



SUBMISSION TO
The Select Committee On
Workforce Australia Employment Services:
ParentsNext



December 2022



ABOUT NESAS

The National Employment Services Association (NESA) was established in 1997 and is the peak body for the Australian employment services sector. NESA is dedicated to a vision of opportunity for everyone through employment and inclusion.

Employment inclusion and participation are cornerstones of the economic and social health of society. For the individual, employment participation is more than a means to an income; it provides connection, purpose, and inclusion. Employment participation and productivity are key drivers of economic growth and underpin the quality of life of all Australians enabling access to such things as a well-functioning health system, quality education and a strong social safety net.

The Australian employment services sector plays a critical role in preparing Australians to participate productively in the labour market and connecting them to employment opportunities. NESA's mission is to lead a sustainable, effective, and diverse employment services sector to support participants and employers, and to assist our nation to achieve employment participation objectives. NESA's membership encompasses the breadth of Australia's diverse labour market assistance programs including Workforce Australia, Disability Employment Services, Community Development Program, Transition to Work, Employability Skills Training, ParentsNext, and Career Transition Assistance. NESA's membership is extensive, diverse, and inclusive of for-profit, not-for-profit, and public providers.

NESA delivers intensive policy, operational and capacity building support to member organisations, and works collaboratively with Governments, Departments, agencies, and non-government stakeholders to support the effective delivery of labour market assistance and social policy. NESA welcomes the opportunity to contribute to the work of the Select Committee on Workforce Australia Employment Services in examining the role of ParentsNext in providing early intervention assistance to eligible parents.

EXECUTIVE SUMMARY:

ParentsNext intends to be a supportive program that mentors parents' preparation for employment when their youngest child reaches school age. ParentsNext was introduced to fill an identified void providing pre-employment focus on career direction and building employment readiness. ParentsNext was also intended to soften transition to employment programs such as Workforce Australia when the individual is compulsorily required to participate or earlier if they choose to volunteer.

Operationally, ParentsNext program design and policy settings allow flexibility to deliver wrap around supports to meet individual parents' needs and circumstances. The program fosters collaborative partnerships to build service and referral arrangements to connect participants to local services enhancing their community networks, ongoing support, and inclusion.

NESA's ParentsNext provider members strongly support the aims and intent of ParentsNext, however, they note opportunities to strengthen program design and policy settings to better achieve program objectives and improve quality of service to participants. NESA believes ParentsNext is an important program and since its introduction has demonstrated its capacity to assist parents. Flexible delivery and working closely with parents to plan participation are critical to program success. While there is room for enhancement, program settings currently offer considerable flexibility.

NESA's submission and subsequent recommendations are a cumulative result of consultation with members who deliver the ParentsNext program and build on findings of previous reviews and evaluations such as the Inquiry Report, Parliamentary Joint Committee on Human Rights – ParentsNext, examination of Social Security (Parenting payment participation requirements – class of persons) Instrument, and the ParentsNext 2018-2021 Evaluation Report.

RECOMMENDATIONS

1. The government review ParentsNext messaging and gateway systems, including referring agencies having a sound understanding of the program, to ensure potential participants are properly and fully informed of the program objectives, supports, and benefits available. *(Section: Issue: How is ParentsNext Promoted and Perceived?)*
2. The Select Committee examine additional flexible servicing arrangements for ParentsNext such as those available in the Workforce Australia Self-Employment Assistance program to enable greater flexibility. NESA recommends the program is structured so that the model can be delivered flexibly to tailor to individual circumstances with full program or fee for service elements. *(Section: Issue: Is the Program Sufficiently Flexible?)*
3. NESA recommends additional, assessment criteria are introduced to determine if the program offers benefit to the parent with flexibility for providers to make participation voluntary where appropriate. *(Section: Issue: The Requirement to Participate: are the Compellability/ Exemption Settings Right?)*
4. NESA believes the benefit of having some of our most disadvantaged and vulnerable principal carer parents participate in the program outweighs having a level of compellability to ensure engagement, and recommends compellability is retained. *(Section: Issue: The Requirement to Participate: Should Participation be Compulsory?)*
5. NESA recommends a less automated compliance system, such as the Job Seeker Compliance Framework, is more appropriate and should be applied to ParentsNext as a pre-employment program. *(Section: Issue: Is the Targeted Compliance Framework Appropriate for a Pre-Employment Program?)*
6. NESA recommends participation requirements should commence when the youngest child is aged 12 months. *(Section: Issue: The Requirement to Participate – Is Nine Months Too Young?)*

7. NESA recommends the KPI requiring 90% of parents to commence in ParentsNext within 14 days of the first scheduled interview be adjusted, either by reducing the target or extending the 14-day requirement. *(Section: Issue: Are the Key Performance Indicators (KPI's) Appropriate?)*

8. NESA believes that although there is significant and intended flexibility in the operational policy settings there is scope for improvement and recommends amending:

1. Plan requirements to ensure activities align with participant's individual needs and objectives; and

2. Broaden criteria for eligible Participation Fund use and streamlining its administration

(Section: Issue: Are the Current Operational Policy Settings Sufficiently Flexible?)

Introduction

The National Employment Services Association (NESA) welcomes the opportunity to contribute to the work of the Select Committee on Workforce Australia Employment Services (Select Committee).

ParentsNext is designed as a light touch pre-employment program to provide early intervention assistance to eligible parents. The current program period was extended and now covers 2018-2024. ParentsNext is delivered by fifty-three providers who currently assist approximately 100,000 parents across 51 employment regions with 856 site locations.

NESA's submission reflects the experiences and views obtained through consultation with our members including NESA's ParentsNext Special Interest Group (PN SIG). NESA's membership includes 24 ParentsNext providers and the PN SIG membership includes 15 diverse member organisations (small/med/large, profit/not-profit) who deliver ParentsNext in over 200 locations across metropolitan, regional, rural, and remote Australia. The PN SIG meets quarterly with the Department of Employment and Workplace Relations (DEWR) and provides direct feedback in relation to the implementation of policy and program operations.

