



Job Seeker Compliance Framework Guideline

Document change history

Version	Start date	Effective date	End date	Change and location
1.0	01 07 15	01 07 15		Original version of document

Explanatory Note

All capitalised terms have the same meaning as in the jobactive Deed 2015–2020. In this document, ‘**must**’ means that compliance is mandatory and ‘**should**’ means that compliance represents best practice and that compliance is discretionary.

The term ‘job seeker’ in this Guideline means any Fully Eligible Participant (Mutual Obligation).

Disclaimer

This Guideline is not a stand-alone document and does not contain the entirety of Employment Services Providers’ obligations.

It **must** be read in conjunction with the Deed and any relevant Guidelines or reference material issued by Department of Employment under or in connection with the Deed.

Summary

This Guideline provides information on the policy and processes that Employment Providers (Providers) **must** use in delivering services to assist job seekers to be aware of fully understand and meet their Mutual Obligation Requirements. ‘Mutual Obligation Requirements’ refers to the activity test or participation requirements that a job seeker **must** meet in order to receive an income support payment under the Social Security Law and in accordance with any Guidelines (see [Mutual Obligation Requirements \(including Annual Activity Requirements\) Guideline](#) for more information).

This Guideline also provides information on the job seeker compliance framework—a tool available to Providers to support job seeker engagement and designed to influence a change in the job seeker’s behaviour, where required.

The job seeker compliance framework does not apply to job seekers who do not have Mutual Obligation Requirements. Advice on arrangements for [Disability Support Pension Recipients with compulsory requirements](#) is provided in a separate Guideline.

Policy Intent

The job seeker compliance framework is designed to encourage job seekers to engage with their Employment Provider, undertake activities to meet their Mutual Obligation Requirements and actively look for work.

The job seeker compliance framework helps Providers to quickly re-engage job seekers who do not comply with their Mutual Obligation Requirements. Providers can report non-compliance to the Department of Human Services (DHS), which makes compliance decisions under the Social Security Law, including income support payment suspensions and the application of financial penalties where job seekers do not have a Reasonable Excuse. Providers have flexibility to choose when they report non-compliance and when they use discretion and other strategies to re-engage or positively influence the job seeker’s behaviour.

Relevant Deed clause/s

The relevant clauses in the jobactive Deed 2015–2020 (the Deed) are

Clause 11—Liaison and directions
Clause 83—Appointments with Stream Participants
Clause 84—Contacts
Clause 85—Initial Interviews
Clause 87—General requirements for a Job Plan
Clause 102—SPI Participants
Clause 106—Mutual Obligation Requirements
Clause 107—Activities
Clause 111—Supervision
Clause 113—Job Search Requirements
Clause 114—Monitoring
Clause 115—Non-compliance action for Mutual Obligation Requirements
Clause 116—Non-compliance action for Disability Support Pension Recipients (Compulsory Requirements)
Clause 117—Comprehensive Compliance Assessment
Clause 118—Compliance Activities
Clause 119—Delegate obligations
Clause 120—Recording Attendance
Clause 121—Issuing and recording Notification.

Relevant references

Reference documents relevant to this Guideline include:

- [Learning Centre website](#)
- [Mutual Obligation Requirements \(including Annual Activity Requirements\) Guideline](#)
- [Job Plans Guideline](#)
- [Managing and Monitoring Job Seeker Appointments Guideline](#)
- [Managing and Monitoring Job Search Guideline](#)
- [Comprehensive Compliance Assessments and Compliance Activities Guideline](#)
- [Activity Management Guideline](#)
- [Work for the Dole Guideline](#)
- [Relocation Assistance to Take Up a Job Guideline](#)
- [Social Security Act 1991](#)
- [Social Security \(Administration\) Act 1999](#)
- [Guide to Social Security Law](#)
- Employment and Community Services Network (ECSN) - Reports – Compliance
 - CPL01 Job Services Australia Job Seeker Compliance
 - CPL03 Appointment Outcome
 - CPL04 Job Seeker Re-Engagement
 - CPL05 Job Seeker Reconnection Report.

Notifying job seekers of their Mutual Obligation Requirements, monitoring participation and using the job seeker compliance framework

Process	Details
<p>Provider ensures that job seekers are aware of their Mutual Obligation Requirements and details of meeting them</p>	<p>Job Plans</p> <p>Under the Social Security Law, job seekers must enter into and agree to the terms of a Job Plan. The Job Plan will include the Appointments, Job Search Requirements and any other activities that will enable the job seeker to meet their Mutual Obligation Requirements (including the hours required to meet their Annual Activity Requirement).</p> <p>When deciding what Mutual Obligation Requirements to include in the Job Plan, Providers must consider the job seeker's individual circumstances, including their work capacity where relevant, personal needs, caring responsibilities and capacity to comply with the requirements.</p> <p>For more information on Job Plans, see the Job Plan Guideline.</p> <p>Providers must ensure that job seekers are correctly notified of their Mutual Obligation Requirements so that job seekers are aware at all times of what the Social Security Law requires them to do in return for their income support payment. Providers must use the Department's IT Systems to record the way that the job seeker was notified of their Mutual Obligation Requirements. This enables Providers to be able to take action using the job seeker compliance framework for non-compliance where they choose to do so.</p> <p>Authority to formally notify a job seeker of their Mutual Obligation Requirements</p> <p>Each person engaged by a Provider to perform functions or to provide Employment Provider Services under the Deed is a delegate of the Secretary of the Department of Employment. Delegates have been given the authority under the Social Security Law (Social Security (Administration) Act 1999, s 63(2); and Social Security Act 1991, ss 501, 544, 605 and 731L) to formally notify the job seeker of the requirements to:</p> <ul style="list-style-type: none"> • attend Appointments with their Provider or a third party • attend a location to participate in an Activity • attend a job interview • negotiate and enter into a Job Plan (which may include Job Search Requirements).
<p>Provider ensures that formal notification contains all required details</p>	<p>Providers must ensure that the following details are included in the formal notification:</p> <ul style="list-style-type: none"> • the nature of the requirement (e.g. Appointments, activities, entering into a Job Plan) • the date and time of the requirement or the time the requirement needs to be completed by • the location of the requirement where relevant (for Appointments and activities, for instance) • the consequences of failing to meet the requirement and • a statement that it is a notice under the Social Security Law. The statement explains to the job seeker that the Appointment or activity, for example, is part of their requirements in order to receive income support payments. <p>Other requirements when issuing formal notification include:</p> <ul style="list-style-type: none"> • Where a job seeker is required to attend an appointment, the Provider must ensure that the notice includes the purpose of the appointment

Process	Details											
	<ul style="list-style-type: none"> Job seekers must be advised that, if they have a Valid Reason for not being able to meet their requirements, they must contact their Provider beforehand to advise of this If a job seeker is required to attend an Appointment or activity, the provider must ensure that it gives reasonable notice ahead of the Appointment or day of the activity. Reasonable notice gives the job seeker sufficient time to prepare for the requirement- for example, to arrange transportation. 											
<p>Provider issues the most appropriate form of formal notification to job seeker in reasonable notice timeframes</p>	<p>Types of formal notification</p> <p>Providers can notify a job seeker of the details of their Mutual Obligation Requirements either by including them in the job seeker’s Job Plan or by issuing separate formal notification to the job seeker.</p> <p>a) Job Plan</p> <p>The Job Plan can be used as the full formal notification only if the time, date and location details (where relevant) of the particular requirements are included. Providers will generally be unable to include all of these details at the time the Job Plan is being negotiated, so the Provider must issue the job seeker with separate formal notification to support the Appointment and activity requirements in the Job Plan.</p> <p>The Job Plan can also be used as the full formal notification for Job Search Requirements as long as the Job Plan includes:</p> <ul style="list-style-type: none"> the number of Job Searches required (refer to the Mutual Obligation Requirements (including Annual Activity Requirements) Guideline and the period of time over which the requirement needs to be undertaken. <p>Providers should use this method of formal notification in the vast majority of cases concerning notification of Job Search Requirements.</p> <p>b) Separate formal notification (in particular, for Appointments and participation in activities)</p> <p>The table below sets out the methods of formal notification that can be used by Providers and the period of notice required ahead of the scheduled requirement (‘reasonable notice’) to issue it to the job seeker.</p> <p>The Department’s IT Systems can be used to create notifications for job seekers, either automatically by using the diaries or by using the templates that are available in the system.</p> <table border="1" data-bbox="507 1532 1513 2022"> <thead> <tr> <th data-bbox="507 1532 810 1711">Method</th> <th data-bbox="815 1532 1018 1711">Amount of advance notice that job seekers need to be given</th> <th data-bbox="1023 1532 1513 1711">Details</th> </tr> </thead> <tbody> <tr> <td data-bbox="507 1711 810 1957">Phone</td> <td data-bbox="815 1711 1018 1957">Three calendar days</td> <td data-bbox="1023 1711 1513 1957">Providers must speak directly with the job seeker and give all required information using the verbal script. A message cannot be left with another person, left on an answering machine or sent by SMS, as this will not constitute formal notification.</td> </tr> <tr> <td data-bbox="507 1957 810 2022">Face to face</td> <td data-bbox="815 1957 1018 2022">Three calendar days</td> <td data-bbox="1023 1957 1513 2022">Providers must give all required information using the verbal script.</td> </tr> </tbody> </table>			Method	Amount of advance notice that job seekers need to be given	Details	Phone	Three calendar days	Providers must speak directly with the job seeker and give all required information using the verbal script. A message cannot be left with another person, left on an answering machine or sent by SMS, as this will not constitute formal notification.	Face to face	Three calendar days	Providers must give all required information using the verbal script.
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Process	Details		
			Providers may also choose to issue the job seeker with a form of written notification at the same time.
	Letter or activity notification (mailed to the job seeker)	Four Business Days	Providers need to take into account the job seeker's mailing arrangements when using postal services.
	Letter or activity notification (handed to the job seeker)	Three calendar days	Providers may wish to use this form of formal notification in conjunction with face-to-face verbal notification.
	Email (only available when it is the job seeker's notification preference)	Two Business Days	For an email notification to be valid, Providers must ensure that the job seeker has read and understood the email—for example, by using a 'read receipt'—at least one day before the Appointment or activity. Where the job seeker does not respond to email notification, another method should be used.
	<p>Where an Appointment or participation in an activity has been arranged directly between the Provider and job seeker and the job seeker has indicated their intent to attend, reasonable notice is considered to have been given, even if the Appointment or participation in the activity is on the <i>same day</i> as the notification.</p> <p>Mutual Obligation Requirement reminders</p> <p>To encourage job seeker attendance and compliance with their Mutual Obligation Requirements, Providers can issue reminders to job seekers including SMS, email and letters, as their requirement date approaches. These can be created using the Department's IT Systems.</p> <p>Recording job seeker notifications</p> <p>Providers must keep a record of all notifications issued to a job seeker through the Department's IT Systems. If a Provider subsequently decides to use the job seeker compliance framework, they need to show that formal notification was issued to the job seeker so that DHS can be satisfied that the job seeker was properly notified and fully aware of their requirements.</p> <p>Note: The requirement to formally notify individuals who receive income support payments also applies to Disability Support Pension Recipients (Compulsory Requirements) and to Stronger Participation Incentives Participants.</p>		
<p>Actively monitor job seekers to ensure they meet their Mutual Obligation Requirements</p>	<p>Providers must use their best endeavours to ensure that all job seekers meet their Mutual Obligation Requirements, including by attending Appointments, fulfilling their Annual Activity Requirement, participating in any other activity that is included in their Job Plan on a compulsory basis and undertaking Job Search.</p> <p>Providers must actively monitor job seekers' compliance with their Mutual Obligation Requirements. Where job seekers do not meet their requirements, Providers must determine the best strategy to re-engage or positively influence a change of behaviour in the job seeker. This may include reporting the non-compliance to DHS or using another strategy to ensure that the job seeker complies at the next available opportunity, consistent with the Social Security Law.</p> <p>Note: In deciding whether it is appropriate to report the non-compliance to DHS, Providers must consider certain factors to ascertain whether the job seeker had a</p>		

Process	Details
	Valid Reason or Reasonable Excuse (explained below). However, DHS, not Providers, makes all penalty decisions under the Social Security Law: see clause 115 of the Deed.
<p>Job seeker gives prior notice of inability to meet a Mutual Obligation Requirement—do they have a Valid Reason?</p>	<p>Where a job seeker is unable to attend an Appointment, activity or job interview with a prospective employer, they must contact their Provider beforehand to advise them of a Valid Reason for being unable to meet their requirement. Providers must ensure they have mechanisms in place in their organisation to allow job seekers to make timely contact with their Provider—for example, answering machine, dedicated job seeker phone lines or the ability to accept reverse charge phone calls from job seekers.</p> <p>When determining whether a reason for non-attendance is valid, Providers will need to use their judgement and knowledge of the job seeker. Generally, the measure of ‘validity’ is whether a member of the public would accept the circumstances as reasonable. For example, given that the focus is for job seekers to develop work-like behaviours and move into sustainable paid employment, would the reason that the job seeker provides be accepted by an employer?</p> <p>The Provider then needs to determine what is acceptable in the context of the specific situation. Providers must consider why the job seeker was unable to meet their requirements and whether it is a valid excuse for non-attendance.</p> <p>Providers should consider the degree of flexibility afforded to the job seeker in the past and what effect has this had on the job seeker’s compliance with requirements (for example, have there been many instances of non-attendance or have Appointments/activities repeatedly been rescheduled).</p> <p>If, taking the above factors into account, the Provider considers the reason to be valid, they must record this in the Department’s IT Systems and make other arrangements for the requirement such as rescheduling the relevant Appointment or activity for a suitable time. If it is not appropriate to reschedule the requirement, the Provider must ensure that the job seeker is aware of their next requirement to engage with them (for example, if an activity cannot be rescheduled, the Provider should remind the job seeker of their next Appointment).</p> <p>In instances where a job seeker makes contact before their requirement but did not have a Valid Reason for not being able to meet their requirement and was advised that they were still required to attend, the Provider must still attempt to contact the job seeker on the same day that they miss that requirement and document this attempt in the Department’s IT Systems. This is to confirm that no other circumstances prevented the job seeker from attending. Unless other circumstances prevented the job seeker from attending, the job seeker does not have a Valid Reason for non-compliance.</p>
<p>Job seeker does not give prior notice of inability to meet a Mutual Obligation Requirement—do they have a Reasonable Excuse?</p>	<p>Where a job seeker fails to comply with a requirement then, on the same Business Day on which the Provider becomes aware of the non-compliance, the Provider must confirm that no prior contact was made by the job seeker to demonstrate that they had a Valid Reason for not complying. Providers needs to be confident that no prior contact has been made—for example, by checking with reception staff or listening to answering machine messages, depending on internal work practices.</p> <p>Where there is no evidence that the job seeker made prior contact and gave a Valid Reason, the Provider must attempt to contact the job seeker once on the day of becoming aware of the non-compliance to discuss</p> <ul style="list-style-type: none"> • why the job seeker failed to comply with their requirement, and where this is reasonable

Process	Details
	<ul style="list-style-type: none"> • why the job seeker did not make contact beforehand. <p>Note: The attempt to contact the job seeker can only be made by phone or email, because the decision on the next steps (that is, whether the compliance framework should be utilised) must be made on the same Business Day.</p> <p>Based on the discussion with the job seeker, the Provider must assess whether the job seeker had a Reasonable Excuse for failing to comply with the requirement.</p> <p>A ‘Reasonable Excuse’ is an excuse that would seem reasonable to a member of the public. Given that each situation is different, Providers need to consider what is reasonable in the specific context of the non-compliance.</p> <p>There are two stages in assessing whether the job seeker has a Reasonable Excuse for failing to comply with the requirement:</p> <p>Providers must consider why the job seeker did not comply. If the job seeker provides an acceptable reason, the Provider must then consider why the job seeker did not give prior notice.</p> <p>Where a job seeker does not give prior notice of their inability to attend and it would be reasonable to have expected them to do so, they do not have a Reasonable Excuse.</p> <p>In some instances, prior notice will not be relevant for Providers to consider—for example; inappropriate behaviour or declining suitable paid employment.</p>
Recording compliance with Mutual Obligation Requirements	<p>Providers must record the job seeker’s compliance with their Mutual Obligation Requirements in the Department’s IT Systems, specifically for Appointments and activities.</p> <p>For Appointments, Providers must record the compliance status by close of business on the day of the Appointment.</p> <p>For activities that are being hosted by a third-party organisation, Providers must ensure that the supervisor notifies them of any non-attendance or non-compliance as soon as is practicable, but by no later than at the end of the relevant working week. Where the ‘Supervisor’ mobile device application is being used by a Work for the Dole supervisor, they will have access (via the application) to details of those job seekers that participate in the activity on any given day. These details are only accessible where the Provider is using the Department’s IT Systems (specifically the activity diary) to record required participation. Through the application, supervisors can record preliminary compliance results which will be automatically sent to the Department’s IT Systems to update the Provider’s records. Refer to the Work for the Dole Guideline for further information.</p> <p>In addition to reflecting the job seeker’s attendance/participation in their requirement, the status reflects the Provider’s decision about any non-attendance or non-compliance. The compliance status options that are available to Providers in the Department’s IT Systems are:</p> <ul style="list-style-type: none"> • Rescheduled (RESC)—The Provider thinks that the job seeker has a Valid Reason for not complying (before the requirement start time) and the Provider decides to reschedule the requirement • Attended (ATT)—The job seeker attended or participated in the requirement where they have arrived on time and at the correct location; behaved appropriately; treated staff and others with respect; and participated for the duration of the requirement • Did Not Attend Valid (DNAV)—The job seeker did not attend or participate in

Process	Details
	<p>the requirement; however, the Provider thinks that the job seeker had a Reasonable Excuse</p> <ul style="list-style-type: none"> • Did Not Attend Invalid (DNAI)—The job seeker did not attend or participate in the requirement and the Provider thinks that the job seeker did not have a Reasonable Excuse, or contact could not be made and the Provider will be using the compliance framework • Did Not Attend Discretion (DNAD)—The job seeker did not attend or participate in the requirement and the Provider thinks that the job seeker did not have a Reasonable Excuse or contact could not be made, and the Provider has decided not to report the non-compliance to DHS because it is not the best strategy to re-engage the job seeker at that point in time • Did Not Enter into or sign a Job Plan (DNEP)—The job seeker attended or participated in their requirement but did not agree to a Job Plan or sign an updated Job Plan either in person or online through the Australian JobSearch website. <p>Job Search</p> <ul style="list-style-type: none"> • Satisfactory—The Provider assesses that the job seeker has met their Job Search Requirement for the Job Search Period • Unsatisfactory—The Provider assesses that the job seeker’s Job Search efforts for the Job Search Period are unsatisfactory to meet the requirements in their Job Plan and they will use the job seeker compliance framework • Unsatisfactory–Discretion—The Provider assesses that the job seeker’s Job Search efforts are unsatisfactory, but the Provider thinks that using the job seeker compliance framework is not the best way to help the job seeker to improve their Job Search efforts at that time.
<p>Determining the most appropriate action following non-attendance or other forms of non-compliance</p>	<p>Following job seeker non-attendance or other non-compliance, a Provider must consider whether to use the job seeker compliance framework in relation to the event. This decision informs the compliance status that is recorded in the Department’s IT Systems for the requirement.</p> <p>To assist in determining if using the job seeker compliance framework is appropriate, in addition to considering the job seeker’s explanation for non-attendance/non-compliance, Providers need to also consider the job seeker’s:</p> <ul style="list-style-type: none"> • personal circumstances • system-recorded vulnerability indicators (if any) • recent compliance history and • any other information they believe is relevant. <p>If the Provider does decide to use the job seeker compliance framework, they must report the incident to DHS on the same business day that they make this decision. Providers will only have a short timeframe from the non-compliance event to make this decision. The timeframes are:</p> <ul style="list-style-type: none"> • for non-attendance at a Provider Appointment—the same Business Day as the missed Appointment • for non-attendance at an activity or job interview—within 10 Business Days of the event • for unsatisfactory Job Search Requirement—within 10 Business Days of the Job Search Period end date. <p>If, after considering all relevant factors, the Provider believes that reporting the incident to DHS is not the most appropriate re-engagement strategy to secure the job</p>

Process	Details
	<p>seeker's ongoing participation, they should record this decision in the Department's IT Systems and:</p> <ul style="list-style-type: none"> • for <i>Appointments</i>—where the Appointment is not a Re-engagement Appointment, ensure the job seeker complies at the next available opportunity • for <i>activities</i>—consider if the job seeker should make up time in the activity or continue to participate on the next scheduled day of the activity • for <i>Job Search</i>—record that discretion has been used, but closely monitor Job Search for the next month.
<p>Using the job seeker compliance framework for job seekers with Mutual Obligation Requirements</p>	<p>When reporting non-compliance, Providers must include information relevant to the incident in the report. The following are the types of reports to be submitted for various kinds of non-compliance and the potential consequences of each.</p> <p>Failure to attend a Provider Appointment</p> <ul style="list-style-type: none"> • Non-Attendance Report (NAR)—Providers submit this report through the Department's IT Systems so that a job seeker's income support payment is suspended until they attend their next Appointment • Provider Appointment Report (PAR)—Providers submit this report when they want to recommend to DHS that a financial penalty should be applied in relation to the job seeker's non-attendance and suspend a job seeker's income support payment until they attend their next Appointment. A PAR can only be submitted after contact has taken place between the Provider and job seeker to confirm Reasonable Excuse does not exist. <p>Where DHS decides that a penalty should be applied, the job seeker will lose a day's income support payment for each Business Day from the date they were notified of the payment suspension until they do attend a Re-engagement Appointment.</p> <p>Connection Failure Participation Reports (PRs)</p> <ul style="list-style-type: none"> • Failure to attend Appointment (with an organisation other than the Provider) without a Valid Reason or Reasonable Excuse (CFAO PR)—When this report is submitted, DHS will suspend the job seeker's income support payment and set a Reconnection Requirement in the Department's IT Systems (through booking a re-engagement Appointment with their Provider). Agreement to attend this Appointment will lift the payment suspension. If the subsequent Appointment is not attended, this may lead to a financial penalty of one day's income support payment for every day the job seeker does not attend • Failure to enter into or vary a Job Plan (CFEP PR)—This is submitted when the job seeker attended their Appointment but did not enter into a Job Plan or did not agree to their Job Plan on the Australian JobSearch website in the required timeframe. DHS will investigate the incident with the job seeker and will book another Appointment with their Provider for them to sign the Job Plan. If the first failure is applied by DHS and the job seeker again refuses to enter into/vary their Job Plan, an ongoing failure to meet a condition of their payment may exist. If DHS confirms this, the job seeker's payment may be cancelled from the date of the second refusal • Failure to meet Job Search Requirements (CFJR PR)—Providers submit this report when they have assessed and recorded that the job seeker's Job Search efforts are unsatisfactory for the Job Search Period. DHS will investigate the PR and if applied, the job seeker may need to complete a Job

Process	Details
	<p>Seeker Diary for up to 12 weeks and then return that to DHS.</p> <p>No Show, No Pay (NSNP) PRs</p> <ul style="list-style-type: none"> • Failure to attend an activity recorded in the Job Plan without a Valid Reason or Reasonable Excuse (NFAA PR)—Providers can also indicate in the PR that the job seeker has disengaged from their activity. When this is done, DHS will suspend the job seeker’s income support payment until the job seeker agrees to attend a re-engagement Appointment and set a Reconnection Requirement through booking this Appointment. Where the job seeker fails to meet this Reconnection Requirement, the job seeker may lose a Business Day’s income support payment (i.e.one-tenth of the job seeker’s fortnightly income support payment) for every day until they do attend their Appointment • Failure to behave appropriately in an activity recorded in their Job Plan (NFBA PR) • Failure to attend a job interview without a Valid Reason or Reasonable Excuse (NFJI PR) • Failure to behave appropriately at a job interview (NFJI PR). <p>Where any No Show No Pay Failure is applied, the job seeker will lose a Business Day’s income support payment for each day.</p> <p>Serious Failure PRs</p> <ul style="list-style-type: none"> • Failure to accept a suitable job without a Valid Reason or Reasonable Excuse (SFAJ PR) • Failure to commence a suitable job without a Valid Reason or Reasonable Excuse (SFCJ PR). <p>Following the submission of a Serious Failure PR, DHS may apply an eight-week non-payment penalty during which the job seeker will not receive their income support payment. This penalty can be waived by the job seeker agreeing to undertake a Compliance Activity for eight weeks. See the Comprehensive Compliance Assessments and Compliance Activities Guideline for more information.</p> <p>Unemployment Non-Payment Period (UNPP) PRs</p> <ul style="list-style-type: none"> • Voluntarily leaving a suitable job without a valid reason (UEVJ PR) • Dismissed for misconduct from suitable job (UEDJ PR). <p>Job seekers who incur a UNPP will be ineligible to receive income support payments for eight weeks (for new applicants) or will have their income support payment stopped for eight weeks (existing job seekers).</p> <p>A 12-week UNPP may apply to job seekers who have received assistance to relocate under the Relocation Assistance to Take Up a Job programme but the job seeker does not commence in that job, voluntarily leaves without a Reasonable Excuse or is dismissed from the job due to misconduct. See the Relocation Assistance to Take Up a Job Guideline for more information.</p> <p>Providers can see DHS decisions following investigations on the Compliance History page in the Department’s IT systems.</p>
<p>Compliance arrangements for Disability Support Pension Recipients</p>	<p>Disability Support Pension Recipients (Compulsory Requirements)</p> <p>Providers must monitor attendance at Appointments and activities and requirement to enter into a current Job Plan. Where the Disability Support Pension Recipient (Compulsory Requirements) fails to meet their compulsory requirements and the</p>

Process	Details
<p>(Compulsory Requirements) and Stronger Participation Incentives Participants</p>	<p>Provider considers that compliance is necessary, the Provider must record this in the Department's IT Systems and take any relevant action to report the non compliance to DHS.</p> <p>Stronger Participation Incentives Participants</p> <p>Providers can decide to report non-compliance to DHS where a Stronger Participation Incentives Participant does not meet their requirements, including attending Appointments and activities and meeting Job Search Requirements.</p>
<p>Re-engaging the job seeker and applying penalties</p>	<p>After submission of either a NAR or PAR and following successful contact taking place with the job seeker, Providers are responsible for re-engaging job seekers by booking Appointments that must be scheduled to occur within the next two Business Days of contact occurring with the job seeker.</p> <p>For all PRs and PARs submitted, DHS will investigate the incident to determine if a failure occurred, which includes whether Reasonable Excuse existed and whether a participation failure should apply and why. DHS will inform the job seeker of any penalties applied.</p> <p>Providers must have timeslot capacity at all times in the Department's IT Systems to ensure that DHS can book an Appointment for a job seeker within the next two Business Days.</p>
<p>Providing evidence to tribunals</p>	<p>Providers may at times be asked to give evidence to the Social Security Appeals Tribunal or the Administrative Appeals Tribunal where a person is appealing a decision made by DHS in relation to their income support payment. For example, if a job seeker has their income support payment suspended or reduced or a financial penalty has been applied because of a participation failure, the job seeker may choose to appeal this decision. When this occurs, a tribunal may wish to discuss the details of any non-compliance reported to DHS with the recipient's Provider to assist the tribunal in reaching a decision that considers all the elements of the appeal. Providers must provide all possible assistance to the Commonwealth on the appeals process.</p>
<p>Contacting DHS to discuss job seeker servicing</p>	<p>Providers can email the DHS Participation Solutions Team (PST) or Local Services Centre about specific job seekers in relation to compliance actions and confirmation of other information that may impact on the servicing of the job seeker. For more details on how and when to contact DHS, see Attachment A to this Guideline.</p>

How and when to contact the Department of Human Services

Process	Details
<p>Arrangements for Providers to contact DHS Participation Solutions Team (PST)</p>	<p>Providers should use Attachment B: Template for Employment Provider Queries to the Department of Human Services Participation Solutions Team (DHS PST) and email their query to the DHS PST at PST.ENQUIRY@humanservices.gov.au. Queries should be confined to matters that relate to compliance actions or confirmation on:</p> <ul style="list-style-type: none"> • exemptions from Mutual Obligation Requirements • the status of an approved activity • the job seeker’s Mutual Obligation Requirements • other matters that impact directly on servicing the job seeker. <p>The DHS PST will provide a response where appropriate. Where the query does not relate to DHS PST or participation services, an email response will be sent requesting Providers contact the correct area of DHS.</p> <p>Any emails containing identifying customer information—such as names, address or date of birth—will be securely destroyed and no response will be provided by the DHS PST.</p> <p>Providers can contact their local DHS shopfront to discuss issues such as large local redundancies, representations at local meetings and presentations to local communities.</p>
<p>Arrangements for job seekers to contact DHS PST</p>	<p>Job seekers can phone DHS general enquiries on 132 850. Providers can act as an advocate for the job seeker by calling this number while the job seeker is with them.</p>
<p>Urgent queries for the DHS PST</p>	<p>Where the job seeker is present with the Provider and urgent action is required by DHS to allow the continued regular servicing of the job seeker, the Provider can call the PST on 1300 306 325.</p> <p>This would include circumstances where there is a DHS-initiated suspension of income support (other than due to a NAR having been submitted) or for confirmation of exemption applications (for example, medical certificate lodged).</p> <p>Non-urgent queries should be submitted by email using Attachment B: Template for Employment Provider Queries to the Department of Human Services Participation Solutions Team (DHS PST)</p>
<p>Other enquiries</p>	<p>Providers should refer to the relevant Guidelines or Learning Centre website in the first instance.</p> <p>Questions relating to issues experienced with the Department’s IT Systems should be explored first through the EA Knowledge Base. If the issues cannot be resolved, the Provider should contact the Employment Systems Help Desk on 1300 305 520.</p>



Australian Government
Department of Employment

**Template for Employment Provider Queries to the
 Department of Human Services Participation Solutions Team (DHS PST)**

Email when complete to: PST.ENQUIRY@humanservices.gov.au.

Employment Provider

Provider contact name

Site

Site code

Job Seeker ID

Topic (*Please indicate with an X*)

Note: The topic selected below **should** be included in the subject heading of the email sent to the PST. Do not include any of the job seeker's personal details in the email or this template—only the JSID.

Compliance

- Withdrawal of Participation Report
- Feedback about decision on compliance
- Provider Interventions recommended in a CCA

Other

- Exemption from Activity Test Requirements
- Activity—current/finalised
- Mutual Obligation Requirements
- Other (specify below)

Other

Did you check Provider Portal and/or Knowledgebase before lodging query?

Yes
No

Question

What do you need this information for:

(Please indicate with an X)

Updating Job Plan

Referral to new service/Activity

To determine if compulsory or voluntary job seeker

To refer job seeker to employment

To complete/finalise compliance action

Other



Job Seeker Compliance Framework Guideline

Document change history

Version	Start date	Effective date	End date	Change and location
1.1	01 07 15	01 07 15		Updates to titles under relevant references.
1.0	01 07 15	01 07 15		Original version of document

Explanatory Note

All capitalised terms have the same meaning as in the jobactive Deed 2015–2020. In this document, ‘**must**’ means that compliance is mandatory and ‘**should**’ means that compliance represents best practice and that compliance is discretionary.

The term ‘job seeker’ in this Guideline means any Fully Eligible Participant (Mutual Obligation).

Disclaimer

This Guideline is not a stand-alone document and does not contain the entirety of Employment Services Providers’ obligations.

It **must** be read in conjunction with the Deed and any relevant Guidelines or reference material issued by Department of Employment under or in connection with the Deed.

Summary

This Guideline provides information on the policy and processes that Employment Providers (Providers) **must** use in delivering services to assist job seekers to be aware of fully understand and meet their Mutual Obligation Requirements. ‘Mutual Obligation Requirements’ refers to the activity test or participation requirements that a job seeker **must** meet in order to receive an income support payment under the Social Security Law and in accordance with any Guidelines (see [Mutual Obligation Requirements \(including Annual Activity Requirements\) Guideline](#) for more information).

This Guideline also provides information on the job seeker compliance framework—a tool available to Providers to support job seeker engagement and designed to influence a change in the job seeker’s behaviour, where required.

The job seeker compliance framework does not apply to job seekers who do not have Mutual Obligation Requirements. Advice on arrangements for [Disability Support Pension Recipients with compulsory requirements](#) is provided in a separate Guideline.

Policy Intent

The job seeker compliance framework is designed to encourage job seekers to engage with their Employment Provider, undertake activities to meet their Mutual Obligation Requirements and actively look for work.

The job seeker compliance framework helps Providers to quickly re-engage job seekers who do not comply with their Mutual Obligation Requirements. Providers can report non-compliance to the Department of Human Services (DHS), which makes compliance decisions under the Social Security Law, including income support payment suspensions and the application of financial penalties where job seekers do not have a Reasonable Excuse. Providers have flexibility to choose when they report non-compliance and when they use discretion and other strategies to re-engage or positively influence the job seeker’s behaviour.

Relevant Deed clause/s

The relevant clauses in the jobactive Deed 2015–2020 (the Deed) are

Clause 11—Liaison and directions
Clause 83—Appointments with Stream Participants
Clause 84—Contacts
Clause 85—Initial Interviews
Clause 87—General requirements for a Job Plan
Clause 102—SPI Participants
Clause 106—Mutual Obligation Requirements
Clause 107—Activities
Clause 111—Supervision
Clause 113—Job Search Requirements
Clause 114—Monitoring
Clause 115—Non-compliance action for Mutual Obligation Requirements
Clause 116—Non-compliance action for Disability Support Pension Recipients (Compulsory Requirements)
Clause 117—Comprehensive Compliance Assessment
Clause 118—Compliance Activities
Clause 119—Delegate obligations
Clause 120—Recording Attendance
Clause 121—Issuing and recording Notification.

Relevant references

Reference documents relevant to this Guideline include:

- [Learning Centre website](#)
- [Mutual Obligation Requirements \(including Annual Activity Requirements\) Guideline](#)
- [Job Plans Guideline](#)
- [Managing and Monitoring Job Seeker Appointments Guideline](#)
- [Managing and Monitoring Job Search Guideline](#)
- [Comprehensive Compliance Assessments and Compliance Activities Guideline](#)
- [Activity Management Guideline](#)
- [Work for the Dole Guideline](#)
- [Relocation Assistance to Take Up a Job Guideline](#)
- [Social Security Act 1991](#)
- [Social Security \(Administration\) Act 1999](#)
- [Guide to Social Security Law](#)
- Employment and Community Services Network (ECSN) - Reports – Compliance
 - CPL01 jobactive Job Seeker Compliance
 - CPL03 Appointment Outcome
 - CPL04 Job Seeker Re-engagement Outstanding
 - CPL05 Job Seeker Re-engagement Report.

Notifying job seekers of their Mutual Obligation Requirements, monitoring participation and using the job seeker compliance framework

Process	Details
<p>Provider ensures that job seekers are aware of their Mutual Obligation Requirements and details of meeting them</p>	<p>Job Plans</p> <p>Under the Social Security Law, job seekers must enter into and agree to the terms of a Job Plan. The Job Plan will include the Appointments, Job Search Requirements and any other activities that will enable the job seeker to meet their Mutual Obligation Requirements (including the hours required to meet their Annual Activity Requirement).</p> <p>When deciding what Mutual Obligation Requirements to include in the Job Plan, Providers must consider the job seeker's individual circumstances, including their work capacity where relevant, personal needs, caring responsibilities and capacity to comply with the requirements.</p> <p>For more information on Job Plans, see the Job Plan Guideline.</p> <p>Providers must ensure that job seekers are correctly notified of their Mutual Obligation Requirements so that job seekers are aware at all times of what the Social Security Law requires them to do in return for their income support payment. Providers must use the Department's IT Systems to record the way that the job seeker was notified of their Mutual Obligation Requirements. This enables Providers to be able to take action using the job seeker compliance framework for non-compliance where they choose to do so.</p> <p>Authority to formally notify a job seeker of their Mutual Obligation Requirements</p> <p>Each person engaged by a Provider to perform functions or to provide Employment Provider Services under the Deed is a delegate of the Secretary of the Department of Employment. Delegates have been given the authority under the Social Security Law (Social Security (Administration) Act 1999, s 63(2); and Social Security Act 1991, ss 501, 544, 605 and 731L) to formally notify the job seeker of the requirements to:</p> <ul style="list-style-type: none"> • attend Appointments with their Provider or a third party • attend a location to participate in an Activity • attend a job interview • negotiate and enter into a Job Plan (which may include Job Search Requirements).
<p>Provider ensures that formal notification contains all required details</p>	<p>Providers must ensure that the following details are included in the formal notification:</p> <ul style="list-style-type: none"> • the nature of the requirement (e.g. Appointments, activities, entering into a Job Plan) • the date and time of the requirement or the time the requirement needs to be completed by • the location of the requirement where relevant (for Appointments and activities, for instance) • the consequences of failing to meet the requirement and • a statement that it is a notice under the Social Security Law. The statement explains to the job seeker that the Appointment or activity, for example, is part of their requirements in order to receive income support payments. <p>Other requirements when issuing formal notification include:</p> <ul style="list-style-type: none"> • Where a job seeker is required to attend an appointment, the Provider must ensure that the notice includes the purpose of the appointment • Job seekers must be advised that, if they have a Valid Reason for not being

Process	Details									
	<p>able to meet their requirements, they must contact their Provider beforehand to advise of this</p> <ul style="list-style-type: none"> If a job seeker is required to attend an Appointment or activity, the provider must ensure that it gives reasonable notice ahead of the Appointment or day of the activity. Reasonable notice gives the job seeker sufficient time to prepare for the requirement-for example, to arrange transportation. 									
<p>Provider issues the most appropriate form of formal notification to job seeker in reasonable notice timeframes</p>	<p>Types of formal notification</p> <p>Providers can notify a job seeker of the details of their Mutual Obligation Requirements either by including them in the job seeker’s Job Plan or by issuing separate formal notification to the job seeker.</p> <p>a) Job Plan</p> <p>The Job Plan can be used as the full formal notification only if the time, date and location details (where relevant) of the particular requirements are included. Providers will generally be unable to include all of these details at the time the Job Plan is being negotiated, so the Provider must issue the job seeker with separate formal notification to support the Appointment and activity requirements in the Job Plan.</p> <p>The Job Plan can also be used as the full formal notification for Job Search Requirements as long as the Job Plan includes:</p> <ul style="list-style-type: none"> the number of Job Searches required (refer to the Mutual Obligation Requirements (including Annual Activity Requirements) Guideline and the period of time over which the requirement needs to be undertaken. <p>Providers should use this method of formal notification in the vast majority of cases concerning notification of Job Search Requirements.</p> <p>b) Separate formal notification (in particular, for Appointments and participation in activities)</p> <p>The table below sets out the methods of formal notification that can be used by Providers and the period of notice required ahead of the scheduled requirement (‘reasonable notice’) to issue it to the job seeker.</p> <p>The Department’s IT Systems can be used to create notifications for job seekers, either automatically by using the diaries or by using the templates that are available in the system.</p> <table border="1" data-bbox="507 1496 1513 2065"> <thead> <tr> <th data-bbox="507 1496 810 1675">Method</th> <th data-bbox="810 1496 1023 1675">Amount of advance notice that job seekers need to be given</th> <th data-bbox="1023 1496 1513 1675">Details</th> </tr> </thead> <tbody> <tr> <td data-bbox="507 1675 810 1928">Phone</td> <td data-bbox="810 1675 1023 1928">Three calendar days</td> <td data-bbox="1023 1675 1513 1928">Providers must speak directly with the job seeker and give all required information using the verbal script. A message cannot be left with another person, left on an answering machine or sent by SMS, as this will not constitute formal notification.</td> </tr> <tr> <td data-bbox="507 1928 810 2065">Face to face</td> <td data-bbox="810 1928 1023 2065">Three calendar days</td> <td data-bbox="1023 1928 1513 2065">Providers must give all required information using the verbal script. Providers may also choose to issue the job seeker with a form of written</td> </tr> </tbody> </table>	Method	Amount of advance notice that job seekers need to be given	Details	Phone	Three calendar days	Providers must speak directly with the job seeker and give all required information using the verbal script. A message cannot be left with another person, left on an answering machine or sent by SMS, as this will not constitute formal notification.	Face to face	Three calendar days	Providers must give all required information using the verbal script. Providers may also choose to issue the job seeker with a form of written
Method	Amount of advance notice that job seekers need to be given	Details								
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Face to face	Three calendar days	Providers must give all required information using the verbal script. Providers may also choose to issue the job seeker with a form of written								

Process	Details		
			notification at the same time.
	Letter or activity notification (mailed to the job seeker)	Four Business Days	Providers need to take into account the job seeker’s mailing arrangements when using postal services.
	Letter or activity notification (handed to the job seeker)	Three calendar days	Providers may wish to use this form of formal notification in conjunction with face-to-face verbal notification.
	Email (only available when it is the job seeker’s notification preference)	Two Business Days	For an email notification to be valid, Providers must ensure that the job seeker has read and understood the email—for example, by using a ‘read receipt’—at least one day before the Appointment or activity. Where the job seeker does not respond to email notification, another method should be used.
	<p>Where an Appointment or participation in an activity has been arranged directly between the Provider and job seeker and the job seeker has indicated their intent to attend, reasonable notice is considered to have been given, even if the Appointment or participation in the activity is on the <i>same day</i> as the notification.</p> <p>Mutual Obligation Requirement reminders</p> <p>To encourage job seeker attendance and compliance with their Mutual Obligation Requirements, Providers can issue reminders to job seekers including SMS, email and letters, as their requirement date approaches. These can be created using the Department’s IT Systems.</p> <p>Recording job seeker notifications</p> <p>Providers must keep a record of all notifications issued to a job seeker through the Department’s IT Systems. If a Provider subsequently decides to use the job seeker compliance framework, they need to show that formal notification was issued to the job seeker so that DHS can be satisfied that the job seeker was properly notified and fully aware of their requirements.</p> <p>Note: The requirement to formally notify individuals who receive income support payments also applies to Disability Support Pension Recipients (Compulsory Requirements) and to Stronger Participation Incentives Participants.</p>		
<p>Actively monitor job seekers to ensure they meet their Mutual Obligation Requirements</p>	<p>Providers must use their best endeavours to ensure that all job seekers meet their Mutual Obligation Requirements, including by attending Appointments, fulfilling their Annual Activity Requirement, participating in any other activity that is included in their Job Plan on a compulsory basis and undertaking Job Search.</p> <p>Providers must actively monitor job seekers’ compliance with their Mutual Obligation Requirements. Where job seekers do not meet their requirements, Providers must determine the best strategy to re-engage or positively influence a change of behaviour in the job seeker. This may include reporting the non-compliance to DHS or using another strategy to ensure that the job seeker complies at the next available opportunity, consistent with the Social Security Law.</p> <p>Note: In deciding whether it is appropriate to report the non-compliance to DHS, Providers must consider certain factors to ascertain whether the job seeker had a Valid Reason or Reasonable Excuse (explained below). However, DHS, not Providers, makes all penalty decisions under the Social Security Law: see clause 115 of the Deed.</p>		

Process	Details
<p>Job seeker gives prior notice of inability to meet a Mutual Obligation Requirement—do they have a Valid Reason?</p>	<p>Where a job seeker is unable to attend an Appointment, activity or job interview with a prospective employer, they must contact their Provider beforehand to advise them of a Valid Reason for being unable to meet their requirement. Providers must ensure they have mechanisms in place in their organisation to allow job seekers to make timely contact with their Provider—for example, answering machine, dedicated job seeker phone lines or the ability to accept reverse charge phone calls from job seekers.</p> <p>When determining whether a reason for non-attendance is valid, Providers will need to use their judgement and knowledge of the job seeker. Generally, the measure of ‘validity’ is whether a member of the public would accept the circumstances as reasonable. For example, given that the focus is for job seekers to develop work-like behaviours and move into sustainable paid employment, would the reason that the job seeker provides be accepted by an employer?</p> <p>The Provider then needs to determine what is acceptable in the context of the specific situation. Providers must consider why the job seeker was unable to meet their requirements and whether it is a valid excuse for non-attendance.</p> <p>Providers should consider the degree of flexibility afforded to the job seeker in the past and what effect has this had on the job seeker’s compliance with requirements (for example, have there been many instances of non-attendance or have Appointments/activities repeatedly been rescheduled).</p> <p>If, taking the above factors into account, the Provider considers the reason to be valid, they must record this in the Department’s IT Systems and make other arrangements for the requirement such as rescheduling the relevant Appointment or activity for a suitable time. If it is not appropriate to reschedule the requirement, the Provider must ensure that the job seeker is aware of their next requirement to engage with them (for example, if an activity cannot be rescheduled, the Provider should remind the job seeker of their next Appointment).</p> <p>In instances where a job seeker makes contact before their requirement but did not have a Valid Reason for not being able to meet their requirement and was advised that they were still required to attend, the Provider must still attempt to contact the job seeker on the same day that they miss that requirement and document this attempt in the Department’s IT Systems. This is to confirm that no other circumstances prevented the job seeker from attending. Unless other circumstances prevented the job seeker from attending, the job seeker does not have a Valid Reason for non-compliance.</p>
<p>Job seeker does not give prior notice of inability to meet a Mutual Obligation Requirement—do they have a Reasonable Excuse?</p>	<p>Where a job seeker fails to comply with a requirement then, on the same Business Day on which the Provider becomes aware of the non-compliance, the Provider must confirm that no prior contact was made by the job seeker to demonstrate that they had a Valid Reason for not complying. Providers needs to be confident that no prior contact has been made—for example, by checking with reception staff or listening to answering machine messages, depending on internal work practices.</p> <p>Where there is no evidence that the job seeker made prior contact and gave a Valid Reason, the Provider must attempt to contact the job seeker once on the day of becoming aware of the non-compliance to discuss</p> <ul style="list-style-type: none"> • why the job seeker failed to comply with their requirement, and where this is reasonable • why the job seeker did not make contact beforehand. <p>Note: The attempt to contact the job seeker can only be made by phone or email,</p>

Process	Details
	<p>because the decision on the next steps (that is, whether the compliance framework should be utilised) must be made on the same Business Day.</p> <p>Based on the discussion with the job seeker, the Provider must assess whether the job seeker had a Reasonable Excuse for failing to comply with the requirement.</p> <p>A ‘Reasonable Excuse’ is an excuse that would seem reasonable to a member of the public. Given that each situation is different, Providers need to consider what is reasonable in the specific context of the non-compliance.</p> <p>There are two stages in assessing whether the job seeker has a Reasonable Excuse for failing to comply with the requirement:</p> <p>Providers must consider why the job seeker did not comply. If the job seeker provides an acceptable reason, the Provider must then consider why the job seeker did not give prior notice.</p> <p>Where a job seeker does not give prior notice of their inability to attend and it would be reasonable to have expected them to do so, they do not have a Reasonable Excuse.</p> <p>In some instances, prior notice will not be relevant for Providers to consider—for example; inappropriate behaviour or declining suitable paid employment.</p>
<p>Recording compliance with Mutual Obligation Requirements</p>	<p>Providers must record the job seeker’s compliance with their Mutual Obligation Requirements in the Department’s IT Systems, specifically for Appointments and activities.</p> <p>For Appointments, Providers must record the compliance status by close of business on the day of the Appointment.</p> <p>For activities that are being hosted by a third-party organisation, Providers must ensure that the supervisor notifies them of any non-attendance or non-compliance as soon as is practicable, but by no later than at the end of the relevant working week. Where the ‘Supervisor’ mobile device application is being used by a Work for the Dole supervisor, they will have access (via the application) to details of those job seekers that participate in the activity on any given day. These details are only accessible where the Provider is using the Department’s IT Systems (specifically the activity diary) to record required participation. Through the application, supervisors can record preliminary compliance results which will be automatically sent to the Department’s IT Systems to update the Provider’s records. Refer to the Work for the Dole Guideline for further information.</p> <p>In addition to reflecting the job seeker’s attendance/participation in their requirement, the status reflects the Provider’s decision about any non-attendance or non-compliance. The compliance status options that are available to Providers in the Department’s IT Systems are:</p> <ul style="list-style-type: none"> • Rescheduled (RESC)—The Provider thinks that the job seeker has a Valid Reason for not complying (before the requirement start time) and the Provider decides to reschedule the requirement • Attended (ATT)—The job seeker attended or participated in the requirement where they have arrived on time and at the correct location; behaved appropriately; treated staff and others with respect; and participated for the duration of the requirement • Did Not Attend Valid (DNAV)—The job seeker did not attend or participate in the requirement; however, the Provider thinks that the job seeker had a Reasonable Excuse • Did Not Attend Invalid (DNAI)—The job seeker did not attend or participate in the requirement and the Provider thinks that the job seeker did not have a

Process	Details
	<p>Reasonable Excuse, or contact could not be made and the Provider will be using the compliance framework</p> <ul style="list-style-type: none"> • Did Not Attend Discretion (DNAD)—The job seeker did not attend or participate in the requirement and the Provider thinks that the job seeker did not have a Reasonable Excuse or contact could not be made, and the Provider has decided not to report the non-compliance to DHS because it is not the best strategy to re-engage the job seeker at that point in time • Did Not Enter into or sign a Job Plan (DNEP)—The job seeker attended or participated in their requirement but did not agree to a Job Plan or sign an updated Job Plan either in person or online through the Australian JobSearch website. <p>Job Search</p> <ul style="list-style-type: none"> • Satisfactory—The Provider assesses that the job seeker has met their Job Search Requirement for the Job Search Period • Unsatisfactory—The Provider assesses that the job seeker’s Job Search efforts for the Job Search Period are unsatisfactory to meet the requirements in their Job Plan and they will use the job seeker compliance framework • Unsatisfactory–Discretion—The Provider assesses that the job seeker’s Job Search efforts are unsatisfactory, but the Provider thinks that using the job seeker compliance framework is not the best way to help the job seeker to improve their Job Search efforts at that time.
<p>Determining the most appropriate action following non-attendance or other forms of non-compliance</p>	<p>Following job seeker non-attendance or other non-compliance, a Provider must consider whether to use the job seeker compliance framework in relation to the event. This decision informs the compliance status that is recorded in the Department’s IT Systems for the requirement.</p> <p>To assist in determining if using the job seeker compliance framework is appropriate, in addition to considering the job seeker’s explanation for non-attendance/non-compliance, Providers need to also consider the job seeker’s:</p> <ul style="list-style-type: none"> • personal circumstances • system-recorded vulnerability indicators (if any) • recent compliance history and • any other information they believe is relevant. <p>If the Provider does decide to use the job seeker compliance framework, they must report the incident to DHS on the same business day that they make this decision. Providers will only have a short timeframe from the non-compliance event to make this decision. The timeframes are:</p> <ul style="list-style-type: none"> • for non-attendance at a Provider Appointment—the same Business Day as the missed Appointment • for non-attendance at an activity or job interview—within 10 Business Days of the event • for unsatisfactory Job Search Requirement—within 10 Business Days of the Job Search Period end date. <p>If, after considering all relevant factors, the Provider believes that reporting the incident to DHS is not the most appropriate re-engagement strategy to secure the job seeker’s ongoing participation, they should record this decision in the Department’s IT Systems and:</p> <ul style="list-style-type: none"> • for <i>Appointments</i>—where the Appointment is not a Re-engagement Appointment, ensure the job seeker complies at the next available

Process	Details
	<p>opportunity</p> <ul style="list-style-type: none"> for <i>activities</i>—consider if the job seeker should make up time in the activity or continue to participate on the next scheduled day of the activity for <i>Job Search</i>—record that discretion has been used, but closely monitor Job Search for the next month.
<p>Using the job seeker compliance framework for job seekers with Mutual Obligation Requirements</p>	<p>When reporting non-compliance, Providers must include information relevant to the incident in the report. The following are the types of reports to be submitted for various kinds of non-compliance and the potential consequences of each.</p> <p>Failure to attend a Provider Appointment</p> <ul style="list-style-type: none"> Non-Attendance Report (NAR)—Providers submit this report through the Department’s IT Systems so that a job seeker’s income support payment is suspended until they attend their next Appointment Provider Appointment Report (PAR)—Providers submit this report when they want to recommend to DHS that a financial penalty should be applied in relation to the job seeker’s non-attendance and suspend a job seeker’s income support payment until they attend their next Appointment. A PAR can only be submitted after contact has taken place between the Provider and job seeker to confirm Reasonable Excuse does not exist. <p>Where DHS decides that a penalty should be applied, the job seeker will lose a day’s income support payment for each Business Day from the date they were notified of the payment suspension until they do attend a Re-engagement Appointment.</p> <p>Connection Failure Participation Reports (PRs)</p> <ul style="list-style-type: none"> Failure to attend Appointment (with an organisation other than the Provider) without a Valid Reason or Reasonable Excuse (CFAO PR)—When this report is submitted, DHS will suspend the job seeker’s income support payment and set a Reconnection Requirement in the Department’s IT Systems (through booking a re-engagement Appointment with their Provider). Agreement to attend this Appointment will lift the payment suspension. If the subsequent Appointment is not attended, this may lead to a financial penalty of one day’s income support payment for every day the job seeker does not attend Failure to enter into or vary a Job Plan (CFEP PR)—This is submitted when the job seeker attended their Appointment but did not enter into a Job Plan or did not agree to their Job Plan on the Australian JobSearch website in the required timeframe. DHS will investigate the incident with the job seeker and will book another Appointment with their Provider for them to sign the Job Plan. If the first failure is applied by DHS and the job seeker again refuses to enter into/vary their Job Plan, an ongoing failure to meet a condition of their payment may exist. If DHS confirms this, the job seeker’s payment may be cancelled from the date of the second refusal Failure to meet Job Search Requirements (CFJR PR)—Providers submit this report when they have assessed and recorded that the job seeker’s Job Search efforts are unsatisfactory for the Job Search Period. DHS will investigate the PR and if applied, the job seeker may need to complete a Job Seeker Diary for up to 12 weeks and then return that to DHS. <p>No Show, No Pay (NSNP) PRs</p> <ul style="list-style-type: none"> Failure to attend an activity recorded in the Job Plan without a Valid Reason or Reasonable Excuse (NFAA PR)—Providers can also indicate in the PR that the job seeker has disengaged from their activity. When this is done, DHS will

Process	Details
	<p>suspend the job seeker’s income support payment until the job seeker agrees to attend a re-engagement Appointment and set a Reconnection Requirement through booking this Appointment. Where the job seeker fails to meet this Reconnection Requirement, the job seeker may lose a Business Day’s income support payment (i.e. one-tenth of the job seeker’s fortnightly income support payment) for every day until they do attend their Appointment</p> <ul style="list-style-type: none"> • Failure to behave appropriately in an activity recorded in their Job Plan (NFBA PR) • Failure to attend a job interview without a Valid Reason or Reasonable Excuse (NFJI PR) • Failure to behave appropriately at a job interview (NFIJ PR). <p>Where any No Show No Pay Failure is applied, the job seeker will lose a Business Day’s income support payment for each day.</p> <p>Serious Failure PRs</p> <ul style="list-style-type: none"> • Failure to accept a suitable job without a Valid Reason or Reasonable Excuse (SFAJ PR) • Failure to commence a suitable job without a Valid Reason or Reasonable Excuse (SFCJ PR). <p>Following the submission of a Serious Failure PR, DHS may apply an eight-week non-payment penalty during which the job seeker will not receive their income support payment. This penalty can be waived by the job seeker agreeing to undertake a Compliance Activity for eight weeks. See the Comprehensive Compliance Assessments and Compliance Activities Guideline for more information.</p> <p>Unemployment Non-Payment Period (UNPP) PRs</p> <ul style="list-style-type: none"> • Voluntarily leaving a suitable job without a valid reason (UEVJ PR) • Dismissed for misconduct from suitable job (UEDJ PR). <p>Job seekers who incur a UNPP will be ineligible to receive income support payments for eight weeks (for new applicants) or will have their income support payment stopped for eight weeks (existing job seekers).</p> <p>A 12-week UNPP may apply to job seekers who have received assistance to relocate under the Relocation Assistance to Take Up a Job programme but the job seeker does not commence in that job, voluntarily leaves without a Reasonable Excuse or is dismissed from the job due to misconduct. See the Relocation Assistance to Take Up a Job Guideline for more information.</p> <p>Providers can see DHS decisions following investigations on the Compliance History page in the Department’s IT systems.</p>
<p>Compliance arrangements for Disability Support Pension Recipients (Compulsory Requirements) and Stronger Participation Incentives Participants</p>	<p>Disability Support Pension Recipients (Compulsory Requirements)</p> <p>Providers must monitor attendance at Appointments and activities and requirement to enter into a current Job Plan. Where the Disability Support Pension Recipient (Compulsory Requirements) fails to meet their compulsory requirements and the Provider considers that compliance is necessary, the Provider must record this in the Department’s IT Systems and take any relevant action to report the non compliance to DHS.</p> <p>Stronger Participation Incentives Participants</p> <p>Providers can decide to report non-compliance to DHS where a Stronger Participation Incentives Participant does not meet their requirements, including attending</p>

Process	Details
	Appointments and activities and meeting Job Search Requirements.
<p>Re-engaging the job seeker and applying penalties</p>	<p>After submission of either a NAR or PAR and following successful contact taking place with the job seeker, Providers are responsible for re-engaging job seekers by booking Appointments that must be scheduled to occur within the next two Business Days of contact occurring with the job seeker.</p> <p>For all PRs and PARs submitted, DHS will investigate the incident to determine if a failure occurred, which includes whether Reasonable Excuse existed and whether a participation failure should apply and why. DHS will inform the job seeker of any penalties applied.</p> <p>Providers must have timeslot capacity at all times in the Department’s IT Systems to ensure that DHS can book an Appointment for a job seeker within the next two Business Days.</p>
<p>Providing evidence to tribunals</p>	<p>Providers may at times be asked to give evidence to the Social Security Appeals Tribunal or the Administrative Appeals Tribunal where a person is appealing a decision made by DHS in relation to their income support payment. For example, if a job seeker has their income support payment suspended or reduced or a financial penalty has been applied because of a participation failure, the job seeker may choose to appeal this decision. When this occurs, a tribunal may wish to discuss the details of any non-compliance reported to DHS with the recipient’s Provider to assist the tribunal in reaching a decision that considers all the elements of the appeal. Providers must provide all possible assistance to the Commonwealth on the appeals process.</p>
<p>Contacting DHS to discuss job seeker servicing</p>	<p>Providers can email the DHS Participation Solutions Team (PST) or Local Services Centre about specific job seekers in relation to compliance actions and confirmation of other information that may impact on the servicing of the job seeker. For more details on how and when to contact DHS, see Attachment A to this Guideline.</p>

How and when to contact the Department of Human Services

Process	Details
<p>Arrangements for Providers to contact DHS Participation Solutions Team (PST)</p>	<p>Providers should use Attachment B: Template for Employment Provider Queries to the Department of Human Services Participation Solutions Team (DHS PST) and email their query to the DHS PST at PST.ENQUIRY@humanservices.gov.au. Queries should be confined to matters that relate to compliance actions or confirmation on:</p> <ul style="list-style-type: none"> • exemptions from Mutual Obligation Requirements • the status of an approved activity • the job seeker’s Mutual Obligation Requirements • other matters that impact directly on servicing the job seeker. <p>The DHS PST will provide a response where appropriate. Where the query does not relate to DHS PST or participation services, an email response will be sent requesting Providers contact the correct area of DHS.</p> <p>Any emails containing identifying customer information—such as names, address or date of birth—will be securely destroyed and no response will be provided by the DHS PST.</p> <p>Providers can contact their local DHS shopfront to discuss issues such as large local redundancies, representations at local meetings and presentations to local communities.</p>
<p>Arrangements for job seekers to contact DHS PST</p>	<p>Job seekers can phone DHS general enquiries on 132 850. Providers can act as an advocate for the job seeker by calling this number while the job seeker is with them.</p>
<p>Urgent queries for the DHS PST</p>	<p>Where the job seeker is present with the Provider and urgent action is required by DHS to allow the continued regular servicing of the job seeker, the Provider can call the PST on 1300 306 325.</p> <p>This would include circumstances where there is a DHS-initiated suspension of income support (other than due to a NAR having been submitted) or for confirmation of exemption applications (for example, medical certificate lodged).</p> <p>Non-urgent queries should be submitted by email using Attachment B: Template for Employment Provider Queries to the Department of Human Services Participation Solutions Team (DHS PST)</p>
<p>Other enquiries</p>	<p>Providers should refer to the relevant Guidelines or Learning Centre website in the first instance.</p> <p>Questions relating to issues experienced with the Department’s IT Systems should be explored first through the EA Knowledge Base. If the issues cannot be resolved, the Provider should contact the Employment Systems Help Desk on 1300 305 520.</p>



Australian Government
Department of Employment

**Template for Employment Provider Queries to the
 Department of Human Services Participation Solutions Team (DHS PST)**

Email when complete to: PST.ENQUIRY@humanservices.gov.au.

Employment Provider

Provider contact name

Site

Site code

Job Seeker ID

Topic (*Please indicate with an X*)

Note: The topic selected below **should** be included in the subject heading of the email sent to the PST. Do not include any of the job seeker's personal details in the email or this template—only the JSID.

Compliance

- Withdrawal of Participation Report
- Feedback about decision on compliance
- Provider Interventions recommended in a CCA

Other

- Exemption from Activity Test Requirements
- Activity—current/finalised
- Mutual Obligation Requirements
- Other (specify below)

Other

Did you check Provider Portal and/or Knowledgebase before lodging query?

Yes
No

Question

What do you need this information for:

(Please indicate with an X)

Updating Job Plan

Referral to new service/Activity

To determine if compulsory or voluntary job seeker

To refer job seeker to employment

To complete/finalise compliance action

Other



Job Seeker Compliance Framework Guideline

Document change history

Version	Start date	Effective date	End date	Change and location
2.0	13 08 15	13 08 15	22 03 16	Inclusion of Request for Vulnerability Indicator Review form and instructions (pp. 3,11,12,15)
1.0	01 07 15	01 07 15	12 08 15	Original version of document

Explanatory Note

All capitalised terms have the same meaning as in the jobactive Deed 2015–2020. In this document, ‘**must**’ means that compliance is mandatory and ‘**should**’ means that compliance represents best practice and that compliance is discretionary.

The term ‘job seeker’ in this Guideline means any Fully Eligible Participant (Mutual Obligation).

Disclaimer

This Guideline is not a stand-alone document and does not contain the entirety of Employment Services Providers’ obligations.

It **must** be read in conjunction with the Deed and any relevant Guidelines or reference material issued by Department of Employment under or in connection with the Deed.

Summary

This Guideline provides information on the policy and processes that Employment Providers (Providers) **must** use in delivering services to assist job seekers to be aware of fully understand and meet their Mutual Obligation Requirements. ‘Mutual Obligation Requirements’ refers to the activity test or participation requirements that a job seeker **must** meet in order to receive an income support payment under the Social Security Law and in accordance with any Guidelines (see [Mutual Obligation Requirements \(including Annual Activity Requirements\) Guideline](#) for more information).

This Guideline also provides information on the job seeker compliance framework—a tool available to Providers to support job seeker engagement and designed to influence a change in the job seeker’s behaviour, where required.

The job seeker compliance framework does not apply to job seekers who do not have Mutual Obligation Requirements. Advice on arrangements for [Disability Support Pension Recipients with compulsory requirements](#) is provided in a separate Guideline.

Policy Intent

The job seeker compliance framework is designed to encourage job seekers to engage with their Employment Provider, undertake activities to meet their Mutual Obligation Requirements and actively look for work.

The job seeker compliance framework helps Providers to quickly re-engage job seekers who do not comply with their Mutual Obligation Requirements. Providers can report non-compliance to the Department of Human Services (DHS), which makes compliance decisions under the Social Security Law, including income support payment suspensions and the application of financial penalties where job seekers do not have a Reasonable Excuse. Providers have flexibility to choose when they report non-compliance and when they use discretion and other strategies to re-engage or positively influence the job seeker’s behaviour.

Relevant Deed clause/s

The relevant clauses in the jobactive Deed 2015–2020 (the Deed) are

Clause 11—Liaison and directions
Clause 83—Appointments with Stream Participants
Clause 84—Contacts
Clause 85—Initial Interviews
Clause 87—General requirements for a Job Plan
Clause 102—SPI Participants
Clause 106—Mutual Obligation Requirements
Clause 107—Activities
Clause 111—Supervision
Clause 113—Job Search Requirements
Clause 114—Monitoring
Clause 115—Non-compliance action for Mutual Obligation Requirements
Clause 116—Non-compliance action for Disability Support Pension Recipients (Compulsory Requirements)
Clause 117—Comprehensive Compliance Assessment
Clause 118—Compliance Activities
Clause 119—Delegate obligations
Clause 120—Recording Attendance
Clause 121—Issuing and recording Notification.

Relevant references

Reference documents relevant to this Guideline include:

- [Learning Centre website](#)
- [Mutual Obligation Requirements \(including Annual Activity Requirements\) Guideline](#)
- [Job Plans Guideline](#)
- [Managing and Monitoring Job Seeker Appointments Guideline](#)
- [Managing and Monitoring Job Search Guideline](#)
- [Comprehensive Compliance Assessments and Compliance Activities Guideline](#)
- [Activity Management Guideline](#)
- [Work for the Dole Guideline](#)
- [Relocation Assistance to Take Up a Job Guideline](#)
- [Activity Script - Compellable](#)
- [Social Security Act 1991](#)
- [Social Security \(Administration\) Act 1999](#)
- [Guide to Social Security Law](#)
- Employment and Community Services Network (ECSN) - Reports – Compliance
 - CPL01 jobactive Job Seeker Compliance
 - CPL03 Appointment Outcome
 - CPL04 Job Seeker Re-engagement Outstanding
 - CPL05 Job Seeker Re-engagement Report.

