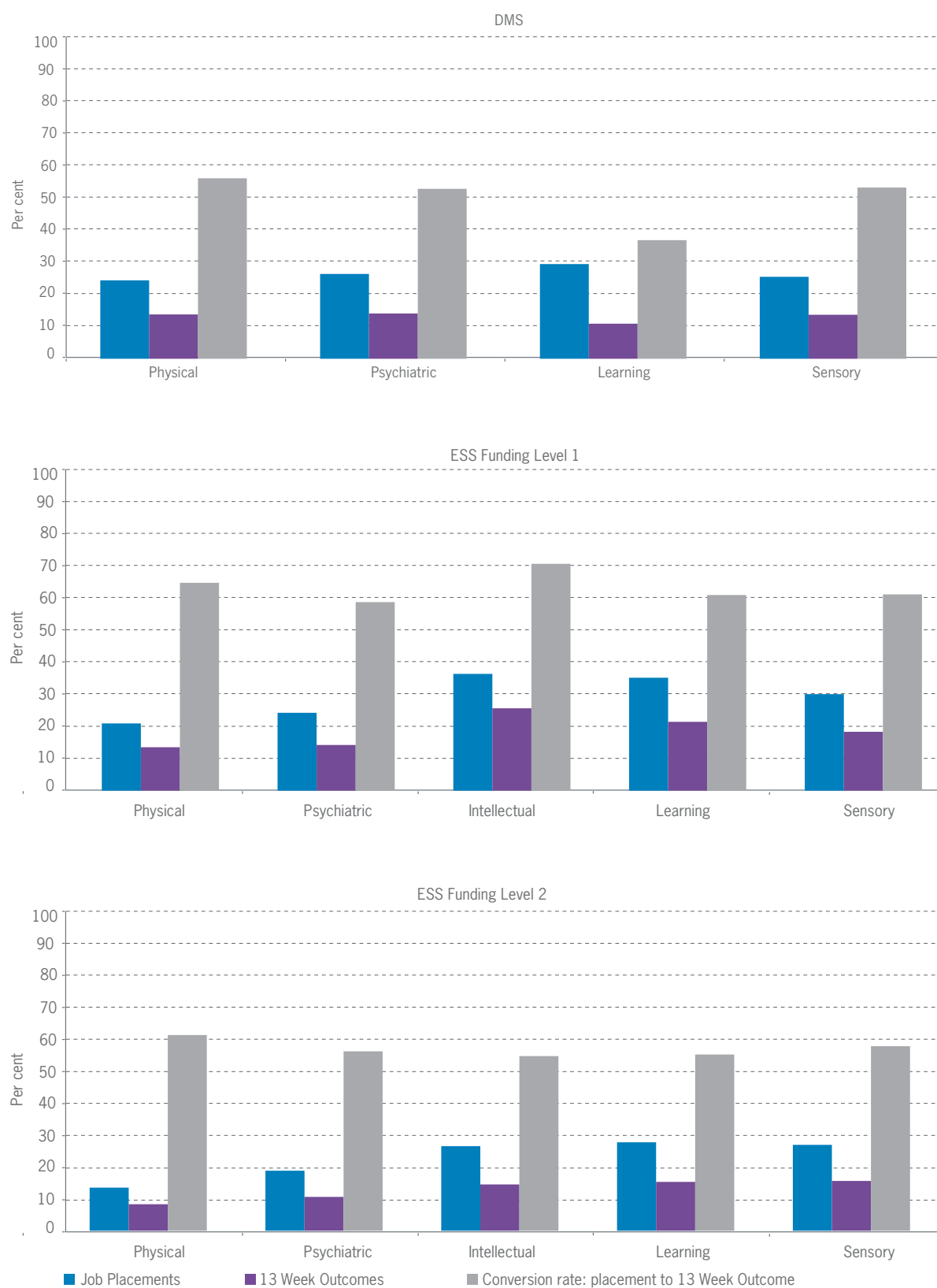


**Table 3.3 Job placements and 13 Week Outcomes by primary disability, DES and DEN/VRS cohorts**

Primary disability by program	Cohort total (no.)	Job Placements (no.)	13 Week Outcomes (no.)	Job Placements (%)	13 Week Outcomes (%)	Conversion rate: placement to 13 Week Outcome (%)
<b>Physical</b>						
DES DMS	9,714	2,386	1,351	24.6	13.9	56.6
VRS	9,690	1,958	1,111	20.2	11.5	56.7
DES ESS FL 1	3,979	830	536	20.9	13.5	64.6
DES ESS FL 2	786	106	65	13.5	8.3	61.3
DEN	4,025	1,268	611	31.5	15.2	48.2
<b>Psychiatric</b>						
DES DMS	4,001	1,066	568	26.6	14.2	53.3
VRS	4,537	1,017	501	22.4	11.0	49.3
DES ESS FL 1	2,831	686	402	24.2	14.2	58.6
DES ESS FL 2	1,333	251	141	18.8	10.6	56.2
DEN	4,487	1,623	761	36.2	17.0	46.9
<b>Learning</b>						
DES DMS	263	78	29	29.7	11.0	37.2
VRS	125	26	10	20.8	8.0	38.5
DES ESS FL 1	538	189	115	35.1	21.4	60.8
DES ESS FL 2	976	270	149	27.7	15.3	55.2
DEN	1,473	685	335	46.5	22.7	48.9
<b>Intellectual</b>						
DES DMS	44	13	6	29.5	13.6	46.2
VRS	19	3	2	15.8	10.5	66.7
DES ESS FL 1	168	61	43	36.3	25.6	70.5
DES ESS FL 2	324	86	47	26.5	14.5	54.7
DEN	694	291	150	41.9	21.6	51.5
<b>Sensory</b>						
DES DMS	319	82	44	25.7	13.8	53.7
VRS	270	57	32	21.1	11.9	56.1
DES ESS FL 1	454	136	83	30.0	18.3	61.0
DES ESS FL 2	167	45	26	26.9	15.6	57.8
DEN	660	291	142	44.1	21.5	48.8
<p>Notes:</p> <ol style="list-style-type: none"> <li>1. Placements are employment placements only.</li> <li>2. Cohorts include all participants who commenced in services between 1 March and 30 June of 2010 for DES, or 1 March to 30 June 2009 for DEN/VRS. Placements and outcomes were counted only if they occurred before 31 December of the corresponding year.</li> <li>3. 13 Week Outcomes shown are full and pathway (or intermediate) 13 Week employment and education outcomes.</li> <li>4. DEN cohort includes both capped and uncapped streams.</li> <li>5. The requirements which need to be met before a placement or outcome can be claimed under DES are stricter than the requirements under DEN/VRS.</li> </ol>						



**Figure 3.8 Job placements and 13 Week outcomes by program and primary disability**



Source: Table 3.3.

### 3.3.2 Post program employment outcomes

Post-program outcomes are measured by the DES Post Program Monitoring Survey (PPM) which was enhanced for the evaluation while retaining core PPM content.

The survey measures employment status at around three months after exit. Post-program outcomes for DES participants are compared with those for participants in DEN and VRS captured over a two year period. For comparability, participants who exited DEN or VRS because they achieved a 26 Week Outcome were excluded.

The PPM results presented here reflect outcomes from a sample of 1,822 participants who exited Employment Assistance plus 839 who exited Ongoing Support between 1 March and 30 September 2010 (November PPM release). They include transitioned participants. The response rate for the Employment Assistance PPM was 29.7 per cent. From mid-2011 the DES PPM will deliver data on participants after 12 months of DES assistance.

PPM is indicating higher post-program outcomes for DMS (23 per cent employed) compared with VRS (13 per cent employed) and slightly lower outcomes for ESS (18 per cent) compared with DEN (20 per cent). VRS PPM outcomes have always seemed counterintuitive: job placement rates in VRS were substantially lower than DEN 4 Week Outcome rates despite VRS targeting people with generally lower support needs. In addition, a much higher proportion of exited VRS participants were not in the labour force at three months post-program compared with DEN. Another dynamic affecting the comparison of PPM outcomes at this stage is that participants who exit early in the Employment Assistance phase may be unrepresentative of exits over the long term. Early exits may include, for example, the more able participants responding to a compliance effect.

Post-program underemployment (DMS: 36 per cent; ESS: 30 per cent) is lower than for Stream 4 and aggregate underemployment across all Streams of Job Services Australia, both at 37 per cent.

Half of those who exit are not participating in the labour force some three months later, suggesting that wanting to work is not a strong legacy of participation in services for many who move through the system. As observed by one provider, "If a client is not interested in participating, the options available do not enhance motivation" (2010 Survey of DES Providers).

**Table 3.4 Employment status of exited participants three months post-program (per cent)**

Employment status	DES-DMS	DES-ESS	Ongoing Support	VRS	DEN
Employed	22.6	17.5	67.2	13.4	19.8
Full-time	5.0	4.6	18.1	3.7	4.8
Part-time	17.6	12.9	49.1	9.8	14.9
Unemployed	26.0	33.2	19.4	26.2	27.5
Not in labour force	51.4	49.4	13.3	60.2	52.7
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Employed or in education/training	31.3	26.8	71.3	21.5	27.4
Underemployed <sup>(a)</sup>	36.4	30.2	28.3	n.a.	n.a.
Number of exits in period	5,758	8,172	5,788	112,990	77,398

(a) Answered 'yes' to: "Would you like to work more hours?".

Notes:

1. DEN outcomes relate to participants who exited from the Employment Assistance phase (and did not progress to the Maintenance phase) between 1 March 2008 and 28 February 2010. Excludes participants who transitioned to DES.
2. VRS outcomes relate to participants who exited from assistance between 1 March 2008 and 28 February 2010 for reasons other than the achievement of a 26 week employment outcome. Excludes participants who transitioned to DES.
3. DES outcomes relate to participants who exited between 1 March and 30 September 2010. Response rate for exits from Employment Assistance: 29.7%; Ongoing Support 36.0%.

Source: DES Post Program Monitoring Survey (November 2010 PPM data release).

**Table 3.5 DES DMS Post-program outcomes by Employment Benchmark hours, 2010**

Employment Benchmark	Employed	Education or training	Positive outcome <sup>(a)</sup>	Unemployed	Not in labour force	No. of exits
< 8 hours	n.p.	n.p.	n.p.	n.p.	n.p.	n.p.
8–14 hours	13.8	8.1	21.2	10.0	76.2	1,269
15–22 hours	10.9	5.4	16.3	36.5	52.6	815
23–29 hours	26.6	12.2	35.4	29.7	43.7	1,005
30+ hours	21.0	8.2	29.2	52.6	26.4	907
Missing	n.p.	n.p.	n.p.	n.p.	n.p.	n.p.
<b>Total</b>	<b>22.6</b>	<b>11.1</b>	<b>31.3</b>	<b>26.0</b>	<b>51.4</b>	<b>5,758</b>

(a) Employed or in education or training.

Source: DES Post Program Monitoring Survey (participants who exited between 1 March and 30 September 2010; November 2010 PPM data release).

**Table 3.6 DES ESS Post-program outcomes by Employment Benchmark hours, 2010**

Employment Benchmark	Employed	Education or training	Positive outcome <sup>(a)</sup>	Unemployed	Not in labour force	No. of exits
< 8 hours	4.3	10.8	15.2	17.3	78.3	498
8–14 hours	14.0	10.5	23.5	28.0	58.0	3,726
15–22 hours	18.3	5.3	23.6	34.4	47.4	1,273
23–29 hours	20.4	12.0	32.4	35.6	44.0	924
30+ hours	21.0	8.2	29.2	52.6	26.4	907
Missing	31.2	16.6	43.4	41.7	27.1	844
<b>Total</b>	<b>17.5</b>	<b>10.3</b>	<b>26.8</b>	<b>33.2</b>	<b>49.4</b>	<b>8,172</b>

(a) Employed or in education or training.

