



# Language, Literacy and Numeracy Program Services

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# **Executive Summary**

The Language Literacy and Numeracy Program (LLNP) has an essential role to play in preparing job seekers with low language and /or literacy and numeracy skills for employment. Given this potential for the LLNP to reduce employment barriers for disadvantaged job seekers, it is critical that the program is examined carefully to identify any current aspects that present impediments to achievement of this goal. Adult Multicultural Education Services (AMES) and Holmesglen Institute of TAFE, as consortia partner providers in Melbourne, therefore welcome this opportunity to provide input.

The Consortia's contribution to the Discussion Paper is specifically in relation to CALD participants. However, many of these issues are applicable to English speaking background job seekers who are marginalised in the labour market as a result of low literacy and /or numeracy skills.

Section 1 of the paper notes the importance of considering reforms to the LLNP in the context of other reviews being undertaken with respect to language and employment programs. A number of areas that provide opportunities for increased policy alignment are discussed.

Section 2 provides responses to the Issues for Consideration raised in the Discussion Paper. The Consortia has identified a number of areas that we consider to be essential components of a review. Changes to these areas have the potential to further increase the effectiveness of the LLNP in achieving it objectives.

In summary these areas are:

- Making changes to the ways in which the LLNP measures, reports and monitors participants and providers performance and outcomes
- Making changes to the program structure particularly increasing the capacity to deliver concurrent language and vocational training in the Initial and Basic Streams
- Significantly streamlining administration requirements by making changes to procedures and some contract requirements
- Further consolidating links between Employment Service providers and LLNP providers to support job seekers pathways to employment
- Reviewing payment models to align them with other contract payment models in federally purchased education and training

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# Recommendations

# 1. Measuring, Reporting and Monitoring

- 1.1. That LLNP resources be focused on support for job seekers to address language and literacy barriers to employment rather than process and compliance.
- 1.2. That measures other than the NRS be used to assess and report on progress for participants in the Initial Stream.
- 1.3. That where competencies from Training Packages are included in programs, these be reported as outcomes.
- 1.4. That the requirement to develop an Individual Training Plan encompassing detailed curriculum and NRS outcomes for each participant not be continued.
- 1.5. That provider quality be established through the tender selection process and compliance with AQTF standards, removing the necessity to include an additional verification process.

# 2. Program Structure

- 2.1. That training blocks be increased to 400 hours for the Initial Stream and 200 hours for the Basic Stream.
- 2.2. That program structure be reviewed to make delivery of concurrent English and vocational training more administratively and financially feasible.
- 2.3. That a nominated percentage (say up to a maximum of 25%) of delivery be able to be delivered by industry qualified trainers (rather than ESL teachers) where integrated language and vocational programs are delivered.
- 2.4. That enrolment of job seekers in LLNP and PPP be approved as allowable concurrent programs.
- 2.5. That LLNP classes of less than the current minimum of 10 hours be available to clients who have part time or casual work but continue to require English language, literacy or numeracy training.
- 2.6. That work experience and work observation be included in the Initial and Basic Streams and that administrative requirements be simplified in line with requirements in other training programs.

# 3. Program Administration

- 3.1. That administration procedures be streamlined including:
  - Simplified processes for establishing learning activities
  - DEEWR payment systems be modified to accommodate the 10 day clause where there are delays due to system issues
  - Number of data entries for each client be reduced by not continuing the requirement to enrol each client in each session
- 3.2. That client choice be increased by abolishing the 5% Out of Area limit for the Initial and Basic Streams.
- 3.3. That payment milestones be adjusted, particularly with respect to repayments required where a participant suspends and then returns.
- 3.4. That withdrawal and suspension arrangements be reviewed to increase flexibility allowed in attendance and reduce administration.

# 4. Program Linkages and Pathways

4.1. That increased linkages be developed between Employment Service providers and LLNP providers to support LLNP participants' pathways to employment.

# 5. Payment Models

- 5.1. That, in line with other payment models for federally purchased education and training, individual client absences should not impact on payment to providers.
- 5.2. That a payment rate be set for employment outcomes.

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# **SECTION 1 - Overview**

## 1. The Respondents

This response has been prepared by AMES and Holmesglen Institute of TAFE. AMES and Holmesglen work in a consortia partnership to deliver the Language Literacy and Numeracy Program (LLNP) in Melbourne.

#### **AMES**

AMES is a specialist organisation providing settlement, education, training and employment services to newly arrived refugees and migrants in their initial phase of settlement, and to longer term migrants who require support to gain employment.

AMES is the largest provider of specialist services for newly arrived refugees and migrants in Australia. AMES provides services in Victoria and in the western suburbs of Sydney. AMES works with over 50,000 people a year and has over 50 years experience.

#### Services include:

- initial settlement services for refugees provided through Integrated Humanitarian Settlement Services (IHSS) Network
- English language training (with a focus on employment where learners are also job seekers) provided through the Adult Migrant English Program (AMEP) and Language Literacy and Numeracy Program (LLNP)
- vocational training for job seekers and those already in the workforce
- CALD specialist employment services provided through Job Network

## Holmesglen Institute of TAFE

Holmesglen is the largest TAFE Institute in Victoria, and one of Australia's most accomplished providers of vocational education and training. Each year Holmesglen delivers over 600 different courses, running across 11 different study areas. The Institute annually attracts over 50,000 enrolments, including some 4,000 enrolments from international students.

The Institute's courses are highly regarded within the industries it serves, and include:

- Apprenticeships and Pre-Apprenticeships in engineering, hospitality, horticulture, furnishing, and building and construction trades like carpentry, glass and glazing, or plumbing
- Over 200 nationally accredited Certificates, Diplomas and Advanced Diplomas, with many

courses offering a flexible approach to study (part-time, full-time, weekend, evening and off-campus options are available) and a pathway into higher education streams (including degrees)

- Degree and Graduate Certificate courses
- Bridging and preparatory courses, language programs, adult VCE, trade accreditation and testing, adult short courses, and corporate and industry programs.

The Language Centre in Holmesglen is the largest in Victoria with more than 3,000 students and 200 teachers. The Centre offers a variety of languages programs which include the AMEP, LLNP, WELL, ELICOS, Adult Literacy, English for Professionals, Vocational English and Teacher Training (CELTA & TESOL).

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The Consortia's contribution to the discussion paper is specifically in relation to CALD participants. For the purposes of LLNP, the Consortia defines CALD participants as those who have arrived relatively recently and have one or a number of the following attributes.

