

## Funding Principles for Long Term Contracts

*Skilling Queenslanders for Work* is a key component of the Queensland Skills Plan 2008 and has commitments under *Toward Q2: Tomorrow's Queensland* and *Jobs First: Delivering Jobs for Queensland*. *Skilling Queenslanders for Work* continues to assist those Queenslanders most disadvantaged in the labour market to achieve sustainable employment outcomes. The initiative supports individuals to develop the skills and experience they need to compete in the labour market with a range of assistance measures that can be customised to meet individual needs.

*Skilling Queenslanders for Work* is characterised by a number of prevention and early intervention services and programs delivered primarily by the not-for-profit (NFP) sector – Community Employment and Infrastructure Program, Community Literacy Program, Participate in Prosperity, Get Set for Work Program, Productivity Places Program and Queensland's Green Army.

Long term contracts of up to three (3) years are offered under *Skilling Queenslanders for Work* to organisations that have demonstrated a proven capacity to deliver employment projects, meet identified performance measures and can provide strong evidence of an ongoing demand for employment services. Long term contracts are where the term of the contract is greater than one year. Long term contracts are offered at the absolute discretion of the relevant Department of Employment, Economic Development and Innovation (DEEDI) region.

### Benefits

A number of advantages flow from the introduction of long term contracts and an integrated service delivery model. From a **departmental perspective, benefits** include:

- the commitment to ensure long term strategies are funded in appropriate locations assisting target groups over a longer period
- improved capacity to retain the services of good providers
- improved ability to achieve participation targets and facilitating improved budget planning at a regional level
- improved ability to address critical labour and skills shortages being experienced in key growth sectors.

**Benefits to providers** include:

- improved ability to provide an on-going presence in the community
- increased capacity to attract and retain qualified personnel and build expertise
- longer term ability to continue to assist disadvantaged groups, and greater opportunity to implement continuous improvement strategies and economies in project delivery.

## Performance Measurement

Monitoring an organisation's performance is a key principle for awarding long term contracts. The organisation must have a proven track record of delivering services to the required standards as defined by DEEDI. Performance measurement of contracts may occur through a variety of methods such as:

- periodic meetings or reports
- on-site project visits
- examination of project data
- results of qualitative surveys
- annual performance reviews.

periodic meetings or reports, on-site project visits, examination of project data and results of qualitative surveys, as well as annual performance reviews.

## Annual Performance Reviews

The purpose of annual performance reviews is primarily to:

- monitor project effectiveness
- determine the extent to which contractual requirements are being met and how to address emerging or anticipated needs
- determine the ongoing need of employment and training service provision and refocusing of project objectives (if required)
- finalise the sum of funds and the number of participants to be assisted for the subsequent yearly budget allocation.

The first performance review should be undertaken nine months after project commencement in accordance with the continuation of long term contracts business process. Subsequent performance reviews will be undertaken at pre-arranged dates or milestones to allow sufficient time for processing and release of funding for successive years, thus maintaining continuity of service delivery.

## Assessment Criteria

Long term contracts are offered at the absolute discretion of DEEDI, subject to budget availability and the region's ability to continue to respond to emerging priorities as required. Awarding of long term contracts is highly competitive. As a result, the organisation's performance must be assessed by regional staff objectively against pre-determined assessment criteria on an annual basis (see Table 1) in accordance with the funding principles for long term contracts.

Assessment against these criteria forms the basis of regional recommendations to the Community Jobs Priorities Committees (CJPC) which, as identified in the CJPC Terms of Reference, make recommendations to the Director, Service Delivery, Employment and Indigenous Initiatives, or a nominated delegate, for organisations to be considered for long term contracts, and also has a role in endorsing annual performance reviews of long term contracts.

Information provided by the regional office against the assessment criteria for long term contracts is a fundamental tool used by the CJPCs to make recommendations.

**Table 1: Assessment Criteria for Long Term Contracts**

Description	Elements
Organisation's previous compliance with contractual requirements	<ul style="list-style-type: none"> <li>- Adherence to reporting requirements</li> <li>- Reports provided on-time</li> <li>- Meets identified reporting standards</li> <li>- Results of visits, audits, random checks</li> <li>- Absence of contractual breaches</li> <li>- Proven ability to manage large scale contracts</li> </ul>
Proven track record of achievement of outcomes	<ul style="list-style-type: none"> <li>- Achievement of 50% employment outcomes for SQW (Community Employment and Infrastructure Program and Queensland's Green Army)</li> <li>- Achievement of a minimum of 35% employment or 50% combined employment, training and return to school outcomes for GSFW</li> <li>- Achievement of 50% employment outcomes for PPP</li> <li>- Achievement of 80% full qualifications for PPP</li> <li>- Achievement of outcomes identified in CLP / PiP application</li> <li>- Provision of sound rationale if outcomes have not been attained</li> </ul>
Quality of service delivery	<ul style="list-style-type: none"> <li>- Feedback from project participants as identified in survey outcomes</li> <li>- Absence of participant complaints</li> </ul>
Ongoing identified needs for provision of assistance measures	<ul style="list-style-type: none"> <li>- The project will address ongoing identified regional priorities. Regional priorities based on location, target group and identified employment/training assistance needs</li> <li>- Evidence project will address local industry needs</li> </ul>
Organisation's ability to flexibly respond to emerging needs	<ul style="list-style-type: none"> <li>- Organisation has proven capacity to deliver in a range of locations throughout the region and/or across regional locations to respond to emerging needs where required</li> <li>- Organisation has established relationships with key industries</li> <li>- Organisation has established relationships with identified client group</li> </ul>
Demonstrated ability to secure alternate funding sources to enhance provision of employment/training assistance	<ul style="list-style-type: none"> <li>- Organisation has sourced additional funding to complement DEEDI funding and to enhance project delivery</li> </ul>
Improved capacity to provide employment/training assistance due to long term funding arrangements	<ul style="list-style-type: none"> <li>- Organisation has demonstrated a capacity to enhance or add to the provisions of their core business as a result of a long term contract</li> </ul>

## Approval Process

Each DEEDI region has specific annual percentage targets for long term contracts. The allocation of funding towards long term contract arrangements is also subject to sufficient funds being available for the *Skilling Queenslanders for Work* initiative.

The Director, Service Delivery, Employment and Indigenous Initiatives, or a nominated delegate, is the delegated authority to approve long term contract arrangements with organisations as part of the normal grant funding approval process for *Skilling Queenslanders for Work* wherein the justification for awarding such arrangements must be evidenced or supplied.

The Director, Service Delivery, Employment and Indigenous Initiatives, or a nominated delegate, is the delegated authority to approve continued funding for each year of the extended contract lifespan after submission of the annual performance review.