Source: DES Post Program Monitoring Survey (participants who exited between 1 March and 30 September 2010; November 2010 PPM data release).

### 3.3.3 Participant satisfaction—baseline data

According to the PPM, 69 per cent of ESS and 67 per cent of DMS participants were satisfied or very satisfied with the overall quality of assistance and service provided in Employment Assistance, leaving considerable room for services to improve. On a cautionary note, exits that have occurred to date might not be representative of the exits that will be observed over the whole contract period and this should be kept in mind when interpreting PPM data.

The DES PPM uses a five-point scale to measure satisfaction ('Very satisfied', 'Satisfied', 'Neither satisfied nor dissatisfied', 'Dissatisfied', 'Very dissatisfied'). 'Neither satisfied nor dissatisfied' was not an option on the DEN/VRS PPM so that past surveys of DEN and VRS participants may have overstated satisfaction. Adjusting the DES PPM results to compare with data from the old four-point scale reveals similar levels of participant satisfaction:

- 80 per cent for ESS, the same as for DEN between March 2008 and February 2010
- 80 per cent for DMS, slightly lower than for VRS between March 2008 and February 2010 (83 per cent).

Skills development and training received less positive feedback, with an estimated 56 per cent of DMS participants and 47 per cent of ESS participants satisfied or very satisfied with this aspect of service provision. Noting that the sample includes transitioned participants, the results might not be a true reflection of skills development and training under the DES model. Similar results were recorded by the Dynamics of Australian Income Support and Employment Services (DAISES) longitudinal survey of participants in DEN/VRS. That survey estimated that 1 in 4 DEN/VRS participants received too little assistance and named the area of training and skills development second only to "finding suitable jobs" as an area of dissatisfaction. The evaluation will continue to monitor participant feedback on training and skills development through the DES PPM and the DES cohort of DAISES to be surveyed in April–May 2011.

### 3.3.4 More flexible support in the workplace

Some of the more visible changes to the service model for participants and employers are in the area of Ongoing Support. Three levels of Ongoing Support (Flexible, Moderate, High) are available for participants with an assessed need for support in the workplace. After an initial 52 weeks of Ongoing Support a participant can continue to receive Ongoing Support if the need is confirmed by Ongoing Support Assessment. This independent assessment is a new feature in DES.

The new Flexible Ongoing Support, for employed participants with intermittent or irregular support needs, currently accounts for more than one third of Ongoing Support participants (Table 3.7).

**Table 3.7 Number of participants in Ongoing Support, 30 October 2010**

Level of Ongoing Support	Number	Per cent
Flexible	4,063	37.4
Moderate	4,378	40.3
High	2,414	22.2
<b>Total</b>	<b>10,855</b>	<b>100.0</b>

Just under 85 per cent of participants were at their original level of Ongoing Support three months after commencing in Ongoing Support; 15 per cent changed level once and 0.3 per cent changed twice. Most changes were to a lower level of Ongoing Support (933 participants), though a sizeable number (477) moved to a higher level of Ongoing Support (Table 3.8). Around 75 per cent of participants who started in Flexible Ongoing Support were still in Flexible Ongoing Support three months later; comparable figures for Moderate Ongoing Support and High Ongoing Support were 88 per cent and 86 per cent respectively. The data suggest that in the main OSA is recommending an appropriate level of support.

**Table 3.8 Participants in Ongoing Support on 30 October, by whether moved level within first 3 months<sup>(a)</sup>**

	To: level of Ongoing Support 3 months later			Total
	Flexible	Moderate	High	
<b>From: initial level of Ongoing Support</b>	<b>Number</b>			
Flexible	1,397	308	146	1,851
Moderate	511	3,906	23	4,440
High	120	302	2,491	2,913
<b>Total</b>	<b>2,028</b>	<b>4,516</b>	<b>2,660</b>	<b>9,204</b>
	<b>Per cent</b>			
Flexible	15.2	3.3	1.6	20.1
Moderate	5.6	42.4	0.2	48.2
High	1.3	3.3	27.1	31.6
<b>Total</b>	<b>22.0</b>	<b>49.1</b>	<b>28.9</b>	<b>100.0</b>

(a) Excludes 1,651 participants who commenced in Ongoing Support and could not be observed for 3 months prior to 30 October, or whose level of Ongoing Support could not be determined from the data.

In the consultations leading up to DES stakeholders made a strong case for a more flexible model of ongoing support, particularly for people with mental illness and other episodic conditions. Interestingly, OSA for participants with psychiatric disability was less likely to result in Flexible Ongoing Support than for some other primary disabilities. Psychiatric disability was associated with the highest proportion of commencements in Moderate Ongoing Support of any primary disability. The new Flexible Ongoing Support is proving to be a useful option for all types of primary disability.

Roughly 9,500 participants were due for an OSA between 1 March and 30 October 2010. More than one-third (37 per cent or 3,521 participants) exited the program as independent workers without having an OSA and two-thirds completed an OSA. Higher proportions of participants with physical or sensory primary disability commenced in Flexible Ongoing Support following an OSA. Participants with intellectual disability were more likely to enter High Ongoing Support than participants with other primary disabilities. All groups recorded outcomes across the three levels of Ongoing Support and fewer than 10 per cent exited as independent workers after an OSA. See Table 3.9 for a summary of assessment outcomes.

**Table 3.9 Outcomes of completed OSA and exits to independent work for participants with OSA due by 30 October 2010, by primary disability (per cent)**

Primary disability	Independent worker	Outcome of completed OSA				Exit as independent worker—no OSA	
		Ongoing Support			Total	No.	No.
		Flexible	Moderate	High			
Physical	6.8	40.5	34.7	18.0	100.0	1,228	1,011
Psychiatric	4.6	34.0	46.0	15.5	100.0	1,163	989
Autism/Learning	4.3	27.9	43.7	24.1	100.0	1,108	522
Intellectual	4.1	26.8	38.9	30.2	100.0	1,323	490
Sensory	5.2	43.7	36.0	15.0	100.0	439	403
All primary disabilities	5.0	33.2	40.3	21.6	100.0	5,261	3,415
Not known	1.0	19.9	39.1	40.1	100.0	704	106
<b>Total</b>	<b>4.5</b>	<b>31.6</b>	<b>40.1</b>	<b>23.7</b>	<b>100.0</b>	<b>5,965</b>	<b>3,521</b>

The long term trend of between 200 and 400 exits to independent work per month under the previous model is outstripped by the 600 to 1,000 exits per month under DES, most without an OSA (Figure 3.9).

An estimated 67 per cent of participants who exited Ongoing Support between March and September were employed three months post-exit (positive outcome rate—employed or in education or training—of just over 70 per cent) (DES PPM). Of those who exited as independent workers an estimated 86 per cent were still employed three months later.

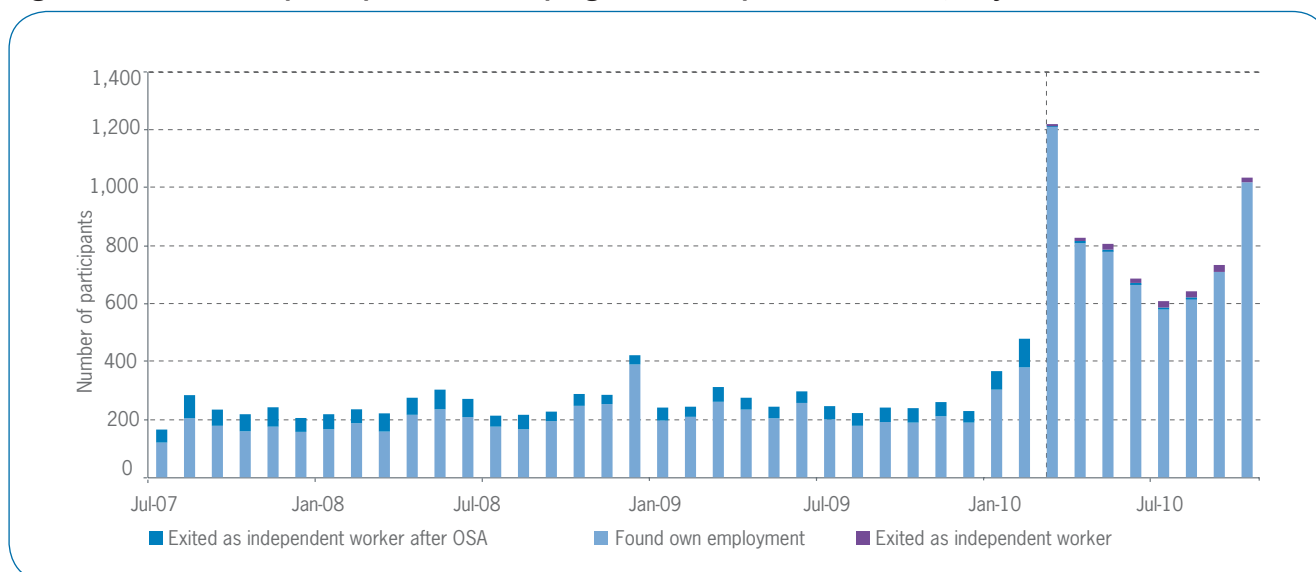
An important question, particularly in view of increased provider-initiated exits, is what happens longer term to participants who exit as independent workers—do they remain employed or return to services? The evaluation followed 1,993 participants who exited as independent workers and compared their employment status at six months post-exit with that of 2,114 participants who exited DEN as independent workers between March and December 2009.

There were relatively fewer returns to DES (17 per cent) than to DEN (20 per cent). The employment status of some people cannot be confirmed once they leave services and we assume that they remain employed if they do not return to services and are not in receipt of income support. Two sets of assumptions were used to estimate employment status where status could not be confirmed from the data. Both sets of assumptions were applied to the data sets for DEN and DES to yield estimated minimum and maximum percentage employed. Between 49 and 83 per cent of participants who exited DES as independent workers are estimated to have been employed six months post exit and for DEN, between 51 and 80 per cent. Data limitations preclude more accurate estimation of employment status at six months post-exit. While this is a wide range of estimates the similarity of results for DES and DEN gives no indication that increased provider-initiated exits are adversely affecting longer term employment outcomes.

Providers are clearly exercising better judgement about participants' ongoing support needs and provider-initiated exits are minimising costs to government associated with OSA. The evaluation estimates that 676,500 participant days were saved between April and December 2010 by virtue of provider initiated exits.<sup>8</sup>

8. Based on a comparison of exits of participants due for OSA who exited without undergoing OSA with the pattern of exits in DEN between April and December 2009.

**Figure 3.9 Number of participants who exit program as independent workers, July 2007 to October 2010**



Ongoing Support is so far registering a high level of participant satisfaction—79 per cent satisfied or very satisfied compared with 68 per cent for Employment Assistance, measured on the new five-point satisfaction scale, and 72 per cent of participants who recalled having an Ongoing Support Assessment were satisfied with the outcome (9 per cent dissatisfied; 19 per cent neither satisfied nor dissatisfied).

The 2010 Survey of DES Providers shows broad support among providers for the principle of independent assessment of ongoing support needs, with 70 per cent of sites in agreement (57 per cent agree and 13 per cent strongly agree). Those who did not agree gave various reasons including: that DES providers are best able to make the assessment; that external assessors have insufficient knowledge of the person; that the process creates discomfort for the person; and other unspecified reasons. Some difficulties that have arisen in the conduct of OSA have been addressed (see section 3.5).

In summary, Ongoing Support and Ongoing Support Assessment have emerged as a successful addition to the model.

### 3.4 Qualitative feedback on program effectiveness for groups of DES participants

Discussions with the DEEWR State Network and selected DES providers focussed on aspects of service delivery for groups of DES participants including those identified in the evaluation strategy for particular attention: Aboriginal and Torres Strait Islander participants, participants from other culturally and linguistically diverse backgrounds, school leavers with disability, participants in remote areas, and participants with mental health conditions. This section summarises the key themes that emerged from the discussions and relevant supporting data.

