



Response to the Transition to Work 2022-2027 Consultation Paper

Prepared by:
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yourtown services

yourtown is a national organisation and registered charity that aims to tackle the issues affecting the lives of children and young people. Established in 1961, **yourtown's** mission is to enable young people, especially those who are marginalised and without voice, to improve their life outcomes.

yourtown provides a range of face-to-face and virtual services to children, young people and families seeking support. These services include:

- Kids Helpline, a national free 24/7 telephone and on-line counselling and support service for 5 to 25 year olds with special capacity for young people with mental health issues
- Employment and educational programs and social enterprises, which support young people to re-engage with education and/or employment, including programs specifically developed for those in long term unemployment
- Accommodation responses to young parents with children who are at risk and to women and children seeking refuge from domestic and family violence
- Young Parent Programs offering case work, individual and group work support and child development programs for young parents and their children
- Parentline, a telephone and online counselling and support service for parents and carers
- Mental health service/s for children aged 0-11 years old, and their families, with moderate mental health needs
- Expressive Therapy interventions for young children and infants who have experienced trauma and abuse or been exposed to violence.

yourtown's work with unemployed young people

yourtown has more than 20 years experience helping young people who face significant barriers to finding and keeping a job. We currently deliver youth specialist jobactive services (under subcontract to MAX employment) in 24 locations across eight regions and Transition to Work in 12 locations across five regions, as well as ParentsNext in nine sites across the Mid North South Australia region, including Port Pirie region and adjacent communities.

As a result of our experience and research with young people, we are delivering an innovative program called **your job your way** that addresses long-term youth unemployment in Elizabeth in South Australia, Caboolture in Queensland, and Burnie and Development in Tasmania. **your job your way** is a strengths-based, trauma-informed best practice employment services model. It is informed by **yourtown's** youth specialist employment services experience and extensive research with long-term unemployed young people. This program assists young people aged 15-24 who are engaged with jobactive, experiencing long-term unemployment and are at the highest risk of social exclusion and permanent detachment from the labour market. Our model includes the delivery of intensive, concurrent services and support to small active caseloads of around 25 young people, by a qualified and experienced youth specialist dual support team with complementary skills to engage young people in the Program and stabilise their personal situation and assist young people to move toward employment and training goals by assisting them to develop the necessary foundational skills to participate in these activities. The most recent figures from July 2020 to May 2021, indicated **your job your way** led to 67 commencements, 145 employment placements and 153 employment outcomes (at 4, 12 and 26 weeks).¹ **your job your way** has been evaluated externally by the Centre for Social Impact, which demonstrated that the model:

- Delivers significant improvements across a range of measures including mental health, employability skills, aspirations, motivation and confidence;
- Is more effective than jobactive in getting young people experiencing long-term unemployment into work (82% vs 49%) and sustaining employment for 26 weeks or more (85% vs 71%); and
- Generates a cost saving of \$6.60 for every \$1 invested

We also run social enterprises which provide young people experiencing long term unemployment or at risk for entering into long term unemployment with paid work experience and training as a 'stepping stone' to open employment. Our social enterprises employ young people aged 15 to 25 years, who are not yet work ready, and transition them to sustainable employment through a combination of paid work, on the job training, and support to overcome personal barriers. The most recent figures from July 2020 to May 2021 indicate there were:

- 36 total employment outcomes (4, 12, 26 weeks) and 26 long-term unemployment outcomes (4, 12, 26 weeks) for young people who were referred to social enterprises from jobactive; and

¹ These figures reflect the maximum caseload of 25 at any given time in **your job your way** to maintain the staff to client ratio needed for an intensive caseload management model. Participants are only commenced if the caseload becomes less than 25 due to exits, transitions to post-placement support, or other movements.

- 34 total employment outcomes (12 and 26 weeks) and 2 long-term unemployment outcomes (12 and 26 weeks) for young people who were referred to social enterprises from Transition to Work.

