



DES Reforms – Consultation on recommendations from recent reviews

Answers to questions during webinars

The Department of Social Services (the Department) held two online forums (webinars) on 21 and 22 February 2024. During the webinars, there was the opportunity for attendees to ask questions via chat or email.

Below are the questions asked by attendees the webinar (including questions unrelated to the subjects covered in the webinar) and the Department's response.

Will there be a follow-up to this consultation?

The experience, advice and insights from stakeholders through previous and recent consultations continues to inform the ongoing policy development work.

A high-level summary report of the submissions outlining what we have heard from stakeholders will be published. Submissions will be published if the Department has permission to do so, including anonymously where requested. The report and submissions will be made available on DSS Engage.

What will the Department's future consultation look like?

The webinars are one of many engagements the Department has held. The Department will continue to engage as the design of the new disability employment program is finalised.

In terms of future consultations, we will be looking for opportunities to test and explore the details of the new program's design. The Department will be developing detailed implementation, communication and evaluation plans that will outline what consultation and engagement with stakeholders will look like while transitioning to the new program and on an ongoing basis once the new program has commenced.

While this round is limited in scope, feedback received during previous consultations — including the high-level principles by the DES Reform Reference Group — continues to guide the design of the new model. The *Report for the New Disability Employment Support Model Consultation*, released in August 2022 on DSS Engage, gives a summary of the feedback received from one of the earlier rounds of public consultation.

Will people with disability be directly consulted?

DES participants and other people with disability have been involved in this round of DES reform consultations.

The policy elements tested in the webinars are based on feedback from people with disability received as part of previous consultation and recent reviews, including:

- New Disability Employment Services Program (2022) Consultation Report
- Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (Disability Royal Commission)
- Independent Review into the National Disability Insurance Scheme (NDIS Review)
- House Select Committee on Workforce Australia Employment Services (Select Committee on Workforce Australia).

Engagement with people with disability will continue.

Will aspects of the reforms be trialled?

One recommendation made in the <u>Final Report</u> by the Select Committee on Workforce Australia was that a rebuilt Commonwealth Employment Services System be designed with the capacity to trial and experiment with innovative service delivery approaches.

The Government is working on its response to the report and on broader changes to the Commonwealth employment services system that may have impacts to the new program.

It is also important to note that there are a range of pilots being undertaken to inform the new model, including:

- The <u>NDIS/DES Pathways Pilot</u> will look at how to improve the pathway into DES for NDIS participants without mutual obligations.
- The <u>Career Pathways Pilot</u> through a partnership between the Australian Disability Network and Business Council of Australia, will focus on career progression for employees with disability.
- The <u>Visitor Economy Disability Employment pilot</u> will deliver place-based employment outcomes in the tourism sector.

Further trialling of reforms will be a decision of Government.

Eligibility

Have you considered making DES available to all people with disability?

DES currently supports those that would benefit most from targeted supports to overcome barriers to employment because of their disability, illness and health conditions. The current eligibility criteria limits access to those who have a work capacity with support of between 8 to 30 hours. Mainstream employment services, such as Workforce Australia, also support job seekers with disability.

Helping more people with disability to find employment is a key objective underpinning the DES reform process.

In terms of addressing the recent recommendations, this consultation focused on the priorities in the <u>Final Report</u> of the Disability Royal Commission which states the Department needs to consider options to remove the requirement for a person to have a minimum work capacity of 8 hours a week. The Department acknowledges calls were also made by the Disability Royal Commission to remove the assessed work capacity requirement and facilitate access for all people with disability. Stakeholders shared views in previous consultations on extending DES to those with a disability and a work capacity of more than 30 hours a week.

Should DES become the 'default' service for all people with disability?

The Australian Government has obligations to support the employment of people with disability in mainstream services (from example, Workforce Australia) and programs under existing strategies and commitments, including the United Nations (UN) Convention on the Rights of Persons with Disabilities (CRPD). As a result, specialist disability employment services should not be the default option for all people with disability who require employment services.

Will changes in eligibility (and service structure) be made in conjunction with changes to the assessment process?

The Employment Services Assessment (ESAt) is a core element of the current referral process for employment services. The Job Capacity Assessment (JCA) is a key component of determining eligibility for the Disability Support Pension (DSP).

Both the ESAt and JCA help with understanding a person's capacity to work and what help may be needed to assist them to find and keep a job. These assessments include a recommendation about the most appropriate employment service to meet the individual person's needs.

Previous feedback on these assessments has included concerns about the time job seekers wait until their ESAt appointment, and evidence requirements. In particular, the process for getting ESAts is slow and not timely.

