



Exposure Draft for a New Disability Employment Program Request for Tender (RfT)– Frequently Asked Questions

General questions:

Q: Will the department publish the answers to the questions from all 3 webinars?*

A: All transcripts from the webinar sessions will be published on [DSS Engage](#), as well as an Easy Read guide. An Easy Read version of the Exposure Draft will be available soon.

Q: Can feedback be provided on the Exposure Draft after 30 August 2024?*

A: The Department welcomes continued feedback on the new program. However, feedback received after 30 August 2024 may not be able to be considered for the final RfT.

Q: What is the name for the new program?

A: The new name for the program has not yet been determined. The department is undertaking a process to determine a new name for the new specialist disability employment program.

Assessments

Q: What is proposed to ensure the timely delivery of Employment Services Assessment (ESAt) and Job Capacity Assessment (JCA)?*

A: The Department is working with Services Australia to make changes and speed up assessments, including through removing some of the unnecessary review points and improving overall flow. This will be supported by the program changes that will remove the requirement to make a decision about the Employment Support Service or Disability Management Service streams, which will reduce the number of decision points for assessments, or revisit program eligibility after 2 years of service.

The Department is currently working with Services Australia to remove the 78-week ESAt review under the current program arrangements which consultations identified as adding little value. Under the new program, the initial ESAt will no longer determine need for Ongoing Support and an ESAt will no longer be required every 2 years with the removal of the 2-year time limit in service.

Contracting arrangements

Q: Why will contracts under the new program be for three-years, when previous contracts have been for five years?*

A: The initial contracts will be for three years, with the option to extend for up to another three years. This will allow flexibility to respond to any changes in the broader employment services system as part of ongoing reforms.

Specialist and Generalist providers

Q: If a provider is specialising in youth cohorts, will age limits apply to outcome payments or entry only? For example, if it takes a number of years to support someone to a full outcome?

A: Eligibility for specialist cohorts, such as youth cohorts, will only be applied on program entry. This means that a participant may commence with a specialist provider if they meet the requirements for that cohort and remain with that provider until they exit the program. For example, if a participant commences with a youth focused specialist, they may remain with that provider if they choose, even as they become older than the youth cohort.

Q: Can specialist providers be linked to a participant cohort or can they also be linked to specialist expertise in a particular industry?*

A: Specialist providers can only work with specific participant groups, not based on expertise in particular industries. This is because the assessment process focuses on the individual's needs, not their industry interests, and a specialist is required to demonstrate that it has a deep and historical expertise to service a particular cohort.

Q: Will Specialist providers have the same regulatory environment as general providers?

- **Does the same Performance Framework apply?**
- **Are Specialists expected to comply with Right Fit for Risk?**

A: The External Systems Accreditation Framework (ESAF) sets out the Department of Employment and Workplace Relation's (DEWR's) accreditation of External IT Systems using a Right Fit For Risk (RFFR) approach. The department will work with DEWR to ensure that all providers comply with requirements of the ESAF.

Further information on the ESAF and RFFR process is available on the DEWR website (dewr.gov.au/right-fit-risk-cyber-security-accreditation).

Q: What is the ideal size, capacity, and expertise for a specialist provider?*

A: The ideal specialist provider should have deep understanding of and expertise in their particular specialised cohort. There is no set size or capacity limits.

Q: Are there any limitations for specialist provider operating in multiple ESAs and typical caseload size that defines a specialist provider?

A: Specialist providers can use a "hub and spoke" model. This means they have a main site (hub) in one area and outreach sites (spokes) in adjacent regions Employment Service Areas (ESAs). For example, they could have a hub on the Gold Coast and a spoke in northern New South Wales. However, they can't have a hub in Sydney and a spoke in Melbourne because these are too far apart. If a provider wants to work in both Sydney and Melbourne, they would need to apply for two separate hub and spoke models. This gives providers flexibility to work in different areas without needing full sites everywhere.

There's no set caseload size for specialist providers. It can vary depending on the type of disability they focus on and the area they work in.

Meaningful Engagement

Q: What does the Department mean by meaningful engagement?

A: Meaningful Engagement will be the requirement to 'Participate meaningfully in the program by engaging with the provider to prepare for, seek or maintain employment'. It will consider the overall engagement of a participant in working towards employment including self-directed, provider and third party appointments and activities, rather than one-off attendance or completion of a task.

Q: How will meaningful engagement and detailed requirements be included in Job Plans?

