



Australian Government
Department of Social Services

Disability Employment Services 2018 Performance Framework

15 May 2018

Disability Employment Services Branch



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Overview

The overall aim of the Disability Employment Services (DES) performance framework is to improve the quantity and quality of employment outcomes for people with a disability.

The DES 2018 Performance Framework has been developed in consultation with the disability employment sector. The consultation period was between November 2017 and February 2018 during which the Department met with a reference group that included representatives of the National Employment Services Association, National Disability Services, Jobs Australia, Disability Employment Australia, Inclusion Australia, National Ethnic Disability Alliance, People with Disability Australia, and Australian Network on Disability. While in many respects, the Framework reflects consultations with the reference group, not all aspects of the Framework are supported by all members of the reference group.

The Department also commissioned actuarial firm, Taylor Fry, to independently advise and support the review of the current DES Star Ratings methodology and to validate changes to the Star Ratings system to ensure it remains effective for comparing the relative performance of providers. A more detailed technical report on this aspect of the Framework will be published on the DSS website.

This document outlines the key features of the DES 2018 Performance Framework and DES Star Ratings model that will apply from 1st July 2018.

DES 2018 Performance Framework

From 1 July 2018, DES will continue to be underpinned by a national performance framework, consisting of three key performance indicators:

1. Efficiency: with the aim of minimising the average times taken by Providers to achieve employment outcomes for their Participants.
1. Effectiveness: with the aim of maximising the numbers of outcomes achieved by Participants, as well as the number of Participants maintained in employment where assistance is required.
2. Quality: with the aim of maximising the delivery of high quality, individualised Employment Services.

The DES Star Ratings will assess the performance of DES Providers against two of the three key performance indicators: efficiency and effectiveness.

Under the new performance framework, provider performance will continue to be a key focus. Where a provider has a record of poor performance in delivering service in an Employment Service Area (ESA) over multiple quarters as measured by Star Ratings, their grant agreement to deliver that service in that ESA may be cancelled.

Quality will continue to be underpinned in the requirements of the grant agreement, the Service Guarantee and the Code of Practice, including through feedback from participants and employers.

All DES service providers will be required to be certified against the National Standards for Disability Services, with new providers required to achieve certification within 12 months.

There are six National Standards: rights, participation, individual outcomes, feedback and complaints, service access and service management. These standards focus on person-centred approaches and promote choice and control by people with disability.

DES will also continue to be included in the [Employment Services Outcomes Reports \(ESOR\)](#), which draw on data from the Post Program Monitoring surveys and measure the labour market status of job seekers around three months after they have received a period of assistance in the program.

The ESOR publishes the key outcomes data for DES every three months.

The three key headline results that are derived through the DES Post-Programme Monitoring survey are: 1) employment, 2) education and training and 3) positive outcome figures. These figures are calculated over a rolling 12-month period.

It is envisaged that the first ESOR report for the new DES model will be available 24 months following the start of the new DES Model.

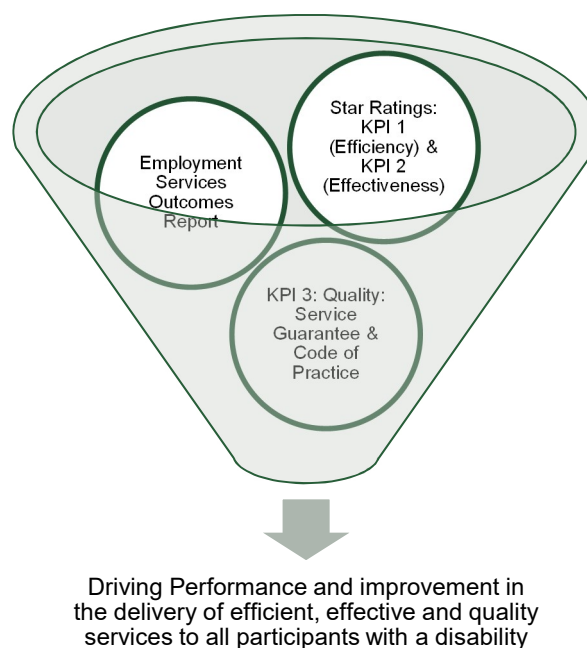


Figure 1: Schematic representation of the DES 2018 Performance Framework

The Star Rating Model from 1st July 2018

The Star Ratings provide an indicator of DES providers' relative performance, based on their success in placing participants in sustainable employment, after adjusting for differences in their client characteristics and local labour market characteristics. Because the Star Rating calculations adjust for factors outside providers' control using statistical methods, they allow better comparison of providers across Australia. Results are distributed to providers and publicly released each quarter, once sufficient data are available for the ratings to be calculated.