Notifying job seekers of their Mutual Obligation Requirements, monitoring participation and using the job seeker compliance framework

Process	Details
<p>Provider ensures that job seekers are aware of their Mutual Obligation Requirements and details of meeting them</p>	<p>Job Plans</p> <p>Under the Social Security Law, job seekers must enter into and agree to the terms of a Job Plan. The Job Plan will include the Appointments, Job Search Requirements and any other activities that will enable the job seeker to meet their Mutual Obligation Requirements (including the hours required to meet their Annual Activity Requirement).</p> <p>When deciding what Mutual Obligation Requirements to include in the Job Plan, Providers must consider the job seeker's individual circumstances, including their work capacity where relevant, personal needs, caring responsibilities, any vulnerability indicators on the job seeker's record and their capacity to comply with the requirements.</p> <p>For more information on Job Plans, see the Job Plan Guideline.</p> <p>Providers must ensure that job seekers are correctly notified of their Mutual Obligation Requirements so that job seekers are aware at all times of what the Social Security Law requires them to do in return for their income support payment. Providers must use the Department's IT Systems to record the way that the job seeker was notified of their Mutual Obligation Requirements. This enables Providers to be able to take action using the job seeker compliance framework for non-compliance where they choose to do so.</p> <p>Authority to formally notify a job seeker of their Mutual Obligation Requirements</p> <p>Each person engaged by a Provider to perform functions or to provide Employment Provider Services under the Deed is a delegate of the Secretary of the Department of Employment. Delegates have been given the authority under the Social Security Law (Social Security (Administration) Act 1999, s 63(2); and Social Security Act 1991, ss 501, 544, 605 and 731L) to formally notify the job seeker of the requirements to:</p> <ul style="list-style-type: none"> • attend Appointments with their Provider or a third party • attend a location to participate in an Activity • attend a job interview • negotiate and enter into a Job Plan (which may include Job Search Requirements).
<p>Provider ensures that formal notification contains all required details</p>	<p>Providers must ensure that the following details are included in the formal notification:</p> <ul style="list-style-type: none"> • the nature of the requirement (e.g. Appointments, activities, entering into a Job Plan) • the date and time of the requirement or the time the requirement needs to be completed by • the location of the requirement where relevant (for Appointments and activities, for instance) • the consequences of failing to meet the requirement and • a statement that it is a notice under the Social Security Law. The statement explains to the job seeker that the Appointment or activity, for example, is part of their requirements in order to receive income support payments. <p>Other requirements when issuing formal notification include:</p> <ul style="list-style-type: none"> • Where a job seeker is required to attend an appointment, the Provider must

Process	Details											
	<p>ensure that the notice includes the purpose of the appointment</p> <ul style="list-style-type: none"> • Job seekers must be advised that, if they have a Valid Reason for not being able to meet their requirements, they must contact their Provider beforehand to advise of this • If a job seeker is required to attend an Appointment or activity, the provider must ensure that it gives reasonable notice ahead of the Appointment or day of the activity. Reasonable notice gives the job seeker sufficient time to prepare for the requirement- for example, to arrange transportation. 											
<p>Provider issues the most appropriate form of formal notification to job seeker in reasonable notice timeframes</p>	<p>Types of formal notification</p> <p>Providers can notify a job seeker of the details of their Mutual Obligation Requirements either by including them in the job seeker’s Job Plan or by issuing separate formal notification to the job seeker.</p> <p>a) Job Plan</p> <p>The Job Plan can be used as the full formal notification only if the time, date and location details (where relevant) of the particular requirements are included. Providers will generally be unable to include all of these details at the time the Job Plan is being negotiated, so the Provider must issue the job seeker with separate formal notification to support the Appointment and activity requirements in the Job Plan.</p> <p>The Job Plan can also be used as the full formal notification for Job Search Requirements as long as the Job Plan includes:</p> <ul style="list-style-type: none"> • the number of Job Searches required (refer to the Mutual Obligation Requirements (including Annual Activity Requirements) Guideline and • the period of time over which the requirement needs to be undertaken. <p>Providers should use this method of formal notification in the vast majority of cases concerning notification of Job Search Requirements.</p> <p>b) Separate formal notification (in particular, for Appointments and participation in activities)</p> <p>The table below sets out the methods of formal notification that can be used by Providers and the period of notice required ahead of the scheduled requirement (‘reasonable notice’) to issue it to the job seeker.</p> <p>The Department’s IT Systems can be used to create notifications for job seekers, either automatically by using the diaries or by using the templates that are available in the system.</p> <table border="1" data-bbox="507 1570 1513 2024"> <thead> <tr> <th data-bbox="507 1570 810 1749">Method</th> <th data-bbox="815 1570 1023 1749">Amount of advance notice that job seekers need to be given</th> <th data-bbox="1027 1570 1513 1749">Details</th> </tr> </thead> <tbody> <tr> <td data-bbox="507 1749 810 1995">Phone</td> <td data-bbox="815 1749 1023 1995">Three calendar days</td> <td data-bbox="1027 1749 1513 1995">Providers must speak directly with the job seeker and give all required information using the verbal script. A message cannot be left with another person, left on an answering machine or sent by SMS, as this will not constitute formal notification.</td> </tr> <tr> <td data-bbox="507 1995 810 2024">Face to face</td> <td data-bbox="815 1995 1023 2024">Three calendar</td> <td data-bbox="1027 1995 1513 2024">Providers must give all required</td> </tr> </tbody> </table>			Method	Amount of advance notice that job seekers need to be given	Details	Phone	Three calendar days	Providers must speak directly with the job seeker and give all required information using the verbal script. A message cannot be left with another person, left on an answering machine or sent by SMS, as this will not constitute formal notification.	Face to face	Three calendar	Providers must give all required
Method	Amount of advance notice that job seekers need to be given	Details										
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Face to face	Three calendar	Providers must give all required										

Process	Details		
		days	information using the verbal script. Providers may also choose to issue the job seeker with a form of written notification at the same time.
	Letter or activity notification (mailed to the job seeker)	Four Business Days	Providers need to take into account the job seeker's mailing arrangements when using postal services.
	Letter or activity notification (handed to the job seeker)	Three calendar days	Providers may wish to use this form of formal notification in conjunction with face-to-face verbal notification.
	Email (only available when it is the job seeker's notification preference)	Two Business Days	For an email notification to be valid, Providers must ensure that the job seeker has read and understood the email—for example, by using a 'read receipt'—at least one day before the Appointment or activity. Where the job seeker does not respond to email notification, another method should be used.
	<p>Where an Appointment or participation in an activity has been arranged directly between the Provider and job seeker and the job seeker has indicated their intent to attend, reasonable notice is considered to have been given, even if the Appointment or participation in the activity is on the <i>same day</i> as the notification.</p> <p>Mutual Obligation Requirement reminders</p> <p>To encourage job seeker attendance and compliance with their Mutual Obligation Requirements, Providers can issue reminders to job seekers including SMS, email and letters, as their requirement date approaches. These can be created using the Department's IT Systems.</p> <p>Recording job seeker notifications</p> <p>Providers must keep a record of all notifications issued to a job seeker through the Department's IT Systems. If a Provider subsequently decides to use the job seeker compliance framework, they need to show that formal notification was issued to the job seeker so that DHS can be satisfied that the job seeker was properly notified and fully aware of their requirements.</p> <p>Note: The requirement to formally notify individuals who receive income support payments also applies to Disability Support Pension Recipients (Compulsory Requirements) and to Stronger Participation Incentives Participants.</p>		
<p>Actively monitor job seekers to ensure they meet their Mutual Obligation Requirements</p>	<p>Providers must use their best endeavours to ensure that all job seekers meet their Mutual Obligation Requirements, including by attending Appointments, fulfilling their Annual Activity Requirement, participating in any other activity that is included in their Job Plan on a compulsory basis and undertaking Job Search.</p> <p>Providers must actively monitor job seekers' compliance with their Mutual Obligation Requirements. Where job seekers do not meet their requirements, Providers must determine the best strategy to re-engage or positively influence a change of behaviour in the job seeker. This may include reporting the non-compliance to DHS or using another strategy to ensure that the job seeker complies at the next available opportunity, consistent with the Social Security Law.</p> <p>Note: In deciding whether it is appropriate to report the non-compliance to DHS,</p>		

Process	Details
	<p>Providers must consider certain factors to ascertain whether the job seeker had a Valid Reason or Reasonable Excuse (explained below). However, DHS, not Providers, makes all penalty decisions under the Social Security Law: see clause 115 of the Deed.</p>
<p>Job seeker gives prior notice of inability to meet a Mutual Obligation Requirement—do they have a Valid Reason?</p>	<p>Where a job seeker is unable to attend an Appointment, activity or job interview with a prospective employer, they must contact their Provider beforehand to advise them of a Valid Reason for being unable to meet their requirement. Providers must ensure they have mechanisms in place in their organisation to allow job seekers to make timely contact with their Provider—for example, answering machine, dedicated job seeker phone lines or the ability to accept reverse charge phone calls from job seekers.</p> <p>When determining whether a reason for non-attendance is valid, Providers will need to use their judgement and knowledge of the job seeker. Generally, the measure of ‘validity’ is whether a member of the public would accept the circumstances as reasonable. For example, given that the focus is for job seekers to develop work-like behaviours and move into sustainable paid employment, would the reason that the job seeker provides be accepted by an employer?</p> <p>The Provider then needs to determine what is acceptable in the context of the specific situation. Providers must consider why the job seeker was unable to meet their requirements and whether it is a valid excuse for non-attendance.</p> <p>Providers should consider the degree of flexibility afforded to the job seeker in the past and what effect has this had on the job seeker’s compliance with requirements (for example, have there been many instances of non-attendance or have Appointments/activities repeatedly been rescheduled).</p> <p>If, taking the above factors into account, the Provider considers the reason to be valid, they must record this in the Department’s IT Systems and make other arrangements for the requirement such as rescheduling the relevant Appointment or activity for a suitable time. If it is not appropriate to reschedule the requirement, the Provider must ensure that the job seeker is aware of their next requirement to engage with them (for example, if an activity cannot be rescheduled, the Provider should remind the job seeker of their next Appointment).</p> <p>In instances where a job seeker makes contact before their requirement but did not have a Valid Reason for not being able to meet their requirement and was advised that they were still required to attend, the Provider must still attempt to contact the job seeker on the same day that they miss that requirement and document this attempt in the Department’s IT Systems. This is to confirm that no other circumstances prevented the job seeker from attending. Unless other circumstances prevented the job seeker from attending, the job seeker does not have a Valid Reason for non-compliance.</p>
<p>Job seeker does not give prior notice of inability to meet a Mutual Obligation Requirement—do they have a Reasonable Excuse?</p>	<p>Where a job seeker fails to comply with a requirement then, on the same Business Day on which the Provider becomes aware of the non-compliance, the Provider must confirm that no prior contact was made by the job seeker to demonstrate that they had a Valid Reason for not complying. Providers needs to be confident that no prior contact has been made—for example, by checking with reception staff or listening to answering machine messages, depending on internal work practices.</p> <p>Where there is no evidence that the job seeker made prior contact and gave a Valid Reason, the Provider must attempt to contact the job seeker once on the day of becoming aware of the non-compliance to discuss</p> <ul style="list-style-type: none"> • why the job seeker failed to comply with their requirement, and where this is

Process	Details
	<p>reasonable</p> <ul style="list-style-type: none"> • why the job seeker did not make contact beforehand. <p>Note: The attempt to contact the job seeker can only be made by phone or email, because the decision on the next steps (that is, whether the compliance framework should be utilised) must be made on the same Business Day.</p> <p>Based on the discussion with the job seeker, the Provider must assess whether the job seeker had a Reasonable Excuse for failing to comply with the requirement.</p> <p>A ‘Reasonable Excuse’ is an excuse that would seem reasonable to a member of the public. Given that each situation is different, Providers need to consider what is reasonable in the specific context of the non-compliance.</p> <p>There are two stages in assessing whether the job seeker has a Reasonable Excuse for failing to comply with the requirement:</p> <p>Providers must consider why the job seeker did not comply. If the job seeker provides an acceptable reason, the Provider must then consider why the job seeker did not give prior notice.</p> <p>Where a job seeker does not give prior notice of their inability to attend and it would be reasonable to have expected them to do so, they do not have a Reasonable Excuse.</p> <p>In some instances, prior notice will not be relevant for Providers to consider—for example; inappropriate behaviour or declining suitable paid employment.</p>
<p>Recording compliance with Mutual Obligation Requirements</p>	<p>Providers must record the job seeker’s compliance with their Mutual Obligation Requirements in the Department’s IT Systems, specifically for Appointments and activities.</p> <p>For Appointments, Providers must record the compliance status by close of business on the day of the Appointment.</p> <p>For activities that are being hosted by a third-party organisation, Providers must ensure that the supervisor notifies them of any non-attendance or non-compliance as soon as is practicable, but by no later than at the end of the relevant working week. Where the ‘Supervisor’ mobile device application is being used by a Work for the Dole supervisor, they will have access (via the application) to details of those job seekers that participate in the activity on any given day. These details are only accessible where the Provider is using the Department’s IT Systems (specifically the activity diary) to record required participation. Through the application, supervisors can record preliminary compliance results which will be automatically sent to the Department’s IT Systems to update the Provider’s records. Refer to the Work for the Dole Guideline for further information.</p> <p>In addition to reflecting the job seeker’s attendance/participation in their requirement, the status reflects the Provider’s decision about any non-attendance or non-compliance. The compliance status options that are available to Providers in the Department’s IT Systems are:</p> <ul style="list-style-type: none"> • Rescheduled (RESC)—The Provider thinks that the job seeker has a Valid Reason for not complying (before the requirement start time) and the Provider decides to reschedule the requirement • Attended (ATT)—The job seeker attended or participated in the requirement where they have arrived on time and at the correct location; behaved appropriately; treated staff and others with respect; and participated for the duration of the requirement

Process	Details
	<ul style="list-style-type: none"> • Did Not Attend Valid (DNAV)—The job seeker did not attend or participate in the requirement; however, the Provider thinks that the job seeker had a Reasonable Excuse • Did Not Attend Invalid (DNAI)—The job seeker did not attend or participate in the requirement and the Provider thinks that the job seeker did not have a Reasonable Excuse, or contact could not be made and the Provider will be using the compliance framework • Did Not Attend Discretion (DNAD)—The job seeker did not attend or participate in the requirement and the Provider thinks that the job seeker did not have a Reasonable Excuse or contact could not be made, and the Provider has decided not to report the non-compliance to DHS because it is not the best strategy to re-engage the job seeker at that point in time • Did Not Enter into or sign a Job Plan (DNEP)—The job seeker attended or participated in their requirement but did not agree to a Job Plan or sign an updated Job Plan either in person or online through the Australian JobSearch website. <p>Job Search</p> <ul style="list-style-type: none"> • Satisfactory—The Provider assesses that the job seeker has met their Job Search Requirement for the Job Search Period • Unsatisfactory—The Provider assesses that the job seeker’s Job Search efforts for the Job Search Period are unsatisfactory to meet the requirements in their Job Plan and they will use the job seeker compliance framework • Unsatisfactory–Discretion—The Provider assesses that the job seeker’s Job Search efforts are unsatisfactory, but the Provider thinks that using the job seeker compliance framework is not the best way to help the job seeker to improve their Job Search efforts at that time.
<p>Determining the most appropriate action following non-attendance or other forms of non-compliance</p>	<p>Following job seeker non-attendance or other non-compliance, a Provider must consider whether to use the job seeker compliance framework in relation to the event. This decision informs the compliance status that is recorded in the Department’s IT Systems for the requirement.</p> <p>To assist in determining if using the job seeker compliance framework is appropriate, in addition to considering the job seeker’s explanation for non-attendance/non-compliance, Providers need to also consider the job seeker’s:</p> <ul style="list-style-type: none"> • personal circumstances • system-recorded vulnerability indicators (if any) • recent compliance history and • any other information they believe is relevant. <p>If the Provider does decide to use the job seeker compliance framework, they must report the incident to DHS on the same business day that they make this decision. Providers will only have a short timeframe from the non-compliance event to make this decision. The timeframes are:</p> <ul style="list-style-type: none"> • for non-attendance at a Provider Appointment—the same Business Day as the missed Appointment • for non-attendance at an activity or job interview—within 10 Business Days of the event • for unsatisfactory Job Search Requirement—within 10 Business Days of the Job Search Period end date. <p>If, after considering all relevant factors, the Provider believes that reporting the</p>

Process	Details
	<p>incident to DHS is not the most appropriate re-engagement strategy to secure the job seeker’s ongoing participation, they should record this decision in the Department’s IT Systems and:</p> <ul style="list-style-type: none"> • for <i>Appointments</i>—where the Appointment is not a Re-engagement Appointment, ensure the job seeker complies at the next available opportunity • for <i>activities</i>—consider if the job seeker should make up time in the activity or continue to participate on the next scheduled day of the activity • for <i>Job Search</i>—record that discretion has been used, but closely monitor Job Search for the next month.
<p>Using the job seeker compliance framework for job seekers with Mutual Obligation Requirements</p>	<p>When reporting non-compliance, Providers must include information relevant to the incident in the report. The following are the types of reports to be submitted for various kinds of non-compliance and the potential consequences of each.</p> <p>Failure to attend a Provider Appointment</p> <ul style="list-style-type: none"> • Non-Attendance Report (NAR)—Providers submit this report through the Department’s IT Systems so that a job seeker’s income support payment is suspended until they attend their next Appointment • Provider Appointment Report (PAR)—Providers submit this report when they want to recommend to DHS that a financial penalty should be applied in relation to the job seeker’s non-attendance and suspend a job seeker’s income support payment until they attend their next Appointment. A PAR can only be submitted after contact has taken place between the Provider and job seeker to confirm Reasonable Excuse does not exist. <p>Where DHS decides that a penalty should be applied, the job seeker will lose a day’s income support payment for each Business Day from the date they were notified of the payment suspension until they do attend a Re-engagement Appointment.</p> <p>Connection Failure Participation Reports (PRs)</p> <ul style="list-style-type: none"> • Failure to attend Appointment (with an organisation other than the Provider) without a Valid Reason or Reasonable Excuse (CFAO PR)—When this report is submitted, DHS will suspend the job seeker’s income support payment and set a Reconnection Requirement in the Department’s IT Systems (through booking a re-engagement Appointment with their Provider). Agreement to attend this Appointment will lift the payment suspension. If the subsequent Appointment is not attended, this may lead to a financial penalty of one day’s income support payment for every day the job seeker does not attend • Failure to enter into or vary a Job Plan (CFEP PR)—This is submitted when the job seeker attended their Appointment but did not enter into a Job Plan or did not agree to their Job Plan on the Australian JobSearch website in the required timeframe. DHS will investigate the incident with the job seeker and will book another Appointment with their Provider for them to sign the Job Plan. If the first failure is applied by DHS and the job seeker again refuses to enter into/vary their Job Plan, an ongoing failure to meet a condition of their payment may exist. If DHS confirms this, the job seeker’s payment may be cancelled from the date of the second refusal • Failure to meet Job Search Requirements (CFJR PR)—Providers submit this report when they have assessed and recorded that the job seeker’s Job Search efforts are unsatisfactory for the Job Search Period. DHS will investigate the PR and if applied, the job seeker may need to complete a Job

Process	Details
	<p>Seeker Diary for up to 12 weeks and then return that to DHS.</p> <p>No Show, No Pay (NSNP) PRs</p> <ul style="list-style-type: none"> • Failure to attend an activity recorded in the Job Plan without a Valid Reason or Reasonable Excuse (NFAA PR)—Providers can also indicate in the PR that the job seeker has disengaged from their activity. When this is done, DHS will suspend the job seeker’s income support payment until the job seeker agrees to attend a re-engagement Appointment and set a Reconnection Requirement through booking this Appointment. Where the job seeker fails to meet this Reconnection Requirement, the job seeker may lose a Business Day’s income support payment (i.e.one-tenth of the job seeker’s fortnightly income support payment) for every day until they do attend their Appointment • Failure to behave appropriately in an activity recorded in their Job Plan (NFBA PR) • Failure to attend a job interview without a Valid Reason or Reasonable Excuse (NFJI PR) • Failure to behave appropriately at a job interview (NFJI PR). <p>Where any No Show No Pay Failure is applied, the job seeker will lose a Business Day’s income support payment for each day.</p> <p>Serious Failure PRs</p> <ul style="list-style-type: none"> • Failure to accept a suitable job without a Valid Reason or Reasonable Excuse (SFAJ PR) • Failure to commence a suitable job without a Valid Reason or Reasonable Excuse (SFCJ PR). <p>Following the submission of a Serious Failure PR, DHS may apply an eight-week non-payment penalty during which the job seeker will not receive their income support payment. This penalty can be waived by the job seeker agreeing to undertake a Compliance Activity for eight weeks. See the Comprehensive Compliance Assessments and Compliance Activities Guideline for more information.</p> <p>Unemployment Non-Payment Period (UNPP) PRs</p> <ul style="list-style-type: none"> • Voluntarily leaving a suitable job without a valid reason (UEVJ PR) • Dismissed for misconduct from suitable job (UEDJ PR). <p>Job seekers who incur a UNPP will be ineligible to receive income support payments for eight weeks (for new applicants) or will have their income support payment stopped for eight weeks (existing job seekers).</p> <p>A 12-week UNPP may apply to job seekers who have received assistance to relocate under the Relocation Assistance to Take Up a Job programme but the job seeker does not commence in that job, voluntarily leaves without a Reasonable Excuse or is dismissed from the job due to misconduct. See the Relocation Assistance to Take Up a Job Guideline for more information.</p> <p>Providers can see DHS decisions following investigations on the Compliance History page in the Department’s IT systems.</p>
<p>Compliance arrangements for Disability Support Pension Recipients</p>	<p>Disability Support Pension Recipients (Compulsory Requirements)</p> <p>Providers must monitor attendance at Appointments and activities and requirement to enter into a current Job Plan. Where the Disability Support Pension Recipient (Compulsory Requirements) fails to meet their compulsory requirements and the</p>

Process	Details
<p>(Compulsory Requirements) and Stronger Participation Incentives Participants</p>	<p>Provider considers that compliance is necessary, the Provider must record this in the Department's IT Systems and take any relevant action to report the non-compliance to DHS.</p> <p>Stronger Participation Incentives Participants</p> <p>Providers can decide to report non-compliance to DHS where a Stronger Participation Incentives Participant does not meet their requirements, including attending Appointments and activities and meeting Job Search Requirements.</p>
<p>Re-engaging the job seeker and applying penalties</p>	<p>After submission of either a NAR or PAR and following successful contact taking place with the job seeker, Providers are responsible for re-engaging job seekers by booking Appointments that must be scheduled to occur within the next two Business Days of contact occurring with the job seeker.</p> <p>For all PRs and PARs submitted, DHS will investigate the incident to determine if a failure occurred, which includes whether Reasonable Excuse existed and whether a participation failure should apply and why. DHS will inform the job seeker of any penalties applied.</p> <p>Providers must have timeslot capacity at all times in the Department's IT Systems to ensure that DHS can book an Appointment for a job seeker within the next two Business Days.</p>
<p>Providing evidence to tribunals</p>	<p>Providers may at times be asked to give evidence to the Social Security Appeals Tribunal or the Administrative Appeals Tribunal where a person is appealing a decision made by DHS in relation to their income support payment. For example, if a job seeker has their income support payment suspended or reduced or a financial penalty has been applied because of a participation failure, the job seeker may choose to appeal this decision. When this occurs, a tribunal may wish to discuss the details of any non-compliance reported to DHS with the recipient's Provider to assist the tribunal in reaching a decision that considers all the elements of the appeal. Providers must provide all possible assistance to the Commonwealth on the appeals process.</p>
<p>Contacting DHS to discuss job seeker servicing and circumstances</p>	<p>Providers can email the DHS Participation Solutions Team (PST) or Local Services Centre about specific job seekers in relation to compliance actions and confirmation of other information that may impact on the servicing of the job seeker.</p> <p>When a Change of Circumstances Reassessment for a job seeker identifies a potential vulnerability that they would like DHS to investigate further, Providers may also contact the PST . This vulnerability may be a diagnosed condition or documented personal circumstance that currently impacts the job seeker's day to day life and may be temporary, ongoing or episodic. Providers will need to fax the Request for Vulnerability Indicator Review form (Attachment C) to DHS who will review the job seeker's record and if evidence suggests that the vulnerability could significantly impact the job seeker's ability to comply with their Mutual Obligation Requirements, they may record a vulnerability indicator in the Department's IT Systems.</p> <p>For more details on how and when to contact DHS, see Attachment A to this Guideline.</p>

How and when to contact the Department of Human Services

Process	Details
Arrangements for Providers to contact DHS Participation Solutions Team (PST)	<p>Providers should use Attachment B: Template for Employment Provider Queries to the Department of Human Services Participation Solutions Team (DHS PST) and email their query to the DHS PST at PST.ENQUIRY@humanservices.gov.au. Queries should be confined to matters that relate to compliance actions or confirmation on:</p> <ul style="list-style-type: none"> • exemptions from Mutual Obligation Requirements • the status of an approved activity • the job seeker’s Mutual Obligation Requirements • other matters that impact directly on servicing the job seeker. <p>The DHS PST will provide a response where appropriate. Where the query does not relate to DHS PST or participation services, an email response will be sent requesting Providers contact the correct area of DHS.</p> <p>Any emails containing identifying customer information—such as names, address or date of birth—will be securely destroyed and no response will be provided by the DHS PST.</p> <p>Providers can contact their local DHS shopfront to discuss issues such as large local redundancies, representations at local meetings and presentations to local communities.</p> <p>Providers requesting DHS to review a job seeker’s record and consider whether a Vulnerability Indicator should be applied should use Attachment C: Request for Vulnerability Indicator Review and fax the request form to 1300 786 102. Feedback on the decision will not be available; however Providers can review the job seeker’s record to identify if a Vulnerability Indicator has been applied and the type of vulnerability.</p>
Arrangements for job seekers to contact DHS PST	<p>Job seekers can phone DHS general enquiries on 132 850. Providers can act as an advocate for the job seeker by calling this number while the job seeker is with them.</p>
Urgent queries for the DHS PST	<p>Where the job seeker is present with the Provider and urgent action is required by DHS to allow the continued regular servicing of the job seeker, the Provider can call the PST on 1300 306 325.</p> <p>This would include circumstances where there is a DHS-initiated suspension of income support (other than due to a NAR having been submitted) or for confirmation of exemption applications (for example, medical certificate lodged).</p> <p>Non-urgent queries should be submitted by email using Attachment B: Template for Employment Provider Queries to the Department of Human Services Participation Solutions Team (DHS PST).</p>
Other enquiries	<p>Providers should refer to the relevant Guidelines or Learning Centre website in the first instance.</p> <p>Questions relating to issues experienced with the Department’s IT Systems should be explored first through the EA Knowledge Base. If the issues cannot be resolved, the Provider should contact the Employment Systems Help Desk on 1300 305 520.</p>



Australian Government
Department of Employment

**Template for Employment Provider Queries to the
Department of Human Services Participation Solutions Team (DHS PST)**

Email when complete to: PST.ENQUIRY@humanservices.gov.au.

Employment Provider

Provider contact name

Site

Site code

Job Seeker ID

Topic (*Please indicate with an X*)

Note: The topic selected below **should** be included in the subject heading of the email sent to the PST. Do not include any of the job seeker's personal details in the email or this template—only the JSID.

Compliance

- Withdrawal of Participation Report
- Feedback about decision on compliance
- Provider Interventions recommended in a CCA

Other

- Exemption from Activity Test Requirements
- Activity—current/finalised
- Mutual Obligation Requirements
- Other (specify below)

Other

Did you check Provider Portal and/or Knowledgebase before lodging query?

Yes

No

Question

What do you need this information for:

(Please indicate with an X)

Updating Job Plan

Referral to new service/activity

To determine if compulsory or voluntary job seeker

To refer job seeker to employment

To complete/finalise compliance action

Other



Australian Government
Department of Employment

Facsimile: when complete fax to DHS PST on 1300 786 102

Request for Vulnerability Indicator Review

To: Department of Human Services Participation Solutions Team
Area:
Fax Number:
Phone Number:
From: (contact name)
Organisation:
Fax Number:
Phone Number:
Date:
No. pages: (Including this one)

Message

Please review the need for a Vulnerability Indicator to be placed on the record of Job seeker/participant ID:

PLEASE TICK one or more of the following.

- There is a current Participation Report in Employment IT Systems relevant to this request
- There is an ESAt report in the system to support a review of this job seeker's vulnerability
- There is other evidence in the system (such as a medical certificate) to support a review of this job seeker's vulnerability
- I have updated the Stream A to C job seeker's JSCI and there is evidence to support a review of vulnerability
- I am unable to update the job seeker's JSCI and there is evidence to support a review of vulnerability
- I attach evidence to support this request; OR
- I have asked the job seeker to provide evidence information to DHS.

Please note: Feedback on the decision will not be available but Providers can check if a Vulnerability Indicator has been applied by looking at the Vulnerabilities on the job seeker's record.

.....

(signature)



Job Seeker Compliance Framework Guideline

Document change history

Version	Start date	Effective date	End date	Change and location
3.0	23 03 16	23 03 16	26 06 16	<p>Additions to Relevant References (pp. 2, 3)</p> <p>Amendment to reasonable notice timeframes to accommodate Australia Post postal changes (p.5).</p> <p>Amendment to re-badged Australian JobSearch website and mobile device application to reflect correct name, 'jobactive powered by JobSearch' (pp. 9, 11)</p> <p>Process amendment to mailed notification (p. 5)</p> <p>Process amendment to returned Participation Reports (p. 12)</p>
2.0	13 08 15	13 08 15	22 03 16	Inclusion of Request for Vulnerability Indicator Review form and instructions (pp. 3,11,12,15)
1.0	01 07 15	01 07 15	12 08 15	Original version of document

Explanatory Note

All capitalised terms have the same meaning as in the jobactive Deed 2015–2020. In this document, '**must**' means that compliance is mandatory and '**should**' means that compliance represents best practice and that compliance is discretionary.

The term 'job seeker' in this Guideline means any Fully Eligible Participant (Mutual Obligation).

Disclaimer

This Guideline is not a stand-alone document and does not contain the entirety of Employment Services Providers' obligations.

It **must** be read in conjunction with the Deed and any relevant Guidelines or reference material issued by Department of Employment under or in connection with the Deed.

Summary

This Guideline provides information on the policy and processes that Employment Providers (Providers) **must** use in delivering services to assist job seekers to be aware of fully understand and meet their Mutual Obligation Requirements. 'Mutual Obligation Requirements' refers to the activity test or participation requirements that a job seeker **must** meet in order to receive an income support payment under the Social Security Law and in accordance with any Guidelines (see [Mutual Obligation Requirements \(including Annual Activity Requirements\) Guideline](#) for more information).

This Guideline also provides information on the job seeker compliance framework—a tool available to Providers to support job seeker engagement and designed to influence a change in the job seeker's behaviour, where required.

The job seeker compliance framework does not apply to job seekers who do not have Mutual Obligation Requirements. Advice on arrangements for [Disability Support Pension Recipients with compulsory requirements](#) is provided in a separate Guideline.

Policy Intent

The job seeker compliance framework is designed to encourage job seekers to engage with their Employment Provider, undertake activities to meet their Mutual Obligation Requirements and actively look for work.

The job seeker compliance framework helps Providers to quickly re-engage job seekers who do not comply with their Mutual Obligation Requirements. Providers can report non-compliance to the Department of Human Services (DHS), which makes compliance decisions under the Social Security Law, including income support payment suspensions and the application of financial penalties where job seekers do not have a Reasonable Excuse. Providers have flexibility to choose when they report non-compliance and when they use discretion and other strategies to re-engage or positively influence the job seeker's behaviour.

Relevant Deed clause/s

The relevant clauses in the jobactive Deed 2015–2020 (the Deed) are

Clause 11—Liaison and directions
Clause 83—Appointments with Stream Participants
Clause 84—Contacts
Clause 85—Initial Interviews
Clause 87—General requirements for a Job Plan
Clause 102—SPI Participants
Clause 106—Mutual Obligation Requirements
Clause 107—Activities
Clause 111—Supervision
Clause 113—Job Search Requirements
Clause 114—Monitoring
Clause 115—Non-compliance action for Mutual Obligation Requirements
Clause 116—Non-compliance action for Disability Support Pension Recipients (Compulsory Requirements)
Clause 117—Comprehensive Compliance Assessment
Clause 118—Compliance Activities
Clause 119—Delegate obligations
Clause 120—Recording Attendance
Clause 121—Issuing and recording Notification.

Relevant references

Reference documents relevant to this Guideline include:

- [Learning Centre website](#)
- [Mutual Obligation Requirements \(including Annual Activity Requirements\) Guideline](#)
- [Job Plans Guideline](#)
- [Managing and Monitoring Job Seeker Appointments Guideline](#)
- [Managing and Monitoring Job Search Guideline](#)
- [Comprehensive Compliance Assessments and Compliance Activities Guideline](#)
- [Activity Management Guideline](#)
- [Work for the Dole Guideline](#)
- [Relocation Assistance to Take Up a Job Guideline](#)
- [Activity Script – Compellable](#)
- [Job Plan script - Compellable](#)
- [Social Security Act 1991](#)
- [Social Security \(Administration\) Act 1999](#)
- [Guide to Social Security Law](#)

- Employment and Community Services Network (ECSN) - Reports – Compliance
 - CPL01 jobactive Job Seeker Compliance
 - CPL03 Appointment Outcome
 - CPL04 Job Seeker Re-engagement Outstanding
 - CPL05 Job Seeker Re-engagement Report
 - CPL06 jobactive Activity Outcome
 - CPL07 jobactive Job Search Assessment Outcomes.

Notifying job seekers of their Mutual Obligation Requirements, monitoring participation and using the job seeker compliance framework

Process	Details
<p>Provider ensures that job seekers are aware of their Mutual Obligation Requirements and details of meeting them</p>	<p>Job Plans</p> <p>Under the Social Security Law, job seekers must enter into and agree to the terms of a Job Plan. The Job Plan will include the Appointments, Job Search Requirements and any other activities that will enable the job seeker to meet their Mutual Obligation Requirements (including the hours required to meet their Annual Activity Requirement).</p> <p>When deciding what Mutual Obligation Requirements to include in the Job Plan, Providers must consider the job seeker's individual circumstances, including their work capacity where relevant, personal needs, caring responsibilities, any vulnerability indicators on the job seeker's record and their capacity to comply with the requirements.</p> <p>For more information on Job Plans, see the Job Plan Guideline.</p> <p>Providers must ensure that job seekers are correctly notified of their Mutual Obligation Requirements so that job seekers are aware at all times of what the Social Security Law requires them to do in return for their income support payment. Providers must use the Department's IT Systems to record the way that the job seeker was notified of their Mutual Obligation Requirements. This enables Providers to be able to take action using the job seeker compliance framework for non-compliance where they choose to do so.</p> <p>Authority to formally notify a job seeker of their Mutual Obligation Requirements</p> <p>Each person engaged by a Provider to perform functions or to provide Employment Provider Services under the Deed is a delegate of the Secretary of the Department of Employment. Delegates have been given the authority under the Social Security Law (Social Security (Administration) Act 1999, s 63(2); and Social Security Act 1991, ss 501, 544, 605 and 731L) to formally notify the job seeker of the requirements to:</p> <ul style="list-style-type: none"> • attend Appointments with their Provider or a third party • attend a location to participate in an Activity • attend a job interview • negotiate and enter into a Job Plan (which may include Job Search Requirements).

Process	Details
<p>Provider ensures that formal notification contains all required details</p>	<p>Providers must ensure that the following details are included in the formal notification:</p> <ul style="list-style-type: none"> • the nature of the requirement (e.g. Appointments, activities, entering into a Job Plan) • the date and time of the requirement or the time the requirement needs to be completed by • the location of the requirement where relevant (for Appointments and activities, for instance) • the consequences of failing to meet the requirement and • a statement that it is a notice under the Social Security Law. The statement explains to the job seeker that the Appointment or activity, for example, is part of their requirements in order to receive income support payments. <p>Other requirements when issuing formal notification include:</p> <ul style="list-style-type: none"> • Where a job seeker is required to attend an appointment, the Provider must ensure that the notice includes the purpose of the appointment • Job seekers must be advised that, if they have a Valid Reason for not being able to meet their requirements, they must contact their Provider beforehand to advise of this • If a job seeker is required to attend an Appointment or activity, the provider must ensure that it gives reasonable notice ahead of the Appointment or day of the activity. Reasonable notice gives the job seeker sufficient time to prepare for the requirement- for example, to arrange transportation.
<p>Provider issues the most appropriate form of formal notification to job seeker in reasonable notice timeframes</p>	<p>Types of formal notification</p> <p>Providers can notify a job seeker of the details of their Mutual Obligation Requirements either by including them in the job seeker’s Job Plan or by issuing separate formal notification to the job seeker.</p> <p>a) Job Plan</p> <p>The Job Plan can be used as the full formal notification only if the time, date and location details (where relevant) of the particular requirements are included. Providers will generally be unable to include all of these details at the time the Job Plan is being negotiated, so the Provider must issue the job seeker with separate formal notification to support the Appointment and activity requirements in the Job Plan.</p> <p>The Job Plan can also be used as the full formal notification for Job Search Requirements as long as the Job Plan includes:</p> <ul style="list-style-type: none"> • the number of Job Searches required (refer to the Mutual Obligation Requirements (including Annual Activity Requirements) Guideline and • the period of time over which the requirement needs to be undertaken. <p>Providers should use this method of formal notification in the vast majority of cases concerning notification of Job Search Requirements.</p> <p>b) Separate formal notification (in particular, for Appointments and participation in activities)</p> <p>The table below sets out the methods of formal notification that can be used by Providers and the period of notice required ahead of the scheduled requirement</p>

Process	Details																		
	<p>(‘reasonable notice’) to issue it to the job seeker.</p> <p>The Department’s IT Systems can be used to create notifications for job seekers, either automatically by using the diaries or by using the templates that are available in the system.</p> <table border="1" data-bbox="507 383 1513 1675"> <thead> <tr> <th data-bbox="507 383 810 562">Method</th> <th data-bbox="810 383 1023 562">Amount of advance notice that job seekers need to be given</th> <th data-bbox="1023 383 1513 562">Details</th> </tr> </thead> <tbody> <tr> <td data-bbox="507 562 810 813">Phone</td> <td data-bbox="810 562 1023 813">Three calendar days</td> <td data-bbox="1023 562 1513 813">Providers must speak directly with the job seeker and give all required information using the verbal script. A message cannot be left with another person, left on an answering machine or sent by SMS, as this will not constitute formal notification.</td> </tr> <tr> <td data-bbox="507 813 810 992">Face to face</td> <td data-bbox="810 813 1023 992">Three calendar days</td> <td data-bbox="1023 813 1513 992">Providers must give all required information using the verbal script. Providers may also choose to issue the job seeker with a form of written notification at the same time.</td> </tr> <tr> <td data-bbox="507 992 810 1243">Letter or activity notification (mailed to the job seeker)</td> <td data-bbox="810 992 1023 1243">Six Business Days</td> <td data-bbox="1023 992 1513 1243">Providers need to take into account the job seeker’s mailing arrangements when using postal services. Providers need to ensure their return address is on the envelope so the Provider is aware when the job seeker has not received the notification.</td> </tr> <tr> <td data-bbox="507 1243 810 1350">Letter or activity notification (handed to the job seeker)</td> <td data-bbox="810 1243 1023 1350">Three calendar days</td> <td data-bbox="1023 1243 1513 1350">Providers may wish to use this form of formal notification in conjunction with face-to-face verbal notification.</td> </tr> <tr> <td data-bbox="507 1350 810 1675">Email (only available when it is the job seeker’s notification preference)</td> <td data-bbox="810 1350 1023 1675">Two Business Days</td> <td data-bbox="1023 1350 1513 1675">For an email notification to be valid, Providers must ensure that the job seeker has read and understood the email—for example, by using a ‘read receipt’—at least one day before the Appointment or activity. Where the job seeker does not respond to email notification, another method should be used.</td> </tr> </tbody> </table> <p>Where an Appointment or participation in an activity has been arranged directly between the Provider and job seeker and the job seeker has indicated their intent to attend, reasonable notice is considered to have been given, even if the Appointment or participation in the activity is on the <i>same day</i> as the notification.</p> <p>Mutual Obligation Requirement reminders</p> <p>To encourage job seeker attendance and compliance with their Mutual Obligation Requirements, Providers can issue reminders to job seekers including SMS, email and letters, as their requirement date approaches. These can be created using the</p>	Method	Amount of advance notice that job seekers need to be given	Details	Phone	Three calendar days	Providers must speak directly with the job seeker and give all required information using the verbal script. A message cannot be left with another person, left on an answering machine or sent by SMS, as this will not constitute formal notification.	Face to face	Three calendar days	Providers must give all required information using the verbal script. Providers may also choose to issue the job seeker with a form of written notification at the same time.	Letter or activity notification (mailed to the job seeker)	Six Business Days	Providers need to take into account the job seeker’s mailing arrangements when using postal services. Providers need to ensure their return address is on the envelope so the Provider is aware when the job seeker has not received the notification.	Letter or activity notification (handed to the job seeker)	Three calendar days	Providers may wish to use this form of formal notification in conjunction with face-to-face verbal notification.	Email (only available when it is the job seeker’s notification preference)	Two Business Days	For an email notification to be valid, Providers must ensure that the job seeker has read and understood the email—for example, by using a ‘read receipt’—at least one day before the Appointment or activity. Where the job seeker does not respond to email notification, another method should be used.
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Process	Details
	<p>Department's IT Systems.</p> <p>Recording job seeker notifications</p> <p>Providers must keep a record of all notifications issued to a job seeker through the Department's IT Systems. If a Provider subsequently decides to use the job seeker compliance framework, they need to show that formal notification was issued to the job seeker so that DHS can be satisfied that the job seeker was properly notified and fully aware of their requirements.</p> <p>Note: The requirement to formally notify individuals who receive income support payments also applies to Disability Support Pension Recipients (Compulsory Requirements) and to Stronger Participation Incentives Participants.</p>
<p>Actively monitor job seekers to ensure they meet their Mutual Obligation Requirements</p>	<p>Providers must use their best endeavours to ensure that all job seekers meet their Mutual Obligation Requirements, including by attending Appointments, fulfilling their Annual Activity Requirement, participating in any other activity that is included in their Job Plan on a compulsory basis and undertaking Job Search.</p> <p>Providers must actively monitor job seekers' compliance with their Mutual Obligation Requirements. Where job seekers do not meet their requirements, Providers must determine the best strategy to re-engage or positively influence a change of behaviour in the job seeker. This may include reporting the non-compliance to DHS or using another strategy to ensure that the job seeker complies at the next available opportunity, consistent with the Social Security Law.</p> <p>Note: In deciding whether it is appropriate to report the non-compliance to DHS, Providers must consider certain factors to ascertain whether the job seeker had a Valid Reason or Reasonable Excuse (explained below). However, DHS, not Providers, makes all penalty decisions under the Social Security Law: see clause 115 of the Deed.</p>
<p>Job seeker gives prior notice of inability to meet a Mutual Obligation Requirement—do they have a Valid Reason?</p>	<p>Where a job seeker is unable to attend an Appointment, activity or job interview with a prospective employer, they must contact their Provider beforehand to advise them of a Valid Reason for being unable to meet their requirement. Providers must ensure they have mechanisms in place in their organisation to allow job seekers to make timely contact with their Provider—for example, answering machine, dedicated job seeker phone lines or the ability to accept reverse charge phone calls from job seekers.</p> <p>When determining whether a reason for non-attendance is valid, Providers will need to use their judgement and knowledge of the job seeker. Generally, the measure of 'validity' is whether a member of the public would accept the circumstances as reasonable. For example, given that the focus is for job seekers to develop work-like behaviours and move into sustainable paid employment, would the reason that the job seeker provides be accepted by an employer?</p> <p>The Provider then needs to determine what is acceptable in the context of the specific situation. Providers must consider why the job seeker was unable to meet their requirements and whether it is a valid excuse for non-attendance.</p> <p>Providers should consider the degree of flexibility afforded to the job seeker in the past and what effect has this had on the job seeker's compliance with requirements (for example, have there been many instances of non-attendance or have Appointments/activities repeatedly been rescheduled).</p> <p>If, taking the above factors into account, the Provider considers the reason to be valid, they must record this in the Department's IT Systems and make other arrangements for the requirement such as rescheduling the relevant Appointment or activity for a</p>

Process	Details
	<p>suitable time. If it is not appropriate to reschedule the requirement, the Provider must ensure that the job seeker is aware of their next requirement to engage with them (for example, if an activity cannot be rescheduled, the Provider should remind the job seeker of their next Appointment).</p> <p>In instances where a job seeker makes contact before their requirement but did not have a Valid Reason for not being able to meet their requirement and was advised that they were still required to attend, the Provider must still attempt to contact the job seeker on the same day that they miss that requirement and document this attempt in the Department’s IT Systems. This is to confirm that no other circumstances prevented the job seeker from attending. Unless other circumstances prevented the job seeker from attending, the job seeker does not have a Valid Reason for non-compliance.</p>
<p>Job seeker does not give prior notice of inability to meet a Mutual Obligation Requirement—do they have a Reasonable Excuse?</p>	<p>Where a job seeker fails to comply with a requirement then, on the same Business Day on which the Provider becomes aware of the non-compliance, the Provider must confirm that no prior contact was made by the job seeker to demonstrate that they had a Valid Reason for not complying. Providers needs to be confident that no prior contact has been made—for example, by checking with reception staff or listening to answering machine messages, depending on internal work practices.</p> <p>Where there is no evidence that the job seeker made prior contact and gave a Valid Reason, the Provider must attempt to contact the job seeker once on the day of becoming aware of the non-compliance to discuss</p> <ul style="list-style-type: none"> • why the job seeker failed to comply with their requirement, and where this is reasonable • why the job seeker did not make contact beforehand. <p>Note: The attempt to contact the job seeker can only be made by phone or email, because the decision on the next steps (that is, whether the compliance framework should be utilised) must be made on the same Business Day.</p> <p>Based on the discussion with the job seeker, the Provider must assess whether the job seeker had a Reasonable Excuse for failing to comply with the requirement.</p> <p>A ‘Reasonable Excuse’ is an excuse that would seem reasonable to a member of the public. Given that each situation is different, Providers need to consider what is reasonable in the specific context of the non-compliance.</p> <p>There are two stages in assessing whether the job seeker has a Reasonable Excuse for failing to comply with the requirement:</p> <p>Providers must consider why the job seeker did not comply. If the job seeker provides an acceptable reason, the Provider must then consider why the job seeker did not give prior notice.</p> <p>Where a job seeker does not give prior notice of their inability to attend and it would be reasonable to have expected them to do so, they do not have a Reasonable Excuse.</p> <p>In some instances, prior notice will not be relevant for Providers to consider—for example; inappropriate behaviour or declining suitable paid employment.</p>
<p>Recording compliance with Mutual Obligation Requirements</p>	<p>Providers must record the job seeker’s compliance with their Mutual Obligation Requirements in the Department’s IT Systems, specifically for Appointments and activities.</p> <p>For Appointments, Providers must record the compliance status by close of business</p>

Process	Details
	<p>on the day of the Appointment.</p> <p>For activities that are being hosted by a third-party organisation, Providers must ensure that the supervisor notifies them of any non-attendance or non-compliance as soon as is practicable, but by no later than at the end of the relevant working week. Where the ‘Supervisor’ mobile device application is being used by a Work for the Dole supervisor, they will have access (via the application) to details of those job seekers that participate in the activity on any given day. These details are only accessible where the Provider is using the Department’s IT Systems (specifically the activity diary) to record required participation. Through the application, supervisors can record preliminary compliance results which will be automatically sent to the Department’s IT Systems to update the Provider’s records. Refer to the Work for the Dole Guideline for further information.</p> <p>In addition to reflecting the job seeker’s attendance/participation in their requirement, the status reflects the Provider’s decision about any non-attendance or non-compliance. The compliance status options that are available to Providers in the Department’s IT Systems are:</p> <ul style="list-style-type: none"> • Rescheduled (RESC)—The Provider thinks that the job seeker has a Valid Reason for not complying (before the requirement start time) and the Provider decides to reschedule the requirement • Attended (ATT)—The job seeker attended or participated in the requirement where they have arrived on time and at the correct location; behaved appropriately; treated staff and others with respect; and participated for the duration of the requirement • Did Not Attend Valid (DNAV)—The job seeker did not attend or participate in the requirement; however, the Provider thinks that the job seeker had a Reasonable Excuse • Did Not Attend Invalid (DNAI)—The job seeker did not attend or participate in the requirement and the Provider thinks that the job seeker did not have a Reasonable Excuse, or contact could not be made and the Provider will be using the compliance framework • Did Not Attend Discretion (DNAD)—The job seeker did not attend or participate in the requirement and the Provider thinks that the job seeker did not have a Reasonable Excuse or contact could not be made, and the Provider has decided not to report the non-compliance to DHS because it is not the best strategy to re-engage the job seeker at that point in time • Did Not Enter into or sign a Job Plan (DNEP)—The job seeker attended or participated in their requirement but did not agree to a Job Plan or sign an updated Job Plan either in person or online through the jobactive powered by JobSearch website or jobactive Job Seeker App. <p>Job Search</p> <ul style="list-style-type: none"> • Satisfactory—The Provider assesses that the job seeker has met their Job Search Requirement for the Job Search Period • Unsatisfactory—The Provider assesses that the job seeker’s Job Search efforts for the Job Search Period are unsatisfactory to meet the requirements in their Job Plan and they will use the job seeker compliance framework • Unsatisfactory–Discretion—The Provider assesses that the job seeker’s Job Search efforts are unsatisfactory, but the Provider thinks that using the job seeker compliance framework is not the best way to help the job seeker to improve their Job Search efforts at that time.

Process	Details
<p>Determining the most appropriate action following non-attendance or other forms of non-compliance</p>	<p>Following job seeker non-attendance or other non-compliance, a Provider must consider whether to use the job seeker compliance framework in relation to the event. This decision informs the compliance status that is recorded in the Department’s IT Systems for the requirement.</p> <p>To assist in determining if using the job seeker compliance framework is appropriate, in addition to considering the job seeker’s explanation for non-attendance/non-compliance, Providers need to also consider the job seeker’s:</p> <ul style="list-style-type: none"> • personal circumstances • system-recorded vulnerability indicators (if any) • recent compliance history and • any other information they believe is relevant. <p>If the Provider does decide to use the job seeker compliance framework, they must report the incident to DHS on the same business day that they make this decision. Providers will only have a short timeframe from the non-compliance event to make this decision. The timeframes are:</p> <ul style="list-style-type: none"> • for non-attendance at a Provider Appointment—the same Business Day as the missed Appointment • for non-attendance at an activity or job interview—within 10 Business Days of the event • for unsatisfactory Job Search Requirement—within 10 Business Days of the Job Search Period end date. <p>If, after considering all relevant factors, the Provider believes that reporting the incident to DHS is not the most appropriate re-engagement strategy to secure the job seeker’s ongoing participation, they should record this decision in the Department’s IT Systems and:</p> <ul style="list-style-type: none"> • for <i>Appointments</i>—where the Appointment is not a Re-engagement Appointment, ensure the job seeker complies at the next available opportunity • for <i>activities</i>—consider if the job seeker should make up time in the activity or continue to participate on the next scheduled day of the activity • for <i>Job Search</i>—record that discretion has been used, but closely monitor Job Search for the next month.
<p>Using the job seeker compliance framework for job seekers with Mutual Obligation Requirements</p>	<p>When reporting non-compliance, Providers must include information relevant to the incident in the report. The following are the types of reports to be submitted for various kinds of non-compliance and the potential consequences of each.</p> <p>Failure to attend a Provider Appointment</p> <ul style="list-style-type: none"> • Non-Attendance Report (NAR)—Providers submit this report through the Department’s IT Systems so that a job seeker’s income support payment is suspended until they attend their next Appointment • Provider Appointment Report (PAR)—Providers submit this report when they want to recommend to DHS that a financial penalty should be applied in relation to the job seeker’s non-attendance and suspend a job seeker’s income support payment until they attend their next Appointment. A PAR can only be submitted after contact has taken place between the Provider and job

Process	Details
	<p>seeker to confirm Reasonable Excuse does not exist.</p> <p>Where DHS decides that a penalty should be applied, the job seeker will lose a day's income support payment for each Business Day from the date they were notified of the payment suspension until they do attend a Re-engagement Appointment.</p> <p>Connection Failure Participation Reports (PRs)</p> <ul style="list-style-type: none"> • Failure to attend Appointment (with an organisation other than the Provider) without a Valid Reason or Reasonable Excuse (CFAO PR)—When this report is submitted, DHS will suspend the job seeker's income support payment and set a Reconnection Requirement in the Department's IT Systems (through booking a re-engagement Appointment with their Provider). Agreement to attend this Appointment will lift the payment suspension. If the subsequent Appointment is not attended, this may lead to a financial penalty of one day's income support payment for every day the job seeker does not attend • Failure to enter into or vary a Job Plan (CFEP PR)—This is submitted when the job seeker attended their Appointment but did not enter into a Job Plan or did not agree to their Job Plan on the jobactive powered by JobSearch website or jobactive Job Seeker App in the required timeframe. DHS will investigate the incident with the job seeker and will book another Appointment with their Provider for them to sign the Job Plan. If the first failure is applied by DHS and the job seeker again refuses to enter into/vary their Job Plan, an ongoing failure to meet a condition of their payment may exist. If DHS confirms this, the job seeker's payment may be cancelled from the date of the second refusal • Failure to meet Job Search Requirements (CFJR PR)—Providers submit this report when they have assessed and recorded that the job seeker's Job Search efforts are unsatisfactory for the Job Search Period. DHS will investigate the PR and if applied, the job seeker may need to complete a Job Seeker Diary for up to 12 weeks and then return that to DHS. <p>No Show, No Pay (NSNP) PRs</p> <ul style="list-style-type: none"> • Failure to attend an activity recorded in the Job Plan without a Valid Reason or Reasonable Excuse (NFAA PR)—Providers can also indicate in the PR that the job seeker has disengaged from their activity. When this is done, DHS will suspend the job seeker's income support payment until the job seeker agrees to attend a re-engagement Appointment and set a Reconnection Requirement through booking this Appointment. Where the job seeker fails to meet this Reconnection Requirement, the job seeker may lose a Business Day's income support payment (i.e. one-tenth of the job seeker's fortnightly income support payment) for every day until they do attend their Appointment • Failure to behave appropriately in an activity recorded in their Job Plan (NFBA PR) • Failure to attend a job interview without a Valid Reason or Reasonable Excuse (NFJI PR) • Failure to behave appropriately at a job interview (NFII PR). <p>Where any No Show No Pay Failure is applied, the job seeker will lose a Business Day's income support payment for each day.</p> <p>Serious Failure PRs</p> <ul style="list-style-type: none"> • Failure to accept a suitable job without a Valid Reason or Reasonable Excuse

Process	Details
	<p>(SFAJ PR)</p> <ul style="list-style-type: none"> • Failure to commence a suitable job without a Valid Reason or Reasonable Excuse (SFCJ PR). <p>Following the submission of a Serious Failure PR, DHS may apply an eight-week non-payment penalty during which the job seeker will not receive their income support payment. This penalty can be waived by the job seeker agreeing to undertake a Compliance Activity for eight weeks. See the Comprehensive Compliance Assessments and Compliance Activities Guideline for more information.</p> <p>Unemployment Non-Payment Period (UNPP) PRs</p> <ul style="list-style-type: none"> • Voluntarily leaving a suitable job without a valid reason (UEVJ PR) • Dismissed for misconduct from suitable job (UEDJ PR). <p>Job seekers who incur a UNPP will be ineligible to receive income support payments for eight weeks (for new applicants) or will have their income support payment stopped for eight weeks (existing job seekers).</p> <p>A 12-week UNPP may apply to job seekers who have received assistance to relocate under the Relocation Assistance to Take Up a Job programme but the job seeker does not commence in that job, voluntarily leaves without a Reasonable Excuse or is dismissed from the job due to misconduct. See the Relocation Assistance to Take Up a Job Guideline for more information.</p> <p>Actioning DHS decisions</p> <p>Providers can see DHS decisions following investigations on the Compliance History page in the Department’s IT systems. Where a PR has been returned to the Provider by DHS due to insufficient evidence such as formal notification not being included, Providers need to promptly identify and make the necessary amendments and re-submit the PR to DHS for investigation.</p>
<p>Compliance arrangements for Disability Support Pension Recipients (Compulsory Requirements) and Stronger Participation Incentives Participants</p>	<p>Disability Support Pension Recipients (Compulsory Requirements)</p> <p>Providers must monitor attendance at Appointments and activities and requirement to enter into a current Job Plan. Where the Disability Support Pension Recipient (Compulsory Requirements) fails to meet their compulsory requirements and the Provider considers that compliance is necessary, the Provider must record this in the Department’s IT Systems and take any relevant action to report the non-compliance to DHS.</p> <p>Stronger Participation Incentives Participants</p> <p>Providers can decide to report non-compliance to DHS where a Stronger Participation Incentives Participant does not meet their requirements, including attending Appointments and activities and meeting Job Search Requirements.</p>
<p>Re-engaging the job seeker and applying penalties</p>	<p>After submission of either a NAR or PAR and following successful contact taking place with the job seeker, Providers are responsible for re-engaging job seekers by booking Appointments that must be scheduled to occur within the next two Business Days of contact occurring with the job seeker.</p> <p>For all PRs and PARs submitted, DHS will investigate the incident to determine if a failure occurred, which includes whether Reasonable Excuse existed and whether a participation failure should apply and why. DHS will inform the job seeker of any penalties applied.</p> <p>Providers must have timeslot capacity at all times in the Department’s IT Systems to</p>

Process	Details
	ensure that DHS can book an Appointment for a job seeker within the next two Business Days.
Providing evidence to tribunals	Providers may at times be asked to give evidence to the Social Security Appeals Tribunal or the Administrative Appeals Tribunal where a person is appealing a decision made by DHS in relation to their income support payment. For example, if a job seeker has their income support payment suspended or reduced or a financial penalty has been applied because of a participation failure, the job seeker may choose to appeal this decision. When this occurs, a tribunal may wish to discuss the details of any non-compliance reported to DHS with the recipient's Provider to assist the tribunal in reaching a decision that considers all the elements of the appeal. Providers must provide all possible assistance to the Commonwealth on the appeals process.
Contacting DHS to discuss job seeker servicing and circumstances	<p>Providers can email the DHS Participation Solutions Team (PST) or Local Services Centre about specific job seekers in relation to compliance actions and confirmation of other information that may impact on the servicing of the job seeker.</p> <p>When a Change of Circumstances Reassessment for a job seeker identifies a potential vulnerability that they would like DHS to investigate further, Providers may also contact the PST . This vulnerability may be a diagnosed condition or documented personal circumstance that currently impacts the job seeker's day to day life and may be temporary, ongoing or episodic. Providers will need to fax the Request for Vulnerability Indicator Review form (Attachment C) to DHS who will review the job seeker's record and if evidence suggests that the vulnerability could significantly impact the job seeker's ability to comply with their Mutual Obligation Requirements, they may record a vulnerability indicator in the Department's IT Systems.</p> <p>For more details on how and when to contact DHS, see Attachment A to this Guideline.</p>

How and when to contact the Department of Human Services

Process	Details
<p>Arrangements for Providers to contact DHS Participation Solutions Team (PST)</p>	<p>Providers should use Attachment B: Template for Employment Provider Queries to the Department of Human Services Participation Solutions Team (DHS PST) and email their query to the DHS PST at PST.ENQUIRY@humanservices.gov.au. Queries should be confined to matters that relate to compliance actions or confirmation on:</p> <ul style="list-style-type: none"> • exemptions from Mutual Obligation Requirements • the status of an approved activity • the job seeker’s Mutual Obligation Requirements • other matters that impact directly on servicing the job seeker. <p>The DHS PST will provide a response where appropriate. Where the query does not relate to DHS PST or participation services, an email response will be sent requesting Providers contact the correct area of DHS.</p> <p>Any emails containing identifying customer information—such as names, address or date of birth—will be securely destroyed and no response will be provided by the DHS PST.</p> <p>Providers can contact their local DHS shopfront to discuss issues such as large local redundancies, representations at local meetings and presentations to local communities.</p> <p>Providers requesting DHS to review a job seeker’s record and consider whether a Vulnerability Indicator should be applied should use Attachment C: Request for Vulnerability Indicator Review and fax the request form to 1300 786 102. Feedback on the decision will not be available; however Providers can review the job seeker’s record to identify if a Vulnerability Indicator has been applied and the type of vulnerability.</p>
<p>Arrangements for job seekers to contact DHS PST</p>	<p>Job seekers can phone DHS general enquiries on 132 850. Providers can act as an advocate for the job seeker by calling this number while the job seeker is with them.</p>
<p>Urgent queries for the DHS PST</p>	<p>Where the job seeker is present with the Provider and urgent action is required by DHS to allow the continued regular servicing of the job seeker, the Provider can call the PST on 1300 306 325.</p> <p>This would include circumstances where there is a DHS-initiated suspension of income support (other than due to a NAR having been submitted) or for confirmation of exemption applications (for example, medical certificate lodged).</p> <p>Non-urgent queries should be submitted by email using Attachment B: Template for Employment Provider Queries to the Department of Human Services Participation Solutions Team (DHS PST).</p>
<p>Other enquiries</p>	<p>Providers should refer to the relevant Guidelines or Learning Centre website in the first instance.</p> <p>Questions relating to issues experienced with the Department’s IT Systems should be explored first through the EA Knowledge Base. If the issues cannot be resolved, the Provider should contact the Employment Systems Help Desk on 1300 305 520.</p>



Australian Government
Department of Employment

**Template for Employment Provider Queries to the
Department of Human Services Participation Solutions Team (DHS PST)**

Email when complete to: PST.ENQUIRY@humanservices.gov.au.

Employment Provider

Provider contact name

Site

Site code

Job Seeker ID

Topic (*Please indicate with an X*)

Note: The topic selected below **should** be included in the subject heading of the email sent to the PST. Do not include any of the job seeker's personal details in the email or this template—only the JSID.

Compliance

- Withdrawal of Participation Report
- Feedback about decision on compliance
- Provider Interventions recommended in a CCA

Other

- Exemption from Activity Test Requirements
- Activity—current/finalised
- Mutual Obligation Requirements
- Other (specify below)

Other

Did you check Provider Portal and/or Knowledgebase before lodging query?

Yes

No

Question

What do you need this information for:

(Please indicate with an X)

Updating Job Plan

Referral to new service/activity

To determine if compulsory or voluntary job seeker

To refer job seeker to employment

To complete/finalise compliance action

Other



Australian Government
Department of Employment

Facsimile: when complete fax to DHS PST on 1300 786 102

Request for Vulnerability Indicator Review

To: Department of Human Services Participation Solutions Team
Area:
Fax Number:
Phone Number:
From: (contact name)
Organisation:
Fax Number:
Phone Number:
Date:
No. pages: (Including this one)

Message

Please review the need for a Vulnerability Indicator to be placed on the record of Job seeker/participant ID:

PLEASE TICK one or more of the following.

- There is a current Participation Report in Employment IT Systems relevant to this request
- There is an ESAt report in the system to support a review of this job seeker's vulnerability
- There is other evidence in the system (such as a medical certificate) to support a review of this job seeker's vulnerability
- I have updated the Stream A to C job seeker's JSCI and there is evidence to support a review of vulnerability
- I am unable to update the job seeker's JSCI and there is evidence to support a review of vulnerability
- I attach evidence to support this request; OR
- I have asked the job seeker to provide evidence information to DHS.

Please note: Feedback on the decision will not be available but Providers can check if a Vulnerability Indicator has been applied by looking at the Vulnerabilities on the job seeker's record.

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(signature)

Job Seeker Compliance Framework Guideline

Document change history

Version	Start date	Effective date	End date	Change and location
3.1	27 06 16	27 06 16	11 09 2016	Additional advice on arrangements for ParentsNext being in a separate guideline (p. 2) Additions to Relevant References (p. 3) Additional information on creating notifications (pp. 5,6) Process amendment to monitoring job seeker compliance (p. 7) Additional information for recording compliance (pp. 8, 9, 10)
3.0	23 03 16	23 03 16	26 06 16	Additions to Relevant References (pp. 2, 3) Amendment to reasonable notice timeframes to accommodate Australia Post postal changes (p.5). Amendment to re-badged Australian JobSearch website and mobile device application to reflect correct name, 'jobactive powered by JobSearch' (pp. 9, 11) Process amendment to mailed notification (p. 5) Process amendment to returned Participation Reports (p. 12)
2.0	13 08 15	13 08 15	22 03 16	Inclusion of Request for Vulnerability Indicator Review form and instructions (pp. 3,11,12,15)
1.0	01 07 15	01 07 15	12 08 15	Original version of document

Explanatory Note

All capitalised terms have the same meaning as in the jobactive Deed 2015–2020. In this document, '**must**' means that compliance is mandatory and '**should**' means that compliance represents best practice and that compliance is discretionary.

The term 'job seeker' in this Guideline means any Fully Eligible Participant (Mutual Obligation).

Disclaimer

This Guideline is not a stand-alone document and does not contain the entirety of Employment Services Providers' obligations.

It **must** be read in conjunction with the Deed and any relevant Guidelines or reference material issued by Department of Employment under or in connection with the Deed.

Summary

This Guideline provides information on the policy and processes that Employment Providers (Providers) **must** use in delivering services to assist job seekers to be aware of fully understand and meet their Mutual Obligation Requirements. 'Mutual Obligation Requirements' refers to the activity test or participation requirements that a

job seeker **must** meet in order to receive an income support payment under the Social Security Law and in accordance with any Guidelines (see [Mutual Obligation Requirements \(including Annual Activity Requirements\) Guideline](#) for more information).

This Guideline also provides information on the job seeker compliance framework—a tool available to Providers to support job seeker engagement and designed to influence a change in the job seeker’s behaviour, where required.

The job seeker compliance framework does not apply to job seekers who do not have Mutual Obligation Requirements. Advice on arrangements for [Disability Support Pension Recipients with compulsory requirements](#) and ParentsNext participants is provided in separate Guidelines.

Policy Intent

The job seeker compliance framework is designed to encourage job seekers to engage with their Employment Provider, undertake activities to meet their Mutual Obligation Requirements and actively look for work.

The job seeker compliance framework helps Providers to quickly re-engage job seekers who do not comply with their Mutual Obligation Requirements. Providers can report non-compliance to the Department of Human Services (DHS), which makes compliance decisions under the Social Security Law, including income support payment suspensions and the application of financial penalties where job seekers do not have a Reasonable Excuse. Providers have flexibility to choose when they report non-compliance and when they use discretion and other strategies to re-engage or positively influence the job seeker’s behaviour.

Relevant Deed clause/s

The relevant clauses in the jobactive Deed 2015–2020 (the Deed) are

Clause 11—Liaison and directions
Clause 83—Appointments with Stream Participants
Clause 84—Contacts
Clause 85—Initial Interviews
Clause 87—General requirements for a Job Plan
Clause 102—SPI Participants
Clause 106—Mutual Obligation Requirements
Clause 107—Activities
Clause 111—Supervision
Clause 113—Job Search Requirements
Clause 114—Monitoring
Clause 115—Non-compliance action for Mutual Obligation Requirements
Clause 116—Non-compliance action for Disability Support Pension Recipients (Compulsory Requirements)
Clause 117—Comprehensive Compliance Assessment
Clause 118—Compliance Activities
Clause 119—Delegate obligations
Clause 120—Recording Attendance
Clause 121—Issuing and recording Notification.

Relevant references

Reference documents relevant to this Guideline include:

- [Learning Centre website](#)
- [Mutual Obligation Requirements \(including Annual Activity Requirements\) Guideline](#)
- [Job Plans Guideline](#)
- [Managing and Monitoring Job Seeker Appointments Guideline](#)
- [Managing and Monitoring Job Search Guideline](#)
- [Comprehensive Compliance Assessments and Compliance Activities Guideline](#)
- [Activity Management Guideline](#)

- [Work for the Dole Guideline](#)
- [Relocation Assistance to Take Up a Job Guideline](#)
- [Activity Script – Compellable](#)
- [Social Security Act 1991](#)
- [Social Security \(Administration\) Act 1999](#)
- [Guide to Social Security Law](#)
- Employment and Community Services Network (ECSN) - Reports – Compliance
 - CPL01 jobactive Job Seeker Compliance
 - CPL03 Appointment Outcome
 - CPL04 Job Seeker Re-engagement Outstanding
 - CPL05 Job Seeker Re-engagement Report
 - CPL06 jobactive Activity Outcome
 - CPL07 jobactive Job Search Assessment Outcomes.

Notifying job seekers of their Mutual Obligation Requirements, monitoring participation and using the job seeker compliance framework

Process	Details
<p>Provider ensures that job seekers are aware of their Mutual Obligation Requirements and details of meeting them</p>	<p>Job Plans</p> <p>Under the Social Security Law, job seekers must enter into and agree to the terms of a Job Plan. The Job Plan will include the Appointments, Job Search Requirements and any other activities that will enable the job seeker to meet their Mutual Obligation Requirements (including the hours required to meet their Annual Activity Requirement).</p> <p>When deciding what Mutual Obligation Requirements to include in the Job Plan, Providers must consider the job seeker's individual circumstances, including their work capacity where relevant, personal needs, caring responsibilities, any vulnerability indicators on the job seeker's record and their capacity to comply with the requirements.</p> <p>For more information on Job Plans, see the Job Plan Guideline.</p> <p>Providers must ensure that job seekers are correctly notified of their Mutual Obligation Requirements so that job seekers are aware at all times of what the Social Security Law requires them to do in return for their income support payment. Providers must use the Department's IT Systems to record the way that the job seeker was notified of their Mutual Obligation Requirements. This enables Providers to be able to take action using the job seeker compliance framework for non-compliance where they choose to do so.</p> <p>Authority to formally notify a job seeker of their Mutual Obligation Requirements</p> <p>Each person engaged by a Provider to perform functions or to provide Employment Provider Services under the Deed is a delegate of the Secretary of the Department of Employment. Delegates have been given the authority under the Social Security Law (Social Security (Administration) Act 1999, s 63(2); and Social Security Act 1991, ss 501, 544, 605 and 731L) to formally notify the job seeker of the requirements to:</p> <ul style="list-style-type: none"> • attend Appointments with their Provider or a third party • attend a location to participate in an Activity • attend a job interview • negotiate and enter into a Job Plan (which may include Job Search Requirements).
<p>Provider ensures that formal notification contains all required details</p>	<p>Providers must ensure that the following details are included in the formal notification:</p> <ul style="list-style-type: none"> • the nature of the requirement (e.g. Appointments, activities, entering into a Job Plan) • the date and time of the requirement or the time the requirement needs to be completed by • the location of the requirement where relevant (for Appointments and activities, for instance) • the consequences of failing to meet the requirement and • a statement that it is a notice under the Social Security Law. The statement explains to the job seeker that the Appointment or activity, for example, is part of their requirements in order to receive income support payments. <p>Other requirements when issuing formal notification include:</p>

Process	Details						
	<ul style="list-style-type: none"> Where a job seeker is required to attend an appointment, the Provider must ensure that the notice includes the purpose of the appointment Job seekers must be advised that, if they have a Valid Reason for not being able to meet their requirements, they must contact their Provider beforehand to advise of this If a job seeker is required to attend an Appointment or activity, the provider must ensure that it gives reasonable notice ahead of the Appointment or day of the activity. Reasonable notice gives the job seeker sufficient time to prepare for the requirement- for example, to arrange transportation. 						
<p>Provider issues the most appropriate form of formal notification to job seeker in reasonable notice timeframes</p>	<p>Types of formal notification</p> <p>Providers can notify a job seeker of the details of their Mutual Obligation Requirements either by including them in the job seeker’s Job Plan or by issuing separate formal notification to the job seeker.</p> <p>a) Job Plan</p> <p>The Job Plan can be used as the full formal notification only if the time, date and location details (where relevant) of the particular requirements are included. Providers will generally be unable to include all of these details at the time the Job Plan is being negotiated, so the Provider must issue the job seeker with separate formal notification to support the Appointment and activity requirements in the Job Plan.</p> <p>The Job Plan can also be used as the full formal notification for Job Search Requirements as long as the Job Plan includes:</p> <ul style="list-style-type: none"> the number of Job Searches required (refer to the Mutual Obligation Requirements (including Annual Activity Requirements) Guideline and the period of time over which the requirement needs to be undertaken. <p>Providers should use this method of formal notification in the vast majority of cases concerning notification of Job Search Requirements.</p> <p>b) Separate formal notification (in particular, for Appointments and participation in activities)</p> <p>The table below sets out the methods of formal notification that can be used by Providers and the period of notice required ahead of the scheduled requirement (‘reasonable notice’) to issue it to the job seeker.</p> <p>The Department’s IT Systems can be used to create notifications for job seekers:</p> <ul style="list-style-type: none"> automatically by using the Calendar/Job Seeker Diary and Activity Diary; automatically by using the Third Party Appointment Notification; or by using the manual templates that are available in the system. <table border="1" data-bbox="507 1659 1513 2016"> <thead> <tr> <th data-bbox="507 1659 810 1839">Method</th> <th data-bbox="810 1659 1023 1839">Amount of advance notice that job seekers need to be given</th> <th data-bbox="1023 1659 1513 1839">Details</th> </tr> </thead> <tbody> <tr> <td data-bbox="507 1839 810 2016">Phone</td> <td data-bbox="810 1839 1023 2016">Three calendar days</td> <td data-bbox="1023 1839 1513 2016">Providers must speak directly with the job seeker and give all required information using the verbal script. A message cannot be left with another person, left on an answering machine</td> </tr> </tbody> </table>	Method	Amount of advance notice that job seekers need to be given	Details	Phone	Three calendar days	Providers must speak directly with the job seeker and give all required information using the verbal script. A message cannot be left with another person, left on an answering machine
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Phone	Three calendar days	Providers must speak directly with the job seeker and give all required information using the verbal script. A message cannot be left with another person, left on an answering machine					

Process	Details		
			or sent by SMS, as this will not constitute formal notification.
	Face to face	Three calendar days	Providers must give all required information using the verbal script. Providers may also choose to issue the job seeker with a form of written notification at the same time.
	Letter or activity notification (mailed to the job seeker)	Six Business Days	Providers need to take into account the job seeker's mailing arrangements when using postal services. Providers need to ensure their return address is on the envelope so the Provider is aware when the job seeker has not received the notification.
	Letter or activity notification (handed to the job seeker)	Three calendar days	Providers may wish to use this form of formal notification in conjunction with face-to-face verbal notification.
	Email (only available when it is the job seeker's notification preference)	Two Business Days	For an email notification to be valid, Providers must ensure that the job seeker has read and understood the email—for example, by using a 'read receipt'—at least one day before the Appointment or activity. Where the job seeker does not respond to email notification, another method should be used.
	<p>Where an Appointment or participation in an activity has been arranged directly between the Provider and job seeker and the job seeker has indicated their intent to attend, reasonable notice is considered to have been given, even if the Appointment or participation in the activity is on the <i>same day</i> as the notification.</p>		
	<p>Mutual Obligation Requirement reminders</p>		
	<p>To encourage job seeker attendance and compliance with their Mutual Obligation Requirements, Providers can issue reminders to job seekers including SMS, email and letters, as their requirement date approaches. Providers can create and send messages to individual job seekers via the 'Notification Templates' page or multiple job seekers by selecting them from the 'Caseload' page and then selecting a manual template via the 'Notification Templates' page in the Department's IT Systems.</p>		
	<p>Recording job seeker notifications</p>		
	<p>Providers must keep a record of all notifications issued to a job seeker through the Department's IT Systems. If a Provider subsequently decides to use the job seeker compliance framework, they need to show that formal notification was issued to the job seeker so that DHS can be satisfied that the job seeker was properly notified and fully aware of their requirements.</p> <p>Note: The requirement to formally notify individuals who receive income support payments also applies to Disability Support Pension Recipients (Compulsory Requirements) and to Stronger Participation Incentives Participants.</p>		
Actively monitor	Providers must use their best endeavours to ensure that all job seekers meet their		

Process	Details
<p>job seekers to ensure they meet their Mutual Obligation Requirements</p>	<p>Mutual Obligation Requirements, including by attending Appointments, fulfilling their Annual Activity Requirement, participating in any other activity that is included in their Job Plan on a compulsory basis and undertaking Job Search.</p> <p>Providers must actively monitor job seekers' compliance with their Mutual Obligation Requirements. Where job seekers do not meet their requirements, Providers must determine the best strategy to re-engage or positively influence a change of behaviour in the job seeker. This may include reporting the non-compliance to DHS or using another strategy to ensure that the job seeker complies at the next available opportunity, consistent with the Social Security Law.</p> <p>In order to use the compliance framework in the Department's IT Systems, including recording attendance results that directly relate to the framework and reporting non-compliance to DHS, relevant provider staff must have successfully completed the compulsory '<i>Strengthening the Job Seeker Compliance Framework</i>' quiz online via the Learning Centre.</p> <p>Note: In deciding whether it is appropriate to report the non-compliance to DHS, Providers must consider certain factors to ascertain whether the job seeker had a Valid Reason or Reasonable Excuse (explained below). However, DHS, not Providers, makes all penalty decisions under the Social Security Law: see clause 115 of the Deed.</p>
<p>Job seeker gives prior notice of inability to meet a Mutual Obligation Requirement—do they have a Valid Reason?</p>	<p>Where a job seeker is unable to attend an Appointment, activity or job interview with a prospective employer, they must contact their Provider beforehand to advise them of a Valid Reason for being unable to meet their requirement. Providers must ensure they have mechanisms in place in their organisation to allow job seekers to make timely contact with their Provider—for example, answering machine, dedicated job seeker phone lines or the ability to accept reverse charge phone calls from job seekers.</p> <p>When determining whether a reason for non-attendance is valid, Providers will need to use their judgement and knowledge of the job seeker. Generally, the measure of 'validity' is whether a member of the public would accept the circumstances as reasonable. For example, given that the focus is for job seekers to develop work-like behaviours and move into sustainable paid employment, would the reason that the job seeker provides be accepted by an employer?</p> <p>The Provider then needs to determine what is acceptable in the context of the specific situation. Providers must consider why the job seeker was unable to meet their requirements and whether it is a valid excuse for non-attendance.</p> <p>Providers should consider the degree of flexibility afforded to the job seeker in the past and what effect has this had on the job seeker's compliance with requirements (for example, have there been many instances of non-attendance or have Appointments/activities repeatedly been rescheduled).</p> <p>If, taking the above factors into account, the Provider considers the reason to be valid, they must record this in the Department's IT Systems and make other arrangements for the requirement such as rescheduling the relevant Appointment or activity for a suitable time. If it is not appropriate to reschedule the requirement, the Provider must ensure that the job seeker is aware of their next requirement to engage with them (for example, if an activity cannot be rescheduled, the Provider should remind the job seeker of their next Appointment).</p> <p>In instances where a job seeker makes contact before their requirement but did not have a Valid Reason for not being able to meet their requirement and was advised that they were still required to attend, the Provider must still attempt to contact the</p>

Process	Details
	<p>job seeker on the same day that they miss that requirement and document this attempt in the Department’s IT Systems. This is to confirm that no other circumstances prevented the job seeker from attending. Unless other circumstances prevented the job seeker from attending, the job seeker does not have a Valid Reason for non-compliance.</p>
<p>Job seeker does not give prior notice of inability to meet a Mutual Obligation Requirement—do they have a Reasonable Excuse?</p>	<p>Where a job seeker fails to comply with a requirement then, on the same Business Day on which the Provider becomes aware of the non-compliance, the Provider must confirm that no prior contact was made by the job seeker to demonstrate that they had a Valid Reason for not complying. Providers needs to be confident that no prior contact has been made—for example, by checking with reception staff or listening to answering machine messages, depending on internal work practices.</p> <p>Where there is no evidence that the job seeker made prior contact and gave a Valid Reason, the Provider must attempt to contact the job seeker once on the day of becoming aware of the non-compliance to discuss</p> <ul style="list-style-type: none"> • why the job seeker failed to comply with their requirement, and where this is reasonable • why the job seeker did not make contact beforehand. <p>Note: The attempt to contact the job seeker can only be made by phone or email, because the decision on the next steps (that is, whether the compliance framework should be utilised) must be made on the same Business Day.</p> <p>Based on the discussion with the job seeker, the Provider must assess whether the job seeker had a Reasonable Excuse for failing to comply with the requirement.</p> <p>A ‘Reasonable Excuse’ is an excuse that would seem reasonable to a member of the public. Given that each situation is different, Providers need to consider what is reasonable in the specific context of the non-compliance.</p> <p>There are two stages in assessing whether the job seeker has a Reasonable Excuse for failing to comply with the requirement:</p> <p>Providers must consider why the job seeker did not comply. If the job seeker provides an acceptable reason, the Provider must then consider why the job seeker did not give prior notice.</p> <p>Where a job seeker does not give prior notice of their inability to attend and it would be reasonable to have expected them to do so, they do not have a Reasonable Excuse.</p> <p>In some instances, prior notice will not be relevant for Providers to consider—for example; inappropriate behaviour or declining suitable paid employment.</p>
<p>Recording compliance with Mutual Obligation Requirements</p>	<p>Providers must record the job seeker’s compliance with their Mutual Obligation Requirements in the Department’s IT Systems, specifically for Appointments and activities.</p> <p>For Provider Appointments, Providers must record the compliance status by close of business on the day of the Appointment.</p> <p>For activities that are being hosted by a third-party organisation, Providers must ensure that the supervisor notifies them of any non-attendance or non-compliance as soon as is practicable, but by no later than at the end of the relevant working week. Where the ‘Supervisor’ mobile device application is being used by a Work for the Dole supervisor, they will have access (via the application) to details of those job seekers that participate in the activity on any given day. These details are only accessible where the Provider is using the Department’s IT Systems (specifically the activity</p>

Process	Details
	<p>diary) to record required participation. Through the application, supervisors can record preliminary compliance results which will be automatically sent to the Department’s IT Systems to update the Provider’s records. Refer to the Work for the Dole Guideline for further information.</p> <p>In addition to reflecting the job seeker’s attendance/participation in their requirement, the status reflects the Provider’s decision about any non-attendance or non-compliance. The compliance status options that are available to Providers in the Department’s IT Systems are:</p> <ul style="list-style-type: none"> • Rescheduled (RESC)—The Provider thinks that the job seeker has a Valid Reason for not complying (before the requirement start time) and the Provider decides to reschedule the requirement • Attended (ATT)—The job seeker attended or participated in the requirement where they have arrived on time and at the correct location; behaved appropriately; treated staff and others with respect; and participated for the duration of the requirement • Did Not Attend Valid (DNAV)—The job seeker did not attend or participate in the requirement; however, the Provider thinks that the job seeker had a Reasonable Excuse • Did Not Attend Invalid (DNAI)—The job seeker did not attend or participate in the requirement and the Provider thinks that the job seeker did not have a Reasonable Excuse, or contact could not be made and the Provider will be using the compliance framework • Did Not Attend Discretion (DNAD)—The job seeker did not attend or participate in the requirement and the Provider thinks that the job seeker did not have a Reasonable Excuse or contact could not be made, and the Provider has decided not to report the non-compliance to DHS because it is not the best strategy to re-engage the job seeker at that point in time • Did Not Enter into or sign a Job Plan (DNEP)—The job seeker attended or participated in their requirement but did not agree to a Job Plan or sign an updated Job Plan either in person or online through the jobactive powered by JobSearch website or jobactive Job Seeker App. Note: this result is only available for Compliance Activity Re-engagement Appointments. <p>Job Search</p> <ul style="list-style-type: none"> • Satisfactory—The Provider assesses that the job seeker has met their Job Search Requirement for the Job Search Period • Unsatisfactory—The Provider assesses that the job seeker’s Job Search efforts for the Job Search Period are unsatisfactory to meet the requirements in their Job Plan and they will use the job seeker compliance framework • Unsatisfactory–Discretion—The Provider assesses that the job seeker’s Job Search efforts are unsatisfactory, but the Provider thinks that using the job seeker compliance framework is not the best way to help the job seeker to improve their Job Search efforts at that time.
<p>Determining the most appropriate action following non-attendance or other forms of non-compliance</p>	<p>Following job seeker non-attendance or other non-compliance, a Provider must consider whether to use the job seeker compliance framework in relation to the event. This decision informs the compliance status that is recorded in the Department’s IT Systems for the requirement.</p> <p>To assist in determining if using the job seeker compliance framework is appropriate, in addition to considering the job seeker’s explanation for non-attendance/non-</p>