A: A participant's job plan will continue to be the primary agreement for mutual obligation requirements. On commencement in the program, the mandatory requirement will be participating meaningfully in the program by engaging with the provider to prepare for, seek or maintain employment. There will be an option for providers to shift to detailed requirements in the job plan if a participant is not engaging meaningfully when considering their overall participation and willingness to work towards and achieving their employment goals. Detailed requirements in job plans will include mandatory items for all key activities, such as appointments, job search and other activities. These individual mandatory requirements will be monitored and reported against the Targeted Compliance Framework.

Q: On what basis will the targeted compliance framework be applied?

A: The Targeted Compliance Framework will apply as it is currently does for failing to enter a Job Plan, a Mutual Obligation Failure when not completing a mandatory activity in a job plan with detailed requirements, and serious failures (Work Refusal and Unemployment Failures).

There will be no Mutual Obligation Failure for not 'participating meaningfully' in the program. Where this occurs, a provider will update the job plan to include detailed requirements and then Mutual Obligation Failures will apply. The exception will be if a provider is unable to contact a participant to discuss failure to meet the Meaningful Engagement requirement, whereby having taken reasonable steps to do so, the provider may take the appropriate actions for a Mutual Obligation Failure.

More information will be outlined in guidelines for providers and factsheets for participants.

Provider requirements and support

Q: The RFT mentions that providers will need to work towards a certificate in relevant fields. Is there a timeframe for this and what support may be provided?*

A: The Exposure Draft provides that the intention is for providers to work towards frontline staff to either have or be working towards a qualification or relevant experience. This may be a certificate III or higher, and could be in employment services, disability services, or related qualifications. This reflects the importance of having frontline staff who are trained to deliver services to vulnerable

participants, however there is the flexibility to demonstrate deep experience in delivering these services.

Q: What supports will be available to assist small providers and new entrants regarding establishment costs, such as right fit for risk and accreditation costs?

A: The department is considering what support to provide to small providers and new providers to help with their startup costs, such as getting accredited, and would welcome further feedback.

Eligibility

Q: Why did the reforms not specifically include supported employees currently working in Australian Disability Enterprise (ADEs)?

A: The reforms have included a wider cohort than the previous DES program (for example, those with 0-7 hours future work capacity and not on income support). Employees working in ADEs are able to use DES services, please refer to the 'General eligibility criteria'.

Q: Will Employment services be available to everyone not just people on Centrelink benefits?

A: Individuals do not need to be in receipt of an Income Support Payment to access support under the new program. However, they do still need to meet the other criteria outlined under the program 'General eligibility criteria'.

Service offer

Q: How will the new DES program interact with National Disability Insurance Scheme (NDIS) employment support funding? Can a person access both or is it either or?*

A: Currently, participants can access both DES and NDIS employment support, if they meet the eligibility criteria for these programs.

Q: For participants with multiple specialist needs e.g. mental health, autism and First Nations, which specialist provider will Services Australia offer them?

A: Specific guidance will be provided to Services Australia assessors when actioning a referral for a participant based on their characteristics. Participants will be able to choose a specialist provider if the specialisation meets any of their characteristics or disabilities. A specialist provider must only deliver services to participants who match its specialisation and if it does not, must seek to transfer the participant to a suitable provider.

Q: Can you please clarify program of support not subject to compliance - is this a policy change?

A: Participation in the new program will meet Program of Support requirements. A participant receiving Services to satisfy Program of Support requirements as part of the Disability Support Pension claim process are not subject to compliance actions but may jeopardise their eligibility for the Disability Support Pension if they fail to participate. Disability Support Pension Recipient (Compulsory

Requirements) may also have Program of Support requirements, in which case they may be subject to compliance actions if they fail to participate.

Q: Who determines whether the participants are placed in Flexible or Intensive Service - is it the service provider or Services Australia?*

A: The intention is that the service provider, not the government, will decide which service (flexible or intensive) is most appropriate for each participant, as their needs can change over time. This allows participants and providers greater flexibility and makes sure that people are getting the supports they need.

Q: Will market shares apply to the Intensive and Flexible service streams?

A: No. Market shares will be calculated according to the number of available participants in an ESA and will ensure that all providers operating in that ESA will have an equitable distribution of participants.