ParentsNext Caseload demographics as reported by DEWR in October indicate:

- 95% of participants are women
- 75% are sole parents
- 20% are Indigenous Australians
- 20% are from culturally and linguistically diverse backgrounds
- 6.3% are refugees
- 15% are people living with disability
- 17% are under 25 years of age¹

NESA believes ParentsNext is an important program and since its introduction it has demonstrated its capacity to assist parents to prepare for future employment providing a range individualised vocational and non-vocational supports. Flexible delivery and working closely with parents to plan participation are critical to program success. While there is room for enhancement, program settings currently offer considerable flexibility including in relation to attending appointments, exemptions, Participation Plan development, Participation Fund use, types of vocational and non-vocational activities a participant may undertake, and methods participants use to report participation.

ParentsNext includes a Participation Fund to enable financial support to assist participants to realise their goals. In July 2021 the program was strengthened with a positive, significant change to Participation Fund eligibility with access moving from the Intensive Stream only, to all participants.

¹ DEWR Presentation, NESA National Conference October 2022

The Participation Fund operates as a 'notional bank' with credits added to a pool of funds as participants commence the program. Providers can purchase a range of eligible vocational and non-vocational goods and services for participants and claim reimbursement from the Participation Fund. Between July 2018 and March 2021 \$15.6 million was expended from the Participation Fund with over \$12 million of the Participation Fund expended in the 12 months from 1 July 2021.²

"ParentsNext has given me the confidence to put myself out there to gain employment again after having a baby, something I was very anxious to do, ParentsNext isn't pushy, they are supportive and encouraging, and I don't think I could have found a job as quickly as I did, without ParentsNext help".
ParentsNext participant

"Honestly, I can't thank the ParentsNext team enough. From the first time we spoke, they gave me so much motivation to get started and I can't wait to start my course. Looking forward to this new chapter in my life. Thank you so much, I really appreciate it."
ParentsNext participant

ParentsNext has been the subject of various reviews and evaluations including the **Inquiry Report, Parliamentary Joint Committee on Human Rights - ParentsNext: examination of Social Security (Parenting payment participation requirements—class of persons) Instrument 2021** released on 4 August 2021, and the **ParentsNext 2018-2021 Evaluation Report**, released on 29 November 2022.

The Importance of ParentsNext

Many of the people assisted by ParentsNext are, or are at-risk of becoming, socially isolated and detached from the supports, networks, and assistance that people engage with every day. The ParentsNext 2018-2021 Evaluation Report noted impacts arising from lengthy absence from the workforce which it stated, 'affects the economic security of women and their children, making it likely that over their life course, women will earn less, be less likely to advance their careers, and accumulate less superannuation and savings than men, and will be more likely to live in poverty in old age (WGEA 2021).³

ParentsNext is a starting point to assist participants to build or re-establish supports and networks to connect with services and build their employment readiness in preparation for the time they are ready to look for work. ParentsNext softens transition to employment programs such as Workforce Australia and associated Activity and Participation requirements.

In its submission to the Joint Committee on Human Rights - ParentsNext: examination of Social Security (Parenting payment participation requirements—class of persons) Instrument 2021, DEWR noted 2020 post-program monitoring data. The experiences of our members are consistent with the DEWR evaluation data which indicated 81% of surveyed participants were either satisfied or very satisfied with the assistance they had received from their ParentsNext provider, and 74% reported an improvement in their motivation to achieve work or study goals.⁴

The Role of ParentsNext

Unlike Workforce Australia, Transition to Work, and Disability Employment Services, ParentsNext is not an employment program. ParentsNext is a pre-employment program. It is designed to be an early intervention program to see where people are at, what their immediate needs may be, and to start helping them to think about and plan for that time in the future when they will have more extensive participation requirements. Under current arrangements additional requirements occur when a Parenting Payment recipient's youngest child reaches school age (six years of age).

² DEWR Presentation, NESA National Conference October 2022

³ ParentsNext 2018-2021 Evaluation Report p.1

⁴ 3.30 Inquiry report. Parliamentary Joint Committee on Human Rights - ParentsNext: examination of Social Security (Parenting payment participation requirements—class of persons) Instrument 2021, from DESE Submission 8. p 5

At this time the parent becomes subject to more intensive (part-time), mutual obligation requirements and is required to undertake tasks and activities that will assist them to become more work ready and actively look for and accept offers of employment. Mutual obligations for Parenting Payment recipients recognise primary parenting responsibilities and take these into account via the timing and nature of the tasks required. When a Parenting Payment recipient's youngest child turns eight, they will generally move to JobSeeker Allowance Payment while maintaining part-time mutual obligation requirements.

People with part-time mutual obligation requirements (principal carer parents and people with a partial capacity to work) generally can meet their mutual obligation requirements with part-time work of 30 hours per fortnight or a combination of work and study. Where this work is expected to continue for 13 weeks or more, participants do not have an obligation to remain connected to employment services.

Issue: How is ParentsNext Promoted and Perceived?

ParentsNext is officially a pre-employment program. Its official objective is to assist eligible parents of young children to 'plan and prepare for employment by the time their youngest child reaches school age'.⁵ The descriptions of ParentsNext provided to prospective participants are quite clinical and fall short on communicating a full understanding of the supports that may be available to establish positive expectations.

The Services Australia web site describes ParentsNext as a 'support service for parents with children under 6 who get Parenting Payment. It will help you with your study and work goals'⁶.

The DEWR web site says: "ParentsNext supports parents and carers who receive Parenting Payment to plan and prepare for work by the time their youngest child starts school. Support includes help with developing skills, training or work experience, help arranging financial support for job preparation skills, training and other work-related expenses or connecting to local support services such as counselling"⁷

The ParentsNext 2018-21 Evaluation Report states; "More than three quarters of ParentsNext providers surveyed for the evaluation thought that some new participants were inadequately informed about the program at their initial interview with Services Australia."⁸

NESA's ParentsNext providers continue to be concerned many parents believe that they have been referred to a work-first employment service, which in some cases leads to unnecessary anxiety and an initial reluctance to engage. Providers note that feedback from participants indicates that responses to questions and information from referring agencies often compounded misconceptions about ParentsNext. Providers recognise that eligible parents and their children have varied needs which for some are far more immediate and removed from work. Further when dealing with circumstances such as trauma, isolation, or marginalisation and without the personal supports (e.g., people to talk to), services and networks it can be difficult for parents to think about work and education goals. For some, the most immediate needs may be around working through crisis situations, making new friends, building support networks, or developing new life skills (managing finances, learning to advocate effectively, computer literacy, nutrition and living healthily). The relevance of pre-employment to a parent of an infant may be low given they may not be subject to looking for work obligations for the next five years.