There is some work underway in the current DES program to improve processes, and the flow of participants into the service (including the information a participant gets during the assessment process).

Assessment is a key intersection between all employment services and the broader social security system. The Select Committee on Workforce Australia has made recommendations to change existing arrangements for job seeker assessment and referrals to services (see Final Report) and will be considered in due course.

Is there a risk that current participants in DES may not be eligible for the new program?

This consultation has focused on options that could result in eligibility being extended beyond the current criteria (available on <u>JobAccess</u>).

Will participants in Workforce Australia be able to transfer to the new program?

There are a number of factors the Department needs to consider as part of the transition to the new program, and this is something that we may seek feedback on in the future.

Would eligible volunteers include students with disabilities?

There are general existing criteria that currently apply (available on <u>JobAccess</u>), such as being an Australian resident or eligible Visa holder and not already in full-time study. There are also special eligibility arrangements for specific job seekers that permit access to DES without an ESAt. One of these special arrangements are for eligible school leavers in their final year of secondary school or transitioning from School Leaver Employment Supports or an eligible state or territory transition to work program.

The proposal being tested is expanding access to those not on income support but retaining other eligibility criteria, and how this might impact participants and providers. However, this consultation also seeks views on who should be able to access disability employment services if eligibility was expanded to include volunteers, which might include students studying full-time.

What considerations are you taking to make DES more inclusive of people with an intellectual disability?

The Department is aware that there are participants in DES with intellectual disability. With the suggested eligibility changes, the Department would expect that more of this disability cohort will be able to register for support under the new program. Intellectual disability is the second most common disability amongst NDIS participants. The Department also notes that the available evidence shows the majority (61 per cent) of people with intellectual disability have a severe or profound limitation in 'core' activities of daily living.

To aid in future policy and program development, the Department commissioned research on employment programs and practices that support meaningful employment outcomes for individuals with intellectual disability (report available on DSS Engage).

The Government is working on improving the connection and integration of NDIS and DES supports, through initiatives like the NDIS/DES Pathways Pilot.

An aim, in terms of reforms to eligibility criteria and service structure discussed in the webinar, is to ensure that the new program is able to offer an inclusive, quality services for all participants.

While not a focus of the current consultations, the Department is open to hearing what aspects in the model could change at a structural level to address the unique challenges faced by this cohort.

Service Structure

Have you considered desegregating employment services to make the system integrated and easier to navigate?

The Government has made a commitment to introduce a new disability employment program from 1 July 2025. This decision considered the mix of views given during previous consultations on whether employment services for people with disability should remain separate or be part of mainstream services.

There are also broader recommendations being considered by Government — particularly those from the Select Committee on Workforce Australia — that recommend a more systematic, large-scale review of Commonwealth and state and territory government programs in order to simplify employment services, reduce fragmentation and make it easier for job seekers and employers to receive support that matches their needs.

Has there been any consideration about how to enable participant choice and control?

The Australian Government is committed to giving Australians with disability choice and control over how they receive services, and ensuring the employment services meet their needs and requirements.

The new <u>DES Quality Framework</u> is designed to ensure the delivery of high quality, tailored services for people with disability. It will ensure providers are listening and responding to the needs of individuals and employers to drive meaningful and sustained quality improvement.

The Department also worked with Services Australia to conduct a user service design project from September 2023 to November 2023. The research involved in-depth one on one and group interviews with current and past participants from varied backgrounds to explore participant perceptions and expectations of a quality provider.

What is the driver behind merging the two current DES programs?

There has been some criticism around the number of employment-related programs and the fragmentation of service ecosystems, including during previous consultation on the DES reforms.

Based on previous feedback, there could be both positive and negative impacts of merging Disability Management Services (DMS) and Employment Service Support (ESS) programs. This includes simplification of service, operating costs, and dilution of expertise amongst specialised providers.

During this consultation, views are sought on how the programs could be simplified, whether there may be any unintended consequences, and how risks or issues may be mitigated.

How will the new program ensure that those deemed as having 'complex' barriers are appropriately supported?

The evidence suggests there are many high needs participants who are motivated, keen, and capable of getting into work, and that higher level intensive support is exactly what they need. The Department also recognises that there are other participants who may at times benefit from a more flexible service offer.

This consultation focuses on which participants might be suitable for a more flexible service offer, what the benefits might be, and whether there could be any unintended consequences, as suggested by those that raised concerns about parking of high-need clients under the flexible service offer.