#### 3.4.1 Aboriginal and Torres Strait Islander participants

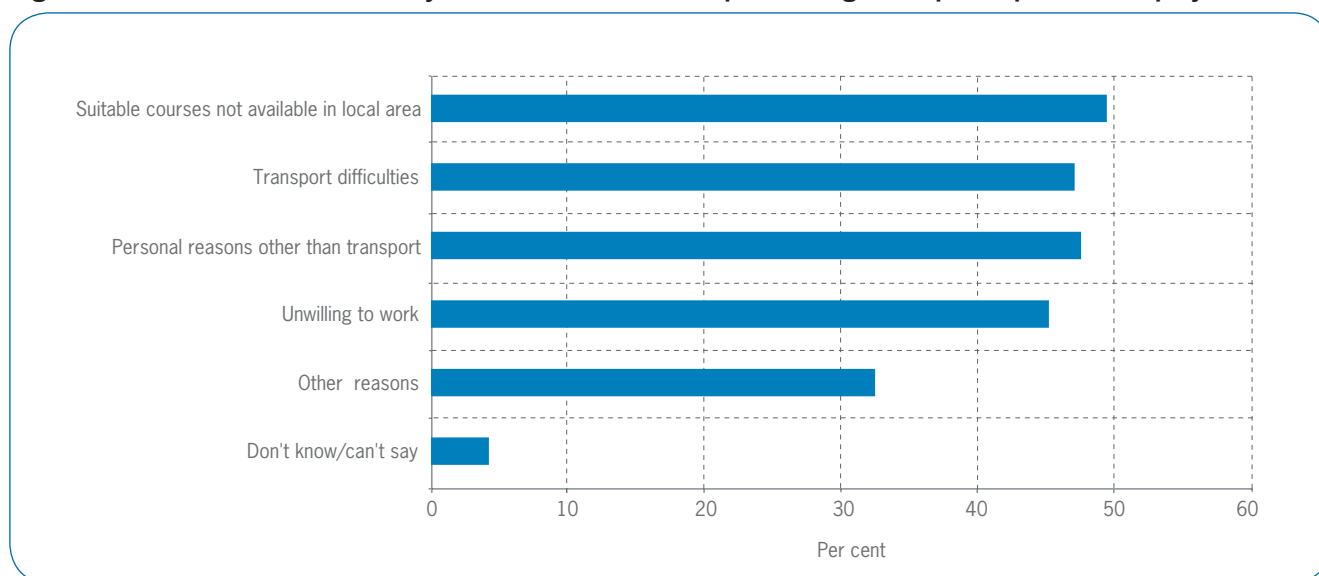
A number of barriers are thought to limit the program's reach to Aboriginal and Torres Strait Islander job seekers with disability. Disability is not a familiar concept to most Indigenous Australians and there is no equivalent word in Aboriginal languages. A disability-specific employment service may therefore seem irrelevant to many Aboriginal people, further compounded by the stigma and/or fear associated with certain conditions, particularly mental illness. The marketing of a disability-specific service requires a nuanced approach to demonstrate its relevance to people who may not recognise or want to recognise their disability related needs.

The evaluation encountered Indigenous specialist services in inner metropolitan areas with very successful engagement strategies through Aboriginal Community Liaison Officers. DES site managers explained that the long established and trusting relationship between the Liaison Officer and Aboriginal Torres Strait Islander people in the area was crucial to a successful engagement of job seekers with disability. Strong links with the local Centrelink team were also found to facilitate service delivery. Even with these supports, the level of non-vocational barriers that commonly exists is a major challenge to assisting many Aboriginal and Torres Strait Islander people with disability into sustainable employment.

Particularly in remote and outer regional areas the evaluation was told of the inappropriateness of assessments conducted by 'drop in' assessors with insufficient understanding of local conditions and cultural norms. The JCA provider might lack knowledge and understanding of the community context of the person with disability, which is essential to recommending appropriate interventions. Some stakeholders regard DES as the poor cousin to Job Services Australia when it comes to assisting Aboriginal and Torres Strait Islander participants in remote areas. DES lacks an equivalent of the Employment Pathway Fund which is said to be more useful than high service and outcome fees for helping to meet job seekers' most basic needs. The evaluation found that DES providers are divided on the question of an Employment Pathway Fund (EPF) versus higher service fees with some expressing a preference for the Job Services Australia EPF concept, especially in context of helping Indigenous participants in regional and remote areas.

More than one third of DES sites have at one time or another experienced difficulty placing Aboriginal and Torres Strait Islander participants into employment. These sites attribute difficulties to a lack of suitable training courses, transport difficulties and other non-vocational barriers (Figure 3.10).

**Figure 3.10 For what reasons has your site been unable to place Indigenous participants in employment?**



Note: Base is 212 sites (38 per cent) that had tried and been unable to place an Indigenous participant in employment for any reason.

Source: 2010 Survey of DES providers.

### 3.4.2 Participants in remote and regional Australia

Difficulty accessing timely and appropriate assessment was a consistent theme in discussions on remote servicing. Significant distances and high costs, difficult weather conditions, lack of medical evidence and the risk of job seekers missing appointments booked far in advance can cause significant delays.

On-the-ground difficulties are compounded by a JCA Performance Framework that does not take proper account of the realities of remote service delivery. For example, it is hard for JCA providers to meet the efficiency benchmark of 80 per cent of remote Assessments completed within 15 business days from referral (Efficiency KPI 1.1—Completion of Assessments) when appointments are made some weeks out from referral, as is often the case in remote locations.

A high number of remote assessments are conducted by telephone; DES providers questioned the appropriateness of telephone assessment of highly disadvantaged job seekers. The evaluation compared the telephone proportion of assessments to the benchmark for Remote ESA of less than 30 per cent (Efficiency KPI 1.3). Nationally, 31.5 per cent of assessments of job seekers in remote locations completed between July 2008 and November 2010 were telephone assessments, slightly higher than the benchmark. However, results for some states fall wide of the mark:

- Queensland: 55.3 per cent
- New South Wales: 47.1 per cent
- Western Australia: 41.3 per cent
- South Australia: 36.2 per cent.

At just 3.6 per cent of assessments by telephone, the Northern Territory which has the majority share of remote assessments dominates the national data and masks the high level of telephone assessment of remote job seekers in other jurisdictions. As part of the Government's announcement that, from July 2011, all assessments will be performed by Centrelink, more face-to-face assessments will be possible in remote areas due to greater economies of scale.

Providers in remote ESA are generally positive about the recognition given to the challenges of remote service delivery but question the adequacy of the 70 per cent Remote Service Loading as the sole means of addressing them. Just 33 per cent of sites in remote ESAs agree that the Remote Service Loading adequately covers the additional costs of servicing participants in these areas where, typically, demand for labour is low and there is little or no public transport (2010 Survey of DES Providers). In in-depth interviews providers also expressed concern at a lack of provision for capital equipment necessary to establish or extend services to more rural and remote communities, for example, for the purchase of special equipment such as four wheel drive vehicles and satellite communication systems for staff safety.

Additional resourcing in the form of the Remote Service Loading can be taken up in meeting requirements of the Deed that are not sensitive to the remote servicing context. Providers cited the requirement for fortnightly face-to-face contact during Employment Assistance as an example of reduced flexibility in meeting the needs of individual participants under local conditions. Providers say participants would be better off if the time was spent finding them a job than repeatedly turning up with the disappointing message, "nothing yet". Systems-based rules and time limits are proving difficult to manage or completely unworkable because of the distances travelled to service clients or because of local conditions such as 'the wet'.

The issue of excised centres in Remote ESA attracted strong criticism. Many of the challenges of remote service delivery also confront providers in regional, non-remote areas. The evaluation collected detailed trip data from a site servicing a large sparsely populated ESA, classified as non-remote, in an attempt to assess the legitimacy of these claims. Weekly travel times for the three employment consultants to visit participants in outlying areas were a minimum of: 23 hours, 39.5 hours and 15 hours per week, excluding face-to-face contact time with the participants and visits to in-town participants. Return trips ranged up to 4 hours 20 minutes per participant in travel time alone.

The tyranny of distance is a major concern for providers but access to affordable transport in regional and remote Australia needs to be seen as a much broader issue because if its significant impact on outcomes for DES participants, many of whom do not have access to private transport.

### **3.4.3 Participants from culturally and linguistically diverse backgrounds**

Interpreter services is the primary means by which DES providers support participants from culturally and linguistically diverse (CALD) backgrounds, used by 74 per cent of respondents to the 2010 Survey of DES providers (84 per cent of DMS sites and 72 per cent of ESS sites). Other strategies are used less commonly, for example:

- Printed information in languages other than English—31 per cent
- Bilingual case managers and employment consultants—27 per cent
- Cultural awareness training for staff—56 per cent
- Links with relevant services—59 per cent.

The evaluation asked site managers and employment consultants how they go about supporting this group of participants and are there special barriers. A main issue was thought to be the negative engagement experience for many people coming into contact with the system for the first time. Providers said that participants with little spoken English typically present with no understanding of 'the system' and the requirement to remain connected to a provider. They may not have understood the purpose and implications of JCA or the meaning and importance of medical evidence. DES providers say they have to work hard to overcome people's fear and anxiety. There is a sense that participants are herded through the system without always understanding what each step is about, passively accepting multiple visits when one should suffice, at significant cost in terms of time and duress. For those with communication barriers the experience can be all the more daunting.

Participants would benefit from coordinated effort to ensure more informed and positive engagement with services. This would involve improvements to DES program information, DES provider operations, JCA, Ongoing Support Assessment, and Centrelink operations.



While Centrelink provides information brochures in many languages and interpreters to assist with interviews and assessments, official correspondence with activity tested job seekers is always in English and this often requires the participant to make multiple trips to Centrelink or their DES provider to understand what they need to do. The difficulties for many people with disability in finding and using transport should not be underestimated. Simple measures like cover letters in the person's preferred language would make the system much easier to negotiate. Likewise, the back pages of the Employment Pathway Plan, a legal document, and the Service Guarantee should be available in other languages. It is hard to find internet-based information about employment programs and services in languages other than English. Finally, the evaluation heard that interpreters are often not present at assessments when they should be.

DES providers do not in general have difficulty sourcing interpreters and translators and those interviewed for the evaluation stressed the importance of bilingual staff for servicing this participant group. Recruiting staff with languages does not appear to be a major challenge because services have good connections to CALD communities, though recruitment experiences vary from area to area. Bilingual staff and cultural awareness training for staff appear to be priorities only in areas with a high concentration of ethnic groups in the community.

Many DES participants from CALD backgrounds require the Language Literacy and Numeracy Program (LLNP) if they are to benefit from employment assistance and further training and skills development. DES providers claimed that waiting times for LLNP are up to three months in some areas. Earlier access to LLNP, facilitated via the initial Centrelink contact or JCA could help to speed up the process of becoming work ready.

Employment opportunities often lie within the participant's ethnic community. This tends to lead to more sustainable outcomes than workplaces with little bi-lingual support or cultural understanding but does not always meet the person's expressed need for exposure to an English speaking workplace. For these participants, continued English language assistance would assist future job prospects and social inclusion.

#### **3.4.4 School leavers with disability and the transition to work**

When DES began on 1 March 2010, students with disability in the last six months of secondary school who were considering post-school options or participating in a school-based apprenticeship could register with a DES provider without having to undertake a JCA. This is known as the DES Eligible School Leaver pathway. From 1 July 2010, two additional Eligible School Leaver pathways became available under a two-year trial of extended eligibility. Young people with disability who first register with a DES provider within 12 months of leaving full-time secondary school or who participate in a recognised state/territory or Australian Government transition to work program, if eligible, are also exempted from JCA.