- Limited or no Australian work experience and networks
- Limited or no knowledge and understanding of Australian workplace culture and systems
- Low English communication skills and some preliterate in first language

- Experiences of torture or trauma prior to arrival
- Chronic health issues as a result of overseas experiences
- Overseas skills and experiences which are relevant but not necessarily easily translated and /or recognised in Australia

While the paper focuses on issues with respect to relatively newly arrived migrant and refugee participants, many issues affecting this group are applicable to English Speaking Background job seekers who have low levels of literacy and /or numeracy and are marginalised in the labour market.

# 2. LLNP in the context of other government reforms

The government is reviewing all programs that contribute to job seekers finding sustainable employment to make these programs as effective as possible in achieving this outcome in the next contracts. Changes to LLNP must align with reforms that the government is intending to implement across other major government programs. In each of the Discussion Papers<sup>1</sup> released to date a number of broad intentions have been outlined. These include:

- Providing services that are relevant to job seekers
- Providing early intervention for job seekers and ensuring that those who are struggling get the most assistance
- Minimising the amount of time and money spent on administration
- Building social inclusion so that all Australians can share in the nation's prosperity
- Addressing skill shortages through increased investment in training for job seekers and the existing workforce

#### 2.1 LLNP in the context of Employment Services

Reforms to LLNP must be considered firmly in the context of the delivery of a future new model for Employment Services. There are some very welcome new directions proposed in The Future of Employment Services Discussion Paper released in May 2008. DEEWR has clearly responded to what they noted as an overwhelming mood for change following consultations prior to the release of the Discussion Paper. Several areas are noted that are equally relevant to considerations with respect to LLNP.

In summary these are:

- 1. Program Inflexibility
- 2. The low priority placed on training
- 3. The complexity and fragmentation of employment services
- 4. Over emphasis on process compared to service delivery
- 5. Insufficient employer focus

These are discussed in more detail in the response to the discussion questions.

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The Future of Employment Services in Australia A Discussion Paper May 2008
Skilling Australia for the Future Discussion Paper 2008
AMEP Discussion Paper - to be released in July 2008 (consultations commenced in April 2008)

#### 2.2 LLNP in the context of proposed changes to the Adult Migrant English Program (AMEP)

Significant reforms are also being proposed for the delivery of the AMEP. Consultations have begun with providers and clients and a discussion paper will be released in the near future. The AMES and Holmesglen Consortia deliver both the AMEP and LLNP.

In the Consortia's experience of developing and implementing pathways to employment for new arrivals, the importance of further language training for some AMEP participants cannot be overstated. AMES has been involved in several consultations as part of the current review of the AMEP and is encouraged by the new approaches being considered for the program.

As with the Employment Services review, a number of areas are relevant to considerations with respect to LLNP. In summary these are:

- A strong focus on the learner
- Acknowledgement of the different learner groups in the AMEP
- Consideration of increased flexibility in delivery modes
- A strong emphasis on partnerships and pathways
- Consideration of alternative ways to measure program outcomes

#### 2.3 Skilling Australia

The Skilling Australia for the Future Discussion Paper reinforces the increased emphasis placed on training in other government policy documents. There is a commitment to both address job seeker barriers to gaining work and to continue training and upskilling for the existing workforce. There are important issues to take into account for job seekers who are particularly disadvantaged in securing employment that are relevant in the context of the LLNP and its future structure and role.

In AMES submission to the Skilling Australia Discussion Paper we argued that training pathways and work is often a non-linear process for newly arrived migrants and refugees. This means that these job seekers will often gain some work early in their settlement in Australia but will transition in and out of work and training in this early phase. During this time they will continue to need English language training to access and retain work. A significant number will also need to develop additional or new vocational skills. LLNP training and other support to gain and retain employment must be designed to account for these non-linear pathways.

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# **SECTION 2 - Issues For Consideration**

# Part 1: What services should the Australian Government be purchasing?

# How effective is the LLNP in preparing clients for daily life and employment?

# 1. Importance of LLNP as part of a suite of programs for employment preparation

The LLNP is an essential part of preparing job seekers with low levels of language and /or literacy and numeracy skills for employment and to provide them with the skills for daily life.

Many refugees and migrants come to Australia with no English or low levels of English. Resources available in the AMEP are not sufficient to equip these job seekers with the required proficiency in English to operate independently and effectively in a workplace. Policy directions in the AMEP are that it is part of a pathway, but cannot provide the whole pathway, for newly arrived job seekers into employment.

Other migrants and refugees who have been in Australia for a longer period and have been

displaced in the labour market also require the programs that can be provided in LLNP. Among the industries that have labour shortages are many that require basic level skills. Such jobs traditionally were taken up by newly arrived migrants with little or no English language. Process work in the manufacturing sector that the 1950s post war migrants were employed in was one major source of work.

In contrast, the current labour market requires that even elementary skill level jobs require basic communication skills and knowledge of occupational health and safety regulations and workplace procedures. An increased capacity to communicate is therefore important for these displaced workers.

# 2. Opportunities to increase effectiveness

Given the potential for the LLNP to reduce barriers to employment for disadvantaged job seekers, it is critical that the program is examined carefully to identify any current aspects of the program that present impediments to it being as effective as possible.

## **LLNP Learning Contexts**

The policy intention of the LLNP is to deliver language, literacy and numeracy in a vocational context. This capacity to implement this policy is, however, limited. This is mainly a result of the contractual requirements to have ESL or literacy teachers for all program delivery and the complexity and inflexibility of the LLNPIS system. This is of particular concern in the Initial and Basic Streams where the majority of delivery takes place and where contextualised delivery is recommended but where competencies from

Training Packages are not required as in the Advanced Vocationally Oriented Courses.

It is the Consortia's experience that clients with low levels of formal education learn more effectively when language training is undertaken concurrently with vocational training. The effectiveness of the LLNP could therefore be increased by amending the staffing requirements. How participants' gains in the program are measured and reported would obviously flow on from these changes.

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#### Structural and Administrative Issues

There are a number of structural and administrative issues that inhibit program effectiveness. These are also addressed in a number of other sections in this paper but are important to raise in the context of opportunities to increase program effectiveness.