In addition to this, we are the largest provider of labour market programs within Queensland through the Government's Skilling Queenslanders for Work (SQW) initiative. Since 2012, we have provided a range of SQW programs that assist young people experiencing unemployment and disadvantage to gain the confidence, skills and experience they need to successfully participate in the workforce. Our SQW model involves a dual support team of a youth worker and employment mentor, who are pro-social role models, building trust and rapport with participants, as the basis for program engagement and positive outcomes. This includes post-placement support to help clients maintain employment. The most recent figures² from July 2020 to May 2021 indicate that SQW resulted in:

- 339 total commencements
- 253 total participants in employment at program exit
- 356 total participants who have completed accredited training qualifications

Our face-to-face employment programs specialise in working with young jobseekers who are at the highest risk of long-term unemployment, including:

- Early school leavers who represent 12% of **yourtown's** total jobactive caseload as at 1 June 2021;
- Young Aboriginal and Torres Strait Islander peoples who represent almost 15% of **yourtown's** total jobactive caseload as at 1 June 2021 and almost 37% of **yourtown's** total Transition to Work caseload as at 1 June 2021;
- Young offenders or ex-prisoners who represent over 12% of **yourtown's** total jobactive caseload as at 1 June 2021 and almost 10% of **yourtown's** total Transition to Work caseload as at 1 June 2021;
- Those from culturally or linguistically diverse backgrounds who represent almost 12% of **yourtown's** total jobactive caseload as at 1 June 2021 and almost 10% of **yourtown's** total Transition to Work caseload as at 1 June 2021; and
- Principal Carer's who represent almost 10% of **yourtown's** total jobactive caseload as at 1 June 2021 and almost 10% of **yourtown's** total Transition to Work caseload as at 1 June 2021.

The most recent figures from July 2020 to June 2021 indicate that:

- 3,810 total commencements in employment from jobactive, of which 69% (2,626) were long-term unemployment placements;
- jobactive resulted in 1549 employment outcomes (12 weeks), of which 59% (911) were long-term unemployment outcomes (12 weeks);
- jobactive resulted in 802 employment outcomes (26 weeks), of which 54% (430) were long-term unemployment outcomes (26 weeks);
- 1,891 total commencements in employment from Transition to Work, of which 44% (826) were long-term unemployment placements;
- 590 total commencements in education from Transition to Work, of which 40% (or 237) were long-term unemployment placements;
- Transition to Work resulted in 759 employment outcomes (12 weeks), of which 44% (333) were long-term unemployment outcomes;
- Transition to work resulted in 452 employment outcomes (26 weeks), of which 34% (152) were long-term unemployment outcomes; and
- Transition to Work resulted in 175 education outcomes (26 weeks), of which 55% (96) were long-term unemployment outcomes.

² The number of participants at exit include those who commenced prior to 1 July 2020
yourtown June 2021

4.1 What primary risk factors that contribute to young people disengaging from work or education should be used to determine eligibility for Transition to Work services?

At-risk cohorts of young people who are more likely to experience unemployment and for longer periods of time than their peers include Indigenous youth, young people with a disability, those with caring responsibilities, young people who do not have Year 12 attainment, and those in low socio-economic communities.³⁴ **yourtown** works in some of the most disadvantaged metropolitan and regional communities and sees first-hand how these aforementioned issues as well as other factors can contribute to young people disengaging from work and/or education.

yourtown recommends primary risk factors should include:

- Low education attainment
- Homelessness or at risk of homelessness
- Living in and exiting out-of-home care
- Poor mental health
- Drug and alcohol misuse
- Offending behaviour and juvenile justice contact and exit
- Indigeneity

5.1 What characteristics should be used to determine whether a young person has complex, non-vocational barriers and requires the maximum of 24 months of servicing?

The issues faced by at risk groups of unemployed young people can add to their risk of permanent detachment from the labour market, suggesting that this cohort would benefit from the maximum time of servicing. The issues are complex and interrelated, including:

- Contextual issues such as intergenerational unemployment, homelessness, living in low socio-economic areas, out-of-home care, and exposure to the child protection and juvenile justice systems;
- Psycho-social issues such a poor mental health and substance misuse;
- Cognitive-motivational issues such as low cognitive ability, lack of future outlook and poor problem-solving; and
- Practical issues such as not having a driver licence.