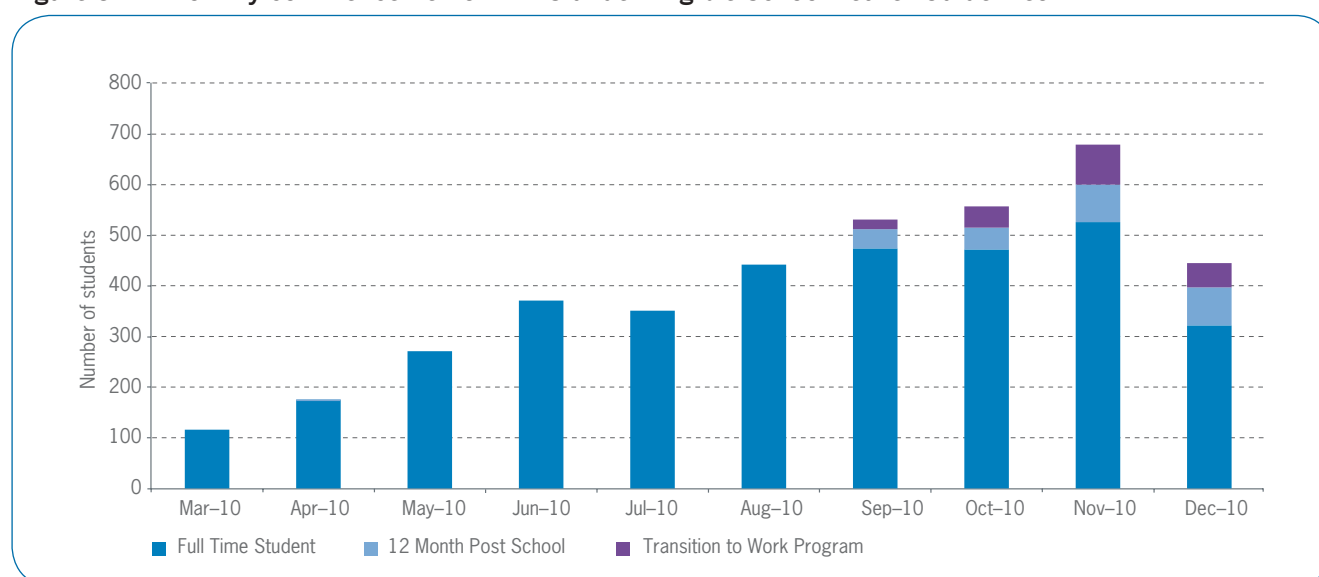
As at 31 December 2010, around 5,200 job seekers had commenced in DES as Eligible School Leavers. Monthly commencements have increased over the duration of the DES program with a more marked increase in November coinciding with the end of the school year (Figure 3.11). In December, Full-time Student and Transition to Work registrations decreased, while Post School registrations remained steady. Commencements via the two new pathways are rising steadily, accounting for around 14 per cent of new Eligible School Leavers in DES between March and December 2010.

Most of these commencements (67 per cent) were Eligible School Leavers aged 16-19 years (Table 3.10). Participants aged less than 16 years account for a higher proportion of Full-time Student registrations (32 per cent) than for the Post School or Transition to Work (10 and 13 per cent respectively).

Learning disability, including Autism and Asperger's syndrome, was the primary disability of over half (54 per cent) of newly commenced Eligible School Leavers, followed by intellectual disability (15 per cent) and psychiatric disability (15 per cent). Intellectual disability is the more common primary disability among those who enter via Transition to Work programs or post school, compared with Full-time Students.

Two thirds of Eligible School Leavers commenced with DES ESS providers.

**Figure 3.11 Monthly commencements in DES under Eligible School Leaver Guidelines<sup>(a)</sup>**



(a) Transition to Work Program and 12 Month Post School eligibility criteria came into effect on 1 July 2010.

Source: DEEWR administrative data.

**Table 3.10 Commencements in DES under Eligible School Leaver guidelines, 1 March to 31 December 2010 (per cent)**

	Full Time Student	12 months post-school <sup>(a)</sup>	Transition to Work <sup>(a)</sup>	Total
<b>Age at commencement (years)</b>				
<16	32.3	9.7	13.0	29.2
16-19	65.2	85.6	68.4	67.2
20+	2.5	4.7	18.6	3.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Primary disability</b>				
Learning <sup>(b)</sup>	55.5	47.6	46.5	54.3
Intellectual	14.3	17.6	24.9	15.2
Psychiatric	15.0	17.6	13.0	15.1
Physical	6.2	10.1	8.6	6.7
Sensory	4.0	3.7	3.7	3.9
Other/Unknown	5.1	3.4	3.4	4.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Program and Funding Level<sup>(c)</sup></b>				
DMS	34.1	38.1	24.3	33.9
ESS Funding Level 1	—	2.8	2.8	0.3
ESS Funding Level 2	65.9	59.1	72.9	65.8
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Total number	4,415	466	269	5,150
Total per cent	85.7	9.1	5.2	100.0

(a) From 1 July 2010.

(b) Includes Autism and Asperger's syndrome.

(c) Most recent funding level.

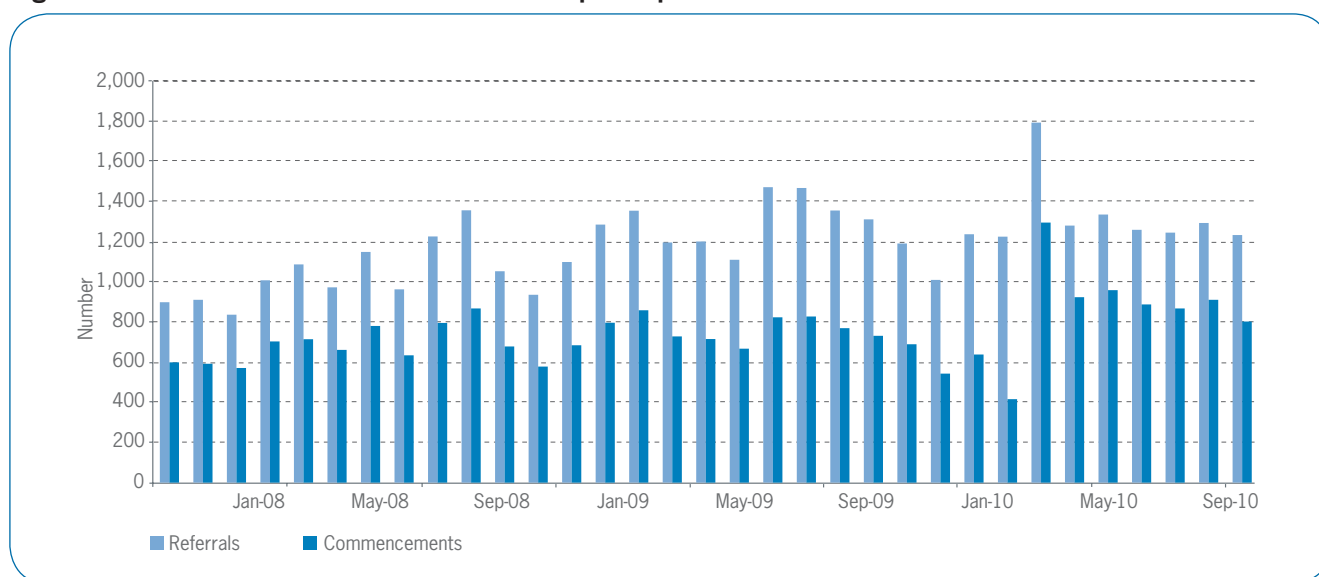
Just over three-quarters of sites that responded to the Survey of DES Providers were assisting young people under the DES Eligible School Leaver guidelines. The most common means of engaging with school leavers are established links to schools (88 per cent of sites) and referral by family or friends (85 per cent). Providers described the regular contact they have with schools, maintaining a presence at career sessions, running parent information evenings and ensuring that teachers and careers advisers are aware of post-school options for students with disability. Fewer sites engage with school leavers through a parent

organisation transition to work program (26 per cent) or established links with another organisation's program (29 per cent). DES sites in New South Wales and South Australia where there is a longer history of transition to work programs mostly agreed that transition to work programs help to prepare young people for DES. Feedback from sites in other jurisdictions was mixed, possibly reflecting less familiarity with what the programs offer and that transition to work programs do not operate in all states and territories.

### 3.4.5 Participants with mental illness

Commenting on the profile of participants over time or coinciding with DES, a number of providers remarked on a growing number of referrals of people with mental illness. While not all linked this to the new program, the administrative data do show more people with severe mental illness commencing in the program since March 2010. Commencements of participants with severe mental illness now consistently number over 800 per month (Figure 3.12).

**Figure 3.12 Referrals and commencements of participants with severe mental illness**



Note: Bi-polar affective disorder, obsessive compulsive disorder, oppositional defiance disorder, schizophrenia, paranoia, psychosis, personality disorder recorded as primary or other significant disability.

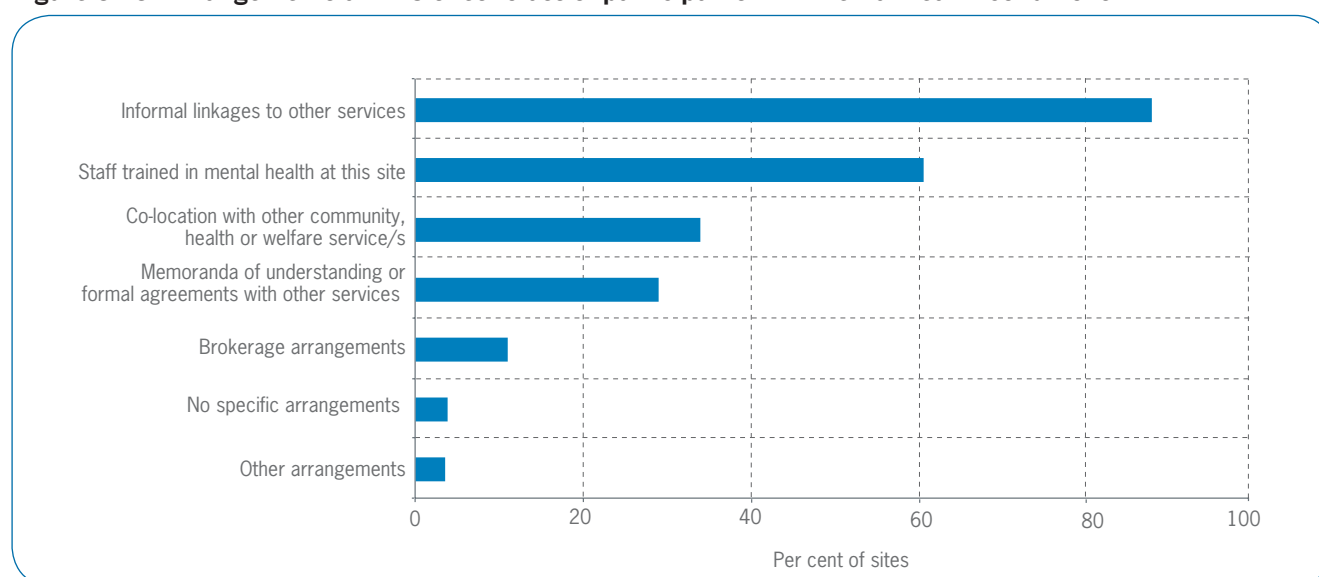
Source: DEEWR administrative data.

Providers say that even a small number of participants with severe mental illness can have a significant impact on employment consultants' workloads. The difficulties in servicing participants with significant, sometimes unidentified, non-vocational barriers such as homelessness and substance abuse were also noted and there is a sense that this too is a growing, possibly related, element. Non-disclosure (the unwillingness of a participant to disclose their disability to a prospective employer) can result in strained employer-provider relationships and prevent an appropriate level of post-placement support. The 'Disability Employment Services' brand can be problematic if a participant does not disclose their disability to an employer. Providers' other concerns centred on the quality of JCA for this group because many have difficulty obtaining the required medical evidence, difficulties in predicting future work capacity, and maintaining duty of care to staff and other participants at the site. Information resources that deal with these sorts of issues would be particularly helpful for providers working with participants with severe mental and behavioural disorders.