⁵ Delivering Parents Next Guideline p10

⁶ <https://www.servicesaustralia.gov.au/parentsnext>

⁷ <https://www.dewr.gov.au/parentsnext>

⁸ ParentsNext 2018-2021 Evaluation Report p5.

The framing of ParentsNext purely in the context of 'employment preparation' does not reflect the intended flexibility of the program to provide wrap-around help and assistance and should be reviewed. Many of the supports and benefits of ParentsNext are more holistic in nature and need to be communicated to ensure potential participants are properly and fully informed of services and benefits and unnecessary anxiety is avoided.

RECOMMENDATION:

NESA recommends the government review ParentsNext messaging and gateway systems, including referring agencies having a sound understanding of the program, to ensure potential participants are properly and fully informed of the program objectives, supports, and benefits available.

Issue: Is the Program Sufficiently Flexible?

ParentsNext is currently delivered as a single program where all participants regardless of compellability or need and circumstances are required to attend an Initial Appointment, negotiate a Participation Plan, complete the tasks and activities outlined in the Plan, and remain in the program until a Provider or Effective Exit occurs. Compulsory participants generally remain in ParentsNext until they no longer meet eligibility criteria (for example their youngest child turns six), achieve significant employment or otherwise fully meet their part-time mutual obligation requirement.

Could ParentsNext have greater flexibility?

Rather than having to participate as per the current arrangements, NESA recommends the government look to build greater flexibility into the program and enable some eligible parents to receive one off or limited term assistance. For example, a parent who has well established networks and supports, and/or who may be undertaking study or community involvement, could receive one off or limited assistance from a ParentsNext provider rather than be compelled to continue in the program. A one-off service could involve providing advice/support, making a connection to an appropriate third party, assistance with goods and services through the Participation Fund, or assistance with arranging a wage subsidy. In such a case the ParentsNext provider could be paid a service fee rather than the full program fee. This approach is not unique in Australian employment services with the new Workforce Australia Self-Employment Assistance program for example, where participants have the option of participating in the full Self-Employment Assistance program or can request one-off assistance such as advice with business planning, business health checks and business advice. This approach provides an opportunity for people to engage with the program in a way that is flexible, better meets participant's individual specific needs, and returns greater value.

RECOMMENDATION:

NESA recommends the Select Committee examine additional flexible servicing arrangements for ParentsNext such as those available in the Workforce Australia Self-Employment Assistance program to enable greater flexibility. NESA recommends the program is structured so that the model can be delivered flexibly to tailor to individual circumstances with full program or fee for service elements.

Issue: The Requirement to Participate: Are the Compellability/Exemption Settings Right?

Most parents who participate in ParentsNext do so as a requirement of receiving Parenting Payment with eligibility determined by age, reported work earnings, time in receipt of income support, and education. A parent who is under 55 years of age, who has been in receipt of parenting payment for six months or longer, with no work earnings in the last six months, and who has a youngest child aged between nine months and six years, may have a requirement to participate in ParentsNext.

For those ≥ 22 years of age a secondary assessment focuses on achievement of Year 12 and time in receipt of parenting payment (parenting payment for two years for those with $< \text{Year 12}$, or four years for those $\geq \text{Year 12}$).

Some parents with a compulsory requirement can be exempted from participating in the program. Parents who have serious health issues, family and domestic violence issues, four or more children, caring responsibilities, Indigenous cultural business, and pregnant parents nearing their expected due date, can apply for an exemption from Services Australia. Unlike employment services program providers, ParentsNext providers are permitted to 'exempt' a person who has been referred to or commenced in the program for eligible reasons. Since 1 July 2021, parents who are studying or on extended leave have been exempt from compulsory participation. Prior to September 2020 many exemptions could only be applied by providers however Services Australia staff now have additional flexibilities and are able to apply all categories of exemptions.

The broad range of eligible exemption reasons available builds significant flexibility into compulsory participation. Since 1 July 2018, 90% of all exemptions have been initiated by providers.⁹ (Although this is partly explained by the September 2020 change), and on average 14.8% of participants were exempted at any point of time between 1 July 2018 and 31 December 2020.

The four major exemption reasons, accounting for approximately 75% of all exemptions, during this period were, in order:¹⁰

- Large families (approx. 30%)
- Temporary confinement (approx. 20%)
- Temporary medical incapacity (approx. 16%)
- Other caring responsibilities (approx. 12%)

In the 2021 Inquiry report, a number of respondents raised concerns that the program was not adding value for some participants, citing examples of Participation Plans that basically required the participant to continue doing what they are already doing.

Exemptions provide significant and essential flexibility to take into account circumstances that may prevent the person from benefiting from the program. ParentsNext providers believe the program can add significant value for most participants. However, providers estimate approximately 10% of people referred to the program do not meet the criteria for an exemption and receive little benefit from the program. Examples of this group include parents with highly developed networks and supports including high levels of community engagement, and/or high education attainment e.g., university graduates and/or individuals with extensive work histories with clear pathways to return to work at the right time. This cohort have different needs than other parents but may still gain value from ParentsNext support such as accessing short courses to keep skills current, consider self-employment or connect to support services. NESAs believe that for this cohort the option addressed earlier in the submission to enable participation in some or all elements of ParentsNext rather than the 'all or none' program model currently in place would be beneficial to this cohort and allow efficient use of resources for those who need more support and assistance.

RECOMMENDATION:

NESA recommends additional, assessment criteria are introduced to determine if the program offers benefit to the parent with flexibility for providers to make participation voluntary where appropriate.

⁹ ParentsNext 2018-2021 Evaluation Report Table 3.3 p 43

¹⁰ ParentsNext 2018-2021 Evaluation Report p 45

Issue: The Requirement to Participate: Should Participation be Compulsory?