The broad areas that require consideration are:

- Language outcome requirements to demonstrate capacity to benefit from additional training: Newly arrived refugees and other newly arrived migrant job seekers who arrive with no English and limited education cannot achieve the required NRS benchmarks to move from one training block to the next.
- Suspension and withdrawal arrangements: The contract requirements for suspension and withdrawal also have unintended consequences in relation to the degree to which participation in LLNP can act as an agent for social inclusion.<sup>2</sup>
- Level of program monitoring particularly with respect to the verification: Program monitoring requires review to ensure that an undue percentage of the program budget is not taken up in contract monitoring and a separate verification process.

- How could LLNP learn from other programs?
- What strengths from other services could we incorporate into LLNP?
- What kind of flexibilities should be incorporated into Program delivery and why?

As noted in the introduction to this paper, the government is undertaking reviews of all programs that support job seekers in gaining employment. Feedback from both providers and client users of these services has identified a number of areas that require review and significant changes to meet the needs of job seekers and employers in the future. There are significant opportunities to learn from this feedback and the proposed changes in other job seekers' programs. Learnings from two programs that are most closely related to LLNP are discussed.

- 1. Employment Services
- 2. The Adult Migrant English Program (AMEP)

## 1. Employment Services

Several areas were identified in The Future of Employment Services Discussion Paper that require review and change in a new Employment Services model. These are outlined briefly in the context of opportunities for incorporation into LLNP.

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Suspension, while intended to increase flexibility and take account of other pressures that participants may have in continuously attending an LLNP program, does not necessarily achieve this. Because of the strict requirements in terms of absence for participants and the contract payment system where only actual hours (with a tolerance of 5%) are paid for, providers must suspend or withdraw participants regularly. This is of particular concern for newly arrived refugees who are committed to undertaking training but have other settlement issues that must be addressed concurrently and at times conflict with class attendance - for example medical appointments, dealing with immediate settlement issues for the job seeker and their family

#### Addressing Program Inflexibility

In Employment Services the continuum of service approach that characterises the current Job Network contract is considered to be too rigid. Inflexibility is noted as being as much a result of contractual and other requirements imposed on providers as about the model itself. The Consortia's experience in delivering LLNP is that contractual requirements also severely limit flexibility in program delivery. Examples of these inflexibilities that are particularly relevant for migrant and refugee participants include:

- 160 hour training blocks that do not account for different learning programs for participants entering with a range of English language competence and education levels
- withdrawal and suspension requirements that work against continuity of learning for participants and place unreasonable administrative burdens on providers and Centrelink
- lack of capacity to easily incorporate vocational modules into LLNP programs

## Placing a higher priority on training

The contribution of education and training as an important factor in capacity to gain employment is highlighted in the Employment Services Discussion Paper. The lack of incentive for Job Network providers to place job seekers in training to date has impacted on the capacity to develop the most effective relationships with Job Network providers. The speed of placement criteria and work first model has not matched well with commitment to training.

The proposed increased emphasis on training as one intervention to reduce job seeker barriers to employment provide opportunities for more effective LLNP partnerships and a more coordinated and consistent training approach between LLNP training and Employment Service providers.

Increased cooperation between Employment Service providers and LLNP providers in sharing local labour market information and industry skill and labour shortage areas has the capacity to result in more locally targeted LLNP programs that build a pathway to employment.

Employment is the objective for the job seekers and the referring Job Network provider. An increased capacity to focus more holistically on this goal as an outcome of training would increase the relevance for the participant and the referring Job Network. It would provide an added incentive for active engagement between providers.

An increased focus in these courses on communication skills required by employers rather than the current requirements to gain improvements on two NRS indicators would achieve the broader objective of preparing participants for work. Currently the contract measurements of progress are focussed on benchmarks within the NRS that may not have direct application to a particular industry or workplace.

#### Addressing the complexity and fragmentation of Employment Services

The complexity and fragmentation of Employment Services is noted as an area requiring change. While this refers mainly to the suite of programs within Employment Services, better integration of LLNP in a job seeker's pathway would improve the effectiveness of LLNP in contributing to preparation for employment. The 'out-of-sight, out-of-mind' that is noted in the Employment Services Discussion paper with respect to job seekers in programs such as Work for the Dole applies equally to job seekers in LLNP.

The solution for Employment Services has been to bundle all of the services in to one contract.

While it is assumed that LLNP will remain a separate program as it requires providers with education and training capability, the greater the incentive to work closely with Employment Service providers, the more likely these will be viewed by job seekers as a useful tool on their employment pathway.

It is important for the job seeker to retain contact with their Employment Service provider while they are in training to retain the focus on medium or longer term goals of employment. Closer links between programs should facilitate this.

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## Reducing the over emphasis on process compared to service delivery

What is referred to as 'excessive red tape' and the over emphasis on processes rather than outcomes in reducing the capacity of providers to service job seekers in the Future of Employment Services Discussion Paper is equally applicable to the current LLNP model. Job Network providers have noted that this puts the emphasis on compliance rather than obtaining employment for job seekers. For LLNP providers the balance likewise needs to shift to time spent actually working with the job seekers to improve language outcomes rather than an over emphasis on administration, assessing and reporting.

A number of the areas where the Consortia has identified an over emphasis on process and processes that contribute to excessive amounts of time being taken up with administration are listed below. These are addressed under a number of areas in the paper as the Consortia considers them to be fundamental in limiting the effectiveness of the program to date, or at least requiring significant effort on the part of providers to work around these issues in the interests of providing a relevant and useful service to participants.

- The requirement to develop an individual training plan for each participant which is driven by the 'capacity to benefit' test for additional blocks of training, demonstrated by improvement of one point in two macroskills on the NRS.
- The requirement to seek exemptions to undertake further training where a participant does not achieve two gains is time consuming and therefore discourages providers using this

- option to allow a participant to undertake additional training.
- The requirement to develop TADS (as part of the tendering process) that provide a micro level of detail which are not in fact used to report as a result of the discrepancy noted by DEEWR in alignment of curricula to the NRS between providers.
- The complexities of LLNPIS that result in time consuming processes to establish Learning Activities and significantly higher levels of staff training to understand and accurately use the system than is required for systems to administer other training programs.
- The out of area referral system and quotas that limit client choice and provide additional administrative complexities for providers and referring agencies (both Centrelink and Job Network).
- The requirement for pre training assessments to be conducted only after client's referral appears on LLNPIS. In some cases, the referral is not being logged into the system in a timely manner thereby making it difficult and in some cases impossible for providers to meet the requirement for interviews to be undertaken within 10 working days.<sup>3</sup>
- The complexities of the payment system, particularly as it relates to Suspensions, repaying 20% of the final 40% payment where a participant leaves and then returns and the additional \$20 weekly payment to job seekers that must be stopped and reinstated in Suspension cases.