Accessing psychology and psychiatric services is a significant, though not universal, problem. DES sites in Victoria that were interviewed reported little difficulty but the experience in some other states appears very different. The evaluation heard of DES providers purchasing psychiatric services from the private sector on behalf of participants at costs of over \$300 per consultation because public mental health services were not available except in dire circumstances. Participants with mental illness typically need ongoing monitoring of medication use and access to specialist counselling and assessment services from time to time. This can be a critical success factor in sustaining employment. Awareness of specialist support through the Employment Assistance Fund appears to be quite low.

Many DES sites employ staff trained in mental health first aid. Linkages with other services are more often informal than formal arrangements (Figure 3.13).

**Figure 3.13 Arrangements at DES sites to assist participants with mental health conditions**



Note: Base is all responding sites (683). A site may have one or more arrangements in place.

Source: 2010 Survey of DES providers.

## 3.5 Key findings from the DES Provider Survey and in-depth interviews

A national survey of full-time DES sites was conducted in October-November 2010 which was an ideal time to gather provider perspectives on service delivery under the new Deed. The online survey produced 683 usable responses from 912 sites, or a response rate of 75 per cent. This number included 568 sites that were delivering services under the DES Deed only (excluding sites that also delivered Stream Services, JCA, and providers on the National Panel of Assessors). At around the same time the evaluation team interviewed staff in DEEWR State Offices and 19 DES providers in four states<sup>9</sup>. Section 3.4 summarised the discussions about service delivery for specific groups of DES participants.

This section presents provider perspectives on two additional topics in the evaluation strategy, administrative load and the impact of uncapping. It also looks at providers' perspectives on the policy objectives of DES. Opinions expressed are those of site managers and staff involved in day-to-day delivery of DES. Screening questions ensured that comparisons between DES and DEN/VRS were made only by respondents with experience of the previous deed/contract. Taken together, the quantitative survey and qualitative findings from in-depth interviews give a sense of the breadth and depth of issues at the service delivery front-line in the first year of DES.

It is hard to summarise the data without glossing over the diversity of local conditions under which DES is delivered. Different sites reported different challenges in operating the new model and in generalising it is important to acknowledge that common experiences might not reflect the exact experiences of all who contributed information.

### 3.5.1 Has DES reduced administrative load?

One objective of the new program is to reduce administrative load by striking a better balance between accountability and flexible service delivery. Streamlined administration would allow providers to channel more of their resources into direct service delivery. The general consensus among providers is that while some changes have delivered benefits, for example, quarterly claiming of service fees and the bulk claim facility, others have introduced new overheads.

Over three quarters (79 per cent) of sites reported increased administration under the DES Deed; 7.9 per cent reported a reduction. While there is a general perception by providers that administration has increased the evaluation discerned varied levels of preparedness for, and acceptance of, current levels of administration.

9 Selected sites in New South Wales, Victoria, Tasmania and Western Australia.

Using the IT system to anchor job placements was singled out by all types of sites as a particular source of administrative burden (Figure 3.14). The process involves multiple steps to complete a time consuming process that providers say could be reduced through better design. DEEWR is working to address this by July 2011.

ESS-only sites were more likely than DMS-only sites to report increased administrative load in managing business under the new fee structure: 72 per cent and 42 per cent of sites respectively. For a period in 2010 many ESS sites experienced additional administrative work associated with the operation of the new IT-based Funding Level Tool, particularly when changes to funding levels for some participants were triggered for reassessments to a lower funding level due to minor changes in the participant's circumstances. On 15 October 2010 DEEWR notified DES providers that an adjustment had been made to the Funding Level Tool to reduce the set of trigger events. DEEWR's investigations also revealed that a significant proportion of jobseekers in ESS did not have a completed Job Seeker Classification Instrument and that this was a major contributor to the triggering issues (the Job Seeker Classification Instrument contributes information to 11 of the 29 factors used by the Funding Level Tool). DEEWR assisted providers by identifying for them and providing a listing of the participants on their caseloads without a completed Job Seeker Classification Instrument.

Solutions to these two IT-related implementation issues should substantially reduce administrative load from the level that providers were experiencing at the time of the 2010 survey.<sup>10</sup>

Submissions to the *Review of Disability Employment Services* noted that administrative burden can be exacerbated when a provider takes on multiple contracts (DEEWR 2008) yet perceptions of *significantly* increased administration under the DES Deed are highest among ESS-only sites:

- 56 per cent of sites with only an ESS contract
- 27 per cent of sites with only a DMS contract
- 34 per cent of DES sites also under contract for Stream Services.

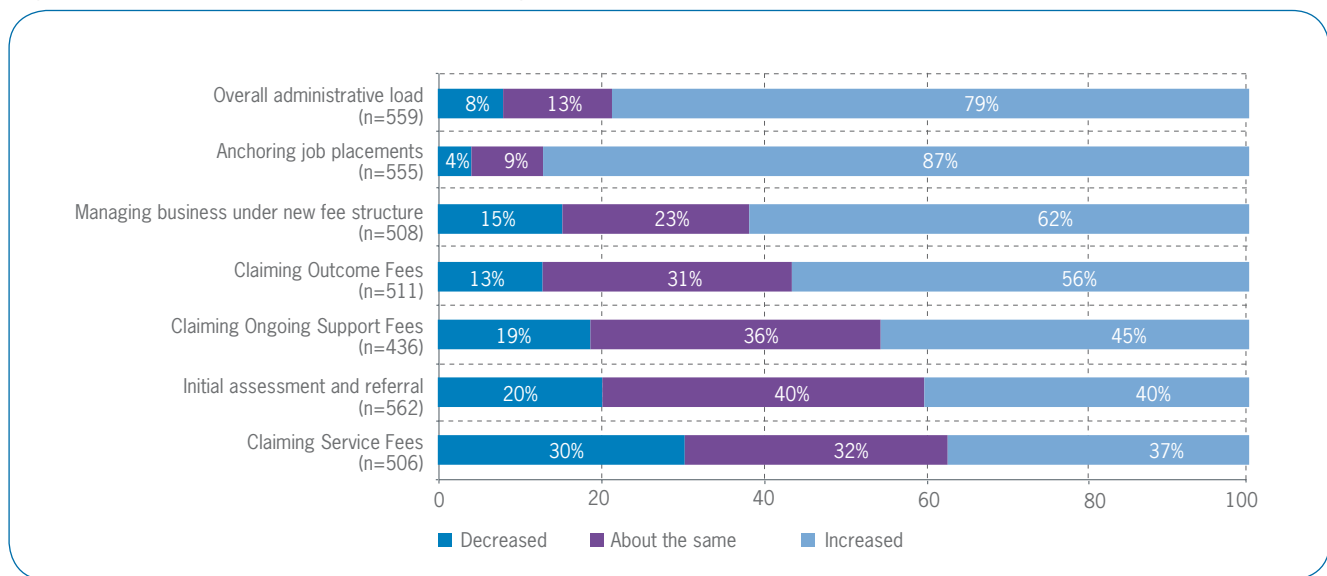
This suggests that providers with experience of other contracts may have had less adjustment to make in moving to the DES 2010–2012 Deed and compliance system. But with the funding level and other IT system-related issues impacting heavily on ESS providers it is hard to say. Generally speaking, ESS sites had more adjustments to make including the removal of discretion over referrals and uncapping leading to increased demand, the introduction of OSA, and migration to a new IT system. Suffice to say that the 2010 Survey of DES Providers is probably not the last word on administrative load.

DES providers work closely with OSA providers (the National Panel of Assessors) and JCA providers and say that these interactions also involve them in additional administrative work. The evaluation sees this as 'part and parcel' of being a DES provider and somewhat different to unnecessary administrative load emanating from IT systems design issues discussed above. However, also in this area ESS sites have probably experienced a greater impact than DMS providers because ESS participants are more likely to require long-term post-placement support and therefore more likely to require OSA. In the early months of DES, OSA could involve excessive additional work for the DES provider if a number of participants were assessed by different OSA providers with different reporting formats and requirements. From 6 December 2010 a group of participants who are due for OSA can be assessed by the same OSA provider. This should alleviate much of the unanticipated additional work and ensure a more streamlined process for employers as well.

---

10 Funding levels were stabilised in October.

**Figure 3.14 DES provider reports of changes in administrative load**



Note: Base is 568 DES-only sites excluding responses of "Not applicable" or "Don't know".

Source: 2010 Survey of DES Providers, question H9: In each of the following areas, please indicate how administrative load has changed under the DES contract (compared with DEN/VRS).

JCA attracted strong criticism. While tensions between DES and JCA providers pre-date DES they now attribute increased administrative load in part to 'inappropriate' referrals. The *Review of Disability Employment Services* highlighted this problem under the previous programs:

"Many submissions from providers state that this problem is exacerbated if complex streaming rules result in inappropriate referrals, which create additional and unfunded work for providers who must facilitate getting the job seekers into the right program." (DEEWR 2008)

Program structure and funding levels are now more streamlined but it is not obvious that this has reduced the administrative load associated with this issue (discussed in section 3.1). At the core of the issue, one in two respondents to the 2010 survey expressed lack of confidence in JCA assessments of work capacity as reflected in the following sample of free text responses:

"[There is] Limited understanding of employment services, not contacting ESP staff for further information on jobseeker circumstances when requested."

"I have had to remind them of certain things, i.e. special school students do not need a JCA..."

"Lack of knowledge, conflicting information provided to us (from different people we deal with). Failure to resolve certain issues in a timely manner."

"Lack of knowledge about specialist site and services we provide."

"Most of the [Centrelink] staff do not totally understand what DMS Service Providers can do for Job Seekers."

"Lack of knowledge surrounding DES."

"Not up to date with services."

"Unclear of DES eligibility and services provided."

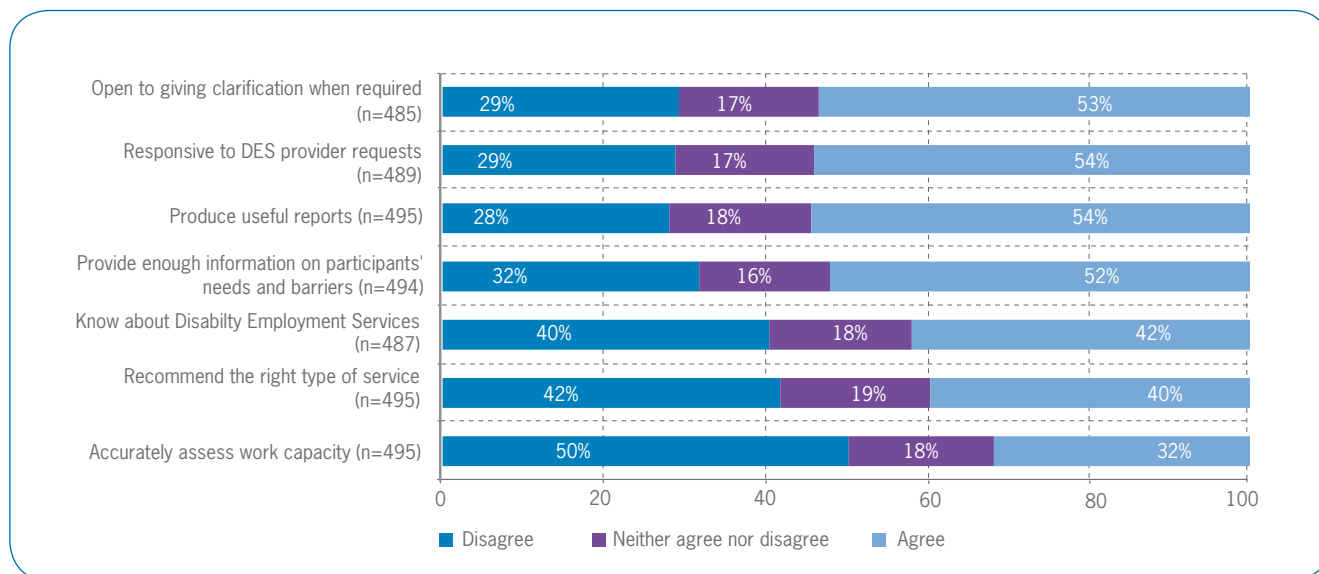
"The JCA from Centrelink stated that they felt that DES DMS were too interested in helping people find jobs, and would prefer to refer through the Stream 4. If people are suited to Stream 4 then that is fine, but if they are suited for DES DMS, then that [is] incorrect."