If the benefit of having some of our most disadvantaged and vulnerable principal carer parents participate in the program is of greater value than having a level of compellability to ensure engagement; then the element of compellability should be retained.

The Inquiry report: Parliamentary Joint Committee on Human Rights - ParentsNext: examination of Social Security (Parenting payment participation requirements—class of persons) Instrument 2021 released on 4 August 2020 included several views around participation being a requirement for the continued receipt of a parenting payment.

Our PN SIG members are consistent in their view that many participants who subsequently express great satisfaction with the assistance they receive through the program may not have initially engaged without the requirement to do so.

There are several reasons why people might not necessarily engage voluntarily. These include but are not limited to:

- People may have established routines in which they feel 'safe' and are reluctant to look at different things, possibly because they lack the confidence or motivation, or because of previous experiences.
- The messaging from the referring agency results in a lack of understanding about the flexibility and benefits of the program with initial reluctance most often addressed through experience of engaging in the program.
- The concept of participating in an 'employment' program as ParentsNext is often misunderstood to be, may not appear relevant to parents with a young child years away from turning six.
- PN SIG members shared instances where parents subject to coercive controls were only 'permitted' to attend mandated appointments related to income support and there was no alternative.

DEWR's view, as expressed in the 2021 Inquiry, was that compulsory participation ensured better results. DEWR stated that: 'Australian evidence finds that service providers can find it challenging to voluntarily engage disadvantaged families, even using flexible, multi-method strategies. Further DEWR also found that parents who were unwilling to engage with services, are often those with the greatest support needs.¹¹ This view is shared by NESA's PN SIG members.

NESA notes that compellability is a sensitive issue and a number of respondents believed current compulsory participation / Targeted Compliance Framework arrangements were problematic. Mission Australia argued that the compliance arrangements were inconsistent with the objectives of a pre-employment program.¹² The Australian National University Centre for Social Research and Methods, Community Information and Support VIC, the National Council of Single Mothers and Their Children, and Dr Elise Klein, OAM, were among the respondents who presented arguments against the compulsory requirement.¹³

Of particular interest in the report is the idea that income support supplements and suspension of mutual obligation requirements during the COVID-19 pandemic 'served as a natural experiment for assessing the effectiveness of voluntary participation'¹⁴. DEWR's own data shows that participation in appointments and activities during the periods when mutual obligations were suspended remained high at 75% (despite local health arrangements) as opposed to 86% when mutual obligation requirements were in place.¹⁵ These high rates of engagement can be seen as evidence of the strength of the program and shows parents, most of whom had an initial compellability, continued to participate when mutual obligation requirements were suspended. NESA considers if the program model allowed greater flexibility to tailor to individual circumstance including full program or service elements as per the previous recommendation, compellability would be less of an issue.

¹¹ Inquiry 3.33 p 27

¹² Inquiry 3.37 pp 29

¹³ Inquiry 3.36 - 3.38 pp 30

¹⁴ Inquiry 3.50 pp 35

¹⁵ Inquiry 3.51 pp 35

RECOMMENDATION:

NESA believes the benefit of having some of our most disadvantaged and vulnerable principal carer parents participate in the program outweighs having a level of compellability to ensure engagement, and recommends compellability is retained.

Issue: Is the Targeted Compliance Framework Appropriate for a Pre-Employment Program?

The Targeted Compliance Framework (TCF) applies to participants in Workforce Australia Services (providers services and online), ParentsNext, and Disability Employment Services. It uses income support suspension as a 'trigger' for re-engagement where people have not met a requirement such as attending interviews and subsequently either the provider has been unable to make contact or the reason for non-attendance was not acceptable. Policy settings changed in December 2020 implementing a delay in applying a suspension and first sending a message advising the person that their income support will be suspended in two days if they have not re-engaged. Once re-engagement occurs, income support is restored but a demerit point may accrue, and financial penalty incurred if six demerits accrue. Most TCF processing is automated. The IT system identifies information entered by providers (as per guidelines/DEED) in relation to requirements such as an 'attended' appointment result or activity completed, Participation Plan agreed within a specified period, and/or acceptable reason for non-attendance/compliance. The system will use the information to commence automated trigger of a TCF process which can lead to demerits and income support suspension. A consequence of automated processing is that it does not take into consideration situations such as a parent dealing with trauma that misses an appointment and is unable to contact their provider. Once the appointment is registered as missed, an SMS is automated advising the person that if they do not make contact within two days their income support will be suspended. Given the parent's situation may be that they do not have the opportunity to receive or respond to the message within the required timeframe highlights a flaw in the system. If the parent is already living with trauma and has their income support suspended, it creates significant additional stresses. Although only 17 participants incurred a financial penalty (the result of a further non-compliance following five pre-existing demerits) in the four years from 1 July 2018¹⁶, more than 50,000 parents incurred income support suspensions during the period 1 July 2018 to December 2020.¹⁷

There is an alternative that should be considered.

The Community Development Program, which is delivered in remote Australia to approximately 30,000 people (nearly 86% of whom are Indigenous Australians), uses a different framework – the Job Seeker Compliance Framework. This alternative framework does not automate suspension - decisions are made by people. An income support suspension or financial penalty only occurs when an employment consultant completes an online report detailing the circumstances and sends the report to Services Australia. The decision to submit a report is in the hands of the consultant and Services Australia review the case as opposed to an automated 'suspend first' approach.

RECOMMENDATION:

NESA recommends a less automated compliance system, such as the Job Seeker Compliance Framework, is more appropriate and should be applied to ParentsNext as a pre-employment program.

¹⁶ ParentsNext 2018-2021 Evaluation Report p 12

¹⁷ ParentsNext 2018-2021 Evaluation Report p 56

Issue: The Requirement to Participate - Is Nine Months too Young?

ParentsNext providers have experience delivering services to parents whose youngest child is aged 6 months old through to 12 months old. Prior to changes to ParentsNext eligibility on 1 July 2021, Targeted Stream participation was required when the age of the parent's youngest child was 12 months, and 6 months in the Intensive Stream. Under the current program arrangements parents may have an obligation to participate in ParentsNext from the time their youngest child is 9 months of age. NESAs members believe it is appropriate to amend the criteria of the age of youngest child, from 9 months to 12 months before a parent is required to participate. Providers consider this is a more appropriate age and would better align the program with the community standards around maternity leave.

