**Community Bridging Services (CBS) Inc Response to the DSS New Disability Services Discussion Paper 2018**

Please find attached Feedback and Commentary from Community Bridging Services (CBS) Inc. as a positive contribution to this important process. Key headings from the discussion paper have been used to help with structure.

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1. **Competition**

The concept of increased consumer choice and control in service provision is supported. Though some competition assists in reducing costs, the open market has a history of larger providers with increased finances finding ways to reduce other competitors by a range of strategies. Competition and free market strategies need control through basic checks and balances, otherwise we could have a Woolworths, Coles and Aldi type market place in a few years.

**Action in response**

No one provider can exceed 10% of total market share in Australia, or in any one state of Australia.

Over competition does not encourage innovation, it stifles it and tends to encourage sharp practices and other methodologies to increase market share e.g. offering all participants who sign up a $100.00 Coles Myer voucher. Competition needs some control to encourage partnerships and innovation. We note the Anne Neville report from June 2016 “Beyond the Stars” where the number of DES providers has shrunk from 300 in number ten years ago, to 100 today. At the same time the number of DES participants has more than doubled and competition has increased markedly. Consequently consumers have less choice.

CBS supports participant choice and encourages people with a disability to make their own decisions on which service can meet their individual needs. Currently consumers have limitations on who can provide them a service.

**Actions in response**

The balance between the value of Star Ratings compared to other quality measurements needs reassessing. Currently a provider could have numerous complaints, but continually grow and win business via tendering. If a provider has over a critical number of complaints in any year, then their contract needs reviewing with the view of removing them from the market if assessed as being not fit and proper to provide services to people with a disability. We need to note that some people with a disability are still vulnerable to poor and / or misleading service providers.

1. **Competition and the Star Rating System**

It is understood there needs to be some performance measurement, but the balance between the Star Ratings compared to quality needs reassessing. The impact of the Star Rating System and the potential loss of business through business reallocation stifles innovation and partnerships. As an example in South Australia, CBS was present at a public interest meeting in Port Pirie that was attended by a number of DES and other service providers. The meeting was being run by the SA Department for Mental Health Services regarding a partnership sought to implement an IPS Pilot project in regional SA. Only CBS showed interest at that meeting and later received the tender. Reasons given by the lack of interest in this innovative project to improve employment outcomes for people experiencing mental illness were:

* the potential negative impact on each DES’ Star Rating
* the lack of commitment to invest about $12,000 in the IPS Staff Development and Training Program.

Another example is the CBS Inc. Flexi Program run for five years for youths with a disability in juvenile detention centres mostly during block grant funding. The project used DES funding to support youths in detention to develop employment goals, receive pre-employment training (completed while incarcerated) and then find and maintain employment. The pressure of Star Ratings and the level of difficulty in supporting such participants into ongoing employment (success rate of 1 participant in 10 into a 26 week outcome) meant that the Star Rating risk made it unjustifiable to continue even though this partnership project was innovative and attracted interest from other agencies around the world.

**Action in Response**

Change the Star Rating to encourage innovation, by not using it exclusively to determine future decisions. Include the KPI 3 (Quality) into the Star Rating equation by including and aligning with the National Standards for Disability Services.

1. **Service Provider Panel for DES**

CBS supports this concept and the reduction of service boundaries with the suggested limits on any one service’s control of market share as stated earlier. Tendering has encouraged some practices that have made it more difficult for smaller providers with less resources to spare on tendering winning business. Smaller providers appear to be at a disadvantage to larger national, or international services. CBS notes that the number of external agencies providing tendering support through Disability Employment Australian (DEA) that was accessible to small, localised DES providers appears to have dropped off markedly in the past five years. At the same time, as it was noted earlier the number of DES providers has dropped from 300 to 100.

Tendering and business reallocation makes staff retention more difficult in DES as seen by the average high rates or staff turnover in DES. A Registered provider panel would help alleviate this negative impact on staff retention.

**Action in Response**

Current DES providers that have now survived a number of tender rounds and business reallocations could do with some respite and be given an automatic place on the DES Panel of providers. Only new comers with a desire to provide service to DES need to complete a tender. This would save much time, money and stress to all. If you are currently a provider in DES surely you have proven yourself to be worthy of automatic panel entry.