Support for participants (including ongoing support)

Q: How will the needs of individuals with common mental health conditions, such as anxiety and depression, be met?*

A: The new program will be more flexible for people with mental health conditions. It will offer different service levels and try to understand each person's needs better. The introduction of the flexible and intensive services will provide tailored support and flexibility noting that many mental health conditions are sporadic in nature and sometimes require a more flexible approach. Under the new program, providers will be able to make a determination that a participant is not in the right position to be participating intensively, the flexible service could be there to support them in the interim.

Q: Can you give detailed information about the specific nature of "greater customisation of support for participants" and the "focus on career-building pathways"?

A: Greater customisation means tailoring support to each person's unique goals, strengths, and needs to help them achieve their employment aims. The career pathways approach recognises that a person's journey may involve multiple steps, not just finding one job.

Participants in the Intensive Service will be involved in the Work Preparation or Job Search phase based on their work readiness:

- the Work Preparation phase is for participants who need to address vocational and non-vocational barriers. Providers will deliver more intensive vocational and non-vocational supports to help build their work readiness, and
- the Job Search phase is for participants that are closer to gaining employment. Providers will deliver vocational and non-vocational supports to help looking for work.

This is also combined with the new approach to Meaningful Engagement which will be outlined in guidelines for providers and factsheets for participants.

Q: Does the Department have an ideal consultant to participant caseload ratio?*

A: There is no set standard or preferred level for the ratio of staff to participants.

Q: Will the department consider phone/video conferencing for initial appointments where requested by the client?

A: The Initial Interview should be conducted in person, face-to-face to help build a relationship with the participant. Alternative options may be agreed by the provider and participant, on a case-by-case basis and in exceptional circumstances, where this supports the specific needs of the participant. The alternative options, as per existing arrangements, would be via a telephone call or videoconferencing.

Q: How will Services Australia determine whether a participant falls into a specific cohort that is better served through the Specialist contract?

A: There are no fundamental significant changes to the current process, as Services Australia currently refers participants to Specialist services. Further guidance will be provided to Services Australia.

Funding model and provider payments

Q: What are the expected Funding Level proportions? How will participants be moved from current funding levels to a new PIFM funding level?

A: As outlined in the Payment Information paper available on [DSS Engage](#), at the national level, the distribution of participants at each band in the model is expected to be approximately:

- 5 per cent: Funding Level 1,
- 20 per cent: Funding Level 2,
- 25 per cent: Funding Level 3,
- 25 per cent: Funding Level 4, and
- 25 per cent: Funding Level 5.

This distribution is consistent with previous funding level distributions.

It is important to note that the band proportions are at the national level and may be substantially different across ESAs or specialisations. They have been provided for the purpose of consultation only and should not be relied upon for any other purposes. The model will be recalibrated regularly to account for changes in the relative likelihoods of employment on which payments are based.

The current Risk Adjusted Funding Model will form the basis for the new Participant Investment Funding Model (PIFM). It is being reviewed and further information will be provided in due course, including any arrangements for transition.

Q: What funding level will 0-7 hour clients coming into the program?



A: Funding levels for 0-7 hour clients will depend on many factors, not just work capacity. Each person's individual needs and situation will be considered.

Q: If someone is placed (employment outcome) in what was called ADE does this count as a payable outcome for new DES provider?

A: Employment outcomes will be payable for open-employment opportunities. Payment for placement into an ADE-type arrangement will be dependent on the specific arrangements of the role. A list of non-payable outcomes will be available in the draft Deed and may be subject to change from time-to-time.

Q: How will Service Fee payments be made when participants change between the Intensive and Flexible services?

A: It is expected Service Fees will be calculated on a daily basis, paid monthly in arrears after each 28-days of pre-employment supports.

Q: Can progress fees for employment be claimed for participants tracking towards a 12-week outcome?

A: Yes, progress fees will be payable for 4-week placements that may or may not lead to a 12-week outcome and can be claimed prior or after a placement is 'anchored'.

Q: Can a provider top up the wage subsidy to the employer with their own funds?

A: Yes. A provider may elect to 'top up' the subsidy payment from their own funding. These arrangements will be agreed between the provider and employer. The subsidy and 'top-up' paid cannot exceed 100% of wages paid to the participant.

Market structure, Employment Service Area (ESA) and caseload

Q: Where can further ESA mapping detail be found?