Process	Details
	<p>compliance, Providers need to also consider the job seeker’s:</p> <ul style="list-style-type: none"> • personal circumstances • system-recorded vulnerability indicators (if any) • recent compliance history and • any other information they believe is relevant. <p>If the Provider does decide to use the job seeker compliance framework, they must report the incident to DHS on the same business day that they make this decision. Providers will only have a short timeframe from the non-compliance event to make this decision. The timeframes are:</p> <ul style="list-style-type: none"> • for non-attendance at a Provider Appointment—the same Business Day as the missed Appointment • for non-attendance at an activity, third party appointment or job interview—within 10 Business Days of the event • for unsatisfactory Job Search Requirement—within 10 Business Days of the Job Search Period end date. <p>If, after considering all relevant factors, the Provider believes that reporting the incident to DHS is not the most appropriate re-engagement strategy to secure the job seeker’s ongoing participation, they should record this decision in the Department’s IT Systems and:</p> <ul style="list-style-type: none"> • for <i>Appointments</i>—where the Appointment is not a Re-engagement Appointment, ensure the job seeker complies at the next available opportunity • for <i>activities</i>—consider if the job seeker should make up time in the activity or continue to participate on the next scheduled day of the activity • for <i>Job Search</i>—record that discretion has been used, but closely monitor Job Search for the next month.
<p>Using the job seeker compliance framework for job seekers with Mutual Obligation Requirements</p>	<p>When reporting non-compliance, Providers must include information relevant to the incident in the report, including evidence of formal notification issued to the job seeker or recording details of verbal notification issued to the job seeker.</p> <p>The following are the types of reports to be submitted for various kinds of non-compliance and the potential consequences of each.</p> <p>Failure to attend a Provider Appointment</p> <ul style="list-style-type: none"> • Non-Attendance Report (NAR)—Providers submit this report through the Department’s IT Systems so that a job seeker’s income support payment is suspended until they attend their next Appointment • Provider Appointment Report (PAR)—Providers submit this report when they want to recommend to DHS that a financial penalty should be applied in relation to the job seeker’s non-attendance and suspend a job seeker’s income support payment until they attend their next Appointment. A PAR can only be submitted after contact has taken place between the Provider and job seeker to confirm Reasonable Excuse does not exist. <p>Where DHS decides that a penalty should be applied, the job seeker will lose a day’s income support payment for each Business Day from the date they were notified of the payment suspension until they do attend a Re-engagement Appointment.</p> <p>Connection Failure Participation Reports (PRs)</p>

Process	Details
	<ul style="list-style-type: none"> • Failure to attend Appointment (with an organisation other than the Provider) without a Valid Reason or Reasonable Excuse (CFAO PR)—When this report is submitted, DHS will suspend the job seeker’s income support payment and set a Reconnection Requirement in the Department’s IT Systems (through booking a re-engagement Appointment with their Provider). Agreement to attend this Appointment will lift the payment suspension. If the subsequent Appointment is not attended, this may lead to a financial penalty of one day’s income support payment for every day the job seeker does not attend • Failure to enter into or vary a Job Plan (CFEP PR)—This is submitted when the job seeker attended their Appointment but did not enter into a Job Plan or did not accept their Job Plan on their Job Seeker Dashboard on the jobactive powered by JobSearch website or Job Seeker App in the required timeframe. DHS will investigate the incident with the job seeker and will book another Appointment with their Provider for them to sign the Job Plan. If the first failure is applied by DHS and the job seeker again refuses to enter into/vary their Job Plan, an ongoing failure to meet a condition of their payment may exist. If DHS confirms this, the job seeker’s payment may be cancelled from the date of the second refusal • Failure to meet Job Search Requirements (CFJR PR)—Providers submit this report when they have assessed and recorded that the job seeker’s Job Search efforts are unsatisfactory for the Job Search Period. DHS will investigate the PR and if applied, the job seeker may need to complete a Job Seeker Diary for up to 12 weeks and then return that to DHS. <p>No Show, No Pay (NSNP) PRs</p> <ul style="list-style-type: none"> • Failure to attend an activity recorded in the Job Plan without a Valid Reason or Reasonable Excuse (NFAA PR)—Providers can also indicate in the PR that the job seeker has disengaged from their activity. When this is done, DHS will suspend the job seeker’s income support payment until the job seeker agrees to attend a re-engagement Appointment and set a Reconnection Requirement through booking this Appointment. Where the job seeker fails to meet this Reconnection Requirement, the job seeker may lose a Business Day’s income support payment (i.e. one-tenth of the job seeker’s fortnightly income support payment) for every day until they do attend their Appointment • Failure to behave appropriately in an activity recorded in their Job Plan (NFBA PR) • Failure to attend a job interview without a Valid Reason or Reasonable Excuse (NFJI PR) • Failure to behave appropriately at a job interview (NFIJ PR). <p>Where any No Show No Pay Failure is applied, the job seeker will lose a Business Day’s income support payment for each day.</p> <p>Serious Failure PRs</p> <ul style="list-style-type: none"> • Failure to accept a suitable job without a Valid Reason or Reasonable Excuse (SFAJ PR) • Failure to commence a suitable job without a Valid Reason or Reasonable Excuse (SFCJ PR). <p>Following the submission of a Serious Failure PR, DHS may apply an eight-week non-payment penalty during which the job seeker will not receive their income support payment. This penalty can be waived by the job seeker agreeing to undertake a</p>

Process	Details
	<p>Compliance Activity for eight weeks. See the Comprehensive Compliance Assessments and Compliance Activities Guideline for more information.</p> <p>Unemployment Non-Payment Period (UNPP) PRs</p> <ul style="list-style-type: none"> • Voluntarily leaving a suitable job without a valid reason (UEVJ PR) • Dismissed for misconduct from suitable job (UEDJ PR). <p>Job seekers who incur a UNPP will be ineligible to receive income support payments for eight weeks (for new applicants) or will have their income support payment stopped for eight weeks (existing job seekers).</p> <p>A 12-week UNPP may apply to job seekers who have received assistance to relocate under the Relocation Assistance to Take Up a Job programme but the job seeker does not commence in that job, voluntarily leaves without a Reasonable Excuse or is dismissed from the job due to misconduct. See the Relocation Assistance to Take Up a Job Guideline for more information.</p> <p>Actioning DHS decisions</p> <p>Providers can see DHS decisions following investigations on the Compliance History page in the Department’s IT systems. Where a PR has been returned to the Provider by DHS due to insufficient evidence such as formal notification not being included, Providers need to promptly identify and make the necessary amendments and re-submit the PR to DHS for investigation.</p>
<p>Compliance arrangements for Disability Support Pension Recipients (Compulsory Requirements) and Stronger Participation Incentives Participants</p>	<p>Disability Support Pension Recipients (Compulsory Requirements)</p> <p>Providers must monitor attendance at Appointments and activities and requirement to enter into a current Job Plan. Where the Disability Support Pension Recipient (Compulsory Requirements) fails to meet their compulsory requirements and the Provider considers that compliance is necessary, the Provider must record this in the Department’s IT Systems and take any relevant action to report the non-compliance to DHS.</p> <p>Stronger Participation Incentives Participants</p> <p>Providers can decide to report non-compliance to DHS where a Stronger Participation Incentives Participant does not meet their requirements, including attending Appointments and activities and meeting Job Search Requirements.</p>
<p>Re-engaging the job seeker and applying penalties</p>	<p>After submission of either a NAR or PAR and following successful contact taking place with the job seeker, Providers are responsible for re-engaging job seekers by booking Appointments that must be scheduled to occur within the next two Business Days of contact occurring with the job seeker.</p> <p>For all PRs and PARs submitted, DHS will investigate the incident to determine if a failure occurred, which includes whether Reasonable Excuse existed and whether a participation failure should apply and why. DHS will inform the job seeker of any penalties applied.</p> <p>Providers must have timeslot capacity at all times in the Department’s IT Systems to ensure that DHS can book an Appointment for a job seeker within the next two Business Days.</p>

Process	Details
<p>Providing evidence to tribunals</p>	<p>Providers may at times be asked to give evidence to the Social Security Appeals Tribunal or the Administrative Appeals Tribunal where a person is appealing a decision made by DHS in relation to their income support payment. For example, if a job seeker has their income support payment suspended or reduced or a financial penalty has been applied because of a participation failure, the job seeker may choose to appeal this decision. When this occurs, a tribunal may wish to discuss the details of any non-compliance reported to DHS with the recipient's Provider to assist the tribunal in reaching a decision that considers all the elements of the appeal. Providers must provide all possible assistance to the Commonwealth on the appeals process.</p>
<p>Contacting DHS to discuss job seeker servicing and circumstances</p>	<p>Providers can email the DHS Participation Solutions Team (PST) or Local Services Centre about specific job seekers in relation to compliance actions and confirmation of other information that may impact on the servicing of the job seeker.</p> <p>When a Change of Circumstances Reassessment for a job seeker identifies a potential vulnerability that they would like DHS to investigate further, Providers may also contact the PST. This vulnerability may be a diagnosed condition or documented personal circumstance that currently impacts the job seeker's day to day life and may be temporary, ongoing or episodic. Providers will need to fax the Request for Vulnerability Indicator Review form (Attachment C) to DHS who will review the job seeker's record and if evidence suggests that the vulnerability could significantly impact the job seeker's ability to comply with their Mutual Obligation Requirements, they may record a vulnerability indicator in the Department's IT Systems.</p> <p>For more details on how and when to contact DHS, see Attachment A to this Guideline.</p>

How and when to contact the Department of Human Services

Process	Details
<p>Arrangements for Providers to contact DHS Participation Solutions Team (PST)</p>	<p>Providers should use Attachment B: Template for Employment Provider Queries to the Department of Human Services Participation Solutions Team (DHS PST) and email their query to the DHS PST at PST.ENQUIRY@humanservices.gov.au. Queries should be confined to matters that relate to compliance actions or confirmation on:</p> <ul style="list-style-type: none"> • exemptions from Mutual Obligation Requirements • the status of an approved activity • the job seeker’s Mutual Obligation Requirements • other matters that impact directly on servicing the job seeker. <p>The DHS PST will provide a response where appropriate. Where the query does not relate to DHS PST or participation services, an email response will be sent requesting Providers contact the correct area of DHS.</p> <p>Any emails containing identifying customer information—such as names, address or date of birth—will be securely destroyed and no response will be provided by the DHS PST.</p> <p>Providers can contact their local DHS shopfront to discuss issues such as large local redundancies, representations at local meetings and presentations to local communities.</p> <p>Providers requesting DHS to review a job seeker’s record and consider whether a Vulnerability Indicator should be applied should use Attachment C: Request for Vulnerability Indicator Review and fax the request form to 1300 786 102. Feedback on the decision will not be available; however Providers can review the job seeker’s record to identify if a Vulnerability Indicator has been applied and the type of vulnerability.</p>
<p>Arrangements for job seekers to contact DHS PST</p>	<p>Job seekers can phone DHS general enquiries on 132 850. Providers can act as an advocate for the job seeker by calling this number while the job seeker is with them.</p>
<p>Urgent queries for the DHS PST</p>	<p>Where the job seeker is present with the Provider and urgent action is required by DHS to allow the continued regular servicing of the job seeker, the Provider can call the PST on 1300 306 325.</p> <p>This would include circumstances where there is a DHS-initiated suspension of income support (other than due to a NAR having been submitted) or for confirmation of exemption applications (for example, medical certificate lodged).</p> <p>Non-urgent queries should be submitted by email using Attachment B: Template for Employment Provider Queries to the Department of Human Services Participation Solutions Team (DHS PST).</p>
<p>Other enquiries</p>	<p>Providers should refer to the relevant Guidelines or Learning Centre website in the first instance.</p> <p>Questions relating to issues experienced with the Department’s IT Systems should be explored first through the EA Knowledge Base. If the issues cannot be resolved, the Provider should contact the Employment Systems Help Desk on 1300 305 520.</p>



Australian Government
Department of Employment

**Template for Employment Provider Queries to the
Department of Human Services Participation Solutions Team (DHS PST)**

Email when complete to: PST.ENQUIRY@humanservices.gov.au.

Employment Provider

Provider contact name

Site

Site code

Job Seeker ID

Topic (*Please indicate with an X*)

Note: The topic selected below **should** be included in the subject heading of the email sent to the PST. Do not include any of the job seeker's personal details in the email or this template—only the JSID.

Compliance

- Withdrawal of Participation Report
- Feedback about decision on compliance
- Provider Interventions recommended in a CCA

Other

- Exemption from Activity Test Requirements
- Activity—current/finalised
- Mutual Obligation Requirements
- Other (specify below)

Other

Did you check Provider Portal and/or Knowledgebase before lodging query?

Yes

No

Question

What do you need this information for:

(Please indicate with an X)

Updating Job Plan

Referral to new service/activity

To determine if compulsory or voluntary job seeker

To refer job seeker to employment

To complete/finalise compliance action

Other



Australian Government
Department of Employment

Facsimile: when complete fax to DHS PST on 1300 786 102

Request for Vulnerability Indicator Review

To: Department of Human Services Participation Solutions Team
Area:
Fax Number:
Phone Number:
From: (contact name)
Organisation:
Fax Number:
Phone Number:
Date:
No. pages: (Including this one)

Message

Please review the need for a Vulnerability Indicator to be placed on the record of Job seeker/participant ID:

PLEASE TICK one or more of the following.

- There is a current Participation Report in Employment IT Systems relevant to this request
- There is an ESAt report in the system to support a review of this job seeker's vulnerability
- There is other evidence in the system (such as a medical certificate) to support a review of this job seeker's vulnerability
- I have updated the Stream A to C job seeker's JSCI and there is evidence to support a review of vulnerability
- I am unable to update the job seeker's JSCI and there is evidence to support a review of vulnerability
- I attach evidence to support this request; OR
- I have asked the job seeker to provide evidence information to DHS.

Please note: Feedback on the decision will not be available but Providers can check if a Vulnerability Indicator has been applied by looking at the Vulnerabilities on the job seeker's record.

.....

(signature)

Job Seeker Compliance Framework Guideline

Document change history

Version	Start date	Effective date	End date	Change and location
3.2	12 09 16	12 09 16	30 06 17	<p>Update to section Provider ensures that job seekers are aware of their Mutual Obligation Requirements (p, 4).</p> <p>Changes to Provider issues the most appropriate form of formal notification (p. 5)</p> <p>Updates to the Formal Notification Table (pp. 6-7).</p> <p>Move section Determining the most appropriate action following non-compliance forward (p. 8).</p> <p>Review Job seeker does not give prior notice of inability to meet Mutual Obligation Requirements (pp. 9-10).</p> <p>Move part of Recoding compliance with Mutual Obligation Requirements to an attachment to this document (pp 11 and 16).</p>
3.1	27 06 16	27 06 16	11 09 16	<p>Additional advice on arrangements for ParentsNext being in a separate guideline (p. 2)</p> <p>Additions to Relevant References (p. 3)</p> <p>Additional information on creating notifications (pp. 5,6)</p> <p>Process amendment to monitoring job seeker compliance (p. 7)</p> <p>Additional information for recording compliance (pp. 8, 9, 10)</p>
3.0	23 03 16	23 03 16	26 06 16	<p>Additions to Relevant References (pp. 2, 3)</p> <p>Amendment to reasonable notice timeframes to accommodate Australia Post postal changes (p.5).</p> <p>Amendment to re-badged Australian JobSearch website and mobile device application to reflect correct name, 'jobactive powered by JobSearch' (pp. 9, 11)</p> <p>Process amendment to mailed notification (p. 5)</p> <p>Process amendment to returned Participation Reports (p. 12)</p>
2.0	13 08 15	13 08 15	22 03 16	Inclusion of Request for Vulnerability Indicator Review form and instructions (pp. 3,11,12,15)
1.0	01 07 15	01 07 15	12 08 15	Original version of document

Explanatory Note

All capitalised terms have the same meaning as in the jobactive Deed 2015–2020. In this document, ‘**must**’ means that compliance is mandatory and ‘**should**’ means that compliance represents best practice and that compliance is discretionary.

The term ‘job seeker’ in this Guideline means any Fully Eligible Participant (Mutual Obligation).

Disclaimer

This Guideline is not a stand-alone document and does not contain the entirety of Employment Services Providers’ obligations.

It **must** be read in conjunction with the Deed and any relevant Guidelines or reference material issued by Department of Employment under or in connection with the Deed.

Summary

This Guideline provides information on the policy and processes that Employment Providers (Providers) **must** use in delivering services to assist job seekers to be aware of fully understand and meet their Mutual Obligation Requirements. ‘Mutual Obligation Requirements’ refers to the activity test or participation requirements that a job seeker **must** meet in order to receive an income support payment under the Social Security Law and in accordance with any Guidelines (see [Mutual Obligation Requirements and Job Plan Guideline](#) for more information). This Guideline also provides information on the job seeker compliance framework—a tool available to Providers to support job seeker engagement and designed to influence a change in the job seeker’s behaviour, where required. The job seeker compliance framework does not apply to job seekers who do not have Mutual Obligation Requirements. Advice on arrangements for [Disability Support Pension Recipients with compulsory requirements](#) and ParentsNext participants is provided in separate Guidelines.

Policy Intent

The job seeker compliance framework is designed to encourage job seekers to engage with their Employment Provider, undertake activities to meet their Mutual Obligation Requirements and actively look for work.

The job seeker compliance framework helps Providers to quickly re-engage job seekers who do not comply with their Mutual Obligation Requirements. Providers can report non-compliance to the Department of Human Services (DHS), which makes compliance decisions under the Social Security Law, including income support payment suspensions and the application of financial penalties where job seekers do not have a Reasonable Excuse. Providers have flexibility to choose when they report non-compliance and when they use discretion and other strategies to re-engage or positively influence the job seeker’s behaviour.

Relevant Deed clause/s

The relevant clauses in the jobactive Deed 2015–2020 (the Deed) are

Clause 11—Liaison and directions

Clause 83—Appointments with Stream Participants

Clause 84—Contacts

Clause 85—Initial Interviews

Clause 87—General requirements for a Job Plan

Clause 102—SPI Participants

Clause 106—Mutual Obligation Requirements

Clause 107—Activities

Clause 111—Supervision

Clause 113—Job Search Requirements

Clause 114—Monitoring

Clause 115—Non-compliance action for Mutual Obligation Requirements

Clause 116—Non-compliance action for Disability Support Pension Recipients (Compulsory Requirements)

Clause 117—Comprehensive Compliance Assessment
Clause 118—Compliance Activities
Clause 119—Delegate obligations
Clause 120—Recording Attendance
Clause 121—Issuing and recording Notification.

Relevant references

Reference documents relevant to this Guideline include:

- [Learning Centre website](#)
- [Mutual Obligation Requirements and Job Plan Guideline](#)
- [Eligibility, Referral and Commencement Guideline](#)
- [Managing and Monitoring Job Seeker Appointments Guideline](#)
- [Managing and Monitoring Job Search Guideline](#)
- [Comprehensive Compliance Assessments and Compliance Activities Guideline](#)
- [Activity Management Guideline](#)
- [Work for the Dole Guideline](#)
- [Relocation Assistance to Take Up a Job Guideline](#)
- [Activity Script – Compellable](#)
- [Social Security Act 1991](#)
- [Social Security \(Administration\) Act 1999](#)
- [Guide to Social Security Law](#)
- Employment and Community Services Network (ECSN) - Reports – Compliance
 - CPL01 jobactive Job Seeker Compliance
 - CPL03 Appointment Outcome
 - CPL04 Job Seeker Re-engagement Outstanding
 - CPL05 Job Seeker Re-engagement Report
 - CPL06 jobactive Activity Outcome
 - CPL07 jobactive Job Search Assessment Outcomes.

Notifying job seekers of their Mutual Obligation Requirements, monitoring participation and using the job seeker compliance framework

Process	Details
<p>Provider ensures that job seekers are aware of their Mutual Obligation Requirements and details of meeting them</p> <p>Deed Clause Reference:</p> <ul style="list-style-type: none"> • Clause 121 	<p>Providers must ensure that job seekers are correctly notified of their Mutual Obligation Requirements so that job seekers are aware at all times of what the Social Security Law requires them to do in return for their income support payment. Providers must use the Department's IT Systems to record the way that the job seeker was notified of their Mutual Obligation Requirements. This enables Providers to take action using the job seeker compliance framework for non-compliance where they choose to do so.</p> <p>For more information on Job Plans, see the Mutual Obligation Requirements and Job Plan Guidelines.</p> <p>Authority to formally notify a job seeker of their Mutual Obligation Requirements</p> <p>Each person engaged by a Provider to perform functions or to provide Employment Provider Services under the Deed is a delegate of the Secretary of the Department of Employment. Delegates have been given the authority under the Social Security Law (Social Security (Administration) Act 1999, s 63(2); and Social Security Act 1991, sections: 501, 544, 605 and 731L) to formally notify the job seeker of the requirements to:</p> <ul style="list-style-type: none"> • attend Appointments with their Provider or a third party • attend a location to participate in an Activity • attend a job interview • negotiate and enter into a Job Plan (which may include Job Search Requirements).
<p>Provider ensures that formal notification contains all required details</p> <p>Deed Clause Reference:</p> <ul style="list-style-type: none"> • Clause 121 	<p>Providers must ensure that the following details are included in the formal notification of all Mutual Obligation Requirements:</p> <ul style="list-style-type: none"> • the nature of the requirement (e.g. Appointments, activities, entering into a Job Plan) • the date and time of the requirement or the time the requirement needs to be completed by • the location of the requirement where relevant (for Appointments and activities, for instance) • that if the job seeker has a Valid Reason for not being able to meet their requirements, they must contact their Provider beforehand to advise of this • the consequences of failing to meet the requirement and • a statement that it is a notice under the Social Security Law. The statement explains to the job seeker that the Appointment or activity, for example, is part of their requirements in order to receive income support payments. <p>Other requirements when issuing formal notification include:</p> <ul style="list-style-type: none"> • Where a job seeker is required to attend an Appointment, the Provider must ensure that the notice includes the purpose of the Appointment • If a job seeker is required to attend an Appointment or activity, the Provider must ensure that it gives reasonable notice ahead of the Appointment or day of the activity. Reasonable notice gives the job seeker sufficient time to prepare for the requirement-for example, to arrange transportation.
<p>Provider issues the most appropriate form of formal</p>	<p>Types of formal notification</p> <p>Formal notification of a job seeker's Mutual Obligation Requirements can be provided through different methods.</p> <p><u>Job Plan</u></p>

Process	Details
<p>notification to job seeker in reasonable notice timeframes</p> <p>Deed Clause Reference:</p> <ul style="list-style-type: none"> Clause 121 	<p>If the Job Plan contains the full details of an activity including:</p> <ul style="list-style-type: none"> the times, including the start and end times and any breaks if applicable (e.g. 9.30 am to 12.30 pm and 2.30 pm to 4.00 pm); days (e.g. Monday, Wednesday and Thursday); dates (e.g. from 12 July 2016 to 15 September 2016); full location details (i.e. address for job seeker to attend); and (where relevant) details of the particular requirements. <p>The Job Plan can be deemed to be formal notification.</p> <p>. However, Providers will generally be unable to include all of these details at the time the Job Plan is being negotiated, in which case the Provider must issue the job seeker with separate formal notification to support the Appointment and activity requirements in the Job Plan and the Job Plan should include high level information covering all requirements.</p> <p>The Job Plan can also be used as the full formal notification for Job Search Requirements as long as the Job Plan includes:</p> <ul style="list-style-type: none"> the number of Job Searches required (refer to the Mutual Obligation Requirements and Job Plan Guideline) and the period of time over which the requirement needs to be undertaken. <p>Providers should use this method of formal notification in the vast majority of cases concerning notification of Job Search Requirements.</p> <p><u>Separate formal notification (in particular, for Appointments and participation in activities)</u></p> <p>When notifying job seekers of a requirement to attend an Appointment; or where the Provider has chosen to use other forms of formal notification to support the requirements in the Job Plan, Providers must use the scripts or templates made available by the Department.</p> <p>In some instances the appropriate notification template for a job seeker’s requirement can be created automatically by the Department’s IT Systems:</p> <ul style="list-style-type: none"> by using the Calendar/Job Seeker Diary and Activity Diary – if all the details of the activity(ies) have been recorded in the Activity Diary the Provider can choose to issue an Activity Schedule to the job seeker. This will send the job seeker a list of the agreed activities with details of required attendance. The Activity Schedule incorporates the appropriate information for it to be deemed formal notification. <p>Note: the Activity Schedule will include details of requirements up to eight weeks in the future. Activity Schedules will need to be issued for future periods as appropriate</p> <ul style="list-style-type: none"> by using the Third Party Appointment Notification - the appropriate notification template will be created automatically when a Provider books a third party appointment for a job seeker. <p>Providers can also choose to use the scripts and manual templates that are available in the IT system.</p> <p>The table below sets out the methods of formal notification that can be used by Providers and the period of notice required ahead of the scheduled requirement (‘reasonable notice’) to issue it to the job seeker. Providers should note that the IT system will restrict the creation of Appointments where reasonable notice timeframes are not met.</p>

Process	Details		
	<ul style="list-style-type: none"> • . 		
	Method	Amount of advance notice that job seekers need to be given	Details
	Phone	Three calendar days	Providers must speak directly with the job seeker and give all required information using the verbal script. A message cannot be left with another person, left on an answering machine or sent by SMS, as this will not constitute formal notification. Verbal script - selected when booking an Appointment and will appear on screen.
	Face to face	Three calendar days	Providers must give all required information using the verbal script. Providers may also choose to issue the job seeker with a form of written notification at the same time. Verbal script - selected when booking an Appointment and will appear on screen.
	Letter or activity notification (mailed to the job seeker)	Six Business Days	Providers need to take into account the job seeker's mailing arrangements when using postal services. Providers need to ensure their return address is on the envelope so the Provider is aware when the job seeker has not received the notification. Letter – selected when booking an Appointment, or via Notifications/Notification templates. Activity Diary – Activity Schedule printed via the 'Activity Diary' page of the IT system.
	Letter or activity notification (handed to the job seeker)	Three calendar days	Providers may wish to use this form of formal notification in conjunction with face-to-face verbal notification. Letter – selected when booking an Appointment, or via Notifications/Notification templates. Activity Diary – Activity Schedule printed via the 'Activity Diary' page of the IT system.
	Email (only available when it is the job seeker's notification)	Two Business Days	For an email notification to be valid, Providers must ensure that the job seeker has read and understood the email—for example, by using a

Process	Details		
	preference)		<p>'read receipt'—at least one day before the Appointment or activity. Where the job seeker does not respond to email notification, another method should also be used.</p> <p>Email – selected when booking an Appointment or via Notifications/Notification templates.</p>
<p>Actively monitor job seekers to ensure they meet their Mutual Obligation Requirements</p> <p>Deed Clause Reference:</p>	<p>Note: Where an Appointment or participation in an activity has been arranged directly between the Provider and job seeker and the job seeker has indicated their intent to attend, reasonable notice is considered to have been given, even if the Appointment or participation in the activity is on the <i>same day</i> as the notification. In these cases, Providers are able to indicate this in the IT system when booking the Appointment.</p> <p>Mutual Obligation Requirement reminders</p> <p>To encourage job seeker attendance and compliance with their Mutual Obligation Requirements, Providers can issue reminders to job seekers including SMS, email and letters, as their requirement date approaches. Providers can create and send messages to individual job seekers via the 'Notification Templates' page or multiple job seekers by selecting them from the 'Caseload' page and then selecting a manual template via the 'Notification Templates' page in the Department's IT Systems.</p> <p>Recording job seeker notifications</p> <p>Providers must keep a record of all notifications issued to a job seeker through the Department's IT Systems. These will be needed if a Provider subsequently decides to use the job seeker compliance framework and they need to show that formal notification was issued to the job seeker. This is required so that DHS can be satisfied that the job seeker was properly notified and fully aware of their requirements.</p> <p>Where the Department's IT system is not being used to create formal notification, providers must document the details of the relevant notification in the IT system and retain this notification.</p> <p>Providers must also record instances where verbal notification has been given to the job seeker. This can be recorded in the 'Comments' section of the IT system.</p> <p>Note: The requirement to formally notify individuals who receive income support payments also applies to Disability Support Pension Recipients (Compulsory Requirements) and to Stronger Participation Incentives Participants.</p> <p>Providers must use their best endeavours to ensure that all job seekers meet their Mutual Obligation Requirements, including by attending Appointments, fulfilling their Annual Activity Requirement, participating in any other activity that is included in their Job Plan on a compulsory basis and undertaking Job Search.</p> <p>Providers must actively monitor job seekers' compliance with their Mutual Obligation Requirements. Where job seekers do not meet their requirements, Providers must determine the best strategy to re-engage or positively influence a change of behaviour in the job seeker. This may include reporting the non-compliance to DHS or using another strategy to ensure that the job seeker complies at the next available opportunity, consistent with the Social Security Law. To be able to use the compliance framework in the Department's IT Systems, including recording attendance results that directly relate to the framework and reporting non-compliance to DHS, relevant Provider staff must first</p>		

Process	Details
<ul style="list-style-type: none"> • Clause 106 • Clause 115 	<p>have successfully completed the compulsory ‘<i>Strengthening the Job Seeker Compliance Framework</i>’ quiz online via the Learning Centre.</p> <p>Note: In deciding whether it is appropriate to report the non-compliance to DHS, Providers must consider certain factors to ascertain whether the job seeker had a Valid Reason or Reasonable Excuse (explained below). However, DHS, not Providers, makes all penalty decisions under the Social Security Law: see clause 115 of the Deed.</p>
<p>Determining the most appropriate action following non-attendance or other forms of non-compliance</p>	<p>Following job seeker non-attendance or other non-compliance, a Provider must consider whether to use the job seeker compliance framework in relation to the event. This decision informs the compliance status that is recorded in the Department’s IT Systems for the requirement.</p> <p>To assist in determining if using the job seeker compliance framework is appropriate, in addition to considering the job seeker’s explanation for non-attendance/non-compliance, Providers need to also consider the job seeker’s:</p> <ul style="list-style-type: none"> • personal circumstances • system-recorded vulnerability indicators (if any) • recent compliance history and • any other information they believe is relevant. <p>If the Provider does decide to use the job seeker compliance framework, they must report the incident to DHS on the same business day that they make this decision. Providers will only have a short timeframe from the non-compliance event to make this decision. The timeframes are:</p> <ul style="list-style-type: none"> • for non-attendance at a Provider Appointment—the same Business Day as the missed Appointment • for non-attendance at an activity, third party Appointment or job interview—within 10 Business Days of the event • for unsatisfactory Job Search Requirement—within 10 Business Days of the Job Search Period end date. <p>If, after considering all relevant factors, the Provider believes that reporting the incident to DHS is not the most appropriate re-engagement strategy to secure the job seeker’s ongoing participation, they should record this decision in the Department’s IT Systems and:</p> <ul style="list-style-type: none"> • for <i>Appointments</i>—where the Appointment is not a Re-engagement Appointment the job seeker is expected to comply at the next available opportunity • for <i>activities</i>—consider if the job seeker should make up time in the activity or continue to participate on the next scheduled day of the activity • for <i>Job Search</i>—record that discretion has been used, but closely monitor Job Search for the next month. <p>See Attachment E for more information on Vulnerability Indicators.</p>
<p>Job seeker gives prior notice of inability to meet a Mutual Obligation Requirement—</p>	<p>Where a job seeker is unable to attend an Appointment, activity or job interview with a prospective employer, they must contact their Provider beforehand to advise them of a Valid Reason for being unable to meet their requirement. Providers must ensure they have mechanisms in place in their organisation to allow job seekers to make timely contact with their Provider—for example, answering machine, dedicated job seeker phone lines or the ability to accept reverse charge phone calls from job seekers.</p> <p>When determining whether a reason for non-attendance is valid, Providers will need to use their judgement and knowledge of the job seeker. Generally, the measure of ‘validity’</p>

Process	Details
<p>do they have a Valid Reason?</p> <p>Deed Clause Reference:</p> <ul style="list-style-type: none"> • Clause 115 	<p>is whether a member of the public would accept the circumstances as reasonable. For example, given that the focus is for job seekers to develop work-like behaviours and move into sustainable paid employment, would the reason that the job seeker provides be accepted by an employer?</p> <p>The Provider then needs to determine what is acceptable in the context of the specific situation. Providers must consider why the job seeker was unable to meet their requirements and whether it is a valid excuse for non-attendance.</p> <p>Providers should consider the degree of flexibility afforded to the job seeker in the past and what effect has this had on the job seeker’s compliance with requirements (for example, have there been many instances of non-attendance or have Appointments/activities repeatedly been rescheduled).</p> <p>If, taking the above factors into account, the Provider considers the reason to be valid, they must record this in the Department’s IT Systems and make other arrangements for the requirement such as rescheduling the relevant Appointment or activity for a suitable time. If it is not appropriate to reschedule the requirement, the Provider must ensure that the job seeker is aware of their next requirement to engage with them (for example, if an activity cannot be rescheduled, the Provider should remind the job seeker of their next Appointment).</p> <p>In instances where a job seeker makes contact before their requirement but did not have a Valid Reason for not being able to meet their requirement and was advised that they were still required to attend, the Provider must still attempt to contact the job seeker on the same day that they miss that requirement and document this attempt in the Department’s IT Systems. This is to confirm that no other circumstances prevented the job seeker from attending. Unless other circumstances prevented the job seeker from attending, the job seeker does not have a Valid Reason for non-compliance.</p>
<p>Job seeker does not give prior notice of inability to meet a Mutual Obligation Requirement—do they have a Reasonable Excuse?</p> <p>Deed Clause Reference:</p> <ul style="list-style-type: none"> • Clause 118 • Clause 120 	<p>Note:</p> <p><u>a</u> Valid Reason needs to be given and considered by the Provider prior to the event.</p> <p>Whereas a Reasonable Excuse is a reason given after the event in which the nature of the reason makes it reasonable that the job seeker did not contact the provider at the time of the event.</p> <p>In both cases, consideration must be given to whether the reason would be considered acceptable in a workplace type environment.</p> <p>Where a job seeker fails to comply with a requirement then, on the same Business Day on which the Provider becomes aware of the non-compliance, the Provider must confirm that no prior contact was made by the job seeker to demonstrate that they had a Valid Reason for not complying.</p> <p>Providers need to be confident that no prior contact has been made—for example, by checking with reception staff or listening to answering machine messages, depending on internal work practices.</p> <p>Where there is no evidence that the job seeker made prior contact and gave a Valid Reason, the Provider must attempt to contact the job seeker once on the day of becoming aware of the non-compliance to discuss</p> <ul style="list-style-type: none"> • why the job seeker failed to comply with their requirement, and where this is reasonable

Process	Details
	<ul style="list-style-type: none"> • why the job seeker did not make contact beforehand. <p>Note: The attempt to contact the job seeker can only be made by phone or email, because the decision on the next steps (that is, whether the compliance framework should be utilised) must be made on the same Business Day.</p> <p>Based on the formal notification given to the job seeker for this requirement and the discussion with the job seeker, the Provider must consider whether the job seeker had a Reasonable Excuse for failing to comply with the requirement.</p> <p>Given that each situation is different, Providers need to consider what is reasonable in the specific context of the non-compliance. For instance,</p> <p>Providers should also consider what information should be provided to DHS to support the compliance action and the factors that DHS need to take into account under Social Security Law when making a determination.</p> <p>There are two stages in assessing whether the job seeker has a Reasonable Excuse for failing to comply with the requirement:</p> <p>Providers must consider why the job seeker did not comply. If the job seeker provides an acceptable reason, the Provider must then consider why the job seeker did not give prior notice.</p> <p>Where a job seeker does not give prior notice of their inability to attend and it would be reasonable to have expected them to do so, they do not have a Reasonable Excuse.</p> <p>In some instances, prior notice will not be relevant for Providers to consider—for example; inappropriate behaviour or declining suitable paid employment.</p> <p>For more information and training resources Providers can go to the Department’s Learning Centre: https://ecsnaaccess.gov.au/sites/learningcentre/EmploymentServices/Courses/compliance/Pages/home.aspx</p>
<p>Recording compliance with Mutual Obligation Requirements</p> <p>Deed Clause Reference:</p> <ul style="list-style-type: none"> • Clause 83 • Clause 115 	<p>Providers must record the job seeker’s compliance with their Mutual Obligation Requirements in the Department’s IT Systems, specifically for Appointments, Job Search and activities.</p> <p>For Provider Appointments, Providers must record the compliance status by close of business on the day of the Appointment.</p> <p>For activities that are being hosted by a third-party organisation, Providers must ensure that the supervisor notifies them of any non-attendance or non-compliance as soon as is practicable, but by no later than at the end of the relevant working week. Where a supervisor or a Work for the Dole or other suitable activity is using the ‘Supervisor’ mobile device application, they will have access (via the application) to details of those job seekers that participate in the activity on any given day only where the Provider has entered these into the Department’s IT Systems (specifically the Activity Diary) and is using them to record required participation. Through the application, supervisors can record preliminary compliance results which will be automatically sent to the Department’s IT Systems to update the Provider’s records. Refer to the Work for the Dole Guideline for further information.</p> <p>In addition to reflecting the job seeker’s attendance/participation in their requirement, the result recorded reflects the Provider’s decision about any non-attendance or non-compliance. The compliance status options that are available to Providers in the Department’s IT Systems for Appointments, Job Search and activities can be found at Attachment A.</p>

Process	Details
<p>Using the job seeker compliance framework for job seekers with Mutual Obligation Requirements</p> <p>Deed Clause Reference:</p> <ul style="list-style-type: none"> • Clause 115 • Clause 121 	<p style="text-align: center;">•</p> <p>When reporting non-compliance, Providers must include information relevant to the incident in the report, including evidence of formal notification issued to the job seeker or recording details of verbal notification issued to the job seeker.</p> <p>The following are the types of reports to be submitted for various kinds of non-compliance and the potential consequences of each.</p> <p>Failure to attend a Provider Appointment</p> <ul style="list-style-type: none"> • Non-Attendance Report (NAR)—Providers submit this report through the Department’s IT Systems so that a job seeker’s income support payment is suspended until they attend their next Appointment • Provider Appointment Report (PAR)—Providers submit this report when they want to recommend to DHS that a financial penalty should be applied in relation to the job seeker’s non-attendance and suspend a job seeker’s income support payment until they attend their next Appointment. A PAR can only be submitted after contact has taken place between the Provider and job seeker to confirm Reasonable Excuse does not exist. <p>Where DHS decides that a penalty should be applied, the job seeker will lose a day’s income support payment for each Business Day from the date they were notified of the payment suspension until they do attend a Re-engagement Appointment.</p> <p>Connection Failure Participation Reports (PRs)</p> <ul style="list-style-type: none"> • Failure to attend Appointment (with an organisation other than the Provider) without a Valid Reason or Reasonable Excuse (CFAO PR)—When this report is submitted, DHS will suspend the job seeker’s income support payment and set a Reconnection Requirement in the Department’s IT Systems (through booking a re-engagement Appointment with their Provider). Agreement to attend this Appointment will lift the payment suspension. If the subsequent Appointment is not attended, this may lead to a financial penalty of one day’s income support payment for every day the job seeker does not attend • Failure to enter into or vary a Job Plan (CFEP PR)—This is submitted when the job seeker attended their Appointment but did not enter into a Job Plan or did not accept their Job Plan on their Job Seeker Dashboard on the jobactive powered by JobSearch website or Job Seeker App in the required timeframe. DHS will investigate the incident with the job seeker and will book another Appointment with their Provider for them to sign the Job Plan. If the first failure is applied by DHS and the job seeker again refuses to enter into/vary their Job Plan, an ongoing failure to meet a condition of their payment may exist. If DHS confirms this, the job seeker’s payment may be cancelled from the date of the second refusal • Failure to meet Job Search Requirements (CFJR PR)—Providers submit this report when they have assessed and recorded that the job seeker’s Job Search efforts are unsatisfactory for the Job Search Period. DHS will investigate the PR and if applied, the job seeker may need to complete a Job Seeker Diary for up to 12 weeks and then return that to DHS. <p>No Show, No Pay (NSNP) PRs</p> <ul style="list-style-type: none"> • Failure to attend an activity recorded in the Job Plan without a Valid Reason or Reasonable Excuse (NFAA PR)—Providers can also indicate in the PR that the job seeker has disengaged from their activity. When this is done, DHS will suspend the job seeker’s income support payment until the job seeker agrees to attend a re-engagement Appointment and set a Reconnection Requirement through

Process	Details
	<p>booking this Appointment. Where the job seeker fails to meet this Reconnection Requirement, the job seeker may lose a Business Day's income support payment (i.e. one-tenth of the job seeker's fortnightly income support payment) for every day until they do attend their Appointment</p> <ul style="list-style-type: none"> • Failure to behave appropriately in an activity recorded in their Job Plan (NFBA PR) • Failure to attend a job interview without a Valid Reason or Reasonable Excuse (NFJI PR) • Failure to behave appropriately at a job interview (NFIJ PR). <p>Where any No Show No Pay Failure is applied, the job seeker will lose a Business Day's income support payment for each day.</p> <p>Serious Failure PRs</p> <ul style="list-style-type: none"> • Failure to accept a suitable job without a Valid Reason or Reasonable Excuse (SFAJ PR) • Failure to commence a suitable job without a Valid Reason or Reasonable Excuse (SFCJ PR). <p>Following the submission of a Serious Failure PR, DHS may apply an eight-week non-payment penalty during which the job seeker will not receive their income support payment. This penalty can be waived by the job seeker agreeing to undertake a Compliance Activity for eight weeks. See the Comprehensive Compliance Assessments and Compliance Activities Guideline for more information.</p> <p>Unemployment Non-Payment Period (UNPP) PRs</p> <ul style="list-style-type: none"> • Voluntarily leaving a suitable job without a valid reason (UEVJ PR) • Dismissed for misconduct from suitable job (UEDJ PR). <p>Job seekers who incur a UNPP will be ineligible to receive income support payments for eight weeks (for new applicants) or will have their income support payment stopped for eight weeks (existing job seekers).</p> <p>A 12-week UNPP may apply to job seekers who have received assistance to relocate under the Relocation Assistance to Take Up a Job programme but the job seeker does not commence in that job, voluntarily leaves without a Reasonable Excuse or is dismissed from the job due to misconduct. See the Relocation Assistance to Take Up a Job Guideline for more information.</p> <p>Actioning DHS decisions</p> <p>Providers can see DHS decisions following investigations on the Compliance History page in the Department's IT systems. Where a PR has been returned to the Provider by DHS due to insufficient evidence such as formal notification not being included, Providers need to promptly identify and make the necessary amendments and re-submit the PR to DHS for investigation.</p> <p>See the 'compliance map' on the Learning Centre for more information.</p>
<p>Compliance arrangements for Disability Support Pension Recipients (Compulsory)</p>	<p>Providers must monitor attendance at Appointments and activities and requirement to enter into a current Job Plan. Where the Disability Support Pension Recipient (Compulsory Requirements) fails to meet their compulsory requirements and the Provider considers that compliance is necessary, the Provider must record this in the Department's IT Systems and take any relevant action to report the non-compliance to DHS.</p> <p>See the Disability Support Pension Recipients (Compulsory Requirements) Guidelines for more information.</p>

Process	Details
<p>Requirements)</p> <p>Deed Clause Reference:</p> <ul style="list-style-type: none"> • Clause 116 	
<p>Re-engaging the job seeker and applying penalties</p> <p>Deed Clause Reference:</p> <ul style="list-style-type: none"> • Clause 83 • Clause 115 	<p>After submission of either a NAR or PAR and following successful contact taking place with the job seeker, Providers are responsible for re-engaging job seekers by booking Appointments that must be scheduled to occur within the next two Business Days of contact occurring with the job seeker.</p> <p>For all PRs and PARs submitted, DHS will investigate the incident to determine if a failure occurred, which includes whether Reasonable Excuse existed and whether a participation failure should apply and why. DHS will inform the job seeker of any penalties applied.</p> <p>Providers must have timeslot capacity at all times in the Department’s IT Systems to ensure that DHS can book an Appointment for a job seeker within the next two Business Days.</p>
<p>Providing evidence to tribunals</p>	<p>Providers may at times be asked to give evidence to the Administrative Appeals Tribunal where a person is appealing a decision made by DHS in relation to their income support payment. For example, if a job seeker has their income support payment suspended or reduced or a financial penalty has been applied because of a participation failure, the job seeker may choose to appeal this decision. When this occurs, a tribunal may wish to discuss the details of any non-compliance reported to DHS with the recipient’s Provider to assist the tribunal in reaching a decision that considers all the elements of the appeal. Providers must provide all possible assistance to the Commonwealth on the appeals process.</p>
<p>Contacting DHS to discuss job seeker servicing and circumstances</p>	<p>Providers can email the DHS Participation Solutions Team (PST) e about specific job seekers in relation to compliance actions and confirmation of other information that may impact on the servicing of the job seeker.</p> <p>If, following a Change of Circumstances Reassessment (see Eligibility, Referral and Commencement Guideline), the Provider identifies a potential vulnerability that they would like DHS to investigate further, Providers may also contact the PST. This vulnerability may be a diagnosed condition or documented personal circumstance that currently impacts the job seeker’s day to day life and may be temporary, ongoing or episodic. Providers will need to fax the Request for Vulnerability Indicator Review form (Attachment D) to DHS who will review the job seeker’s record. If evidence suggests that the vulnerability could significantly impact the job seeker’s ability to comply with their Mutual Obligation Requirements, they may record a vulnerability indicator in the Department’s IT Systems.</p> <p>For more details on how and when to contact DHS, see Attachment B to this Guideline.</p>

Provider Decision	Code	Description
Rescheduled	RESC	The Provider thinks that the job seeker has a Valid Reason for not complying (notified before the requirement start time) and the Provider decides to reschedule the requirement.
Attended	ATT	The job seeker attended or participated in the requirement where they have arrived on time and at the correct location; behaved appropriately; treated staff and others with respect; and participated for the duration of the requirement.
Did Not Attend – Valid	DNAV	The job seeker did not attend or participate in the requirement; however, the Provider thinks that the job seeker had a Reasonable Excuse.
Did Not Attend – Invalid	DNAI	The job seeker did not attend or participate in the requirement and the Provider thinks that the job seeker did not have a Reasonable Excuse, or contact could not be made and the Provider will be using the compliance framework.
Did Not Attend – Discretion	DNAD	The job seeker did not attend or participate in the requirement and the Provider thinks that the job seeker did not have a Reasonable Excuse or contact could not be made, and the Provider has decided not to report the non-compliance to DHS because it is not the best strategy to re-engage the job seeker at that point in time.
Did Not Enter into or sign a Job Plan	DNEP	The job seeker attended or participated in their requirement but did not agree to a Job Plan or sign an updated Job Plan either in person or online through the jobactive powered by JobSearch website or jobactive Job Seeker App. Note: this result is only available for Compliance Activity Re-engagement Appointments.

Job Search Assessment	Description
Satisfactory	The Provider assesses that the job seeker has met their Job Search Requirement for the Job Search Period
Unsatisfactory	The Provider assesses that the job seeker’s Job Search efforts for the Job Search Period are unsatisfactory to meet the requirements in their Job Plan and they will use the job seeker compliance framework
Unsatisfactory - Discretion	The Provider assesses that the job seeker’s Job Search efforts are unsatisfactory, but the Provider thinks that using the job seeker compliance framework is not the best way to help the job seeker to improve their Job Search efforts at that time.

How and when to contact the Department of Human Services

Process	Details
Arrangements for Providers to contact DHS Participation Solutions Team (PST)	<p>Providers should use Attachment C: Template for Employment Provider Queries to the Department of DHS Participation Solutions Team (DHS PST) and email their query to the DHS PST at PST.ENQUIRY@humanservices.gov.au. Queries should be confined to matters that relate to compliance actions or confirmation on:</p> <ul style="list-style-type: none"> • exemptions from Mutual Obligation Requirements • the status of an approved activity • the job seeker’s Mutual Obligation Requirements • other matters that impact directly on servicing the job seeker. <p>The DHS PST will provide a response where appropriate. Where the query does not relate to DHS PST or participation services, an email response will be sent requesting Providers contact the correct area of DHS.</p> <p>Any emails containing identifying customer information—such as names, address or date of birth—will be securely destroyed and no response will be provided by the DHS PST.</p> <p>Providers requesting DHS to review a job seeker’s record and consider whether a Vulnerability Indicator should be applied should use Attachment D: Request for Vulnerability Indicator Review and fax the request form to 1300 786 102. Feedback on the decision will not be available; however Providers can review the job seeker’s record to identify if a Vulnerability Indicator has been applied and the type of vulnerability.</p> <p>See Attachment E for more information on Vulnerability Indicators.</p>
Arrangements for job seekers to contact DHS PST	<p>Job seekers can phone DHS general enquiries on 132 850. Providers can act as an advocate for the job seeker by calling this number while the job seeker is with them.</p>
Urgent queries for the DHS PST	<p>Where the job seeker is present with the Provider and urgent action is required by DHS to allow the continued regular servicing of the job seeker, the Provider can call the PST on 1300 306 325.</p> <p>This would include circumstances where there is a DHS-initiated suspension of income support (other than due to a NAR having been submitted) or for confirmation of exemption applications (for example, medical certificate lodged).</p> <p>Non-urgent queries should be submitted by email using Attachment C: Template for Employment Provider Queries to the Department of Human Services Participation Solutions Team (DHS PST).</p>
Other enquiries	<p>Providers should refer to the relevant Guidelines or Learning Centre website in the first instance.</p> <p>Questions relating to issues experienced with the Department’s IT Systems should be explored first through the EA Knowledge Base. If the issues cannot be resolved, the Provider should contact the Employment Systems Help Desk on 1300 305 520.</p>



Australian Government
Department of Employment

**Template for Employment Provider Queries to the
Department of Human Services Participation Solutions Team (DHS PST)**

Email when complete to: PST.ENQUIRY@humanservices.gov.au.

Employment Provider

Provider contact name

Site

Site code

Job Seeker ID

Topic (*Please indicate with an X*)

Note: The topic selected below **should** be included in the subject heading of the email sent to the PST. Do not include any of the job seeker's personal details in the email or this template—only the JSID.

Compliance

- Withdrawal of Participation Report
- Feedback about decision on compliance
- Provider Interventions recommended in a CCA

Other

- Exemption from Activity Test Requirements
- Activity—current/finalised
- Mutual Obligation Requirements
- Other (specify below)

Other

Did you check Provider Portal and/or Knowledgebase before lodging query?

Yes

No

Question

What do you need this information for:

(Please indicate with an X)

Updating Job Plan

Referral to new service/activity

To determine if compulsory or voluntary job seeker

To refer job seeker to employment

To complete/finalise compliance action

Other



Australian Government
Department of Employment

Facsimile: when complete fax to DHS PST on 1300 786 102

Request for Vulnerability Indicator Review

To: Department of Human Services Participation Solutions Team
Area:
Fax Number:
Phone Number:
From: (contact name)
Organisation:
Fax Number:
Phone Number:
Date:
No. pages: (Including this one)

Message

Please review the need for a Vulnerability Indicator to be placed on the record of Job seeker/participant ID:

PLEASE TICK one or more of the following.

- There is a current Participation Report in Employment IT Systems relevant to this request
- There is an ESAt report in the system to support a review of this job seeker's vulnerability
- There is other evidence in the system (such as a medical certificate) to support a review of this job seeker's vulnerability
- I have updated the Stream A to C job seeker's JSCI and there is evidence to support a review of vulnerability
- I am unable to update the job seeker's JSCI and there is evidence to support a review of vulnerability
- I attach evidence to support this request; OR
- I have asked the job seeker to provide evidence information to DHS.

Please note: Feedback on the decision will not be available but Providers can check if a Vulnerability Indicator has been applied by looking at the Vulnerabilities on the job seeker's record.

.....

(signature)

Vulnerability Indicator Supporting Information

Policy Intent

Where the Provider considers that a job seeker's circumstances may impact on their capacity to comply with their Mutual Obligation Requirements, making them more vulnerable to be deemed 'non-compliant', the Provider can request that DHS undertake an assessment to determine whether the job seeker may be considered for a 'Vulnerability Indicator'.

The term 'Vulnerability' relates specifically to a job seeker's capacity to comply with their Mutual Obligation Requirements. DHS will only record a Vulnerability Indicator on a job seeker's record if appropriate evidence suggests that the vulnerability could pose a significant barrier to the job seeker's ability to comply with their Mutual Obligation Requirements.

A Vulnerability Indicator is intended to ensure that both Providers and DHS are aware of a job seeker's circumstances. A Vulnerability Indicator does not exempt a job seeker from the activity test or mean that the Job Seeker Compliance Framework cannot be utilised for non-compliance, where the Provider chooses to use it. However, being aware of vulnerabilities is useful for Providers when negotiating the job seeker's activities and Employment Pathway Plan (EPP) to assist in determining if a job seeker will have any trouble meeting certain Mutual Obligation Requirements.

'Vulnerability' for the purposes of the Vulnerability Indicator is:

- A diagnosed condition or documented personal circumstance that currently impacts on the job seeker's day to day life;
- Temporary, episodic, or ongoing; and
- May impact to varying degrees on the job seekers capacity to comply with their requirements.

A Vulnerability Indicator is not:

- The same as a disability, though disability may contribute to vulnerability;
- An exemption – requirements still apply and need to be met;
- A Valid Reason for failing to meet a requirement in and of itself; or
- Set in concrete – it is subject to review.

A Vulnerability Indicator should be considered when:

- Setting Mutual Obligation Requirements for a job seeker;
- Determining the most appropriate action to take following non-compliance; and
- Considering a job seekers reason for being unable to complete/comply with a Mutual Obligation Requirement.

Note: Following the submission of a Non-Attendance Report, Connection Failure Participation Report or No Show No Pay Participation Report (where the Provider has indicated that the job seeker has become disengaged from their activity), all job seekers, including those with a Vulnerability Indicator on their record, will have their payment immediately suspended until they make contact with the relevant organisation.

Table 1: Vulnerability Indicator types, evidence requirements and review periods

Type	Required Evidence to apply a Vulnerability Indicator	Authority to Remove	Review Period
Psychiatric problems or mental illness in the last six months	<ul style="list-style-type: none"> • Employment Services Assessment (ESAt); • Medical Certificate. 	<ul style="list-style-type: none"> • ESAt; • Medical Certificate. 	52 weeks
Cognitive or neurological impairment	<ul style="list-style-type: none"> • ESAt; • Medical Certificate. 	<ul style="list-style-type: none"> • ESAt; • Medical Certificate. 	52 weeks
Illness or injury requiring frequent treatment	<ul style="list-style-type: none"> • ESAt; • Medical Certificate. 	<ul style="list-style-type: none"> • ESAt; • Medical Certificate. 	52 weeks
Drug or alcohol dependency which may impede participation	<ul style="list-style-type: none"> • ESAt; • DHS Specialist Officer. 	<ul style="list-style-type: none"> • ESAt; • DHS Specialist Officer; • Job seeker advice. 	26 weeks
Homelessness	<ul style="list-style-type: none"> • DHS Specialist Officer. 	<ul style="list-style-type: none"> • ESAt; • DHS Specialist Officer; • Job seeker advice. 	26 weeks
Recent traumatic relationship breakdown, especially if domestic violence was involved	<ul style="list-style-type: none"> • ESAt; • DHS Specialist Officer. 	<ul style="list-style-type: none"> • ESAt; • DHS Specialist Officer. 	16 weeks
Significant language and literacy issues	<ul style="list-style-type: none"> • ESAt; • Any DHS Officer. 	<ul style="list-style-type: none"> • ESAt; • DHS Specialist Officer. 	26 weeks
Recent prison release	<ul style="list-style-type: none"> • DHS (release papers). 	<ul style="list-style-type: none"> • DHS Officer. 	26 weeks
Significant caring responsibilities	<ul style="list-style-type: none"> • ESAt; • DHS Specialist Officer. 	<ul style="list-style-type: none"> • ESAt; • DHS Specialist Officer; • Job seeker advice. 	13 weeks
An eight week non-payment penalty (NPP) applied in the last twelve months	<ul style="list-style-type: none"> • DHS Specialist Officer. 	<ul style="list-style-type: none"> • DHS Specialist Officer. 	52 weeks
Job seeker is in a period of transition during which their capacity to comply with their requirements may be affected.	<ul style="list-style-type: none"> • DHS Specialist Officer. 	<ul style="list-style-type: none"> • DHS Specialist Officer. 	26 weeks
Nationally Approved Vulnerability	<ul style="list-style-type: none"> • DHS National Support Office. 	<ul style="list-style-type: none"> • DHS National Support Office. 	52 weeks

Table 2: Determining if a Vulnerability Indicator should be applied

Process	Description
1. DHS' role	<ul style="list-style-type: none"> • Review the record of all job seekers who receive an Employment Services Assessment (ESAt) and determine if a Vulnerability Indicator is needed. • Considers the need for a Vulnerability Indicator when determining if an exemption should be applied when a job seeker lodges a medical certificate. • Considers the need for a Vulnerability Indicator at the time of a specialist (social worker) intervention or interaction. • Considers the need for a Vulnerability Indicator when a job seeker who has been recently released from prison applies for Income Support or a crisis payment. • Reviews current evidence on a job seeker's record when requested by a Provider via a faxed 'Request for Vulnerability Indicator Review'. • Attempts to finalise all reviews within ten working days when no additional evidence is required. • Following the relevant Vulnerability Indicator Review Period, determine whether a Vulnerability Indicator is still relevant or whether it should be removed.
2. Providers' Role	<ul style="list-style-type: none"> • If the Provider identifies a potential vulnerability they should undertake a Change of Circumstances Reassessment as per the Job Seeker Classification Instrument (JSCI) Guidelines. • If a possible Vulnerability is determined, fax a Request for Review (see Attachment A) to DHS so they can review the job seeker's circumstances.



Guideline:

Job Seeker Compliance Framework Guideline

The job seeker compliance framework is designed to encourage job seekers to engage with their jobactive Provider (Provider), undertake Activities to meet their Mutual Obligation Requirements and actively look for work.

The job seeker compliance framework helps the Provider to quickly re-engage job seekers who do not comply with their Mutual Obligation Requirements. Providers can report non-compliance to the Department of Human Services (DHS), which makes compliance decisions under Social Security Law including Income Support Payment suspensions and the application of financial penalties if job seekers do not have a Reasonable Excuse for failing to comply with their requirements. Providers have flexibility to choose when they report non-compliance or when they use discretion and other strategies to re-engage or positively influence the job seeker's behaviour.

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Nil.

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A full document history is available at [the Provider Portal](#)

Related documents and references

[Managing and Monitoring Job Search Guideline](#)

[Managing and Monitoring Mutual Obligation Requirements and Job Plan Guideline](#)

[Managing and Monitoring Job Seeker Appointments Guideline](#)

[Job Seeker Compliance Framework Webpage on the Department of Employment's Learning Centre](#)

[Activity Diary and AAR Details IT Supporting Document](#)

[Managing and Monitoring Job Search Guideline](#)

Employment Services Reporting:

[CPL01 – jobactive job seeker compliance](#)

[CPL03 - Appointment Outcomes](#)

[CPL04 - Job Seeker Re-engagement](#)

[CPL05 - Re-engagement Outcomes](#)

[CPL06j - jobactive Activity Outcome](#)

[CPL07j - jobactive Job Search Assessment Outcomes](#)

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1. How the job seeker compliance framework supports job seekers to meet their Mutual Obligation Requirements

Job seekers generally have Mutual Obligation Requirements, such as looking for work and participating in Activities to improve their employment prospects, in return for receiving taxpayer-funded income support paid by DHS. The main aim of Mutual Obligation Requirements is to help a job seeker into paid work and reduce reliance on income support as quickly as possible. A secondary intent is for job seekers to contribute to the community that supports them while they are unemployed.

The job seeker compliance framework is a tool available to Providers and is designed to influence a change in the job seeker's behaviour where they are not meeting their Mutual Obligation Requirements without good reason. Appropriate use of the job seeker compliance framework gives a strong message about the importance of participation and engagement, indicating to the job seeker they must meet their Mutual Obligation Requirements if they are to continue to receive income support.

The job seeker compliance framework does not apply to job seekers who do not have Mutual Obligation Requirements.

See [Managing and Monitoring Mutual Obligation Requirements and Job Plan Guideline](#) for information on setting Mutual Obligation Requirements.

2. Providers make the job seeker aware of their Mutual Obligation Requirements

Formally notifying the job seeker

The Provider must formally notify the job seeker so they are aware, at all times, of their Mutual Obligation Requirements. Job seekers must be formally notified before the start of their requirement that they need to attend and participate in:

- Appointments with their Provider
- Appointments with a third party
- Activities
- job interviews, or
- the negotiation of a Job Plan (which may include formal Notification of a Job Search Requirement).

Formal Notification must include:

- what the requirement is (for example, a Provider Appointment or an Activity)
- if the requirement is an Appointment, the reason for the Appointment
- the date and time of the requirement or when the requirement needs to be completed by
- the location or address of the requirement (if applicable)

- that the job seeker must contact their Provider before the requirement starts if they have a Valid Reason for not being able to attend their requirement
- the consequences for the job seeker if they do not attend their requirement, and
- a statement that the Notification is a notice under Social Security Law explaining the job seeker must attend in return for Income Support Payment.

See the [Giving reasonable notice ahead of requirements](#) section in this document for information on when the job seeker must be notified of their requirements.

Legal authority to formally notify a job seeker of their Mutual Obligation Requirements

Employment Service Provider employees are delegated powers by the Secretary of the Department of Employment under Social Security Law to notify job seekers of their requirements (*Social Security (Administration) Act 1999 (s 63(2); Social Security Act 1991 (ss 501, 544A, 605 and 731L)*).

Note: The requirement to formally notify job seekers receiving Income Support Payments also applies to Disability Support Pension Recipients (Compulsory Requirements) and Stronger Participation Incentive Participants.

Using the Job Plan as formal Notification of Job Search Requirement

The Job Plan can be used to formally notify the job seeker of their Job Search Requirements if it contains the:

- number of Job Searches required
- date the job seeker must report their Job Searches to their Provider, and
- way the job seeker can report their Job Searches.

Using the Job Plan as formal Notification of Activity requirement

The Job Plan can be used to formally notify the job seeker of their Activity if it contains the:

- name of the Activity
- address of the Activity
- number of hours per fortnight that the job seeker must complete in the Activity
- start and end date of their participation in the Activity (such as, from 1 July 2017 – 30 September 2017)
- days of the week the job seeker is to attend the Activity (such as Monday, Wednesday and Friday), and
- start and end times of their participation in each day of the Activity (such as, 9.30 am – 12.30 pm on Mondays; 9.30 am – 5.30 pm on Wednesdays; 10.30 am – 4.30 pm on Fridays).

If the Job Plan does not contain all these details, the Provider must issue notification separately using a template letter/email or the verbal notification script from the Provider Portal. Where the verbal script is used, Providers should record a comment in the Department's IT System.

If Notification is to be issued separately to the Job Plan, the Job Plan must support the Notification. For the Job Plan to support the separately issued Notification, the Job Plan must at least contain the:

- name of the Activity
- address of the Activity
- number of hours per fortnight that the job seeker must complete in the Activity, and
- start and end date of their participation in the Activity (such as, from 1 July 2017 – 30 September 2017).

Issuing formal Notification for Mutual Obligation Requirements

If booking a Provider Appointment, the Provider selects the appropriate Notification template from the Electronic Diary at the time of booking the Appointment. This will automatically generate the correct Notification.

If the job seeker's Activities have been correctly scheduled in the Activity Diary, the Provider can create an Activity Schedule as formal Notification of Activity requirements. The Activity Schedule will contain details of the requirements for up to eight weeks in the future.

If notifying the job seeker of a third party appointment, the Provider creates the Notification by selecting the Third Party Appointment Notification template.

If the IT System does not automatically create formal notification for the set requirement, for example, when activities are not scheduled in the Activity Diary, Providers can use the manual templates available in the Department's IT System. These templates can be used to notify a job seeker of a change in activity participation details or to refer them to a suitable position. Scripts for formal Notification of Provider Appointments and third party appointments are also available in the Department's IT System.



Documentary evidence: If the Department's IT System is not being used to create formal Notification, Providers must record how they informed the job seeker of their requirement and retain records of this Notification.

The type of formal Notification issued depends on what requirement the job seeker is being notified of and must be sent ahead of the requirement in accordance with reasonable notice timeframes.

Giving reasonable notice ahead of requirements

Providers must allow enough time between formally notifying the job seeker and the job seeker's requirement occurring. This ensures there is enough time for the job seeker to receive the notification, for example in the mail, and prepare for the

requirement such as arranging transportation or reorganising personal commitments or appointments if this is reasonable. This means the job seeker has the best opportunity to attend their Appointment or advise their Provider beforehand why they cannot attend. The Department's IT System will not allow Provider Appointments to be booked if there is not enough time for the job seeker to be formally notified.

Formally notifying the job seeker face to face or by phone

If formally notified face to face or by phone, the job seeker must be given three calendar days' notice.

The Provider must use the verbal Notification script available in the Department's IT System. If calling to notify by phone, the Provider must speak with the job seeker directly and cannot leave a phone message or ask someone else to give the job seeker a message.



System Step: Provider selects 'Phone (script)' or 'Face to Face (script)' when booking the Appointment. The script, including the compliance warning, appears on screen. The script must be read in full to the job seeker.

Formally notifying the job seeker by handing the job seeker a letter

If formally notified by handing the job seeker a letter, the job seeker must be given three calendar days' notice.



System Step: Provider selects 'Letter-handed' when booking an Appointment, or by navigating to the Activity Diary in the Department's IT System and selecting 'Letter' when creating Notification for Activities.

Formally notifying the job seeker by mailing the job seeker a letter

If formally notified by mailing a letter, the job seeker must be given six Business Days' notice.



System Step: Provider selects 'Letter-mailed' when booking an Appointment, or by navigating to the Activity Diary in the Department's IT System and selecting 'Letter' for notifying of Activities.

Formally notifying the job seeker by email if it is the job seeker's preference

If formally notified by email, the job seeker must be given two Business Days' notice. This form of Notification can only be used if the job seeker prefers to be notified by email.

For this formal Notification to be valid, the job seeker has to have read and understood the email (for example, by sending back a 'read receipt') at least one day before their Appointment or Activity. If there is no evidence the job seeker read the email, they will need to be formally notified by another method. If there is not enough time to use another method, the Appointment or Activity must be rescheduled.



System Step: Provider selects 'Email' when booking an Appointment or an Activity in the Activity Diary, or via Notifications/Notification Templates.

Formally notifying the job seeker on the same day as the Activity or Appointment

If a Provider Appointment has been organised between the Provider and job seeker and the job seeker says they will attend, reasonable notice has been given, even if the Provider Appointment has been booked for the same day on which Notification was given. Providers must record this in the Department's IT System.



System Step: Whilst in the Booking Details page in the Electronic Diary, check the indicator stating that the Appointment is being booked directly with the job seeker.

Issuing reminders

Providers can create and send reminders to job seekers of their requirements. These can be sent as SMS, email and letters. If the job seeker's SMS details are recorded in the Department's IT System, an SMS reminder is automatically sent to the job seeker the day before their Provider Appointment to remind them to attend.

Reminders are not formal Notification.



System Step: Create and send reminder messages to individual job seekers through the 'Notification Templates' page, or to multiple job seekers by selecting them from the 'Caseload' page, then selecting a manual template through the 'Notification Templates' page in the Department's IT System.



System Step: If the job seeker has advised that they do not wish to receive notifications via SMS, the Provider can change this on the 'Registration' page in the Department's IT System. Under the section 'Address and Contact details' the Provider will need to select the 'edit' icon. Select the checkbox 'Change Notification Method' and then record the reason the job seeker has chosen to opt out of receiving SMS.

Recording formal Notification

Records of all Notifications created through the Department's IT System are automatically kept.



Documentary Evidence: If the Department's IT System is not being used to create formal Notification, Providers must record how they informed the job seeker of their requirement and retain records of this Notification.



System Step: Providers record verbal Notification in the 'Comments' page of the Department's IT System.



System Step: Providers can view Notifications issued to job seekers on the 'Notifications List' on the job seeker's page in the Department's IT System.

3. Monitoring the job seeker's compliance with Mutual Obligation Requirements

Providers must do all they can to make sure their job seekers meet their Mutual Obligation Requirements including:

- attending Appointments
- attending Activities to meet their Annual Activity Requirement where relevant
- attending other Activities included in their Job Plan, and
- satisfactorily completing their Job Search Requirements.

For Disability Support Pension Recipients under 35 years of age with Compulsory Requirements, Providers must monitor:

- attendance at Appointments
- attendance at Activities, and
- entering into a current Job Plan (known as a participation plan).

See the [Disability Support Pension Recipients \(Compulsory Requirements\) Guideline](#) for further information on managing Disability Support Pension Recipients.

Recording compliance with Mutual Obligation Requirements

Providers need to ensure job seekers are meeting their Mutual Obligation Requirements. There are different ways to record job seeker compliance, based on the Mutual Obligation Requirement.

Provider Appointments

When recording attendance at a Provider Appointment, the result must be entered by close of business on the day of the Appointment. See the [Managing and Monitoring Job Seeker Appointments Guideline](#) for further information on Provider Appointment results.



System Step: Navigate to the Electronic Diary, and record 'Attended' for the attended Appointment.

Job Search Requirement

Providers can record satisfactory Job Searches although it is not compulsory to do so. See the [Managing and Monitoring Job Search Guideline](#) for more information.



System Step: Providers can record a Satisfactory Job Search assessment by navigating to the Job Search Reporting page in the Department's IT System and selecting 'Satisfactory' from the assessment options.

Activities

For Activities hosted by either the Provider or a third party, such as Work for the Dole Activities, Providers must ensure the Activity Supervisor notifies them of

attendance results as soon as possible, but by no later than the end of that working week.

If the Activity has been scheduled in the Activity Diary and the Provider is using this to record Activity attendance, Supervisors can use the Supervisor App to record preliminary attendance results. This notifies the Provider of job seeker attendance or non-attendance at Activities. Providers must follow up on any non-attendance and determine if the non-attendance was valid or not by recording the appropriate result. See the Department of Employment's [Work for the Dole Web Page](#) for further information on how to use the Supervisor App.



System Step: To record attendance at an Activity, navigate to the relevant day in the Activity Diary and select 'Attended' from the drop-down list of results.

Determining if job seeker has been non-compliant with Mutual Obligation Requirements

When deciding if the job seeker has been non-compliant with their Mutual Obligation Requirements, the Provider must first establish if the job seeker has a Valid Reason or Reasonable Excuse for not attending or meeting their requirement.

Deciding the job seeker has a Valid Reason

To establish a Valid Reason, the job seeker must contact their Provider before the requirement start time and give the reason they cannot attend.

A Valid Reason for non-attendance is one that would generally be accepted by an employer if an employee were unable to attend work.

The Provider must also consider the job seeker's individual circumstances and reason why they cannot attend in determining whether a Valid Reason has been given. This includes a consideration of whether using flexibility in determining a Valid Reason for previous non-attendance increased the likelihood of the job seeker meeting their requirements.

Providers must make sure they have arrangements in place for job seekers to be able to advise of their inability to attend their requirement. This may include having a dedicated phone line for job seekers, after-hours answering machines or the ability to accept reverse charges phone calls from job seekers.



System Step: If the Provider establishes the job seeker has a Valid Reason for non-attendance or non-compliance, they record it in the Department's IT System, and where appropriate, reschedule the Appointment or Activity and issue formal Notification within reasonable notice timeframes. If it is not appropriate to reschedule the requirement, then it must be cancelled from within the Department's IT System as the reason the job seeker gave for non-attendance was valid.

Deciding the job seeker does not have a Valid Reason

If the job seeker contacts the Provider before the Appointment or Activity, but the Provider does not accept the reason for the job seeker not being able to attend, then a Valid Reason has not been established. The Provider must tell the job seeker

that they are still expected to meet their requirement. In this case, if the job seeker still does not meet their requirement, the Provider must still attempt to contact the job seeker on the day they missed their requirement to see if there were other reasons that stopped them from attending that might mean they have a Reasonable Excuse.



System Step: Providers record their attempts to contact the job seeker in the Department's IT System.

Considering if the job seeker has Reasonable Excuse

There are two stages in assessing if the job seeker had a Reasonable Excuse for failing to comply with the requirement. Providers must consider both:

- if the reason the job seeker gave for not complying with their requirement is acceptable, and
- if the reason they gave for not complying was acceptable, why the job seeker did not give prior notice of their inability to attend.

When considering if the reason the job seeker gave is acceptable, Providers also think about the job seeker's individual circumstances, including taking into account any Vulnerability Indicators that have been recorded in the Department's IT System.

A Reasonable Excuse for non-attendance is one that would generally be accepted by an employer if an employee were unable to attend work and was unable to contact their employer beforehand. This means a Reasonable Excuse would only typically be established in limited and exceptional circumstances.

If a job seeker does not give prior notice of their inability to attend and it would have been reasonable to do so, they do not have a Reasonable Excuse.



System Step: If the Provider establishes that the job seeker had a Reasonable Excuse for not attending, they record a Did Not Attend-Valid result against the Appointment or Activity in the Department's IT System.

See [Attachment A](#) for information on Vulnerability Indicators.

The difference between Valid Reason and Reasonable Excuse

Before recording any type of non-attendance, the Provider must make sure no Valid Reason or Reasonable Excuse exists.

A job seeker has a Valid Reason for non-attendance ONLY if:

- a reason for non-attendance was given by the job seeker BEFORE their requirement, and
- the Provider accepts the reason for not being able to attend the requirement.