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<sup>&</sup>lt;sup>3</sup> Providers are then not permitted by DEEWR to interview the job seeker when they present for the interview. If they are outside the ten day limit the job seeker then needs to be re-referred. Significant time is incurred by provider staff in liaising with Centrelink and regional office to establish why referrals have not been actioned on the system. While this has reduced over the contract AMES estimates that this still applies to approximately 10% of all referrals and takes three or four people to deal with the issue across AMES and other agencies. It is likely that this process deters job seekers with very low communication skills and creates an additional barrier to taking up LLNP training.

#### Strengthening employer focus

Insufficient employer focus is noted as another weakness in the current Job Network model. This applies equally to the LLNP. The intention in the LLNP contract is to contextualise the training to local business and industry needs in the Initial Stream and deliver LLN skills associated with vocational competencies from an endorsed Training Package in the Basic Stream. However the strong concentration on detail in ITPs and NRS outcomes and the contractual requirement for ESL and /or Adult Literacy teachers to deliver 100% of the Program detracts from the capacity to accommodate these industry requirements. If the system was more flexible, there would be opportunities to work more closely with Employment Service providers to better target LLNP training to local labour market needs.

The increased emphasis on work experience in **Employment Services also provides opportunities** to consider how LLNP training could be integrated to provide a more focused pathway to employment. Inclusion of work experience or work observation in the Initial and Basic Streams would complement the proposed integration of language and vocational training for these job seekers with low English language levels but a desire to secure employment. Requirements for agreements between providers and the entity providing the work experience also require review and simplification to facilitate more employers participating. Current requirements for AVOC courses are more complex than work experience arrangements in other training programs.

# 2. The Adult Migrant English Program (AMEP)

Several areas have been identified in consultations to date as part of a review of the AMEP. No discussion paper has yet been released but a number of changes have been proposed in consultations with providers. As with the changes to Employment Services, the proposed changes to the delivery of AMEP will provide opportunities to work more effectively in a substantially reformed environment. These are outlined briefly.

#### A strong focus on the learner

As with the reformed Employment Services model, it is the intention to have a strong focus on meeting client needs. This will mean that while reporting and accountability must be sufficient to ensure that providers are

contractually compliant and the government is getting value for money, this should not be at the expense of the major part of resources being invested directly in the learners rather than processing and compliance.

# Acknowledgement of the different learner groups in the AMEP

It is proposed that there be an Employment Stream in the AMEP, with new arrivals who need to gain employment early in their settlement focussing on employment related English as soon as possible. This group of learners will transition directly into the LLNP if they have not gained employment before the completion of their AMEP entitlement.

There is also an acknowledgement that learners will have different needs in terms of formal and more practically based learning.

Combining vocational modules with English in the AMEP is proposed for this group. Making the model easier and more cost effective to implement in LLNP delivery would result in a better integrated approach to learners training pathways to employment.

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#### Consideration of increased flexibility in delivery modes

There is a recognition that individual learners in the AMEP have different constraints in managing a learning program. This is particularly true for some refugees who are managing complex settlement issues including chronic health issues and the need to gain some work early in settlement, as well as improve their English to either secure, retain or gain more suitable employment in the longer term. These issues, as well as settling and caring for families – particularly in the case of women who are sole parents – result in the need to provide learning programs that include some degree of flexibility.

While there is an additional requirement in LLNP to demonstrate availability for work by regular attendance in job search activities, including training, some additional flexibility in attendance is required. Absence does not necessarily indicate an unwillingness to attend training. Undue constraints to suspend and withdraw job seekers to protect their LLNP entitlements and demonstrate compliance with Mutual Obligation requirements can disadvantage the learner and disrupt their learning program.

AMES Job Network's experience in working with their current group of job seekers is that there are also a significant number of mothers now requiring support to gain employment and that two days absence is not reasonable for these clients. Job Network staff work proactively with these job seekers and customise support to meet their needs - for example Job Clubs for parents returning to work. A similarly proactive approach in LLNP is worthy of consideration.

Withdrawal codes provide an indication of the other life circumstances that impact on capacity to attend training at least 90% of sessions. While DEEWR allows a 5% tolerance in terms of payment, AMES does not withdraw participants until they have missed 10% of training in recognition that they are committed to learning and absence is not necessarily an indication of unwillingness or systemic avoidance of participation requirements. In some cases AMES increases this tolerance further and bears the cost of sessions not paid by DEEWR because the professional judgement of the teacher is that this is in the best interests of the client in terms of their employment pathway. Table 1 provides data on withdrawal reasons.

Table 1: Withdrawal Reasons

Withdrawal Reasons	No	%
Personal issues	275	36.2%
Found Employment	230	30.3%
Health reasons	107	14.1%
Proceeded to training/education	81	10.7%
Failed to Attend	52	6.9%
Transport issues	6	0.8%
Unsuitable for program	5	0.7%
Cannot be contacted	2	0.3%
Provider Closure	1	0.1%
Total	759	100%

Source: LLNPIS

In AMES submission to the Employment Services Discussion Paper we supported the proposal that providers are given increased discretion not to submit Participation Reports when they are satisfied with a job seeker's explanation for their absence or where they believe that it will assist the job seeker's chances of obtaining

employment. AMES recommends a similar approach with respect to LLNP attendance to ensure consistency of policy across programs. This would reduce the need for suspensions and withdrawals, providing more continuity for the job seeker and reducing administration.

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Further feedback from AMES Job Network is that job seekers are frequently keen to continue to undertake some training when they have part time or casual work. Many CALD job seekers are highly motivated to commence work early during their settlement period. This work may often be casual or part-time but it nevertheless provides an entry point and sets up a work-not-welfare pattern of settlement in Australia. The increase in non-standard forms of work noted in Reward for Effort is a reality for CALD job seekers, particularly those with low skills or no work history in Australia as well as other job seekers who have no recent work experience and /or other significant barriers to employment.

Gaining employment early and the foundation this provides to the beginnings of inclusion in

Australian society must be balanced against the equally important imperative to develop adequate communication skills in English. This is essential if new arrivals as well as other job seekers who are entering employment with low skills levels are not locked into low skilled and casualised work in the longer term.