RECOMMENDATION:

NESA recommends participation requirements should commence when the youngest child is aged 12 months.

Issue: Are the Key Performance Indicators (KPI's) Appropriate?

ParentsNext providers are assessed on achievement of KPIs set by the DEWR that cover effectiveness, efficiency, and quality. Unlike employment focused programs, measures around employment and education only account for 10% of the overall weighting. It is also important to note that outcome payments for employment and education are fixed at \$313.20, while service fees are set at \$626.40 per participant per quarter - the ratio of outcome payment: service fee is much lower than in employment programs. However, as this is a pre-employment program, in reviewing the KPIs consideration should be given to broadening outcome definitions.

Elements	KPI	Target	Weighting
Efficiency	Attendance (proportion of participants that attended Contacts with their Provider at least once every three months)	90%	10%
	Participation (the proportion of Participants participating in a current Activity)	90%	15%
	Commencement (the proportion of Participants who were Commenced within 14 days of their first scheduled Initial Appointment)	90%	10%
Effectiveness	Work Readiness (increase in overall Participant Work Readiness as measured by work readiness assessment tool)	75 (indexed score)	25%
	Education and Employment (proportion of participants who complete education / participate in employment)	50% of the median indexed score	10%
	Early School Leavers (the proportion of Participants referred to the program as Early School Leavers participating in, or who have completed, Education)	25%	10%
Quality	Department assessment: (The Provider's delivery of the Services in accordance with the Deed, The Provider's compliance with requirements under the Deed, such as mandatory training and IT systems accreditation requirements, Complaints by Customers about the Provider to the Department's National Customer Service Line, via ministerial correspondence or Ombudsman Complaints)	7 out of 10	20%

ParentsNext providers consider the Commencement KPI that requires 90% of participants to be commenced within 14 days of the scheduled initial interview, should be changed. Providers consider adjustment should better reflect the sensitivities and realities - both personal and practical - around engaging and working with people whose primary responsibility is the care of young children. DEWR data reflects the realities around initial engagement, with 80% of participants commencing in 30 days.¹⁸

¹⁸ ParentsNext 2018-2021 Evaluation Report p 5

RECOMMENDATION:

NESA recommends the KPI requiring 90% of parents to commence in ParentsNext within 14 days of the first scheduled interview be adjusted, either by reducing the target or extending the 14-day requirement.

Issue: Are the Current Operational Policy Settings Sufficiently Flexible?

The summary below outlines current arrangements in the key operational policy settings. Whilst broadly flexible there are areas of improvement proposed as per the recommendation.

Provider Choice:

Participants can choose a provider subject to the provider not exceeding contracted business share, being in the same employment region, and being located within 100 kms.

Initial Appointment:

The Initial Appointment must be done face-to-face pending exceptional circumstances and DEWR approval. Initial Appointments must be conducted at locations 'accessible, appropriate, and safe for participants, children and provider staff'.¹⁹ This may include providers' offices but they cannot be conducted in the participant's home.

Follow-up Appointments:

Follow up Appointments can be delivered by phone/video. While they are, and can only be, mandatory each three months, Follow-up Appointments can be more frequent.

Third Party Appointments:

Medical/health services appointments cannot be made without participants' permission and cannot be mandatory.

Participation Plan:

Participation Plan must be ready for the participant's agreement within the 20 (business) days Initial Period. When preparing the Participation Plan the provider must take into account factors including, but not limited to:

- Family situation (including caring responsibilities and access to childcare).
- Education/employment goals.
- Vocational and non-vocational barriers.
- Capacity to comply.
- Transport and travel time.
- Circumstances relating to culture, gender, language, family and domestic violence.
- Not scheduling activities during periods including Christmas, Easter, and school holidays.
- The light touch reporting requirements. For example, a participant who is voluntarily undertaking a multi-week training program is only required to report attendance once per fortnight.

Agreeing to Plan (Think Time):

10 days 'think time' to consider Participation Plan before signing.

Formal Notifications:

DEWR provides specific detail on formal notifications methods, timeframes, and content. Formal notification methods include phone, face-to-face, letter via post/handed to participant, and email.

Participation Fund

Prior to 1 July 2021 participants in the Targeted Stream did not have access to assistance through the Participation Fund. When an Intensive Stream participant commenced in ParentsNext the provider received a notional bank credit of \$1252.80. Since 1 July 2021 \$600 is credited to a notional bank for each commencement. Broad expenditure categories include interpreter services, childcare costs, accredited training, drivers licence, transport assistance, medical expenses, professional services, work related expenses, and assistance with short-term/crisis accommodation.

¹⁹ DEWR: Delivering ParentsNext Guideline p 13

NESA's ParentsNext Special Interest Group members believe that the Participation Fund credit should be increased from the current \$600 to reflect increased cost of living, reflected in supports such as costs of short-term/crisis accommodation.

RECOMMENDATION:

NESA believes that although there is significant and intended flexibility in the operational policy settings there is scope for improvement and recommends amending

1. Plan requirements to ensure activities align with participant's individual needs and objectives; and
2. Broaden criteria for eligible Participation Fund use and streamlining its administration

Provider Capability

ParentsNext providers were selected through an open competitive tender process. Tenders were subject to comprehensive assessment in order to be selected to deliver the program from 1 July 2018. Prospective providers were required to demonstrate adequate organisational and service capabilities by responding to the following tender criterion as part of the ParentsNext commissioning process²⁰.

Selection Criterion 1 Organisational Capability: The organisation has the capacity and capability to deliver and manage ParentsNext and to address any risks that may arise:

1. Your organisation's structure and governance and reporting framework.
2. Your organisation's risk management arrangements and how these will be used to mitigate risks associated with delivering ParentsNext.
3. Your organisation's demonstrated capacity in working with Indigenous parents in a culturally competent and effective manner.
4. The cultural capability framework of your organisation including training, employment and any cultural capability policies that support your capacity to work in a culturally appropriate and effective manner when dealing with people from culturally and linguistically diverse backgrounds, particularly Indigenous people.
5. How your organisation increases Indigenous business participation, in accordance with the Indigenous Procurement Policy.
6. How your organisation can provide economic benefit to the Australian economy if it is selected as a Provider.