"Limited understanding of DES programs and differences between DES DMS [and] ESS. Strong focus on JSA Contract particularly during ESP meeting. Centrelink staff appear to be giving clients inconsistent advice regarding participation requirements."

There is obvious potential to strengthen the working alliance between JCA and DES providers through greater mutual understanding of their respective roles assisted by clearer eligibility criteria and improved processes for handling disputed referrals. A review of the JCA Performance Framework particularly in regards to access to specialist assessments and efficiency benchmarks for assessments is recommended.

DES providers' perceptions of OSA and JCA are summarised in Figures 3.15 and 3.16.

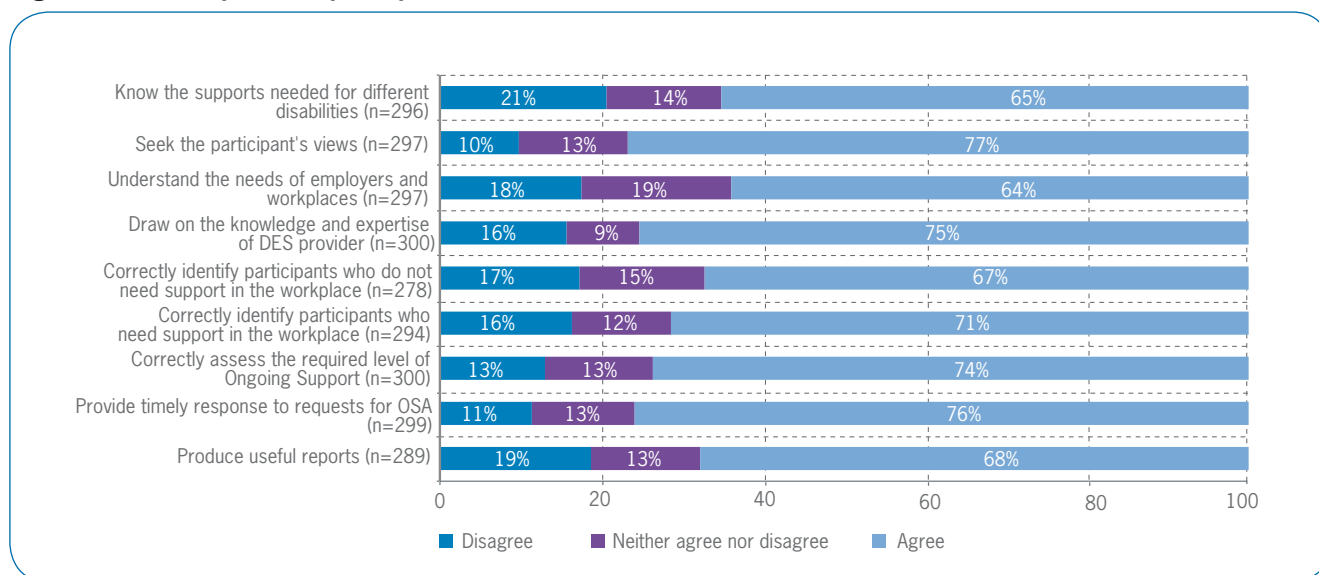
**Figure 3.15 DES provider perceptions of JCA Providers**



Note: Base is responding sites that did not provide JCA services and had contact or experience with JCA providers in the last 6 months, excluding "Don't know" responses.

Source: 2010 Survey of DES Providers, question D2: "Overall, how strongly do you agree or disagree that JCA Providers ...?"

**Figure 3.16 DES provider perceptions of OSA Providers**



Note: Base is responding sites that did not provide OSA services and had contact or experience with OSA providers in the last 6 months, excluding "Don't know" responses.

Source: 2010 Survey of DES Providers, question D5: "Overall, how strongly do you agree or disagree that Ongoing Support Assessors ...?"

### 3.5.2 Has uncapping affected demand?

The impact of uncapping has been locally specific, with demand increasing at some sites and decreasing at others. One in two sites reported moderately or significantly higher demand since March 2010 (Figure 3.17).

Some DMS providers complained of missing out on referrals, to the extent that demand was lower than expected and attributed some of this to Centrelink staff not understanding the purpose of DMS:

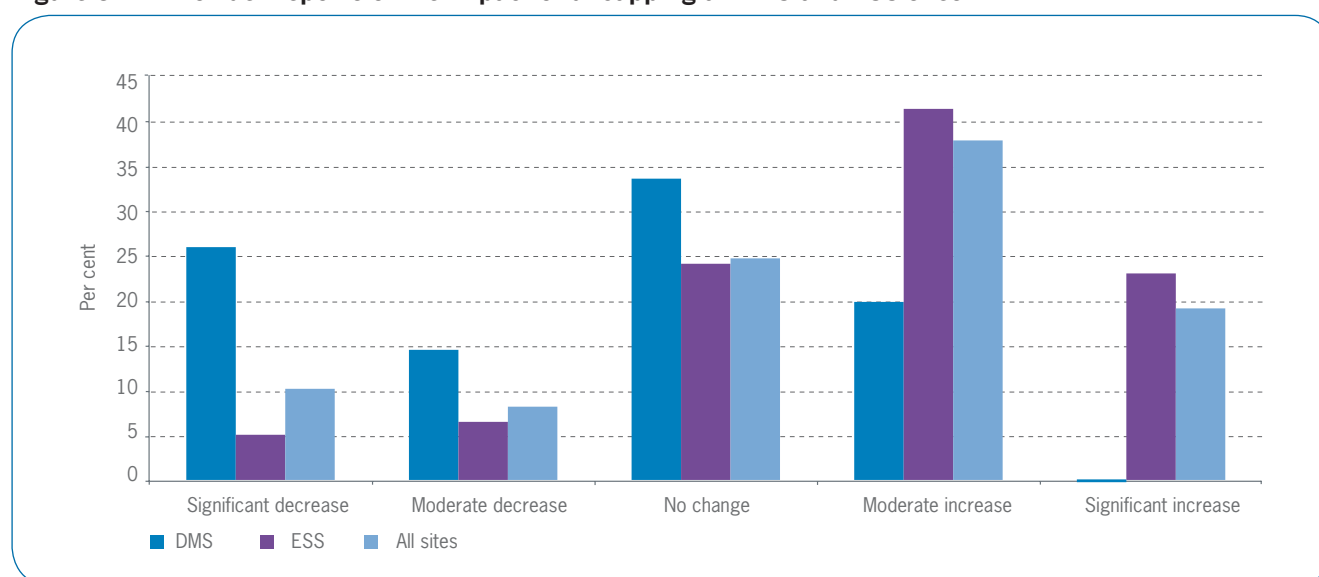
“Most of the [Centrelink] staff do not totally understand what DMS Service Providers can do for Job Seekers.”

“Some Centrelink staff appear to be telling clients that DMS is only about helping them manage their disability and they do not have to worry about return to work while with our service. This has increased in frequency since the name change from VRS to DMS in March 2010. This makes working with the clients initially very difficult because our focus of course, as per our contract, is about return to work.”

(Responses to open-ended questions in the 2010 Survey of DES Providers).

ESS sites were more likely to have experienced increased demand.

**Figure 3.17 Provider reports of the impact of uncapping at DMS and ESS sites**



Source: 2010 DES Provider Survey question H11: “To what extent has the uncapping of services affected demand at your site?”

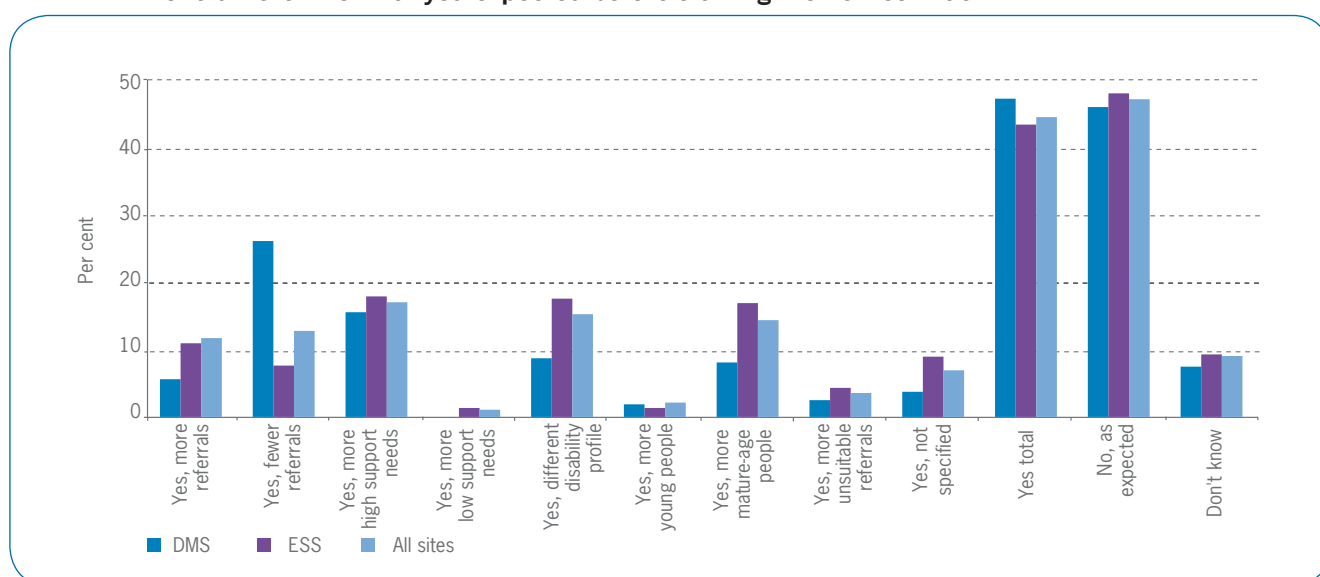
Some providers had expected to receive more referrals on the introduction of DES while others said they had not known what to expect. Strategies for managing a possible increase in demand varied from recruiting additional staff ahead of time to adopting a ‘wait and see’ approach.

After the fact, 44 per cent of sites reported an unanticipated change in the number and/or nature of referrals since the introduction of DES (Figure 3.18). The reported nature of the change varies considerably from site to site and between DMS and ESS sites. DMS sites were more likely to report fewer referrals than expected while ESS sites were more likely to report more referrals than expected.

Some sites (18 per cent of ESS sites and 15 per cent of DMS sites) reported more referrals for job seekers with high support needs, an observation that was also made in discussions with the evaluation team. Site managers described this as more participants with significant non-vocational barriers other than disability, such as homelessness or substance abuse and more with mental illness. Analysis of administrative data did not reveal an increase in support needs overall at the program level though there is evidence of an increase in commencements of people with severe mental illness (see section 3.4.5).



**Figure 3.18 Provider responses to the question: “Is the number or profile of participants referred to your site different to what you expected before starting the new contract?”**



Source: 2010 Survey of DES Providers questions H12 and H13; 251 sites answered “Yes”, 266 “No” and 51 “Don’t know”.