A job seeker has a Reasonable Excuse for non-attendance ONLY if:

- a reason for non-attendance was given by the job seeker AFTER their requirement, and

- the Provider accepts the reason for not being able to attend the requirement, and
- the Provider accepts that the nature of the reason means the job seeker could not have called before the requirement.

If the job seeker calls AFTER the requirement, but gives a reason that did not in any way stop them from calling before the requirement, then they do not have a Reasonable Excuse.

Managing non-attendance if the job seeker does not contact the Provider to advise why

When a job seeker does not attend an Appointment or Activity and does not contact the Provider before the event, the Provider must still consider if the job seeker has a Reasonable Excuse for the non-attendance.

The Provider must first make sure that the job seeker did not try to make contact before the Appointment or Activity to give a Valid Reason for not attending. This may include checking answering machine messages or following up any other contact arrangements the Provider has in place. If the job seeker did not contact their Provider before the Appointment or Activity, a Valid Reason cannot be established.

If the Provider is sure that the job seeker did not try to contact them before the event, the Provider must try to contact the job seeker to discuss whether they had a Reasonable Excuse that stopped them from calling before the Appointment or Activity.

The Provider must attempt to contact the job seeker on the same day the Provider becomes aware that the job seeker has not attended their Appointment or Activity. Attempted contact by the Provider must be made by phone or email as the decision to use the compliance framework if the job seeker does not have a Reasonable Excuse must be made on the same Business Day.



System Step: If Reasonable Excuse is not established on contact with the job seeker, but the Provider decides not to use the compliance framework to report the non-compliance, the Provider records a Did Not Attend-Discretion result against the Appointment or Activity in the Department's IT System.



System Step: If Reasonable Excuse is not established on contact with the job seeker and the Provider decides to use the compliance framework to report the non-compliance, the Provider records a Did Not Attend-Invalid result against the Appointment or Activity in the Department's IT System.



System Step: If contact cannot be made with the job seeker to establish a Reasonable Excuse, it is open to the Provider to record either a Did Not Attend-Discretion result or a Did Not Attend-Invalid result, depending on whether they want to report the non-compliance.

For more information and training resources, refer to the Department's Learning Centre.

4. Deciding whether to use the compliance framework to report non-compliance

If the job seeker has not been meeting all of their Mutual Obligation Requirements, the Provider must decide if using the job seeker compliance framework to report the non-compliance is the best way to re-engage the job seeker and help change their behaviour.

Providers will use their knowledge of individual job seekers to determine if using the compliance framework at a particular time is appropriate. Providers will consider:

- the job seeker's explanation (if any) of their non-compliance
- the job seeker's personal circumstances
- system recorded Vulnerability Indicators (if any)
- the job seeker's recent compliance history
- whether using discretion in not reporting non-compliance in the past helped the job seeker to meet all of their Mutual Obligation Requirements, and
- any other relevant information.

DHS investigates the reported non-compliance and makes decisions of whether a failure or penalty is applied.

See [Attachment A](#) for more information about Vulnerability Indicators.

Deciding the compliance framework is not the best strategy for the job seeker

If, after considering all relevant factors, the Provider decides not to use the compliance framework, they record this decision in the Department's IT System and:

- if the event was a missed Provider Appointment or an Activity, closely monitor attendance at the next booked Provider Appointment or scheduled day of participation in an Activity
- if the event was a missed Provider Appointment, consider if a further appointment should be booked, or if the missed event was an Activity, decide if the job seeker will make up time in the Activity
- if the event was an Unsatisfactory-Discretion Job Search assessment, the Provider closely monitors the job seekers' Job Search efforts for the next Job Search Period.

Note: If a Disability Support Pension Recipient (Compulsory Requirements) does not meet their requirements and the Provider thinks it is appropriate to use the compliance framework, Providers must record this in the Department's IT System and submit the relevant report to report the non-compliance to DHS. Refer to the [Disability Support Pension Recipients \(Compulsory Requirements\) Guideline](#) for further information.

Meeting timeframes when reporting non-compliance

If the Provider decides that the compliance framework will be used, they must report the non-compliance on the same Business Day that they decide to use it.

Additionally, the decision on whether to report non-compliance must be made within certain timeframes of the event of non-compliance:

- for non-attendance at a Provider Appointment, the decision to report non-compliance must be made on the same Business Day as the missed Provider Appointment
- for non-attendance at an Activity, third party appointment or job interview, the decision to report non-compliance must be made within 10 Business Days of the missed day of Activity participation, Appointment or interview
- for Unsatisfactory Job Search Requirement, the decision to report non-compliance must be made within 10 Business Days of the Job Search Period end date.

Including all relevant information in Participation Report

Before submitting a Participation Report, the Provider must check that:

- the job seeker had a requirement on the day
- the job seeker was formally notified, and given Reasonable Notice, of the correct requirement on the correct date
- the job seeker did not attend, or was non-compliant at, their requirement and does not have a Valid Reason or Reasonable Excuse, and
- using the compliance framework is the best way to help the job seeker meet their Mutual Obligation Requirements in the future to help them move from welfare to work.

When submitting a Participation Report, the Provider gives as much relevant information to DHS as possible. This will assist DHS in making the correct decision on whether to apply, reject or return the report for further information in certain circumstances.

If submitting a Participation Report for a missed day of Activity participation, the Provider can advise DHS whether they think the job seeker has become disengaged from the Activity. This will suspend the job seeker's Income Support Payment. The Provider must ensure that an Appointment will be available to re-engage the job seeker within two Business Days of the job seeker contacting DHS.

Creating and submitting a Participation Report through the Department's IT System

Participation Reports can be created several ways.



System Step: To submit a Failure to meet Job Search Requirement Participation Report (CFJR PR):

- navigate to the 'Job Search Reporting' page

- record the assessment Unsatisfactory
- this will automatically draft the CFJR PR to complete, and
- submit to DHS.

See below for more information on CFJR PRs.



System Step: To submit other types of Participation Reports:

- go to the 'Create Compliance' page in the Department's IT System
- select the correct type of Participation Report
- complete all the questions about the incident of non-compliance, and
- submit to DHS.



System Step: Failure to attend Activity Participation Report (NFAA PR) can also be created from the Activity Diary after recording a Did Not Attend-Invalid (DNAI) result.

Note: The IT System will not allow any Participation Reports to be created unless the person submitting the Report has passed the compulsory Compliance Quiz 'Strengthening Job Seeker Compliance Framework' on the Job Seeker Compliance Framework Web Page in the Department's Learning Centre.

Actioning decisions by DHS

If DHS returns a Participation Report to the Provider because there was not enough information included, the Provider needs to immediately review the Report and make the necessary changes or include further information and resubmit the Report within five Business Days.

See the Job Seeker Servicing Placemat and Compliance Framework Map available on the Job Seeker Compliance Framework Web Page in the Department's Learning Centre for further information.

5. Reporting non-compliance to DHS

Compliance Reports include:

- Non-Attendance Reports
- Provider Appointment Reports, and
- Participation Reports.

The type of Compliance Report the Provider submits will depend on the type of non-compliance. If an incorrect report type is submitted, DHS must reject the report.

Reporting non-attendance at a Provider Appointment (Non-Attendance Report)

If the Provider decides to report non-attendance at a Provider Appointment, the Provider records a Did Not Attend-Invalid result in the Electronic Diary. The Department's IT System then automatically submits a Non-Attendance Report when the Did Not Attend-Invalid result is saved. This suspends the job seeker's Income

Support Payment following a DHS System check until they attend a Re-engagement Appointment.

See the [Managing and Monitoring Job Seeker Appointment Guideline](#) for further information on Provider Appointments.

Recommending a financial penalty for non-attendance at a Provider Appointment (Provider Appointment Report)

If the Provider thinks that a financial penalty for non-attendance at a Provider Appointment will help the job seeker to attend future Provider Appointments, they recommend to DHS that a financial penalty be applied by submitting a Provider Appointment Report.

A Provider Appointment Report can only be submitted if a Non-Attendance Report was created for the incident of non-attendance by recording a Did Not Attend-Invalid result.

Before submitting the Provider Appointment Report, the Provider must speak to the job seeker to confirm they had no Reasonable Excuse for non-attendance. The decision on submitting a Provider Appointment Report must be made on the same day the Provider speaks to the job seeker.

The Provider must include all relevant information in the Provider Appointment Report, including that:

- the job seeker had a requirement on the day
- the job seeker was formally notified, and given Reasonable Notice, of the correct requirement on the correct date
- the job seeker did not attend, or was non-compliant at, their requirement and do not have a Valid Reason or Reasonable Excuse, and
- using the compliance framework is the best way to help the job seeker meet their Mutual Obligation Requirements in the future.

The decision on applying a financial penalty for a Provider Appointment Report is made by DHS. If applied, the job seeker will lose one day's Income Support Payment for each Business Day from the time they were advised of their Income Support Payment being suspended by the Non-Attendance Report, to the time they attend a Re-engagement Appointment with their Provider.

See the [Managing and Monitoring Job Seeker Appointments Guideline](#) for further information on Provider Appointments.

Re-engaging the job seeker after non-attendance at Provider Appointment

If the Provider submits a Non-Attendance Report to suspend the job seeker's Income Support Payment, the Income Support Payment is reinstated when the job seeker attends a Re-engagement Appointment.

The Provider must re-engage the job seeker within two Business Days of contact being made with them after non-attendance. Providers must ensure that at all times

an Appointment is available for the job seeker to be re-engaged within two Business Days.

See the [Managing and Monitoring Job Seeker Appointments Guideline](#) for further information on Provider Appointments.

Reporting non-compliance by submitting a Connection Failure Participation Report

Connection Failure Participation Reports can be submitted if the job seeker does not:

- attend a third party appointment
- enter into or change a Job Plan, or
- satisfactorily meet their Job Search Requirement.

If the job seeker has no Reasonable Excuse, and there are no administrative issues that mean the failure must be rejected, DHS will apply the failure.

If the Connection Failure is applied, the job seeker will be given a Reconnection requirement. Connection failures do not result in a financial penalty.



System Step: To submit a Connection Failure Report, navigate to the 'Create Compliance' page in the Department's IT System. Select the correct type of Connection Failure Report, complete the questions and submit to DHS. See below for types of Connection Failure Participation Reports.

Reporting non-attendance at third party appointments (CFAO Participation Report)

If the job seeker does not attend a third party appointment, the Provider, on the same day as they became aware the job seeker did not attend, confirms with the third party and by following-up on arrangements the Provider has in place for job seekers to be able to advise of their inability to attend their requirement, that the job seeker did not give prior notice of their inability to attend. The Provider then attempts to contact the job seeker to see if they had a Reasonable Excuse for not attending. If the job seeker does not have a Reasonable Excuse, the Provider may decide to use the compliance framework. The job seeker's Income Support Payment is suspended when DHS receives the Participation Report. Income Support Payment is restored when the job seeker agrees with DHS to attend an Appointment with their Provider.

A Non-Attendance Report cannot be created for a third party appointment.

Reporting non-compliance when job seeker does not enter into or change a Job Plan (CFEP Participation Report)

If the job seeker does not enter into a Job Plan, or agree to change the Job Plan when required, they must be given two Business Days to reconsider, and the Provider should book another Appointment for two Business Days ahead and notify the job seeker.

If the job seeker still refuses to enter into or change their Job Plan at the new Appointment, the Provider submits a CFEP Participation Report.

DHS will investigate the Participation Report and if applied, will advise the job seeker that they will need to attend an appointment with their Provider to enter into the Job Plan. If the job seeker attends this Appointment but still refuses to sign or accept the Job Plan, the Provider submits another CFEP Participation Report. If applied, the job seeker's Income Support Payment may be cancelled from the date of the second refusal to sign the Job Plan.

Reporting non-compliance when the job seeker does not satisfactorily meet their Job Search Requirement (CFJR Participation Report)

If the job seeker does not satisfactorily complete their Job Search Requirement, the Provider can submit a CFJR Participation Report.

If the CFJR Participation Report is applied, DHS will give the job seeker a Reconnection Requirement. To meet the Requirement, the job seeker may have to fill out a job seeker diary for up to 12 weeks, for DHS to check at the end of the 12 week period. Providers will be told about this through the Department's IT System.

Refer to the [Managing and Monitoring Job Search Guideline](#) for further information on submitting CFJR Participation Reports.

Reporting non-compliance by submitting a No Show No Pay Participation Report

No Show No Pay Participation Reports can be submitted if the job seeker does not:

- attend an Activity
- behave appropriately at an Activity
- attend a job interview with a potential employer, or
- behave appropriately at a job interview with a potential employer.

If the job seeker has no Reasonable Excuse, and there are no administrative issues that mean the failure must be rejected, DHS will apply the failure.

If the No Show No Pay failure is applied, the job seeker is given a financial penalty. The penalty is the equivalent of a working day's Income Support Payment (or one tenth of the fortnightly Income Support Payment per applied No Show No Pay failure).



System Step: If an Activity is linked to an Activity Placement in the Job Plan, a Failure to Attend Activity Participation Report (NFAA) will be automatically created when Did Not Attend-Invalid is recorded in the Activity Diary. If the Participation Report is not automatically created, navigate to the 'Create Compliance' page in the Department's IT System. Select the correct type of No Show No Pay Participation Report, complete the questions and submit to DHS.



System Step: To submit a Failure to Behave Appropriately at an Activity Participation Report (NFBA), a Failure to Attend a Job Interview Participation Report (NFJI) or a Failure to Behave Appropriately at a Job Interview (NFJI) Participation Report, navigate to the 'Create Compliance' page in the Department's IT System. Select the correct type of Participation Report, complete the questions and submit to DHS.

Reporting non-attendance at an Activity (NFAA Participation Report)

If the job seeker does not attend a compulsory Activity in their Job Plan, the Provider submits a NFAA Participation Report.

Submitting a NFAA Participation Report for non-attendance is also acceptable if the job seeker is very late for their Activity, or leaves early, without a Reasonable Excuse.

Providers may record that the job seeker has become disengaged from their Activity. When this occurs, DHS will suspend the job seeker's Income Support Payment until they make contact with DHS and agree to attend an Appointment with their Provider.

Reporting inappropriate behaviour at an Activity (NFBA Participation Report)

If the job seeker does not appropriately behave at a compulsory Activity that is in their Job Plan, the Provider can submit a NFBA Participation Report.

"Inappropriate behaviour" refers to behaviour that a reasonable person would think is not appropriate in a professional workplace. Inappropriate behaviour is behaviour that is deliberate and within the job seeker's control.

Reporting non-attendance at a job interview with a potential employer (NFJI Participation Report)

If a job seeker does not attend a job interview, the Provider can submit a NFJI Participation Report.

The Provider must take reasonable steps to make sure the job seeker knew ahead of time to attend a job interview. The Provider can verbally advise the job seeker of a job interview as long as the verbal Notification includes:

- the date, day, time and location of the interview
- the job the job seeker is interviewing for, and
- the compliance warning.

Reporting inappropriate behaviour at a job interview with a potential employer (NFIJ Participation Report)

If the job seeker does not appropriately behave at a job interview, the Provider can submit a NFIJ Participation Report.

Inappropriate behaviour at a job interview is behaviour that a reasonable person knows might result in the job seeker not getting a job offer. It may include:

- dressing in a way that is clearly inappropriate for the interview
- using offensive language
- showing an obvious lack of interest in the interview or work on offer, or
- saying that an existing injury or illness is worse than it is.

“Inappropriate behaviour” is behaviour that is deliberate and within the job seeker’s control. Inappropriate behaviour would not include the job seeker being nervous or having limited clothes to wear to an interview.

Reporting non-compliance by submitting a Serious Failure Participation Report

A Serious Failure Participation Report can be submitted if the job seeker:

- does not accept a suitable job, or
- does not commence a suitable job.

If the job seeker has no Reasonable Excuse, and there are no administrative issues that mean the failure must be rejected, DHS will apply the failure.

An applied Serious Failure Participation Report results in a Serious Failure Period, which stops the job seeker’s Income Support Payment for eight weeks. This penalty can be waived if the job seeker agrees to do a Compliance Activity.

See the [Comprehensive Compliance Assessments and Compliance Activities Guideline](#) for further information.

Reporting when the job seeker does not accept a suitable job (SFAJ Participation Report)

If the job seeker is offered suitable employment and refuses, the Provider submits a SFAJ Participation Report.

See the Guide to Social Security Law, part 3.2.8.60 “Unsuitable Work” for a definition of what is suitable work and what is not.

Reporting when the job seeker does not commence a suitable job (SFCJ Participation Report)

If the job seeker accepts suitable employment, but does not commence the job, the Provider submits a SFCJ Participation Report.

Refer to the Guide to Social Security Law, part 3.2.8.60 “Unsuitable Work” for a definition of what is suitable work and what is not.

Reporting non-compliance by submitting an Unemployment Non-Payment Period Participation Report (UEVJ and UEDJ Participation Reports)

An Unemployment Non-Payment Period Participation Report can be submitted if the job seeker:

- voluntarily leaves a suitable job without a Valid Reason, or
- is dismissed from a suitable job for misconduct.

In most cases, if the job seeker gets a job, they are exited from Employment Services (or are yet to receive them if they had a job). Because of this, Unemployment Non-Payment Period failures are generally instigated by DHS.

If the job seeker is a new applicant for Income Support, an applied Unemployment Non-Payment Period Failure makes them ineligible for Income Support Payment for eight weeks.

If the job seeker is already receiving Income Support, an applied Unemployment Non-Payment Period Failure stops their Income Support Payment for eight weeks.

The job seeker cannot waive the penalty by agreeing to do a Compliance Activity.

If the job seeker received assistance to relocate under the Relocation Assistance to Take Up a Job programme, the penalty may be a twelve week Unemployment Non-Payment Period. Refer to the [Relocation Assistance to Take Up a Job Guideline](#) for further information.

6. Contacting DHS in certain circumstances

If Providers have queries on compliance actions against a specific job seeker, or if they need to confirm information that may impact the servicing of a job seeker, they can email or call DHS Participation Solutions Team in some cases.

Contacting DHS Participation Support Team for non-urgent general query

Providers can contact DHS for general queries if they relate to:

- exemptions from Mutual Obligation Requirements
- an individual job seekers' Mutual Obligations Requirements
- the status of an approved Activity, and
- any other matter that directly impacts the servicing of a job seeker.

See [Attachment B](#) for the Employment Provider Queries to the DHS Participation Solutions Team template.

Contacting DHS Participation Support Team for urgent query relating to job seeker servicing

If the job seeker is with the Provider and urgent action is required by DHS for the Provider to continue servicing the job seeker, the Provider can contact the Participation Support Team on 1300 306 325.

The Provider may need to urgently contact DHS if DHS has initiated suspension of Income Support (other than because of a Non-Attendance Report), or to confirm exemption applications (such as if a medical certificate is lodged).

Contacting DHS for job seeker Vulnerability Review

If the Provider identifies a potential vulnerability after a Change of Circumstances Reassessment that they would like DHS to investigate, they can fax a Request for Vulnerability Review form to DHS. The potential vulnerability may be a diagnosed condition or documented personal circumstances that impact the job seekers day-to-day life. The potential vulnerability can be temporary, ongoing, or episodic.

DHS will review and investigate the request for Vulnerability Review. If the identified vulnerability is likely to impact the job seeker being able to meet their Mutual Obligation Requirements, DHS will apply a Vulnerability Indicator. Providers must

consider any identified vulnerabilities when making a decision to use the compliance framework in the future.

Refer to the Guide to Social Security Law, part 11.4.2.20 for further information on Vulnerability Indicators.

Refer to the [Eligibility Referral and Commencement Guideline](#) for further information on Change of Circumstances Reassessment.

See [Attachment C](#) for the Vulnerability Indicator Review form.

Job seeker contacting DHS

The job seeker can contact DHS through the General Enquiries line on 132 850. If the job seeker is with the Provider, the Provider can call on the job seeker's behalf and act as an advocate.

7. Seeking or giving further information if necessary

The Provider may need to seek further information on Employment Services generally, or on the Department's IT System. Providers may also be asked to provide information on appeals to the Administrative Appeals Tribunal.

Seeking further general information on Employment Services

For further information relating to the servicing of job seekers, Providers refer to their own policies and procedures, their Service Delivery Plan, the jobactive Deed and the Guideline relevant to the issue at hand. For a list of Guidelines issued by the Department, see the Provider Portal.

Seeking further information on issues with the Department's IT System

For more information relating to issues with using the Department's IT System, Providers refer to the information in EA Knowledge Base in the first instance. If issues still cannot be resolved, Providers contact the Employment Systems Help Desk on 1300 305 520.

Providing information to the Administrative Appeals Tribunal

If a job seeker does not agree with a decision to suspend or reduce their Income Support, or a decision to apply a financial penalty as the result of a Participation Report, they may choose to appeal the decision to the Administrative Appeals Tribunal.

On appeal, the Tribunal may need to discuss the details of the non-compliance reported to DHS to reach their decision. In this case, the Provider must provide information as required and give all possible assistance to the Commonwealth on the appeals process.

8. Summary of required Documentary Evidence

Participation Reports

- The Provider must record in the Department's IT System details of the conversation with the job seeker / Employer / third party regarding:
 - non-attendance
 - refusal to enter into a Job Plan
 - refusal to accept or commence in a suitable job
 - inappropriate behaviour.
- The Provider must record in the Department's IT System, where relevant, how the job seeker's personal circumstances were considered when setting the requirement and how these were taken into account when making the decision to report the non-compliance to DHS.
- If an incident of non-compliance is reported to DHS, the Provider must either link pieces of evidence together within the Department's IT System or upload into the Department's IT System any associated or relevant evidence to be included within a Participation Report. Evidence could include:
 - prior notification of the requirement to attend, referral to a job interview or notification of an Employment Offer
 - prior notification of details provided to a job seeker in relation to attending an Activity with an Provider or third party
 - the format of the notification (i.e. SMS, email or letter)
 - a record of a discussion with a job seeker where it has been recorded in the 'Comments' page in the Department's IT System
 - details of the incident, including dates, the parties involved and what occurred.

Retaining records of formal Notification

- If the Department's IT System is not being used to create formal Notification, Providers must record how they informed the job seeker of their requirement and retain records of this Notification.

This Guideline is not a stand-alone document and does not contain the entirety of Employment Services Providers' obligations. It must be read in conjunction with the Deed and any relevant Guidelines or reference material issued by Department of Employment under or in connection with the Deed.

Except where otherwise specified, all capitalised terms in this guideline have the same meaning as in the jobactive Deed 2015–2020 and the Transition to Work Deed 2016-2020 ('the Deed').

'Provider' refers to jobactive Providers and Transition to Work Providers.

9. Attachments

Attachment A – Vulnerability Indicator Information

Vulnerability Indicator Information

If a Provider thinks that a job seeker's circumstances may impact them meeting their Mutual Obligation Requirements (making them more vulnerable to be found non-compliant), the Provider can request that DHS assess the job seeker for Vulnerability Indicators.

DHS will only record a Vulnerability Indicator on a job seeker's record if evidence shows that the vulnerability could mean the job seeker's ability to comply with their Mutual Obligation Requirements would be affected.

A Vulnerability Indicator ensures that both Providers and DHS are aware of a job seeker's circumstances. Because Providers are required to consider the job seeker's individual circumstances when making a decision on whether to use the compliance framework, it is important to know of anything that might affect the job seeker's ability to comply.

A Vulnerability Indicator is a documented personal circumstance or a diagnosed condition which can:

- affect the job seeker's day to day life
- be temporary, ongoing or episodic, or
- impact to varying degrees on the job seekers capacity to comply with their requirements.

A Vulnerability Indicator is not:

- the same as a disability (although disability might contribute to vulnerability)
- a Valid Reason for failing to meet a requirement, or
- fixed – Vulnerability Indicators are open to review.

A Vulnerability Indicator cannot:

- exempt the job seeker from the Activity test, or
- make the job seeker immune from action under the compliance framework, including the use of Income Support Payment suspension and financial penalties.

Providers always consider Vulnerability Indicators when:

- setting Mutual Obligation Requirements for a job seeker (negotiating a Job Plan, or setting up Activities and Job Search Requirements)
- considering the reasons why a job seeker has been unable to comply with their Mutual Obligation Requirements
- deciding whether to use the compliance framework, or

- deciding to use another strategy in line with Social Security law to change the job seeker's non-compliant behaviours.

See overleaf for a list of Vulnerability Indicator types.

Vulnerability Indicator types

Type	Required evidence to apply a Vulnerability Indicator	Authority to remove	Review Period
Psychiatric problems or mental illness in the last six months	<ul style="list-style-type: none"> • Employment Services Assessment (ESAt) • Medical Certificate 	<ul style="list-style-type: none"> • Employment Services Assessment (ESAt) • Medical Certificate 	52 weeks
Cognitive or neurological impairment	<ul style="list-style-type: none"> • Employment Services Assessment (ESAt) • Medical Certificate 	<ul style="list-style-type: none"> • Employment Services Assessment (ESAt) • Medical Certificate 	52 weeks
Drug or alcohol dependency which may impede participation	<ul style="list-style-type: none"> • Employment Services Assessment (ESAt) • Medical Certificate 	<ul style="list-style-type: none"> • Employment Services Assessment (ESAt) • Medical Certificate • Job seeker advice 	52 weeks
Homelessness	<ul style="list-style-type: none"> • DHS Specialist officer 	<ul style="list-style-type: none"> • Employment Services Assessment (ESAt) • Medical Certificate • Job seeker advice 	26 weeks
Recent traumatic relationship breakdown, especially if domestic violence was involved	<ul style="list-style-type: none"> • Employment Services Assessment (ESAt) • DHS Specialist officer 	<ul style="list-style-type: none"> • Employment Services Assessment (ESAt) • DHS Specialist officer 	16 weeks
Significant language and literacy issues	<ul style="list-style-type: none"> • Employment Services Assessment (ESAt) • Any DHS Officer 	<ul style="list-style-type: none"> • Employment Services Assessment (ESAt) • DHS Specialist officer 	26 weeks
Recent prison release	<ul style="list-style-type: none"> • DHS (release papers) 	<ul style="list-style-type: none"> • DHS Officer 	26 weeks
Significant caring responsibilities	<ul style="list-style-type: none"> • Employment Services Assessment (ESAt) • DHS Specialist officer 	<ul style="list-style-type: none"> • Employment Service Assessment (ESAt) • DHS Specialist officer • Job seeker advice 	13 weeks
An eight week non-payment penalty (NPP) applied in the last twelve months	<ul style="list-style-type: none"> • DHS Specialist officer 	<ul style="list-style-type: none"> • DHS Specialist officer 	52 weeks
Job seeker is in a period of transition during which their capacity to comply with their requirements may be affected	<ul style="list-style-type: none"> • DHS Specialist officer 	<ul style="list-style-type: none"> • DHS Specialist officer 	26 weeks
Nationally Approved Vulnerability	<ul style="list-style-type: none"> • DHS National Support Office 	<ul style="list-style-type: none"> • DHS National Support Office 	52 weeks

See overleaf for a table of information on deciding if a Vulnerability Indicator should be applied and included in a job seeker's record.

Deciding if a Vulnerability Indicator should be applied and included in a job seeker’s record

Decision-maker	Role of decision-maker
Provider	<ul style="list-style-type: none"> • If the Provider identifies a potential vulnerability, they undertake a Change of Circumstances Reassessment as per the Assessments Guideline - Job Seeker Classification Instrument (JSCI) and Employment Services Assessment (ESAt). • If a possible vulnerability is determined through the assessment, the Provider faxes a Request for Review to DHS for them to review the job seeker’s circumstances.
DHS	<ul style="list-style-type: none"> • DHS reviews the record of job seekers: <ul style="list-style-type: none"> ▪ who receive an Employment Services Assessment (ESAt) to determine if a Vulnerability Indicator is needed ▪ when requested by a Provider (by faxing a Request for Vulnerability Indicator review). • DHS considers the need for a Vulnerability Indicator when: <ul style="list-style-type: none"> ▪ deciding if a medical exemption applies ▪ an intervention by a DHS Social Worker is undertaken or ▪ a job seeker who has recently been released from prison applies for Income Support Payment or Crisis Payment. • DHS also: <ul style="list-style-type: none"> ▪ attempts to finalise all reviews within 10 Business Days (if no additional evidence is required) ▪ reviews Vulnerability Indicators after the relevant Vulnerability Indicator Review Period to decide if the vulnerability still exists or the Vulnerability Indicator should be removed.



Australian Government



jobactive

Guideline:

Targeted Compliance Framework

In the 2017–18 Budget the Australian Government announced the introduction of the Targeted Compliance Framework (TCF) to commence from 1 July 2018. The framework is designed to ensure only those job seekers who are persistently and wilfully non-compliant incur financial penalties while providing protections for the most vulnerable. It is designed to encourage job seekers to engage with their employment services provider (Provider), take personal responsibility for managing and meeting their Mutual Obligation Requirements, and actively look for work.

The TCF is comprised of three zones: Green Zone, the Warning Zone and the Penalty Zone. All job seekers will start in the Green Zone and, so long as they meet all their Mutual Obligation Requirements, they will remain in this zone. Where a job seeker commits a Mutual Obligation Failure they will move to the Warning Zone. If they continue to be non-compliant, they will be in either the Warning Zone or the Penalty Zone.

Mutual Obligation Failures committed by job seekers in the Green or Warning Zone result in the creation of a Demerit. If the Provider establishes that the job seeker has a Valid Reason for the failure, the Demerit is removed. If the Provider establishes that the job seeker did not have a Valid Reason, the Demerit is confirmed. A job seeker's first confirmed Demerit will move them from the Green Zone to the Warning Zone. Job seekers only accrue Demerits in the Warning Zone for Mutual Obligation Failures—i.e. there are no financial penalties in this zone. Instances of non-compliance will result in suspension of payment until the job seeker re-engages with their requirement. Providers are responsible for managing job seeker non-compliance by using payment suspensions and the accrual of Demerits. This will encourage job seekers to remain engaged and change their non-compliant behaviour prior to the application of any financial penalties.

Non-compliance without a Reasonable Excuse when the job seeker is in the Penalty Zone will result in financial penalties. Job seekers will only enter the Penalty Zone following multiple Mutual Obligation Failures and two reviews—one by their Provider and one by Department of Human Services—to confirm they have the capacity to meet their requirements outlined in their Job Plan.

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Related documents and references

[Job Plan and Setting Mutual Obligation Requirements Guideline](#)

[Work Refusal and Unemployment Failures Guideline](#)

[Capability Assessment Guideline](#)
[Capability Interview Guideline](#)

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1. The Targeted Compliance Framework

Providers must actively monitor and record job seekers' compliance with their Mutual Obligation Requirements in the Department's IT system, including:

- attending Provider Appointments;
- attending Third Party Appointments;
- recording own attendance at Third Party Appointments, Activities and Job Interviews where relevant;
- attending Activities to meet their Annual Activity Requirement, where relevant;
- attending other Activities included in the Job Plan;
- following up on Job Referrals; and
- satisfactorily completing Job Search Requirements.

A job seeker's Income Support Payment may be:

- suspended, reduced and/or cancelled if they commit a Mutual Obligation Failure; that is, fail to comply with obligations such as attending appointments, undertaking activities, or taking action to gain employment as per requirements included in their Job Plan;
- suspended and cancelled if they commit a Work Refusal Failure; that is, refuse or fail to accept an offer of suitable employment; or
- cancelled if they commit an Unemployment Failure; that is, become unemployed because of a voluntary act (except a reasonable act) or misconduct.

One of the key principles of the TCF is 'personal responsibility'. Job seekers will be personally responsible for managing and meeting their Mutual Obligation Requirements each fortnight in return for their Income Support Payment. This means that job seekers will be responsible for:

- meeting their requirements as outlined in their Job Plan;
- recording or reporting their participation against the Mutual Obligation Requirements in their Job Plan (including requirements recorded in the job seeker's Electronic Calendar) where they are reasonably capable of doing so; and
- looking for work and reporting their Job Search efforts on time each month (where required to do so).

Providers must make an assessment on whether a job seeker is capable of self-reporting or recording their own attendance at requirements. Where a job seeker is assessed as not being capable of recording their own attendance the Provider must record attendance in the Calendar for the job seeker. Providers are encouraged to work with job seekers assessed as not capable of self-reporting to build the required skills to be able to report or record their own attendance. Where a Provider makes an assessment that a job seeker is capable of reporting or recording their own attendance the Provider must confirm with the job seeker that they understand that they must enter the attendance results by the close of business of the day of the requirement or their payment will be suspended until a result is entered.

Job seekers assessed by Providers as being reasonably capable of reporting their attendance at requirements will be expected to take personal responsibility for doing so. This includes:

- reporting their attendance at activities;
- reporting their attendance at Third Party Appointments;
- reporting their attendance at Job Interviews;
- where they are not able to record their own attendance, supporting their Provider to record their attendance at daily requirements before the close of business by reporting their attendance either prior to the requirement or well before close of business;
- using IT functionality to schedule their own Personal Events to assist their Providers to schedule their Mutual Obligation Requirements at appropriate times;
- using IT functionality to access their own personal schedules to ensure they are aware of what they need to do and where they need to be each day to meet their requirements;
- take the initiative or be responsive when referred to a specific job or required to undertake a specific Job Referral task; and
- disclosing changes in personal circumstances or any issues which may be impacting on their ability to meet their requirements, so these can be considered and, where appropriate, their requirements changed or adjusted.

Job seekers' self-recording and reporting of attendance at requirements is one of the most significant components of the personal responsibility component of the TCF.

All Mutual Obligation Requirements should be scheduled in the Calendar, and attendance results for these requirements must be entered by close of business on the day of the requirement. If there is no result entered by close of business, either by Providers or job seekers, the Department's IT system will automatically suspend the job seeker's payment and the job seeker must contact their Provider. There will be no Demerit associated with failure to report attendance at a requirement. However, a Demerit may apply for the failure to attend itself (see *Accruing Demerits and moving into the Warning Zone* below).

Therefore, it is important that results are entered immediately when attendance is known.

See the *Job Plan and Setting Mutual Obligation Requirements Guideline* for information on how Providers can assess the job seeker's capability to record and report their own attendance and whether this should be included in the job seeker's Job Plan.

(Deed references: Chapter B3, clauses 83A and 87.)

2. *Accruing Demerits and moving into the Warning Zone*

When job seekers first commence in employment services, all job seekers will start in the Green Zone. Job seekers who meet all of their Mutual Obligation Requirements and continue to take personal responsibility for meeting those requirements will stay in the Green Zone. Where a job seeker commits a Mutual Obligation Failure without a Valid Reason and accrues their first Demerit, they will enter the Warning Zone.

A job seeker commits a Mutual Obligation Failure if they do one of the following:

- fail to attend, fail to be punctual for, or behave inappropriately at, a Provider Appointment;

- fail to attend, fail to be punctual for, fail to participate in, or behave inappropriately at, an Activity;
- fail to attend, or behave inappropriately at, a Third Party Appointment;
- fail to submit their required Job Searches;
- submit Job Search efforts that result in an Unsatisfactory Job Search assessment;
- fail to enter into, amend, or comply with a requirement of a Job Plan;
- fail to attend a Job Interview, or fail to follow up on a Job Referral; or
- intentionally act in a manner that could sabotage a potential offer of employment.

This is also referred to as ‘non-compliance’ or a ‘non-compliance event’.

Providers are responsible for making Demerit decisions based on their assessment of whether a job seeker has a Valid Reason for a Mutual Obligation Failure.

Most Mutual Obligation Failures without a Valid Reason will result in the job seeker accruing a single Demerit. Each accrued Demerit remains on the job seeker’s record for six active months (for the meaning of ‘six active months’ refer to the *Social Security (Administration) (Non-Compliance) Determination 2018 (No. 1)*) in employment services, after which the Demerit will expire from the job seeker’s record.

If a job seeker in the Warning Zone fully meets their Mutual Obligation Requirements and does not accrue any further Demerits for six months, their Demerits will expire and they will return to the Green Zone.

If a job seeker continues to accrue Demerits, and if they enter the Penalty Zone, their Income Support Payment will be reduced or cancelled if they commit a Mutual Obligation Failure without a Reasonable Excuse.

See **Attachment A** for a visual overview of the Targeted Compliance Framework.



Documentary Evidence: Provider Appointment or Third Party Appointment—where the job seeker does not attend a Provider Appointment or a Third Party Appointment or behaves inappropriately at either appointment, evidence could include prior notification of details provided to a job seeker in relation to attending an Activity with an Employment Provider or third party or details of the incident, including dates, the parties involved and what occurred.



Documentary Evidence: Job Search—where the job seeker has chosen to report their Job Search efforts either fully or partially by completing and providing a hard copy form to their Provider, this evidence **must** be retained by the Provider and provided to the Department on request. The Provider may store any hard copy evidence into their own or the Department’s IT system.



Documentary Evidence: Job Plan—where the job seeker refuses to enter into a Job Plan, evidence could include a record of the discussion with the job seeker that is recorded in the ‘Comments’ screen in the Department’s IT system.



Documentary Evidence: Job Referral—where a job seeker fails to act on a Job Referral, evidence could include a job application (which counts towards the job seeker’s monthly Job Search Requirement), an updated résumé or advice from an employer that the job seeker has been in contact with them/provided relevant information.



Documentary Evidence: Job Interview—where the job seeker does not attend a Job Interview or behaves inappropriately at the Interview, evidence could include prior notification of details provided to a job seeker in relation to attending the Interview or details of the incident, including dates, the parties involved and what occurred.

(Deed references: Chapter B3, clauses 106, 106A, 113 and 114)

Acceptable Reason

If a job seeker becomes aware they will be unable to meet their requirement they must contact their Provider to give a reason. The Provider must then assess if this is an Acceptable Reason for being unable to comply with the Mutual Obligation Requirement on the date or at the time the Mutual Obligation Requirement is scheduled to occur in their Calendar. If the Provider assesses the reason to be an Acceptable Reason, the Provider must reschedule or remove the requirement from the job seeker's Calendar.

If the Provider does not consider the reason to be an Acceptable Reason they must record why in the Department's IT System. The Provider must tell the job seeker why the reason is not considered acceptable and remind them that they are still expected to meet their requirement and the consequences of non-compliance.

If the job seeker still does not meet the requirement, the Provider must, where relevant, again attempt to contact the job seeker to discuss the reasons for the non-compliance. Providers must attempt to contact the job seeker on the day the requirement was missed to assess if there were other reasons impacting the job seeker's ability to participate on that day. If the Provider assesses that there were other reasons impacting the job seeker's ability to attend, this could be considered a Valid Reason (see below).

(Deed references: Chapter B3, clause 106B.1)

Contacting the job seeker to assess non-compliance

When a job seeker does not comply with a Mutual Obligation Requirement, a Demerit is notionally created on the job seeker's record. The Demerit will remain in place until such time as it is either confirmed or removed, depending on the outcome of the Provider's discussion with the job seeker.

The Provider must attempt to make contact with the job seeker on the same day they become aware of the non-compliance to discuss the circumstances and assess whether the job seeker has a Valid Reason for non-compliance.

(Deed references: clause 114.1)

Contact Attempt Not Required

The Provider is not required to attempt to contact the job seeker if the non-compliance was because:

- the job seeker failed to report the required number of Job Searches by the end of their Job Search Period; or
- the job seeker refuses to sign their Job Plan, with or without the job seeker using their two days' think time

If contact attempt is not required as outlined above, the Provider should wait for the job seeker to make contact. Until the job seeker makes contact with their Provider to discuss the non-compliance the job seeker's Income Support Payment will remain

suspended until they meet the Re-engagement Requirement or, for some failure types, until the Provider enters a Valid Reason (see 'Setting a Re-engagement Requirement').

(Deed references: Chapter B3, clause 114.2)

Contact not successful

If contact attempt is not successful, the Provider must record 'Did Not Attend—Invalid' in the Department's IT System. This will suspend the job seeker's payment and notionally create a Demerit on the job seeker's record.

If the job seeker has a mobile number on record, the Department's IT System will automatically notify them via SMS that their payment has been suspended. If the job seeker does not have a mobile number on record, the Provider will need to print off a letter to notify the job seeker of the payment suspension, and will need to post this letter to the job seeker.

Whether sent by SMS, email or mail, the payment suspension notice must advise the job seeker that:

- their payment is suspended;
- they will need to contact their Provider immediately to discuss their reasons for non-compliance and to arrange re-engagement;
- payment suspension will remain in place until the job seeker has re-engaged; and
- what they must do to re-engage and have their payment restored.

If the job seeker does not make contact with their Provider or meet their Re-engagement Requirement within 28 days, their income support payment is cancelled. There may be circumstances where the job seeker is legitimately unable to meet their Re-engagement Requirement in the required timeframe. In these instances, the Provider may lift the job seeker's payment suspension if the job seeker has an Acceptable Reason for being unable to meet their Re-engagement Requirement. In the Department's IT System, the Provider will record the reason the job seeker is unable to re-engage.

(Deed references: Chapter B3, clauses 114.5)

Contact Successful

If contact is successful, the Provider must discuss the reasons for non-compliance with the job seeker. During this discussion, the Provider should consider:

- the reason the job seeker gave for the non-compliance;
- if the job seeker had a Valid Reason for the non-compliance;
- whether the job seeker could have reasonably given prior notice before the non-compliance; and
- what the Provider knows of the job seeker's personal circumstances.

(Deed references: Chapter B3, clauses 114.3, 114.4 and 114.6)

Valid Reason

If a job seeker does not meet their Mutual Obligation Requirements and did not contact their Provider prior to the requirement to give an Acceptable Reason, Providers must assess if the job seeker has a Valid Reason for the non-compliance.

There are two considerations a Provider must take into account when assessing if the job seeker has a Valid Reason for failing to comply with a requirement. These are:

- if the reason the job seeker gave for not complying with their requirement is reasonable; and if so,
- was it reasonable to expect the job seeker to give prior notice of their inability to attend or comply.

If the job seeker did not give prior notice of their inability to attend or comply and it would have been reasonable to do so, a Valid Reason cannot be established as the job seeker could have told the Provider prior to the event.

For a full list of Valid Reasons from which Providers can select to record their decision please refer to the Targeted Compliance Framework Reference Guide. The list of Valid Reasons is exhaustive: if the reason the job seeker gives does not appear on the list of Valid Reasons, then the job seeker does not have a Valid Reason for non-compliance.

When discussing non-compliance Providers must not use the list of Valid Reasons to prompt and elicit a response from job seekers. Providers should use their judgement in selecting a reason that correctly reflects job seekers' circumstances at the time.

(Deed references: Chapter B3, clauses, 114.4 and 114.6)

Where Valid Reason is assessed – Demerit Removed

If the Provider assesses the job seeker had a Valid Reason for not meeting a requirement, the Provider must record 'Did Not Attend—Valid', in the Department's IT system and the reason accepted into the Department's IT system. When the Provider enters the reason into the Department's IT system, the Demerit will be automatically removed from the job seeker's record.

(Deed references: clause 114.4 and 114.6)

Where No Valid Reason assessed – Demerit Confirmed

If the job seeker does not have a Valid Reason for the non-compliance, the Provider must record 'Did Not Attend—Invalid' or 'Did Not Attend – Misconduct', and the reason not accepted as Valid in the Department's IT system. When the Provider enters the reason they did not accept for the non-compliance, a Demerit will be confirmed on the job seeker's record. Where a Demerit is confirmed, the Provider must explain this decision to the job seeker to ensure the job seeker understands why the Demerit was confirmed and the consequences for the Mutual Obligation Failure. This may include:

- that their Income Support Payment has been suspended as a result of a Mutual Obligation Failure;
- the impacts to the job seeker's Participation (Compliance) History and Compliance Status Indicator on their Dashboard;
- whether the failure type fast-tracks the job seeker to the Capability Interview;
- why the reason for non-compliance was not accepted by the Provider;
- the number of Demerits the job seeker has accrued;
- the importance of being compliant with Mutual Obligation Requirements;
- the consequences of persistent non-compliance, including financial penalties and cancellation of payment;
- the reasons for re-engaging and that Income Support Payments remain suspended until the Re-engagement Requirement is met; and
- the Re-engagement Requirement details.

Through reinforcing the consequences of not meeting requirements, job seekers will be encouraged to continue future participation.

(Deed references: Chapter B3, clause 114.4 and 114.6)

See [Setting the Re-engagement Requirement](#) in this document for information on setting Re-engagement Requirements.

Drug or alcohol dependency or misuse cannot repeatedly be used as an Acceptable or Valid Reason

From 1 July 2018, drug or alcohol dependency or misuse cannot be repeatedly used by a job seeker as a reason for not being able to meet a requirement unless the job seeker agrees to participate in treatment, if available and appropriate.

The first time a job seeker uses drug or alcohol misuse or dependency as a reason, Providers may accept this reason if it genuinely prevented the job seeker from complying. Providers will source and identify available and appropriate treatment programs, and they will encourage job seekers to participate. Participation in treatment services to address drug or alcohol misuse or dependency will either meet or reduce other Mutual Obligation Requirements.

Job seekers who decline to participate in treatment services that are available and appropriate will not be able to use drug or alcohol dependency as a reason for future non-compliance. Therefore, if they fail to meet a requirement in future due to their drug or alcohol misuse or dependency, this will not be taken into consideration when assessing non-compliance.

Where a job seeker agrees to participate in treatment services but the treatment was not available or appropriate, drug or alcohol misuse or dependency may be considered an Acceptable or Valid Reason if it impacted a job seeker's ability to comply.

Provider may manually remove confirmed Demerits

If a Provider becomes aware after confirming a Demerit that:

- the requirement for which the Demerit was accrued was not appropriate for the job seeker;
- the job seeker had not disclosed circumstances that directly affected their capability to meet their requirements at the time and for which they are now receiving assistance to resolve;
- the job seeker's undisclosed circumstances meant they had a Valid Reason for non-compliance; or
- because of an administrative error, the Demerit should not have been confirmed

the Provider must manually remove the confirmed Demerit from the job seeker's record. When manually removing the Demerit, the Provider must record the reasons why the Demerit is being removed in the Department's IT system. Manual removal of Demerits by the Provider may occur any time before the job seeker enters the Penalty Zone. The reasons for manual removal of Demerits will differ depending on the reason the Demerit was accrued.

See **Attachment B** for a list of the overarching reasons to be used by Providers for manually removing a demerit.

(Deed references: Chapter B3, clauses 114.11 and 114.12)

3. Setting a Re-engagement Requirement

Managing a Single Re-engagement Requirement

When a Provider discusses a Mutual Obligation Failure with a job seeker (and confirms whether the job seeker had a Valid Reason for the non-compliance), the Provider must set the Re-engagement Requirement in the Department's IT system at the same time.

In most cases, the type of Re-engagement Requirement will be what the job seeker failed to meet—i.e. if the job seeker missed a Provider Appointment, the Re-engagement Requirement is a Provider Appointment. The Department's IT system will confirm the Re-engagement Requirement or identify the options for Providers to select from where more than one failure is outstanding. The Re-engagement Requirement may differ depending on the zone the job seeker is in.

The job seeker's Payment will remain suspended until the job seeker meets their Re-engagement Requirement.

See **Attachment C** for further information on managing a single Re-engagement Requirement for job seekers in the Warning Zone.

See **Attachment D** for further information on single Re-engagement for job seekers in the Penalty Zone.

(Deed references: Chapter B3, clauses 83, 84, 106, 114.4, 114.5, 114.6, 115.3 and 115.5)

Managing Multiple Re-engagement Requirements

If a job seeker commits another Mutual Obligation Failure before contact is made to discuss a first Mutual Obligation Failure, only one Re-engagement Requirement can be set.

For example: If a job seeker fails to attend a Provider Appointment in the morning and contact is not made with the job seeker before the job seeker then fails to attend an Activity in the afternoon, only one Re-engagement Requirement is set when contact is made.

Some Re-engagement Requirements will take priority over others. *For example:* if the Re-engagement Requirement is a Capability Interview, this would take priority over an Activity.

See **Attachment E** for further information on managing multiple Re-engagement Requirements for job seekers in the Warning Zone.

See **Attachment F** for further information on multiple Re-engagement Requirements for job seekers in the Penalty Zone.

Re-engagement Requirement automatically set

If the job seeker fails to agree to the Job Plan following the two days' 'think-time', the Department's IT system will automatically confirm a Demerit and set the Re-engagement Requirement for the job seeker to sign the Job Plan. The job seeker's payment will remain suspended until the job seeker meets the Re-engagement Requirement or the Provider enters a Valid Reason.

A similar process occurs if a job seeker fails to submit the correct number of Job Searches by the end of the Job Search Period. A Demerit will be automatically confirmed

and the Re-engagement Requirement set, to complete the required number of Job Searches. Payment will remain suspended until the job seeker meets the Re-engagement Requirement or the Provider enters a Valid Reason.

In both cases, if the Provider enters a Valid Reason they must remove the Demerit, triggering restoration of payment and removing the Re-engagement Requirement.

However, payment suspension will not be lifted when the non-compliance triggers a Capability Interview or Capability Assessment. Payment suspension will remain until this Re-engagement Requirement is met.

See the [Capability Interview Guideline](#) and [Capability Assessment Guideline](#) for information on the Capability Interview and Capability Assessment.

(Deed references: Chapter B3 – clause 114.11 and 114.12)

Formally notifying the job seeker of their Re-engagement Requirement

Job seekers must be formally notified of their Re-engagement Requirement either by phone or face to face. Re-engagement Requirements must be scheduled to occur within two Business Days of making contact with the job seeker. Providers must formally notify job seekers of the date and time of the Re-engagement Requirement at the same time they record if a Valid Reason existed.

If the job seeker has multiple Re-engagement Requirements, as outlined in [Managing Multiple Re-engagement Requirements](#) section of this document, the Provider must advise the job seeker they only need to meet one requirement.

(Deed references: Chapter B3 – clauses 114.4 and 114.6)

Job seeker is Unable to Re-engage within two Business Days

If the job seeker has a Valid Reason for being unable to meet their Re-engagement Requirement within the required timeframe, the Provider may lift the job seeker's payment suspension by recording the reason for the job seeker's inability to re-engage. This is because the job seeker's Income Support Payment cannot remain suspended for longer than two Business Days after contact has been made with them. The reasons for job seekers being unable to re-engage will differ depending on the Re-engagement Requirement type.

See the [Targeted Compliance Framework Reference Guide](#) for a list of reasons of Unable to Re-engage reasons for each Re-engagement Requirement type.

(Deed references: clause 84)

Certain Re-engagement Requirements not subject to two Business Days' rule

If the job seeker's Re-engagement Requirement is to:

- sign a Job Plan
- submit further or improved Job Search efforts, or
- follow-up on a Job Referral

then the two Business Days' rule does not apply. In this case, the job seeker's payment will remain suspended until they complete their Re-engagement Requirement.

Re-engagement not required or not appropriate

While a job seeker has an outstanding Re-engagement Requirement, exceptional personal circumstances—or other circumstances that may not be directly related to the

job seeker's situation (e.g. natural disasters)—may make it inappropriate for the job seeker to meet that Re-engagement Requirement.

The reasons that re-engagement may no longer be required or appropriate will differ depending on the Re-engagement Requirement.

Recording the reason why the Re-engagement Requirement is no longer required or appropriate will lift the job seeker's payment suspension.

See the [Targeted Compliance Framework Reference Guide](#) for a list of reasons why re-engagement may no longer be required or appropriate for each Re-engagement Requirement type.

Rescheduling the Re-engagement Requirement

Re-engagement Requirements can only be rescheduled if the job seeker has an Acceptable Reason.

The Re-engagement Requirement must be rescheduled to occur within seven calendar days of the original Re-engagement Requirement, unless the Re-engagement Requirement is a Capability Interview. If the Re-engagement Requirement to be rescheduled is a Capability Interview, it must be rescheduled to occur within 14 calendar days.

The job seeker must be notified that they must meet their Re-engagement Requirement by its scheduled date at the same time they call their Provider with an Acceptable Reason for rescheduling the Re-engagement Requirement. Formally notifying the job seeker of Re-engagement Requirements—including those that have been rescheduled—must be done over the phone, or face to face.

Once the Provider reschedules the Re-engagement Requirement and enters the Acceptable Reason into the Department's IT system the payment suspension will be lifted.

Job seekers will be notified to contact DHS when the Re-engagement Requirement is a Capability Assessment. The job seeker's Payment will remain suspended until the job seeker meets their Re-engagement Requirement.

(Deed references: Chapter B3, clauses 83, 84 and 106B)

4. The Capability Interview

Where a job seeker accrues three Demerits in a six-month period, or following a failure that 'fast tracks' them (see below), they will be required to attend a compulsory Capability Interview with their Provider.

The Capability Interview is designed to protect the most vulnerable job seekers. The focus of the Capability Interview is to ensure that job seekers are capable of meeting their Mutual Obligation Requirements as set out in their Job Plan, and to ensure that there are no unknown circumstances preventing the job seeker from meeting those requirements. Where a Provider determines that a job seeker is not capable of meeting their requirements, or that the job seeker requires further services or more tailored assistance, the Provider must update the job seeker's Job Plan to ensure their requirements are appropriate and that the job seeker is capable of successfully meeting them.

Following the Capability Interview, the Provider must include information about their assessment in the Department's IT system to decide if the job seeker is capable of meeting the current requirements in their Job Plan.

If, during the Capability Interview, the Provider determines that the job seeker is not capable of meeting their current requirements, the job seeker will return to the Green Zone with no accrued Demerits.

If the Provider assesses that the job seeker is capable of meeting their current requirements as set out in their Job Plan, the job seeker will continue in the Warning Zone.

See [Capability Interview Guideline](#) for further information on conducting the Capability Interview.

(Deed references: Chapter B3, clauses 83, 84, 87 114.7, 114.8 and 114.9)

5. The Capability Assessment

If, after accruing three Demerits (and being assessed as capable of meeting their Mutual Obligation Requirements at the Capability Interview), a job seeker commits a further two failures within a six-month period, or following failures that 'fast-track' them (see below), they will be required to participate in a Capability Assessment conducted by DHS.

The Capability Assessment will assess whether the job seeker is capable of meeting their Mutual Obligation Requirements as set out in their Job Plan, or whether there are personal circumstances or other issues impacting on the job seeker's ability to meet their requirements given that they have continued to be non-compliant following the Capability Interview. The Capability Assessment represents another review point prior to a job seeker moving into the Penalty Zone.

During the Capability Assessment, DHS may determine that the requirements in the job seeker's Job Plan are not appropriate and that, therefore, the job seeker is not capable of meeting their requirements. In this case, Providers must review the Capability Assessment outcomes with the job seeker and action them as appropriate—i.e. amend the requirements in the Job Plan to better suit the job seeker's current capacity and capability.

DHS will notify the Provider of what requirements are inappropriate and/or which parts of the Job Plan must be changed. The job seeker will be returned to the Green Zone with no accrued Demerits. If DHS refers the job seeker for an Employment Services Assessment (ESAt), this will finalise the Capability Assessment. However, job seekers are still required to meet their Mutual Obligation Requirements—such as attend Provider Appointments and complete their monthly Job Search—until the ESAt is finalised.

If DHS assesses that the job seeker is capable of meeting the requirements set out in their Job Plan, then the job seeker will move into the Penalty Zone and any accrued Demerits will stand.

See [Capability Assessment Guideline](#) for information on conducting the Capability Assessment.

(Deed references: Chapter B3, clauses 83, 87 and 114.10)

Job seeker fast-tracked to Capability Interview or Capability Assessment

If a job seeker commits one of the following failures and they have not yet had either a Capability Interview or a Capability Assessment, then they will be fast-tracked to the next capability review point, regardless of their existing Demerit count:

- failure to follow up on a Job Referral; or
- failure to attend, or behave inappropriately at, a Job Interview.

For example: If a job seeker has accrued one Demerit on their record and then fails to follow up on a Job Referral, they will have to attend a compulsory Capability Interview with their Provider.

For example: If a job seeker has accrued three Demerits on their record, has already had a Capability Interview that found they were capable of meeting their requirements, and fails to attend a Job Interview, they will have to attend a compulsory Capability Assessment with DHS.

(Deed references: Chapter B3, clauses, 87 114.7 and 114.10)

Other Failures that must be reported to the Department of Human Services

Providers must report any Work Refusal Failures and Unemployment Failures to DHS

Work Refusal Failures are:

- failing to accept an offer of a suitable job; and or
- refusing to accept an offer of a suitable job.

Unemployment Failures are becoming unemployed because of:

- as a direct or indirect result of a voluntary act of the job seeker; or
- as a result of the job seeker's misconduct as an employee.

See the [Work Refusal and Unemployment Failure Guideline](#) for further information on these failures.

(Deed references: Chapter B3, – Clauses 115 and 115A6)

6. In the Penalty Zone

Providers must report and initially discuss non-compliance that occurs when the job seeker is in the Penalty Zone. Providers will be responsible for submitting Non-Compliance Reports if it seems that the job seeker has committed a Mutual Obligation Failure without a Valid Reason.

A job seeker will only enter the Penalty Zone following a Capability Assessment conducted by DHS if the job seeker is found to be capable of meeting their requirements as set out in their Job Plan. Under these circumstances, the job seeker's non-compliance is considered to be wilful and persistent.

Job seekers do not continue to accrue Demerits in the Penalty Zone; instead, when further non-compliance occurs, Providers submit a Non-compliance Report to DHS. If DHS determines that the job seeker has committed a failure without a Reasonable Excuse, a financial penalty will be applied. The decision to apply financial penalties is made by DHS under Social Security Law.

If a financial penalty is applied for a Mutual Obligation Failure in the Penalty Zone the job seeker will incur:

- a loss of 50 per cent of their fortnightly payment after the first failure in the Penalty Zone
- a loss of 100 per cent of their fortnightly payment after the second failure in the Penalty Zone
- payment cancellation and a four-week post cancellation non-payment period after the third failure.

Financial penalties and four-week preclusions from payment cannot be waived.

(Deed references: clause 114.4)

7. Job seeker exits the Penalty Zone after fully meeting requirements for three months

If a job seeker in the Penalty Zone incurs no applied penalties for a period of three months, they will return to the Green Zone with no accrued Demerits.

The three-month period is calculated from either the date that DHS decides the job seeker is capable of meeting the requirements in their Job Plan following a Capability Assessment or, if the job seeker is already in the Penalty Zone, the date of the job seeker's last applied financial penalty.

8. Different processes for some Mutual Obligation Failures in the Warning and Penalty Zones

There are some Mutual Obligation Failures that have different processes.

Job seekers in the Warning Zone will be subject to the following non-compliance processes:

- Job Search – Where a job seeker fails to:
 - submit quality efforts as assessed by Providers up to five Business Days after the Job Search Period; and/or
 - submit the required number of Job Search efforts online by the end of their Job Search period, the Department's IT system will automatically record Unsatisfactory;

their payment will be suspended, they will accrue a Demerit and their Re-engagement Requirement is to satisfactorily meet their Job Search Requirements to have their payment reinstated.

- Job Plan – Where job seekers:
 - fail to agree to their Job Plan through the Job Seeker App or jobactive website after two Business Days;
 - refuse to agree to the Job Plan at their Provider Appointment; or
 - fail to agree to or return the accepted Job Plan after they accepted two Business Days 'think time';

their payment will be suspended, they will accrue a Demerit and their Re-engagement Requirement will be that they must agree to the Job Plan. Once they agree to their Job Plan, their payment will be reinstated.

- Job Referral – Where a job seeker fails to act on a Job Referral, job seekers will accrue a Demerit and will be fast tracked to the next capability review regardless of their existing Demerit count. This capability review will be set as the job seeker's

Re-engagement Requirement, which they must meet to have their payment reinstated.

Job seekers in the Penalty Zone will be subject to the following non-compliance processes:

- Job Search – When the job seeker does not satisfactorily submit the number of required Job Search efforts or they are not of adequate quality, the Provider will submit a Non-Compliance Report to DHS for investigation. If DHS considers that the job seeker did not have a Reasonable Excuse, this will result in a financial penalty.
- Job Plan – Where job seekers:
 - fail to agree to their Job Plan through the Job Seeker App or jobactive website after two Business Days ‘think time’;
 - refuse to agree to the Job Plan at their Provider Appointment; or
 - fail to agree to or return the accepted Job Plan after they accepted two Business Days ‘think time’;

the Provider must submit a Non-Compliance Report to DHS for investigation. If DHS considers that the job seeker did not have a Reasonable Excuse for persistent non-compliance, this will result in a financial penalty.

- Job Referral – Where a job seeker fails to act on a Job Referral, their Re-engagement Requirement will be to act on the outstanding Job Referral, as applicable, to have their payment restored. Providers must monitor the job seeker to ensure they meet their Re-engagement Requirement. Providers will also need to submit a Non-Compliance Report to DHS for investigation, which may result in a financial penalty.

(Deed references: clause 114)

9. Job seeker may lodge a complaint about a Demerit decision with National Customer Service Line

While job seekers are not able to appeal a Provider’s decision to confirm a Demerit, job seekers will contact their Provider in the first instance to discuss Demerit decisions. If, after this discussion, they still wish to contest a Demerit decision, they can contact the Department of Jobs and Small Business’ National Customer Service Line (NCSL). In effect, when contacting the NCSL the job seeker would be making a jobactive servicing-related complaint. Where required, Providers must action complaints referred to them by the NCSL. This may include reviewing their decision-making processes, the Valid Reason decision or review information recorded in the Department’s IT system.

(Deed references: clause 114.12)

10. Job seeker may appeal decisions made under Social Security Law

All job seekers have a right to appeal a decision to suspend their Income Support Payment due to non-compliance, and they have the right to appeal a decision by DHS to apply a financial penalty. These are decisions made under Social Security Law.

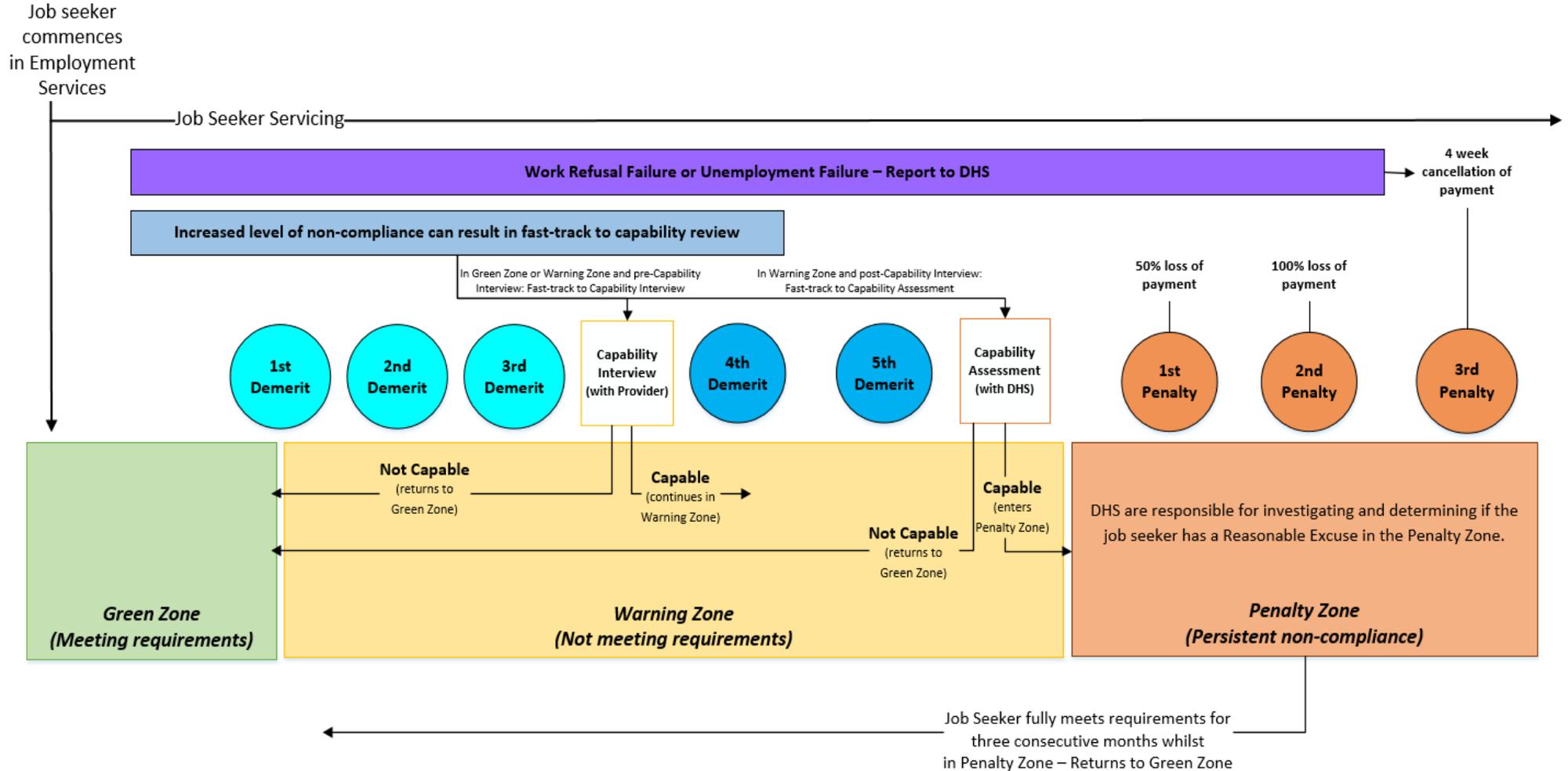
The accrual of a Demerit is not a decision made under Social Security Law, and as such, job seekers are not able to ask for a review of the decision under Social Security Law, or appeal this decision to a court or tribunal.

Summary of required Documentary Evidence

Depending on the failure that has occurred, in addition to the evidence recorded in the Department's IT system, evidence could include:

- prior notification of the requirement to attend, Job Referral, referral to a Job Interview or notification of an Employment Offer;
- prior notification of details provided to a job seeker in relation to attending an Activity or Appointment with an Employment Provider or third party;
- the format of the Notification (i.e. SMS, email or letter);
- fully or partially completed Job Searches provided in hard copy form;
- a record of a discussion with a job seeker where it has been recorded in the 'Comments' screen in the Department's IT system;
- details of the job/employer and/or details of the incident, including dates, the parties involved and what occurred; or
- details of the incident, including dates, the parties involved and what occurred.

Attachment A - Overview of the Targeted Compliance Framework



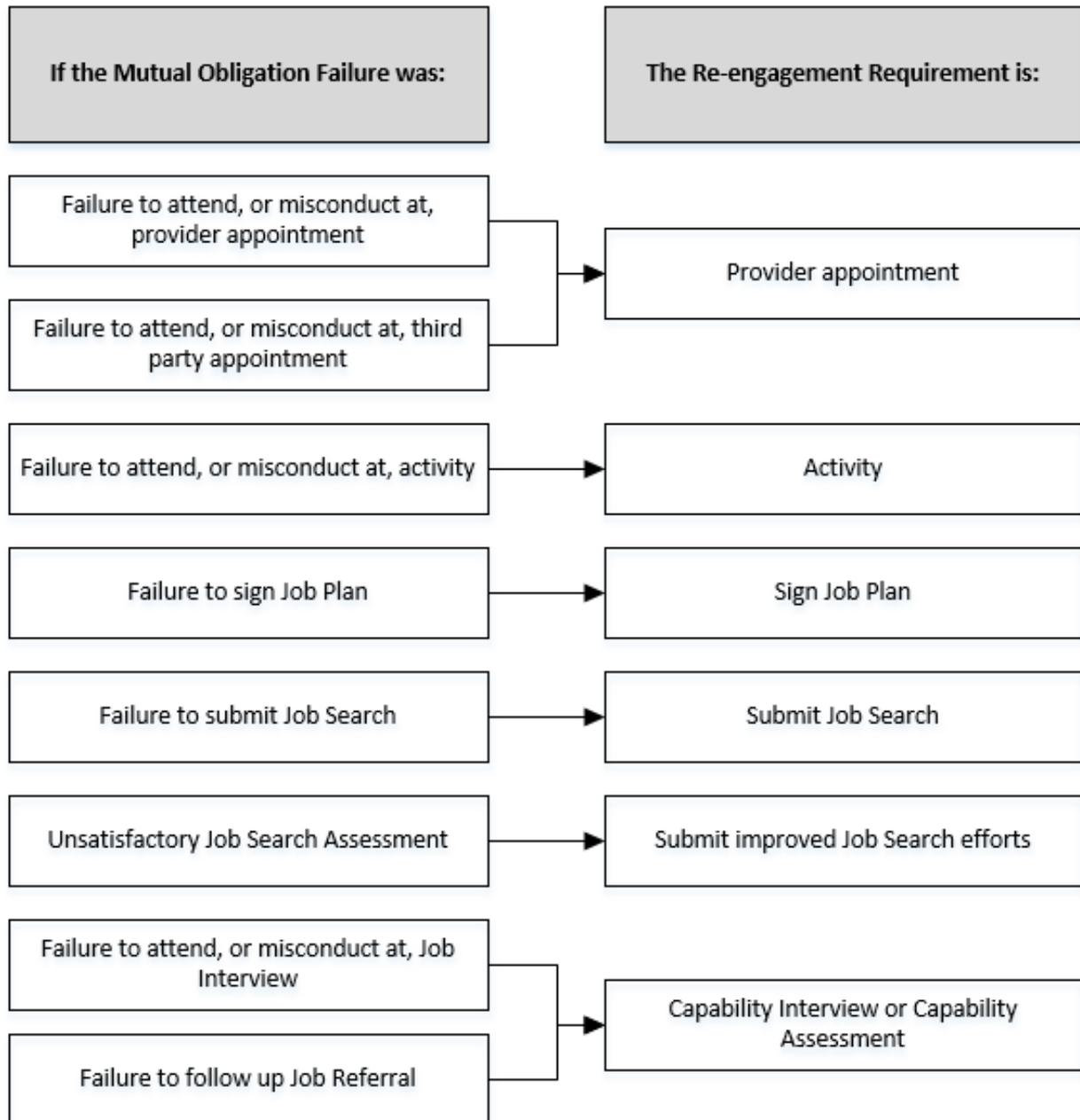
Attachment B – Reasons to Manually Remove a Demerit

Overarching reasons to be used by Providers when manually removing a demerit.

	Requirements applicable to:
Issue affected overall capability - requirements changed	All
New information disclosed – job seeker in services to address	All
New information disclosed - likely impacted compliance	All
Departmental override	All
Provider Error	All
Job Search efforts submitted after end of Job Search Period – Valid Reason identified	Job Search
Adjustment not made – paid work impacted number required	Job Search
Adjustment not made – exemption impacted number required	Job Search
Adjustment not made to number of Job Search efforts required	Job Search
Job Search efforts were reported manually within Job Search Period	Job Search
Job Search efforts were satisfactory	Job Search
Job Plan accepted online – Valid Reason identified	Job Plan
Signed Job Plan was returned	Job Plan – where think time granted (hardcopy)
Job Plan terms unreasonable/inappropriate	Job Plan – all scenarios
Job seeker did agree to Job Plan at appointment	Job Plan – think time granted (hardcopy) or refusal recorded
Job seeker did not refuse to sign Job Plan	Job Plan – refusal

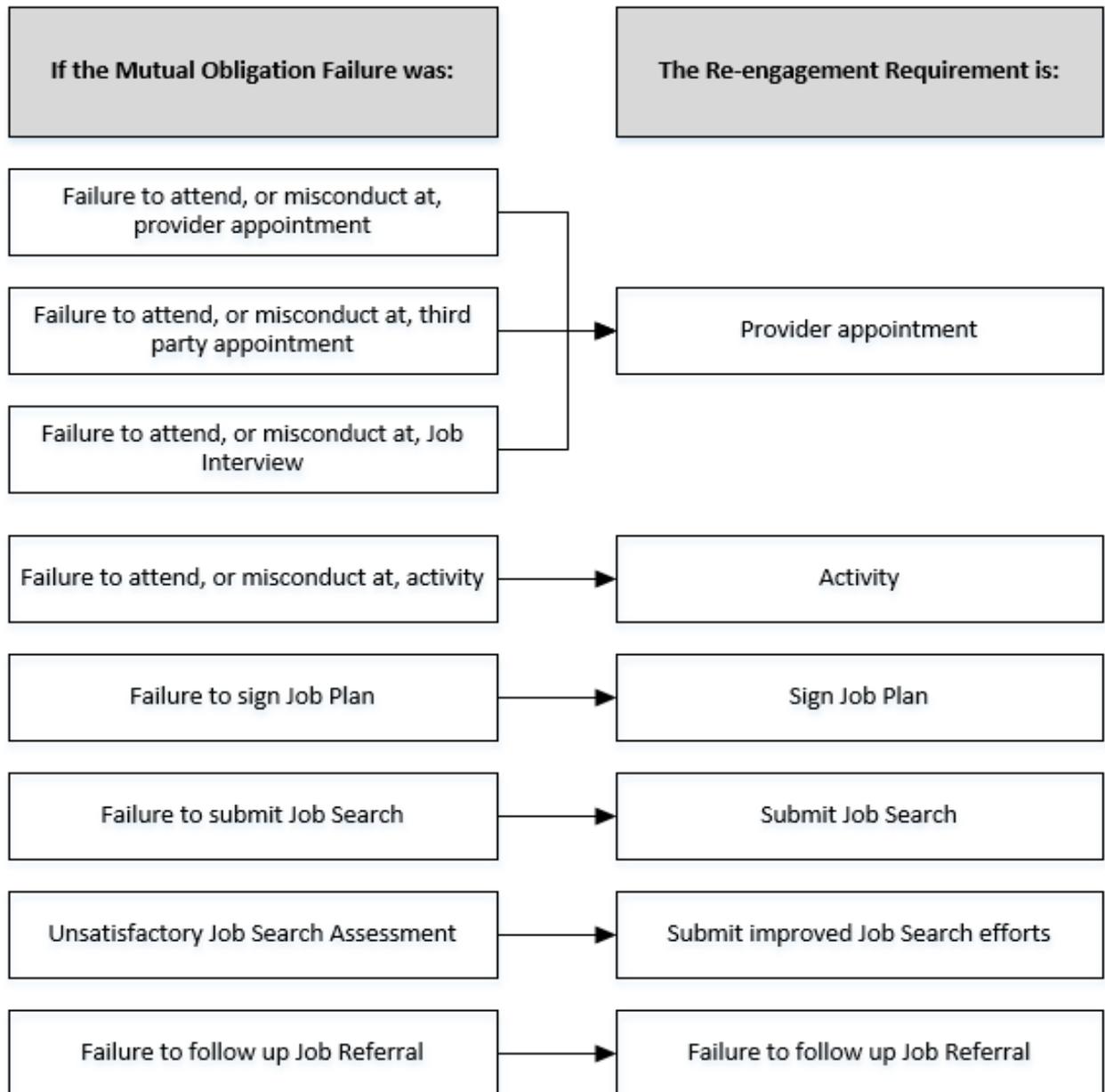
Attachment C – Single Re-engagement Requirement Warning Zone

The diagram below outlines the Re-engagement Requirement the Provider will set depending on the Mutual Obligation Failure for job seekers in the Warning Zone.