Selection Criterion 2 General Service Delivery: The organisation's demonstrated capacity to deliver ParentsNext:

1. Your organisation's experience in delivering similar services and how this performance demonstrates your capacity to deliver ParentsNext.
2. How your organisation will cater to the needs of parents from diverse backgrounds, particularly Indigenous parents, as well as parents from culturally and linguistically diverse backgrounds and parents with disability.
3. How your organisation will identify and work with support services offered by other organisations in the local community.
4. How your organisation will identify and address gaps in key support services in the local community.

Selection Criterion 3 Service offer tailored to the needs of Parents: The organisation's experience delivering services in the local community which meet the needs of parents, including Indigenous parents:

1. Your understanding of the needs of parents residing in the Location in which you propose to deliver services, including parents who are Indigenous, culturally and linguistically diverse, homeless or have a disability.
2. How you will identify and work with services in the local community, particularly those delivered by Indigenous organisations.

²⁰ ParentsNext Request for Tender: 2018-2021, DEWR (Formerly DESE) 2017

3. How you intend to establish an environment that is welcoming, accessible and safe for parents and their children, including parents unable to attend your organisation's offered site(s) in-person.
4. The experience and or qualifications of staff who will deliver the proposed service(s), including supporting parents dealing with domestic violence and trauma.
5. How you will work with parents to identify their education and employment related goals and how you will help them to achieve these goals.
6. Strategies to ensure parents, especially compulsory parents, are positively engaged in ParentsNext and meet their participation requirements.
7. How you will ensure parents have a say in how services are delivered.

ParentsNext Frontline Capability - THE PEOPLE WHO HELP THE PEOPLE

Within program parameters and resources providers deliver individually tailored services to participants and employers. When considering the skills, qualifications and attributes of employment services personnel it is important to have a clear understanding of the work they are expected to perform.

The focus of participant facing frontline service delivery roles are varied and encompass the delivery of pre-employment support, employability and skills development, and activity management, as well as supporting participants to meet mutual obligation requirements. Diverse roles make up frontline service delivery including case managers, employment consultants, post placement support consultants, trainers, mentors, and activity management including Work for the Dole consultants.

Case Management is the central approach to participant assistance within many programs including ParentsNext, Workforce Australia, Transition to Work, Disability Employment Services, and the Community Development Program. Participants are diverse and have diverse and complex needs. Frontline service delivery roles are generally focused on planning and coordinating interventions and supports for their participants. Their roles involve interviewing participants to understand their circumstances and, in alignment with the respective program objectives, assist participants to design a plan to achieve development goals, overcome barriers, and prepare for, find and keep work.

Case managers support participants and facilitate their access to any of the diverse social service, health, education, and labour market services that they need and want to connect with. Case managers monitor participants' progress and where the participant agrees, work with other service providers to join up services and ensure the participants' needs are being met. Importantly, while providing employment counselling, typical frontline case managers do not deliver therapeutic or direct care interventions. Employment services organisations are active in community engagement and build networks with local services to support participants' access to those services. Many providers also have specialist teams such as allied health as part of their employment services model, other program delivery or related entity services that help to overcome gaps in community infrastructure and increase participants' timely access to services, as and where needed.

A high performing ParentsNext consultant is a highly committed practitioner - a person with the requisite skills, knowledge, and attributes to work with the parents. In many cases ParentsNext consultants are people with lived experiences that drive their deep care and commitment to the role they play. NESA extends an invitation to the Select Committee to attend our PN SIG to enable Committee members to meet and see first-hand the skills and commitment ParentsNext practitioners bring to their role.

The following information is from NESA's Employment Services Workforce Survey Report 2022.

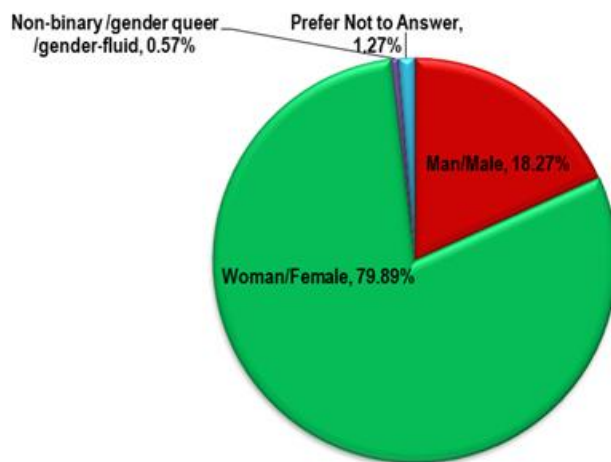
The data offers a snapshot of the skills, qualifications, attributes, and experience of employment services frontline service delivery staff. This group includes client facing roles across all Australian employment service programs

including ParentsNext. Within the category are roles such as Employment Consultant, Case Manager, Employment Mentor, Mentor (Generalist & cohort specialist), Community Engagement, Activation Consultant; Work for the Dole Consultant, Trainer, Post Placement Support Consultant; Business Development & Recruitment Consultant. For clarity, please note service level management roles such as site or program managers and customer service roles are not included in this workforce segment.

NESA notes the sample size of frontline service delivery worker survey responses achieved offers confidence level of 99% that the sample provides results representative of the wider population of the frontline service delivery workforce with a margin of error of 5%. As can be seen by the following data the employment services frontline service delivery workforce is diverse, with substantial level of skill, qualifications, and experience.

GENDER

79.89% of frontline service delivery workforce is comprised of women.

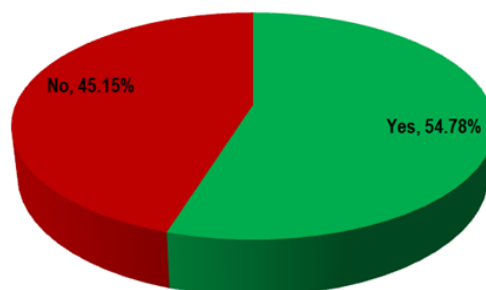


AGE

The average age of the frontline service delivery workforce is 39 years, and the median age is 38 years.