As a measure of relative performance, the Star Ratings do not measure the absolute performance of the program overall, only how well each provider performs given overall national performance and relative to all the other providers in the program.

The Star Rating calculation addresses two key questions.

- What was actually achieved by the Provider (actual performance)?
- What was realistic for the Provider to achieve (expected performance)?

The Star Ratings compares a Provider's actual performance to their expected performance for each of the performance measures.

Key changes to the Star Ratings Model are:

- **All DES grants will start their performance from 'zero' on 1 July 2018.**

Only DES participants anchored into employment or education on or after 1 July 2018 will have their subsequent outcomes counted in the 2018 DES Star Ratings model. This ensures that the performance reported is performance under the new arrangements, and that it is comparable across all providers under the new arrangements.

- **Performance measures and weightings**

Appendix A outlines the 2018 performance measures and weightings. The performance measures are used to assess providers' performance in meeting the KPIs described above.

- 52 Week Full and Pathway Outcome will be incorporated once data are available.
- Four Week Outcomes, 13 Week Pathway Outcome and Bonus Outcomes are not included.
- The Work Assist performance measure will be joined with the 26 Week Bonus Outcomes performance measure.
- Interim weightings will be applied until sufficient data are available for all performance measures from the March 2020 DES Star Ratings onwards.

- **Two year rolling assessment period**

The DES Star Ratings will be calculated using a rolling assessment period that includes the prior two years, rather than three years as previously. This will increase the currency of the ratings without introducing unhelpful volatility.

- **Minor changes to the star bandwidths**

There will be minor adjustments to Star Rating bandwidths. A Star Percentage of -20 receives 2-stars rather than 3-stars. **Appendix B** outlines all of the 2018 DES Star Ratings bandwidths.

- **Publication of DES Star Ratings**

Star Ratings publication on the Australian JobSearch website will remain the same. Published Site level Star Ratings, on the Department website, will include both Star Percentages and Star Ratings. Star Percentages and Star Ratings will also be published at the Grant level (i.e. Employment Services Area by service) and at the provider level.

- **Transparency for DES providers**

DES providers will have access to the expected performance rate calculated for each contract and outlet for each Star Ratings period.

Additional Star Ratings model data, e.g. the performance measure score post the standardisation process, will also be made available to DES providers for each Star Ratings period.

The existing DES performance reports (Outcome Rates, Outcome Counts and Unit level performance records) will be redeveloped for the 2018 DES Star Ratings model, with some enhancements (including the ability to join performance data for novated grants).

- **Ongoing Support**

The Ongoing Support performance measure for DES-Employment Support Service (ESS) will continue as it has been in the pre-2018 performance ratings, with a minor amendment.

The minor amendment to the calculations for this measure is that where a grant or outlet has one to nine (i.e. less than 10) participants in the denominator for the measure, then the weighting for the measure will be proportionally reduced.

What to expect between now and 30 June 2018

The upcoming March 2018 DES Star Ratings will be the final ratings calculated under 2013 DES Star Ratings model, as advised in the distribution of the December 2017 DES Star Ratings.

Shortly before 1 July 2018 all of the March 2018 DES Star Ratings will be removed from the Australian JobSearch website.

Between 7 April 2018 and 30 June 2018, manual employment verification for DES-ESS providers will be optional for the 52 Week Sustainability Indicator and Ongoing Support performance measures. Manual employment verification recorded during this period will not be used for any DES Star Rating calculations.

Any participants anchored in employment or education, which start tracking to an outcome prior to 1 July 2018, will not have any of their subsequent outcomes counted in the 2018 DES Star Ratings model.