Skilling Australia<sup>5</sup> strongly supports continued training for the existing workforce to build the skills and productivity of the workforce. A broadening of the requirements for LLNP training to include training of less than 10 hours would enhance the capacity of the program to deliver to these government policy objectives for people who are still job seekers but have some casual or part time work that is not sufficient to get them off welfare benefits.

#### A strong emphasis on partnerships and pathways

The purpose of the AMEP is to provide the first stage of a pathway for newly arrived refugees and migrants. For those who come with low levels of language and particularly those with low education and low literacy, the AMEP will fulfil only the first stage of the pathway. LLNP will be required to supplement this. In 2007, 75% of LLNP participants in AMES and Holmesglen programs were exiting AMEP clients.

The opportunity to continue this pathway, for example, commencing some language delivered in a vocational context in the AMEP and then continuing to integrate this with language learning in the LLNP is designed to provide job seekers with language learning opportunities that have a clear vocational outcome. However, this is limited to date by the contractual staffing requirements and administrative complexities noted earlier.

Timely referral and commencement of the next stage of the pathway is an essential component of

effective pathways. This means that there must be sufficient capacity in contracted LLNP providers to manage the volume of job seekers referred. Current Job Network providers have noted that waiting lists are of concern for complementary programs including LLNP in some areas.

An additional opportunity for pathways is with the new Productivity Places Program. The Skilling Australia Discussion Paper notes that LLNP is a program for job seekers who lack the foundation skills to complete vocational training in PPP. The Consortia recommends that there should be a capacity to use these funds concurrently with LLNP rather than as a linear pathway. In line with this recommendation, AMES also recommended in its submission to the Skilling Australia Discussion Paper that sufficient places be allocated at Certificate I and II to accommodate job seekers who need a low entry point.

#### Consideration of alternative ways to measure program outcomes

Additional and alternative outcome measures are being considered for the AMEP, particularly for learners with low education and low levels of English. It is proposed that a set of settlement outcomes be used in addition to language gains.

Given the hurdles faced in capacity to benefit once exiting AMEP learners commence LLNP training, some alternatives may also be required in LLNP.

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<sup>&</sup>lt;sup>4</sup> Reward for Effort: Meeting the Participation Challenge. A discussion paper on Australia' workforce participation issues. Issued by <u>Senator Penny Wong November 2006</u>

Skilling Australia Discussion Paper 2008

- How can the current servicing arrangements be improved to provide better outcomes for the client?
- What structure for Program delivery would best meet clients' needs and ensure successful outcomes, particularly for disadvantaged clients (eg Indigenous Australians) and clients with multiple barriers to learning?

Issues raised in the previous responses point to a number of changes to servicing arrangements and changes to program delivery structure that would result in better outcomes for clients. These changes broadly fall into the following areas.

- Better Integration of English and VET
- 2. Increased hours for training blocks
- 3. Reviewing outcome reporting requirements
- 4. Reviewing withdrawal and suspension arrangements

# 1. Better Integration of English and VET

As noted earlier, the Consortia has found that concurrent training is more effective than a sequential pathway of English first, then vocational training, if job seekers are keen to find work as soon as possible after arrival in Australia. Job seekers in this type of program are highly motivated, both to improve their English and acquire the vocational skills if they see the connection between training and subsequent employment.

A number of models demonstrate the potential for better integration of English and VET and wider application in the LLNP. These models integrate vocational training and communication skills and use practice and demonstration to deliver training. They are applicable for job seekers who have low levels of English language and literacy. Where these learners have low levels of English AMES delivers the vocational component of training in the learner's first language.

AMES models that demonstrate the potential of this approach are described below. The first model is based primarily in a classroom and includes a component of hands on practical training. The second uses social enterprises established by AMES as training venues for CALD job seekers. This model has the benefits of hands on learning in a real work situation with appropriate language support while undertaking accredited vocational training.

Implementation of these models in LLNP would require a review of the current contract requirements in areas including the primary focus on NRS gains and the requirement for all training to be delivered by a qualified ESL teacher.

#### Model 1: Classroom and hands on learning

AMES has trialled this model with a group of Sudanese women from very low English language and literacy backgrounds who are training to work in the hospitality industry. The course, which runs for 20 hours per week, combines two hours of specific hospitality training each morning from the Certificate 1 Hospitality (Housekeeping) with language and literacy training (CSWE 1) in the afternoons. The language and literacy course content is strongly focussed on the Hospitality theme and language and concepts of the Hospitality course. Every Friday the group is accompanied by a bilingual hospitality trainer to a local workplace (motel) where hands-on workplace learning takes place. At the end of the course the clients complete a two week work placement in a hotel. Their progress in language and literacy is measured by competencies and /or modules achieved in the CSWE. Progress is similarly measured and reported for the VET Certificate.

## Model 2: Social Enterprise Learning

AMES has been successfully delivering traineeships at Certificate II and III level in Assets Maintenance (Cleaning) for relatively recently arrived migrants and refugees. Many of these trainees have very low or no literacy skills in either English or their first language and limited formal education reflecting the overall LLNP client profile at AMES. Trainees undertake a combination of on - the - job work experience and classroom training with an Assets Maintenance trainer. Language, literacy and numeracy skills are taught and practised in ways that are directly related to and required on the job, such as learning to read timetables and work schedules, following oral instructions, measurement, and filling in checklists of work completed. The assessment and progress measures are spelt out in formal traineeship agreements between the trainees, employers and the RTO and reported to Skills Victoria (formerly OTTE).

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# 2. Increased hours for training blocks

AMES recommends that the number of hours per training block be increased. Blocks of 160 hours are not sufficient to provide a consolidated learning program. This is particularly applicable for participants who have low levels of formal

education and enter the program with low levels of English. These participants form a significant proportion of all LLNP participants enrolled in AMES and Holmesglen programs. Table 2 provides a breakdown of education levels.

Table 2: Education Levels

Years of Schooling	No.	%
Up to 1 year	132	15.5%
1-7 years	268	31.4%
8-10 years	192	22.5%
11-12 years	240	28.1%
13-15 years	22	2.6%
16 years	0	0.0%
Total	854	100%

Source: LLNP clients recorded on ARMS

The potential disadvantage of increased hours in training blocks is that participants' progress and participation is not sufficiently monitored to ensure that clients are benefiting. This can be addressed by ensuring that there is professional judgement being applied by the staff member managing the learning activity. Where participants are not being deemed to benefit or are not demonstrating a commitment to the program they will be withdrawn. Contracted providers should be selected for their professional expertise with this particular client group and should then have increased flexibility to exercise their professional judgement against a test of client commitment and contribution to employment readiness.