What would the flexible servicing offer entail (i.e. is it a light service or about reducing Mutual Obligations and related compliance) and who will it target?

The concept of the flexible service offer is that it could support participants whose individual circumstances mean they are already engaged in a range of activities or can't participate intensively in provider services for a period of time.

There are already many people who are engaged in work, study or other activities that mean they don't require the same degree of engagement with their provider.

It may be that some people who are suspended would like to volunteer to participate but feel that the current 'full' service offer does not offer a suitable degree of engagement for them.

There also could be others whose circumstances mean the current service offer might not be suitable.

During this consultation, the Department is seeking views and perspectives on which participants may benefit from a more flexible service offer, and what the unintended consequences of such a service offer might be.

How does the reform work respond to supporting the growing number of DES suspended participants?

One aim of the more flexible service offer being considered is to encourage connection with services by offering a service with a more flexible level of engagement.

Will there be a structured approach to engage suspended clients and reconnect them with the program?

There are a number of factors the Department needs to consider as part of the transition to the new program, and ideas that would help with encouraging engagement with the new program may be something we seek feedback on in the future.

Will there be expectations for those in the flexible service to obtain job placements and employment outcomes?

The objective of all employment services is to support participants to achieve an employment outcome. For some participants, the pathway to employment may require engagement in a range of other services to build capacity or they may already be engaged in some employment and study and have limited capacity to take on more at a point in time.

This consultation seeks feedback on the more flexible service offering, which might include initial ideas on what expectations should apply to participants under such an offering.

How will fully flexible and tailored service approaches be enabled across DES more generally?

The recommendations made in recent reviews reinforce feedback from previous consultations that the design of employment services must adopt models that are flexible, so that providers can deliver tailored and person-centred support to all participants.

Providing flexible support which meets the needs of people with disability is a key objective of the DES reforms. Some of the ideas and options put forward as part of this consultation are about testing how the Department may be able to tailor and ensure the service can support people on different pathways at different points in time. Ideas and solutions about designing services that can meet an individual's needs and circumstances and/or how flexibility can be improved across the program are within the scope of this consultation.

How will the service support people who need to develop their skills - foundational and targeted?

The need to build skills is a key principle in the Australian Government's <u>Employment White Paper</u>, and further reinforced in the recent reviews and previous consultations on DES reforms.

Part of ensuring employment services encourage skill development is ensuring that the service model encourages connections between different parts of the employment and education systems. This is true even in the existing model.

Under the current DES programs, there is a range of activities that participants can undertake to develop both foundational and job-specific skills. The Australian Government also committed to increasing employment opportunities for people with disability during the DES reform process.

The Department is interested in views about whether any of the concepts being tested include potential barriers or disincentives that could affect skills development.

Has there been consideration of reducing the emphasis on benchmarks for eligibility and servicing requirements?

Previous consultations as part of the DES reform process show there are mixed views on the use of benchmarks. Benchmarks provide a way to clarify expectations for both the participant and provider. It also gives a baseline for measuring success.

During this consultation, the Department is exploring how it could remove some of the defined streams and classifications in the program design and refocus support towards tailored, person-centred case management. This includes feedback about any changes to policy, administrative processes and messaging to participants that would help to support a more tailored and flexible approach to service delivery.

Mutual Obligations (MO)

Can you provide more details about "more flexible mutual obligations requirements"?

There have been calls in previous consultation and by the Select Committee on Workforce Australia for greater flexibility and tailoring of mutual obligations (see Final Report). To support a more flexible approach to mutual obligations, the webinar discussion focused on the concept of participants meeting mutual obligations through meaningful engagement. Engaging in the DES program would be the mutual obligation requirement in the Job Plan. Where engagement wasn't considered as being met, providers would switch to using specified requirements in the Job Plan as is currently the case.

This consultation seeks feedback on this simplified approach to mutual obligations, including what the benefits might be to participants, and whether there may be unintended consequences to such an approach.

Is the proposed framework consistent with the recommendations of the Select Committee on Workforce Australia, including the recommendation to move to a shared accountability framework?

The purpose of this consultation is to seek views on a range of issues that were raised during recent reviews and through previous consultations on DES reforms. As such, the concept of a simplified approach to mutual obligations presented in the webinar aligns with the broader recommendations but is within the existing framework. Feedback received may relate to how participants and providers can work collaboratively in making more meaningful progress towards employment outcomes.

The current consultation does not include the mutual obligation framework or compliance framework. These frameworks may be included in broader considerations in response to the Select Committee's recommendations (see <u>Final Report</u>).