The Job Seeker Classification Instrument (JSCI) will be an important part of this process because young people do not readily disclose their issues to people that they have not established a rapport. It may prove helpful to have a statement at the start of the assessment process about the purpose being to ensure the young person is referred to the appropriate service.

yourtown recommends:

- Use of assessment tool results (conducted every six months) to evaluate the current needs of the young person and likelihood that they would benefit from an additional 6 months service with Provider. This appraisal would be complimented by a JSCI review and update as appropriate.
- The JSCI be modified so the questions are more youth-focused (e.g. adding a measure for transport and expanding the measure of 'contact' to include 'connectivity') and youth-friendly communication is included upfront to ensure the young person understands the purpose of the JSCI and that information will not be shared with authorities (i.e. Police).

5.2 In addition to extending the maximum duration of service, are there any other changes needed to support Transition to Work providers in effectively servicing an increased number of young people with complex, non-vocational barriers?

³ Department of Social Services (2016) Priority Investment Approach Baseline Valuation Report <https://www.dss.gov.au/baseline-valuation-report-0>

⁴ OECD (2016) Investing in Youth: Australia, Investing in Youth, OECD Publishing, Paris, <https://doi.org/10.1787/9789264257498-en>

If young people are temporarily unable to engage in the service due to a valid reason or is in crisis, ideally providers should be able to suspend the service for a predetermined period of time to allow them to re-engage. This will enable the provider to support the young person during the crisis and ensure they benefit from the full period of service in Transition to Work.

We would appreciate provider discretion on when to deliver longer service, while providing justification for doing so. This could occur in instances where young people's needs are so complex that they would benefit from extending service for six months, or significant progress has been made and the extension in servicing could result in employment outcomes.

yourtown recommends:

- Providers be given the ability to suspend service due to a valid reason if a young person is temporarily unable to engage in the service.
- Providers have discretion to extend service from 18 months to 24 months based on predetermined factors and complimented by a concise justification based on the results of reviews undertaken.

5.3 What circumstances in a young persons' life should determine whether they are transferred to online services or to an Enhanced Services provider at the end of their service period in Transition to Work?

Young people who have experienced an intensive level of support in Transition to Work may struggle after changing over to online services where they will have to navigate the system without face-to-face support. If a young person's complex barriers still have not been addressed at the end of their Transition to Work service period, they would benefit from the relational-based support in Enhanced Services.

yourtown recommends:

- All young people who have exhausted their period of service with Transition to Work be referred to Enhanced Services, not to the Online Employment Services (OES).
- Transition to Work providers be enabled to directly transfer young people from their service and that a face-to-face handover with the chosen Enhanced Service provider is conducted to enable smooth transition. This handover, including essential information, could be built into ESS.
- While it is not our recommendation for young people to be transferred to the OES after Transition to Work, if this pathway is still sought by the Department, **yourtown** recommends this option should only be for those young people with low JSCI scores who choose to do so.

6.1 Would a mechanism that helps facilitate commencement of young people in the service be desirable?

Our experience is in agreement with the points raised in the Consultation Paper that it can be difficult to get young people to attend the first appointment where they can hear about the benefits of the service and the development of rapport with staff can commence.

yourtown supports:

- The suggested mechanism to facilitate commencement of young people into the service.

6.2 What is your preferred approach to achieving commencement and why?

We agree with the point raised in the Consultation Paper that young people start to engage with the Transition to Work service at the first appointment when they hear about the benefits of the service. It would be useful for young people who are being referred to Transition to Work to be informed about the purpose and benefits of the service, as well as the youth specialisation of the service compared to other employment services. This may encourage more young people to attend their initial appointment promptly.

We would support a delay in income support to encourage young people to attend the initial appointment and for providers to achieve commencement. This would be in cases where the Consultant has made reasonable efforts to contact the young person but to no avail, or the young person does not have a valid reason for

nonattendance. When the young person attends the initial appointment, then they would receive their delayed income support.

If after the initial appointment a young person does not think the Transition to Work service is the right pathway for them, then providers could be given the capacity to book them into Enhanced Services. This would enable a more seamless integration between service offerings for the young person.

yourtown recommends:

- A delay in income support to facilitate commencement of young people into Transition to Work.
- Transition to Work providers have the ability to book the young person directly into an initial interview with an Enhanced Provider to ensure a more seamless service where it is deemed the best pathway.