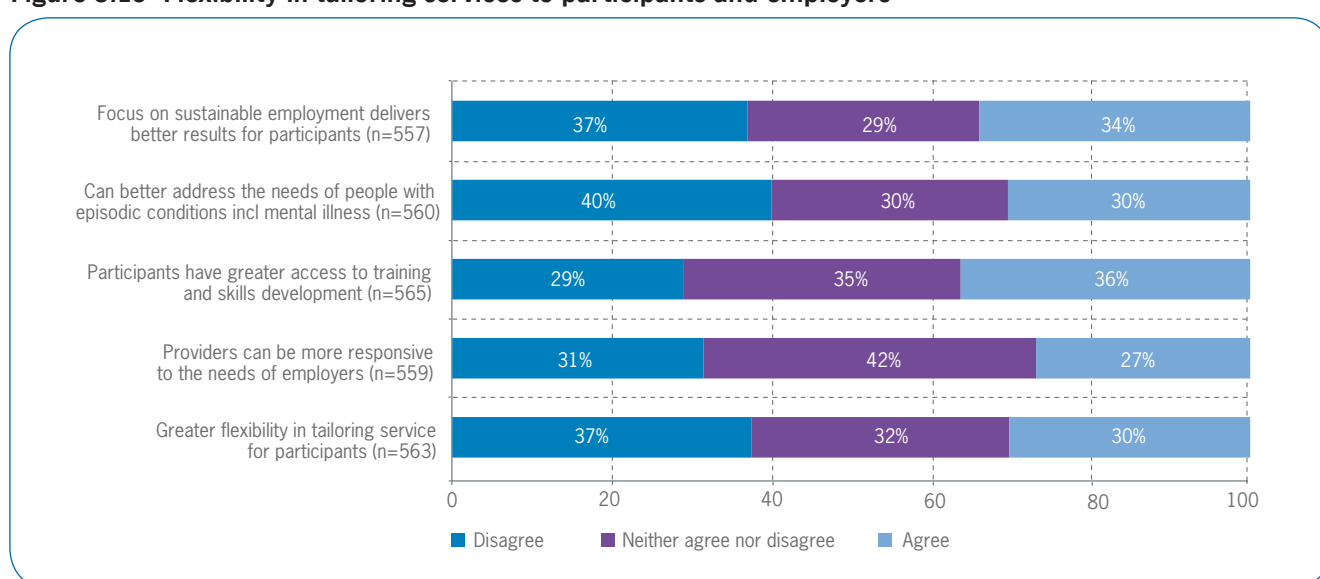
### 3.5.3 Provider perceptions of the DES Deed and guidelines as policy enablers

More flexible service delivery and a stronger focus on sustainable employment are two key policy objectives for DES. The evaluation sought providers’ perspectives on their success in translating this policy into practice.

Staff at many DES sites were unconvinced that the DES Deed provides for more flexible service delivery (Figure 3.19). One common complaint was that the Deed and guidelines are too prescriptive. Minimum contact requirements attracted special criticism for reducing the ability to tailor service to participant needs and preferences and local conditions. DEEWR is currently reviewing the contact requirements in consultation with provider and consumer representatives.

Providers say that it is easier to transfer participants if required and, despite criticism of the job placement and anchoring module, many think that the new IT system is an improvement on the previous system (Figure 3.20).

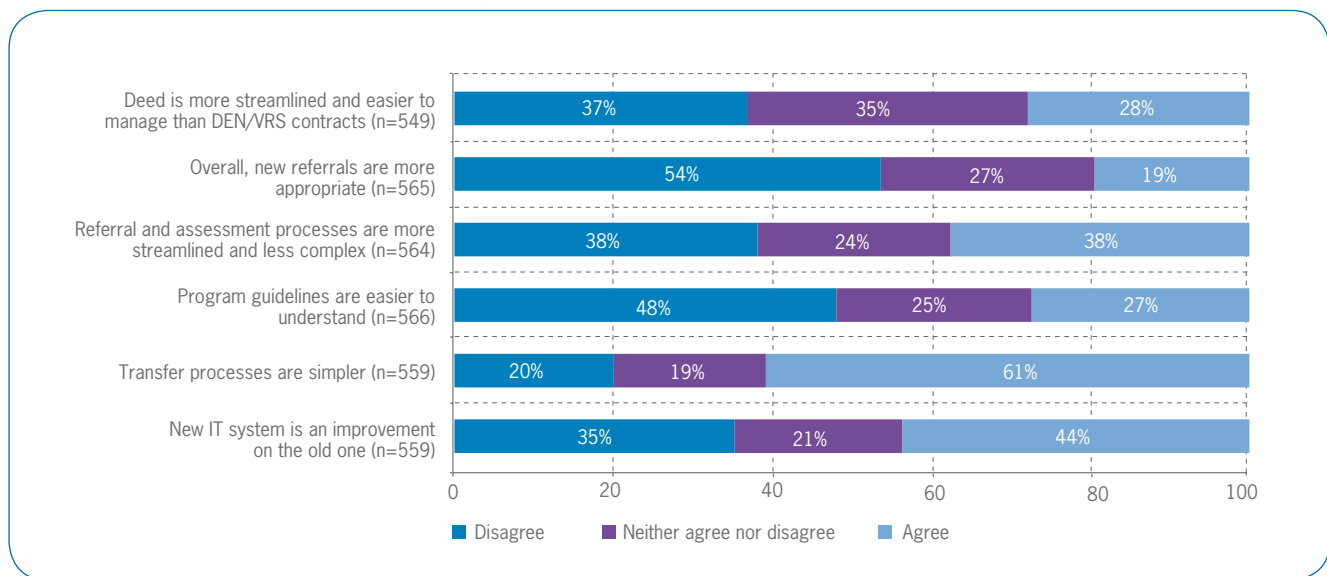
**Figure 3.19 Flexibility in tailoring services to participants and employers**



Note: Base is 568 responding DES-only sites excluding “Don’t know” responses.

Source: 2010 Survey of DES Providers question H8: “How strongly do you agree or disagree with the following statements about the new DES contract with DEEWR compared with the previous DEN/VRS contract?”

**Figure 3.20 Systems, procedures and guidelines**



Note: Base is 568 responding DES-only sites excluding "Don't know" responses.

Source: 2010 Survey of DES Providers question H8: "How strongly do you agree or disagree with the following statements about the new DES contract with DEEWR compared with the previous DEN/VRS contract?"

Only one third of sites agreed that the focus on sustainable employment delivers better results for participants. This is worth exploring further as it may indicate that the policy has not effectively taken hold or that service delivery staff consider there are practical barriers to implementation. The evaluation discerned a strong values-based culture operating within the sector with practice influenced by beliefs in what is 'best' for the job seeker with disability. Policy implementation requires shared understanding of what is to be achieved and how, so that policy objectives resonate within the prevailing culture.

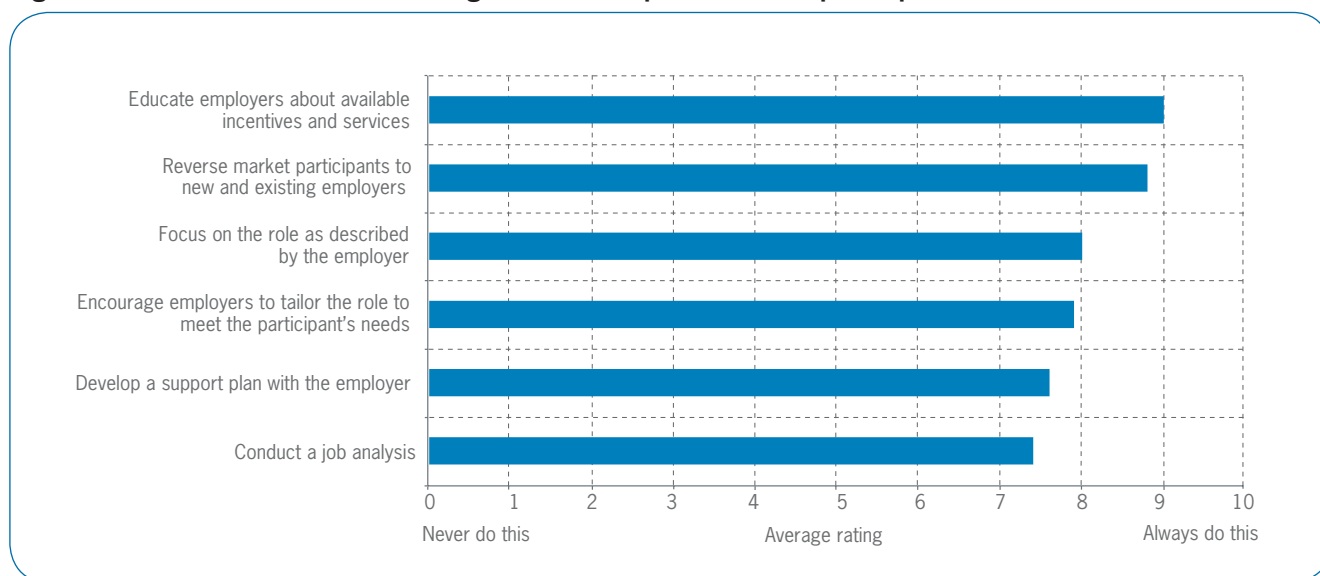
### 3.5.4 A note on employer servicing

The critical area of employer servicing was not a focus for the interim evaluation because much of the required data becomes available later in 2011. Some insights on how providers engage with employers, from the 2010 Survey of DES Providers, are summarised below.

DES providers informed the evaluation that 'job carving', where the provider and employer work together to carve a role for a worker with disability within the enterprise, is a more common and successful approach than targeting skill shortage areas. Some argued that skills shortage is not a major consideration when looking to place a person with disability but emphasised the importance of understanding an employer's business and analysing job-specific requirements.

DES providers were asked to rate their frequency of conducting a number of activities using a scale of 0 for "never" to 10 for "always". Educating employers about available incentives (for example, wage subsidies, supported wages, and workplace modifications) and reverse marketing are the more commonly employed strategies (Figure 3.21).

**Figure 3.21 Activities when facilitating a successful placement for participants**



*Note: Base is all sites excluding "Don't know" responses.*

*Source: 2010 Survey of DES Providers Question H25: Thinking now about facilitating a successful placement for participants how often does your site ...?*

A comparison of DES and Job Services Australia provider approaches to employer servicing suggests that DES providers use a wider range of employer engagement and servicing strategies. The interim evaluation interviewed one very high performing site that demonstrates best practice in this area. The site was happy to describe its approach to DEEWR but did not want information disseminated further because they believe it gives the organisation a competitive edge. Other providers expressed a desire to build knowledge and capacity in the area of employer servicing.

Provider feedback on the National Disability Recruitment Coordinator (NDRC) as a facilitator for job placement was not encouraging. Only 27 per cent of sites had had contact with the NDRC and of those only 9 per cent said that the NDRC had facilitated job placements. DES providers who had contact with the NDRC reject what they consider a 'one size fits all' approach, saying it is usually NDRC inappropriate for meeting the needs of a job seeker with a disability and prospective employer and potentially damaging to established local provider-employer relationships.

## 4. Next steps in evaluation

The evaluation of DES continues through to 2012–13 when a final report will be delivered.

In 2011 major surveys and administrative data will start to build a picture of participant experiences and employer perspectives. Later in the year it should be possible to compare 26 Week Outcome rates for DES and DEN/VRS using the same cohort approach employed in the interim evaluation and to produce more detailed breakdowns of outcomes, for example by primary disability and age or location.

Stronger evidence on sustainable employment will build from mid-2011 when more of the data on education and employment outcomes reflect the full DES service experience rather than a mix of assistance under previous and current programs.

In addition, data from major surveys are expected to become available for analysis throughout the year:

- 2010 Employer Survey (final data May 2011)
- Dynamics of Income Support and Employment Services Survey (DAISES) second wave of Cohort 2—follow-up of transitioned DES participants (May)
- DES PPM data on participants with 12 months in assistance (from June)
- Clients of DES Survey, a special one-off survey of participants with intellectual disability, autism or learning disability who may not be reached by standard survey methods (July)
- DAISES Cohort 3—asks recent entrants to DES programs about their service experience (September/October).