Ensuring that there is consistency with participation requirements in the new Employment Services is important. As noted earlier, AMES has recommended increased discretion in this area. (See The Adult Migrant English Program: Consideration of increased flexibility in delivery modes, page 12).

An increase in the number of training hours per block would also address some of the administrative burdens associated with LLNP that result in too great a proportion of resources being used in activity other than direct client contact.

# 3. Reviewing outcome reporting requirements

AMES recommends that the measurement of outcomes be reviewed. AMES has participated in the current project being undertaken by Lynda Wise and Associates and supports this approach. The work also being undertaken by the AMEP Review Team may have some useful alternative indicators. Work is being undertaken by this team to develop settlement indicators in addition to language indicators. Employment indicators that capture increased readiness for employment may be possible for LLNP. This would support the more holistic approach recommended earlier in the paper with respect to the current singular focus on NRS outcomes as a measure of progress and indicator for eligibility for further training.

It is likely that there are a number of factors in whether participants progress from one training block to a subsequent block. In the Consortia's

experience achievement of NRS indicators is one barrier in ability to progress. This is also confirmed by the Consortia's Job Network who have concern that job seekers are having to be referred to low intensity classes usually in Community Providers as a result of not meeting hurdle requirements to move to a subsequent training block. This is not a satisfactory outcome for the job seekers who are becoming more marginalised by having less access to training.

The selection of which NRS indicators are chosen on the ITP is also likely to be influenced by which are the most achievable, rather than which may be the most relevant for an employment pathway - but may be only partly achieved within the 160 Training Block and preclude a job seeker from further training.

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# 4. Reviewing withdrawal and suspension arrangements

Current data on withdrawal and suspension indicates that there are large attrition rates both within training blocks and in progression to subsequent blocks. This suggests that there is a need for some program changes to improve retention within the program. While there are a

number of reasons for this - including a desired outcome of participants gaining employment - there are likely to be structural changes noted previously that could address some other areas.

Table 3 provides data on these attrition rates.

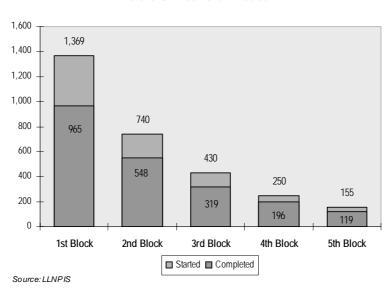


Table 3: Attrition Rates

What innovations could be implemented to encourage participation of Indigenous clients in remote areas?

The Consortia does not have the relevant experience to provide a useful response to this discussion point.

How could specialised services such as Advanced Vocationally Oriented Courses (AVOC) and Complementary Training (CT) be improved?

## 1. Advanced Vocationally Oriented Courses

The Consortia confirms that there is a need for Advanced Vocationally Oriented Courses. Holmesglen submitted to deliver courses for Health Professionals and Engineers early in the current contract. Due to some administrative issues the courses took a significant time to be approved. Holmesglen made a business decision to continue to deliver these courses with other state funding.

It would be preferable for funding to be accessed through LLNP funds. This would be facilitated by

more streamlined approval processes and simplified LLNPIS arrangements. The work experience component for these programs is essential. Requirements with respect to agreements with employers are more complex than for other programs incorporating work experience and it is recommended that these be simplified in line with other programs. Securing work experience for job seekers is challenging and the more streamlined this can be made for employers, the more likely they are to be willing to participate.

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# 2. Complementary Training

It is recommended that the innovations frequently delivered using Complementary Training funding be incorporated into the mainstream LLNP. A number of the recommendations included in this paper would increase the flexibility of the LLNP and increase the capacity for innovation for all programs.

Complementary Training is worthy of retention but should be used where training needs to be highly customised and cannot be delivered within regular LLNP guidelines. This may include where training is required for very small groups of job seekers or where there is a highly specialised need identified.

The Consortia also recommends that there be separate funding for Complementary Training. The current requirement to deliver any Complementary Training within a provider's allocated budget reduces access where budget is absorbed by large numbers of referrals.

How can the linkages between LLNP providers and referring agencies [Centrelink and Employment Services Providers, including Job Network Members (JNMs)] be improved (noting that there has been a review of Employment Services Arrangements, as part of an open tender process occurring later this year)?

The linkages between LLNP providers and referring agencies, particularly Job Network providers has been referred to in a number of responses to previous questions.

In summary the important issues with respect to improved linkages are as follows.

- 1. Increasing the importance placed on training as one tool to address job seeker barriers to employment. In the new Employment Services model this has a higher priority and therefore should facilitate linkage and referral.
- 2. Ensuring that, wherever practicable, programs delivered in LLNP have direct links to future employment. This would be facilitated by increasing the ease with which industry Training Package competencies could be incorporated into LLNP delivery. New arrangements for reporting outcomes and requirements for staff delivering LLNP are relevant in this context.
- 3. Ensuring that job seekers can be retained in the LLNP program for more than one training block to provide opportunities for effectively integrated language and vocational training. Increased flexibility in suspension and withdrawals, outcome requirements to move to subsequent training blocks are relevant in this context.
- 4. Ensuring that there are sufficient resources allocated to allow Employment Service providers who retain primary responsibility for employment placement and LLNP providers who are providing training to support this goal to retain contact with the job seeker and continue to support the employment focus. Having the resources to systematically share labour market information, target particular LLNP courses to local vacancies and work with employers where appropriate to provide work experience and fill vacancies is important to achieve this.
- 5. Ensuring that referral systems between agencies are sufficiently streamlined to make referral and program commencement as simple as possible for providers and job seekers.

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# Part 2: How should the services be purchased and measured?

- Is the LLNP the most cost-effective way of skilling people with low language, literacy and numeracy skills? How could it be made more effective?
- How can the reporting and administrative procedures be simplified or made more efficient so trainers can spend more time on training excellence?

The overarching objective of the LLNP is to improve clients' language, literacy and /or numeracy with the expectation that such improvements will enable them to participate more effectively in training or in the labour force. Providers assist job seekers become job ready and move closer to employment through addressing their language and literacy skills gaps. The current model which focuses on achievement of NRS benchmarks, together with the complex and resource intensive administrative, reporting and verification processes detracts from meeting this objective. Because of these contractual obligations and the heavy burden of administration the available resources are currently required to be spent on activities which do not directly address job seekers' language, literacy and /or numeracy skills gaps.