1. **The Use of Wage Subsidies**

CBS supports a funded 52 week outcome. The use of wage subsidies requires a review in relation to the impact on job retention and business commitment to people with a disability. Over the past five years it appears that wage subsides have been ever increasing to employers to the point where you could question the ethics of their use in order to obtain a job start.

Is the employer interested in the wage subsidy alone or in the jobseeker as well? Once the lucrative wage subsidy has ended often around the six month mark does the job continue?

Is this one of the key reason why longer term job outcomes for DES have not increased in the past few years?

Has this placed additional financial stress on DES services by having to compete with other service providers in their region with higher wage subs?

Has such strategies then encouraged DES agencies to increase client to staff ratios to stay viable which then leads to some participants’ increased feelings of being processed by DES providers rather than having the time spent on their employment aspirations?

**Action in Response**

Review the impact of increased wage subsidies on long term employment outcomes post 26 weeks. Review changes in staff to client ratios to see if DES has been shifted into a jobactive model which in our view is likely to create lower performance. DES participants require staff with increased knowledge of the impact of disability on quality of life and employment. Staff at CBS have skills and training to assist participants and it is important that strategies be protected by lower participant to staff ratios that allow the time to get to know participants and use such knowledge and skills.

1. **Long Term Unemployed DES Participants**

Any reduction of service fees will have a negative impact on long term unemployed DES participants and the hardest to place. Such up-front fees are used by CBS to run a range of work preparation skills training programs and work experience programs. These are run both internally and with the use of external consultants / providers, with CBS paying a fee for service. Such activities with business partners require upfront investment otherwise such participants will not be job ready and will remain down in self-confidence and self-motivation. These later two ingredients are crucial to job success and take time to develop for a significant number of DES participants.

**Action in Response**

Rather than any suggested decrease in service fee payments it is recommended that they increase to better prepare job seekers for the employment market. A suggested increase of payment fees for such harder to place participants may respond favourably so long as a significant amount of the funding was in upfront service fees.

1. **Job in Jeopardy JiJ**

This program lacks penetration in the market place. Businesses just don’t know of it, or understand it until it is explained to them. CBS would agree that a name change should occur. CBS ran a range of Business Breakfasts throughout most metropolitan and rural regions / ESAs of SA in the past 18 months. The goal was to increase market penetration of JiJ and increase awareness of CBS etc. Our numbers did increase 6 fold from 1 to 6 active JiJ participants. It is hard work.

Furthermore assisting clients to access JiJ is administratively difficult and is a significant barrier. If a client is a jobactive client, but is eligible for JiJ in every other way it is near impossible to assist them to access JiJ.

The government should also work closely with large employers to educate them about this program and provide the linkage to DES providers so they can assist them and their businesses.

**Action in Response**

Change the JiJ name to something like the Employment Assistance Program and develop a national media marketing strategy to be funded by government. Every job saved, saves the tax payer money and most importantly the participant money and much stress and grief. The Government media campaign should be used to promote the new name and the benefits to employers, employees and the community.

1. **Education and Training**

Education and training are the tools to increased knowledge skills and higher wages. Such experiences also increase personal confidence, motivation and improve aspirations. These are crucial to long term satisfying employment. Increasing access to DES for school leavers is supported as this continues the focus on education outcomes that has occurred over the past few years. Having partnered with TAFE SA for many years it is our observation that the number of people with a disability accessing TAFE is decreasing rather than increasing. TAFE is a crucial link to the employment success of all Australians and especially people with a disability. Is this the case and why is it happening? Is the move to more open market training further reducing access to further education and training for people with a disability?