CARING RESPONSIBILITIES

54.78% of the frontline service deliver workforce identify as a person with caring responsibilities (e.g., child, person living with a disability, mature aged person).

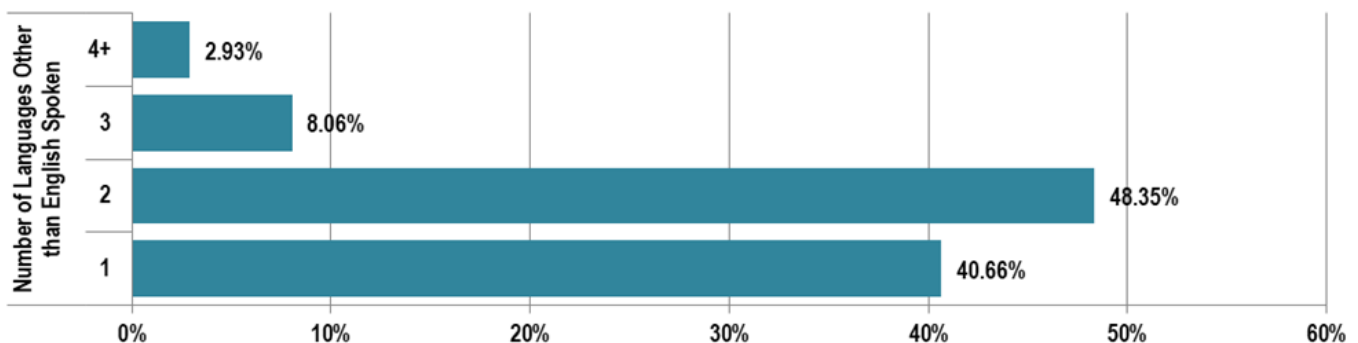


CULTURAL BACKGROUND:

Proportion of frontline service delivery workforce identifying as Aboriginal or Torres Strait Islander	
Yes	6.97%
No	89.88%
Prefer Not to Answer	3.13%
Proportion of frontline service delivery workforce identifying as Culturally and Linguistically Diverse (CALD)	
Yes	34.13%
No	61.00%
Prefer Not to Answer	4.83%

LANGUAGES

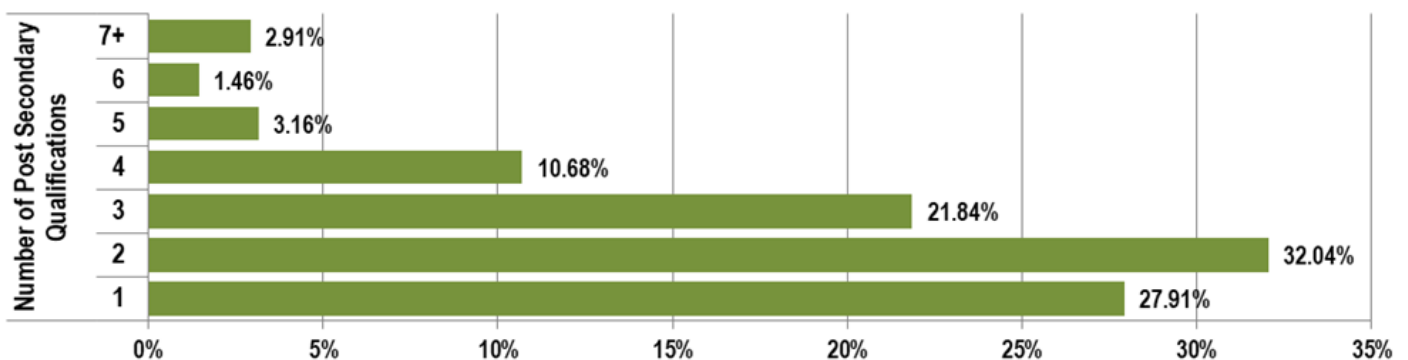
38.83% of the frontline service delivery workforce can speak a language other than English, and of these 59% report speaking more than one other language. Over 100 unique languages spoken are spoken.

**LIVING WITH A DISABILITY**

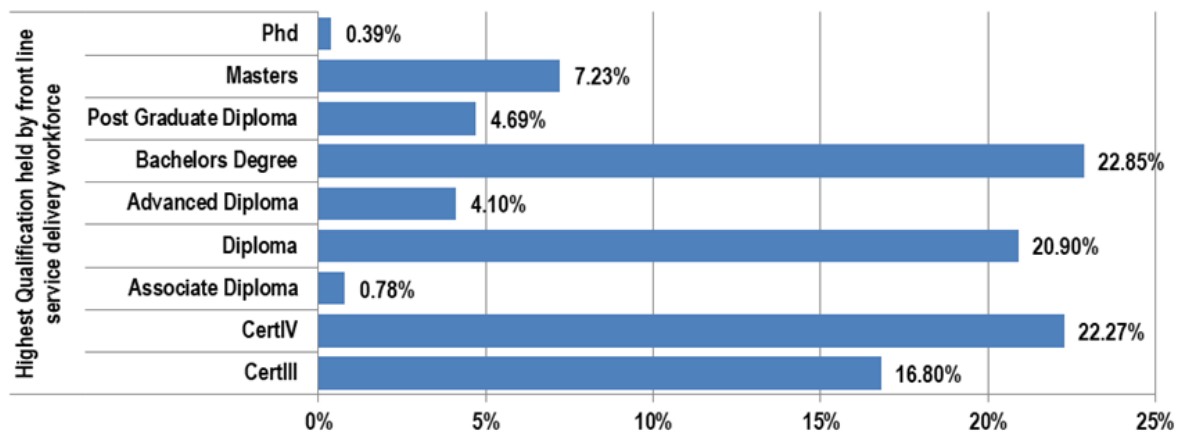
Proportion of frontline service delivery workforce identifying as a person living with disability	
Yes	13.94%
No	81.55%
Prefer Not to Answer	4.51%