It is important to refocus the program on explicitly addressing job seekers' language and literacy skills gaps in relation to their employment objectives and ensure available resources are spent in ways which directly impact on the job seekers' potential workforce participation.

The LLNP could be modified to achieve a more cost effective way of skilling people with low language, literacy and numeracy skills in two broad ways:

- 1. Adjusting the contractual requirements to allow for better integration of vocational training and LLNP.
- 2. Significantly streamlining the administrative and verification processes.

## 1. Adjustments to the contractual requirements

Adults starting with low language, literacy and numeracy skills require a significant amount of time to move through the levels of NRS and thereby, blocks of LLNP training under the current model.

A significant majority (75%) of LLNP clients have less than 10 years of formal education and many start with no literacy skills in English or their first language. Whilst the entry criteria for placement of clients into the Initial stream acknowledge this starting point the NRS performance benchmarks are too high and the 'distance' between levels on the NRS too great for many learners to achieve reportable progress against these measures in a 160 hour block.

This is particularly the case for those in the Initial and Basic Streams. It is likely that this perceived lack of progress is reflected in the data showing a progressive attrition in client numbers from Block 1 to Block  $5^7$ , particularly the significant rate of attrition between Blocks 1 & 2.

A comparable client group with which the Consortia works is the AMEP group. 75 % of AMES / HIT Consortium LLNP clients have completed their AMEP entitlements<sup>8</sup> indicating that they can commit to training over a sustained period of time if training is relevant and clients are able to demonstrate and experience progress.

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ARMS data: LLNP clients 01/01/07-31/12/07. See Table 2: Education Levels

LLNP Client Retention KPI Report: Contract to Date measured against KPI percentage 16/06/08. See Table 3: Attrition Rates

8 ARMS data LLNP clients 01/01/07-31/12/07

The requirement to achieve progress against the NRS as the *only* measure of progress may, for some clients, have become another barrier to employment. The new Australian Core Skills Framework will have eleven levels compared to the 13 levels in the current NRS, thus making this distance between performance benchmarks even greater. One way of addressing this issue and retain clients in the program is to have measures other than the NRS, particularly for the Initial stream. These may include reporting of achievement of specific learning outcomes from the accredited curricula used in the program.

Another effective way of assisting job seekers become job ready and move closer to employment is concurrent LLNP and VET program delivery. This can reduce the amount of time spent in training compared with a model of linear progression from LLNP into VET / PPP. The cost effectiveness of concurrent LLNP and VET delivery however is compromised by the contractual requirement to have TESOL or specialist Adult Literacy qualified and experienced teachers employed to meet the contracted face to face delivery (i.e. for 100% of delivery).

For the vocational elements to be most effectively taught, industry trainers are required. Currently the contract requires any staff who are not qualified Assessors or Teachers to be regarded as 'support staff' and accordingly they must be supervised by 'full time, qualified and experienced teachers'. It would be more cost effective to allow for a percentage of the delivery (25%) to be done by industry trainers delivering the vocational components as part of a fully integrated language and literacy program.

The examples of concurrent delivery described earlier (See Page 13: Better Integration of English and VET) also point to the potential for including delivery of tuition in clients' first language for the concepts and technical components of a vocational training program, thus maximising the time available to develop language, literacy and numeracy skills. Bilingual trainers should also be included as part of the allowable staffing mix for the LLNP.

# 2. Significantly streamlining the administrative and verification processes

Current administrative processes around referral, enrolment, recording absences, withdrawals and re-referrals are extremely time-consuming and costly in terms of staff time and resources. Streamlining these processes will allow for a greater percentage of LLNP resources to be redirected into program delivery to clients.

Integration with Employment Services and the broader training system

LLNP would benefit in terms of cost effectiveness by being more closely integrated with other employment services for job seekers, particularly where there is a common client group and program objective. The next Employment Services contract will include greater capacity for providers to include training and work experience to improve job seekers capacity to achieve and retain employment. The LLNP will be one of the training options for job seekers, along with training under the Productivity Places Program (PPP). The majority of training (PPP) will come under the umbrella of the national training system and will utilise industry training packages and competencies as the basis for training and reporting.

Currently the LLNP and WELL are the only programs using the NRS to report outcomes. This situates the program apart from other programs delivered within the national training system which reports in terms of accredited outcomes linked to industry training packages. Outcomes and gains for LLNP could be similarly reported (i.e. CSWE, CGEA or other relevant curricula outcomes). The additional layer of NRS reporting for one sub-set of a much broader framework of training and employment preparation duplicates, rather than adds value and increases program costs considerably. It does not follow that utilising a separate reporting system - one that is costly to administer and verify under current arrangements - will mean clients will achieve better language, literacy and numeracy gains or move closer to employment.

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# Referral delays

Providers have been instructed by DEEWR not to conduct the pre training assessment prior to the referral appearing on LLNPIS. This can be very frustrating from a client service point of view as clients present at the service providers, having been referred by Centrelink only to be turned away because the referral is not yet on the LLNPIS system. This is very de motivating for the client and is seen as poor customer service by the service provider. Currently this delay in setting

up assessment bookings affects an estimated 10% of clients who subsequently require re-referral from Centrelink because the information has not been available on LLNPIS in time to meet the 10 day time line for initial assessment. It is recommended that where referrals are not yet available on LLNPIS, assessments are still completed and providers are guaranteed of payment for these assessments.

## Data entry and file management

Another suggested improvement towards a more cost effective program is to adjust the current requirement to enrol every client in every session to course based enrolment. This would greatly reduce the number of separate data entry 'events' for each client. An example was provided by the Victorian LLNP Providers Network in an Issues paper submitted to DEEWR in March 2008. In this example a survey of one provider

showed that there were 25 separate data and file entries, requiring varying lengths of time, for one student within one 160 hour block (8 weeks). This was for data entry and file management only, for a student who attended all classes and did not have any suspensions. For a class of 20 students this means 500 separate data and file entries for the most straight forward scenario.

#### Verification

The LLNP tendering process is designed to contract providers with demonstrated expertise in all areas of the Program and its attendant contract management requirements. Providers are also required to maintain registration as a Registered Training Organisation (RTO) in accordance with the Australian Quality Training Framework (AQTF). Given the rigorous tendering process, the significant expenditure on verification is an opportunity for cost saving. Currently the requirement is for a quarterly verification covering 12% of all referrals. In addition to the verification process there are

monitoring visits by State Managers to every site as well as detailed data about each client, their individual training plan, assessments, progress against the plan and the NRS benchmarks available on LLNPIS. LLNPIS also contains data and reports for each Service Providers performance against the KPIs.