7.1 What elements should the Department use to measure achievement of Education Outcomes?

yourtown believes that the Transition to Work service should use the completion of Certificate III as the minimum measure of the achievement of Education Outcomes. The focus on skilled work in a Certificate III course (as opposed to the focus on routine work in a Certificate II course) means a young person has stronger prospects of getting an entry-level role in their chosen industry. Statement of Attainments can be used to measure progress.

If a young person is actively engaged in study, we would appreciate the ability to pause their timeline of service until they complete their qualification. This would be particularly beneficial for young people with stronger non-vocational issues who would need more intensive support to prepare them for study and also for finding employment after completion of study.

yourtown recommends:

- Maintaining the current arrangements for participation or completion of a Certificate III as the minimum measure.
- Considering the use of a “pause” in service while a young person undertakes a lengthy period of study to enable them to benefit from the Transition to Work Program from qualification to employment.
- Including a quality and/or performance measure of young people who are in employment three months after completing an education qualification, with heavier weightings for Transition to Work providers who identify and directly align training pathways to address skills shortages in their specific regions.
- Including an outcome for SEE completion, transition to employment or education (regardless of SEE hours undertaken) – This would be similar to recent enhancements in the ParentsNext Contract.

7.2 How should the Department seek to ensure job seekers and employers are receiving quality of service from Transition to Work providers?

The Department could seek to ensure job seekers are receiving quality service from Transition to work providers by measuring the achievement of longer term Employment Outcomes. We would welcome the Department commissioning an entity to undertake longitudinal surveys for the purpose of tracking young people who have achieved 12 month Employment Outcomes. Due to the potential difficulties in tracking young people in the long-term, we suggest that 12 month employment outcomes be a measure of quality rather than a Key Performance Indicator. The views of young people themselves would also be an important measure of whether they are receiving quality service.

If the new model retains the ability to note if an Employment Outcome is brokered, then providers can follow up these employers with a short online survey regarding the quality of the service.

yourtown would welcome regular visits from the Contract Manager to monitor its delivery of the Service Plan. These visits could be another form of assessment of the quality of services provided.

yourtown recommends:

- Including longer-term Employment Outcomes as a quality measure.
- Measuring job seeker satisfaction through short surveys sent online via email and/or text message.

- Measuring employer satisfaction through 'repeat business' notified for brokered placements.
- Modification to ESS to include a short star rating survey after a brokered placement is lodged – notified by text and asking for one rating.
- Continuation of regular Contract Management visits to monitor and discuss servicing of the Service Delivery Plan.

7.3 Are there any other meaningful measures that could be included in the Provider Performance Framework?

We view Education Outcomes as an important measure of a young person's progress towards achieving Employment Outcomes. However, if Education Outcomes have equal weighting with Employment Outcomes, there is the risk that providers could expend more effort on obtaining Education Outcomes because it may be seen as a more achievable outcome.

yourtown recommends:

- Employment Outcomes be given higher weighting than Education Outcomes in the Provider Performance Framework.

7.4 What improvements could be made to the current review and allocation of the Funded Places process?

yourtown appreciates the Upfront Payments for Funded Place, enabling providers to invest in the development of young people on its caseloads. However, it does not take into account the effort that is expended on facilitating the engagement of young people who are suspended or pending.

yourtown recommends:

- Reverting to original calculation of utilisation rates to be applied to the total caseload (pending, commenced and suspended) and not only to the commenced caseload for the purposes of forecasting and allocating the next milestones paid places.
- Providing schedule of dates for notification of paid places would be useful for organisations to utilise for planning, budgeting and forecasting purposes.

7.5 What factors should the Department account for when determining Funded Places?

The Department should account for locational factors when determining Funded Places. Allocating more Funded Places for Transition to Work providers in regions of high disadvantage, particularly with high long-term youth unemployment rates, would align with the OECD's recommendations for local approaches to addressing long-term unemployment in vulnerable groups. Specifically, the OECD recommends targeting limited resources to those in need.⁵

yourtown recommends:

- Increased allocation of Funded Places for Transition to Work providers in regions of high disadvantage and long-term unemployment rates, in recognition of the higher cost profile in disadvantaged regional areas (e.g. travel and transport costs can be higher in regional areas due to the larger distances that need to be covered for business elements and processes such as 'warm' referrals to support services, employer engagement, reverse marketing, and delivery of training).

