

## **DES provider COVID-19 teleconferences - 19 January 2021**

### **Summary**

#### Suspension of DES Star Ratings

- The Department announced on 3 February 2020 it is suspending production and publication of DES Star Ratings until further notice, coinciding with announcement of the suspension of jobactive Star Ratings.
- The suspensions followed the Australian Bureau of Statistics' suspension of its 'State Final Demand' trend series.
- This is one of many data sources used in statistical regression, to account for different levels of job seeker disadvantage and labour market strength.
- Without the full set of data sources, Star Ratings cannot continue to be produced in a consistent way.
- Star Ratings methodology and data (including DES performance data collected through ESSWEb and other regression data) is otherwise robust.
- To ensure job seekers have access to recent performance ratings, the Department will publish September 2020 ratings, which were produced using the full range of required data and was previously provided to CEOs.

#### Development of alternative performance data

- The Department is currently developing alternative performance management data to meet continuing requirements.
- This data will continue to use existing DES performance data and a range of other established data sources.
- It will use some Star Ratings methodology, but find alternatives to current national relativity functions. This may include stronger focus on providers' relative local performance.
- The Department is well advanced in this redesign, and is testing its models with an external actuarial firm.
- More detailed information about the proposed new performance data will be provided in coming weeks.

## Suspension of the formal performance assessment

- The Department announced on 3 February 2020 it is suspending the DES formal performance assessment.
- This is because the process proposed in the Industry Information Paper released on 8 December 2020 used DES Star Ratings for December 2020.
- The Department is using the suspension delay to develop alternative performance data and a revised assessment process.
- Based on provider feedback to the Industry Information Paper, the Department is reviewing performance data timing, options for providers to demonstrate performance improvements, factors to be considered in the assessment, and performance redress options.
- The formal performance assessment will proceed, and providers may wish to address any outstanding concerns with performance against KPIs 1 and 2.
- A revised process proposal will be circulated in March 2021.

## 2021 and beyond

- Now in the second half of the Grant Agreement period, Government decisions about the future of DES are likely through 2021, so it is important to demonstrate DES is effectively and efficiently improving employment options for people with disability.
- Invitations will soon be issued to providers and peaks for a number of select working groups, to consider options for improving performance and addressing program issues.
- More information will be provided soon about changes to DES eligibility from 1 July 2021, with Guidelines changes being available from late May and system changes taking effect from 1 July 2021.
- The Department has established the Disability Employment Advisory Committee (DEAC) to provide advice as part of the Government's development of the National Disability Employment Strategy.
- The DEAC forms part of an extensive stakeholder strategy and there will be opportunities for providers to contribute. Meanwhile, suggestions and ideas can be sent to [DEP@dss.gov.au](mailto:DEP@dss.gov.au)