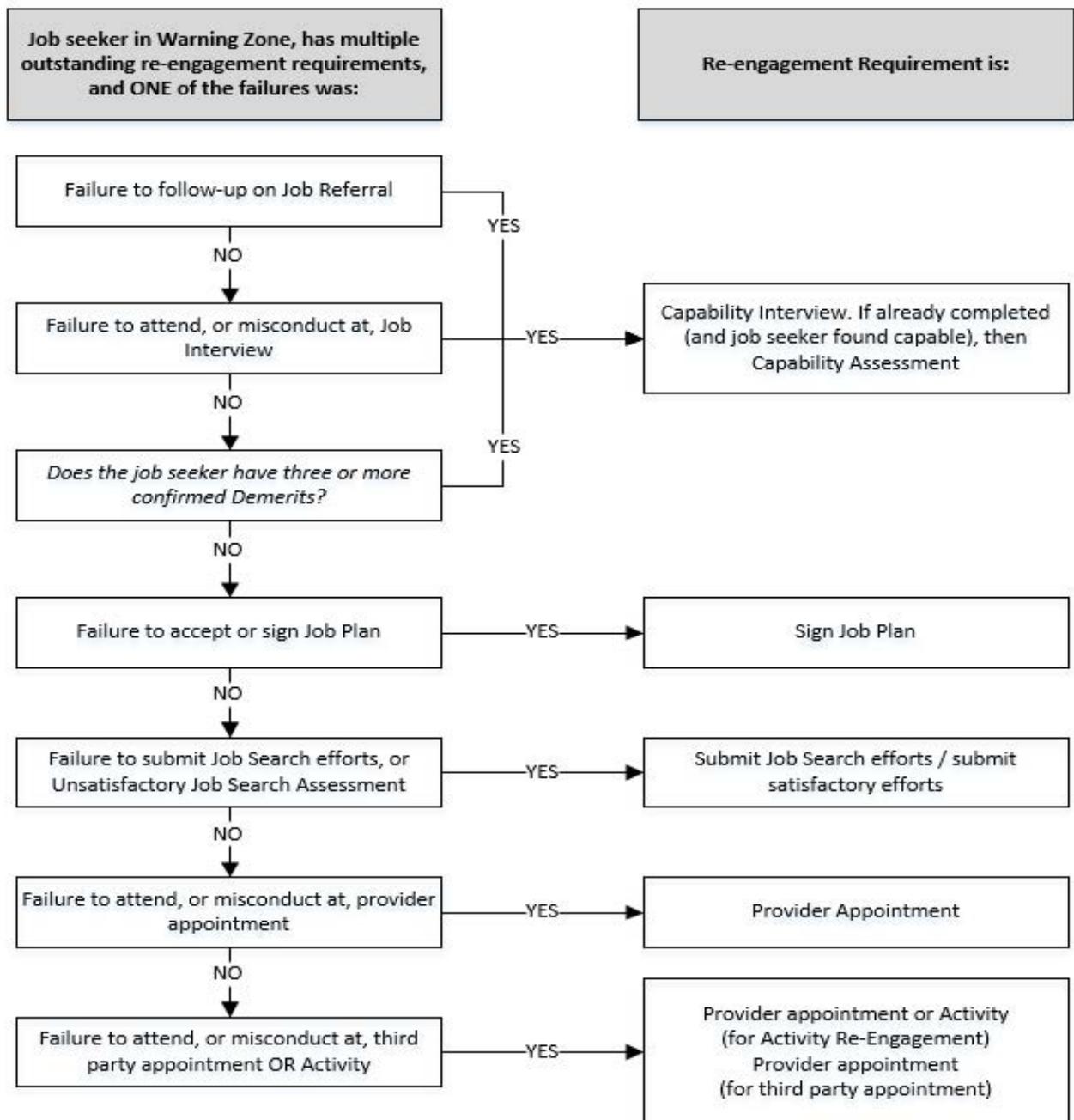
Attachment D – Single Re-engagement Requirement Penalty Zone

The diagram below outlines the Re-engagement Requirement the Provider will set depending on the Mutual Obligation Failure for job seekers in the Penalty Zone.



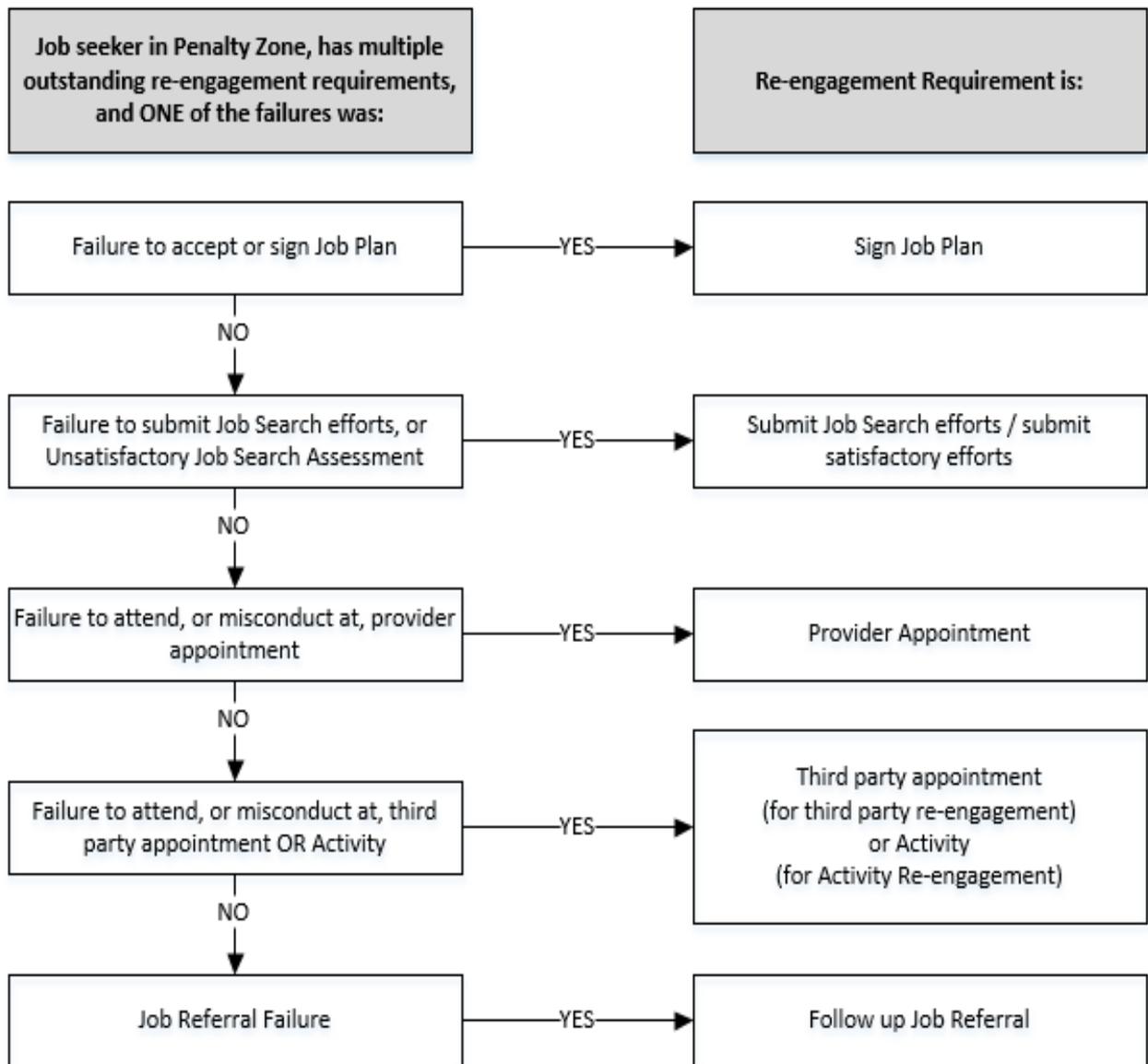
Attachment E – Multiple Re-engagement Requirements Warning Zone

The diagram below outlines how Re-engagement Requirements are prioritised by the system if a job seeker in the Warning Zone has more than one outstanding Re-engagement Requirement.



Attachment F – Multiple Re-engagement Requirements Penalty Zone

The diagram below outlines how Re-engagement Requirements are prioritised by the system if a job seeker in the Penalty Zone has more than one outstanding Re-engagement Requirement.



All capitalised terms in this Guideline have the same meaning as in the jobactive Deed 2015–2020 (the Deed).

This Guideline is not a stand-alone document and does not contain the entirety of Employment Services Providers' obligations. It must be read in conjunction with the Deed and any relevant Guidelines or reference material issued by Department of Jobs and Small Business under or in connection with the Deed.



Guideline:

Targeted Compliance Framework: Mutual Obligation Failures

In the 2017–18 Budget the Australian Government announced the introduction of the Targeted Compliance Framework (TCF) commencing from 1 July 2018. The framework is designed to ensure only those job seekers who are persistently and wilfully non-compliant incur financial penalties while providing protections for the most vulnerable. It is designed to encourage job seekers to engage with their employment services provider (Provider), take personal responsibility for managing and meeting their Mutual Obligation Requirements, and actively look for work.

The TCF is comprised of three zones: Green Zone, the Warning Zone and the Penalty Zone. All job seekers will start in the Green Zone and, so long as they meet all their Mutual Obligation Requirements, they will remain in this zone. Where a job seeker commits a Mutual Obligation Failure they will move to the Warning Zone. If they continue to be non-compliant, they will be in either the Warning Zone or the Penalty Zone.

Mutual Obligation Failures committed by job seekers in the Green or Warning Zone result in the creation of a Demerit. If the Provider establishes that the job seeker has a Valid Reason for the failure, the Demerit is removed. If the Provider establishes that the job seeker did not have a Valid Reason, the Demerit is confirmed. A job seeker's first confirmed Demerit will move them from the Green Zone to the Warning Zone. Job seekers only accrue Demerits in the Warning Zone for Mutual Obligation Failures—i.e. there are no financial penalties in this zone. Instances of non-compliance will result in suspension of payment until the job seeker re-engages with their requirement. Providers are responsible for managing job seeker non-compliance by using payment suspensions and the accrual of Demerits. This will encourage job seekers to remain engaged and change their non-compliant behaviour prior to the application of any financial penalties.

Non-compliance without a Reasonable Excuse when the job seeker is in the Penalty Zone will result in financial penalties. Job seekers will only enter the Penalty Zone following multiple Mutual Obligation Failures and two reviews—one by their Provider and one by Department of Human Services—to confirm they have the capacity to meet their requirements outlined in their Job Plan.

For the purposes of this Guideline, for ParentsNext the term 'job seeker' refers to 'Participant' and 'Job Plan' refers to 'Participation Plan'.

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Nil

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ParentsNext Deed clauses added.

Pg 1 - Updated the Guideline name to Targeted Compliance Framework: Mutual Obligation Failures Guideline Updates to introduction. Updates to Version, Published on and Effective from dates.

Pg 2/3 - Updated Contents.

Pg 5 - Added report satisfactory Job Search under why a JS payment may be suspended

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Pg 6 - Wording update from should to must – all MOR must be scheduled – it is a Deed requirement that Provider's schedule MORs in the Calendar.

Pg 7 - Put the inadequate Job Search as the last dot point. Added a definition for quality Job Search, based on the Job Search Instrument to define/guide Providers when assessing the adequacy of Job Search efforts. Minor wording updates.

Pg 10, 11, 14, 15 - Minor wording updates.

A full document history is available at Provider Portal.

Related documents and references

jobactive

[Job Plan and Setting Mutual Obligation](#)

[Requirements Guideline](#)

[Capability Assessment Guideline](#)

[Capability Interview Guideline](#)

[Work Refusal and Unemployment Failures Guideline](#)

ParentsNext

[Capability Assessment Guideline](#)

[Capability Interview Guideline](#)

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1. The Targeted Compliance Framework

Providers must actively monitor and record job seekers' compliance with their Mutual Obligation Requirements in the Department's IT system, including:

- attending Provider Appointments;
- attending Third Party Appointments;
- recording own attendance at Third Party Appointments, Activities and Job Interviews where relevant;
- attending Activities to meet their Annual Activity Requirement, where relevant;
- attending other Activities included in the Job Plan;
- following up on Job Referrals; and
- satisfactorily completing Job Search Requirements.

A job seeker's Income Support Payment may be:

- suspended, reduced and/or cancelled if they commit a Mutual Obligation Failure; that is, fail to comply with obligations such as attending appointments, undertaking activities, report satisfactory Job Search or taking action to gain employment as per requirements included in their Job Plan;
- suspended and cancelled if they commit a Work Refusal Failure; that is, refuse or fail to accept an offer of suitable employment; or
- cancelled if they commit an Unemployment Failure; that is, become unemployed because of a voluntary act (except a reasonable act) or misconduct.

One of the key principles of the TCF is 'personal responsibility'. Job seekers will be personally responsible for managing and meeting their Mutual Obligation Requirements each fortnight in return for their Income Support Payment. This means that job seekers will be responsible for:

- meeting their requirements as outlined in their Job Plan;
- recording or reporting their participation against the Mutual Obligation Requirements in their Job Plan (including requirements recorded in the job seeker's Electronic Calendar) where they are reasonably capable of doing so; and
- looking for work and reporting their Job Search efforts on time each month (where required to do so).

Providers must make an assessment on whether a job seeker is capable of self-reporting or recording their own attendance at requirements. Where a job seeker is assessed as not being capable of recording their own attendance the Provider must record attendance in the Calendar for the job seeker. Providers are encouraged to work with job seekers assessed as not capable of self-reporting to build the required skills to be able to report or record their own attendance. Where a Provider makes an assessment that a job seeker is capable of reporting or recording their own attendance the Provider must confirm with the job seeker that they understand that they must enter the attendance results by the close of business of the day of the requirement or their payment will be suspended until a result is entered.

Job seekers assessed by Providers as being reasonably capable of reporting their attendance at requirements will be expected to take personal responsibility for doing so. This includes:

- reporting their attendance at activities;
- reporting their attendance at Third Party Appointments;
- reporting their attendance at Job Interviews;
- where they are not able to record their own attendance, supporting their Provider to record their attendance at daily requirements before the close of business by reporting their attendance either prior to the requirement or well before close of business;
- using IT functionality to schedule their own Personal Events to assist their Providers to schedule their Mutual Obligation Requirements at appropriate times;
- using IT functionality to access their own personal schedules to ensure they are aware of what they need to do and where they need to be each day to meet their requirements;
- take the initiative or be responsive when referred to a specific job or required to undertake a specific Job Referral task; and
- disclosing changes in personal circumstances or any issues which may be impacting on their ability to meet their requirements, so these can be considered and, where appropriate, their requirements changed or adjusted.

Job seekers' self-recording and reporting of attendance at requirements is one of the most significant components of the personal responsibility component of the TCF.

All Mutual Obligation Requirements must be scheduled in the Calendar, and attendance results for these requirements must be entered by close of business on the day of the requirement. If there is no result entered by close of business, either by Providers or job seekers, the Department's IT system will automatically suspend the job seeker's payment and the job seeker must contact their Provider. Whilst there is no Demerit associated with failure to report attendance at a requirement, a Demerit may apply for the requirement for which no result was entered if the job seeker did not attend without a Valid Reason (see Accruing Demerits and moving into the Warning Zone below).

Therefore, it is important that results are entered immediately when attendance is known.

For information on how Providers can assess the job seeker's capability to record and report their own attendance and whether this should be included in the job seeker's Job Plan refer to the Job Plan and Setting Mutual Obligation Requirements Guideline on the Provider Portal.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 83A and 87 and ParentsNext Deed 2018-2021 Chapter B3)

2. Accruing Demerits and moving into the Warning Zone

When job seekers first commence in employment services, all job seekers will start in the Green Zone. Job seekers who meet all of their Mutual Obligation Requirements and continue to take personal responsibility for meeting those requirements will stay in the Green Zone. Where a job seeker commits a Mutual Obligation Failure without a Valid Reason and accrues their first Demerit, they will enter the Warning Zone.

A job seeker commits a Mutual Obligation Failure if they do one of the following:

- fail to attend, fail to be punctual for, or behave inappropriately at, a Provider Appointment;
- fail to attend, fail to be punctual for, fail to participate in, or behave inappropriately at, an Activity; or
- fail to attend, or behave inappropriately at, a Third Party Appointment; or
- fail to submit their required Job Searches; or
- fail to enter into, amend, or comply with a requirement of a Job Plan; or
- fail to attend a Job Interview, or fail to follow up on a Job Referral; or
- act intentionally in a manner that could sabotage a potential offer of employment; or
- submit inadequate quality or quantity of Job Search efforts that results in an Unsatisfactory Job Search assessment.

To assess whether the Job Search efforts submitted are adequate, in relation to assessing the quality of the job seeker's Job Search efforts, the Provider must consider whether the jobs applied for were:

- at variety of levels of seniority or remuneration that is suitable for job seeker,
- is in a variety of fields and occupations in which the job seeker is suitably qualified or has experience, if that work is suitable for the job seeker; and
- whether the job seeker is using a variety of methods to contact potential employers.

Mutual Obligation Failures are referred to as 'non-compliance' or a 'non-compliance event'.

Providers are responsible for making Demerit decisions based on their assessment of whether a job seeker has a Valid Reason for a Mutual Obligation Failure.

Most Mutual Obligation Failures without a Valid Reason will result in the job seeker accruing a single Demerit. Each accrued Demerit remains on the job seeker's record for six active months (for the meaning of 'six active months' refer to the *Social Security (Administration) (Non-Compliance) Determination 2018 (No. 1)*) in employment services, after which the Demerit will expire from the job seeker's record.

If, a job seeker in the Warning Zone continues to fully meet their Mutual Obligation Requirements and do not accrue any further Demerits within a six-month period, their Demerits will expire and the job seeker will return to the Green Zone.

If, a job seeker in the Warning Zone accrues five confirmed Demerits and is considered capable to meet their requirements at their Capability Assessment, they will then enter the Penalty Zone and their Income Support Payment will be reduced or cancelled if they commit a Mutual Obligation Failure without a Reasonable Excuse. See [Attachment A](#) for a visual overview of the Targeted Compliance Framework.



Documentary Evidence: Provider Appointment or Third Party Appointment—where the job seeker does not attend a Provider Appointment or a Third Party Appointment or behaves inappropriately at either appointment, evidence could include prior notification of details provided to a job seeker in relation to attending an Activity with an Employment Provider or third party or details of the incident, including dates, the parties involved and what occurred.



Documentary Evidence: Job Search—where the job seeker has chosen to report their Job Search efforts either fully or partially by completing and providing a hard copy form to their Provider, this evidence must be retained by the Provider and provided to the Department on request. The Provider may store any hard copy evidence into their own or the Department’s IT system.



Documentary Evidence: Job Plan—where the job seeker refuses to enter into a Job Plan, evidence could include a record of the discussion with the job seeker that is recorded in the ‘Comments’ screen in the Department’s IT system.



Documentary Evidence: Job Referral—where a job seeker fails to act on a Job Referral, evidence could include a job application (which counts towards the job seeker’s monthly Job Search Requirement), an updated résumé or advice from an employer that the job seeker has been in contact with them/provided relevant information.



Documentary Evidence: Job Interview—where the job seeker does not attend a Job Interview or behaves inappropriately at the Interview, evidence could include prior notification of details provided to a job seeker in relation to attending the Interview or details of the incident, including dates, the parties involved and what occurred.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 106, 106A, 113 and 114 and ParentsNext Deed 2018-2021 Chapter B3)

Acceptable Reason

If a job seeker becomes aware they will be unable to meet their requirement they must contact their Provider to give a reason for their inability to attend. The Provider must assess if the reason given is an Acceptable Reason for being unable to comply with the Mutual Obligation Requirement on the date or at the time the Mutual Obligation Requirement is scheduled to occur in their Calendar. If the Provider assesses the reason to be an Acceptable Reason, the Provider must reschedule or remove the requirement from the job seeker’s Calendar.

If the Provider does not consider the reason to be an Acceptable Reason they must record why in the Department’s IT System. The Provider must tell the job seeker why the reason is not considered acceptable and remind them that they are still expected to meet their requirement and the consequences of non-compliance.

If the job seeker still does not meet the requirement, the Provider must, where relevant, again attempt to contact the job seeker to discuss the reasons for the non-compliance. Providers must attempt to contact the job seeker on the day the requirement was missed to assess if there were other reasons impacting the job seeker’s ability to participate on that day. If the Provider assesses that there were other reasons impacting the job seeker’s ability to attend, this could be considered a Valid Reason (see below).

(Deed references: jobactive Deed 2015-2020 Chapter B3, clause 106B.1 and ParentsNext Deed 2018-2021 Chapter B3, Clause 89.1 and Annexure A1—Definitions)

Contacting the job seeker to assess non-compliance

When a job seeker does not comply with a Mutual Obligation Requirement, a Demerit gets notionally created on the job seeker’s record. The Demerit remains in place until such time as it is either confirmed or removed by the Provider, depending on the outcome of the Provider’s discussion with the job seeker.

The Provider must attempt to make contact with the job seeker on the same day they become aware of the non-compliance to discuss the circumstances and assess whether the job seeker has a Valid Reason for non-compliance.

(Deed references: jobactive Deed 2015-2020 clause 114.1 and ParentsNext Deed 2018-2021 clauses 96.1 and 98)

Contact Attempt Not Required

The Provider is not required to attempt to contact the job seeker if the non-compliance was because:

- the job seeker failed to report the required number of Job Searches by the end of their Job Search Period; or
- the job seeker refuses to sign their Job Plan, with or without the job seeker using their two days' think time

If contact attempt is not required as outlined above, the Provider should wait for the job seeker to make contact. Until the job seeker makes contact with their Provider to discuss the non-compliance, the job seeker's Income Support Payment will remain suspended until they meet the Re-engagement Requirement or, for some failure types, until the Provider enters a Valid Reason (see 'Setting a Re-engagement Requirement').

(Deed references: jobactive Deed 2015-2020 Chapter B3, clause 114.2 and ParentsNext Deed 2018-2021 Chapter B3, Clause 88, Clause 96.2 and Clause 96.5)

Contact not successful

If contact attempt is not successful, the Provider must record 'Did Not Attend—Invalid' in the Department's IT System. This will suspend the job seeker's payment and notionally create a Demerit on the job seeker's record.

If the job seeker has a mobile number on record, the Department's IT System will automatically notify them via SMS that their payment has been suspended. If the job seeker does not have a mobile number on record, the Provider will need to print off a letter to notify the job seeker of the payment suspension, and will need to post this letter to the job seeker.

Whether sent by SMS, email or mail, the payment suspension notice must advise the job seeker that:

- their payment is suspended;
- they will need to contact their Provider immediately to discuss their reasons for non-compliance and to arrange re-engagement;
- payment suspension will remain in place until the job seeker has re-engaged; and
- what they must do to re-engage and have their payment restored.

If the job seeker does not make contact with their Provider or meet their Re-engagement Requirement within 28 days, their income support payment is cancelled. There may be circumstances where the job seeker is legitimately unable to meet their Re-engagement Requirement in the required timeframe. In these instances, the Provider may lift the job seeker's payment suspension if the job seeker has an Acceptable Reason for being unable to meet their Re-engagement Requirement. In the Department's IT System, the Provider will record the reason the job seeker is unable to re-engage.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clause 114.5 and ParentsNext Deed 2018-2021 Section B3.3, Clause 96.5 and Clause 96.6)

Contact Successful

If contact is successful, the Provider must discuss the reasons for non-compliance with the job seeker. During this discussion, the Provider should consider:

- the reason the job seeker gave for the non-compliance;
- if the job seeker had a Valid Reason for the non-compliance;
- whether the job seeker could have reasonably given prior notice before the non-compliance; and
- what the Provider knows of the job seeker's personal circumstances.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 114.3, 114.4 and 114.6 and ParentsNext Deed 2018-2021 Section B3.3, Clause 96.3 and Clause 96.4)

Valid Reason

If a job seeker does not meet their Mutual Obligation Requirements and did not contact their Provider prior to the requirement to give an Acceptable Reason, Providers must assess if the job seeker has a Valid Reason for the non-compliance.

There are two considerations a Provider must take into account when assessing if the job seeker has a Valid Reason for failing to comply with a requirement. These are:

- if the reason the job seeker gave for not complying with their requirement is reasonable; and if so,
- was it reasonable to expect the job seeker to give prior notice of their inability to attend or comply.

If the job seeker did not give prior notice of their inability to attend or comply and it would have been reasonable to do so, a Valid Reason cannot be established as the job seeker could have told the Provider prior to the event.

For a full list of Valid Reasons from which Providers can select to record their decision please refer to the Targeted Compliance Framework Reference Guide. The list of Valid Reasons is exhaustive: if the reason the job seeker gives does not appear on the list of Valid Reasons, then the job seeker does not have a Valid Reason for non-compliance.

When discussing non-compliance Providers must not use the list of Valid Reasons to prompt and elicit a response from job seekers. Providers should use their judgement in selecting a reason that correctly reflects job seekers' circumstances at the time.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses, 114.4 and 114.6 and ParentsNext Deed 2018-2021 Section B3.3, Clause 96.4 and Clause 96.6A)

Where Valid Reason is assessed – Demerit Removed

If the Provider assesses the job seeker had a Valid Reason for not meeting a requirement, the Provider must record 'Did Not Attend—Valid', in the Department's IT system and the reason accepted into the Department's IT system. When the Provider enters the reason into the Department's IT system, the Demerit is auto removed from the job seeker's record.

(Deed references: jobactive Deed 2015-2020 clause 114.4 and 114.6 and ParentsNext Deed 2018-2021 Section B3.3, Clause 89 and Clause 98)

Where No Valid Reason assessed – Demerit Confirmed

If the job seeker does not have a Valid Reason for the non-compliance, the Provider must record 'Did Not Attend—Invalid' or 'Did Not Attend – Misconduct', and the reason not accepted as Valid in the Department's IT system. When the Provider enters the

reason they did not accept for the non-compliance, a Demerit is confirmed on the job seeker's record. Where a Demerit is confirmed, the Provider must explain their decision to the job seeker to ensure the job seeker understands why the Demerit was confirmed and the consequences for the Mutual Obligation Failure. This may include:

- that their Income Support Payment has been suspended as a result of a Mutual Obligation Failure;
- the impacts to the job seeker's Participation (Compliance) History and Compliance Status Indicator on their Dashboard;
- whether the failure type fast-tracks the job seeker to the Capability Interview;
- why the reason for non-compliance was not accepted by the Provider;
- the number of Demerits the job seeker has accrued;
- the importance of being compliant with Mutual Obligation Requirements;
- the consequences of persistent non-compliance, including financial penalties and cancellation of payment;
- the reasons for re-engaging and that Income Support Payments remain suspended until the Re-engagement Requirement is met; and
- the Re-engagement Requirement details.

Through reinforcing the consequences of not meeting requirements, job seekers will be encouraged to continue future participation.

(Deed references: Chapter B3, clause 114.4 and 114.6)

See [Setting the Re-engagement Requirement](#) in this document for information on setting Re-engagement Requirements.

Drug or alcohol dependency or misuse cannot repeatedly be used as an Acceptable or Valid Reason

From 1 July 2018, drug or alcohol dependency or misuse cannot be repeatedly used by a job seeker for not being able to meet requirements, unless the job seeker agrees to participate in treatment, where treatment is available and appropriate.

The first time a job seeker uses drug or alcohol misuse or dependency as a reason, Providers may accept this reason if it genuinely prevented the job seeker from complying. Providers will source and identify available and appropriate treatment programs, and they will encourage job seekers to participate. Participation in treatment services to address drug or alcohol misuse or dependency will either meet or reduce other Mutual Obligation Requirements.

Job seekers who decline to participate in treatment services, where treatment services are available and appropriate, will not be able to use drug or alcohol dependency as a reason for future non-compliance. Therefore, if they fail to meet a requirement in future due to their drug or alcohol misuse or dependency, this will not be taken into consideration when assessing non-compliance.

Where a job seeker agrees to participate in treatment services but the treatment was not available or appropriate, drug or alcohol misuse or dependency may be considered an Acceptable or Valid Reason if it impacted a job seeker's ability to comply.

Provider may manually remove confirmed Demerits

If a Provider becomes aware, after confirming a Demerit that:

- the requirement for which the Demerit was accrued was not appropriate for the job seeker;

- the job seeker had not disclosed circumstances that directly affected their capability to meet their requirements at the time and for which they are now receiving assistance to resolve;
 - the job seeker's undisclosed circumstances meant they had a Valid Reason for non-compliance; or
 - because of an administrative error, the Demerit should not have been confirmed
- the Provider must manually remove the confirmed Demerit from the job seeker's record. When manually removing the Demerit, the Provider must record the reasons why the Demerit is being removed in the Department's IT system. Manual removal of Demerits by the Provider may occur any time before the job seeker enters the Penalty Zone. The reasons for manual removal of Demerits will differ depending on the reason the Demerit was accrued.

See [Attachment B](#) for a list of the overarching reasons to be used by Providers when manually removing a demerit.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 114.11 and 114.12 and ParentsNext Deed 2018-2021 Section B3.3, Clause 98)

3. Setting a Re-engagement Requirement

A Re-engagement Requirement is the requirement, following non-compliance that a job seeker must meet to have their income support payment restored. A Re-engagement Requirement is referred to a Reconnection Requirement under legislation.

Managing a Single Re-engagement Requirement

When a Provider discusses a Mutual Obligation Failure with a job seeker (and confirms whether the job seeker had a Valid Reason for the non-compliance), the Provider must set the Re-engagement Requirement in the Department's IT system at the same time.

In most cases, the type of Re-engagement Requirement will be what the job seeker failed to meet—i.e. if the job seeker missed a Provider Appointment, the Re-engagement Requirement is a Provider Appointment. The Department's IT system will confirm the Re-engagement Requirement or identify the options for Providers to select from where more than one failure is outstanding. The Re-engagement Requirement may differ depending on the zone the job seeker is in.

The job seeker's Payment will remain suspended until the job seeker meets their Re-engagement Requirement.

See [Attachment C](#) for further information on managing a single Re-engagement Requirement for job seekers in the Warning Zone.

See [Attachment D](#) for further information on managing a single Re-engagement for job seekers in the Penalty Zone.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 83, 84, 106, 114.4, 114.5, 114.6, 115.3 and 115.5 and ParentsNext Deed 2018-2021 Section B3.3 and Clause 96)

Managing Multiple Re-engagement Requirements

If a job seeker commits another Mutual Obligation Failure before contact is made to discuss a first Mutual Obligation Failure, only one Re-engagement Requirement can be set.

For example: If a job seeker fails to attend a Provider Appointment in the morning and contact is not made with the job seeker before the job seeker then fails to attend an Activity in the afternoon, only one Re-engagement Requirement is set when contact is made.

Some Re-engagement Requirements will take priority over others. *For example:* if the Re-engagement Requirement is a Capability Interview, this would take priority over an Activity.

See [Attachment E](#) for further information on managing multiple Re-engagement Requirements for job seekers in the Warning Zone.

See [Attachment F](#) for further information on managing multiple Re-engagement Requirements for job seekers in the Penalty Zone.

Re-engagement Requirement automatically set

If the job seeker fails to agree to the Job Plan following the two days' 'think-time', the Department's IT system will automatically confirm a Demerit and set the Re-engagement Requirement for the job seeker to sign the Job Plan. The job seeker's payment will remain suspended until the job seeker meets the Re-engagement Requirement or the Provider enters a Valid Reason.

A similar process occurs if a job seeker fails to submit the correct number of Job Searches by the end of the Job Search Period. A Demerit will be automatically confirmed and the Re-engagement Requirement set, to complete the required number of Job Searches. Payment will remain suspended until the job seeker meets the Re-engagement Requirement or the Provider enters a Valid Reason.

In both cases, if the Provider enters a Valid Reason they must remove the Demerit, triggering restoration of payment and removing the Re-engagement Requirement.

However, payment suspension will not be lifted when the non-compliance triggers a Capability Interview or Capability Assessment. Payment suspension will remain until this Re-engagement Requirement is met.

See the Capability Interview Guideline and Capability Assessment Guideline on the Provider Portal for information on the Capability Interview and Capability Assessment.

(Deed references: jobactive Deed 2015-2020 Chapter B3 – clause 114.11 and 114.12 and ParentsNext Deed 2018-2021 Section B3)

Formally notifying the job seeker of their Re-engagement Requirement

Job seekers must be formally notified of their Re-engagement Requirement either by phone or face to face. Re-engagement Requirements must be scheduled to occur within two Business Days of making contact with the job seeker. Providers must formally notify job seekers of the date and time of the Re-engagement Requirement at the same time they record if a Valid Reason existed.

If the job seeker has multiple Re-engagement Requirements, as outlined in the [Managing Multiple Re-engagement Requirements](#) section of this document, the Provider must advise the job seeker they only need to meet one requirement.

(Deed references: jobactive Deed 2015-2020 Chapter B3 – clauses 114.4 and 114.6 and ParentsNext Deed 2018-2021 Section B3.3 and clauses 87.1, 96)

Job seeker is Unable to Re-engage within two Business Days

If the job seeker has a Valid Reason for being unable to meet their Re-engagement Requirement within the required timeframe, the Provider may lift the job seeker's payment suspension by recording the reason for the job seeker's inability to re-engage. This is because the job seeker's Income Support Payment cannot remain suspended for longer than two Business Days after contact has been made with them. The reasons for job seekers being unable to re-engage will differ depending on the Re-engagement Requirement type.

For a list of reasons of Unable to Re-engage reasons for each Re-engagement Requirement type refer to the Targeted Compliance Framework Reference Guide on the Learning Centre.

(Deed references: jobactive Deed 2015-2020 clause 84)

Certain Re-engagement Requirements not subject to two Business Days' rule

If the job seeker's Re-engagement Requirement is to:

- sign a Job Plan
- submit further or improve Job Search efforts submitted, or
- follow-up on a Job Referral

then the two Business Days' rule does not apply. In this case, the job seeker's payment will remain suspended until they complete their Re-engagement Requirement.

Re-engagement not required or not appropriate

While a job seeker has an outstanding Re-engagement Requirement, exceptional personal circumstances—or other circumstances that may not be directly related to the job seeker's situation (e.g. natural disasters)—may make it inappropriate for the job seeker to meet that Re-engagement Requirement.

The reasons that re-engagement may no longer be required or appropriate will differ depending on the Re-engagement Requirement.

Recording the reason why the Re-engagement Requirement is no longer required or appropriate will lift the job seeker's payment suspension.

For a list of reasons why re-engagement may no longer be required or appropriate for each Re-engagement Requirement type refer to the Targeted Compliance Framework Reference Guide on the Learning Centre.

Rescheduling the Re-engagement Requirement

Re-engagement Requirements can only be rescheduled if the job seeker has an Acceptable Reason.

The Re-engagement Requirement must be rescheduled to occur within seven calendar days of the original Re-engagement Requirement, unless the Re-engagement Requirement is a Capability Interview. If a Capability Interview is the Re-engagement Requirement and needs to be rescheduled is, the Capability Interview must be rescheduled to occur within 14 calendar days of the original Re-engagement Requirement.

The job seeker must be notified that they must meet their Re-engagement Requirement by its scheduled date at the same time they call their Provider with an Acceptable Reason for rescheduling the Re-engagement Requirement. Formally notifying the job

seeker of Re-engagement Requirements—including those that have been rescheduled—must be done over the phone, or face to face.

Once the Provider reschedules the Re-engagement Requirement and enters the Acceptable Reason into the Department's IT system the payment suspension will be lifted.

Job seekers are notified that they must contact DHS when the Re-engagement Requirement is a Capability Assessment. The job seeker's Income Support Payment remains suspended until the job seeker meets their Re-engagement Requirement.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 83, 84 and 106B and ParentsNext Deed 2018-2021 clauses 96 and 97)

4. The Capability Interview

Where a job seeker accrues three Demerits in a six-month period, or following a failure that 'fast tracks' them (see below), they will be required to attend a compulsory Capability Interview with their Provider.

The Capability Interview is designed to protect the most vulnerable job seekers. The focus of the Capability Interview is to ensure that job seekers are capable of meeting their Mutual Obligation Requirements as set out in their Job Plan, and to ensure that there are no unknown circumstances preventing the job seeker from meeting those requirements. Where a Provider determines that a job seeker is not capable of meeting their requirements, or that the job seeker requires further services or more tailored assistance, the Provider must update the job seeker's Job Plan to ensure their requirements are appropriate and that the job seeker is capable of successfully meeting them.

Following the Capability Interview, the Provider must include information about their assessment in the Department's IT system to decide if the job seeker is capable of meeting the current requirements in their Job Plan.

If, during the Capability Interview, the Provider determines that the job seeker is not capable of meeting their current requirements, the job seeker will return to the Green Zone with no accrued Demerits.

If the Provider assesses that the job seeker is capable of meeting their current requirements as set out in their Job Plan, the job seeker will continue in the Warning Zone.

See Capability Interview Guideline on the Provider Portal for further information on conducting the Capability Interview.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 83, 84, 87 114.7, 114.8 and 114.9 and ParentsNext Deed 2018-2021 clauses 72.1E, 75.3D, 96 and 97)

5. The Capability Assessment

If, after accruing three Demerits (and being assessed as capable of meeting their Mutual Obligation Requirements at the Capability Interview), a job seeker commits a further two failures within a six-month period, or following failures that 'fast-track' them (see below), they will be required to participate in a Capability Assessment conducted by DHS.

The Capability Assessment will assess whether the job seeker is capable of meeting their Mutual Obligation Requirements as set out in their Job Plan, or whether there are

personal circumstances or other issues impacting on the job seeker's ability to meet their requirements given that they have continued to be non-compliant following the Capability Interview. The Capability Assessment represents another review point prior to a job seeker moving into the Penalty Zone.

During the Capability Assessment, DHS may determine that the requirements in the job seeker's Job Plan are not appropriate and that, therefore, the job seeker is not capable of meeting their requirements. In this case, Providers must review the Capability Assessment outcomes with the job seeker and action them as appropriate—i.e. amend the requirements in the Job Plan to better suit the job seeker's current capacity and capability.

DHS will notify the Provider of what requirements are inappropriate and/or which parts of the Job Plan must be changed. The job seeker will be returned to the Green Zone with no accrued Demerits. If DHS refers the job seeker for an Employment Services Assessment (ESAt), this will finalise the Capability Assessment. However, job seekers are still required to meet their Mutual Obligation Requirements—such as attend Provider Appointments and complete their monthly Job Search—until the ESAt is finalised.

If DHS assesses that the job seeker is capable of meeting the requirements set out in their Job Plan, then the job seeker will move into the Penalty Zone and any accrued Demerits will stand.

For information on conducting the Capability Assessment refer to the Capability Assessment Guideline on the Provider Portal.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 83, 87 and 114.10 and ParentsNext Deed 2018-2021 Section B3.1, and clauses 87, 96 and 97)

Job seeker fast-tracked to Capability Interview or Capability Assessment

If a job seeker commits one of the following failures and they have not yet had either a Capability Interview or a Capability Assessment, then they will be fast-tracked to the next capability review point, regardless of their existing Demerit count:

- failure to follow up on a Job Referral; or
- failure to attend, or behave inappropriately at, a Job Interview.

For example: If a job seeker has accrued one Demerit on their record and then fails to follow up on a Job Referral, they will have to attend a compulsory Capability Interview with their Provider.

For example: If a job seeker has accrued three Demerits on their record, has already had a Capability Interview that found they were capable of meeting their requirements, and fails to attend a Job Interview, they will have to attend a compulsory Capability Assessment with DHS.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 87 114.7 and 114.10)

Other Failures that must be reported to the Department of Human Services

Providers must report any Work Refusal Failures and Unemployment Failures to DHS

Work Refusal Failures are:

- failing to accept an offer of a suitable job; and or
- refusing to accept an offer of a suitable job.

Unemployment Failures are becoming unemployed:

- as a direct or indirect result of a voluntary act of the job seeker; or

- as a result of the job seeker's misconduct as an employee.

See the [Work Refusal and Unemployment Failure Guideline](#) for further information on these failures.

(Deed references: jobactive Deed 2015-2020 Chapter B3, – clauses 115 and 115A6)

6. In the Penalty Zone

Providers must report and initially discuss non-compliance that occurs when the job seeker is in the Penalty Zone. Providers will be responsible for submitting Non-Compliance Reports if it seems that the job seeker has committed a Mutual Obligation Failure without a Valid Reason.

A job seeker will only enter the Penalty Zone following a Capability Assessment conducted by DHS if the job seeker is found to be capable of meeting their requirements as set out in their Job Plan. Under these circumstances, the job seeker's non-compliance is considered to be wilful and persistent.

Job seekers do not continue to accrue Demerits in the Penalty Zone; instead, when further non-compliance occurs, Providers submit a Non-compliance Report to DHS. If DHS determines that the job seeker has committed a failure without a Reasonable Excuse, a financial penalty will be applied. The decision to apply financial penalties is made by DHS under Social Security Law.

If a financial penalty is applied for a Mutual Obligation Failure in the Penalty Zone the job seeker will incur:

- a loss of 50 per cent of their fortnightly payment after the first failure in the Penalty Zone
- a loss of 100 per cent of their fortnightly payment after the second failure in the Penalty Zone
- payment cancellation and a four-week post cancellation non-payment period after the third failure.

Financial penalties and four-week preclusions from payment cannot be waived.

(Deed references: jobactive Deed 2015-2020 clause 114.4 and ParentsNext Deed 2018-2021 clauses 96 and 97)

7. Job seeker exits the Penalty Zone after fully meeting requirements for three months

If a job seeker in the Penalty Zone incurs no applied penalties for a period of three months, they will return to the Green Zone with no accrued Demerits.

The three-month period is calculated from either the date that DHS decides the job seeker is capable of meeting the requirements in their Job Plan following a Capability Assessment or, if the job seeker is already in the Penalty Zone, the date of the job seeker's last applied financial penalty.

8. Different processes for some Mutual Obligation Failures in the Warning and Penalty Zones

There are some Mutual Obligation Failures that have different processes.

Job seekers in the Warning Zone will be subject to the following non-compliance processes:

- Job Search – Where a job seeker fails to:
 - submit quality efforts as assessed by Providers up to five Business Days after the Job Search Period; and/or
 - submit the required number of Job Search efforts online by the end of their Job Search period, the Department’s IT system will automatically record Unsatisfactory;

their payment will be suspended, they will accrue a Demerit and their Re-engagement Requirement is to satisfactorily meet their Job Search Requirements to have their payment reinstated.

- Job Plan – Where job seekers:
 - fail to agree to their Job Plan through the Job Seeker App or jobactive website after two Business Days (10 business days for ParentsNext);
 - refuse to agree to the Job Plan at their Provider Appointment; or
 - fail to agree to or return the accepted Job Plan after they accepted two Business Days ‘think time’;

their payment will be suspended, they will accrue a Demerit and their Re-engagement Requirement will be that they must agree to the Job Plan. Once they agree to their Job Plan, their payment will be reinstated.

- Job Referral – Where a job seeker fails to act on a Job Referral, job seekers will accrue a Demerit and will be fast tracked to the next capability review regardless of their existing Demerit count. This capability review will be set as the job seeker’s Re-engagement Requirement, which they must meet to have their payment reinstated.

Job seekers in the Penalty Zone will be subject to the following non-compliance processes:

- Job Search – When the job seeker does not satisfactorily submit the number of required Job Search efforts or they are not of adequate quality, the Provider will submit a Non-Compliance Report to DHS for investigation. If DHS considers that the job seeker did not have a Reasonable Excuse, this will result in a financial penalty.
- Job Plan – Where job seekers:
 - fail to agree to their Job Plan through the Job Seeker App or jobactive website after two Business Days ‘think time’;
 - refuse to agree to the Job Plan at their Provider Appointment; or
 - fail to agree to or return the accepted Job Plan after they accepted two Business Days ‘think time’;

the Provider must submit a Non-Compliance Report to DHS for investigation. If DHS considers that the job seeker did not have a Reasonable Excuse for persistent non-compliance, this will result in a financial penalty.

- Job Referral – Where a job seeker fails to act on a Job Referral, their Re-engagement Requirement will be to act on the outstanding Job Referral, as applicable, to have their payment restored. Providers must monitor the job seeker to ensure they meet their Re-engagement Requirement. Providers will also need to submit a Non-Compliance Report to DHS for investigation, which may result in a financial penalty.

(Deed references: jobactive Deed 2015-2020 clause 114 and ParentsNext Deed 2018-2021 Section B3.3)

9. Job seeker may lodge a complaint about a Demerit decision with National Customer Service Line

While job seekers are not able to appeal a Provider's decision to confirm a Demerit, job seekers will contact their Provider in the first instance to discuss Demerit decisions. If, after this discussion, they still wish to contest a Demerit decision, they can contact the Department of Jobs and Small Business' National Customer Service Line (NCSL). In effect, when contacting the NCSL the job seeker would be making a jobactive servicing-related complaint. Where required, Providers must action complaints referred to them by the NCSL. This may include reviewing their decision-making processes, the Valid Reason decision or review information recorded in the Department's IT system.

(Deed references: jobactive Deed 2015-2020 clause 114.12 and ParentsNext Deed 2018-2021 clause 24)

10. Job seeker may appeal decisions made under Social Security Law

All job seekers have a right to appeal a decision to suspend their Income Support Payment due to non-compliance, and they have the right to appeal a decision by DHS to apply a financial penalty. These are decisions made under Social Security Law.

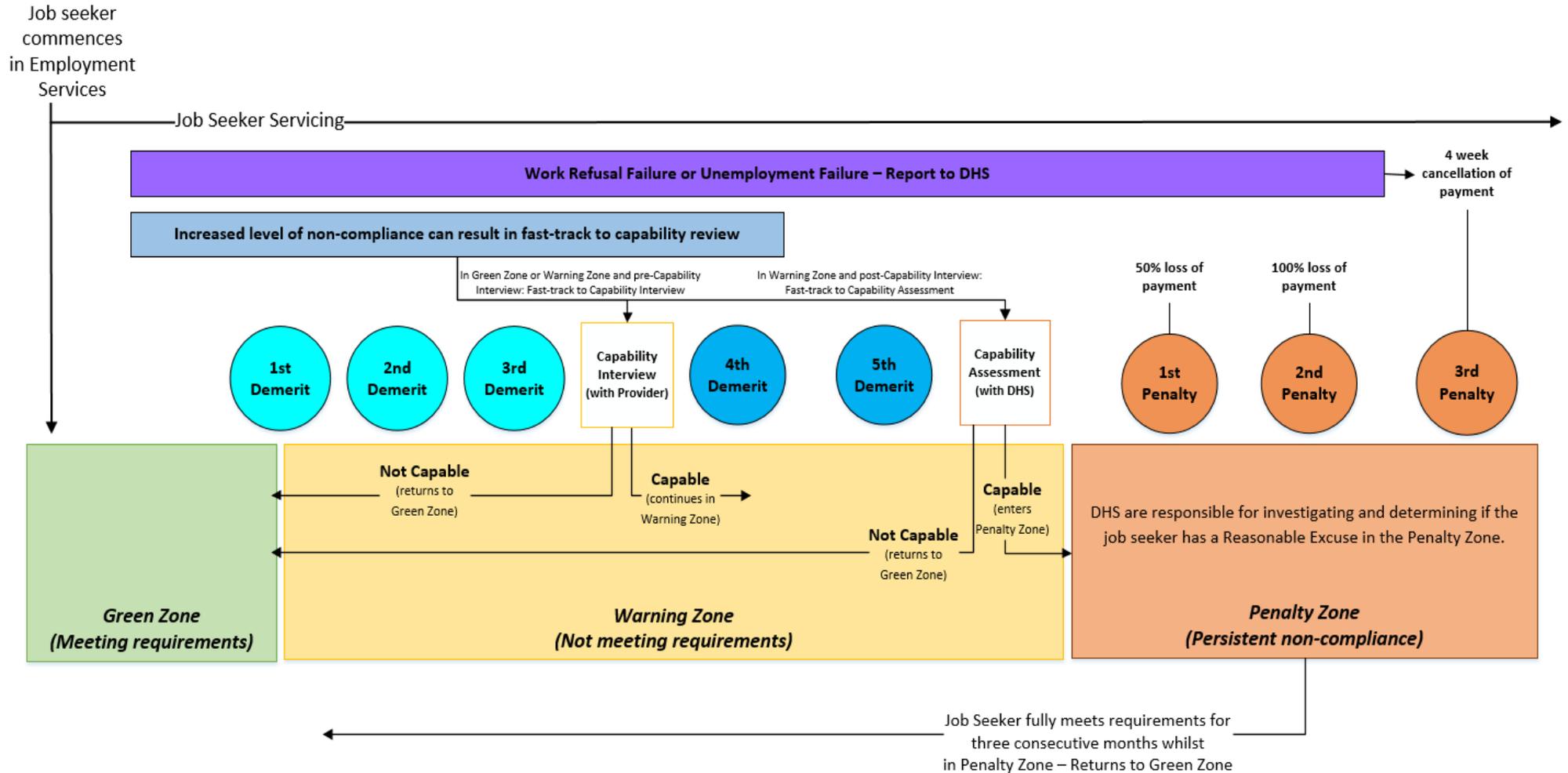
The accrual of a Demerit is not a decision made under Social Security Law, and as such, job seekers are not able to ask for a review of the decision under Social Security Law, or appeal this decision to a court or tribunal.

Summary of required Documentary Evidence

Depending on the failure that has occurred, in addition to the evidence recorded in the Department's IT system, evidence could include:

- prior notification of the requirement to attend, Job Referral, referral to a Job Interview or notification of an Employment Offer;
- prior notification of details provided to a job seeker in relation to attending an Activity or Appointment with an Employment Provider or third party;
- the format of the Notification (i.e. SMS, email or letter);
- fully or partially completed Job Searches provided in hard copy form;
- a record of a discussion with a job seeker where it has been recorded in the 'Comments' screen in the Department's IT system;
- details of the job/employer and/or details of the incident, including dates, the parties involved and what occurred; or
- details of the incident, including dates, the parties involved and what occurred.

Attachment A - Overview of the Targeted Compliance Framework



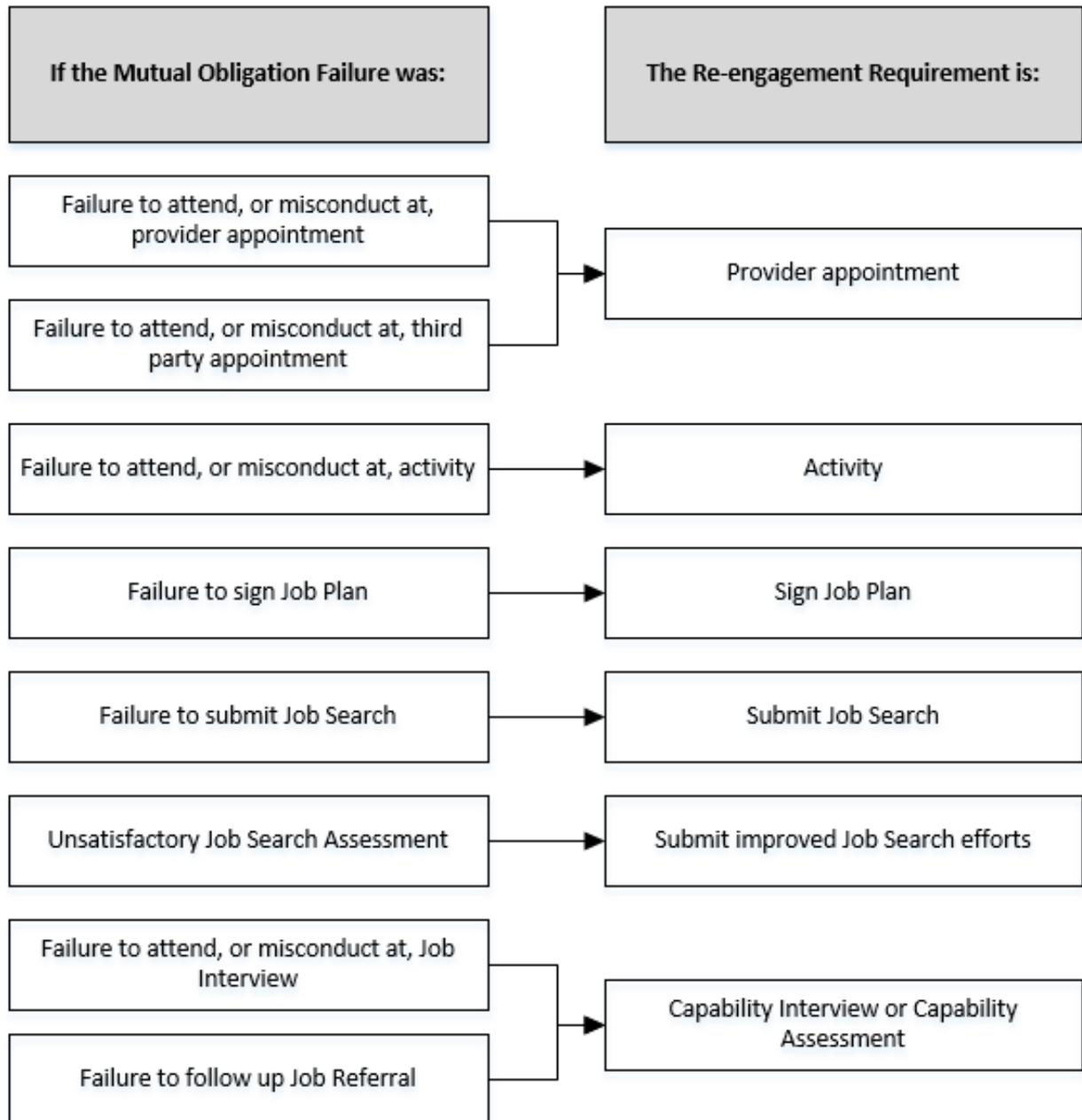
Attachment B – Reasons to Manually Remove a Demerit

Overarching reasons to be used by Providers when manually removing a demerit.

	Requirements applicable to:
Issue affected overall capability - requirements changed	All
New information disclosed – job seeker in services to address	All
New information disclosed - likely impacted compliance	All
Departmental override	All
Provider Error	All
Job Search efforts submitted after end of Job Search Period – Valid Reason identified	Job Search
Adjustment not made – paid work impacted number required	Job Search
Adjustment not made – exemption impacted number required	Job Search
Adjustment not made to number of Job Search efforts required	Job Search
Job Search efforts were reported manually within Job Search Period	Job Search
Job Search efforts were satisfactory	Job Search
Job Plan accepted online – Valid Reason identified	Job Plan
Signed Job Plan was returned	Job Plan – where think time granted (hardcopy)
Job Plan terms unreasonable/inappropriate	Job Plan – all scenarios
Job seeker did agree to Job Plan at appointment	Job Plan – think time granted (hardcopy) or refusal recorded
Job seeker did not refuse to sign Job Plan	Job Plan – refusal

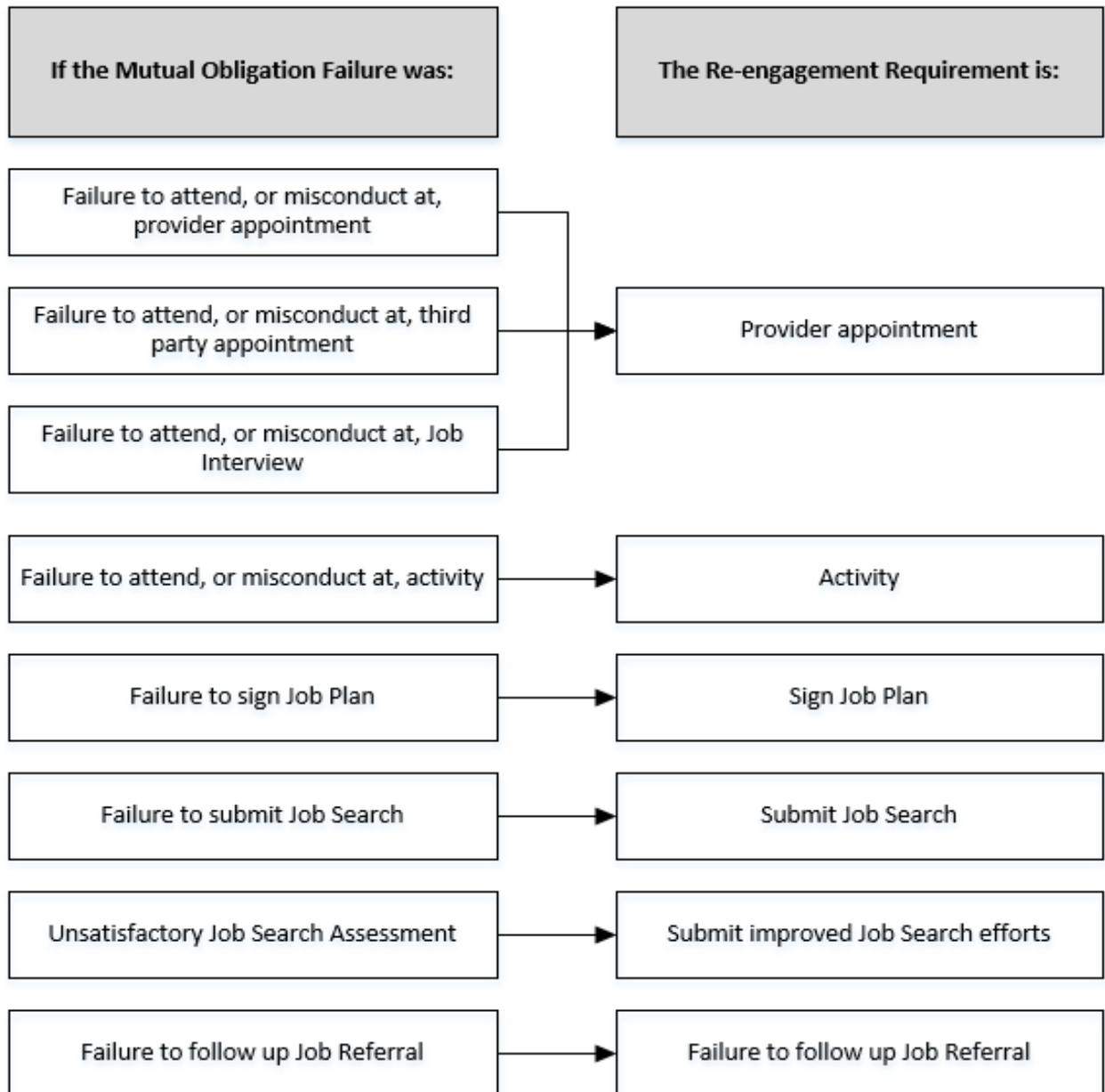
Attachment C – Single Re-engagement Requirement Warning Zone

The diagram below outlines the Re-engagement Requirement the Provider will set depending on the Mutual Obligation Failure for job seekers in the Warning Zone.



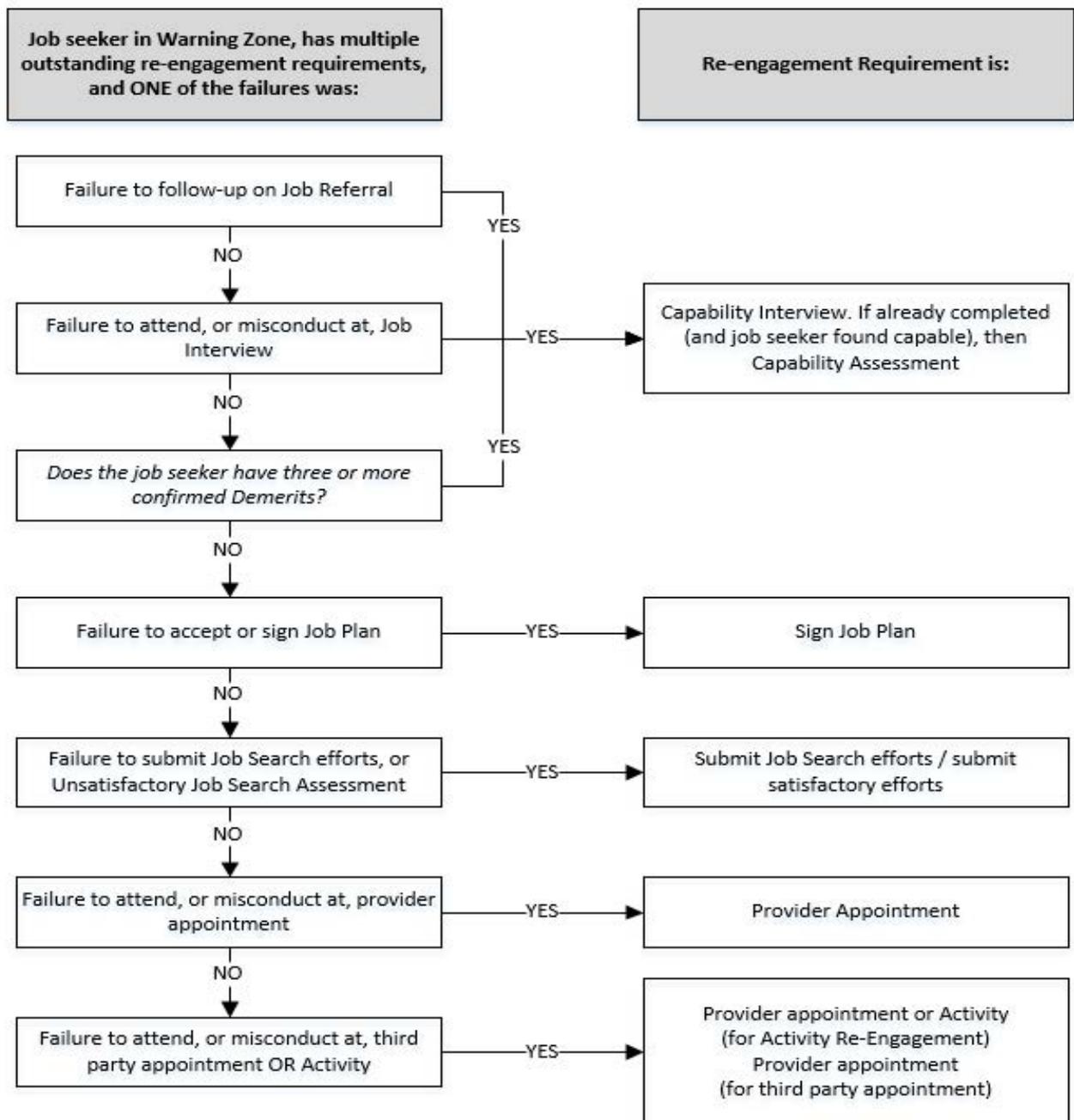
Attachment D – Single Re-engagement Requirement Penalty Zone

The diagram below outlines the Re-engagement Requirement the Provider will set depending on the Mutual Obligation Failure for job seekers in the Penalty Zone.



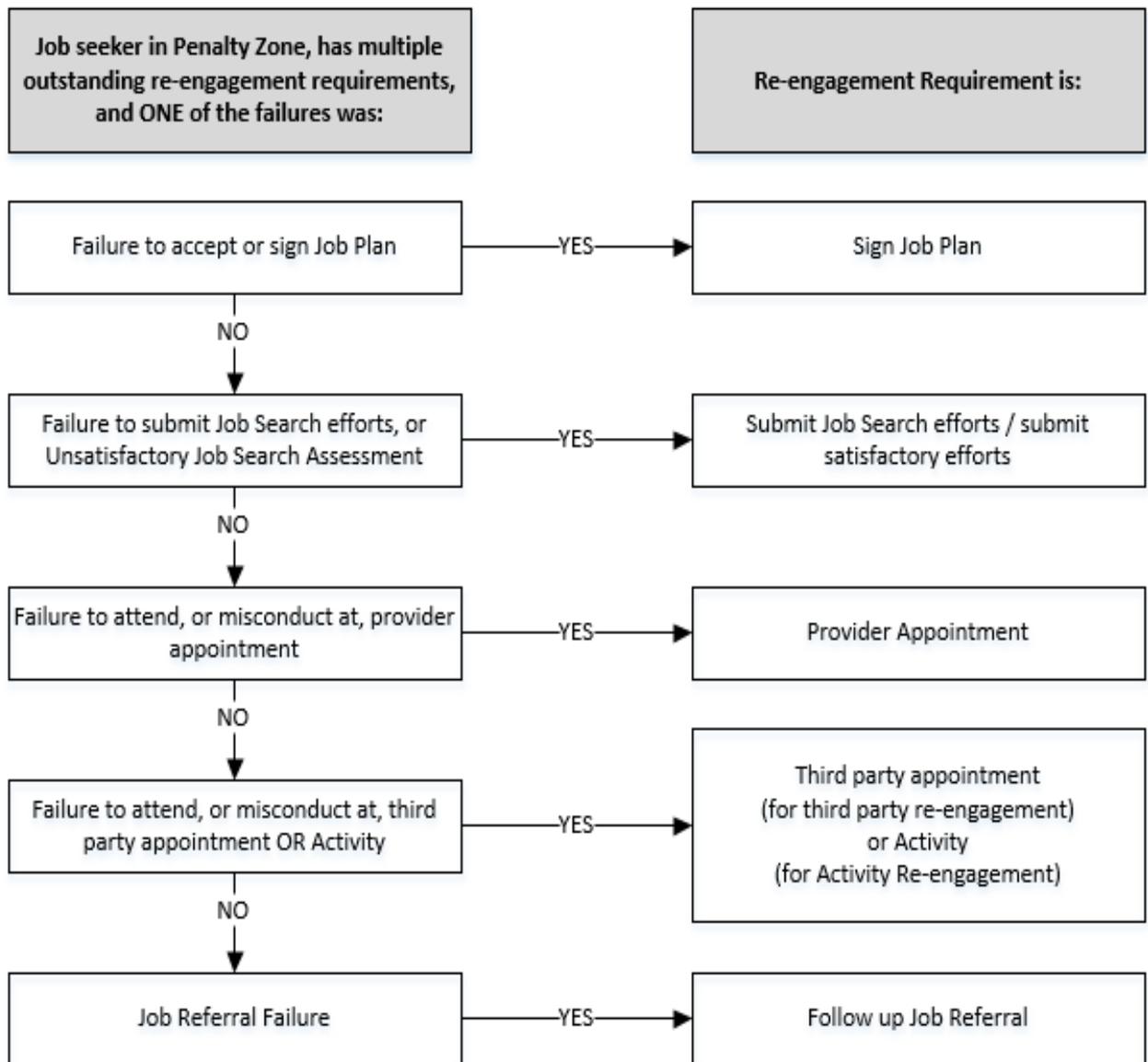
Attachment E – Multiple Re-engagement Requirements Warning Zone

The diagram below outlines how Re-engagement Requirements are prioritised by the system if a job seeker in the Warning Zone has more than one outstanding Re-engagement Requirement.



Attachment F – Multiple Re-engagement Requirements Penalty Zone

The diagram below outlines how Re-engagement Requirements are prioritised by the system if a job seeker in the Penalty Zone has more than one outstanding Re-engagement Requirement.



All capitalised terms in this Guideline have the same meaning as in the jobactive Deed 2015–2020 and the ParentsNext Deed 2018-2021 (the Deeds).

This Guideline is not a stand-alone document and does not contain the entirety of Employment Services Providers' obligations. It must be read in conjunction with the Deed and any relevant Guidelines or reference material issued by Department of Jobs and Small Business under or in connection with the Deed.



Guideline:

Targeted Compliance Framework: Mutual Obligation Failures

In the 2017–18 Budget the Australian Government announced the introduction of the Targeted Compliance Framework (TCF) commencing from 1 July 2018. The framework is designed to ensure only those job seekers who are persistently and wilfully non-compliant incur financial penalties while providing protections for the most vulnerable. It is designed to encourage job seekers to engage with their employment services provider (Provider), take personal responsibility for managing and meeting their Mutual Obligation Requirements, and actively look for work.

The TCF is comprised of three zones: Green Zone, the Warning Zone and the Penalty Zone. All job seekers will start in the Green Zone and, so long as they meet all their Mutual Obligation Requirements, they will remain in this zone. Where a job seeker commits a Mutual Obligation Failure they will move to the Warning Zone. If they continue to be non-compliant, they will be in either the Warning Zone or the Penalty Zone.

Mutual Obligation Failures committed by job seekers in the Green or Warning Zone result in the creation of a Demerit. If the Provider establishes that the job seeker has a Valid Reason for the failure, the Demerit is removed. If the Provider establishes that the job seeker did not have a Valid Reason, the Demerit is confirmed. A job seeker's first confirmed Demerit will move them from the Green Zone to the Warning Zone. Job seekers only accrue Demerits in the Warning Zone for Mutual Obligation Failures—i.e. there are no financial penalties in this zone. Instances of non-compliance will result in suspension of payment until the job seeker re-engages with their requirement. Providers are responsible for managing job seeker non-compliance by using payment suspensions and the accrual of Demerits. This will encourage job seekers to remain engaged and change their non-compliant behaviour prior to the application of any financial penalties.

Non-compliance without a Reasonable Excuse when the job seeker is in the Penalty Zone will result in financial penalties. Job seekers will only enter the Penalty Zone following multiple Mutual Obligation Failures and two reviews—one by their Provider and one by Department of Human Services—to confirm they have the capacity to meet their requirements outlined in their Job Plan.

For the purposes of this Guideline, for ParentsNext the term 'job seeker' refers to 'Participant' and 'Job Plan' refers to 'Participation Plan'.

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Changes from the previous version (Version 1.1)

Policy changes:

Nil

Wording changes:

Pg 10, 12, 20 – Minor wording updates

Pg 10, 14, 15 – Removed references to the Targeted Compliance Reference Guide
Pg 20, 21, 30, 31, 32, 33, 34, 35, 36 - Added [Attachments B](#), C, D, E, F, G, H, I, J.

A full document history is available at Provider Portal.

Related documents and references

jobactive

[Job Plan and Setting Mutual Obligation Requirements Guideline](#)
[Capability Assessment Guideline](#)
[Capability Interview Guideline](#)
[Work Refusal and Unemployment Failures Guideline](#)

ParentsNext

[Capability Assessment Guideline](#)
[Capability Interview Guideline](#)

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1. The Targeted Compliance Framework

Providers must actively monitor and record job seekers' compliance with their Mutual Obligation Requirements in the Department's IT system, including:

- attending Provider Appointments;
- attending Third Party Appointments;
- recording own attendance at Third Party Appointments, Activities and Job Interviews where relevant;
- attending Activities to meet their Annual Activity Requirement, where relevant;
- attending other Activities included in the Job Plan;
- following up on Job Referrals; and
- satisfactorily completing Job Search Requirements.

A job seeker's Income Support Payment may be:

- suspended, reduced and/or cancelled if they commit a Mutual Obligation Failure; that is, fail to comply with obligations such as attending appointments, undertaking activities, report satisfactory Job Search or taking action to gain employment as per requirements included in their Job Plan;
- suspended and cancelled if they commit a Work Refusal Failure; that is, refuse or fail to accept an offer of suitable employment; or
- cancelled if they commit an Unemployment Failure; that is, become unemployed because of a voluntary act (except a reasonable act) or misconduct.

One of the key principles of the TCF is 'personal responsibility'. Job seekers will be personally responsible for managing and meeting their Mutual Obligation Requirements each fortnight in return for their Income Support Payment. This means that job seekers will be responsible for:

- meeting their requirements as outlined in their Job Plan;
- recording or reporting their participation against the Mutual Obligation Requirements in their Job Plan (including requirements recorded in the job seeker's Electronic Calendar) where they are reasonably capable of doing so; and
- looking for work and reporting their Job Search efforts on time each month (where required to do so).

Providers must make an assessment on whether a job seeker is capable of self-reporting or recording their own attendance at requirements. Where a job seeker is assessed as not being capable of recording their own attendance the Provider must record attendance in the Calendar for the job seeker. Providers are encouraged to work with job seekers assessed as not capable of self-reporting to build the required skills to be able to report or record their own attendance. Where a Provider makes an assessment that a job seeker is capable of reporting or recording their own attendance the Provider must confirm with the job seeker that they understand that they must enter the attendance results by the close of business of the day of the requirement or their payment will be suspended until a result is entered.

Job seekers assessed by Providers as being reasonably capable of reporting their attendance at requirements will be expected to take personal responsibility for doing so. This includes:

- reporting their attendance at Activities;
- reporting their attendance at Third Party Appointments;
- reporting their attendance at Job Interviews;
- where they are not able to record their own attendance, supporting their Provider to record their attendance at daily requirements before the close of business by reporting their attendance either prior to the requirement or well before close of business;
- using IT functionality to schedule their own Personal Events to assist their Providers to schedule their Mutual Obligation Requirements at appropriate times;
- using IT functionality to access their own personal schedules to ensure they are aware of what they need to do and where they need to be each day to meet their requirements;
- take the initiative or be responsive when referred to a specific job or required to undertake a specific Job Referral task; and
- disclosing changes in personal circumstances or any issues which may be impacting on their ability to meet their requirements, so these can be considered and, where appropriate, their requirements changed or adjusted.

Job seekers' self-recording and reporting of attendance at requirements is one of the most significant components of the personal responsibility component of the TCF.

All Mutual Obligation Requirements must be scheduled in the Calendar, and attendance results for these requirements must be entered by close of business on the day of the requirement. If there is no result entered by close of business, either by Providers or job seekers, the Department's IT system will automatically suspend the job seeker's payment and the job seeker must contact their Provider. Whilst there is no Demerit associated with failure to report attendance at a requirement, a Demerit may apply for the requirement for which no result was entered if the job seeker did not attend without a Valid Reason (see Accruing Demerits and moving into the Warning Zone below).

Therefore, it is important that results are entered immediately when attendance is known.

For information on how Providers can assess the job seeker's capability to record and report their own attendance and whether this should be included in the job seeker's Job Plan refer to the Job Plan and Setting Mutual Obligation Requirements Guideline on the Provider Portal.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 83A and 87 and ParentsNext Deed 2018-2021 Chapter B3)

2. Accruing Demerits and moving into the Warning Zone

When job seekers first commence in employment services, all job seekers will start in the Green Zone. Job seekers who meet all of their Mutual Obligation Requirements and continue to take personal responsibility for meeting those requirements will stay in the Green Zone. Where a job seeker commits a Mutual Obligation Failure without a Valid Reason and accrues their first Demerit, they will enter the Warning Zone.