Is this work a joint agenda with DEWR?

There is broader work that will occur in relation to the Government's response to the Select Committee on Workforce Australia recommendations. The Department will continue to work with other stakeholders on broader employment service issues.

Would changes to requirements require changes to the Social Security Act?

At this stage the Department is exploring concepts that have been raised through recent reviews and stakeholder consultations. The ideas put forward are within the existing legislative framework and as such, in the context of the scope of the concepts discussed as part of this consultation, no changes to the Social Security Act are contemplated at this stage.

Ongoing Support

Will Ongoing Support be maintained – given it is a critical support mechanism for many disability cohorts?

Both the Disability Royal Commission and Select Committee on Workforce Australia recognise the importance of providing support to participants once in employment. Stakeholders also provided general feedback on the importance of and need for Ongoing Support during previous consultations on DES reforms.

The idea discussed in the webinar seeks to simplify Ongoing Support and the current Work Assist program which both provide support for people in employment. Ongoing support needs would be identified on placement in employment.

What implications might there be on the continued provision of the Work Assist if eligibility criteria changed for DES?

Work Assist is available to workers with a disability who are able to register with a DES provider in order to receive Work Assist support to maintain their employment.

Eligibility for employees under Work Assist (available on <u>JobAccess</u>) is a separate consideration to the eligibility for job seekers under DES.

Interaction with other programs and services

What will be the interface/interaction with the NDIS?
Will there be incentives to encourage NDIS participants to enter DES and look for work?

A theme in the <u>Final Report</u> of the NDIS Review is improving connections between services in the disability support ecosystem and offering support for NDIS participants to smoothly transition into the labour market and workforce. The Department will continue to work closely with the National Disability Insurance Agency (NDIA) on broader NDIS reforms.

There have been several forums where the Department has engaged with providers on how pathways between the two programs can be improved.

The Department also has the <u>NDIS/DES Pathways Pilot</u> underway. The pilot will look at how the Department can improve pathways from the NDIS into the DES program. The pilot is exploring information flows between the programs and supports provided under each program, with a focus on scope for improvements. Learnings from the pilot will help to inform directions as the Department evolves the new model. The need for incentives to encourage to encourage NDIS participants to enter DES would be a decision for Government.

What will be the interface/interaction with Supported Employment Services?

There has been a range of recent recommendations and announcements by Government seeking to improve the supported employment sector, including the design of the Disability Employment Centre of Excellence. A common theme is the need for ensuring that providers of supported employment services and disability employment services work together to ensure that people with disability have genuine opportunities to work in a wide range of settings.

Guiding principles for the future of the supported employment were developed in 2022 in consultation with representatives including people with disability and state and territory governments. These principles aim to ensure people with disability have informed choice and control about their employment (read guiding principles on the DSS website).

What will be the interface/interaction with Workforce Australia? What will the participant journey look like within the broader Commonwealth employment services system?

There are close interactions between Workforce Australia and DES in relation to both policy and ICT systems. This interdependency means that any redesign of Workforce Australia may have consequential impacts for DES that need to be factored into future program design.

In addition, the breadth and scope of the recent reviews requires careful consideration to understand their implications for DES. The Government is considering the recommendations of the Select Committee on Workforce Australia.

Will the service model seek to adopt aspects of other successful programs, like Individual Placement and Support (IPS) or those from overseas?

During past consultations some stakeholders have suggested alternate models of employment support that could be integrated or adapted into the new model, such as Individual Placement and Support (IPS) or customised employment. Stakeholders considered the use of these models particularly important for people with higher needs or fluctuating disability such as autism, intellectual disability and psychosocial disability.

Ideas that have come out of consultations and recent reviews, such as removal of the time limit on participation in the program and the flexible service offer, align with the design principles of programs such as the IPS.

In addition, the Department does consider overseas approaches to the kinds of issues and challenges that are relevant to Australia. These insights have formed part of the Department's considerations for the DES reforms.

Have you looked more broadly at ways to shift labour market participation and employment in Australia for people with disability at scale?

Employment services and the DES reforms are only a part of the puzzle, with a range of other pieces of work going on in Australia to improve outcomes for people with disability. For example, the launch of <u>Australia's Disability Strategy 2021–2031</u> and the new <u>Disability Services and Inclusion Act 2023</u>.

Another piece of work is the Disability Employment Centre of Excellence, which the Department consulted on last year (see DSS Engage). The Centre of Excellence will aim to improve employment outcomes for people with disability and improve the quality of employment services.