Employer servicing will come into focus as new data become available, including the 2010 Employer Survey, qualitative findings from an online employer forum, and a survey of employers who have used the Wage Subsidy Scheme and Disability Support Pension Employer Incentive Pilot.

## References

- AHMC (Australian Health Ministers Conference) 2009. Fourth National Mental Health Plan—An agenda for collaborative government action in mental health 2009–2014. Canberra: Commonwealth of Australia.
- ABS (Australian Bureau of Statistics) 2010a. Disability, Ageing and Carers, Australia 2009: First staggered release, Tables 1–9. ABS cat. no. 4430.0. Viewed at [www.abs.gov.au](http://www.abs.gov.au) on 17 February 2010. Canberra: ABS.
- ABS 2010b. Year Book Australia, No. 91, 2009-10, feature article: Indigenous disadvantage and selected measures of wellbeing. ABS cat. No. 1301.0. Canberra: ABS.
- ABS 2010c. The health and welfare of Australia's Aboriginal and Torres Strait Islander people. ABS cat. no. 4704.0. Canberra: ABS.
- ABS 2004. Disability, Ageing and Carers: Summary of Findings Australia. ABS cat. no. 4430.0. September 2004. Canberra: ABS.
- Browne DJ, Stephenson A, Wright J, Waghorn G 2009. *Developing high performing employment services for people with mental illness*. International Journal of Therapy and Rehabilitation 16(9): 502-11.
- Council of Australian Governments 2008. National Disability Agreement. Viewed at [www.coag.gov.au/intergov\\_agreements/federal\\_financial\\_relations](http://www.coag.gov.au/intergov_agreements/federal_financial_relations) on 9 November 2010.
- DEEWR (Department of Education, Employment and Workplace Relations) 2010. Evaluation Strategy for Disability Employment Services 2010–2012. Available at <http://www.deewr.gov.au/Employment/ResearchStatistics/ProgEval/Pages/EvaStratforDES10to12.aspx>. Canberra: DEEWR.
- DEEWR 2009a. National Mental Health and Disability Employment Strategy. Canberra: DEEWR (Disability and Mental HealthPolicy).
- DEEWR 2009b. Disability Employment Services Review 2008–2009. Viewed at [www.deewr.gov.au/Employment/Programs/DES/DESReview](http://www.deewr.gov.au/Employment/Programs/DES/DESReview).
- DEEWR 2008. Review of Disability Employment Services Disability Employment Network and Vocational Rehabilitation Studies: a discussion paper. Viewed at [www.deewr.gov.au](http://www.deewr.gov.au).
- DEWR (Department of Employment and Workplace Relations) 2007. Disability Employment Network Case Based Funding Model Evaluation Report. Canberra: DEWR.
- Disney J, Buduls A, Grant P 2010. Impacts of the new Job Seeker Compliance Framework: the report of the Independent Review to the Parliament of Australia, September 2010.
- Enhance Research and Department of Education, Employment and Workplace Relations 2010. Survey of Disability Employment Service Providers 2010 Summary Report (unpublished).
- FaCS 2003. Improving Employment Opportunities for People with a Disability Report of the Review of the Employer Incentives Strategy.
- FaCSIA (Department of Families and Community Services and Indigenous Affairs) 2006. Australian Government Disability Services Census 2005. Viewed at [www.fahcsia.gov.au](http://www.fahcsia.gov.au) on 9 November 2010. Canberra: FaCSIA.
- Lindsay M. 1996. Background paper 2 1995-96: Commonwealth Disability Policy 1983–1995. Viewed at <http://www.aph.gov.au/library/pubs/bp/1995-96/96bp06.htm> on 11 November 2010. Canberra: Parliament of Australia Library.
- OECD (Organisation for Economic Cooperation and Development) 2010. Sickness, Disability and Work: Breaking the Barriers. A synthesis of findings across OECD countries. Paris: OECD.

## Glossary

<b>Disability Management Service</b>	DES program for participants with temporary or permanent disability who are not expected to need long term ongoing support in the workplace.
<b>Disability Support Pension</b>	Government income support payment for eligible people with reduced work capacity because of permanent illness, injury or disability.
<b>Eligible School Leaver</b>	Assistance available for school leavers and job seekers with a moderate intellectual disability entering DES. This includes young people who enter directly from generally a state-based transition to work program, or within 12 months of leaving school. Eligible School Leavers can access DES without the need for further assessment and to access the highest level of support.
<b>Employer</b>	An entity that has the legal capacity to enter into a contract of employment with a participant.
<b>Employment Assistance Fund</b>	The Employment Assistance Fund is part of the DES framework to help people with disability or mental illness and their employers by providing financial assistance for special work-related equipment, modifications and services that adjust the workplace to suit people with a disability.
<b>Employment Pathway Fund</b>	The Employment Pathway Fund (EPF) is a flexible pool of funds available to Job Services Australia providers to purchase a broad range of assistance to help job seekers access the right training and support to help them find and keep a job.
<b>Employment Pathway Plan</b>	An action plan that identifies the mix of vocational and non-vocational activities that participants undertake during their time in an employment program. The plan may integrate education, training, non-vocational assistance, rehabilitation services, work experience, job search, Job Placement assistance and other assistance.
<b>Employment Support Service</b>	A DES program for participants with permanent injury, illness or disability with an assessed need for regular ongoing support in the workplace in order to maintain employment.
<b>Job Capacity Assessment</b>	An assessment of a participant's participation barriers and current work capacity, undertaken by a JCA Provider.
<b>Job seeker</b>	'Job seeker' is used in this document to refer specifically to participants in the employment assistance phase (looking for work). Where used in reference to a survey, for example, 'job seeker survey', the meaning is the same as for 'participant'.
<b>Job Seeker Classification Instrument (JSCI)</b>	An objective measure of a job seeker's relative labour market disadvantage based on his/her individual circumstances. The JSCI is designed to identify job seekers who, because of their individual circumstances, are likely to become long-term job seekers. The JSCI assesses the level of support services a job seeker needs.
<b>National Disability Recruitment Coordinator</b>	A service within the DES framework designed to promote employment of people with disability by large employers.
<b>Ongoing Support</b>	A component of DES programs that offers support in the workplace to employed participants with an assessed need for ongoing post-placement support. There are three levels of Ongoing Support: Flexible, Moderate, and High.
<b>Ongoing Support Assessment</b>	An assessment by an Ongoing Support Assessor as to a participant's need for Ongoing Support
<b>Participant</b>	A person who is registered with a Disability Employment Services provider, either Disability Management Service or Employment Support Service. A participant can be unemployed (i.e. a job seeker) or employed.
<b>Provider</b>	A provider of services under the Disability Employment Services Deed 2010–2012.
<b>Wage Subsidy Scheme</b>	Financial assistance scheme that makes available a wage subsidy of up to \$1500 over 13 weeks for employers of Disability Employment Services participants.

## Appendix A: Evaluation Key Performance Indicators

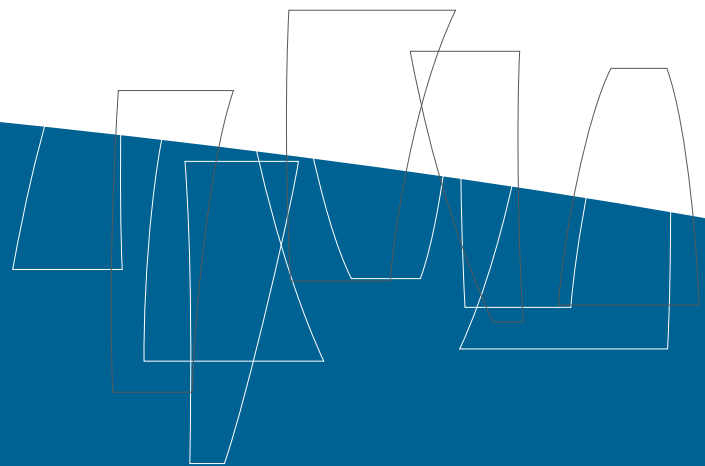
Objective	Key Performance Indicator	Key comparisons
Timely and appropriate service	<ol style="list-style-type: none"> <li>1. Numbers of referrals and commencements per month</li> <li>2. Proportion of referrals that result in the participant commencing in the recommended service</li> </ol>	<ul style="list-style-type: none"> <li>• DES v DEN/VRS</li> <li>• Primary disability groups (ESS v DEN)</li> </ul>
Equity of access to services	<ol style="list-style-type: none"> <li>3. Program participants as a proportion of income support population</li> </ol>	<ul style="list-style-type: none"> <li>• DES v DEN/VRS</li> <li>• DES participant subpopulations</li> </ul>
Participants receive skills development and skills transfer Program meets the needs of employers	<ol style="list-style-type: none"> <li>4. Proportion of DES participants who receive training/skills development from or through their DES provider</li> <li>5. Level of participant satisfaction with training and skills development provided by their DES provider</li> <li>6. Level of employer agreement that DES providers refer job applicants with relevant work skills and abilities</li> </ol>	<ul style="list-style-type: none"> <li>• Funding levels</li> <li>• Primary disability groups</li> <li>• Eligible school leavers</li> </ul>
More effective services	<ol style="list-style-type: none"> <li>7. Proportion of participants who commence in employment during their time in the program</li> <li>8. Rate of attrition, total and service-related</li> <li>9. Proportion of exited participants who are employed 3 months after leaving the program</li> <li>10. (i) Number and proportion of Ongoing Support or Maintenance participants who exit as independent workers and remain employed 3 months after exit; (ii) Number and proportion of Ongoing Support or Maintenance participants who remain employed with support at 15 months after entering Ongoing Support/Maintenance</li> <li>11. Level of participant satisfaction with services</li> <li>12. Level of employer acceptance of services</li> <li>13. Proportion of employed participants who would like to work more hours</li> <li>14. 26 Week Full Outcome rate</li> </ol>	<ul style="list-style-type: none"> <li>• DES v DEN/VRS</li> <li>• DES participant subpopulations</li> <li>• DES participant subpopulations</li> </ul>
More efficient services	<ol style="list-style-type: none"> <li>15. Proportion of referrals that result in service commencement within 4 weeks of referral</li> <li>16. Mean duration between first job placement and 26 Week Full Outcome</li> <li>17. Mean duration to exit as independent worker</li> <li>18. Mean number of employers that contribute to 26 Week Full Outcomes</li> <li>19. Mean cost (program payments) per 26 Week Full Outcome</li> <li>20. Extent to which providers agree or disagree that administrative load is lower under DES</li> </ol>	<ul style="list-style-type: none"> <li>• DES v DEN/VRS</li> <li>• Primary disability groups</li> </ul>

## Appendix B: Outcomes of Ongoing Support Assessments

**Table B1: Outcomes of Ongoing Support Assessments (OSA), 1 March to 31 October 2010**

	Number	Per cent
<b>Reason for OSA</b>		
Initial OSA due (transitioned participant)	11,850	97.5
Change of circumstances	253	2.1
Other	46	0.4
<b>Total number of OSA due by 31 October 2010</b>	<b>12,149</b>	<b>100.0</b>
<b>OSA not performed</b>		
Ongoing Support not required - independent worker	3,521	29.0
Ongoing Support not required - no longer employed	1,414	11.6
Job seeker does not wish or is unable to participate	598	4.9
Job seeker moved from DES to Stream Services (JSA)	30	0.2
Unknown	621	5.1
<b>Total</b>	<b>6,184</b>	<b>50.9</b>
<b>Outcomes of completed OSA</b>		
Exit participant	269	2.2
Flexible Ongoing Support	1,887	15.5
High Ongoing	1,416	11.7
Moderate Ongoing Support	2,393	19.7
<b>Total</b>	<b>5,965</b>	<b>49.1</b>





Evaluation of Disability Employment  
Services Interim Report

**Reissue March 2012**