A job seeker commits a Mutual Obligation Failure if they do one of the following:

- fail to attend, fail to be punctual for, or behave inappropriately at, a Provider Appointment;
- fail to attend, fail to be punctual for, fail to participate in, or behave inappropriately at, an Activity; or
- fail to attend, or behave inappropriately at, a Third Party Appointment; or
- fail to submit their required Job Searches; or
- fail to enter into, amend, or comply with a requirement of a Job Plan; or
- fail to attend a Job Interview, or fail to follow up on a Job Referral; or
- act intentionally in a manner that could sabotage a potential offer of employment; or
- submit inadequate quality or quantity of Job Search efforts that results in an Unsatisfactory Job Search assessment.

To assess whether the Job Search efforts submitted are adequate, in relation to assessing the quality of the job seeker's Job Search efforts, the Provider must consider whether the jobs applied for were:

- at variety of levels of seniority or remuneration that is suitable for the job seeker,
- is in a variety of fields and occupations in which the job seeker is suitably qualified or has experience, if that work is suitable for the job seeker; and
- whether the job seeker is using a variety of methods to contact potential employers.

Mutual Obligation Failures are referred to as 'non-compliance' or a 'non-compliance event'.

Providers are responsible for making Demerit decisions based on their assessment of whether a job seeker has a Valid Reason for a Mutual Obligation Failure.

Most Mutual Obligation Failures without a Valid Reason will result in the job seeker accruing a single Demerit. Each accrued Demerit remains on the job seeker's record for six active months (for the meaning of 'six active months' refer to the *Social Security (Administration) (Non-Compliance) Determination 2018 (No. 1)*) in employment services, after which the Demerit will expire from the job seeker's record.

If, a job seeker in the Warning Zone continues to fully meet their Mutual Obligation Requirements and do not accrue any further Demerits within a six-month period, their Demerits will expire and the job seeker will return to the Green Zone.

If, a job seeker in the Warning Zone accrues five confirmed Demerits and is considered capable to meet their requirements at their Capability Assessment, they will then enter the Penalty Zone and their Income Support Payment will be reduced or cancelled if they commit a Mutual Obligation Failure without a Reasonable Excuse. See Attachment A for a visual overview of the Targeted Compliance Framework.



Documentary Evidence: Provider Appointment or Third Party Appointment—where the job seeker does not attend a Provider Appointment or a Third Party Appointment or behaves inappropriately at either appointment, evidence could include prior notification of details provided to a job seeker in relation to attending an Activity with an Employment Provider or third party or details of the incident, including dates, the parties involved and what occurred.



Documentary Evidence: Job Search—where the job seeker has chosen to report their Job Search efforts either fully or partially by completing and providing a hard copy form to their Provider, this evidence must be retained by the Provider and provided to the Department on request. The Provider may store any hard copy evidence into their own or the Department’s IT system.



Documentary Evidence: Job Plan—where the job seeker refuses to enter into a Job Plan, evidence could include a record of the discussion with the job seeker that is recorded in the ‘Comments’ screen in the Department’s IT system.



Documentary Evidence: Job Referral—where a job seeker fails to act on a Job Referral, evidence could include a job application (which counts towards the job seeker’s monthly Job Search Requirement), an updated résumé or advice from an employer that the job seeker has been in contact with them/provided relevant information.



Documentary Evidence: Job Interview—where the job seeker does not attend a Job Interview or behaves inappropriately at the Interview, evidence could include prior notification of details provided to a job seeker in relation to attending the Interview or details of the incident, including dates, the parties involved and what occurred.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 106, 106A, 113 and 114 and ParentsNext Deed 2018-2021 Chapter B3)

Acceptable Reason

If a job seeker becomes aware they will be unable to meet their requirement they must contact their Provider to give a reason for their inability to attend. The Provider must assess if the reason given is an Acceptable Reason for being unable to comply with the Mutual Obligation Requirement on the date or at the time the Mutual Obligation Requirement is scheduled to occur in their Calendar. If the Provider assesses the reason to be an Acceptable Reason, the Provider must reschedule or remove the requirement from the job seeker’s Calendar.

If the Provider does not consider the reason to be an Acceptable Reason they must record why in the Department’s IT System. The Provider must tell the job seeker why the reason is not considered acceptable and remind them that they are still expected to meet their requirement and the consequences of non-compliance.

If the job seeker still does not meet the requirement, the Provider must, where relevant, again attempt to contact the job seeker to discuss the reasons for the non-compliance. Providers must attempt to contact the job seeker on the day the requirement was missed to assess if there were other reasons impacting the job seeker’s ability to participate on that day. If the Provider assesses that there were other reasons impacting the job seeker’s ability to attend, this could be considered a [Valid Reason](#).

(Deed references: jobactive Deed 2015-2020 Chapter B3, clause 106B.1 and ParentsNext Deed 2018-2021 Chapter B3, Clause 89.1 and Annexure A1—Definitions)

Contacting the job seeker to assess non-compliance

When a job seeker does not comply with a Mutual Obligation Requirement, a Demerit gets notionally created on the job seeker’s record. The Demerit remains in place until

such time as it is either confirmed or removed by the Provider, depending on the outcome of the Provider's discussion with the job seeker.

The Provider must attempt to make contact with the job seeker on the same day they become aware of the non-compliance to discuss the circumstances and assess whether the job seeker has a Valid Reason for non-compliance.

(Deed references: jobactive Deed 2015-2020 clause 114.1 and ParentsNext Deed 2018-2021 clauses 96.1 and 98)

Contact Attempt Not Required

The Provider is not required to attempt to contact the job seeker if the non-compliance was because:

- the job seeker failed to report the required number of Job Searches by the end of their Job Search Period; or
- the job seeker refuses to sign their Job Plan, with or without the job seeker using their two days' think time.

If contact attempt is not required as outlined above, the Provider should wait for the job seeker to make contact. Until the job seeker makes contact with their Provider to discuss the non-compliance, the job seeker's Income Support Payment will remain suspended until they meet the Re-engagement Requirement or, for some failure types, until the Provider enters a Valid Reason (see 'Setting a Re-engagement Requirement').

(Deed references: jobactive Deed 2015-2020 Chapter B3, clause 114.2 and ParentsNext Deed 2018-2021 Chapter B3, Clause 88, Clause 96.2 and Clause 96.5)

Contact not successful

If contact attempt is not successful, the Provider must record 'Did Not Attend—Invalid' in the Department's IT System. This will suspend the job seeker's payment and notionally create a Demerit on the job seeker's record.

If the job seeker has a mobile number on record, the Department's IT System will automatically notify them via SMS that their payment has been suspended. If the job seeker does not have a mobile number on record, the Provider will need to print off a letter to notify the job seeker of the payment suspension, and will need to post this letter to the job seeker.

Whether sent by SMS, email or mail, the payment suspension notice must advise the job seeker that:

- their payment is suspended;
- they will need to contact their Provider immediately to discuss their reasons for non-compliance and to arrange re-engagement;
- payment suspension will remain in place until the job seeker has re-engaged; and
- what they must do to re-engage and have their payment restored.

If the job seeker does not make contact with their Provider or meet their Re-engagement Requirement within 28 days, their income support payment is cancelled. There may be circumstances where the job seeker is legitimately unable to meet their Re-engagement Requirement in the required timeframe. In these instances, the Provider may lift the job seeker's payment suspension if the job seeker has an

Acceptable Reason for being unable to meet their Re-engagement Requirement. In the Department's IT System, the Provider will record the reason the job seeker is unable to re-engage.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clause 114.5 and ParentsNext Deed 2018-2021 Section B3.3, Clause 96.5 and Clause 96.6)

Contact Successful

If contact is successful, the Provider must discuss the reasons for non-compliance with the job seeker. During this discussion, the Provider should consider:

- the reason the job seeker gave for the non-compliance;
- if the job seeker had a Valid Reason for the non-compliance;
- whether the job seeker could have reasonably given prior notice before the non-compliance; and
- what the Provider knows of the job seeker's personal circumstances.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 114.3, 114.4 and 114.6 and ParentsNext Deed 2018-2021 Section B3.3, Clause 96.3 and Clause 96.4)

Valid Reason

If a job seeker does not meet their Mutual Obligation Requirements and did not contact their Provider prior to the requirement to give an Acceptable Reason, Providers must assess if the job seeker has a Valid Reason for the non-compliance.

There are two considerations a Provider must take into account when assessing if the job seeker has a Valid Reason for failing to comply with a requirement. These are:

- if the reason the job seeker gave for not complying with their requirement is reasonable; and if so,
- was it reasonable to expect the job seeker to give prior notice of their inability to attend or comply.

If the job seeker did not give prior notice of their inability to attend or comply and it would have been reasonable to do so, a Valid Reason cannot be established as the job seeker could have told the Provider prior to the event.

For a full list of Valid Reasons from which Providers can select to record their decision please refer to [Attachment B](#). The list of Valid Reasons is exhaustive: if the reason the job seeker gives does not appear on the list of Valid Reasons, then the job seeker does not have a Valid Reason for non-compliance.

When discussing non-compliance Providers must not use the list of Valid Reasons to prompt and elicit a response from job seekers. Providers should use their judgement in selecting a reason that correctly reflects job seekers' circumstances at the time.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses, 114.4 and 114.6 and ParentsNext Deed 2018-2021 Section B3.3, Clause 96.4 and Clause 96.6A)

Where Valid Reason is assessed – Demerit Removed

If the Provider assesses the job seeker had a Valid Reason for not meeting a requirement, the Provider must record 'Did Not Attend—Valid', in the Department's IT system and the reason accepted into the Department's IT system. When the Provider

enters the reason into the Department's IT system, the Demerit is auto removed from the job seeker's record.

(Deed references: jobactive Deed 2015-2020 clause 114.4 and 114.6 and ParentsNext Deed 2018-2021 Section B3.3, Clause 89 and Clause 98)

Where No Valid Reason assessed – Demerit Confirmed

If the job seeker does not have a Valid Reason for the non-compliance, the Provider must record 'Did Not Attend—Invalid' or 'Did Not Attend – Misconduct', and the reason not accepted as Valid in the Department's IT system. When the Provider enters the reason they did not accept for the non-compliance, a Demerit is confirmed on the job seeker's record. Where a Demerit is confirmed, the Provider must explain their decision to the job seeker to ensure the job seeker understands why the Demerit was confirmed and the consequences for the Mutual Obligation Failure. This may include:

- that their Income Support Payment has been suspended as a result of a Mutual Obligation Failure;
- the impacts to the job seeker's Participation (Compliance) History and Compliance Status Indicator on their Dashboard;
- whether the failure type fast-tracks the job seeker to the Capability Interview;
- why the reason for non-compliance was not accepted by the Provider;
- the number of Demerits the job seeker has accrued;
- the importance of being compliant with Mutual Obligation Requirements;
- the consequences of persistent non-compliance, including financial penalties and cancellation of payment;
- the reasons for re-engaging and that Income Support Payments remain suspended until the Re-engagement Requirement is met; and
- the Re-engagement Requirement details.

Through reinforcing the consequences of not meeting requirements, job seekers will be encouraged to continue future participation.

(Deed references: Chapter B3, clause 114.4 and 114.6)

See [Setting the Re-engagement Requirement](#) in this document for information on setting Re-engagement Requirements.

Drug or alcohol dependency or misuse cannot repeatedly be used as an Acceptable or Valid Reason

From 1 July 2018, drug or alcohol dependency or misuse cannot be repeatedly used by a job seeker for not being able to meet requirements, unless the job seeker agrees to participate in treatment, where treatment is available and appropriate.

The first time a job seeker uses drug or alcohol misuse or dependency as a reason, Providers may accept this reason if it genuinely prevented the job seeker from complying. Providers will source and identify available and appropriate treatment programs, and they will encourage job seekers to participate. Participation in treatment services to address drug or alcohol misuse or dependency will either meet or reduce other Mutual Obligation Requirements.

Job seekers who decline to participate in treatment services, where treatment services are available and appropriate, will not be able to use drug or alcohol dependency as a reason for future non-compliance. Therefore, if they fail to meet a requirement in the future due to their drug or alcohol misuse or dependency, this will not be taken into consideration when assessing non-compliance.

Where a job seeker agrees to participate in treatment services but the treatment was not available or appropriate, drug or alcohol misuse or dependency may be considered an Acceptable or Valid Reason if it impacted a job seeker's ability to comply.

Provider may manually remove confirmed Demerits

If a Provider becomes aware, after confirming a Demerit that:

- the requirement for which the Demerit was accrued was not appropriate for the job seeker;
- the job seeker had not disclosed circumstances that directly affected their capability to meet their requirements at the time and for which they are now receiving assistance to resolve;
- the job seeker's undisclosed circumstances meant they had a Valid Reason for non-compliance; or
- because of an administrative error, the Demerit should not have been confirmed

The Provider must manually remove the confirmed Demerit from the job seeker's record. When manually removing the Demerit, the Provider must record the reasons why the Demerit is being removed in the Department's IT system. Manual removal of Demerits by the Provider may occur any time before the job seeker enters the Penalty Zone. The reasons for manual removal of Demerits will differ depending on the reason the Demerit was accrued.

See [Attachment C](#) for a list of the overarching reasons to be used by Providers when manually removing a demerit.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 114.11 and 114.12 and ParentsNext Deed 2018-2021 Section B3.3, Clause 98)

3. Setting a Re-engagement Requirement

A Re-engagement Requirement is the requirement, following non-compliance that a job seeker must meet to have their Income Support Payment restored. A Re-engagement Requirement is referred to a Reconnection Requirement under legislation.

Managing a Single Re-engagement Requirement

When a Provider discusses a Mutual Obligation Failure with a job seeker (and confirms whether the job seeker had a Valid Reason for the non-compliance), the Provider must set the Re-engagement Requirement in the Department's IT system at the same time.

In most cases, the type of Re-engagement Requirement will be what the job seeker failed to meet—i.e. if the job seeker missed a Provider Appointment, the Re-engagement Requirement is a Provider Appointment. The Department's IT system will confirm the Re-engagement Requirement or identify the options for Providers to

select from where more than one failure is outstanding. The Re-engagement Requirement may differ depending on the zone the job seeker is in.

The job seeker's payment will remain suspended until the job seeker meets their Re-engagement Requirement.

See [Attachment D](#) for further information on managing a single Re-engagement Requirement for job seekers in the Warning Zone.

See [Attachment E](#) for further information on managing a single Re-engagement for job seekers in the Penalty Zone.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 83, 84, 106, 114.4, 114.5, 114.6, 115.3 and 115.5 and ParentsNext Deed 2018-2021 Section B3.3 and Clause 96)

Managing Multiple Re-engagement Requirements

If a job seeker commits another Mutual Obligation Failure before contact is made to discuss a first Mutual Obligation Failure, only one Re-engagement Requirement can be set.

For example: If a job seeker fails to attend a Provider Appointment in the morning and contact is not made with the job seeker before the job seeker then fails to attend an Activity in the afternoon, only one Re-engagement Requirement is set when contact is made.

Some Re-engagement Requirements will take priority over others. *For example:* if the Re-engagement Requirement is a Capability Interview, this would take priority over an Activity.

See [Attachment F](#) for further information on managing multiple Re-engagement Requirements for job seekers in the Warning Zone.

See [Attachment G](#) for further information on managing multiple Re-engagement Requirements for job seekers in the Penalty Zone.

Re-engagement Requirement automatically set

If the job seeker fails to agree to the Job Plan following the two days' 'think-time', the Department's IT system will automatically confirm a Demerit and set the Re-engagement Requirement for the job seeker to sign the Job Plan. The job seeker's payment will remain suspended until the job seeker meets the Re-engagement Requirement or the Provider enters a Valid Reason.

A similar process occurs if a job seeker fails to submit the correct number of Job Searches by the end of the Job Search Period. A Demerit will be automatically confirmed and the Re-engagement Requirement set, to complete the required number of Job Searches. Payment will remain suspended until the job seeker meets the Re-engagement Requirement or the Provider enters a Valid Reason.

In both cases, if the Provider enters a Valid Reason they must remove the Demerit, triggering restoration of payment and removing the Re-engagement Requirement.

However, payment suspension will not be lifted when the non-compliance triggers a Capability Interview or Capability Assessment. Payment suspension will remain until this Re-engagement Requirement is met.

See the Capability Interview Guideline and Capability Assessment Guideline on the Provider Portal for information on the Capability Interview and Capability Assessment.

(Deed references: jobactive Deed 2015-2020 Chapter B3 – clause 114.11 and 114.12 and ParentsNext Deed 2018-2021 Section B3)

Formally notifying the job seeker of their Re-engagement Requirement

Job seekers must be formally notified of their Re-engagement Requirement either by phone or face to face. Re-engagement Requirements must be scheduled to occur within two Business Days of making contact with the job seeker. Providers must formally notify job seekers of the date and time of the Re-engagement Requirement at the same time they record if a Valid Reason existed.

If the job seeker has multiple Re-engagement Requirements, as outlined in the [Managing Multiple Re-engagement Requirements](#) section of this document, the Provider must advise the job seeker they only need to meet one requirement.

(Deed references: jobactive Deed 2015-2020 Chapter B3 – clauses 114.4 and 114.6 and ParentsNext Deed 2018-2021 Section B3.3 and clauses 87.1, 96)

Job seeker is Unable to Re-engage within two Business Days

If the job seeker has a Valid Reason for being unable to meet their Re-engagement Requirement within the required timeframe, the Provider may lift the job seeker's payment suspension by recording the reason for the job seeker's inability to re-engage. This is because the job seeker's Income Support Payment cannot remain suspended for longer than two Business Days after contact has been made with them. The reasons for job seekers being unable to re-engage will differ depending on the Re-engagement Requirement type.

For a list of reasons of Unable to Re-engage reasons for each Re-engagement Requirement type refer [Attachment H](#).

(Deed references: jobactive Deed 2015-2020 clause 84)

Certain Re-engagement Requirements not subject to two Business Days' rule

If the job seeker's Re-engagement Requirement is to:

- sign a Job Plan
- submit further or improve Job Search efforts submitted, or
- follow-up on a Job Referral

then the two Business Days' rule does not apply. In this case, the job seeker's payment will remain suspended until they complete their Re-engagement Requirement.

Re-engagement not required or not appropriate

While a job seeker has an outstanding Re-engagement Requirement, exceptional personal circumstances—or other circumstances that may not be directly related to the

job seeker's situation (e.g. natural disasters)—may make it inappropriate for the job seeker to meet that Re-engagement Requirement.

The reasons that re-engagement may no longer be required or appropriate will differ depending on the Re-engagement Requirement.

Recording the reason why the Re-engagement Requirement is no longer required or appropriate will lift the job seeker's payment suspension.

For a list of reasons why re-engagement may no longer be required or appropriate for each Re-engagement Requirement type refer [Attachment J](#).

Rescheduling the Re-engagement Requirement

Re-engagement Requirements can only be rescheduled if the job seeker has an Acceptable Reason.

The Re-engagement Requirement must be rescheduled to occur within seven calendar days of the original Re-engagement Requirement, unless the Re-engagement Requirement is a Capability Interview. If, a Capability Interview is the Re-engagement Requirement and needs to be rescheduled is, the Capability Interview must be rescheduled to occur within 14 calendar days of the original Re-engagement Requirement.

The job seeker must be notified that they must meet their Re-engagement Requirement by its scheduled date at the same time they call their Provider with an Acceptable Reason for rescheduling the Re-engagement Requirement. Formally notifying the job seeker of Re-engagement Requirements—including those that have been rescheduled—must be done over the phone, or face to face.

Once the Provider reschedules the Re-engagement Requirement and enters the Acceptable Reason into the Department's IT system the payment suspension will be lifted.

Job seekers are notified that they must contact DHS when the Re-engagement Requirement is a Capability Assessment. The job seeker's Income Support Payment remains suspended until the job seeker meets their Re-engagement Requirement.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 83, 84 and 106B and ParentsNext Deed 2018-2021 clauses 96 and 97)

4. The Capability Interview

Where a job seeker accrues three Demerits in a six-month period, or following a failure that 'fast tracks' them (see below), they will be required to attend a compulsory Capability Interview with their Provider.

The Capability Interview is designed to protect the most vulnerable job seekers. The focus of the Capability Interview is to ensure that job seekers are capable of meeting their Mutual Obligation Requirements as set out in their Job Plan, and to ensure that there are no unknown circumstances preventing the job seeker from meeting those requirements. Where a Provider determines that a job seeker is not capable of meeting their requirements, or that the job seeker requires further services or more tailored assistance, the Provider must update the job seeker's Job Plan to ensure their

requirements are appropriate and that the job seeker is capable of successfully meeting them.

Following the Capability Interview, the Provider must include information about their assessment in the Department's IT system to decide if the job seeker is capable of meeting the current requirements in their Job Plan.

If, during the Capability Interview, the Provider determines that the job seeker is not capable of meeting their current requirements, the job seeker will return to the Green Zone with no accrued Demerits.

If the Provider assesses that the job seeker is capable of meeting their current requirements as set out in their Job Plan, the job seeker will continue in the Warning Zone.

See Capability Interview Guideline on the Provider Portal for further information on conducting the Capability Interview.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 83, 84, 87 114.7, 114.8 and 114.9 and ParentsNext Deed 2018-2021 clauses 72.1E, 75.3D, 96 and 97)

5. The Capability Assessment

If, after accruing three Demerits (and being assessed as capable of meeting their Mutual Obligation Requirements at the Capability Interview), a job seeker commits a further two failures within a six-month period, or following failures that 'fast-track' them (see below), they will be required to participate in a Capability Assessment conducted by DHS.

The Capability Assessment will assess whether the job seeker is capable of meeting their Mutual Obligation Requirements as set out in their Job Plan, or whether there are personal circumstances or other issues impacting on the job seeker's ability to meet their requirements given that they have continued to be non-compliant following the Capability Interview. The Capability Assessment represents another review point prior to a job seeker moving into the Penalty Zone.

During the Capability Assessment, DHS may determine that the requirements in the job seeker's Job Plan are not appropriate and that, therefore, the job seeker is not capable of meeting their requirements. In this case, Providers must review the Capability Assessment outcomes with the job seeker and action them as appropriate—i.e. amend the requirements in the Job Plan to better suit the job seeker's current capacity and capability.

DHS will notify the Provider of what requirements are inappropriate and/or which parts of the Job Plan must be changed. The job seeker will be returned to the Green Zone with no accrued Demerits. If DHS refers the job seeker for an Employment Services Assessment (ESAt), this will finalise the Capability Assessment. However, job seekers are still required to meet their Mutual Obligation Requirements—such as attend Provider Appointments and complete their monthly Job Search—until the ESAt is finalised.

If DHS assesses that the job seeker is capable of meeting the requirements set out in their Job Plan, then the job seeker will move into the Penalty Zone and any accrued Demerits will stand.

For information on conducting the Capability Assessment refer to the Capability Assessment Guideline on the Provider Portal.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 83, 87 and 114.10 and ParentsNext Deed 2018-2021 Section B3.1, and clauses 87, 96 and 97)

Job seeker fast-tracked to Capability Interview or Capability Assessment

If a job seeker commits one of the following failures and they have not yet had either a Capability Interview or a Capability Assessment, then they will be fast-tracked to the next capability review point, regardless of their existing Demerit count:

- failure to follow up on a Job Referral; or
- failure to attend, or behave inappropriately at, a Job Interview.

For example: If a job seeker has accrued one Demerit on their record and then fails to follow up on a Job Referral, they will have to attend a compulsory Capability Interview with their Provider.

For example: If a job seeker has accrued three Demerits on their record, has already had a Capability Interview that found they were capable of meeting their requirements, and fails to attend a Job Interview, they will have to attend a compulsory Capability Assessment with DHS.

(Deed references: jobactive Deed 2015-2020 Chapter B3, clauses 87 114.7 and 114.10)

Other Failures that must be reported to the Department of Human Services

Providers must report any Work Refusal Failures and Unemployment Failures to DHS.

Work Refusal Failures are:

- failing to accept an offer of a suitable job; and or
- refusing to accept an offer of a suitable job.

Unemployment Failures are becoming unemployed:

- as a direct or indirect result of a voluntary act of the job seeker; or
- as a result of the job seeker's misconduct as an employee.

See the [Work Refusal and Unemployment Failure Guideline](#) for further information on these failures.

(Deed references: jobactive Deed 2015-2020 Chapter B3, – clauses 115 and 115A6)

6. In the Penalty Zone

Providers must report and initially discuss non-compliance that occurs when the job seeker is in the Penalty Zone. Providers will be responsible for submitting Non-Compliance Reports if it seems that the job seeker has committed a Mutual Obligation Failure without a Valid Reason.

A job seeker will only enter the Penalty Zone following a Capability Assessment conducted by DHS if the job seeker is found to be capable of meeting their requirements as set out in their Job Plan. Under these circumstances, the job seeker's non-compliance is considered to be wilful and persistent.

Job seekers do not continue to accrue Demerits in the Penalty Zone; instead, when further non-compliance occurs, Providers submit a Non-compliance Report to DHS. If DHS determines that the job seeker has committed a failure without a Reasonable Excuse, a financial penalty will be applied. The decision to apply financial penalties is made by DHS under Social Security Law.

If a financial penalty is applied for a Mutual Obligation Failure in the Penalty Zone the job seeker will incur:

- a loss of 50 per cent of their fortnightly payment after the first failure in the Penalty Zone
- a loss of 100 per cent of their fortnightly payment after the second failure in the Penalty Zone
- payment cancellation and a four-week post cancellation non-payment period after the third failure.

Financial penalties and four-week preclusions from payment cannot be waived.

(Deed references: jobactive Deed 2015-2020 clause 114.4 and ParentsNext Deed 2018-2021 clauses 96 and 97)

7. Job seeker exits the Penalty Zone after fully meeting requirements for three months

If a job seeker in the Penalty Zone incurs no applied penalties for a period of three months, they will return to the Green Zone with no accrued Demerits.

The three-month period is calculated from either the date that DHS decides the job seeker is capable of meeting the requirements in their Job Plan following a Capability Assessment or, if the job seeker is already in the Penalty Zone, the date of the job seeker's last applied financial penalty.

8. Different processes for some Mutual Obligation Failures in the Warning and Penalty Zones

There are some Mutual Obligation Failures that have different processes.

Job seekers in the Warning Zone will be subject to the following non-compliance processes:

- Job Search – Where a job seeker fails to:
 - submit quality efforts as assessed by Providers up to five Business Days after the Job Search Period; and/or
 - submit the required number of Job Search efforts online by the end of their Job Search period, the Department's IT system will automatically record Unsatisfactory;

their payment will be suspended, they will accrue a Demerit and their Re-engagement Requirement is to satisfactorily meet their Job Search Requirements to have their payment reinstated.

- Job Plan – Where job seekers:
 - fail to agree to their Job Plan through the Job Seeker App or jobactive website after two Business Days (10 business days for ParentsNext);

- refuse to agree to the Job Plan at their Provider Appointment; or
- fail to agree to or return the accepted Job Plan after they accepted two Business Days ‘think time’;

their payment will be suspended, they will accrue a Demerit and their Re-engagement Requirement will be that they must agree to the Job Plan. Once they agree to their Job Plan, their payment will be reinstated.

- Job Referral – Where a job seeker fails to act on a Job Referral, job seekers will accrue a Demerit and will be fast tracked to the next capability review regardless of their existing Demerit count. This capability review will be set as the job seeker’s Re-engagement Requirement, which they must meet to have their payment reinstated.

Job seekers in the Penalty Zone will be subject to the following non-compliance processes:

- Job Search – When the job seeker does not satisfactorily submit the number of required Job Search efforts or they are not of adequate quality, the Provider will submit a Non-Compliance Report to DHS for investigation. If DHS considers that the job seeker did not have a Reasonable Excuse, this will result in a financial penalty.
- Job Plan – Where job seekers:
 - fail to agree to their Job Plan through the Job Seeker App or jobactive website after two Business Days ‘think time’;
 - refuse to agree to the Job Plan at their Provider Appointment; or
 - fail to agree to or return the accepted Job Plan after they accepted two Business Days ‘think time’;

the Provider must submit a Non-Compliance Report to DHS for investigation. If DHS considers that the job seeker did not have a Reasonable Excuse for persistent non-compliance, this will result in a financial penalty.

- Job Referral – Where a job seeker fails to act on a Job Referral, their Re-engagement Requirement will be to act on the outstanding Job Referral, as applicable, to have their payment restored. Providers must monitor the job seeker to ensure they meet their Re-engagement Requirement. Providers will also need to submit a Non-Compliance Report to DHS for investigation, which may result in a financial penalty.

(Deed references: jobactive Deed 2015-2020 clause 114 and ParentsNext Deed 2018-2021 Section B3.3)

9. Job seeker may lodge a complaint about a Demerit decision with National Customer Service Line

While job seekers are not able to appeal a Provider’s decision to confirm a Demerit, job seekers will contact their Provider in the first instance to discuss Demerit decisions. If, after this discussion, they still wish to contest a Demerit decision, they can contact the Department of Jobs and Small Business’ National Customer Service Line (NCSL). In effect, when contacting the NCSL the job seeker would be making a jobactive servicing-related complaint. Where required, Providers must action complaints referred to them by the NCSL. This may include reviewing their decision-making processes, the Valid Reason decision or review information recorded in the Department’s IT system.

(Deed references: jobactive Deed 2015-2020 clause 114.12 and ParentsNext Deed 2018-2021 clause 24)

10. Job seeker may appeal decisions made under Social Security Law

All job seekers have a right to appeal a decision to suspend their Income Support Payment due to non-compliance, and they have the right to appeal a decision by DHS to apply a financial penalty. These are decisions made under Social Security Law.

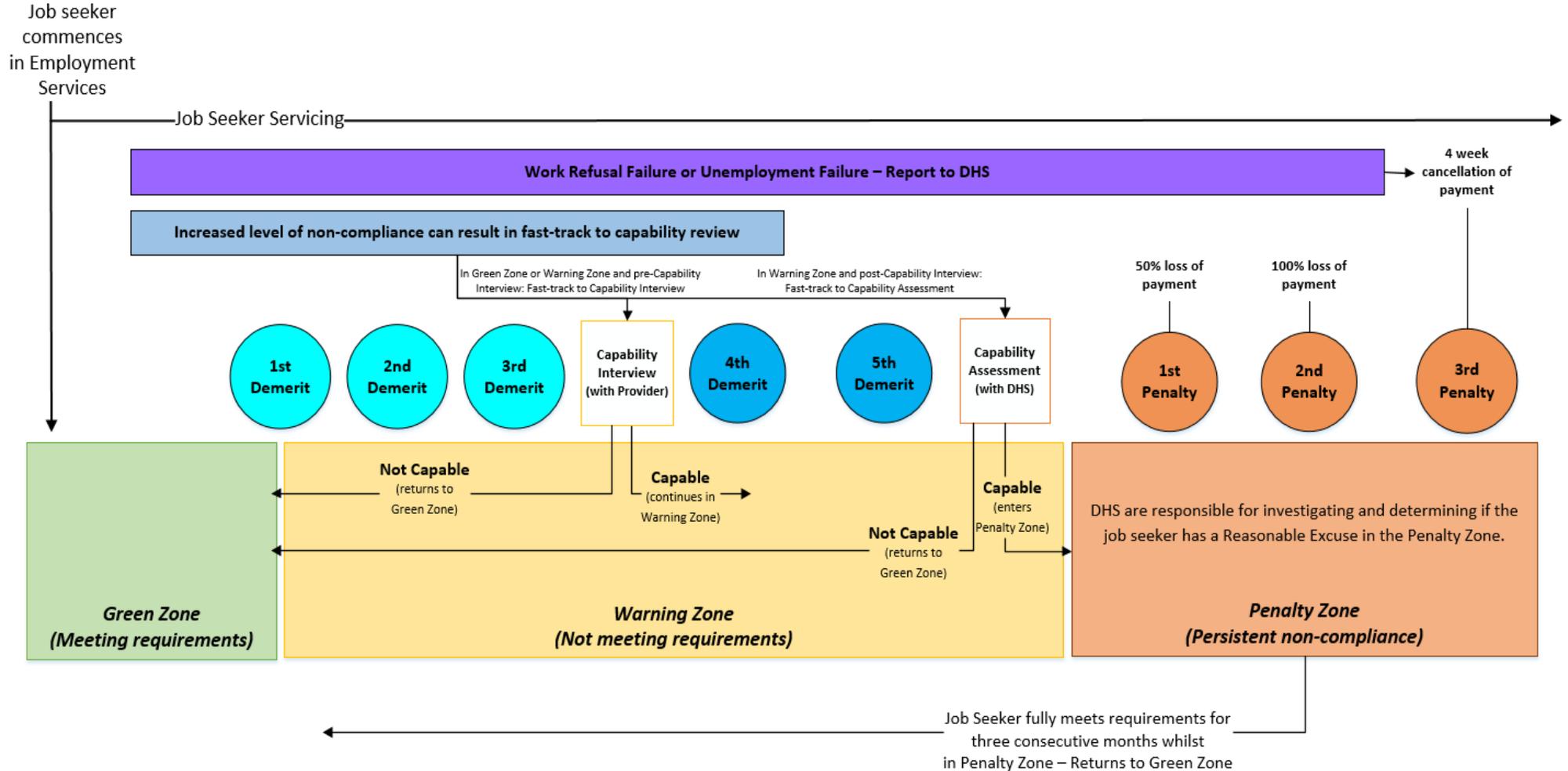
The accrual of a Demerit is not a decision made under Social Security Law, and as such, job seekers are not able to ask for a review of the decision under Social Security Law, or appeal this decision to a court or tribunal.

Summary of required Documentary Evidence

Depending on the failure that has occurred, in addition to the evidence recorded in the Department's IT system, evidence could include:

- prior notification of the requirement to attend, Job Referral, referral to a Job Interview or notification of an Employment Offer;
- prior notification of details provided to a job seeker in relation to attending an Activity or Appointment with a Provider or third party;
- the format of the Notification (i.e. SMS, email or letter);
- fully or partially completed Job Searches provided in hard copy form;
- a record of a discussion with a job seeker where it has been recorded in the 'Comments' screen in the Department's IT system;
- details of the job/employer and/or details of the incident, including dates, the parties involved and what occurred; or
- details of the incident, including dates, the parties involved and what occurred.

Attachment A - Overview of the Targeted Compliance Framework



Attachment B – Full list of Valid Reasons from which Providers can select to record their decision Failure to attend a Provider Appointment, Third Party Appointment, Activity or Job Interview

Reasons Accepted	Reasons Not Accepted
<ul style="list-style-type: none"> • Caring/family reasons that were unforeseeable—unable to advise prior • Conditions or pay not suitable* • Conditions/skills beyond job seeker capacity* • Cultural business—unable to advise prior • Believe job seeker thought they were exempt • Housing instability issues—unable to advise prior • Housing—landlord/property inspection—unable to advise prior • Legal requirements—unable to advise prior • Local issue/natural disaster—unable to advise prior • Major personal crisis affected job seeker—unable to advise prior • Medical/health reason—unable to advise prior • Notification issue—not aware of requirement • Travel/transport, did not have money to pay—unable to advise prior • Travel/transport access issue—unable to advise prior • Working on day of requirement—unable to advise prior • 	<ul style="list-style-type: none"> • Away from home/on holiday • Caring/family reasons • Caring—claims childcare will be too expensive if offered job* • Conditions—claims job does not match skills* • Conditions—claims not in preferred* employment industry* • Did not believe they had a requirement • Did not think they had to attend—thought exempt • Did not want to attend requirement • Forgot about requirement • Got lost/got time wrong • Housing instability issues • Medical/health reason • Slept in/missed requirement • Travel/transport—did not have money to pay • Travel/transport issue—did not have access • Travel/transport issue—claims distance too great • Undertaking other non-mutual obligation requirement • Prior notice not given and reasonable to expect: <ul style="list-style-type: none"> • Caring/family reasons • Housing—landlord/property inspection • Legal requirement • Medical/health reason • Travel/transport—did not have money to pay • Travel/transport issue—did not have access • Working on day of requirement

*Applicable to Job Interviews only

Misconduct at Provider Appointment, Third Party Appointment, Activity or Job Interview

Behaviours that may be considered misconduct which prevent the purpose of the requirement from being met include:

- Appeared intoxicated/under the influence
- Disingenuous
- Disruptive/disengaged—unable to complete requirement
- Inadequate presentation/attire at requirement
- Left prior to completion of requirement
- Physically abusive—unable to deliver requirement
- Self-sabotage
- Theft
- Verbally abusive—unable to deliver requirement.

*Applicable to Job Interviews only

Reasons Accepted

- Did not have appropriate attire to wear at requirement
- Disability/condition presenting itself as misconduct
- Major personal crisis affected job seeker
- Medical issue/condition contributed to behaviour

Reasons Not Accepted

- Couldn't control behaviour/self
- Denied nature of misconduct
- Did not believe they were impacted by substances
- Did not think they had to stay for the duration
- Did not think they were dressed inappropriately
- Did not want to participate/engage with requirement
- Falsified disability/condition presenting itself as misconduct
- Did not want that job*

*Applicable to Job Interviews only

Failure to agree to Job Plan	
Reasons Accepted	Reasons Not Accepted
<ul style="list-style-type: none"> • Did not understand requirement to agree to Job Plan • Required further assistance to understand terms of Job Plan • Housing instability issues—unable to return Plan or advise prior • Local issue/natural disaster—unable to return Plan or advise prior • Legal requirements—unable to return Plan or advise prior • Medical/health reason—unable to return Plan or advise prior • Travel/transport access issue—unable to return Plan or advise prior 	<ul style="list-style-type: none"> • Away from home/on holiday • Caring/family reasons—claims no time to participate • Does not believe they have to meet requirements • Refuses to participate in employment services • Refuses to look for work—number or overall • Refuses to participate due to study • Refuses to participate in specific activity • Refuses to participate/claims to have no time due to paid work • Refuses to participate due to self-employment • Refuses to discuss requirements • Refuses to participate due to undertaking other, non-mutual obligation requirements • Does not want to enter into a Job Plan • Forgot about requirement • Medical/health reason—could not return Plan • Caring/family reasons—could not return Plan • Travel/transport issues—could not return Plan

Failure to satisfactorily meet Job Search Requirement	
Reasons Accepted	Reasons Not Accepted
<ul style="list-style-type: none"> • Caring/family duties that were significant—no exemption • Cultural business for extended period • Housing instability issues • Legal requirements impacted job search • Local issue/natural disaster impacted job search • Medical/health reason—no exemption • Major personal crisis—no exemption 	<ul style="list-style-type: none"> • Away from home/on holidays • Caring/family requirements affected job search • Claims other requirements affected job search • Does not believe suitable jobs are available • Does not want to apply for jobs • Does not want to apply for jobs using different methods • Does not want to look for work in diverse industries • Does not want to tailor applications to industry • Forgot about job search/got due date wrong • Housing instability • Medical/health reasons • States not required to look for work • States too many job searches required • Technology issue—claims could not submit efforts online • Technology issue—reported job search efforts incorrectly • Thinks quality of applications is satisfactory

Failure to act on Job Referral	
Reasons Accepted	Reasons Not Accepted
<ul style="list-style-type: none"> • Caring/family duties were significant—no exemption • Commute to/from workplace—distance too great/expensive • Conditions or pay not suitable • Conditions/skills for job beyond job seeker capacity • Cultural business for extended period • Cultural—workplace unsuitable for cultural/religious reasons • Housing instability issues • Legal requirements prevented compliance • Local issue/natural disaster prevented compliance • Major personal crisis affected job seeker • Medical/health reason prevented compliance • Notification issue—not aware of requirement • PCP—job seeker not better off financially • Technology—no access to technology to complete requirement • Technology—no phone or credit to contact employer 	<ul style="list-style-type: none"> • Acted in a manner that did not result in a job offer/interview • Away from home/on holiday • Believes not required to look for work • Caring/family requirements • Caring—claims childcare will be too expensive if job offered • Conditions—claims job does not match skills • Conditions—claims not in preferred employment industry • Conditions—claims too many or too few hours • Conditions—pay not enough (within allowable policy) • Does not want job • Forgot about requirement • Housing instability • Medical/health reason • Résumé not acceptable standard • Technology—claims no access to technology to complete requirement • Technology—claims no phone or credit to contact employer • Travel/transport issue—claims distance too great/expensive

Failure to accept a suitable job	
Reasons Accepted	Reasons Not Accepted
<ul style="list-style-type: none"> • Caring/family duties that are significant • Conditions or pay not suitable • Conditions/skills beyond job seeker capacity • Cultural—workplace unsuitable for cultural/religious reasons • Housing instability issues • Legal requirements • Medical—employment will exacerbate medical condition • PCP—job seeker not better off financially • PCP—unable to arrange suitable childcare • Travel/transport—distance too great/expensive 	<ul style="list-style-type: none"> • Caring/family requirements • Caring—childcare not organised as required • Caring—claims childcare too expensive • Conditions—claims job does not match skills • Conditions—claims not in preferred employment industry • Conditions—claims too many or too few hours • Conditions—does not want to undertake certain part of job • Conditions—pay not enough (within allowable policy) • Does not want job • Housing instability • Travel/transport issue—claims distance too great/expensive

Failure to commence a suitable job	
Reasons Accepted	Reasons Not Accepted
<ul style="list-style-type: none"> • Caring/family duties that were unforeseeable—unable to advise prior • Caring—unable to obtain suitable childcare/childcare too expensive • Conditions or pay not suitable • Conditions/skills for job beyond job seeker capacity • Cultural business—unable to advise prior • Cultural—workplace unsuitable for cultural/religious reasons • Housing instability issues • Housing—landlord/property inspection—unable to advise prior • Legal requirements—unable to advise prior • Local issue/natural disaster presented attendance • Major personal crisis affected job seeker—unable to advise prior • Medical/health reason—unable to advise prior • Travel/transport issue on the day—unable to advise prior • Travel/transport—did not have money to pay • Travel/transport—distance too great/expensive 	<ul style="list-style-type: none"> • Away from home/on holiday • Caring/family requirements • Caring—childcare not organised as required • Caring—claims childcare too expensive • Conditions—claims too many or too few hours • Conditions—claims job does not match skills • Conditions—claims not in preferred employment industry • Conditions—does not want to undertake certain part of job • Conditions—pay not enough (within allowable policy) • Does not want job • Got start date/time wrong/got lost • Housing instability • Housing—landlord/property inspection • Medical/health reason • Travel/transport issue—claims distance too great/expensive • Travel/transport—did not have money to pay • Travel/transport—did not have access • Prior notice not given and reasonable to expect: • Caring/family reasons • Housing—landlord/property inspection • Legal requirement • Medical/health reason • Travel/transport—did not have money to pay • Travel/transport—did not have access

Voluntarily left suitable job	
Reasons Accepted	Reasons Not Accepted
<ul style="list-style-type: none"> • Caring/family duties that are significant • Conditions/skills for job beyond job seeker capacity • Conditions—pay disputes • Conditions—work environment unsafe/no longer accessible • Conditions—workplace conflicts • Cultural—workplace unsuitable or cultural/religious reasons • Housing instability issues • Legal requirements • Major personal crisis affected job seeker • Medical—employment exacerbates medical condition • PCP—childcare no longer suitable • PCP—no longer financially suitable • Travel/transport issue—distance too great/expensive 	<ul style="list-style-type: none"> • Caring/family requirements • Caring—claims childcare too expensive • Conditions—claims job does not match skills • Conditions—claims not in preferred employment industry • Conditions—claims too many or too few hours • Conditions—does not like the type of work • Conditions—does not like the workplace/employees • Conditions—does not want to undertake certain part of job • Conditions—pay not enough (within allowable policy) • Conditions—workplace conflicts • Does not want job • Housing instability • Medical/health reason • Travel/transport issue—claims distance too great/expensive

Dismissed due to misconduct	
Behaviours that may be considered misconduct include:	
<ul style="list-style-type: none"> • Appeared intoxicated/under the influence • Continually late/leaving early without agreement • Dishonest reporting of work hours • Disruptive/disengaged—not completing work 	<ul style="list-style-type: none"> • Does not follow procedures/rules in workplace • Inadequate presentation/uniform at work • Misappropriation of employer assets • Physically abusive in workplace • Verbally abusive/inappropriate language at work.
Reasons Accepted	Reasons Not Accepted
<ul style="list-style-type: none"> • Caring/family duties impacted work hours • Claims of misconduct by employer are false • Did not have appropriate attire to wear at requirement • Disability/condition presenting itself as misconduct • Major personal crisis affected job seeker • Medical issue/condition contributed to behaviour • Significant breakdown in employer relationship 	<ul style="list-style-type: none"> • Believes rules are too strict/not applicable to them • Claims accidentally miscalculated work hours—excessive • Claims of misconduct are false • Conflict started by other people • Couldn't control behaviour/self • Denied nature of misconduct • Did not believe they were impacted by substances • Did not think they were dressed inappropriately • Falsified disability/condition presenting itself as misconduct

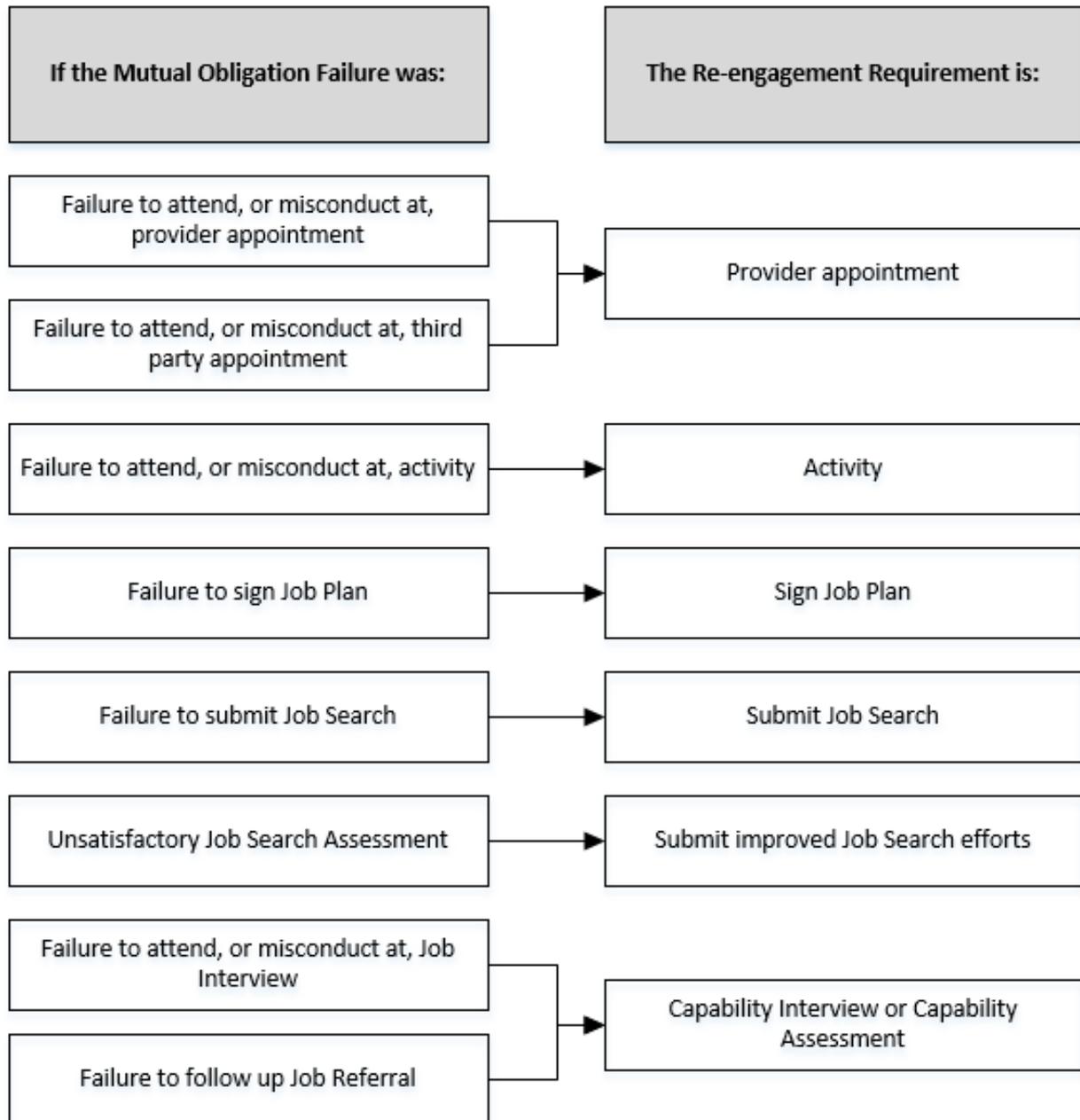
Attachment C – Reasons to Manually Remove a Demerit

Overarching reasons to be used by Providers when manually removing a demerit.

Requirements applicable to:	
Issue affected overall capability - requirements changed	All
New information disclosed – job seeker in services to address	All
New information disclosed - likely impacted compliance	All
Departmental override	All
Provider Error	All
Job Search efforts submitted after end of Job Search Period – Valid Reason identified	Job Search
Adjustment not made – paid work impacted number required	Job Search
Adjustment not made – exemption impacted number required	Job Search
Adjustment not made to number of Job Search efforts required	Job Search
Job Search efforts were reported manually within Job Search Period	Job Search
Job Search efforts were satisfactory	Job Search
Job Plan accepted online – Valid Reason identified	Job Plan
Signed Job Plan was returned	Job Plan – where think time granted (hardcopy)
Job Plan terms unreasonable/inappropriate	Job Plan – all scenarios
Job seeker did agree to Job Plan at appointment	Job Plan – think time granted (hardcopy) or refusal recorded
Job seeker did not refuse to sign Job Plan	Job Plan – refusal

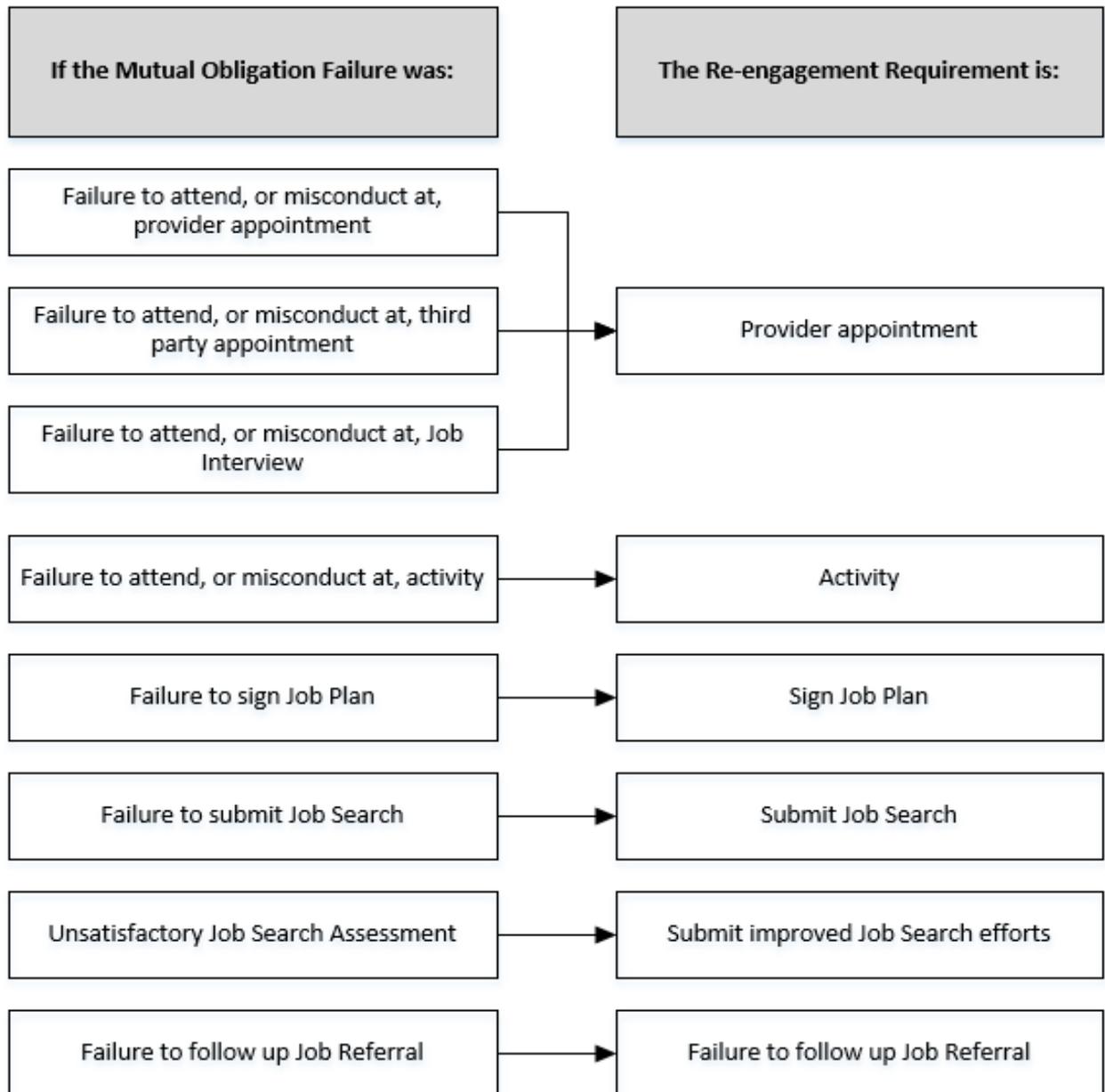
Attachment D – Single Re-engagement Requirement Warning Zone

The diagram below outlines the Re-engagement Requirement the Provider will set depending on the Mutual Obligation Failure for job seekers in the Warning Zone.



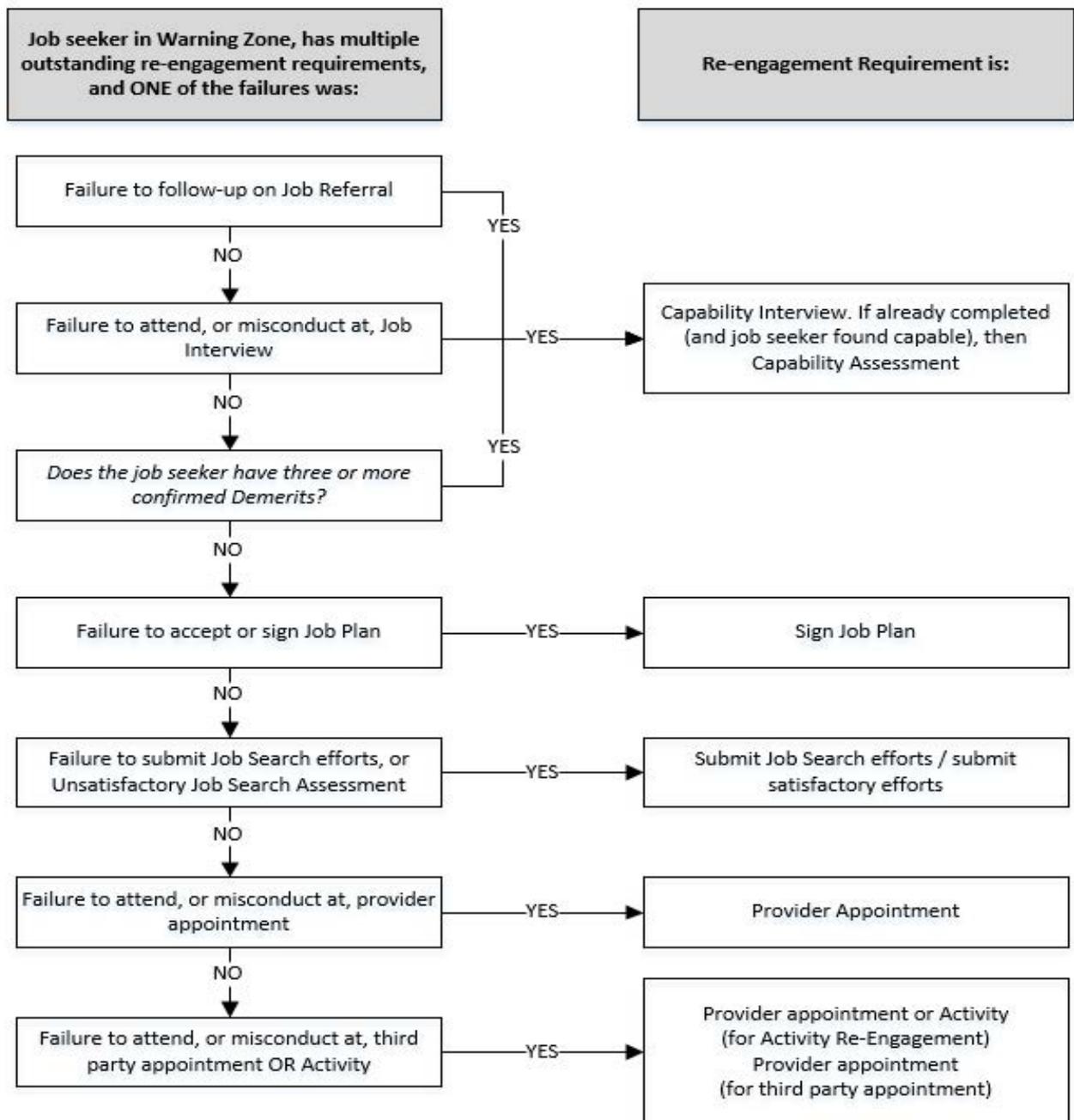
Attachment E – Single Re-engagement Requirement Penalty Zone

The diagram below outlines the Re-engagement Requirement the Provider will set depending on the Mutual Obligation Failure for job seekers in the Penalty Zone.



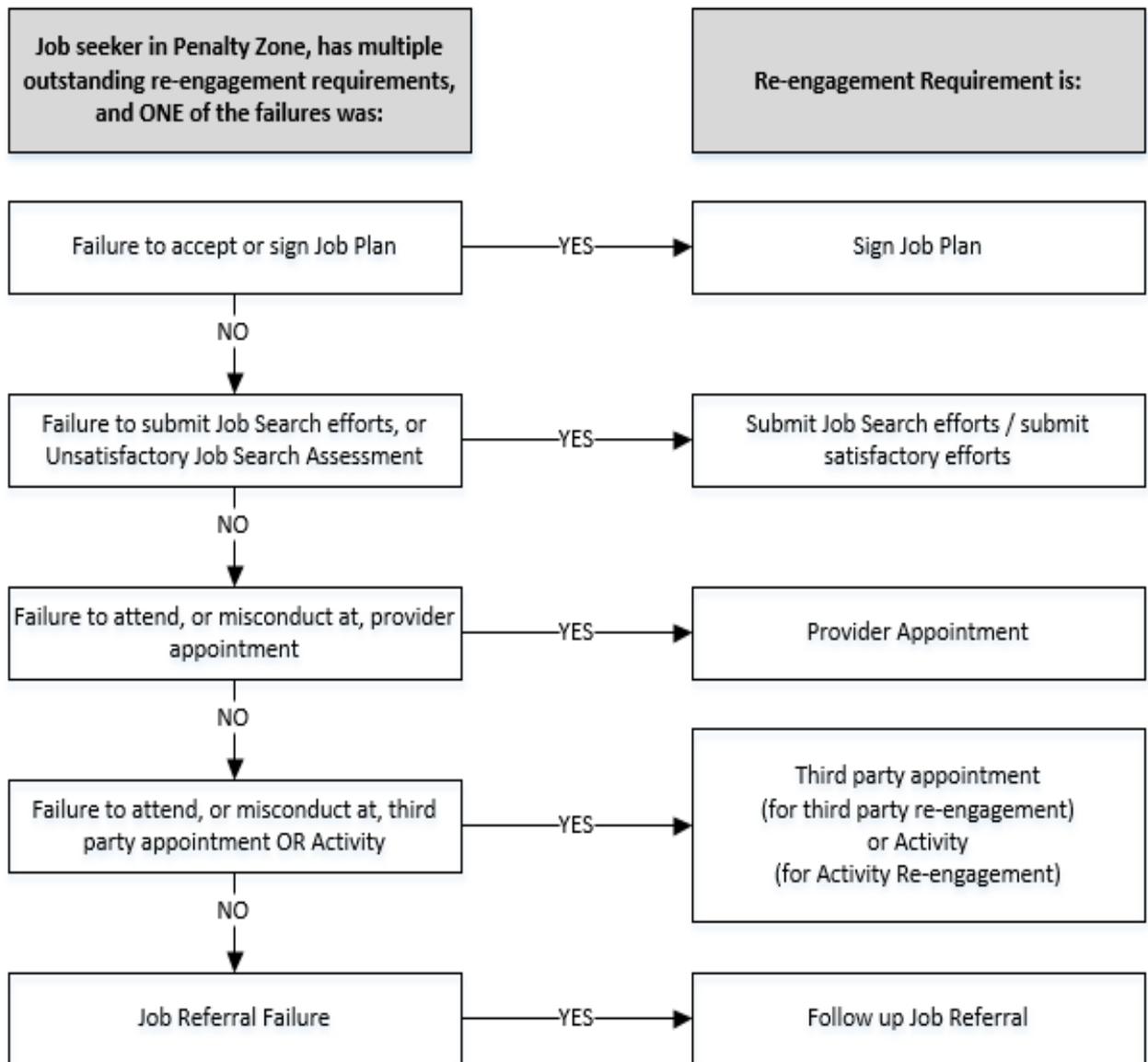
Attachment F – Multiple Re-engagement Requirements Warning Zone

The diagram below outlines how Re-engagement Requirements are prioritised by the system if a job seeker in the Warning Zone has more than one outstanding Re-engagement Requirement.



Attachment G – Multiple Re-engagement Requirements Penalty Zone

The diagram below outlines how Re-engagement Requirements are prioritised by the system if a job seeker in the Penalty Zone has more than one outstanding Re-engagement Requirement.



Attachment H – Unable to Re-engage within Two Business Days

Where a job seeker is unable to re-engage within two Business Days of job seeker contact following non-compliance, Providers will record this in the Department's IT System. The following is the list of reasons for selection. This will apply where the job seeker is required to **attend** the Re-engagement Requirement to restore payment.

- Caring/family duties that were unexpected impacts attendance
- Cultural business over next two Business Days impacts attendance
- Full-Time Activity/Training impacts attendance
- Housing instability/emergency impacts attendance
- Legal requirements impact attendance
- Local issue/natural disaster impacts attendance
- Major personal crisis affecting job seeker impacts attendance
- Medical/health issue over next two days impacts attendance
- Travel/transport - exceptional issue impacts attendance
- Working over next two Business Days

Attachment J – Re-engagement Not Required Reasons

Where, due to circumstances outside of a job seeker’s control, they are not required to re-engage to restore their payment, Providers will record this in the Department’s IT System. The following is the list of reasons for selection and the type of Mutual Obligation Failure it relates to.

Reasons	Provider Appointment or Third Party Appointment	Activity	Job Interview	Job Plan	Job Referral
• Reconnection not required—non-compliance discussed	✓	✓	✓		✓
• Outreach/Part-time site impacts re-engagement	✓	✓	✓		
• Unable to be arranged in next two days		✓			
• Applications closed/Vacancy withdrawn					✓
• Local issue/natural disaster impacts compliance	<i>Where these circumstances occur, it will be recorded as ‘unable to re-engage within 2 business days’</i>			<i>Can record compliance action no longer appropriate</i>	✓
• Major personal crisis impacts compliance					✓
• Departmental Override*	✓	✓	✓	✓	✓
• Exit/Transfer from services*	✓	✓	✓	✓	✓

* Departmental Users or the IT System (automatically) only

All capitalised terms in this Guideline have the same meaning as in the jobactive Deed 2015–2020 and the ParentsNext Deed 2018-2021 (the Deeds).

This Guideline is not a stand-alone document and does not contain the entirety of Employment Services Providers' obligations. It must be read in conjunction with the Deed and any relevant Guidelines or reference material issued by Department of Jobs and Small Business under or in connection with the Deed.



Guideline:

Targeted Compliance Framework: Mutual Obligation Failures

The Targeted Compliance Framework (TCF) is designed to target financial penalties towards only those Participants who persistently commit Mutual Obligation Failures without a Valid Reason or Reasonable Excuse, while providing protections for the most vulnerable. It is designed to encourage Participants to engage with their employment services provider (Provider), take personal responsibility for managing and meeting their Mutual Obligation Requirements, and actively look for work.

Participants commit Mutual Obligation Failures when they fail to comply with any one of a range of particular requirements specified in the Social Security Law. Broadly speaking, these requirements include, among other things:

- entering into a Job Plan;
- attending appointments, and participating in activities;
- acting appropriately during those appointments and while participating in those activities;
- undertaking adequate Job Searches, where required by their Job Plan;
- attending job interviews; and
- acting on job opportunities when requested to do so by their Provider.

If a Participant persistently commits Mutual Obligation Failures, they progress through the compliance framework. The Participant may eventually incur financial penalties after they:

- have participated in a Capability Interview with their Provider, and a Capability Assessment with Services Australia, to ensure that the Mutual Obligation Requirements specified in their Job Plan are appropriate for their personal circumstances and that they are capable of meeting them; and
- have continued to commit Mutual Obligation Failures.

That Participant may also face financial penalties if, at any time, they commit a Work Refusal Failure or an Unemployment Failure. See the [Work Refusal Failures and Unemployment Failures Guideline](#) for more information.

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Changes from the previous version (Version 1.2)

Policy changes:

Nil

Wording changes:

This guideline has been restructured and rewritten for clarity, accuracy, consistency with the jobactive Deed, ParentsNext Deed and Social Security Law, and comprehensiveness.

References to the 'Department of Human Services (DHS)' have been updated to 'Services Australia'.

References to 'job seeker' have been updated to 'Participant'.

A full document history is available on the Provider Portal.

Related documents and references

jobactive

[Job Plan and Setting Mutual Obligation Requirements Guideline](#)

[Capability Assessment Guideline](#)

[Capability Interview Guideline](#)

[Work Refusal Failures and Unemployment Failures Guideline](#)

ParentsNext

[Capability Assessment Guideline](#)

[Capability Interview Guideline](#)

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1. Interpretation

Unless otherwise specified:

- all references in this Guideline to:
 - a ‘Participant’ are references to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant;
 - a ‘Job Plan’ are references to a ‘Job Plan’ as defined in the jobactive Deed 2015–2022 or a ‘Participation Plan’ as defined in the ParentsNext Deed 2018–2021, as relevant;
 - ‘3 active months’ are, broadly speaking, references to 91 days, but prolonged for the time the Participant is in a penalty period or has an Exemption (up to a maximum of 12 months); and
 - ‘6 active months’ are, broadly speaking, references to 182 days, but prolonged for the time the Participant is in a penalty period or has an Exemption (up to a maximum of 12 months); and
- capitalised terms in this Guideline have the meaning given to them in the jobactive Deed 2015–2022 or the ParentsNext Deed 2018–2021, as relevant.

2. The Targeted Compliance Framework (TCF)

Providers’ main obligations relating to the Targeted Compliance Framework (TCF) are set out in Chapter B3 of the jobactive Deed 2015–2022 or Chapter B3 of the ParentsNext Deed 2018–2021, as relevant. One of the key obligations is that Providers must actively monitor and record each Participant’s compliance against their Mutual Obligation Requirements (see section B3.1 in the jobactive Deed 2015–2022 or the ParentsNext Deed 2018–2021, as relevant). This includes recording compliance against requirements that, if not complied with, would result in a Mutual Obligation Failure, Work Refusal Failure or Unemployment Failure for jobactive Participants, or a Mutual Obligation Failure for ParentsNext Participants.

For more information on the meaning of the term ‘Mutual Obligation Failure’, see section 3 below. For more information on Work Refusal Failures and Unemployment Failures, see the [Targeted Compliance Framework: Work Refusal and Unemployment Failures Guideline](#).

In summary, a Participant’s Income Support Payment potentially may be:

- suspended, reduced and/or cancelled—if they commit a Mutual Obligation Failure (see section [Committing Mutual Obligation Failures](#) in this document);
- suspended and/or cancelled if they commit a Work Refusal Failure (that is, they refuse or fail to accept an offer of suitable employment, subject to certain exceptions); and/or
- cancelled if they commit an Unemployment Failure (that is, they become unemployed as a result of a voluntary act or misconduct, subject to certain exceptions).

Note that, if a Participant’s Income Support Payment is cancelled, the Participant must serve a four-week preclusion period before they may be paid again (after reapplying for income support).

A key principle of the TCF is personal responsibility. Participants are held personally responsible for managing, meeting and reporting on their Mutual Obligation Requirements each fortnight in return for their Income Support Payment. This means that Participants are responsible for:

- meeting their Mutual Obligation Requirements, including those set out in their Job Plan;
- self-reporting participation against their Mutual Obligation Requirements as they are scheduling in their Electronic Calendar—when they are found to be reasonably capable of doing so; and
- looking for work and reporting their Job Searches on time each month—when required to do so.

The three zones

The TCF comprises three zones for Participants: the Green Zone, the Warning Zone and the Penalty Zone. The key things that influence whether a Participant moves from one zone to another are:

- whether they accrue a Demerit. See [Attachment A](#) for information on the circumstances in which a Participant will accrue a Demerit. Broadly speaking, it is intended that a Participant will accrue a Demerit when they commit a Mutual Obligation Failure without a Valid Reason;
- how many Demerits they accrue in a particular time period;
- the types of Mutual Obligation Failures that lead to the accrual of the Demerits; and
- the outcomes of any Capability Interview or Capability Assessment that the Participant participates in. See the [Capability Interview Guideline](#) and the [Capability Assessment Guideline](#) for more information on Capability Interviews or Capability Assessments.

Each of the three zones are described in further detail below.

For a diagram illustrating the three zones in the TCF, see [Attachment B](#).

The Green Zone

All Participants begin in the Green Zone. As long as they do not commit any Mutual Obligation Failures without a Valid Reason, they will remain in this zone.

The Warning Zone

Moving into the Warning Zone helps to reinforce the importance of meeting Mutual Obligation Requirements and discourages Participants from committing any further Mutual Obligation Failures.

When a Participant in the Green Zone accrues a Demerit, they move into the Warning Zone. Each Demerit has a lifespan of 6 active months, after which they are automatically removed by the Department's IT Systems.

In some circumstances (discussed below), when a Participant is in the Warning Zone, the Provider must conduct a Capability Interview with the Participant. The Provider must do this when the Department's IT Systems specify that the Participant's

Reconnection Requirement is a Capability Interview (the timing of when this occurs is discussed below). Note that the Department's IT Systems refer to a Reconnection Requirement as a 're-engagement requirement'.

As discussed further below, the outcome of a Capability Interview determines whether the Participant will remain in the Warning Zone or will go back to the Green Zone with their Demerits reset to zero. The purpose of a Capability Interview is to determine whether a Participant's Job Plan is suitable for the Participant, and to provide an additional opportunity for the Participant to disclose information that may be affecting their capacity to comply with their Mutual Obligation Requirements. A Job Plan will be suitable for a Participant if the Mutual Obligation Requirements specified in the Participant's Job Plan are appropriate for their individual circumstances and the Participant is capable of meeting them.

Broadly speaking, the Department's IT Systems will specify that the Participant's Reconnection Requirement is a Capability Interview when the Participant has, in 6 active months, incurred three Demerits or a Demerit for a 'fast-track' Mutual Obligation Failure. A fast-track Mutual Obligation Failure is one of the following:

- acting in a manner that could result in an offer of employment not being made to the Participant;
- failing to attend a job interview; or
- failing to act on a Job Referral.

Note that, if a Participant has less than three Demerits when they incur a Demerit for a fast-track Mutual Obligation Failure, the Department's IT Systems will automatically increase the number of Demerits to three.

In practice, fast-track Mutual Obligation Failures do not apply in ParentsNext because ParentsNext Participants do not have obligations related to finding work.

A factor that influences whether a Provider must conduct a Capability Interview in the circumstances described above is the outcome of any Capability Interview or Capability Assessment that has been conducted in relation to the Participant in the last 60 days.

Providers' main obligations regarding Capability Interviews are set out in clauses 114.7, 114.8 and 114.9 of the jobactive Deed or clauses 97.1, 97.2 and 97.3 of the ParentsNext Deed, as relevant. See also the [Capability Interview Guideline](#) for more information.

The Department's IT System will determine whether the Participant will remain in the Warning Zone, or go back to the Green Zone with their Demerits reset to zero. This is based on the information that the Provider records in the Department's IT Systems regarding the outcome of the Capability Interview. It is intended that, if the result of the Capability Interview is that:

- the Participant's Job Plan is not suitable for the Participant (i.e. the Mutual Obligation Requirements specified in the Participant's Job Plan are not appropriate for their circumstances, and/or the Participant is not capable of meeting them), the Participant will go back to the Green Zone with their Demerits reset to zero; or

- the Participant's Job Plan is suitable for the Participant (i.e. the Mutual Obligation Requirements specified in the Participant's Job Plan are appropriate for their circumstances and the Participant is capable of meeting them), the Participant will continue in the Warning Zone with their confirmed Demerits.

In some circumstances (discussed below), when a Participant is in the Warning Zone, Services Australia will conduct a Capability Assessment with the Participant. The Department's IT System will notify the Provider when this will occur.

(Deed references: jobactive Deed 2015–2022 clauses 114.7, 114.8 and 114.9; ParentsNext Deed 2018–2021 clauses 97.1, 97.2 and 97.3)

The Penalty Zone

There are a number of criteria that must be satisfied before a Participant will enter the Penalty Zone. The first is that the Participant has attended a Capability Interview and the outcome of that Capability Interview is that the Participant's Job Plan is suitable for the Participant.

The second criterion that must be satisfied before a Participant will enter the Penalty Zone is that the Participant has incurred five Demerits in 6 active months. When this occurs, the Services Australia will arrange for the Participant to attend a Capability Assessment with Services Australia. Note that, if a Participant has three or four Demerits when they incur a Demerit for a fast-track Mutual Obligation Failure (discussed above), the Department's IT Systems will automatically increase the Participant's total number of Demerits to five.

The final criterion is that the outcome of the Capability Assessment is that the Participant's Job Plan is suitable for the Participant. This means that the outcome of a Capability Assessment determines whether the Participant will enter the Penalty Zone or will go back to the Green Zone with their Demerits reset to zero.

The Capability Assessment has the same goals as the Capability Interview: to assess whether a Participant's Job Plan is suitable for the Participant (i.e. whether the Mutual Obligation Requirements specified in the Participant's Job Plan are appropriate for their circumstances and whether the Participant is capable of meeting them).

The Department's IT System will determine whether the Participant will enter the Penalty Zone or will go back to the Green Zone with their Demerits reset to zero. It does this based on the information that Services Australia records in the Department's IT Systems regarding the outcome of the Capability Assessment. It is intended that, if the result of the Capability Assessment is that:

- the Participant's Job Plan is not suitable for the Participant (i.e. the Mutual Obligation Requirements specified in the Participant's Job Plan are not appropriate for their circumstances, and/or the Participant is not capable of meeting them), the Participant will go back to the Green Zone with their Demerits reset to zero; or
- the Participant's Job Plan is suitable for the Participant (i.e. the Mutual Obligation Requirements specified in the Participant's Job Plan are appropriate for their circumstances and the Participant is capable of meeting them), the Participant will enter the Penalty Zone.