**Action in Response**

* Suggest to also ask schools how they can partner better with DES, providing a more seamless and controlled transfer from school to work, or further education and training. This would also include reviewing the Early School Leaver guidelines and making them more flexible to assist with easier access for participants.
* Fund a study into the numbers and trends related to access to TAFE and further education for people with a disability in Australia, so we can know the facts and the trends and then respond effectively.
1. **Stigma and Prejudice in Relation to Employer Engagement**

These are the two key barriers to increasing employment outcomes to Australians with a disability. These are the main reasons why our participation rates of people with a disability in employment have stagnated at 53% compared to 83% for others. They have an enormous negative impact on providing access and opportunities to employment and have a major negative impact on the motivation and confidence of people with a disability. Such negative and powerful sentiments “keep people with a disability in their place” and deny access to the same quality of opportunities as people without a disability. Such sentiments are powerful and negative, restricting the success of DES. Our most experience staff have come to this conclusion after many years of experience supporting people with a disability to reach their goals, aspirations and dreams. Our staff, have worked with significant large firms that have in place disability and diversity policies, but who have absolutely no commitment to such policies. Such sentiments have the biggest negative impact on our Australia.

**Action in Response**

Australia requires quotas on the percentage of people employed with a disability for business, both government and non-government with over 100 employers – min 10% to avoid sanctions. Government needs to set the positive example to the community. Such polices have been implemented in France, Germany and Japan to name a few. This will lift participation rates and show true commitment.

1. **Gateway, Assessment Process and Red Tape**

CBS supports a review of such processes and a reduction in red tape and admin. Proposed increases to the number of outcome payments leads itself to increasing red tape rather than reducing it. The introduction of the 23 hour benchmark has done the same and complicated our systems more rather than simplifying them.

DES is over assessed and over monitored. CBS spends large sums each year on QA, including the ever increasing cost of external audits. CBS made a commitment to QA about five years before it became a contracted obligation. DES is over monitored, over assessed and over checked by government and external providers. It is costing service providers and government way more than the benefits it is achieving and a huge addition to admin and red tape.

**Action in Response**

* Reduce government monitoring and rely more on the consumer to make such judgements regarding service quality. This is starting to happen re DSS audits.
* Shift QA external audits to once every two years rather than every year. Recent changes in QA and QA audits have made QA more complex and increased admin rather than decreased it.
* Remove the 23 week benchmark.
* Do not include a four week outcome payment – it makes no sense.
1. **DES ESS and DMS – there is a distinctive difference**

Amalgamating DES DMS and ESS has significant risks to consumers. Though CBS provides on the job support when needed to participants in both programs, many DES service providers do not provide this in DES DMS. It is crucial that DES providers have key knowledge of people with a disability, including specific knowledge of their disability and how to best provide both active and passive support. A risk here is that DES DMS services who then provide ESS will not be providing staff with sufficient disability awareness skills and also on the job support required to participants.

**Action in Response**

Keep DES ESS and DMS as separate programs. Current service providers that provide both ESS and DMS can continue, but those who only provide DMS cannot provide DES ESS unless they tender for it to be on the panel of providers.

1. **NDIS and DES**

CBS supports the links between these two significant incentives and supports for people with a disability. The model on page 18 needs to reflect the importance and influence of the Local Area Coordination and its effect on DES.

**Action in Response**

Consider appropriate price guide to support the needs of NDIS participants seeking services from DES providers. A greater investment is required to transition participants of ADEs to open employment.

Consider the findings of the National Disability Employment Framework Consultation Report as noted by Anne Nevile “Beyond the Stars” (page 7). It is clear that people with disability and their advocates want to build on the gains of the NDIS. They want a system that provides them with choice and control and they want flexible services so they can exercise that choice.

1. **Aboriginal People with a Disability**

Much more needs to be done in terms of a range of culturally relevant supports for Aboriginal and Torres Strait Islander people. DES is making an impact but we need to do more. Though not directly included in this report, the Community Development Program (CDP) and the adoption of the jobactive work for the dole model has created barriers to including people with a disability and gaining employment outcomes, as people with a disability respond more to an individualised model of support. A DES styled more individualised approach enables more effective understanding of each participant’s disability and individualised strategies to respond leading to more effective employment.

**Action in Response**

Move back to the RJCP model in support of people with a disability.

We believe that DES has the systems in place to support Aboriginal people with a disability and that a more comprehensive program such as DES is a more appropriate program to address barriers to employment in remote regions. This cohort of clients doesn’t benefit from a program that is generally very independent in nature with a lot of individual responsibility placed on the client. People with a disability in remote regions need more support and we believe that DES can provide this.

Each service provider to have an Employment Strategy for Aboriginal and Torres Strait Islander people which is to be adhered to.