Given this level of contract monitoring and reporting a more cost effective option and appropriate option may be the model used in other contracts of an annual audit rather than the on going verification process.

## Teaching and Assessment Delivery Strategy (TADS)

In their current format the TADS require training providers to nominate specific learning outcomes mapped to NRS benchmarks for each program. Preparing TADS in this format as part of the tendering process requires a level of detail that is much too great at this early stage. For example, at the Initial Stream providers are required to

target clients' specific needs and provide training which will consolidate their functional language skills. Preparation of highly detailed TADS prior to the client's pre training assessment locks providers into a highly inflexible plan, inhibiting the capacity to subsequently customise training to address specific client skills gaps.

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# How could the current measurement of educational outcomes and client achievement be improved?

Progress against the NRS benchmarks is the current and only measure of educational outcomes and client achievement. This is problematic for reporting language, literacy and numeracy gains for clients who are assessed as NYA against the NRS benchmarks, particularly at the lower levels. Whilst the current model addresses very low level language as the entry point to the Initial Stream the move of two NRS benchmarks within 160 hours is still too great for many learners at this level. The NRS does not describe well what a client has achieved or what progress has been made at the very lowest levels of language, literacy and /or numeracy.

This could be improved by broadening the range of reportable outcomes beyond the NRS. For example, concurrent LLNP and VET delivery provides scope for reporting outcomes against vocational competencies, thus providing a more complete picture of what a client is able to do and to what level in relation to a specific industry training standard (e.g. retail, hospitality). This provides the opportunity for clients to be able to demonstrate what they can do rather than be assessed against de-contextualised / abstract criteria.

 What are the facets of the Program that could enhance and what are the ones that could inhibit Providers from meeting the Program benchmarks (ie. Key performance indicators)?

Generation of reports and management information through LLNPIS has inhibited providers' capacity to measure and track performance against the KPIs. For example the first Client Retention KPI Report was only able to be downloaded from LLNPIS for the first time since contract commencement in June 2008.

#### **KPI 1 Participation**

Many of the LLNP target group will already be facing barriers to employment and training, including low literacy, little formal education, unfamiliarity with employment and training systems due to relatively recent arrival in Australia. Accordingly, accessing and

participating in LLNP should not create a further barrier. Referral and assessment processes need to be as smooth and seamless as possible between Centrelink, Job Network providers and training providers.

#### **KPI 2 Retention**

Achievement of the Retention KPI could be enhanced

- by regarding (withdrawals for) employment as a positive, rather than a negative, program impact; and
- by adjusting the requirements around course intensity and learning outcomes to better acknowledge clients' family needs and employment goals.

#### Withdrawal for Employment

30% of withdrawals are due to clients finding employment (refer Table 1 page 13). Clients who achieve employment including part time work or work placements are suspended or withdrawn from the program, directly impacting on achievement of the Retention KPI. This can be improved by taking account of reasons for withdrawal, particularly if the client is withdrawing to begin part time work or work experience. Employment as a program outcome measure could be picked up in the Attainment KPI.

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#### Course intensity

Clients who secure part time and /or casual employment during the LLNP and wish to continue the course are effectively unable to do so under the current arrangements whereby LLNP cannot be offered at less than 10 hours intensity per week. This requirement inhibits the provider's capacity to deliver part time programs to cater for people who are working part time. (i.e. it is unlikely that people working part time will be able to commit to 10 hours training over several days or evenings per week). Similarly recipients of parenting payments, particularly mothers who are enrolled in LLNP as part of Mutual Obligation arrangements may find a program of less intensity

more manageable in terms of other family commitments (e.g. child care). Amending course intensity to allow for delivery of fewer hours per week - for example 6 to 8 hours - will enhance provider's capacity to achieve greater retention as clients opt to stay in the program rather than discontinue altogether.

#### **Program options**

The capacity to more easily offer flexible programs (e.g. LLNP plus VET) would enhance achievement of this KPI as clients are more likely and motivated to stay in training they experience as relevant and purposeful in terms of their goals.

#### **KPI 3 Attainment**

NRS Benchmarks are frequently too high for achievement of satisfactory progress and movement to the next 160 hour block of training. This is particularly an issue for learners from low or no formal educational background. Focussing on the client's abilities and needs at this level, rather than on NRS benchmarks, may inhibit Providers meeting this KPI. In other words focussing solely on NRS benchmarks and descriptors in order to meet the KPI may be at odds with actually addressing clients' language, literacy and numeracy needs.

Achievement of the Attainment KPI can be enhanced by:

- offering longer blocks of training for the Initial and Basic Streams so that clients are able to meet the prescribed performance benchmarks.
- broadening the range of options and reportable outcomes: for example, percentage of clients achieving an accredited outcome or percentage of clients who transition to further training or employment could be regarded as measures of Attainment.

#### **KPI 4 Quality**

KPI and measures for the Quality KPI all rely on external verification processes. The Participation, Retention and Attainment KPIs are all indicators of Quality.

Do the current payment structures to LLNP service providers drive improved outcomes? If not what improvements could be made to gain improvements?

It is recommended that the payment model be based on the model used for other federally purchased education and training programs. Payment should be made for delivery of training programs not the current system which involves a 'pay back' process for withdrawals and re-referrals, thus recognising the overall conduct and continuity of the program. In practice this would mean that payment includes absences with clients being withdrawn where he or she has not

attended for a period of 2 weeks or has notified the provider earlier that they are withdrawing.

Increasing the 5% absence tolerance rate to 20% tolerance in recognition of reality of clients' family and other commitments is a further suggested adjustment to the payment model. This would also reduce the administrative load required for the current 5% which is tracked and recorded in terms of hours absent (up to 8 hours absences per 160 hour block).

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# Should providers be financially rewarded if their clients gain employment? If so how would it be measured?

AMES view is that it is reasonable that additional reward be provided in the case of clients gaining employment in recognition of the additional resources required to proactively link job seekers with employment opportunities. AMES also notes that LLNP training may be part of a longer pathway to employment and does not necessarily mean that the program is not successful if

participants do not move directly into employment from LLNP. Criteria for 'measuring' employment as an outcome should match that used in Employment Services (i.e. client comes off Centrelink benefit or, in the case of part time work, the LLNP provider verifies by verbal confirmation with client).

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