Broadly speaking, it is intended that a Participant in the Penalty Zone will incur the following financial penalties in succession if they continue to commit Mutual Obligation Failures:

- first Mutual Obligation Failure without a Reasonable Excuse in the Penalty Zone—loss of one week’s Income Support Payment
- second Mutual Obligation Failure without a Reasonable Excuse in the Penalty Zone—loss of two weeks’ Income Support Payment
- third Mutual Obligation Failure without a Reasonable Excuse in the Penalty Zone—Income Support Payment is cancelled, and the Participant must serve a four-week preclusion period before they may be paid again (after reapplying for income support). The preclusion period referred to here is called a ‘post-cancellation non-payment period’ in the relevant legislation.

Once a Participant’s Income Support Payment has been cancelled, the Participant must reapply for income support—they will not automatically receive an Income Support Payment again once the four-week preclusion period has ended. If a Participant has had their Income Support Payment cancelled, but they return to payment within 3 active months of cancellation, they will return to the beginning of the Penalty Zone. In other words, their next Mutual Obligation Failure without a Reasonable Excuse (committed within 3 active months after cancellation) would result in another loss of one week’s payment.

It is intended that a Participant in the Penalty Zone will return to the Green Zone if they do not commit any further Mutual Obligation Failures for 3 active months. The potential to return to the Green Zone through demonstrating compliance provides a further incentive for Participants to change their behaviour and meet their Mutual Obligation Requirements.

Note that, although Participants can incur financial penalties while they are in the Penalty Zone (as discussed above), they do not accrue further Demerits.

Recording participation by close of business

Providers have an obligation to record Engagements in each Participant’s Electronic Calendar (see clause 83A of the jobactive Deed or clause 71 of the ParentsNext Deed, as relevant). The types of Engagements that must be recorded include all Mutual Obligation Requirements.

Providers also have an obligation to confirm or record participation against each Mutual Obligation Requirement scheduled in a Participant’s Electronic Calendar. This must be done no later than close of business on the day that the Mutual Obligation Requirement is scheduled to occur in the Participant’s Electronic Calendar (see clause 106A of the jobactive Deed or clause 88 of the ParentsNext Deed, as relevant).

If no result is recorded by close of business—either by the Provider or by the Participant—the Department’s IT systems will automatically suspend the Participant’s Income Support Payment.

Although a Participant does not necessarily accrue a Demerit for failing to record their participation against a Mutual Obligation Requirement, they may potentially

accrue a Demerit if they did not attend or participate in the Mutual Obligation Requirement, including if they failed to give prior notice of their inability to meet the requirement when it was reasonable to expect them to do so. See [Attachment A](#) for information on the circumstances in which a Participant will accrue a Demerit.

(Deed references: jobactive Deed 2015–2022 clause 83A, 106A; ParentsNext Deed 2018–2021 clauses 71, 88)

Self-reporting participation

Providers must assess whether each individual Participant is capable of taking personal responsibility for self-reporting participation against all the Mutual Obligation Requirements in their Job Plan (see clause 106A.1 of the jobactive Deed or clause 88.1 of the ParentsNext Deed, as relevant).

If the Provider assesses that a Participant is not capable of self-reporting as referred to above, it is the Provider's responsibility to record the Participant's participation against each of the Mutual Obligation Requirements scheduled in their Electronic Calendar (see clause 106A.2 of the jobactive Deed or clause 88.2 of the ParentsNext Deed, as relevant). Providers are encouraged to work with Participants assessed as not capable of self-reporting to help them build the required skills to be able to self-report their participation against each of the Mutual Obligation Requirements scheduled in their Electronic Calendar.

If the Provider assesses that a Participant is capable of self-reporting as referred to above, the Provider must confirm with the Participant that they understand that this means:

- the Participant must record their participation against each of the Mutual Obligation Requirements scheduled in their Electronic Calendar themselves—either on the jobactive website, or by using the Job Seeker App; and
- if the Participant does not do this, their Income Support Payment will be suspended until they contact their Provider to discuss.

For information on how Providers must assess whether each individual Participant is capable of taking personal responsibility for self-reporting participation against all the Mutual Obligation Requirements in their Job Plan, refer to the [Job Plan and Scheduling Mutual Obligation Requirements Guideline](#) on the Provider Portal.

(Deed references: jobactive Deed 2015–2022 clauses 106A.1, 106A.2; ParentsNext Deed 2018–2021 clauses 88.1, 88.2)

3. Committing Mutual Obligation Failures

The term 'Mutual Obligation Failure' is defined in the Deeds by reference to the meaning of that term in the *Social Security (Administration) Act 1999* (see the definition of 'mutual obligation failure' in section 42AC of that Act). In summary, this means that a Participant will commit a Mutual Obligation Failure if they:

- fail to enter into a Job Plan;
- fail to attend, or to be punctual for, an appointment that they are required to attend under their Job Plan;
- fail to attend, to be punctual for, or to participate in, an activity that they are required to undertake under their Job Plan;

- fail to undertake adequate Job Searches;
- fail to comply with any other requirement in their Job Plan;
- acted in an inappropriate manner:
 - during an appointment that they are required to attend under their Job Plan; or
 - while participating in an activity that they are required to undertake under their Job Plan;
- intentionally act in a manner that could result in an offer of employment not being made to the person;
- fail to:
 - attend a job interview; or
 - act on a job opportunity when requested to do so by their Provider.

Fast-track Mutual Obligation Failures

Particular types of Mutual Obligation Failures are referred to as ‘fast-track’ Mutual Obligations Failures because they can result in a Participant having a Capability Interview or Capability Assessment more quickly than would otherwise be the case. See [The Warning Zone](#) section of this Guideline for more information on ‘fast-track’ Mutual Obligations Failures.

Prior notice and Acceptable Reasons

A Participant may notify the Provider, before the start time scheduled for a Mutual Obligation Requirement, that they are unable to comply with their Mutual Obligation Requirement. Providers must then assess whether the Participant’s reason for being unable to comply with the Mutual Obligation Requirement is an Acceptable Reason. If the Provider is satisfied that the Participant has an Acceptable Reason for being unable to comply with the Mutual Obligation Requirement, they have an obligation to reschedule or remove the Mutual Obligation Requirement from the Electronic Calendar. See clause 106B.1 of the jobactive Deed or clause 89.1 of the ParentsNext Deed, as relevant, together with the definition of ‘Acceptable Reason’ in Annexure A1 in the relevant Deed.

For the purposes of the above, the Provider must determine that a Participant has an Acceptable Reason for being unable to satisfy a Mutual Obligation Requirement if:

- the Participant notified the Provider, before the start time scheduled for a Mutual Obligation Requirement, that the Participant is unable to satisfy the Mutual Obligation Requirement; and
- the Provider is satisfied that the Participant has a Valid Reason for being unable to satisfy the Mutual Obligation Requirement.

A Provider must determine that the Participant has a Valid Reason for a Mutual Obligation Failure when they are satisfied that the reason the Participant provides:

- would directly prevent the Participant from meeting the Mutual Obligation Requirement at the time that the Mutual Obligation Requirement is scheduled to occur;

- would be considered to be reasonable by a member of the general public; and
 - aligns with the Participant's personal circumstances as known by the Provider.
- However, note the exception to the above discussed below in the [Drug and alcohol dependency or misuse](#) section of this Guideline.

Where a Provider has an obligation to reschedule or remove a Mutual Obligation Requirement under clause 106B.1 of the jobactive Deed or clause 89.1 of the ParentsNext Deed, the Provider must select 'No Longer Required' or 'Rescheduled' (as appropriate) in relation to the Mutual Obligation Requirement in the Participant's Electronic Calendar. This will either remove the Mutual Obligation Requirement from the Participant's Electronic Calendar or allow the Mutual Obligation Requirement to be re-scheduled in the Participant's Electronic Calendar.

Despite the above, the Provider must select 'No Longer Required' in relation to the Mutual Obligation Requirement in the Participant's Electronic Calendar if the Mutual Obligation Requirement in question is a requirement to undertake Job Searches or a requirement to attend a job interview or act on a job opportunity.

If the Provider selects 'No Longer Required' or 'Rescheduled' in relation to a Mutual Obligation Requirement in the Participant's Electronic Calendar as referred to above, the Provider must also select a description of the relevant Valid Reason from the drop-down menu that will appear. In selecting a Valid Reason option from the drop-down menu, the Provider must select the option that is most similar to the Participant's Valid Reason as they described it to the Provider. The Provider must not use the options in the drop-down menus to prompt or elicit responses from the Participant.

If the Provider is not satisfied that the Participant has a Valid Reason for being unable to satisfy the Mutual Obligation Requirement, the Provider must tell the Participant why. The Provider must then remind the Participant that they are still expected to meet the Mutual Obligation Requirement and must remind them about the consequences of non-compliance.

A full list of these drop-down menu options can be found at [Attachment C](#).

(Deed references: jobactive Deed 2015–2022 clause 106B.1; ParentsNext Deed 2018–2021 clause 89.1; definition of 'Acceptable Reason' in Annexure A1 in the relevant Deed)

Misconduct—Acting in an inappropriate manner

Particular types of Mutual Obligations Failures are referred to as 'misconduct' in the Department's IT Systems. The circumstances in which the Provider must select 'misconduct' are described below in the [When the Participant does not have a Valid Reason](#) section of this Guideline.

Misconduct refers to:

- inappropriate behaviour by the Participant:
 - during an appointment that they are required to attend under their Job Plan; or
 - while participating in an activity that they are required to undertake under their Job Plan; or

- behaviour by a Participant, during a job interview, that could result in an offer of employment not being made to the Participant.

A Provider must determine that a Participant's behaviour involved 'misconduct' in the circumstances described above when the Participant's behaviour during the relevant appointment, activity or job interview:

- was within the Participant's control;
- prevented the purpose of the relevant appointment, activity or job interview from being met; and
- would be judged by a reasonable person as being inappropriate in the circumstances.

This behaviour may include:

- dressing in a way that is clearly inappropriate for the relevant appointment, activity or job interview;
- using offensive language during the relevant appointment, activity or job interview;
- showing an obvious lack of interest in the relevant appointment, activity or job interview;
- exaggerating the severity of an existing injury or illness to avoid fully participating in the relevant appointment, activity or job interview; and/or
- leaving the relevant appointment, activity or job interview before its completion.

Behaviour that appears to be inappropriate but is out of the Participant's control must not be determined by a Provider to be misconduct. For example, a Participant may act in an inappropriate manner because they:

- do not have appropriate clothes to wear to the relevant appointment, activity or job interview;
- are affected by a major personal crisis; or
- are affected by a medical condition.

When a Participant commits a Mutual Obligation Failure

When a Participant commits a Mutual Obligation Failure, it is intended that there are a few immediate ramifications: their Income Support Payment is suspended and they also accrue a Demerit if they do not have a Valid Reason. See [Attachment A](#) for information on the circumstances in which:

- a Participant's Income Support Payment is suspended;
- the suspension of a Participant's Income Support Payment is lifted; and
- a Participant will accrue a Demerit.

Payment suspension

The suspension of a Participant's Income Support Payment is intended to encourage the Participant to re-engage with their Provider. Suspension occurs prior to any assessment of Valid Reason and is generally maintained until the Participant re-engages (i.e. meets a Reconnection Requirement), even if they subsequently

provide a Valid Reason for the relevant Mutual Obligation Failure. The exceptions to this are where:

- the Participant has a Valid Reason for not being able to meet a Reconnection Requirement within two Business Days following the day of the contact between the Participant and their Provider to discuss the relevant Mutual Obligation Failure;
- the Reconnection Requirement is to attend an appointment or activity, and no appointment or activity is available within the two Business Day timeframe referred to above; or
- re-engagement is no longer appropriate.

These exceptions are discussed below in the [Reconnection Requirements](#) section of this Guideline.

When the Participant's Income Support Payment is suspended, the Department's IT System sends them a payment suspension notification to notify them:

- that their Income Support Payment is suspended;
- why their Income Support Payment is suspended;
- what they must do to lift the Income Support Payment suspension; and
- to contact their Provider as soon as possible.

The automatic notification described above only occurs if the Participant has SMS or e-mail details recorded in the Department's IT Systems for automatic notification. If the Participant does not have SMS or e-mail details recorded in the Department's IT Systems for automated notification, the Provider must send the notice prepared by the Department's IT Systems in response to the Mutual Obligation Failure to the Participant's postal address. See clauses 114.2(a)(iii), 114.5(a)(ii) and 115.4(a)(ii) of the jobactive Deed or clause 96.5(a)(ii) of the ParentsNext Deed, as relevant.

A Participant's Income Support Payment will normally remain suspended until they meet a Reconnection Requirement. However, failure to comply with a Reconnection Requirement within four weeks of notification will usually result in Services Australia cancelling the Participant's Income Support Payment. For more information on Reconnection Requirements, see the [Reconnection Requirements](#) section in this document.

(Deed references: jobactive Deed 2015–2022 clauses 114.2(a)(iii), 114.5(a)(ii), 115.4(a)(ii); ParentsNext Deed 2018–2021 clause 96.5(a)(ii))

Participant contact

In most cases, if the Provider becomes aware that a Participant has apparently committed a Mutual Obligation Failure, the Provider must attempt to contact the Participant on the same Business Day on which the Provider becomes aware of the apparent Mutual Obligation Failure. If there is contact between the Provider and the Participant on that day, the Provider must:

- discuss the circumstances of the apparent Mutual Obligation Failure so that the Provider can determine whether a Mutual Obligation Failure has actually been committed; and

- if the Provider considers that a Mutual Obligation Failure has been committed:
 - discuss the Participant's reasons for the Mutual Obligation Failure, and assess whether the Participant has a Valid Reason; and
 - set an appropriate Reconnection Requirement for the Participant (regardless of whether the Participant has a Valid Reason, since having a Valid Reason only determines whether or not they incur a Demerit); or
- if the Provider considers that a Mutual Obligation Failure has not been committed, not take any further action.

See clause 114 of the jobactive Deed or clause 96 of the ParentsNext Deed, as relevant.

For more information on Valid Reasons, see the [Assessing Valid Reasons](#) section in this document.

For more information on Reconnection Requirements, see the [Reconnection Requirements](#) section in this document.

(Deed references: jobactive Deed 2015–2022 clause 114; ParentsNext Deed 2018–2021 clause 96)

Contact attempt not required

The Provider is not required to attempt to contact the Participant if the Mutual Obligation Failure has occurred because the Participant:

- failed to self-report the required number of Job Searches by the end of a Job Search Period (this does not apply to participants in ParentsNext); or
- refused to enter into a Job Plan.

See clause 114.2 of the jobactive Deed or clause 96.2 of the ParentsNext Deed, as relevant.

In these instances, the Provider should wait for the Participant to make contact. However, as specified in the Deed clauses referred to above, once the Participant has made contact the Provider must schedule a date and time for a Reconnection Requirement to occur, among other things.

(Deed references: jobactive Deed 2015–2022 clause 114.2; ParentsNext Deed 2018–2021 clause 96.2)

Contact attempt not successful

As discussed above, in most cases, the Provider has an obligation to attempt to contact the Participant on the same Business Day on which the Provider becomes aware of an apparent Mutual Obligation Failure. When the Provider attempts to contact the Participant in accordance with that obligation and the attempt is not successful, the Provider must:

- select 'Did Not Attend—Invalid' in relation to the relevant Mutual Obligation Requirement in the Participant's Electronic Calendar. Doing so will suspend the Participant's Income Support Payment and will:
 - create a pending Demerit on the Participant's record if the Participant is in the Warning Zone; or
 - create a pending Non-Compliance Report on the Participant's record if the Participant is in the Penalty Zone; and

- comply with clause 114.5 of the jobactive Deed or clause 96.5 of the ParentsNext Deed, as relevant. This means that the Provider must set Reconnection Requirement, among other things.

(Deed references: jobactive Deed 2015–2022 clause 114.5; ParentsNext Deed 2018–2021 clause 96.5)

Assessing Valid Reasons

Providers have obligations to assess whether a Participant has a Valid Reason for a Mutual Obligation Failure in a number of specific circumstances (see clauses 114.4, 114.6 and 114.11 of the jobactive Deed or clauses 96.4 and 96.6 of the ParentsNext Deed, as relevant). It is intended that:

- if the Participant has a Valid Reason for a Mutual Obligation Failure, any Demerit on their record relating to that Mutual Obligation Failure will be removed; or
- if the Participant does not have a Valid Reason, the Demerit will be confirmed.

See [Attachment A](#) for information on the circumstances in which:

- a Demerit (pending confirmation) will be put on a Participant’s record; and
- a Demerit (pending confirmation) will be confirmed or removed from the Participant’s record.

For the purposes of the above, a Provider must determine that the Participant has a Valid Reason for a Mutual Obligation Failure when they are satisfied that:

- the reason the Participant provided:
 - directly prevented the Participant from meeting the Mutual Obligation Requirement at the relevant time that the Mutual Obligation Failure occurred;
 - would be considered to be reasonable by a member of the general public; and
 - aligns with their personal circumstances as known by the Provider; and
- it would have been unreasonable to expect the Participant to give prior notice of their inability to meet the relevant Mutual Obligation Requirement.

However, note the exception to the above discussed below under the heading ‘Drug and alcohol dependency or misuse’.

(Deed references: jobactive Deed 2015–2022 clauses 114.4, 114.6, 114.11; ParentsNext Deed 2018–2021 clauses 96.4, 96.6)

Drug and alcohol dependency or misuse

There are limits on the circumstances in which a Provider can determine that a Participant’s drug or alcohol misuse or dependency is a Valid Reason for a Mutual Obligation Failure. Valid Reason determinations are discussed above in the [Prior notice and Acceptable Reasons](#) and [Assessing Valid Reasons](#) sections of this Guideline. Subject to what is stated in those sections, the first time a Participant cites drug or alcohol misuse or dependency as the reason they have committed a Mutual Obligation Failure, the Provider may determine that this is a Valid Reason. If the Participant does this, the Provider must identify and source an available and appropriate treatment program, and must encourage the Participant to participate

in that program. Participation in treatment services to address drug or alcohol misuse or dependency may reduce other Mutual Obligation Requirements. See the [Managing and Monitoring Mutual Obligation Requirements](#) Guideline for information on setting Mutual Obligation Requirements.

If a Participant cites drug or alcohol misuse or dependency as the reason they have committed a Mutual Obligation Failure, the Provider must not determine that this is a Valid Reason if:

- the Participant previously committed a Mutual Obligation Failure on or after 1 July 2018;
- the Provider determined that the Participant's drug or alcohol misuse or dependency was a Valid Reason for that previous Mutual Obligation Failure, so it did not result in a Demerit;
- as a result of the Mutual Obligation Failure, the Provider referred to Participant to treatment to address the drug or alcohol misuse or dependency; and
- the Participant refused or failed to participate in the treatment.

The Provider must not determine that drug or alcohol misuse or dependency is a Valid Reason in the circumstances described above, unless one of the following applies:

- the treatment that the Participant was referred to was not available or appropriate for the Participant;
- the Participant was genuinely unable to participate in the treatment;
- the Participant agreed to participate in the treatment but, despite taking all reasonable steps to commence the treatment, the treatment did not commence; or
- before the Participant was referred to the treatment, the Participant had:
 - completed the same type of treatment as the treatment they were referred to; or
 - completed treatment that was substantially similar to the treatment they were referred to;

and, in the opinion of an appropriately qualified medical professional, the Participant would not benefit from further treatment of the same kind as the type of treatment already completed by the person.

When the Participant has a Valid Reason

On the day that a Provider assesses whether a Participant has a Valid Reason for a Mutual Obligation Failure, they must select 'Did Not Attend—Valid' in relation to the relevant Mutual Obligation Requirement in the Participant's Electronic Calendar. When they do this, the Provider must also select a description of the relevant Valid Reason from a drop-down menu that will appear. In selecting a Valid Reason option, the Provider must select the option that is most similar to the Participant's Valid Reason as they described it to the Provider. The Provider must not use the options in the drop-down menus to prompt or elicit responses from the Participant. By recording a reason that is Valid, the Provider is removing the relevant Demerit from the Participant's record.

A full list of these drop-down menu options can be found at [Attachment D](#). In the Department's IT Systems:

- 'reasons accepted' refers to reasons that the Provider determines are Valid Reasons; and
- 'reasons not accepted' refers to reasons that the Provider determines are not Valid Reasons.

When the Participant does not have a Valid Reason

On the day that the Provider determines that a Participant does not have a Valid Reason for failing to meet a Mutual Obligation Requirement, the Provider must record 'Did Not Attend—Invalid' or 'Misconduct' in relation to the relevant Mutual Obligation Requirement in the Participant's Electronic Calendar. When they do this, the Provider must also select a description of the Participant's reason that was not a Valid Reason from a drop-down menu that will appear. In selecting a reason option, the Provider must select the option that is most similar to the reason that the Participant gave as they described it to the Provider. By recording a reason that is not Valid, the Provider is confirming the relevant Demerit on the Participant's record.

A full list of these drop-down menu options can be found at [Attachment D](#). In the Department's IT Systems:

- 'reasons accepted' refers to reasons that the Provider determines are Valid Reasons; and
- 'reasons not accepted' refers to reasons that the Provider determines are not Valid Reasons.

On the day that the Provider determines that a Participant does not have a Valid Reason for failing to meet a Mutual Obligation Requirement, the Provider must then explain to the Participant:

- why their given reason was not a Valid Reason and what the consequences of this are;
- that the Participant's Income Support Payment has been suspended as a result of a Mutual Obligation Failure;
- how this decision will be recorded on the Participant's Participation (Compliance) History and displayed on the Participant's Compliance Status Indicator on the online Dashboard;
- whether the Mutual Obligation Failure is considered a 'fast-track' Mutual Obligation Failure and, if so, what that means and what the next steps are;
- the number of Demerits the Participant has accrued so far;
- the importance of meeting all Mutual Obligation Requirements;
- the consequences of persistent non-compliance, including financial penalties and Income Support Payment cancellation;
- that the Participant must meet a Reconnection Requirement to have their Income Support Payment suspension lifted; and
- what and when the Participant's Reconnection Requirement will be.

By reinforcing the consequences of failing to meet Mutual Obligation Requirements, Participants are encouraged to meet their Mutual Obligation Requirements in the future and remain engaged with their Providers.

Manually removing Demerits

Providers have obligations to remove Demerits in certain circumstances. See clauses 114.11 and 114.12 of the jobactive Deed or clause 98 of the ParentsNext Deed, as relevant. If the Participant is in the Penalty Zone when the provider assesses that a Demerit should be removed in accordance with clause 114.11 of the jobactive Deed or clause 98 of the ParentsNext Deed, as relevant, the Provider should contact their Account Manager for advice before removing the Demerit.

When removing the Demerit, the Provider must record the reason for the removal in the Department's IT Systems. A full list of these drop-down menu options can be found at [Attachment E](#).

(Deed references: jobactive Deed 2015–2022 clauses 114.11, 114.12; ParentsNext Deed 2018–2021 clause 98)

Participants cannot appeal Demerit decisions under Social Security Law

All Participants have the right to ask for a review of a decision made under Social Security Law, and, in most cases, appeal the decision to a court or tribunal. This includes decisions to suspend a Participant's Income Support Payment as a result of non-compliance and decisions made by Services Australia to reduce or cancel their Income Support Payment.

Demerit decisions are not decisions under Social Security Law and so Participants cannot appeal or ask for a formal review of any decision to confirm a Demerit using the same processes as those that apply for decisions under Social Security Law. However, Participants may dispute Demerit decisions.

Disputing a Demerit decision with the National Customer Service Line

If a Participant is dissatisfied with a Demerit decision, they must first discuss the decision with their Provider. If they still wish to dispute the decision after this discussion, they can contact the Department of Employment, Skills, Small and Family Business National Customer Service Line (NCSL).

By contacting the NCSL to dispute a Demerit decision, the Participant will in effect make a jobactive servicing-related complaint. If required and appropriate, Providers must action complaints that are referred back to them by the NCSL. This may include reviewing the Demerit decision-making process, any Valid Reason assessments, or information that has been recorded on the Department's IT Systems.

(Deed references: jobactive Deed 2015-2020 clause 114.12 and ParentsNext Deed 2018-2021 clause 98.2)

4. Reconnection Requirements

A Participant must generally meet a Reconnection Requirement following a Mutual Obligation Failure in order to have their Income Support Payment suspension lifted,

regardless of whether or not they had a Valid Reason for the Mutual Obligation Failure. See [Attachment A](#) for information on the circumstances in which:

- a Participant's Income Support Payment is suspended; and
- the suspension of a Participant's Income Support Payment is lifted.

'Reconnection Requirements' are referred to as 're-engagement requirements' in the Department's IT Systems.

Note that a Reconnection Requirement is a Mutual Obligation Requirement. This means that, among other things:

- the Provider must comply with clause 83A of the jobactive Deed or clause 71 of the ParentsNext Deed, as relevant, when recording Reconnection Requirements in a Participant's Electronic Calendar; and
- the Provider must comply with clause 106B of the jobactive Deed or clause 89 of the ParentsNext Deed, as relevant, in relation to rescheduling or removing a Reconnection Requirement from a Participant's Electronic Calendar.

(Deed references: jobactive Deed 2015–2022 clauses 83A, 106B; ParentsNext Deed 2018–2021 clauses 71, 89)

Setting a Reconnection Requirement

Providers have obligations to set Reconnection Requirements in certain circumstances following a Mutual Obligation Failure (see clauses 114.2(a)(ii), 114.4(b) and 114.5(a)(i) of the jobactive Deed or clauses 96.4(b) and 96.5(a)(i) of the ParentsNext Deed, as relevant). When setting a Reconnection Requirement, the Provider must follow the prompts in the Department's IT Systems and notify the Participant of the Reconnection Requirement. The Department's IT Systems will specify the type of Reconnection Requirement that the Provider must set for the purposes of complying with their Deed obligation referred to above.

Note that, when a Provider sets a Reconnection Requirement as discussed above, they are imposing a Reconnection Requirement for the purposes of subsection 42AM of the *Social Security (Administration) Act 1999*.

Providers have obligations to schedule Reconnection Requirements in the timeframes specified in this Guideline. See clauses 114.2(a)(ii) and 114.4(b) of the jobactive Deed, and clause 96.4(b) of the ParentsNext Deed. The Provider must schedule the Reconnection Requirement in the Participant's Electronic Calendar to occur within two Business Days following the day of the contact between the Participant and their Provider to discuss the relevant Mutual Obligation Failure. Exceptions to this two Business Day requirement are:

- the Department's IT Systems automatically sets the date and time of the Reconnection Requirement as discussed below under the heading 'Reconnection Requirements that have times and dates automatically set by the Department's IT Systems'; or
- the Participant has a Valid Reason for not being able to meet the Reconnection Requirement within the two Business Day timeframe as discussed below under the heading 'Valid Reason to not meet Reconnection Requirement within two Business Days'.

The aim of the two Business Day requirement is to try and ensure that a Participant's Income Support Payment is not suspended for more than two Business Days following contact with their Provider.

(Deed references: jobactive Deed 2015–2022 clauses 114.2(a)(ii), 114.4(b), 114.5(a)(i); ParentsNext Deed 2018–2021 clauses 96.4(b), 96.5(a)(i))

Multiple Mutual Obligation Failures before contact

When a Participant commits multiple Mutual Obligation Failures before there is a contact with their Provider to discuss those Mutual Obligation Failures:

- only one Reconnection Requirement can be set; and
- the Provider must advise Participants that they only have to meet one Reconnection Requirement.

Reconnection Requirements that have times and dates automatically set by the Department's IT Systems

For some Mutual Obligation Failures, the Department's IT Systems will automatically set the Reconnection Requirement, including recording its time and date in the Participant's Electronic Calendar. This happens when:

- in jobactive, the Participant has failed to self-report the required number of Job Searches by the end of their Job Search Period as referred to in clause 114.2(a) of the jobactive Deed; or
- the Participant has refused to enter into a Job Plan as referred to in clause 114.2(b) of the jobactive Deed or clause 96.2 of the ParentsNext Deed.

Where the Department's IT Systems automatically sets a Reconnection Requirement for a Participant as described above, the Provider does not need to do this (despite what is stated in clause 114 of the jobactive Deed and clause 96 of the ParentsNext Deed).

(Deed references: jobactive Deed 2015–2022 clause 114; ParentsNext Deed 2018–2021 clause 96)

Valid Reason to not meet Reconnection Requirement within two Business Days

When the Provider contacts the Participant to discuss the relevant Mutual Obligation Failure(s), they must consider whether the Participant has a Valid Reason for being unable to meet their Reconnection Requirement within two Business Days following that contact. If the Provider considers that the Participant does have such a Valid Reason, the Provider must select 'Unable to Re-engage Within two Business Days' on the Provider Re-engagement page in the Department's IT Systems. This will lift the Participant's Income Support Payment suspension and remove the need for a Reconnection Requirement.

For the purposes of the above, a Provider must determine that the Participant has a Valid Reason for being unable to meet their Reconnection Requirement within the two Business Days when they are satisfied that the reason the Participant is unable to do this:

- directly prevents the Participant from meeting meet their Reconnection Requirement within two Business Days following the contact with their Provider to discuss the relevant Mutual Obligation Failure(s);

- would be considered to be reasonable by a member of the general public; and
- aligns with the Participant's personal circumstances as known by the Provider.

If the Provider selects 'Unable to Re-engage Within two Business Days' as described above, the Provider must also select a description of the relevant Valid Reason from the drop-down menu that will appear. In selecting a Valid Reason option from the drop-down menu, the Provider must select the option that is most similar to the Participant's Valid Reason as they described it to the Provider. Providers must not use the options in the drop-down menus to prompt or elicit responses from the Participant.

A full list of these drop-down menu options can be found at [Attachment F](#).

Provider not able to arrange or deliver the Reconnection Requirement within the two Business Day timeframe

In some circumstances, a Provider is not be able to arrange or deliver the Reconnection Requirement within two Business Days following the contact between the Participant and the Provider to discuss the relevant Mutual Obligation Failure(s). If that is the case, and only if that is the case, the Provider must select 'Re-engagement Not Required' on the provider Re-engagement page. This will lift the Participant's Income Support Payment suspension and remove the need for a Reconnection Requirement. When selecting 'Re-engagement Not Required' as described above, the Provider must also select a description of the relevant reason from the drop-down menu that will appear when they make that selection. In selecting a reason option from the drop-down menu, the Provider must select the option that is most similar to the actual reason.

A full list of these drop-down menu options can be found at [Attachment G](#).

Compliance action no longer appropriate

Once a Participant's Reconnection Requirement has been set, unexpected circumstances may make it inappropriate to maintain their payment suspension and expect them to meet a Reconnection Requirement. If that is the case, the Provider must record 'Compliance action no longer appropriate' on the Provider Re-engagement page. This will lift the Participant's payment suspension and remove the need for a Reconnection Requirement.

When selecting 'Compliance action no longer appropriate' as described above, the Provider must also select a description of the relevant reason from the drop-down menu that will appear when they make that selection. In selecting a reason option from the drop-down menu, the Provider must select the option that is most similar to the actual reason.

A full list of these drop-down menu options can be found at [Attachment H](#).

Failure to meet a Reconnection Requirement

If the Provider becomes aware that a Participant has failed to meet a Reconnection Requirement, the Provider must attempt to contact the Participant on the same Business Day. If the Provider:

- is not able to contact the Participant on that day, the Provider must select 'Did Not Attend—Invalid' in relation to the Reconnection Requirement in the Participant's Electronic Calendar. In this case, the Participant's Income Support Payment will remain suspended, and the Provider must reschedule the Reconnection Requirement; or
- is able to contact the Participant on that day, the Provider must discuss the Participant's reasons for not meeting the Reconnection Requirement and assess if the Participant had a Valid Reason.

For the purposes of the above, a Provider must determine that the Participant had a Valid Reason for being unable to meet their Reconnection Requirement when they are satisfied that the Participant's reason:

- directly prevented the Participant from meeting meet their Reconnection Requirement;
- would be considered to be reasonable by a member of the general public; and
- aligns with the Participant's personal circumstances as known by the Provider.

If the Participant had a Valid Reason, the Provider must select 'Did Not Attend—Valid' in relation to the Reconnection Requirement in the Participant's Electronic Calendar. If the Participant did not have a Valid Reason, the Provider must select 'Did Not Attend—Invalid' in relation to the Reconnection Requirement in the Participant's Electronic Calendar. In this case, the Participant's Income Support Payment will remain suspended, and the Provider must reschedule the Reconnection Requirement.

5. The Penalty Zone

As discussed in further detail above under the heading 'The Penalty Zone', the Department's IT System will determine whether the Participant will enter the Penalty Zone based on the information that Services Australia records in the Department's IT Systems regarding the outcome of a Capability Assessment.

Non-compliance reports

If a Participant is in the Penalty Zone, and the Provider records 'Did Not Attend—Invalid' or 'Misconduct' as discussed above under the heading '[When the Participant does not have a Valid Reason](#)', the Department's IT System creates a non-compliance report and submits it to Services Australia for investigation, instead of recording a Demerit. As a result of the creation of a non-compliance report, the Participant's Income Support Payment will be suspended.

If a Participant is in the Penalty Zone, and the Provider records 'Did Not Attend—Valid' as discussed above under the heading '[When the Participant has a Valid Reason](#)', any non-compliance report on their record relating to that Mutual Obligation Failure will be closed.

An open non-compliance report on a Participant's record will prevent the Participant from finalising their fortnightly reporting requirement, and it will prevent the Participant from receiving their Income Support Payment.

Summary of required Documentary Evidence

Depending on the Mutual Obligation Failure that the Participant has committed, in addition to the evidence recorded in the Department's IT Systems, the Provider must retain the following Documentary Evidence:

- where the Mutual Obligation Failure is a failure to attend a job interview or act on a job opportunity, a copy of the prior notification of the requirement to attend the job interview or act on the job opportunity;
- where the Mutual Obligation Failure is a failure to attend an appointment, a copy of the prior notification of the requirement to attend the appointment;
- where the Mutual Obligation Failure is a failure to undertake adequate Job Searches, a hard copy of any relevant fully or partially completed Job Searches; and
- where the Mutual Obligation Failure is acting in an inappropriate manner during an appointment or while participating in an activity, details of the job/employer and/or details of the relevant incident, including dates, the parties involved and what occurred.

Attachment A—System steps that affect: creation and confirmation of Demerits; suspension of Income Support Payment; lifting of Income Support Payment suspensions

Mutual Obligation Failure related Provider actions in the Department’s IT Systems that result in a Participant’s Income Support Payment being suspended, the suspension being lifted, or a Demerit being created on a Participant’s record or accrued by the Participant (i.e. confirmed)

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s Income Support Payment suspension lifted?
<p>Non-attendance</p> <p>The Participant fails to:</p> <ul style="list-style-type: none"> attend, or to be punctual for, an appointment that they are required to attend under their Job Plan; attend, to be punctual for, or to participate in, an activity that they are required to undertake under their Job Plan; or attend a job interview. <p>The relevant Mutual Obligation Requirement is shown in the Participant’s Electronic</p>	<p>When the Provider selects ‘Did Not Attend Invalid (DNAI)’ in relation to a Mutual Obligation Requirement in the Participant’s Electronic Calendar.</p> <p>See the discussion on page 15 of this Guideline regarding when a Provider must select ‘Did Not Attend—Invalid’.</p> <p>When both the Participant and the Provider have failed to select ‘Attended’ by close of business on the day on which the Mutual Obligation Requirement is</p>	<p>When the Provider selects ‘Did Not Attend Invalid (DNAI)’ in relation to a Mutual Obligation Requirement in the Participant’s Electronic Calendar.</p> <p>See the discussion on page 15 of this Guideline regarding when a Provider must select ‘Did Not Attend—Invalid’.</p>	<p>When the Provider records the reason they did not accept as a Valid Reason in the Department’s IT Systems.</p> <p>See the discussion on page 17 of this Guideline regarding when a Provider must select a description of the Participant’s reason that was not a Valid Reason.</p>	<p>When the Provider selects ‘Did Not Attend—Valid’ in relation to the relevant Mutual Obligation Requirement in the Participant’s Electronic Calendar. See the discussion on page 16 of this Guideline regarding when a Provider must select ‘Did Not Attend—Valid’.</p> <p>OR</p> <p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ in relation to a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p>OR</p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 21 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p>OR</p> <p>If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment.</p> <p>OR</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s Income Support Payment suspension lifted?
<p>Calendar as one of the following:</p> <ul style="list-style-type: none"> • ‘Provider Appointment’; • ‘Activity’; • ‘Third Party Appointment’ or • ‘Job Interview’. 	<p>Scheduled to occur in the Participant’s Electronic Calendar.</p>			<p>When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 22 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.</p> <p><i>OR</i></p> <p>When the Provider selects ‘Attended’ (where this was previously not selected by close of business on the day on which the Mutual Obligation Requirement is Scheduled to occur in the Participant’s Electronic Calendar).</p>
<p>Non-attendance at Activity—Supervisor reported</p> <p>The Participant fails to attend, to be punctual for, or to participate in, an activity that they are required to undertake under their Job Plan.</p> <p>The relevant Mutual Obligation Requirement is shown in the Participant’s Electronic Calendar as ‘Activity’.</p>	<p>When the activity Supervisor records DNA via the Supervisor App.</p>	<p>N/A—No Demerit.</p>	<p>N/A—No Demerit.</p>	<p>When the Provider selects ‘Did Not Attend—Valid’ in relation to the activity in the Participant’s Electronic Calendar. See the discussion on page 16 of this Guideline regarding when a Provider must select ‘Did Not Attend—Valid’.</p> <p><i>OR</i></p> <p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ in relation to a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p><i>OR</i></p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 21 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p><i>OR</i></p>

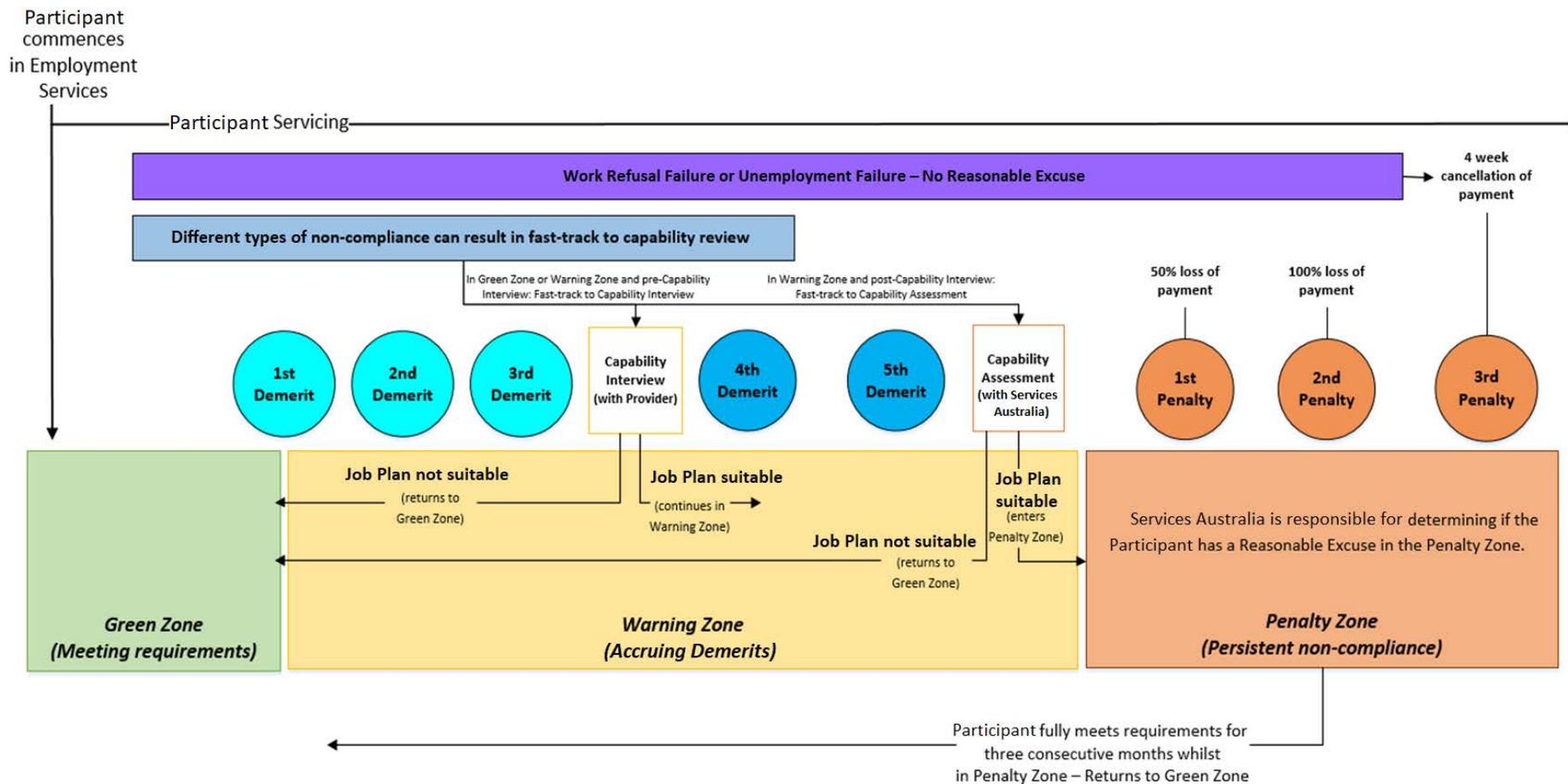
Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s Income Support Payment suspension lifted?
				<p>If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment.</p> <p><i>OR</i></p> <p>When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 22 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.</p>
<p>Misconduct</p> <p>The Participant acted in an inappropriate manner:</p> <ul style="list-style-type: none"> during an appointment that they are required to attend under their Job Plan; or while participating in an activity that they are required to undertake under their Job Plan. <p>The relevant Mutual Obligation Requirement is shown in the</p>	<p>When the Provider selects ‘Misconduct (MISC)’ in relation to the relevant appointment or activity in the Participant’s Electronic Calendar, along with the type of inappropriate behaviour.</p> <p>See the discussion on pages 12 and 17 of this Guideline regarding when a Provider must select ‘Misconduct’.</p>	<p>When the Provider selects ‘Misconduct (MISC)’ in relation to the relevant appointment or activity in the Participant’s Electronic Calendar, along with the type of inappropriate behaviour.</p> <p>See the discussion on pages 12 and 17 of this Guideline regarding when a Provider must select ‘Misconduct’.</p>	<p>When the Provider records the reason they did not accept as a Valid Reason in the Department’s IT Systems.</p> <p>See the discussion on page 17 of this Guideline regarding when a Provider must select a description of the Participant’s reason that was not a Valid Reason.</p>	<p>When the Provider selects ‘Did Not Attend—Valid’ in relation to the appointment or activity in the Participant’s Electronic Calendar. See the discussion on page 16 of this Guideline regarding when a Provider must select ‘Did Not Attend—Valid’.</p> <p><i>OR</i></p> <p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ in relation to a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p><i>OR</i></p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 21 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s Income Support Payment suspension lifted?
<p>Participant’s Electronic Calendar as one of the following:</p> <ul style="list-style-type: none"> • ‘Provider Appointment’, which includes Reconnection Requirements; • ‘Activity’; • ‘Third Party Appointment’; or • ‘Job Interview’. 				<p>OR</p> <p>If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment.</p> <p>OR</p> <p>When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 22 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.</p>
<p>Job Plan Failure</p> <p>The Participant fails to enter into a Job Plan</p> <p>See the Job Plan and Scheduling Mutual Obligation Requirements Guideline for information on the process of entering into a Job Plan.</p>	<p><u>Job Plan sent Job Plan online</u>—when the ‘think time’ expires and the Participant has not agreed to their Job Plan online.</p>	<p>When the ‘think time’ expires and the Participant has not agreed to their Job Plan online.</p> <p>Demerit is automatically created and confirmed.</p>	<p>When the ‘think time’ expires and the Participant has not agreed to their Job Plan online.</p>	<p>When the Participant agrees to their Job Plan online.</p> <p>OR</p> <p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ in relation to a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p>OR</p>
	<p><u>Job Plan sent Job Plan in hard copy</u>—when the ‘think time’ expires</p>	<p>When ‘think time’ expires.</p>	<p>When the Provider records the reason they did not accept as a Valid Reason in the Department’s IT Systems.</p>	<p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 21 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p>OR</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s Income Support Payment suspension lifted?
	<p><u>If a Participant refuses outright to agree to Job Plan:</u></p> <p>When the Provider selects ‘Create Compliance’ and selects ‘submit’ on the Job Plan screen in the Department’s IT Systems.</p>	<p>When the Provider selects ‘Create Compliance’ and selects ‘submit’.</p> <p>Demerit is automatically created and confirmed.</p>	<p>When the Provider selects ‘Create Compliance’ and selects ‘submit’.</p> <p>Demerit is automatically created and confirmed.</p>	<p>If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment.</p> <p><i>OR</i></p> <p>When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 22 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.</p>
<p>Job Search Failure</p> <p>The Participant failed to undertake adequate Job Searches.</p>	<p>When the Job Search Period ends and the number of Job Search efforts that are recorded by the Participant in the Department’s IT System is not equal to the number of Job Search efforts that are</p>	<p>When the Job Search Period ends and the number of Job Search efforts that are recorded by the Participant in the Department’s IT System is not equal to the number of Job Search efforts that are required</p>	<p>When the Job Search Period ends and the number of Job Search efforts that are recorded by the Participant in the Department’s IT System is not equal to the number of Job Search efforts that are</p>	<p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ in relation to a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p><i>OR</i></p> <p>When the Provider selects ‘Unable to Re-engage Within 2 Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 21 of this</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s Income Support Payment suspension lifted?
	required under the Participant’s Job Plan.	under the Participant’s Job Plan. Demerit is automatically created and confirmed.	required under the Participant’s Job Plan. Demerit is automatically confirmed.	Guideline regarding when a Provider must select ‘Unable to Re-engage Within 2 Business Days’. <i>OR</i>
	If the Provider assesses that submitted Job Search efforts are not of satisfactory quality to have satisfactorily met their requirement, payment is suspended when the Provider records an ‘Unsatisfactory’ assessment result in the Job Search Reporting page.	When the Provider records an ‘Unsatisfactory’ assessment result in the Job Search Reporting page.	When the Provider records the reason they did not accept as a Valid Reason in the Department’s IT Systems. See the discussion on page 17 of this Guideline regarding when a Provider must select a description of the Participant’s reason that was not a Valid Reason.	If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment. <i>OR</i> When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 22 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.

Attachment B—Overview of the Targeted Compliance Framework



Attachment C—‘Rescheduled’, ‘No Longer Required’ and ‘Requirement no longer needs to be met’ reason options

‘Rescheduled’ or ‘No Longer Required’

- Acceptable Reason—Caring/family reasons
- Acceptable Reason—Housing—instability issues/inspections
- Acceptable Reason—Legal requirements
- Acceptable Reason—Travel/transport—access/financial issues
- Acceptable Reason—Local issue/natural disaster
- Reason not acceptable—flexibility utilised
- Acceptable Reason—Cultural business
- Acceptable Reason—Major personal crisis affecting job seeker*
- Acceptable Reason—Medical/health reason
- Acceptable Reason—Working on day of requirement
- Provider Initiated—Requirement can’t be delivered

‘Requirement no longer needs to be met’

Job Search	Job referrals
<ul style="list-style-type: none"> • Job Plan requires update to reflect new job search efforts • Paid work impacting level of job search • Major personal crisis impacting job seeker* • Ongoing local issue/natural disaster impacts ongoing compliance • Cultural business for extended period • Significant and ongoing caring/family duties—no exemption • Significant and ongoing medical/health issues—no exemption 	<ul style="list-style-type: none"> • Applications closed/Vacancy withdrawn • Caring/family duties • Conditions or pay not suitable • Housing instability/emergency • Legal requirements • Local issue/natural disaster • Medical/health issue • Major personal crisis affecting job seeker* • Position no longer suitable • Referral created in error

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Attachment D—Valid Reason assessment options

The following tables replicate the drop-down menus in the system. When recording a reason that is a Valid Reason or that is not a Valid Reason in the Department’s IT Systems, the appropriate menu will appear. Reasons may appear in both columns and may be a Valid Reason or not a Valid Reason, depending on the Provider’s determination (see the [Assessing Valid Reasons](#) section of this Guideline, above). In the Department’s IT Systems, ‘reasons accepted’ refers to Reasons that the Provider determines are Valid Reasons, and ‘reasons not accepted’ refers to Reasons that the Provider determines are not Valid Reasons.

Failure to attend a Provider Appointment, Third Party Appointment, activity or job interview

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Caring/family reasons that were unforeseeable—unable to advise prior • Conditions or pay not suitable* • Conditions/skills beyond job seeker* capacity* • Cultural business—unable to advise prior • Believe job seeker* thought they were exempt • Housing instability issues—unable to advise prior • Housing—landlord/property inspection—unable to advise prior • Legal requirements—unable to advise prior • Local issue/natural disaster—unable to advise prior • Major personal crisis affected job seeker*—unable to advise prior • Medical/health reason—unable to advise prior • Notification issue—not aware of requirement • Travel/transport, did not have money to pay—unable to advise prior • Travel/transport access issue—unable to advise prior • Working on day of requirement—unable to advise prior 	<ul style="list-style-type: none"> • Away from home/on holiday • Caring/family reasons • Caring—claims childcare will be too expensive if offered job* • Conditions—claims job does not match skills* • Conditions—claims not in preferred* employment industry* • Did not believe they had a requirement • Did not think they had to attend—thought exempt • Did not want to attend requirement • Forgot about requirement • Got lost/got time wrong • Housing instability issues • Medical/health reason • Slept in/missed requirement • Travel/transport—did not have money to pay • Travel/transport issue—did not have access • Travel/transport issue—claims distance too great • Undertaking other non-mutual obligation requirement <p><i>Prior notice not given and reasonable to expect:</i></p> <ul style="list-style-type: none"> • Caring/family reasons • Housing—landlord/property inspection • Legal requirement • Medical/health reason

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Failure to attend a Provider Appointment, Third Party Appointment, activity or job interview

Reasons accepted	Reasons not accepted
	<ul style="list-style-type: none"> • Travel/transport—did not have money to pay • Travel/transport issue—did not have access • Working on day of requirement

**Applicable to Job Interviews only*

Misconduct at a Provider Appointment, Third Party Appointment, activity or job interview

Behaviours that may be considered misconduct which prevent the purpose of the requirement from being met include:

- | | |
|--|---|
| <ul style="list-style-type: none"> • Appeared intoxicated/under the influence • Disingenuous • Disruptive/disengaged—unable to complete requirement • Inadequate presentation/attire at requirement • Left prior to completion of requirement | <ul style="list-style-type: none"> • Physically abusive—unable to deliver requirement • Self-sabotage • Theft • Verbally abusive—unable to deliver requirement. |
|--|---|

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Did not have appropriate attire to wear at requirement • Disability/condition presenting itself as misconduct • Major personal crisis affected job seeker* • Medical issue/condition contributed to behaviour 	<ul style="list-style-type: none"> • Couldn't control behaviour/self • Denied nature of misconduct • Did not believe they were impacted by substances • Did not think they had to stay for the duration • Did not think they were dressed inappropriately • Did not want to participate/engage with requirement • Falsified disability/condition presenting itself as misconduct • Did not want that job*

**Applicable to Job Interviews only*

* In this case, 'job seeker' refers to a 'Fully Eligible Participant (Mutual Obligation)' as defined in the jobactive Deed 2015–2022 or a 'Compulsory Participant' as defined in the ParentsNext Deed 2018–2021, as relevant

Failure to agree to a Job Plan

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Did not understand requirement to agree to Job Plan • Required further assistance to understand terms of Job Plan • Housing instability issues—unable to return Plan or advise prior • Local issue/natural disaster—unable to return Plan or advise prior • Legal requirements—unable to return Plan or advise prior • Medical/health reason—unable to return Plan or advise prior • Travel/transport access issue—unable to return Plan or advise prior 	<ul style="list-style-type: none"> • Away from home/on holiday • Caring/family reasons—claims no time to participate • Does not believe they have to meet requirements • Refuses to participate in employment services • Refuses to look for work—number or overall • Refuses to participate due to study • Refuses to participate in specific activity • Refuses to participate/claims to have no time due to paid work • Refuses to participate due to self-employment • Refuses to discuss requirements • Refuses to participate due to undertaking other, non-mutual obligation requirements • Does not want to enter into a Job Plan • Forgot about requirement • Medical/health reason—could not return Plan • Caring/family reasons—could not return Plan • Travel/transport issues—could not return Plan

Failure to satisfactorily meet a Job Search Requirement

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Caring/family duties that were significant—no exemption • Cultural business for extended period • Housing instability issues • Legal requirements impacted job search • Local issue/natural disaster impacted job search • Medical/health reason—no exemption • Major personal crisis—no exemption 	<ul style="list-style-type: none"> • Away from home/on holidays • Caring/family requirements affected job search • Claims other requirements affected job search • Does not believe suitable jobs are available • Does not want to apply for jobs • Does not want to apply for jobs using different methods • Does not want to look for work in diverse industries • Does not want to tailor applications to industry • Forgot about job search/got due date wrong • Housing instability • Medical/health reasons • States not required to look for work • States too many job searches required • Technology issue—claims could not submit efforts online • Technology issue—reported job search efforts incorrectly • Thinks quality of applications is satisfactory

Failure to act on a job referral

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Caring/family duties were significant—no exemption • Commute to/from workplace—distance too great/expensive • Conditions or pay not suitable • Conditions/skills for job beyond job seeker* capacity • Cultural business for extended period • Cultural—workplace unsuitable for cultural/religious reasons • Housing instability issues • Legal requirements prevented compliance • Local issue/natural disaster prevented compliance • Major personal crisis affected job seeker* • Medical/health reason prevented compliance • Notification issue—not aware of requirement • PCP—job seeker* not better off financially • Technology—no access to technology to complete requirement • Technology—no phone or credit to contact employer 	<ul style="list-style-type: none"> • Acted in a manner that did not result in a job offer/interview • Away from home/on holiday • Believes not required to look for work • Caring/family requirements • Caring—claims childcare will be too expensive if job offered • Conditions—claims job does not match skills • Conditions—claims not in preferred employment industry • Conditions—claims too many or too few hours • Conditions—pay not enough (within allowable policy) • Does not want job • Forgot about requirement • Housing instability • Medical/health reason • Résumé not acceptable standard • Technology—claims no access to technology to complete requirement • Technology—claims no phone or credit to contact employer • Travel/transport issue—claims distance too great/expensive

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Attachment E—Manual Demerit removal options

All Demerit types

Reason	Description
Issue affected overall capability—requirements changed	The Participant’s personal circumstances would have likely affected their overall capability to meet requirements. Their Provider has updated their requirements to be more appropriate and to support the Participant to meet them.
New information disclosed—job seeker* in services to address	New information about the Participant has been disclosed which impacted their ability to meet requirements at the time they accrued the Demerit. The Provider has referred the Participant to services, or the Participant is in services, to address this issue.
New information disclosed—likely impacted compliance	New information about the Participant has been disclosed which impacted their ability to meet requirements at the time they accrued the Demerit, and should it have been known, would likely have meant the Participant had a Valid Reason.
Provider Error	An error occurred and the Participant should not have accrued a Demerit—for example, they had a Valid Reason or they should not have had the requirement.

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Job Search Demerits

Reason	Description
Issue affected overall capability— requirements changed	The Participant’s personal circumstances would have likely affected their overall capability to meet requirements. Their Provider has updated their requirements to be more appropriate and to support the Participant to meet them.
Job Search efforts submitted after end of Job Search Period— Valid Reason identified	The Participant has submitted their outstanding Job Search efforts online, following payment suspension. Upon Participant contact, the Provider identified that the Participant had a Valid Reason for not submitting their efforts by the end of their Job Search Period.
Adjustment not made— paid work impacted number required	The Participant’s declared earnings for that period mean that their Provider should have reduced their level of job search. <i>Note: this is only applicable where paid work/self-employment is not included in the Job Plan as a requirement. Where it is included, the Department’s IT system will automatically make this adjustment based on hours committed to per fortnight (regardless of actual earnings).</i>
Adjustment not made— exemption impacted number required	The Participant had an Exemption during the Job Search Period. Although the system re calculated their required efforts based on the exemption period, the Provider should have made further adjustment due to the nature of the Exemption.
Adjustment not made to number of Job Search efforts required	The Provider failed to adjust the Participant’s required Job Search efforts for the Job Search Period. The result was that the number of required efforts was too high, and the Provider will makes the adjustment in the Job Plan for the next Job Search Period.
Job Search efforts were reported manually within Job Search Period	The Participant provided their Job Search efforts to their Provider during the Job Search Period; however, the Provider did not record them in the Department’s IT System before the end of the Participant’s Job Search Period.
Job Search efforts were satisfactory	The Provider had assessed that the Participant’s Job Search efforts were unsatisfactory in quality. Upon review, the Provider identified that the efforts and quality were satisfactory.

Job Plan Demerits

Reason	Description	Type of failure
Job Plan accepted online—Valid Reason identified	The Participant accepted their Job Plan online, but only after the due date. Upon contact with the Participant, the Provider identified that they had a Valid Reason for not agreeing to the Job Plan within the required timeframe.	Job Plan
Job Plan terms unreasonable/inappropriate	Upon another review of the Job Plan and discussion with the Participant, the Provider identified that the requirements in the Plan are not suitable for Participant.	Job Plan
Signed Job Plan was returned	An error occurred and the Participant did not return their signed hardcopy Job Plan within the required timeframe, however the Provider did not record this agreement in the Department’s IT System.	Job Plan—where think time granted (hardcopy)
Job seeker* did agree to Job Plan at appointment	An error or misunderstanding occurred and the Participant did actually agree to their Job Plan onsite. However, the Provider did not record this agreement in the Department’s IT System, and they used the compliance framework instead.	Job Plan—think time granted (hard copy) or refusal recorded
Job seeker* did not refuse to sign Job Plan	An error or misunderstanding occurred and the Participant had not refused to agree to their Job Plan onsite. However the Provider did not record their agreement or their request for think time, and they used the compliance framework instead.	Job Plan—refusal

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Attachment F—‘Unable to Re-engage Within 2 Business Days’ reason options

‘Unable to Re-engage within 2 Business Days’

- | | |
|--|---|
| <ul style="list-style-type: none">• Caring/family duties that were unexpected impacts attendance• Cultural business over next two business days impacts attendance• Full-Time Activity/Training impacts attendance• Housing instability/emergency impacts attendance• Legal requirements impact attendance | <ul style="list-style-type: none">• Local issue/natural disaster impacts attendance• Major personal crisis affecting job seeker* impacts attendance• Medical/health issue over next two days impacts attendance• Travel/transport—exceptional issue impacts attendance• Working over next two business days |
|--|---|
-

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Attachment G— ‘Re-engagement Not Required’ reason options

The following table describes the options Providers have to record the reason a Re-engagement is Not Required. The table also indicates which requirements each of the options can be recorded against.

Reason	Appointment (Provider or third party)	Activity	Job interview	Job Plan	Job referral
Re-engagement not required— non-compliance discussed	✓	✓	✓		✓
Outreach/ Part-time site impacts re-engagement	✓	✓	✓		
Unable to be arranged in next two days		✓			
Applications closed/ Vacancy withdrawn					✓
Local issue/natural disaster impacts compliance	<i>Record as ‘unable to re-engage within 2 business days’</i>			<i>Record ‘compliance action no longer appropriate’</i>	✓
Major personal crisis impacts compliance					✓
Departmental Override*	✓	✓	✓	✓	✓
Exit/Transfer from services*	✓	✓	✓	✓	✓

* Departmental Users or the IT system (automatically) only

Attachment H— ‘Compliance Action No Longer Appropriate’ reason options

The following table describes the options Providers have to record the reason Compliance Action is No Longer Appropriate. The table also indicates which requirements each of the options can be recorded against.

Reason	Appointment (Provider or third party)	Job Plan	Activity or job interview	Job Search	Job referral
Applications closed/ Vacancy withdrawn					✓
Local issue /natural disaster impacts compliance	✓		✓	✓	✓
Major personal crisis impacts compliance	✓	✓	✓	✓	✓
Significant and ongoing caring/family duties—no exemption				✓	
Significant and ongoing medical/health issues—no exemption				✓	
Job seeker* requirements changed—job search not applicable				✓	
Departmental Override*	✓	✓	✓	✓	✓
Exit/Transfer from services*	✓	✓	✓	✓	✓

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

All capitalised terms in this guideline have the same meaning as in the jobactive Deed 2015–2022 (the Deed).

This Guideline is not a stand-alone document and does not contain the entirety of Employment Services Providers' obligations. It must be read in conjunction with the Deed and any relevant Guidelines or reference material issued by Department of Employment, Skills, Small and Family Business under or in connection with the Deed.

Guideline:

Targeted Compliance Framework: Mutual Obligation Failures

The Targeted Compliance Framework (TCF) is designed to target financial penalties towards only those Participants who persistently commit Mutual Obligation Failures without a Valid Reason or Reasonable Excuse, while providing protections for the most vulnerable. It is designed to encourage Participants to engage with their employment services provider (Provider), take personal responsibility for managing and meeting their Mutual Obligation Requirements, and actively look for work.

Participants commit Mutual Obligation Failures when they fail to comply with any one of a range of particular requirements specified in the Social Security Law. Broadly speaking, these requirements include, among other things:

- entering into a Job Plan
- attending appointments, and participating in activities, where required by their Job Plan
- acting appropriately during those appointments and while participating in those activities
- undertaking adequate Job Searches, where required by their Job Plan
- attending job interviews
- acting on job opportunities when requested to do so by their Provider.

If a Participant persistently commits Mutual Obligation Failures, they progress through the compliance framework. The Participant may eventually incur financial penalties after they:

- have participated in a Capability Interview with their Provider, and a Capability Assessment with Services Australia, to ensure that the Mutual Obligation Requirements specified in their Job Plan are appropriate for their personal circumstances and that they are capable of meeting them
- have continued to commit Mutual Obligation Failures.

That Participant may also face financial penalties if, at any time, they commit a Work Refusal Failure or an Unemployment Failure. See the [Work Refusal Failures and Unemployment Failures Guideline](#) for more information.

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Effective from: 25 September 2020

Effective end: 6 December 2020

Changes from the previous version (Version 2.0)

Policy changes:

Changes have been made to this Guideline to reflect the policy change stipulating that Participants are not required to meet a Reconnection Requirement when the Provider assesses that the Participant has a Valid Reason, and when the Provider records the reason they accept in the Department's IT System.

Wording changes:

References to 'this document' have been amended to read 'this Guideline' for consistency and clarity.

Effective end: 6 December 2020

A full document history is available on the Provider Portal.

Related documents and references

jobactive

[Job Plan and Setting Mutual Obligation Requirements Guideline](#)

[Capability Assessment Guideline](#)

[Capability Interview Guideline](#)

[Work Refusal Failures and Unemployment Failures Guideline](#)

ParentsNext

[Capability Assessment Guideline](#)

[Capability Interview Guideline](#)

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1. Interpretation

Unless otherwise specified:

- all references in this Guideline to:
 - a ‘Participant’ are references to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant;
 - a ‘Job Plan’ are references to a ‘Job Plan’ as defined in the jobactive Deed 2015–2022 or a ‘Participation Plan’ as defined in the ParentsNext Deed 2018–2021, as relevant;
 - ‘3 active months’ are, broadly speaking, references to 91 days, but prolonged for the time the Participant is in a penalty period or has an Exemption (up to a maximum of 12 months); and
 - ‘6 active months’ are, broadly speaking, references to 182 days, but prolonged for the time the Participant is in a penalty period or has an Exemption (up to a maximum of 12 months); and
- capitalised terms in this Guideline have the meaning given to them in the jobactive Deed 2015–2022 or the ParentsNext Deed 2018–2021, as relevant.

2. The Targeted Compliance Framework (TCF)

Providers’ main obligations relating to the Targeted Compliance Framework (TCF) are set out in Chapter B3 of the jobactive Deed 2015–2022 or Chapter B3 of the ParentsNext Deed 2018–2021, as relevant. One of the key obligations is that Providers must actively monitor and record each Participant’s compliance against their Mutual Obligation Requirements (see section B3.1 in the jobactive Deed 2015–2022 or the ParentsNext Deed 2018–2021, as relevant). This includes recording compliance against requirements that, if not complied with, would result in a Mutual Obligation Failure, Work Refusal Failure or Unemployment Failure for jobactive Participants, or a Mutual Obligation Failure for ParentsNext Participants.

For more information on the meaning of the term ‘Mutual Obligation Failure’, see section 3, Committing Mutual Obligation Failures.

See the [Targeted Compliance Framework: Work Refusal and Unemployment Failures Guideline](#) for more information on Work Refusal Failures and Unemployment Failures.

In summary, a Participant’s Income Support Payment potentially may be:

- suspended, reduced and/or cancelled—if they commit a Mutual Obligation Failure (see section [Committing Mutual Obligation Failures](#) in this Guideline)
- suspended and/or cancelled if they commit a Work Refusal Failure (that is, they refuse or fail to accept an offer of suitable employment, subject to certain exceptions)
- cancelled if they commit an Unemployment Failure (that is, they become unemployed as a result of a voluntary act or misconduct, subject to certain exceptions).

Note that, if a Participant's Income Support Payment is cancelled, the Participant must serve a four-week preclusion period before they may be paid again (after reapplying for income support).

A key principle of the TCF is personal responsibility. Participants are held personally responsible for managing, meeting and reporting on their Mutual Obligation Requirements each fortnight in return for their Income Support Payment. This means that Participants are responsible for:

- meeting their Mutual Obligation Requirements, including those set out in their Job Plan
- self-reporting participation against their Mutual Obligation Requirements as they are scheduling in their Electronic Calendar—when they are found to be reasonably capable of doing so
- looking for work and reporting their Job Searches on time each month—when required to do so.

The three zones

The TCF comprises three zones for Participants:

- the Green Zone
- the Warning Zone
- Penalty Zone.

The key things that influence whether a Participant moves from one zone to another are:

- whether they accrue a Demerit. See [Attachment A](#) for information on the circumstances in which a Participant will accrue a Demerit. Broadly speaking, it is intended that a Participant will accrue a Demerit when they commit a Mutual Obligation Failure without a Valid Reason
- how many Demerits they accrue in a particular time period
- the types of Mutual Obligation Failures that lead to the accrual of the Demerits
- the outcomes of any Capability Interview or Capability Assessment that the Participant participates in.

See the [Capability Interview Guideline](#) and the [Capability Assessment Guideline](#) for more information on Capability Interviews or Capability Assessments.

Each of the three zones are described in further detail below.

For a diagram illustrating the three zones in the TCF, see [Attachment B](#).

The Green Zone

All Participants begin in the Green Zone. As long as they do not commit any Mutual Obligation Failures without a Valid Reason, they will remain in this zone.

The Warning Zone

Moving into the Warning Zone helps to reinforce the importance of meeting Mutual Obligation Requirements and discourages Participants from committing any further Mutual Obligation Failures.

When a Participant in the Green Zone accrues a Demerit, they move into the Warning Zone. Each Demerit has a lifespan of 6 active months, after which they are automatically removed by the Department's IT Systems.

In some circumstances (discussed below), when a Participant is in the Warning Zone, the Provider must conduct a Capability Interview with the Participant.

The Provider must do this when the Department's IT Systems specify that the Participant's Reconnection Requirement is a Capability Interview (the timing of when this occurs is discussed below). Note that the Department's IT Systems refer to a Reconnection Requirement as a 're-engagement requirement'.

See the [Reconnection Requirements](#) section of this Guideline for more information on setting Reconnection Requirements.

The outcome of a Capability Interview determines whether the Participant will remain in the Warning Zone or will go back to the Green Zone with their Demerits reset to zero. The purpose of a Capability Interview is to determine whether a Participant's Job Plan is suitable for the Participant, and to provide an additional opportunity for the Participant to disclose information that may be affecting their capacity to comply with their Mutual Obligation Requirements. A Job Plan will be suitable for a Participant if the Mutual Obligation Requirements specified in the Participant's Job Plan are appropriate for their individual circumstances and the Participant is capable of meeting them.

Broadly speaking, the Department's IT Systems will specify that the Participant's Reconnection Requirement is a Capability Interview when the Participant has, in 6 active months, incurred three Demerits or a Demerit for a 'fast-track' Mutual Obligation Failure.

A fast-track Mutual Obligation Failure is one of the following:

- intentionally acting in a manner at a job interview that could result in an offer of employment not being made to the Participant
- failing to attend a job interview
- failing to act on a job opportunity when requested to do so by their Provider.

Note that, if a Participant has less than three Demerits when they incur a Demerit for a fast-track Mutual Obligation Failure, the Department's IT Systems will automatically increase the number of Demerits to three.

In practice, fast-track Mutual Obligation Failures do not apply in ParentsNext because ParentsNext Participants do not have obligations related to finding work.

A factor that influences whether a Provider must conduct a Capability Interview in the circumstances described above is the outcome of any Capability Interview or Capability Assessment that has been conducted in relation to the Participant in the last 60 days.

Providers' main obligations regarding Capability Interviews are set out in clauses 114.7, 114.8 and 114.9 of the jobactive Deed or clauses 97.1, 97.2 and 97.3 of the ParentsNext Deed, as relevant. See also the [Capability Interview Guideline](#) for more information.

The Department's IT System will determine whether the Participant will remain in the Warning Zone, or go back to the Green Zone with their Demerits reset to zero. This is based on the information that the Provider records in the Department's IT Systems regarding the outcome of the Capability Interview. It is intended that, if the result of the Capability Interview is that:

- the Participant's Job Plan is not suitable for the Participant (i.e. the Mutual Obligation Requirements specified in the Participant's Job Plan are not appropriate for their circumstances, and/or the Participant is not capable of meeting them), the Participant will go back to the Green Zone with their Demerits reset to zero, or
- the Participant's Job Plan is suitable for the Participant (i.e. the Mutual Obligation Requirements specified in the Participant's Job Plan are appropriate for their circumstances and the Participant is capable of meeting them), the Participant will continue in the Warning Zone with their confirmed Demerits.

In some circumstances (discussed below), when a Participant is in the Warning Zone, Services Australia will conduct a Capability Assessment with the Participant. The Department's IT System will notify the Provider when this will occur.

(Deed references: jobactive Deed 2015–2022 clauses 114.7, 114.8 and 114.9; ParentsNext Deed 2018–2021 clauses 97.1, 97.2 and 97.3)

The Penalty Zone

There are a number of criteria that must be satisfied before a Participant will enter the Penalty Zone. The first is that the Participant has attended a Capability Interview and the outcome of that Capability Interview is that the Participant's Job Plan is suitable for the Participant.

The second criterion that must be satisfied before a Participant will enter the Penalty Zone is that the Participant has incurred five Demerits in 6 active months. When this occurs, the Services Australia will arrange for the Participant to attend a Capability Assessment with Services Australia. Note that, if a Participant has three or four Demerits when they incur a Demerit for a fast-track Mutual Obligation Failure (discussed above), the Department's IT Systems will automatically increase the Participant's total number of Demerits to five.

The final criterion is that the outcome of the Capability Assessment is that the Participant's Job Plan is suitable for the Participant. This means that the outcome of a Capability Assessment determines whether the Participant will enter the Penalty Zone or will go back to the Green Zone with their Demerits reset to zero.

The Capability Assessment has the same goals as the Capability Interview: to assess whether a Participant's Job Plan is suitable for the Participant (i.e. whether the Mutual Obligation Requirements specified in the Participant's Job Plan are appropriate for their circumstances and whether the Participant is capable of meeting them).

The Department's IT Systems will determine whether the Participant will enter the Penalty Zone or will go back to the Green Zone with their Demerits reset to zero. It does this based on the information that Services Australia records in the

Department's IT Systems regarding the outcome of the Capability Assessment. It is intended that, if the result of the Capability Assessment is that:

- the Participant's Job Plan is not suitable for the Participant (i.e. the Mutual Obligation Requirements specified in the Participant's Job Plan are not appropriate for their circumstances, and/or the Participant is not capable of meeting them), the Participant will go back to the Green Zone with their Demerits reset to zero; or
- the Participant's Job Plan is suitable for the Participant (i.e. the Mutual Obligation Requirements specified in the Participant's Job Plan are appropriate for their circumstances and the Participant is capable of meeting them), the Participant will enter the Penalty Zone.

Broadly speaking, it is intended that a Participant in the Penalty Zone will incur the following financial penalties in succession if they continue to commit Mutual Obligation Failures:

- first Mutual Obligation Failure without a Reasonable Excuse in the Penalty Zone—loss of one week's Income Support Payment
- second Mutual Obligation Failure without a Reasonable Excuse in the Penalty Zone—loss of two weeks' Income Support Payment
- third Mutual Obligation Failure without a Reasonable Excuse in the Penalty Zone—Income Support Payment is cancelled, and the Participant must serve a four-week preclusion period before they may be paid again (after reapplying for income support). The preclusion period referred to here is called a 'post-cancellation non-payment period' in the relevant legislation.

Once a Participant's Income Support Payment has been cancelled, the Participant must reapply for income support—they will not automatically receive an Income Support Payment again once the four-week preclusion period has ended. If a Participant has had their Income Support Payment cancelled, but they return to payment within 3 active months of cancellation, they will return to the beginning of the Penalty Zone. In other words, their next Mutual Obligation Failure without a Reasonable Excuse (committed within 3 active months after cancellation) would result in another loss of one week's payment.

It is intended that a Participant in the Penalty Zone will return to the Green Zone if they do not commit any further Mutual Obligation Failures for 3 active months. The potential to return to the Green Zone through demonstrating compliance provides a further incentive for Participants to change their behaviour and meet their Mutual Obligation Requirements.

Note that, although Participants can incur financial penalties while they are in the Penalty Zone (as discussed above), they do not accrue further Demerits.

Recording participation by close of business

Providers have an obligation to record Engagements in each Participant's Electronic Calendar (see clause 83A of the jobactive Deed or clause 71 of the ParentsNext Deed, as relevant). The types of Engagements that must be recorded include all Mutual Obligation Requirements, except for those that involve a requirement to:

- undertake adequate Job Searches

- enter into a Job Plan, or
- act on a job opportunity.