QUALIFICATIONS

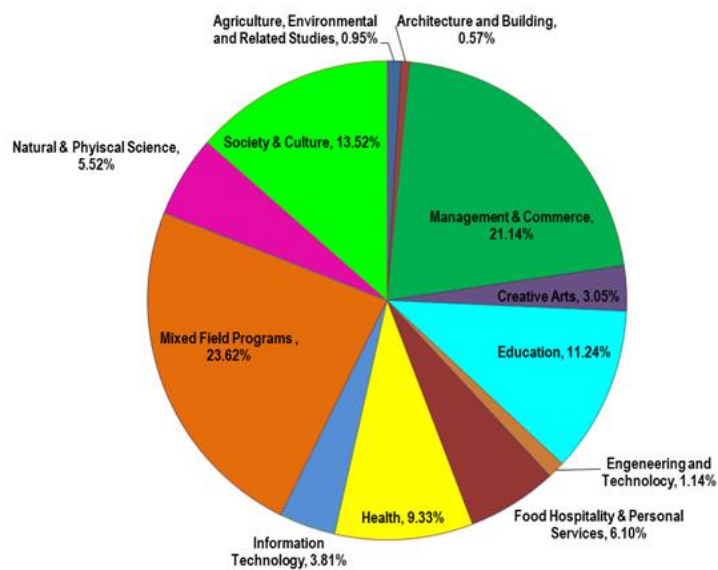
80% of the frontline service delivery workforce report having post-secondary qualifications; of these 73% have two or more qualifications



HIGHEST QUALIFICATION LEVEL



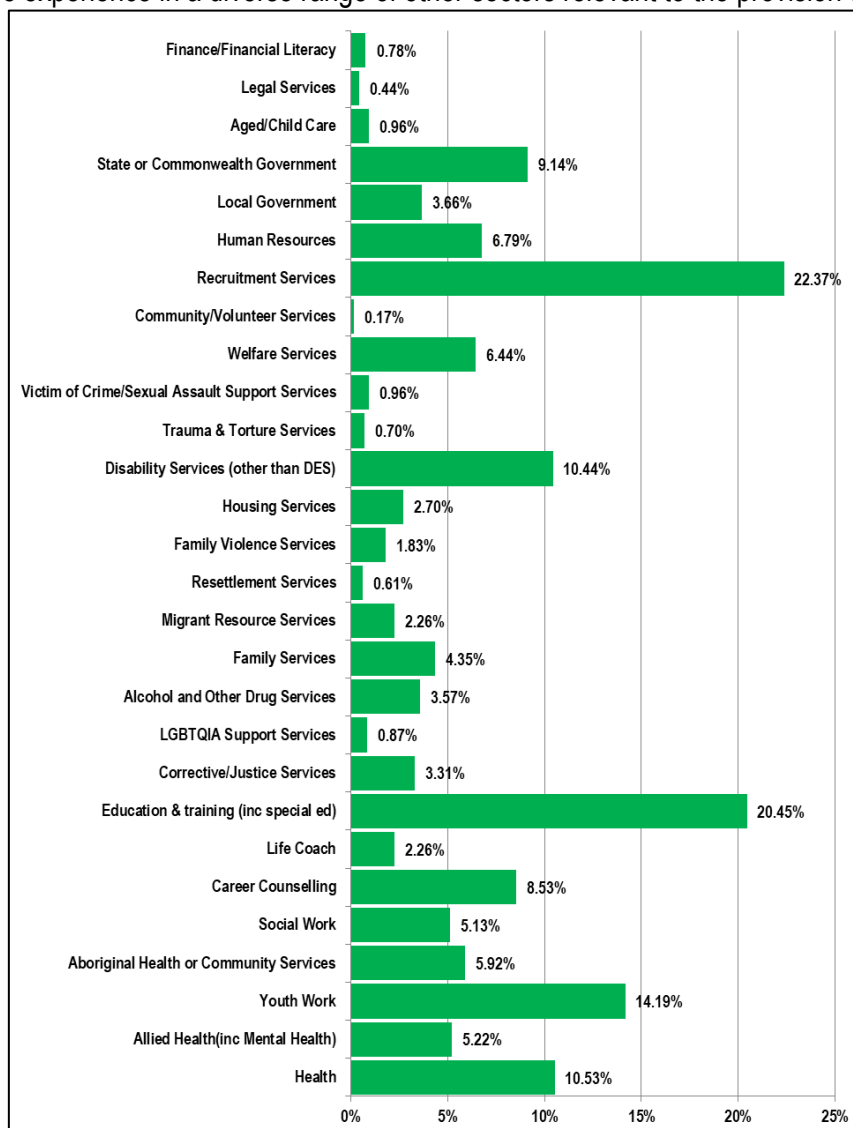
HIGHEST QUALIFICATION: FIELD OF STUDY



Note: Employment Services Specific Qualifications are in the Mixed Field Program category

TOTAL WORKFORCE EXPERIENCE

The average years of total paid workforce experience was 19.4 years. 89% of the employment services workforce reported paid workforce experience in a diverse range of other sectors relevant to the provision of employment services.



Note: Respondents were asked to report all past work experience and may appear in more than one category

PROFILE OF FRONTLINE STAFF WITHOUT POST-SECONDARY QUALIFICATIONS

- The age profile of workers without qualifications is different to those with qualifications. 31% are Mature Aged being 45+ compared to 35% of workers with qualification and 24% are 25 or under compared to 12% of workers with qualifications.
- Those without qualifications were more likely to have experience in an employment services customer service role or have a current role as a Business Development Consultant/Recruiter.
- 12% Identify as Aboriginal or Torres Strait Islander
- 24% Identify as being from a culturally and linguistically diverse background
- 67% have a total work experience of over 10 years with 49% of those having over 20 years in the paid workforce
- 59% had work experience in fields specifically relevant to the delivery of employment services with the most common being public service (Local, State and Commonwealth and including CES, Services Australia, related Departments and Corrective Services), Recruitment Services, Aboriginal Health and Community Services, Family Services, Family Violence Services, Youth Services, Community Health Services and Business Ownership.

#weR4jobs

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