7.6 How might performance be benchmarked in the new model?

While **yourtown** welcomes the Department's reasoning for de-linking Outcome Targets from provider payments, we believe that having outcome targets is still the optimal way to benchmark performance in the new model. We suggest the benchmark could be the number of 26 week Employment Outcomes as a proportion of commenced numbers.

⁵ OECD LEED (2013). Tackling long-term unemployment amongst vulnerable groups
https://www.oecd.org/cfe/leed/Tackling%20Long_Term%20unemployment_%20WP_covers.pdf

In our experience of working with young people in some of the most disadvantaged metropolitan and regional areas, we know it takes time to set up a new service model and to engage this cohort. Therefore, we suggest performance be formally measured after 12 months of the contract to ensure providers have sufficient time to establish and deliver an efficient and effective model of service.

yourtown recommends:

- De-linking Outcome Targets from Provider Payments.
- Provision of outcome targets reasonably expected based on data/information available to DESE, thereby allowing Transition to Work Providers to plan and forecast to meet those expectations. We suggest a benchmark being 26 week Employment Outcomes as % commencements.

8.1 Is there anything that the Department should change or improve in the way that Youth Advisory Sessions are currently running?

In order to provide a high level of seamless assistance in Youth Advisory Sessions (YAS), it would be helpful for providers to have access to the young person's records. The provider could then use the JSCI for young people in these sessions to determine their situation and also use the current resume that is on record to provide vocational assistance. It would also be helpful for the provider to be able to book appointments rather than relying on the young person to follow up their next appointment themselves.

yourtown recommends:

- Ability to open YAS sessions with multiple sessions for appointments for sites in ESS.
- Ability to access more screens in ESS for a YAS client – including career profile and resume access, jobseeker profile. This will make it easier for Provider to assess current status and needs.
- Consideration that JSCI could be reviewed at a YAS session should circumstances present themselves at these appointments.

9.1 Is there anything in the Transition to Work program that should change in order to have the right balance between ensuring national service standards are maintained, while also allowing providers the flexibility needed to enable local collaboration and engagement in their communities?

yourtown suggests the Transition to Work program could have flexibility that would enable providers to adapt to the dynamic needs of local communities, particularly in response to major labour market disruptions, such as the closure or opening of a large industry or employer. This flexibility could take the form of the opportunity to renegotiate the Statement of Commitment to ensure a local provider can deliver an adaptable service to young people that is responsive to the environment in which they are operating.

yourtown recommends:

- Opportunity to review and submit changes to the service delivery plan to ensure it addresses the needs of the current caseload and local labour market.

9.2 What role can the Transition to Work service play in ensuring that young people are engaged in the design and delivery of policy and services?

In order to ensure young people are engaged in the design of policy, the Department could use a similar approach to **yourtown**'s Your Voice project. This project is funded by the Australian Department of Health, where we use multiple face-to-face and online fora to: Help young people's voices be heard on important issues; Help young people build their ability to express themselves on areas of concern; Identify issues that are important to young people; and Work with young people to develop ideas to guide government decision-making.

yourtown recommends:

- Transition to Work providers embed youth participation into their programs to inform the delivery of their services.
- Providers be assessed on the quality of how they implement youth engagement processes.

9.3 Is there anything in the current service settings that might be seen as limiting youth engagement?

In our experience, PaTH Internships are beneficial for young people and employers. Young people gain valuable work experience, employers can trial a potential employee to see if they are a good fit for the workplace, and if the experience is positive, then the young person is hired.

yourtown recommends:

- Extending eligibility for PaTH Internships, including Employer and Provider payments to all Group 2 (or not on income support) participants.
- Extending eligibility for Wage Subsidies to all Group 2 (or not on income support) participants.

9.4 What do you think constitutes best practice with regard to supporting the mental health of participants in an employment service and how do we improve the ability of the service to delivery to this standard?