Other issues/topics

Has Government developed a clear outline on the intent and purpose of a new DES program and how service quality will be defined?

The Department is working with people with disability, DES participants, employers and providers on the design and implementation of the new model to ensure it supports both people with disability to find and maintain employment, and businesses who employ people with disability to ensure their employment is successful.

The new program will also be informed by other bodies of work including the <u>Employ My</u>
<u>Ability – the Disability Employment Strategy</u>, <u>NDIS Participant Employment Strategy</u>,
<u>Commonwealth, State and Territory Supported Employment Plan</u> and <u>Employment White Paper</u>.

When the Government announced the phased implementation of a new program, the initial phase was the development of a new <u>DES Quality Framework</u>.

The Quality Framework is about measuring quality through the outcomes achieved for participants in the program and how this support is delivered. It also considers how broader social and economic outcomes are impacted by service delivery.

Development of the Quality Framework included consultation with the disability sector to ensure it is informed by the views of stakeholders and is fit-for-purpose (see DSS Engage). Reference groups were established to inform the implementation of the framework and development of supporting tools. These reference groups are:

- Quality Framework reference group comprising DES providers and industry peak bodies.
- Participant Experience reference group to capture the participant's voice through Disability Representative Organisations.

When will we know what the new model will be?

Decisions on the announcement of the final model are a matter for Government.

The Department will update the <u>DSS website</u> throughout the design and transition process to keep people up to date.

Can you tell us more about the NDIS/DES pilot? Has the NDIS/DES commenced yet?

The Department commenced implementation of the <u>NDIS/DES Pathways Pilot</u> in three selected pilot locations of Greater Darwin, the ACT and Outer Eastern Melbourne in December 2023. The pilot regions are based on NDIS service areas and were selected through an expression of interest by Local Area Coordinator (LAC) partners, conducted by the NDIA.

The Department undertook a co-design workshop to inform development of the pilot. The Department also sought feedback from participants — through the NDIS Participant Engagement Panel — to understand their experiences with DES which informed the final pilot design.

The pilot focuses on how LAC partners, DES providers and NDIS employment support providers work together to support an NDIS participant to achieve an employment goal, and how LAC partners and DES providers monitor and report participant outcomes.

The Department will post updates on the DSS website.

Will the new model include employer engagement and demand-side supports that help address discrimination?

The recent reviews include commentary on employer engagement and incentives. While not part of the current consultation process, the Department is conscious of the need to be responsive to these reviews and feedback on improving engagement with employers when designing the new program.

The <u>Employ My Ability – the Disability Employment Strategy</u> provides a guiding framework for governments, employers and the broader community to increase employment outcomes for people with disability. Priority areas include lifting employer engagement, capability and demand, improving systems and services for job seekers and employers, and changing community attitudes.

The Government has committed to establishing a Disability Employment Centre of Excellence to help more people with disability to prepare for work, get a job, keep working and progress in their careers. Options are being explored for how the centre could help providers and employers to give the right support to people with disability in the workplace.

What work has been done to enshrine participant rights and to improve the delivery of an independent complaints processes?

The participant's voice is a key component of the <u>DES Quality Framework</u>. The framework's 4 Quality Elements focus on participant rights, understanding quality, provider capability and compliance. A combination of qualitative and quantitative evidence determine provider quality ratings.

In addition, DES providers must be certified against the <u>National Standards for Disability</u> <u>Services (NSDS)</u> and are audited on an annual basis. The quality elements in the Quality Framework align to each NSDS standard. Departmental assessment of complaints management (e.g. proactive monitoring and response to complaints, completion of relevant follow up and improvement actions) is informed by the NSDS standards and informs provider quality ratings.

How is performance going to be measured, as this has a direct impact on service delivery?

The performance framework is not a subject of this current consultation, but will be an important element of the reforms. Following the end of the DES Star Ratings the Department is redesigning the DES Performance Framework, which is due to commence on 1 July 2024. The Framework will measure provider performance against the three Key Performance Measures in the DES Grant Agreement: Efficiency, Effectiveness and Quality.

The Department is consulting with providers and peak bodies on how these metrics will be measured under the redesigned Performance Framework.

Will the IT system have the capability to support these changes, and will any system changes place greater administrative burden on providers?

Systems capability and simplifications are important considerations in any reforms being considered.

Has your reform work considered the impact of income support payments themselves on engaging with the labour market?

This question is out of scope of the DES reforms, but the Department is aware there is a wide range of work and consultation going on in this space as a result of the <u>Employment</u> White Paper and other recent reviews.