What to expect after July 1 2018

Webinars for all DES providers will be conducted to provide more detail about the 2018 DES Star Ratings model, on the following schedule:

- Tuesday 24 July 2018, 2 to 4 pm (AEST/Canberra time)
 - 2018 DES Star Ratings webinar - part one (performance measures and calculations)
- Thursday 26 July 2018, 2 to 4 pm (AEST/Canberra time)
 - 2018 DES Star Ratings webinar - part two (transition to 2018 DES Star Ratings)
- Tuesday 31 July 2018, 2 to 4 pm (AEST/Canberra time)
 - 2018 DES Star Ratings webinar - a beginners guide

Registrations for these webinar sessions are available from the Department of Jobs and Small Business Learning Centre. The webinar sessions will be recorded and published on the Learning Centre, for people who are unable to attend the session.

Below indicates when the first Outcomes will be achieved, that will be included in the 2018 DES Star Ratings calculations:

- From October 2018 the first 13 Week Full Outcomes;
- From January 2019 the first 26 Week Outcomes, Work Assist and Ongoing Support outcomes; and
- From July 2019 the first 52 Week Outcomes.

The first DES 2018 Star Ratings to be calculated will be for the period to March 2019. These ratings will be supplied to DES providers. Consideration will be given to publishing these ratings, depending on the extent of services covered, and the robustness of the estimates underpinning the ratings, given the number of data points available. The June 2019 ratings will be published and are expected to be distributed in early to mid-August 2019.

The 2018 DES performance reports for DES providers, available from the Employment Services Reporting portal, are expected to be initially available between November and December 2018. Initially only 13 Week Full Outcomes performance data will be available. Additional DES performance reports may be released after December 2018. These 2018 DES performance reports are the primary means for DES providers to monitor their performance between DES Star Rating periods.

Future information

Independent consultants Taylor Fry were engaged to review and recommend enhancements to the technical calculations underlying the 2018 DES Star Ratings model. Further information about these enhancements will be provided in the July 2018 webinar.

The Department reserves the right, in its sole discretion, to publish information on numbers and rates of outcomes, including unadjusted rates, by Provider and/or Employment Service Area and/or service type (e.g. Disability Management Service and Employment Support Service) and/or client and/or labour market characteristics.

2018 Performance measures and weightings

Performance Measure		DMS Weighting	ESS Weighting
2.1	13 Week Full Outcomes Proportion of Participants who achieve a 13 Week Full Outcome	25%	20%
2.2	26 Week Outcomes	45%	40%
2.2.1	26 Week Full Outcomes Proportion of Participants who achieve a 26 Week Full Outcome	(35%)	(30%)
2.2.2	26 Week Pathway Outcomes Proportion of Participants who achieve a 26 Week Pathway Outcome	(5%)	(5%)
2.2.3	26 Week Bonus Outcomes/Work Assist Proportion of relevant anchors that convert to a paid 26 Week Bonus Outcome or a 26 Week Full or Pathway Outcome for Indigenous Participants and the proportion of Work Assist anchors which convert to a Work Assist outcome	(5%)	(5%)
2.3	52 Week Outcomes	30%	25%
2.3.1	52 Week Full Outcomes Proportion of Participants who achieve a 52 Week Full Outcome	(25%)	(20%)
2.3.2	52 Week Pathway Outcomes Proportion of Participants who achieve a 52 Week Pathway Outcome	(5%)	(5%)
2.4	Ongoing Support Proportion of Ongoing Support Participants who remain in employment or exit ongoing support as an Independent Worker and have their employment verified	-	15%

Note: The 52 Week Outcomes performance measures will not form part of the Star Ratings calculations until December 2019, to allow for a minimum of six months of performance data to be included in the calculations for a robust measure. Up to this period, the weighting for these measures will be redistributed among the other key performance measures.

2018 DES Star Ratings bandwidths

Star Rating	Star Percentage
5-Stars	40% or more above the average.
4-Stars	Between 20% and 39% above the average.
3-Stars	Between 19% above and 19% below the average.
2-Stars	Between 20% and 49% below the average.
1-Star	50% or more below the average.