In our experience, many young people in our employment services are not accessing adequate mental health support and/or do not have formal diagnoses of their conditions. Services like Transition to Work can play an important role as the entry point to mental health support. Considering the significant mental health challenge across the youth caseload, mental health specialists should be embedded in employment services, and other supports should be available for young people depending on the severity of their needs. **yourtown** recognised the prevalence of mental health in its youth caseload and engaged Counsellors as part of its Transition to Work service. At **yourtown**, we endeavour to implement best practice for supporting the mental health of young people in an employment service, such as:

- Counsellors working together with Youth Workers, who provide non-vocational assistance, to assist young people to navigate mental health pathways to more specialised servicing for their issues;
- Regular case conferencing, with the consent of the young person, where key multidisciplinary services meet to ensure the young person's needs are being met through a coordinated approach;
- Telehealth and online counselling services such as Kids Helpline being promoted and utilised, particularly for after-hours support;
- Face-to-face and virtual workshops being delivered to support wellbeing and a range of vocational and non-vocational topics;
- All frontline staff receiving mandatory Practice Supervision; and
- Organisations conducting regular clinical governance to provide the best service possible to address the needs of young people.

yourtown recommends:

- Transition to Work providers utilise a mental health assessment tool to determine if a diagnostic assessment is required.
- Transition to Work providers be able to demonstrate their ability to develop relationships and work collaboratively with a range of support services, including but not limited to specialist mental health service providers both face to face and virtual.

9.5 What are appropriate servicing strategies or principles in situations where there are longer waitlists for specialist services, in contrast to locations where there are readily available specialist mental health services?

Telehealth and online counselling services, such as Kids Helpline, play an important role in the nation's mental health infrastructure supporting young people. Given the demand for mental health services, it is becoming increasingly important to find innovative ways to deliver interventions that are accessible and affordable for young people.

yourtown recommends:

- Transition to Work providers demonstrate how they would develop and navigate pathways to face-to-face and online support to create a safety net for young people who would encounter longer waitlists for specialist mental health services.

9.6 What are the features of a service that acknowledges the significant mental health challenge across the youth caseload and embeds appropriate responses into the default service offer, including by addressing particular issues such as disclosure and stigma?

In **yourtown's** employment program addressing long-term youth unemployment, **your job your way**, the young people in the program reported poorer mental health than their peers in the general population.⁶ An independent evaluation of the program by the Centre for Social Impact found that young people reported improvements in their mental health. In addition, “the mental health support that young people received also helped with motivation and opportunities for gaining work experience and employment, by enabling better overall wellbeing that they could bring to the workplace” (p35). The evaluation specified the following program design elements as contributing to the enhanced employment and non-vocational outcomes for long-term unemployed young people:

- Relationship-based practice which enables young people to feel comfortable disclosing their issues, including mental health
- Low staff to caseload ratio which enables intensive and tailored support
- Intensive dual case management support guided by assessment tools such as Work Star (measuring job skills and experience, aspiration and motivation, job search skills, stability, basic skills, workplace and social skills, and health and wellbeing), Personal Wellbeing Index, and Kessler psychological distress scale. This comprehensive suite of assessment tools aligns with the recommendation in the Productivity Commission's Inquiry Report into Mental Health that the assessment tools in employment services should include a mental health diagnostic instrument and a personal and social performance measure alongside the JSCI.⁷
- Skilled, qualified and 'youth-friendly' staffing
- Discretionary funding dependent on individual needs. This individualised service aligns with the Productivity Commission's recommendation that employment service providers need to generate personalised job plans that are useful to the individual, especially those with complex needs.⁷
- Social activities complementing employment-focused work
- Collaborative practice with other services
- Providing support for employers who employ young people with mental health issues, which in turn can assist with breaking down the stigma associated with mental health

If there are any comments you wish to provide that are not already captured, please provide them below.

We support the Department's efforts to explore how Transition to Work providers can deliver a service that embeds care for young people's mental health as part of the default service offer. The Department would have access to the numerous datasets from various Government Departments on the mental health and wellbeing of young people. Considering that Transition to Work provides intensive assistance to vulnerable young people, we query if and how these datasets will be used to determine the number of places in Transition to Work during the life of the contract.

⁶ Ramia, I., Meltzer, A., Moffatt, J., Powell, A and Barnes, E. (2020). **your job your way** Final Evaluation Report. Centre for Social Impact and **yourtown**.

⁷ The Productivity Commission's Inquiry Report into Mental Health <https://www.pc.gov.au/inquiries/completed/mental-health/report>