A: [Employment Service Areas \(ESAs\) 2013+ \(Disability Employment Services\) - Employment Service Areas \(ESAs\) 2013+ \(Disability Employment Services\) - data.gov.au](#)

Q: Will the department release caseload characteristics for each ESA, including specific details about the types of disabilities within each ESA?*

A: New data about types of disabilities in each area is now available on data.gov.au. The data is easier to use and includes the ability to view cohorts by regions, post codes, and type of disability.

Q: Will the number of DES providers per ESA be reduced?

A: The Department is considering the needs of each area when it comes to the number of providers needed. In metropolitan areas, it is likely that the most any provider could have is 30% of the market, so there will be at least three or four providers.

Q: Is there a cap to how many providers the department want to deliver the program in an ESA?



A: The Department is considering provider numbers for ESAs to ensure there is a sustainable balance delivering viable services and choice for participants. A cap of 30 per cent market share for providers in metropolitan areas would allow for three to four providers in metropolitan ESAs. Caps may not apply in regional areas, however this is under review.

Q: Will Direct Registration (of participants not on income support) impact/contribute to market share cap for a provider (regardless of choice/control provisions)?

A: No, market shares will not be impacted by Direct Registrations or where a participant makes a deliberate choice to be serviced by a specific provider operating under market share arrangements.

Indexation

Q: Will the new program funding be indexed from 2026 onwards?*

A: The current DES program fees were indexed on 1 July 2024. The 1 July 2024 indexation rate has not yet been applied to the fees proposed through the department's information sessions/webinars and other released information. The fees presented to date have been indicative and are likely to change through minor adjustments. The final RFT will have the adjusted fee amounts after 1 July 2024 indexation has been applied. The fees will be further indexed on 1 July 2025, based on a Government set rate of indexation.

Indigenous Procurement Policy

Q: Will the Indigenous procurement policy be waived for tendering providers with a proven track record operating in the affected ESA?

A: Respondents should note that the Indigenous Procurement Policy also applies to this procurement. Further information on the Indigenous Procurement Policy is available at [the National Indigenous Australians Agency website](#).

Final RFT, program guidelines and deed

Q: When will the draft deed be released?*

A: The draft deed will be published on the department's website and [DSS Engage](#) shortly.

Q: Will performance data from the current DES service be used in the assessment of responses for tender for the new service?*

A: Criteria around performance is included in the Exposure Draft and will form part of the final RFT. Tenderers will be required to consider their own performance and include information in their response including providing case studies, evidence and data. The Department reserves the right to use any available data that we have to not only validate but to inform that assessment.

Q: What format (e.g. word/PDF) will the tender require? Will there be opportunity for attachments?*



A: The final requirements for attachments, character limits, and response formats will be clearly explained in RFT document when it is released.

Q: Previous DES Tenders have been on word documents etc. for submission. Is the intention this RFT will be using the AusTender platform like Transition to Work & Workforce Australia RFTs*

A: The RFT will be released through the AusTender platform, which is the Australian Government's procurement system. The Exposure Draft has been made available on both [DSS Engage](#) and AusTender to make it easier for stakeholders and interested parties to access the document.

Q: When will the Department provide details on the character limits for each selection criterion response?*

A: Details about how long answers can be for each part of the tender will be in the RFT.

Q: How long will the timeframe be to respond to the RFT?.*

A: Details on the specific timeframe for responses to be submitted will be outlined in the RFT when released. However, in line with other similar tender processes, the tender process will likely be open for about four weeks.

Centre of Excellence (the Centre)

Q: Can you please explain how the Centre will work? Will other specialist organisations and people with disabilities form part of this group?*

A: The Centre will bring together different experts to share knowledge and create practical tools to help improve services. This will include people from a range of backgrounds who can come together and share expertise and develop practical advice.

Q: What strategies will the Department put in place to encourage providers to share best practice as part of the Centre?*

A: The new system will encourage providers to work together and help each other to succeed. It uses set goals and benchmarks instead of comparing providers to each other.

Q: Is the Centre being tendered out at the same time as the Specialist Disability Employment Program?

A: More information about the Centre, including the grant process, will be published shortly on communitygrants.gov.au as well as [DSS Engage](#).

National Panel of Assessors (NPA)

Q: Will there be an exposure draft of the RFT for the NPA? What are the timeframes?*

A: The Department will release an Exposure Draft of the NPA RFT, ahead of the final RFT release. Information about the NPA RFT will be available in the coming weeks on the department's website and [DSS Engage](#).

Note: all questions marked with an asterisk were answered during the webinar sessions. Answers for these questions have been drawn from transcripts.