Providers also have an obligation to confirm or record participation against each Mutual Obligation Requirement scheduled in a Participant's Electronic Calendar. This must be done no later than close of business on the day that the Mutual Obligation Requirement is scheduled to occur in the Participant's Electronic Calendar (see clause 106A of the jobactive Deed or clause 88 of the ParentsNext Deed, as relevant).

Except in the case of attending a Provider Appointment, if participation is not recorded by close of business on the day that the Mutual Obligation Requirement is scheduled to occur in the Participant's Electronic Calendar (either by the Provider or by the Participant), the Department's IT Systems will automatically suspend the Participant's Income Support Payment.

Although a Participant does not necessarily accrue a Demerit for failing to record their participation against a Mutual Obligation Requirement, they may potentially accrue a Demerit if they did not attend or participate in the Mutual Obligation Requirement, including if they failed to give prior notice of their inability to meet the requirement when it was reasonable to expect them to do so. See [Attachment A](#) for information on the circumstances in which a Participant will accrue a Demerit.

(Deed references: jobactive Deed 2015–2022 clause 83A, 106A; ParentsNext Deed 2018–2021 clauses 71, 88)

Self-reporting participation

Providers must assess whether each individual Participant is capable of taking personal responsibility for self-reporting participation against all the Mutual Obligation Requirements in their Job Plan (see clause 106A.1 of the jobactive Deed or clause 88.1 of the ParentsNext Deed, as relevant).

If the Provider assesses that a Participant is not capable of self-reporting as referred to above, the Provider must remove the Job Plan code 'Personal Responsibility to Record or Report Attendance (PA03)' from the Participant's Job Plan. It is then the Provider's responsibility to record the Participant's participation against each of the Mutual Obligation Requirements scheduled in their Electronic Calendar (see clause 106A.2 of the jobactive Deed or clause 88.2 of the ParentsNext Deed, as relevant). Providers are encouraged to work with Participants assessed as not capable of self-reporting to help them build the required skills to be able to self-report their participation against each of the Mutual Obligation Requirements scheduled in their Electronic Calendar.

If the Provider assesses that a Participant is capable of self-reporting as referred to above, the Provider must confirm with the Participant that they understand that this means:

- the Participant must record their participation against each of the Mutual Obligation Requirements scheduled in their Electronic Calendar themselves— either on the jobactive website, or by using the Job Seeker App

- if the Participant does not do this, their Income Support Payment will be suspended until they contact their Provider to discuss.

For information on how Providers must assess whether each individual Participant is capable of taking personal responsibility for self-reporting participation against all the Mutual Obligation Requirements in their Job Plan, refer to the [Job Plan and Scheduling Mutual Obligation Requirements Guideline](#) on the Provider Portal.

(Deed references: jobactive Deed 2015–2022 clauses 106A.1, 106A.2; ParentsNext Deed 2018–2021 clauses 88.1, 88.2)

3. Committing Mutual Obligation Failures

The term ‘Mutual Obligation Failure’ is defined in the Deeds by reference to the meaning of that term in the *Social Security (Administration) Act 1999* (see the definition of ‘mutual obligation failure’ in section 42AC of that Act). In summary, this means that a Participant will commit a Mutual Obligation Failure if they:

- fail to enter into a Job Plan
- fail to attend, or to be punctual for, an appointment that they are required to attend under their Job Plan
- fail to attend, to be punctual for, or to participate in, an activity that they are required to undertake under their Job Plan
- fail to undertake adequate Job Searches
- fail to comply with any other requirement in their Job Plan
- act in an inappropriate manner:
 - during an appointment that they are required to attend under their Job Plan, or
 - while participating in an activity that they are required to undertake under their Job Plan
- intentionally act in a manner that could result in an offer of employment not being made to the person
- fail to:
 - attend a job interview, or
 - act on a job opportunity when requested to do so by their Provider.

Fast-track Mutual Obligation Failures

Particular types of Mutual Obligation Failures are referred to as ‘fast-track’ Mutual Obligations Failures because they can result in a Participant having a Capability Interview or Capability Assessment more quickly than would otherwise be the case. See [The Warning Zone](#) section of this Guideline for more information on ‘fast-track’ Mutual Obligations Failures.

Prior notice and Acceptable Reasons

A Participant may notify the Provider, before the start time scheduled for a Mutual Obligation Requirement, that they are unable to comply with their Mutual Obligation Requirement. Providers must then assess whether the Participant’s reason for being unable to comply with the Mutual Obligation Requirement is an

Acceptable Reason. If the Provider is satisfied that the Participant has an Acceptable Reason for being unable to comply with the Mutual Obligation Requirement, they have an obligation to reschedule or remove the Mutual Obligation Requirement from the Electronic Calendar. See clause 106B.1 of the jobactive Deed or clause 89.1 of the ParentsNext Deed, as relevant, together with the definition of 'Acceptable Reason' in Annexure A1 in the relevant Deed.

For the purposes of the above, the Provider must determine that a Participant has an Acceptable Reason for being unable to satisfy a Mutual Obligation Requirement if:

- the Participant notified the Provider, before the start time scheduled for a Mutual Obligation Requirement, that the Participant is unable to satisfy the Mutual Obligation Requirement
- the Provider is satisfied that the Participant has a Valid Reason for being unable to satisfy the Mutual Obligation Requirement.

A Provider must determine that the Participant has a Valid Reason for a Mutual Obligation Failure when they are satisfied that the reason the Participant provides:

- would directly prevent the Participant from meeting the Mutual Obligation Requirement at the time that the Mutual Obligation Requirement is scheduled to occur;
- would be considered to be reasonable by a member of the general public; and
- aligns with the Participant's personal circumstances as known by the Provider.

However, note the exception to the above discussed in the [Drug and alcohol dependency or misuse](#) section of this Guideline.

Where a Provider has an obligation to reschedule or remove a Mutual Obligation Requirement under clause 106B.1 of the jobactive Deed or clause 89.1 of the ParentsNext Deed, the Provider must select 'No Longer Required' or 'Rescheduled' (as appropriate) in relation to the Mutual Obligation Requirement in the Participant's Electronic Calendar. This will either remove the Mutual Obligation Requirement from the Participant's Electronic Calendar or allow the Mutual Obligation Requirement to be re-scheduled in the Participant's Electronic Calendar.

Despite the above, the Provider must select 'No Longer Required' in relation to the Mutual Obligation Requirement in the Participant's Electronic Calendar if the Mutual Obligation Requirement in question is a requirement to undertake Job Searches or a requirement to act on a job opportunity.

If the Provider selects 'No Longer Required' or 'Rescheduled' in relation to a Mutual Obligation Requirement in the Participant's Electronic Calendar as referred to above, the Provider must also select a description of the relevant Valid Reason from the drop-down menu that will appear. In selecting a Valid Reason option from the drop-down menu, the Provider must select the option that is most similar to the Participant's Valid Reason as they described it to the Provider. The Provider must not use the options in the drop-down menus to prompt or elicit responses from the Participant. A full list of these drop-down menu options can be found at [Attachment C](#).

If the Provider is not satisfied that the Participant has a Valid Reason for being unable to satisfy the Mutual Obligation Requirement, the Provider must tell the Participant why. The Provider must then remind the Participant that they are still expected to meet the Mutual Obligation Requirement and must remind them about the consequences of non-compliance.

(Deed references: jobactive Deed 2015–2022 clause 106B.1; ParentsNext Deed 2018–2021 clause 89.1; definition of ‘Acceptable Reason’ in Annexure A1 in the relevant Deed)

Misconduct—Acting in an inappropriate manner

Particular types of Mutual Obligations Failures are referred to as ‘misconduct’ in the Department’s IT Systems. The circumstances in which the Provider must select ‘misconduct’ are described below in the [When the Participant does not have a Valid Reason](#) section of this Guideline.

Misconduct refers to:

- inappropriate behaviour by the Participant:
 - during an appointment that they are required to attend under their Job Plan, or
 - while participating in an activity that they are required to undertake under their Job Plan, or
- behaviour by a Participant, during a job interview, that could result in an offer of employment not being made to the Participant.

A Provider must determine that a Participant’s behaviour involved ‘misconduct’ in the circumstances described above when the Participant’s behaviour during the relevant appointment, activity or job interview:

- was within the Participant’s control
- prevented the purpose of the relevant appointment, activity or job interview from being met
- would be judged by a reasonable person as being inappropriate in the circumstances.

This behaviour may include:

- dressing in a way that is clearly inappropriate for the relevant appointment, activity or job interview
- using offensive language during the relevant appointment, activity or job interview
- showing an obvious lack of interest in the relevant appointment, activity or job interview
- exaggerating the severity of an existing injury or illness to avoid fully participating in the relevant appointment, activity or job interview
- leaving the relevant appointment, activity or job interview before its completion.

Behaviour that appears to be inappropriate but is out of the Participant’s control must not be determined by a Provider to be misconduct. For example, a Participant may act in an inappropriate manner because they:

- do not have appropriate clothes to wear to the relevant appointment, activity or job interview
- are affected by a major personal crisis
- are affected by a medical condition.

When a Participant commits a Mutual Obligation Failure

When a Participant commits a Mutual Obligation Failure, it is intended that there are a few immediate ramifications: their Income Support Payment is suspended and they also accrue a Demerit if they do not have a Valid Reason. See [Attachment A](#) for information on the circumstances in which:

- a Participant's Income Support Payment is suspended
- the suspension of a Participant's Income Support Payment is lifted
- a Participant will accrue a Demerit.

Payment suspension

The suspension of a Participant's Income Support Payment is intended to encourage the Participant to re-engage with their Provider. Suspension generally occurs prior to any assessment of Valid Reason and is normally maintained until either the Participant re-engages (i.e. meets a Reconnection Requirement) or until the Provider records a Valid Reason. See the [Reconnection Requirements](#) section of this Guideline.

When the Participant's Income Support Payment is suspended, the Department's IT Systems send them a payment suspension notification to notify them:

- that their Income Support Payment is suspended
- why their Income Support Payment is suspended
- what they must do to lift the Income Support Payment suspension
- to contact their Provider as soon as possible.

The automatic notification described above only occurs if the Participant has SMS or e-mail details recorded in the Department's IT Systems for automatic notification. If the Participant does not have SMS or e-mail details recorded in the Department's IT Systems for automated notification, the Provider must send the notice prepared by the Department's IT Systems in response to the Mutual Obligation Failure to the Participant's postal address. See clauses 114.2(a)(iii), 114.5(a)(i) and 115.4(a)(ii) of the jobactive Deed or clause 96.5(a)(i) of the ParentsNext Deed, as relevant.

As noted above, Participant's Income Support Payment will normally remain suspended until they meet a Reconnection Requirement or until the Provider records a Valid Reason in the Department's IT Systems. Failure to comply with a Reconnection Requirement within four weeks of notification will usually result in Services Australia cancelling the Participant's Income Support Payment. For more information on Reconnection Requirements, see the [Reconnection Requirements](#) section in this Guideline.

(Deed references: jobactive Deed 2015–2022 clauses 114.2(a)(iii), 114.5(a)(i), 115.4(a)(ii); ParentsNext Deed 2018–2021 clause 96.5(a)(i))

Participant contact

In most cases, if the Provider becomes aware that a Participant has apparently committed a Mutual Obligation Failure, the Provider must attempt to contact the Participant on the same Business Day on which the Provider becomes aware of the apparent Mutual Obligation Failure. See clauses 114.1 and 114.2 of the jobactive Deed or clauses 96.1 and 96.2 of the ParentsNext Deed, as relevant. If there is contact between the Provider and the Participant on that day, the Provider must:

- discuss with the Participant the circumstances of the apparent Mutual Obligation Failure so that the Provider can determine whether a Mutual Obligation Failure has actually been committed; and
- if the Provider considers that a Mutual Obligation Failure has been committed:
 - discuss with the Participant their reasons for the Mutual Obligation Failure, assess whether the Participant has a Valid Reason, and comply with the obligations set out below in the [Assessing Valid Reasons](#) section in this Guideline
 - set an appropriate Reconnection Requirement for the Participant (if they do not have a Valid Reason for the relevant Mutual Obligation Failure) in accordance with the [Reconnection Requirements](#) section in this Guideline; or
- if the Provider considers that a Mutual Obligation Failure has not been committed, not take any further action.

See clause 114 of the jobactive Deed or clause 96 of the ParentsNext Deed, as relevant.

See the [Assessing Valid Reasons](#) section in this Guideline for more information on Valid Reasons.

, See the [Reconnection Requirements](#) section in this Guideline for more information on Reconnection Requirements.

(Deed references: jobactive Deed 2015–2022 clause 114; ParentsNext Deed 2018–2021 clause 96)

Contact attempt not required

The Provider is not required to attempt to contact the Participant if the Mutual Obligation Failure has occurred because the Participant:

- failed to undertake adequate Job Searches (this does not apply to participants in ParentsNext), or
- failed to enter into a Job Plan.

See clause 114.2 of the jobactive Deed or clause 96.2 of the ParentsNext Deed, as relevant.

In these instances, the Provider should wait for the Participant to make contact. Once the Participant has made contact, the Provider must:

- schedule a date and time for a Reconnection Requirement to occur (if the Participant does not have a Valid Reason for the relevant Mutual Obligation Failure) in accordance with the [Reconnection Requirements](#) section in this Guideline
- otherwise comply with the Deed clauses referred to above.

(Deed references: jobactive Deed 2015–2022 clause 114.2; ParentsNext Deed 2018–2021 clause 96.2)

Contact attempt not successful

As discussed above, in most cases, the Provider has an obligation to attempt to contact the Participant on the same Business Day on which the Provider becomes aware of an apparent Mutual Obligation Failure. When the Provider attempts to contact the Participant in accordance with that obligation and the attempt is not successful, the Provider must:

- record that they are not in contact with the Participant, and select ‘Did Not Attend—Invalid’ in relation to the relevant Mutual Obligation Requirement in the Participant’s Electronic Calendar. Doing so will suspend the Participant’s Income Support Payment and will:
 - create a pending Demerit on the Participant’s record if the Participant is in the Warning Zone; or
 - create a pending Non-Compliance Report on the Participant’s record if the Participant is in the Penalty Zone; and
- comply with clause 114.5 of the jobactive Deed or clause 96.5 of the ParentsNext Deed, as relevant.

If the Participant later contacts the Provider to discuss the Mutual Obligation Failure, the Provider must:

- schedule a date and time for a Reconnection Requirement to occur (if the Participant does not have a Valid Reason for the relevant Mutual Obligation Failure) in accordance with the Reconnection Requirements section in this Guideline; and
- otherwise comply with clause 114.6 of the jobactive Deed or clause 96.5 of the ParentsNext Deed, as relevant.

(Deed references: jobactive Deed 2015–2022 clause 114.5; ParentsNext Deed 2018–2021 clause 96.5)

Assessing Valid Reasons

Providers have obligations to assess whether a Participant has a Valid Reason for a Mutual Obligation Failure in a number of specific circumstances (see clauses 114.4, 114.6 and 114.11 of the jobactive Deed or clauses 96.4 and 96.6 of the ParentsNext Deed, as relevant). It is intended that if the Participant:

- has a Valid Reason for a Mutual Obligation Failure, any Demerit on their record relating to that Mutual Obligation Failure will be removed; or
- does not have a Valid Reason, the Demerit will be confirmed.

See [Attachment A](#) for information on the circumstances in which:

- a Demerit (pending confirmation) will be put on a Participant’s record
- a Demerit (pending confirmation) will be confirmed or removed from the Participant’s record.

For the purposes of the above, a Provider must determine that the Participant has a Valid Reason for a Mutual Obligation Failure when they are satisfied that:

- the reason the Participant provided:

- directly prevented the Participant from meeting the Mutual Obligation Requirement at the relevant time that the Mutual Obligation Failure occurred
- would be considered to be reasonable by a member of the general public
- aligns with their personal circumstances as known by the Provider
- it would have been unreasonable to expect the Participant to give prior notice of their inability to meet the relevant Mutual Obligation Requirement.

However, note the exception to the above discussed below under the heading 'Drug and alcohol dependency or misuse'.

(Deed references: jobactive Deed 2015–2022 clauses 114.4, 114.6, 114.11; ParentsNext Deed 2018–2021 clauses 96.4, 96.6)

Drug and alcohol dependency or misuse

There are limits on the circumstances in which a Provider can determine that a Participant's drug or alcohol misuse or dependency is a Valid Reason for a Mutual Obligation Failure. Valid Reason determinations are discussed above in the [Prior notice and Acceptable Reasons](#) and [Assessing Valid Reasons](#) sections of this Guideline. Subject to what is stated in those sections, the first time a Participant cites drug or alcohol misuse or dependency as the reason they have committed a Mutual Obligation Failure, the Provider may determine that this is a Valid Reason. If the Participant does this, the Provider must identify and source an available and appropriate treatment program, and must encourage the Participant to participate in that program. Participation in treatment services to address drug or alcohol misuse or dependency may reduce other Mutual Obligation Requirements. See the [Managing and Monitoring Mutual Obligation Requirements](#) Guideline for information on setting Mutual Obligation Requirements.

If a Participant cites drug or alcohol misuse or dependency as the reason they have committed a Mutual Obligation Failure, the Provider must not determine that this is a Valid Reason if:

- the Participant previously committed a Mutual Obligation Failure on or after 1 July 2018;
- the Provider determined that the Participant's drug or alcohol misuse or dependency was a Valid Reason for that previous Mutual Obligation Failure, so it did not result in a Demerit
- as a result of the Mutual Obligation Failure, the Provider referred to Participant to treatment to address the drug or alcohol misuse or dependency
- the Participant refused or failed to participate in the treatment.

The Provider must not determine that drug or alcohol misuse or dependency is a Valid Reason in the circumstances described above, unless one of the following applies:

- the treatment that the Participant was referred to was not available or appropriate for the Participant
- the Participant was genuinely unable to participate in the treatment

- the Participant agreed to participate in the treatment but, despite taking all reasonable steps to commence the treatment, the treatment did not commence, or
- before the Participant was referred to the treatment, the Participant had:
 - completed the same type of treatment as the treatment they were referred to, or
 - completed treatment that was substantially similar to the treatment they were referred to

and, in the opinion of an appropriately qualified medical professional, the Participant would not benefit from further treatment of the same kind as the type of treatment already completed by the person.

When the Participant has a Valid Reason

On the day that the Provider determines that a Participant has a Valid Reason for a Mutual Obligation Failure, they must record this assessment in the Department's IT Systems. The way to record this assessment can differ, depending on the type of Mutual Obligation Failure that the Participant has committed. The steps that the Provider must take, depending on the type of Mutual Obligation Failure, are described below.

When the Provider records that the Participant has a Valid Reason, the Provider must also select a description of the relevant Valid Reason from a drop-down menu that will appear. In selecting a Valid Reason option, the Provider must select the option that is most similar to the Participant's Valid Reason as they described it to the Provider. The Provider must not use the options in the drop-down menus to prompt or elicit responses from the Participant. By recording a reason that is Valid, the Provider is lifting the Participant's payment suspension and removing the relevant Demerit from the Participant's record.

A full list of these drop-down menu options can be found at [Attachment D](#). In the Department's IT Systems:

- 'reasons accepted' refers to reasons that the Provider determines are Valid Reasons; and
- 'reasons not accepted' refers to reasons that the Provider determines are not Valid Reasons.

Failures against requirements that are in the Participant's Electronic Calendar

On the day that the Provider determines that a Participant has a Valid Reason for a Mutual Obligation Failure:

- If the Provider has not already recorded an attendance result in relation to the relevant Mutual Obligation Requirement—the Provider must select 'Did Not Attend—Valid'.
- If the Provider has already recorded 'Did Not Attend—Invalid' or 'Misconduct' in relation to the relevant Mutual Obligation Requirement—the Provider must select 'Yes' in response to the question of whether they accept the job seeker's given reason.

Failures to undertake adequate Job Searches

For failures to undertake adequate Job Searches, on the day that the Provider determines that a Participant has a Valid Reason for a Mutual Obligation Failure, the Provider must select 'Yes' on the Provider Re-engagement page in the Department's IT Systems to indicate that the job seeker's reason for not meeting their Job Search requirement has been accepted.

Failures to enter into a Job Plan

For failures to enter into a Job Plan, on the day that the Provider determines that a Participant has a Valid Reason for the Mutual Obligation Failure, the Provider must select 'Yes' on the Provider Re-engagement Page in the Department's IT Systems to indicate that the job seeker's reason for failing to enter into a Job Plan has been accepted.

Once the Provider has recorded that the Participant has a Valid Reason, the Provider must then create a Provider Appointment for the Participant to attend within two Business Days after the day the Provider has recorded their assessment. If the Participant attends the Provider Appointment, the Provider must discuss the Job Plan with the Participant. If the Participant does not attend the Provider Appointment to discuss the Job Plan, this is a Mutual Obligation Failure, and the Provider must comply with their usual obligations regarding Mutual Obligation Failures.

Failures to act on a job opportunity

For failures to act on a job opportunity, on the day that the Provider determines that a Participant has a Valid Reason for a Mutual Obligation Failure, the Provider must select 'Unsatisfactory—Valid' on the Provider Re-engagement page in the Department's IT Systems to indicate that the job seeker's reason for failing to act on a job opportunity has been accepted.

When the Participant does not have a Valid Reason

On the day that the Provider determines that a Participant does not have a Valid Reason for failing to meet a Mutual Obligation Requirement, the Provider must record this assessment in the Department's IT Systems. The way to record this assessment can differ, depending on the type of Mutual Obligation Failure the Participant has committed. The steps that the Provider must take, depending on the type of Mutual Obligation Failure, are described below.

When they do this, the Provider must also select a description of the Participant's reason that was not a Valid Reason from a drop-down menu that will appear. In selecting a reason option, the Provider must select the option that is most similar to the reason that the Participant gave as they described it to the Provider. By recording that the Participant's reason is not a Valid Reason, the Provider is confirming the relevant Demerit on the Participant's record.

A full list of these drop-down menu options can be found at [Attachment D](#). In the Department's IT Systems:

- ‘reasons accepted’ refers to reasons that the Provider determines are Valid Reasons
- ‘reasons not accepted’ refers to reasons that the Provider determines are not Valid Reasons.

On the day that the Provider determines that a Participant does not have a Valid Reason for failing to meet a Mutual Obligation Requirement, the Provider must then explain to the Participant:

- why their given reason was not a Valid Reason and what the consequences of this are
- that the Participant’s Income Support Payment has been suspended as a result of a Mutual Obligation Failure
- how this decision will be recorded on the Participant’s Participation (Compliance) History and displayed on the Participant’s Compliance Status Indicator on the online Dashboard
- whether the Mutual Obligation Failure is considered a ‘fast-track’ Mutual Obligation Failure and, if so, what that means and what the next steps are;
- the number of Demerits the Participant has accrued so far
- the importance of meeting all Mutual Obligation Requirements
- the consequences of persistent non-compliance, including financial penalties and Income Support Payment cancellation
- that the Participant must meet a Reconnection Requirement to have their Income Support Payment suspension lifted; and
- what and when the Participant’s Reconnection Requirement will be.

By reinforcing the consequences of failing to meet Mutual Obligation Requirements, Participants are encouraged to meet their Mutual Obligation Requirements in the future and remain engaged with their Providers.

Failures against requirements that are in the Participant’s Electronic Calendar

On the day that the Provider determines that a Participant does not have a Valid Reason for a Mutual Obligation Failure:

- If the Provider has not already recorded an attendance result in relation to the relevant Mutual Obligation Requirement—the Provider must select Did Not Attend—Invalid’ or ‘Misconduct’.
- If the Provider has already recorded ‘Did Not Attend—Invalid’ or ‘Misconduct’ in relation to the relevant Mutual Obligation Requirement—the Provider must select ‘No’ in response to the question of whether they accept the job seeker’s given reason.

Failures to undertake adequate Job Searches

For failures to undertake adequate Job Searches, on the day that the Provider determines that a Participant does not have a Valid Reason for a Mutual Obligation Failure, the Provider must select ‘No’ on the Provider Re-engagement page in the Department’s IT Systems to indicate that the job seeker’s reason for not meeting their Job Search requirement has not been accepted.

Failures to enter into a Job Plan

For failures to enter into a Job Plan, on the day that the Provider determines that a Participant does not have a Valid Reason for the Mutual Obligation Failure, the Provider must select 'No' on the Provider Re-engagement page in the Department's IT Systems to indicate that the job seeker's reason for failing to enter into a Job Plan has not been accepted.

Failures to act on a job opportunity

For failures to act on a job opportunity, on the day that the Provider determines that a Participant does not have a Valid Reason for a Mutual Obligation Failure, the Provider must select 'Unsatisfactory—Invalid' on the Provider Re-engagement page in the Department's IT Systems to indicate that the job seeker's reason for failing to act on a job opportunity has not been accepted.

Manually removing Demerits

Providers have obligations to remove Demerits in certain circumstances. See clauses 114.11 and 114.12 of the jobactive Deed or clause 98 of the ParentsNext Deed, as relevant. If the Participant is in the Penalty Zone when the provider assesses that a Demerit should be removed in accordance with clause 114.11 of the jobactive Deed or clause 98 of the ParentsNext Deed, as relevant, the Provider should contact their Account Manager for advice before removing the Demerit.

When removing the Demerit, the Provider must record the reason for the removal in the Department's IT Systems. A full list of these drop-down menu options can be found at [Attachment E](#).

(Deed references: jobactive Deed 2015–2022 clauses 114.11, 114.12; ParentsNext Deed 2018–2021 clause 98)

Participants cannot appeal Demerit decisions under Social Security Law

All Participants have the right to ask for a review of a decision made under Social Security Law, and, in most cases, appeal the decision to a court or tribunal. This includes decisions to suspend a Participant's Income Support Payment as a result of non-compliance and decisions made by Services Australia to reduce or cancel their Income Support Payment.

Demerit decisions are not decisions under Social Security Law and so Participants cannot appeal or ask for a formal review of any decision to confirm a Demerit using the same processes as those that apply for decisions under Social Security Law. However, Participants may dispute Demerit decisions.

Disputing a Demerit decision with the National Customer Service Line

If a Participant is dissatisfied with a Demerit decision, they must first discuss the decision with their Provider. If they still wish to dispute the decision after this discussion, they can contact the Department of Education, Skills and Employment National Customer Service Line (NCSL).

By contacting the NCSL to dispute a Demerit decision, the Participant will in effect make a jobactive servicing-related complaint. If required and appropriate, Providers must action complaints that are referred back to them by the NCSL. This may include reviewing the Demerit decision-making process, any Valid Reason assessments, or information that has been recorded on the Department's IT Systems.

(Deed references: jobactive Deed 2015-2020 clause 114.12 and ParentsNext Deed 2018-2021 clause 98.2)

4. Reconnection Requirements

A Participant must generally meet a Reconnection Requirement following a Mutual Obligation Failure in order to have their Income Support Payment suspension lifted.

See [Attachment A](#) for information on the circumstances in which:

- a Participant's Income Support Payment is suspended
- the suspension of a Participant's Income Support Payment is lifted.

'Reconnection Requirements' are referred to as 're-engagement requirements' in the Department's IT Systems.

Note that a Reconnection Requirement is a Mutual Obligation Requirement. This means that, among other things:

- the Provider must comply with clause 83A of the jobactive Deed or clause 71 of the ParentsNext Deed, as relevant, when recording Reconnection Requirements in a Participant's Electronic Calendar
- the Provider must comply with clause 106B of the jobactive Deed or clause 89 of the ParentsNext Deed, as relevant, in relation to rescheduling or removing a Reconnection Requirement from a Participant's Electronic Calendar.

(Deed references: jobactive Deed 2015-2022 clauses 83A, 106B; ParentsNext Deed 2018-2021 clauses 71, 89)

Setting a Reconnection Requirement

For the purposes of the Deeds and this Guideline, a Participant will be taken to have complied with a Reconnection Requirement where the Provider has, in accordance with the Deeds and the Guideline:

- discussed with the Participant their reasons for the relevant Mutual Obligation Failure
- then determined that the Participant has a Valid Reason for the Mutual Obligation Failure.

All the obligations discussed below in relation to setting Reconnection Requirements only apply where the Participant does not have a Valid Reason for the relevant Mutual Obligation Failure.

Subject to this Guideline (including the above provisions in particular), Providers have obligations to set Reconnection Requirements in certain circumstances following a Mutual Obligation Failure (see clauses 114.2(a)(ii), 114.4(b) and 114.6(b)(ii) of the jobactive Deed or clauses 96.4(b) and 96.5(a)(i) of the ParentsNext Deed, as relevant). When setting a Reconnection Requirement, the Provider must follow the prompts in the Department's IT Systems and notify the Participant of the

Reconnection Requirement. The Department's IT Systems will specify the type of Reconnection Requirement that the Provider must set for the purposes of complying with their Deed obligation referred to above.

Note that, when a Provider sets a Reconnection Requirement as discussed above, they are imposing a Reconnection Requirement for the purposes of subsection 42AM of the *Social Security (Administration) Act 1999*.

Providers have obligations to schedule Reconnection Requirements in the timeframes specified in this Guideline. See clauses 114.2(a)(ii) and 114.4(b) of the jobactive Deed, and clause 96.4(b) of the ParentsNext Deed. The Provider must schedule the Reconnection Requirement in the Participant's Electronic Calendar to occur within two Business Days following the day of the contact between the Participant and their Provider to discuss the relevant Mutual Obligation Failure.

Exceptions to this two Business Day requirement are:

- the Department's IT Systems automatically sets the date and time of the Reconnection Requirement as discussed below under the heading 'Reconnection Requirements that have times and dates automatically set by the Department's IT Systems', or
- the Participant has a Valid Reason for not being able to meet the Reconnection Requirement within the two Business Day timeframe as discussed below under the heading 'Valid Reason to not meet Reconnection Requirement within two Business Days'.

The aim of the two Business Day requirement is to try and ensure that a Participant's Income Support Payment is not suspended for more than two Business Days following contact with their Provider.

(Deed references: jobactive Deed 2015–2022 clauses 114.2(a)(ii), 114.4(b), 114.6(b)(ii); ParentsNext Deed 2018–2021 clauses 96.4(b), 96.5(a)(i))

Multiple Mutual Obligation Failures before contact

When a Participant commits multiple Mutual Obligation Failures before there is a contact with their Provider to discuss those Mutual Obligation Failures:

- only one Reconnection Requirement can be set
- the Provider must advise Participants that they only have to meet one Reconnection Requirement.

Reconnection Requirements that have times and dates automatically set by the Department's IT Systems

For some Mutual Obligation Failures, the Department's IT Systems will automatically set the Reconnection Requirement. This happens when:

- in jobactive, the Participant has failed to undertake adequate Job Searches by the end of their Job Search Period as referred to in clause 114.2(a) of the jobactive Deed, or
- the Participant has failed to enter into a Job Plan as referred to in clause 114.2(b) of the jobactive Deed or clause 96.2 of the ParentsNext Deed.

Where the Department's IT Systems automatically sets a Reconnection Requirement for a Participant as described above, the Provider does not need to do this.

(Deed references: jobactive Deed 2015–2022 clause 114; ParentsNext Deed 2018–2021 clause 96)

Job Search failures in the Penalty Zone

If a Participant fails to undertake adequate Job Searches and the Participant is in the Penalty Zone, the Participant's Reconnection Requirement is to contact their Provider (this is as opposed to the usual Reconnection Requirement, which is to undertake adequate job searches). The Department's IT Systems automatically sets this Reconnection Requirement. The Participant's Income Support Payment suspension is lifted when the Provider records that they are in contact with the Participant.

Valid Reason to not meet Reconnection Requirement within two Business Days

When the Provider contacts the Participant to discuss the relevant Mutual Obligation Failure(s), they must consider whether the Participant has a Valid Reason for being unable to meet their Reconnection Requirement within two Business Days following that contact. If the Provider considers that the Participant does have such a Valid Reason, the Provider must select 'Unable to Re-engage Within two Business Days' on the Provider Re-engagement page in the Department's IT Systems. This will lift the Participant's Income Support Payment suspension and remove the need for a Reconnection Requirement.

For the purposes of the above, a Provider must determine that the Participant has a Valid Reason for being unable to meet their Reconnection Requirement within the two Business Days when they are satisfied that the reason the Participant is unable to do this:

- directly prevents the Participant from meeting meet their Reconnection Requirement within two Business Days following the contact with their Provider to discuss the relevant Mutual Obligation Failure(s)
- would be considered to be reasonable by a member of the general public
- aligns with the Participant's personal circumstances as known by the Provider.

If the Provider selects 'Unable to Re-engage Within two Business Days' as described above, the Provider must also select a description of the relevant Valid Reason from the drop-down menu that will appear. In selecting a Valid Reason option from the drop-down menu, the Provider must select the option that is most similar to the Participant's Valid Reason as they described it to the Provider. Providers must not use the options in the drop-down menus to prompt or elicit responses from the Participant.

A full list of these drop-down menu options can be found at [Attachment F](#).

Provider not able to arrange or deliver the Reconnection Requirement within the two Business Day timeframe

In some circumstances, a Provider is not be able to arrange or deliver the Reconnection Requirement within two Business Days following the contact between the Participant and the Provider to discuss the relevant Mutual Obligation Failure(s). If that is the case, and only if that is the case, the Provider must select 'Re-engagement Not Required' on the provider Re-engagement page. This will lift

the Participant's Income Support Payment suspension and remove the need for a Reconnection Requirement. When selecting 'Re-engagement Not Required' as described above, the Provider must also select a description of the relevant reason from the drop-down menu that will appear when they make that selection. In selecting a reason option from the drop-down menu, the Provider must select the option that is most similar to the actual reason.

A full list of these drop-down menu options can be found at [Attachment G](#).

Compliance action no longer appropriate

Once a Participant's Reconnection Requirement has been set, unexpected circumstances may make it inappropriate to maintain their payment suspension and expect them to meet a Reconnection Requirement. If that is the case, the Provider must record 'Compliance action no longer appropriate' on the Provider Re-engagement page. This will lift the Participant's payment suspension and remove the need for a Reconnection Requirement.

When selecting 'Compliance action no longer appropriate' as described above, the Provider must also select a description of the relevant reason from the drop-down menu that will appear when they make that selection. In selecting a reason option from the drop-down menu, the Provider must select the option that is most similar to the actual reason.

A full list of these drop-down menu options can be found at [Attachment H](#).

Failure to meet a Reconnection Requirement

If the Provider becomes aware that a Participant has failed to meet a Reconnection Requirement, the Provider must attempt to contact the Participant on the same Business Day. If the Provider:

- is not able to contact the Participant on that day, the Provider must record that they are not in contact with the Participant and select 'Did Not Attend—Invalid' in relation to the Reconnection Requirement in the Participant's Electronic Calendar. In this case, the Participant's Income Support Payment will remain suspended, and the Provider must reschedule the Reconnection Requirement, or
- is able to contact the Participant on that day, the Provider must discuss the Participant's reasons for not meeting the Reconnection Requirement and assess if the Participant had a Valid Reason.

For the purposes of the above, a Provider must determine that the Participant had a Valid Reason for being unable to meet their Reconnection Requirement when they are satisfied that the Participant's reason:

- directly prevented the Participant from meeting meet their Reconnection Requirement
- would be considered to be reasonable by a member of the general public
- aligns with the Participant's personal circumstances as known by the Provider.

If the Participant had a Valid Reason, the Provider must select 'Did Not Attend—Valid' in relation to the Reconnection Requirement in the Participant's Electronic Calendar.

This will lift the Participant's Income Support Payment suspension as the Participant will be taken to have met the Reconnection Requirement (as they have a Valid Reason). The Provider must set a Mutual Obligation Requirement for the Participant:

- to occur within two Business Days after the day on which the Provider determines that the Participant has a Valid Reason for not meeting the Reconnection Requirement
- that is the same type as the Mutual Obligation Requirement the Participant failed to meet originally.

If the Participant did not have a Valid Reason, the Provider must select 'Did Not Attend—Invalid' in relation to the Reconnection Requirement in the Participant's Electronic Calendar. In this case, the Participant's Income Support Payment will remain suspended, and the Provider must reschedule the Reconnection Requirement.

5. The Penalty Zone

As discussed in further detail above under the heading 'The Penalty Zone', the Department's IT Systems will determine whether the Participant will enter the Penalty Zone based on the information that Services Australia records in the Department's IT Systems regarding the outcome of a Capability Assessment.

Non-compliance reports

If a Participant is in the Penalty Zone, and the Provider records 'Did Not Attend—Invalid' or 'Misconduct' as discussed above under the heading '[When the Participant does not have a Valid Reason](#)', the Department's IT Systems creates a non-compliance report and submits it to Services Australia for investigation, instead of recording a Demerit. As a result of the creation of a non-compliance report, the Participant's Income Support Payment will be suspended.

If a Participant is in the Penalty Zone, and the Provider records 'Did Not Attend—Valid' as discussed above under the heading '[When the Participant has a Valid Reason](#)', any non-compliance report on their record relating to that Mutual Obligation Failure will be closed.

An open non-compliance report on a Participant's record will prevent the Participant from finalising their fortnightly reporting requirement, and it will prevent the Participant from receiving their Income Support Payment.

Summary of required Documentary Evidence

Depending on the Mutual Obligation Failure that the Participant has committed, in addition to the evidence recorded in the Department's IT Systems, the Provider must retain the following Documentary Evidence:

- where the Mutual Obligation Failure is a failure to attend a job interview or act on a job opportunity, a copy of the prior notification of the requirement to attend the job interview or act on the job opportunity;
- where the Mutual Obligation Failure is a failure to attend an appointment, a copy of the prior notification of the requirement to attend the appointment;

- where the Mutual Obligation Failure is a failure to undertake adequate Job Searches, a hard copy of any relevant fully or partially completed Job Searches; and
- where the Mutual Obligation Failure is acting in an inappropriate manner during an appointment or while participating in an activity, details of the job/employer and/or details of the relevant incident, including dates, the parties involved and what occurred.

Attachment A—System steps that affect: creation and confirmation of Demerits; suspension of Income Support Payment; lifting of Income Support Payment suspensions

Mutual Obligation Failure related Provider actions in the Department’s IT Systems that result in a Participant’s Income Support Payment being suspended, the suspension being lifted, or a Demerit being created on a Participant’s record or accrued by the Participant (i.e. confirmed)

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s Income Support Payment suspension lifted?
<p>Non-attendance</p> <p>The Participant fails to:</p> <ul style="list-style-type: none"> attend, or to be punctual for, an appointment that they are required to attend under their Job Plan; attend, to be punctual for, or to participate in, an activity that they are required to undertake under their Job Plan; or attend a job interview. <p>The relevant Mutual Obligation Requirement is shown in the Participant’s Electronic</p>	<p>When the Provider selects ‘Did Not Attend Invalid (DNAI)’ in relation to a Mutual Obligation Requirement in the Participant’s Electronic Calendar.</p> <p>See the discussion on page 15 of this Guideline regarding when a Provider must select ‘Did Not Attend—Invalid’.</p> <p>When both the Participant and the Provider have failed to select ‘Attended’ by close of business on the day on which the Mutual Obligation Requirement is</p>	<p>When the Provider selects ‘Did Not Attend Invalid (DNAI)’ in relation to a Mutual Obligation Requirement in the Participant’s Electronic Calendar.</p> <p>See the discussion on page 15 of this Guideline regarding when a Provider must select ‘Did Not Attend—Invalid’.</p>	<p>When the Provider records the reason they did not accept as a Valid Reason in the Department’s IT Systems.</p> <p>See the discussion on page 17 of this Guideline regarding when a Provider must select a description of the Participant’s reason that was not a Valid Reason.</p>	<p>When the Provider has already recorded ‘Did Not Attend—Invalid’: when the Provider selects ‘Yes’ in response to the question ‘Do you accept the job seeker’s reason?’ and records the reason accepted as a Valid Reason on the Provider Re-engagement Page in the Department’s IT Systems.</p> <p>OR</p> <p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ in relation to a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p>OR</p> <p>When the Provider reschedules a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p>OR</p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 24 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p>OR</p> <p>When the Provider selects ‘Re-engagement Not Required’ on the Provider Re-engagement page in the Department’s</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s Income Support Payment suspension lifted?
<p>Calendar as one of the following:</p> <ul style="list-style-type: none"> • ‘Provider Appointment’; • ‘Activity’; • ‘Third Party Appointment’ or • ‘Job Interview’. 	<p>Scheduled to occur in the Participant’s Electronic Calendar (for all requirements indicated except Provider Appointment).</p>			<p>IT Systems. See discussion on page 24 of this Guideline regarding when a Provider must select ‘Re-engagement Not Required’.</p> <p><i>OR</i></p> <p>If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment.</p> <p><i>OR</i></p> <p>When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 25 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.</p> <p><i>OR</i></p> <p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ (where this was previously not selected by close of business on the day on which the Mutual Obligation Requirement is Scheduled to occur in the Participant’s Electronic Calendar).</p>
<p>Non-attendance at Activity—Supervisor reported</p> <p>The Participant fails to attend, to be punctual for, or to participate in, an activity that they are</p>	<p>When the activity Supervisor records DNA via the Supervisor App.</p>	<p>N/A—No Demerit.</p>	<p>N/A—No Demerit.</p>	<p>When the Provider selects ‘Yes’ in response to the question ‘Do you accept the job seeker’s reason?’ and records the reason accepted as Valid on the Provider Re-engagement Page in the Department’s IT Systems.</p> <p><i>OR</i></p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s Income Support Payment suspension lifted?
<p>required to undertake under their Job Plan.</p> <p>The relevant Mutual Obligation Requirement is shown in the Participant’s Electronic Calendar as ‘Activity’.</p>				<p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ in relation to a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p><i>OR</i></p> <p>When the Provider reschedules a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p><i>OR</i></p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 24 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p><i>OR</i></p> <p>When the Provider selects ‘Re-engagement Not Required’ on the Provider Re-engagement page in the Department’s IT Systems. See discussion on page 24 of this Guideline regarding when a Provider must select ‘Re-engagement Not Required’.</p> <p><i>OR</i></p> <p>If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment.</p> <p><i>OR</i></p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s Income Support Payment suspension lifted?
				When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 25 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.
<p>Misconduct</p> <p>The Participant acted in an inappropriate manner:</p> <ul style="list-style-type: none"> during an appointment that they are required to attend under their Job Plan; or while participating in an activity that they are required to undertake under their Job Plan. <p>The relevant Mutual Obligation Requirement is shown in the Participant’s Electronic Calendar as one of the following:</p> <ul style="list-style-type: none"> ‘Provider Appointment’, which 	<p>When the Provider selects ‘Misconduct (MISC)’ in relation to the relevant appointment or activity in the Participant’s Electronic Calendar, along with the type of inappropriate behaviour.</p> <p>See the discussion on pages 12 and 17 of this Guideline regarding when a Provider must select ‘Misconduct’.</p>	<p>When the Provider selects ‘Misconduct (MISC)’ in relation to the relevant appointment or activity in the Participant’s Electronic Calendar, along with the type of inappropriate behaviour.</p> <p>See the discussion on pages 12 and 17 of this Guideline regarding when a Provider must select ‘Misconduct’.</p>	<p>When the Provider records the reason they did not accept as a Valid Reason in the Department’s IT Systems.</p> <p>See the discussion on page 17 of this Guideline regarding when a Provider must select a description of the Participant’s reason that was not a Valid Reason.</p>	<p>When the Provider selects ‘Yes’ in response to the question ‘Do you accept the job seeker’s reason?’ and records the reason accepted as a Valid Reason on the Provider Re-engagement Page in the Department’s IT Systems.</p> <p><i>OR</i></p> <p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ in relation to a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p><i>OR</i></p> <p>When the Provider reschedules a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p><i>OR</i></p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 24 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p><i>OR</i></p> <p>When the Provider selects ‘Re-engagement Not Required’ on the Provider Re-engagement page in the Department’s</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s Income Support Payment suspension lifted?
includes Reconnection Requirements; <ul style="list-style-type: none"> • ‘Activity’; • ‘Third Party Appointment’; or • ‘Job Interview’. 				IT Systems. See discussion on page 24 of this Guideline regarding when a Provider must select ‘Re-engagement Not Required’. OR If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment. OR When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 25 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.
<p>Job Plan Failure</p> <p>The Participant fails to enter into a Job Plan</p> <p>See the Job Plan and Scheduling Mutual Obligation Requirements Guideline for information on the process of entering into a Job Plan.</p>	<p><u>Job Plan sent Job Plan online</u>—when the ‘think time’ expires and the Participant has not agreed to their Job Plan online.</p>	<p>When the ‘think time’ expires and the Participant has not agreed to their Job Plan online.</p> <p>Demerit is automatically created and confirmed.</p>	<p>When the ‘think time’ expires and the Participant has not agreed to their Job Plan online.</p>	<p>When the Participant agrees to their Job Plan.</p> <p>OR</p> <p>When the Provider selects ‘Yes’ in response to the question ‘Do you accept the job seeker’s reason?’ and records the reason accepted as a Valid Reason on the Provider Re-engagement Page in the Department’s IT Systems.</p> <p>OR</p> <p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ in relation to a Reconnection Requirement in the Participant’s Electronic Calendar.</p>
	<p><u>Job Plan sent Job Plan in hard copy</u>—when the ‘think time’ expires</p>	<p>When ‘think time’ expires.</p>	<p>When the Provider records the reason they did not accept as a Valid Reason in the</p>	

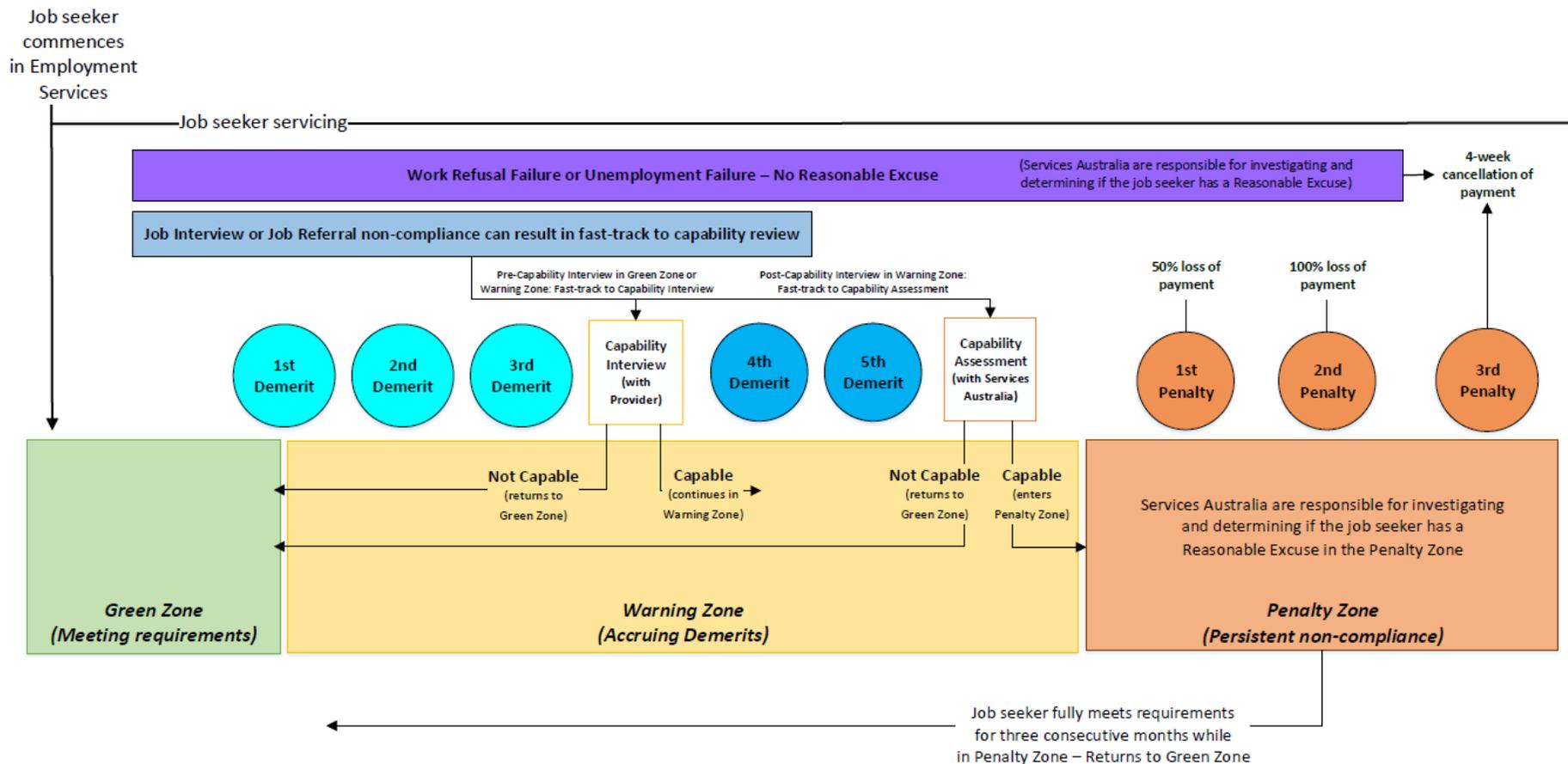
Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s Income Support Payment suspension lifted?
	<p><u>If a Participant refuses outright to agree to Job Plan:</u></p> <p>When the Provider selects ‘Create Compliance’ and selects ‘submit’ on the Job Plan screen in the Department’s IT Systems.</p>	<p>When the Provider selects ‘Create Compliance’ and selects ‘submit’.</p> <p>Demerit is automatically created and confirmed.</p>	<p>Department’s IT Systems.</p> <p>See the discussion on page 17 of this Guideline regarding when a Provider must select a description of the Participant’s reason that was not a Valid Reason.</p> <p>When the Provider selects ‘Create Compliance’ and selects ‘submit’.</p> <p>Demerit is automatically created and confirmed.</p>	<p>OR</p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ in relation to a Reconnection Requirement on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 24 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p>OR</p> <p>If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment.</p> <p>OR</p> <p>When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 25 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.</p>
<p>Failure to act on a job opportunity</p>	<p>When the Provider records ‘Unsatisfactory—Invalid Reason’ on the Job referrals page.</p>	<p>When the Provider records ‘Unsatisfactory—Invalid Reason’ on the Job referrals page.</p>	<p>When the Provider records ‘Unsatisfactory—Invalid Reason’ on the Job referrals page.</p>	<p>When the Provider selects ‘Unsatisfactory—Valid Reason’ on the Provider Re-engagement page in the Department’s IT Systems.</p> <p>OR</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s Income Support Payment suspension lifted?
				<p>When the Provider selects ‘Satisfactory’ in relation to a Reconnection Requirement on the Provider Re-engagement page in the Department’s IT Systems.</p> <p><i>OR</i></p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 24 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p><i>OR</i></p> <p>When the Provider selects ‘Re-engagement Not Required’ on the Provider Re-engagement page in the Department’s IT Systems. See discussion on page 24 of this Guideline regarding when a Provider must select ‘Re-engagement Not Required’.</p> <p><i>OR</i></p> <p>If a Capability Interview is the Reconnection Requirement, the Department’s IT Systems will lift the Income Support Payment suspension once the Provider selects ‘Attended’ or ‘Did Not Attend –Valid’ in the Participant’s Electronic Calendar in relation to the Capability Interview.</p> <p><i>OR</i></p> <p>If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s Income Support Payment suspension lifted?
				suspension once the Participant contacts them to participate in a Capability Assessment. <i>OR</i> When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 19 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.
<p>Job Search Failure The Participant failed to undertake adequate Job Searches.</p>	<p>When the Job Search Period ends and the number of Job Search efforts that are recorded by the Participant in the Department’s IT Systems is not equal to the number of Job Search efforts that are required under the Participant’s Job Plan.</p>	<p>When the Job Search Period ends and the number of Job Search efforts that are recorded by the Participant in the Department’s IT Systems is not equal to the number of Job Search efforts that are required under the Participant’s Job Plan. Demerit is automatically created and confirmed.</p>	<p>When the Job Search Period ends and the number of Job Search efforts that are recorded by the Participant in the Department’s IT Systems is not equal to the number of Job Search efforts that are required under the Participant’s Job Plan. Demerit is automatically confirmed.</p>	<p>When the Provider selects ‘Yes’ in response to the question ‘Do you accept the job seeker’s reason?’ and records the reason accepted as a Valid Reason on the Provider Re-engagement Page in the Department’s IT Systems. <i>OR</i> When the Provider selects ‘Yes’ in response to the question ‘Has the job seeker now met their re-engagement requirement?’ on the Provider Re-engagement Page in the Department’s IT System. <i>OR</i> When the Provider selects ‘Unable to Re-engage Within 2 Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 21 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within 2 Business Days’.</p>
	<p>If the Provider assesses that submitted Job Search efforts are not of satisfactory quality</p>	<p>When the Provider records an ‘Unsatisfactory’ assessment result in the</p>	<p>When the Provider records the reason they did not accept as a Valid Reason in the</p>	<p><i>OR</i></p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s Income Support Payment suspension lifted?
	<p>to have satisfactorily met their requirement, payment is suspended when the Provider records an ‘Unsatisfactory’ assessment result in the Job Search Reporting page.</p>	<p>Job Search Reporting page.</p>	<p>Department’s IT Systems. See the discussion on page 17 of this Guideline regarding when a Provider must select a description of the Participant’s reason that was not a Valid Reason.</p>	<p>When the Provider selects ‘Requirement no longer needs to be met’ on the Provider Re-engagement page in the Department’s IT Systems. <i>OR</i> If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment. <i>OR</i> When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 22 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’. <i>OR</i> If the Participant is in the Penalty Zone, when the Provider records that the Participant is in contact.</p>

Attachment B—Overview of the Targeted Compliance Framework



Attachment C—‘Rescheduled’, ‘No Longer Required’ and ‘Requirement no longer needs to be met’ reason options

‘Rescheduled’ or ‘No Longer Required’

- | | |
|---|--|
| <ul style="list-style-type: none"> • Acceptable Reason—Caring/family reasons • Acceptable Reason—Housing—instability issues/inspections • Acceptable Reason—Legal requirements • Acceptable Reason—Travel/transport—access/financial issues • Acceptable Reason—Local issue/natural disaster • Reason not acceptable—flexibility utilised | <ul style="list-style-type: none"> • Acceptable Reason—Cultural business • Acceptable Reason—Major personal crisis affecting job seeker* • Acceptable Reason—Medical/health reason • Acceptable Reason—Working on day of requirement • Provider Initiated—Requirement can’t be delivered • |
|---|--|

‘Requirement no longer needs to be met’

Job Search	Job referrals
<ul style="list-style-type: none"> • Job Plan requires update to reflect new job search efforts • Paid work impacting level of job search • Major personal crisis impacting job seeker* • Ongoing local issue/natural disaster impacts ongoing compliance • Cultural business for extended period • Significant and ongoing caring/family duties—no exemption • Significant and ongoing medical/health issues—no exemption 	<ul style="list-style-type: none"> • Applications closed/Vacancy withdrawn • Caring/family duties • Conditions or pay not suitable • Housing instability/emergency • Legal requirements • Local issue/natural disaster • Medical/health issue • Major personal crisis affecting job seeker* • Position no longer suitable • Referral created in error

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Attachment D—Valid Reason assessment options

The following tables replicate the drop-down menus in the system. When recording a reason that is a Valid Reason or that is not a Valid Reason in the Department’s IT Systems, the appropriate menu will appear. Reasons may appear in both columns and may be a Valid Reason or not a Valid Reason, depending on the Provider’s determination (see the [Assessing Valid Reasons](#) section of this Guideline, above). In the Department’s IT Systems, ‘reasons accepted’ refers to Reasons that the Provider determines are Valid Reasons, and ‘reasons not accepted’ refers to Reasons that the Provider determines are not Valid Reasons.

Failure to attend a Provider Appointment, Third Party Appointment, activity or job interview

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Caring/family reasons that were unforeseeable—unable to advise prior • Conditions or pay not suitable⁺ • Conditions/skills beyond job seeker* capacity⁺ • Cultural business—unable to advise prior • Believe job seeker* thought they were exempt • Housing instability issues—unable to advise prior • Housing—landlord/property inspection—unable to advise prior • Legal requirements—unable to advise prior • Local issue/natural disaster—unable to advise prior • Major personal crisis affected job seeker*—unable to advise prior • Medical/health reason—unable to advise prior • Notification issue—not aware of requirement • Travel/transport, did not have money to pay—unable to advise prior • Travel/transport access issue—unable to advise prior • Working on day of requirement—unable to advise prior 	<ul style="list-style-type: none"> • Away from home/on holiday • Caring/family reasons • Caring—claims childcare will be too expensive if offered job⁺ • Conditions—claims job does not match skills⁺ • Conditions—claims not in preferred employment industry⁺ • Did not believe they had a requirement • Did not think they had to attend—thought exempt • Did not want to attend requirement • Forgot about requirement • Got lost/got time wrong • Housing instability issues • Medical/health reason • Slept in/missed requirement • Travel/transport—did not have money to pay • Travel/transport issue—did not have access • Travel/transport issue—claims distance too great • Undertaking other non-mutual obligation requirement • Prior notice not given and reasonable to expect: <ul style="list-style-type: none"> - Caring/family reasons - Housing—landlord/property inspection - Legal requirement - Medical/health reason

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Failure to attend a Provider Appointment, Third Party Appointment, activity or job interview

Reasons accepted	Reasons not accepted
	<ul style="list-style-type: none"> - Travel/transport—did not have money to pay - Travel/transport issue—did not have access - Working on day of requirement

**Applicable to Job Interviews only*

Misconduct at a Provider Appointment, Third Party Appointment, activity or job interview

Behaviours that may be considered misconduct which prevent the purpose of the requirement from being met include:

- | | |
|--|---|
| <ul style="list-style-type: none"> • Appeared intoxicated/under the influence • Disingenuous • Disruptive/disengaged—unable to complete requirement • Inadequate presentation/attire at requirement • Left prior to completion of requirement | <ul style="list-style-type: none"> • Physically abusive—unable to deliver requirement • Self-sabotage • Theft • Verbally abusive—unable to deliver requirement. |
|--|---|

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Did not have appropriate attire to wear at requirement • Disability/condition presenting itself as misconduct • Major personal crisis affected job seeker* • Medical issue/condition contributed to behaviour 	<ul style="list-style-type: none"> • Couldn't control behaviour/self • Denied nature of misconduct • Did not believe they were impacted by substances • Did not think they had to stay for the duration • Did not think they were dressed inappropriately • Did not want to participate/engage with requirement • Falsified disability/condition presenting itself as misconduct • Did not want that job⁺

**Applicable to Job Interviews only*

* In this case, 'job seeker' refers to a 'Fully Eligible Participant (Mutual Obligation)' as defined in the jobactive Deed 2015–2022 or a 'Compulsory Participant' as defined in the ParentsNext Deed 2018–2021, as relevant

Failure to agree to a Job Plan

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Did not understand requirement to agree to Job Plan • Required further assistance to understand terms of Job Plan • Housing instability issues—unable to return Plan or advise prior • Local issue/natural disaster—unable to return Plan or advise prior • Legal requirements—unable to return Plan or advise prior • Medical/health reason—unable to return Plan or advise prior • Travel/transport access issue—unable to return Plan or advise prior 	<ul style="list-style-type: none"> • Away from home/on holiday • Caring/family reasons—claims no time to participate • Does not believe they have to meet requirements • Refuses to participate in employment services • Refuses to look for work—number or overall • Refuses to participate due to study • Refuses to participate in specific activity • Refuses to participate/claims to have no time due to paid work • Refuses to participate due to self-employment • Refuses to discuss requirements • Refuses to participate due to undertaking other, non-mutual obligation requirements • Does not want to enter into a Job Plan • Forgot about requirement • Medical/health reason—could not return Plan • Caring/family reasons—could not return Plan • Travel/transport issues—could not return Plan

Failure to satisfactorily meet a Job Search Requirement

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Caring/family duties that were significant—no exemption • Cultural business for extended period • Housing instability issues • Legal requirements impacted job search • Local issue/natural disaster impacted job search • Medical/health reason—no exemption • Major personal crisis—no exemption 	<ul style="list-style-type: none"> • Away from home/on holidays • Caring/family requirements affected job search • Claims other requirements affected job search • Does not believe suitable jobs are available • Does not want to apply for jobs • Does not want to apply for jobs using different methods • Does not want to look for work in diverse industries • Does not want to tailor applications to industry • Forgot about job search/got due date wrong • Housing instability • Medical/health reasons • States not required to look for work • States too many job searches required • Technology issue—claims could not submit efforts online • Technology issue—reported job search efforts incorrectly • Thinks quality of applications is satisfactory

Failure to act on a job referral

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Caring/family duties were significant—no exemption • Commute to/from workplace—distance too great/expensive • Conditions or pay not suitable • Conditions/skills for job beyond job seeker* capacity • Cultural business for extended period • Cultural—workplace unsuitable for cultural/religious reasons • Housing instability issues • Legal requirements prevented compliance • Local issue/natural disaster prevented compliance • Major personal crisis affected job seeker* • Medical/health reason prevented compliance • Notification issue—not aware of requirement • PCP—job seeker* not better off financially • Technology—no access to technology to complete requirement • Technology—no phone or credit to contact employer 	<ul style="list-style-type: none"> • Acted in a manner that did not result in a job offer/interview • Away from home/on holiday • Believes not required to look for work • Caring/family requirements • Caring—claims childcare will be too expensive if job offered • Conditions—claims job does not match skills • Conditions—claims not in preferred employment industry • Conditions—claims too many or too few hours • Conditions—pay not enough (within allowable policy) • Does not want job • Forgot about requirement • Housing instability • Medical/health reason • Résumé not acceptable standard • Technology—claims no access to technology to complete requirement • Technology—claims no phone or credit to contact employer • Travel/transport issue—claims distance too great/expensive

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Attachment E—Manual Demerit removal options

All Demerit types

Reason	Description
Issue affected overall capability—requirements changed	The Participant’s personal circumstances would have likely affected their overall capability to meet requirements. Their Provider has updated their requirements to be more appropriate and to support the Participant to meet them.
New information disclosed—job seeker* in services to address	New information about the Participant has been disclosed which impacted their ability to meet requirements at the time they accrued the Demerit. The Provider has referred the Participant to services, or the Participant is in services, to address this issue.
New information disclosed—likely impacted compliance	New information about the Participant has been disclosed which impacted their ability to meet requirements at the time they accrued the Demerit, and should it have been known, would likely have meant the Participant had a Valid Reason.
Provider Error	An error occurred and the Participant should not have accrued a Demerit—for example, they had a Valid Reason or they should not have had the requirement.

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Job Search Demerits

Reason	Description
Issue affected overall capability— requirements changed	The Participant’s personal circumstances would have likely affected their overall capability to meet requirements. Their Provider has updated their requirements to be more appropriate and to support the Participant to meet them.
Job Search efforts submitted after end of Job Search Period— Valid Reason identified	The Participant has submitted their outstanding Job Search efforts online, following payment suspension. Upon Participant contact, the Provider identified that the Participant had a Valid Reason for not submitting their efforts by the end of their Job Search Period.
Adjustment not made— paid work impacted number required	The Participant’s declared earnings for that period mean that their Provider should have reduced their level of job search. <i>Note: this is only applicable where paid work/self-employment is not included in the Job Plan as a requirement. Where it is included, the Department’s IT Systems will automatically make this adjustment based on hours committed to per fortnight (regardless of actual earnings).</i>
Adjustment not made— exemption impacted number required	The Participant had an Exemption during the Job Search Period. Although the system re calculated their required efforts based on the exemption period, the Provider should have made further adjustment due to the nature of the Exemption.
Adjustment not made to number of Job Search efforts required	The Provider failed to adjust the Participant’s required Job Search efforts for the Job Search Period. The result was that the number of required efforts was too high, and the Provider will makes the adjustment in the Job Plan for the next Job Search Period.
Job Search efforts were reported manually within Job Search Period	The Participant provided their Job Search efforts to their Provider during the Job Search Period; however, the Provider did not record them in the Department’s IT Systems before the end of the Participant’s Job Search Period.
Job Search efforts were satisfactory	The Provider had assessed that the Participant’s Job Search efforts were unsatisfactory in quality. Upon review, the Provider identified that the efforts and quality were satisfactory.

Job Plan Demerits

Reason	Description	Type of failure
Job Plan accepted online—Valid Reason identified	The Participant accepted their Job Plan online, but only after the due date. Upon contact with the Participant, the Provider identified that they had a Valid Reason for not agreeing to the Job Plan within the required timeframe.	Job Plan
Job Plan terms unreasonable/inappropriate	Upon another review of the Job Plan and discussion with the Participant, the Provider identified that the requirements in the Plan are not suitable for Participant.	Job Plan
Signed Job Plan was returned	An error occurred and the Participant did not return their signed hardcopy Job Plan within the required timeframe, however the Provider did not record this agreement in the Department’s IT Systems.	Job Plan—where think time granted (hardcopy)
Job seeker* did agree to Job Plan at appointment	An error or misunderstanding occurred and the Participant did actually agree to their Job Plan onsite. However, the Provider did not record this agreement in the Department’s IT Systems, and they used the compliance framework instead.	Job Plan—think time granted (hard copy) or refusal recorded
Job seeker* did not refuse to sign Job Plan	An error or misunderstanding occurred and the Participant had not refused to agree to their Job Plan onsite. However the Provider did not record their agreement or their request for think time, and they used the compliance framework instead.	Job Plan—refusal

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Attachment F—‘Unable to Re-engage Within 2 Business Days’ reason options

‘Unable to Re-engage within 2 Business Days’

- | | |
|--|--|
| • Caring/family duties that were unexpected impacts attendance | • Local issue/natural disaster impacts attendance |
| • Cultural business over next two business days impacts attendance | • Major personal crisis affecting job seeker* impacts attendance |
| • Full-Time Activity/Training impacts attendance | • Medical/health issue over next two days impacts attendance |
| • Housing instability/emergency impacts attendance | • Travel/transport—exceptional issue impacts attendance |
| • Legal requirements impact attendance | • Working over next two business days |
-

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Attachment G— ‘Re-engagement Not Required’ reason options

The following table describes the options Providers have to record the reason a Re-engagement is Not Required. The table also indicates which requirements each of the options can be recorded against.

Reason	Appointment (Provider or third party)	Activity	Job interview	Job Plan	Job referral
Re-engagement not required— non-compliance discussed	✓	✓	✓		✓
Outreach/Part-time site impacts re-engagement	✓	✓	✓		
Unable to be arranged in next two days		✓			
Applications closed/ Vacancy withdrawn					✓
Local issue/natural disaster impacts compliance	<i>Record as ‘unable to re-engage within 2 business days’</i>			<i>Record ‘compliance action no longer appropriate’</i>	✓
Major personal crisis impacts compliance					✓
Departmental Override [^]	✓	✓	✓	✓	✓
Exit/Transfer from services [^]	✓	✓	✓	✓	✓

[^] Departmental Users or the IT system (automatically) only

Attachment H— ‘Compliance Action No Longer Appropriate’ reason options

The following table describes the options Providers have to record the reason Compliance Action is No Longer Appropriate. The table also indicates which requirements each of the options can be recorded against.

Reason	Appointment (Provider or third party)	Job Plan	Activity or job interview	Job Search	Job referral
Applications closed/ Vacancy withdrawn					✓
Local issue/natural disaster impacts compliance	✓		✓	✓	✓
Major personal crisis impacts compliance	✓	✓	✓	✓	✓
Significant and ongoing caring/family duties—no exemption				✓	
Significant and ongoing medical/health issues—no exemption				✓	
Job seeker* requirements changed—job search not applicable				✓	
Departmental Override [^]	✓	✓	✓	✓	✓
Exit/Transfer from services [^]	✓	✓	✓	✓	✓

[^] Departmental Users or the IT system (automatically) only

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

All capitalised terms in this guideline have the same meaning as in the jobactive Deed 2015–2022 (the Deed).

This Guideline is not a stand-alone document and does not contain the entirety of Employment Services Providers' obligations. It must be read in conjunction with the Deed and any relevant Guidelines or reference material issued by Department of Education, Skills and Employment under or in connection with the Deed.



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Guideline:

Targeted Compliance Framework: Mutual Obligation Failures

The Targeted Compliance Framework (TCF) is designed to target financial penalties towards only those Participants who persistently commit Mutual Obligation Failures without a Valid Reason or Reasonable Excuse, while providing protections for the most vulnerable. It is designed to encourage Participants to engage with their employment services provider (Provider), take personal responsibility for managing and meeting their Mutual Obligation Requirements, and actively look for work.

Participants commit Mutual Obligation Failures when they fail to comply with any one of a range of particular requirements specified in the Social Security Law. Broadly speaking, these requirements include, among other things:

- entering into a Job Plan
- attending appointments, and participating in activities, where required by their Job Plan
- acting appropriately during those appointments and while participating in those activities
- undertaking adequate Job Searches, where required by their Job Plan
- attending job interviews
- acting on job opportunities when requested to do so by their Provider.

If a Participant persistently commits Mutual Obligation Failures, they progress through the compliance framework. The Participant may eventually incur financial penalties after they:

- have participated in a Capability Interview with their Provider, and a Capability Assessment with Services Australia, to ensure that the Mutual Obligation Requirements specified in their Job Plan are appropriate for their personal circumstances and that they are capable of meeting them
- have continued to commit Mutual Obligation Failures.

That Participant may also face financial penalties if, at any time, they commit a Work Refusal Failure or an Unemployment Failure. See the [Work Refusal Failures and Unemployment Failures Guideline](#) for more information.

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Changes from the previous version (Version 3.0)

Policy changes:

Changes have been made to this Guideline to reflect the policy change regarding the timing of payment suspensions, which stipulates that payment suspensions occur at a minimum two Business Days following the recording of a Mutual Obligation Failure for job seekers in the Green and Warning Zones unless, within those two Business Days, the Provider records that the Participant has a Valid Reason or the Participant meets a Reconnection Requirement.

Wording changes:

Nil

A full document history is available on the [Provider Portal](#).

Related documents and references

jobactive

[Job Plan and Setting Mutual Obligation Requirements Guideline](#)

[Capability Assessment Guideline](#)

[Capability Interview Guideline](#)

[Work Refusal Failures and Unemployment Failures Guideline](#)

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[Capability Assessment Guideline](#)

[Capability Interview Guideline](#)

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1. Interpretation

Unless otherwise specified:

- all references in this Guideline to:
 - a ‘Participant’ are references to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 (jobactive Deed) or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021 (ParentsNext Deed), as relevant;
 - a ‘Job Plan’ are references to a ‘Job Plan’ as defined in the jobactive Deed or a ‘Participation Plan’ as defined in the ParentsNext Deed, as relevant;
 - ‘3 active months’ are, broadly speaking, references to 91 days, but prolonged for the time the Participant is in a penalty period or has an Exemption (up to a maximum of 12 months); and
 - ‘6 active months’ are, broadly speaking, references to 182 days, but prolonged for the time the Participant is in a penalty period or has an Exemption (up to a maximum of 12 months); and
- capitalised terms in this Guideline have the meaning given to them in the jobactive Deed or the ParentsNext Deed, as relevant.

2. The Targeted Compliance Framework (TCF)

Providers’ main obligations relating to the Targeted Compliance Framework (TCF) are set out in Chapter B3 of the jobactive Deed or Chapter B3 of the ParentsNext Deed, as relevant. One of the key obligations is that Providers must actively monitor and record each Participant’s compliance against their Mutual Obligation Requirements (see section B3.1 in the jobactive Deed or the ParentsNext Deed, as relevant). This includes recording compliance against requirements that, if not complied with, would result in a Mutual Obligation Failure, Work Refusal Failure or Unemployment Failure for jobactive Participants, or a Mutual Obligation Failure for ParentsNext Participants.

For more information on the meaning of the term ‘Mutual Obligation Failure’, see section 3, Committing Mutual Obligation Failures.

See the [Targeted Compliance Framework: Work Refusal and Unemployment Failures Guideline](#) for more information on Work Refusal Failures and Unemployment Failures.

In summary, a Participant’s Income Support Payment potentially may be:

- suspended, reduced and/or cancelled—if they commit a Mutual Obligation Failure (see section [Committing Mutual Obligation Failures](#) in this Guideline)
- suspended and/or cancelled if they commit a Work Refusal Failure (that is, they refuse or fail to accept an offer of suitable employment, subject to certain exceptions)
- cancelled if they commit an Unemployment Failure (that is, they become unemployed as a result of a voluntary act or misconduct, subject to certain exceptions).

Note that, if a Participant's Income Support Payment is cancelled, the Participant must serve a four-week preclusion period before they may be paid again (after reapplying for income support).

A key principle of the TCF is personal responsibility. Participants are held personally responsible for managing, meeting and reporting on their Mutual Obligation Requirements each fortnight in return for their Income Support Payment. This means that Participants are responsible for:

- meeting their Mutual Obligation Requirements, including those set out in their Job Plan
- self-reporting participation against their Mutual Obligation Requirements as they are scheduling in their Electronic Calendar—when they are found to be reasonably capable of doing so
- looking for work and reporting their Job Searches on time each month—when required to do so.

The three zones

The TCF comprises three zones for Participants:

- the Green Zone
- the Warning Zone
- Penalty Zone.

The key things that influence whether a Participant moves from one zone to another are:

- whether they accrue a Demerit. See [Attachment A](#) for information on the circumstances in which a Participant will accrue a Demerit. Broadly speaking, it is intended that a Participant will accrue a Demerit when they commit a Mutual Obligation Failure without a Valid Reason
- how many Demerits they accrue in a particular time period
- the types of Mutual Obligation Failures that lead to the accrual of the Demerits
- the outcomes of any Capability Interview or Capability Assessment that the Participant participates in.

See the [Capability Interview Guideline](#) and the [Capability Assessment Guideline](#) for more information on Capability Interviews or Capability Assessments.

Each of the three zones are described in further detail below.

For a diagram illustrating the three zones in the TCF, see [Attachment B](#).

The Green Zone

All Participants begin in the Green Zone. As long as they do not commit any Mutual Obligation Failures without a Valid Reason, they will remain in this zone.

The Warning Zone

Moving into the Warning Zone helps to reinforce the importance of meeting Mutual Obligation Requirements and discourages Participants from committing any further Mutual Obligation Failures.

When a Participant in the Green Zone accrues a Demerit, they move into the Warning Zone. Each Demerit has a lifespan of 6 active months, after which they are automatically removed by the Department's IT Systems.

In some circumstances (discussed below), when a Participant is in the Warning Zone, the Provider must conduct a Capability Interview with the Participant.

The Provider must do this when the Department's IT Systems specify that the Participant's Reconnection Requirement is a Capability Interview (the timing of when this occurs is discussed below). Note that the Department's IT Systems refer to a Reconnection Requirement as a 're-engagement requirement'.

See the [Reconnection Requirements](#) section of this Guideline for more information on setting Reconnection Requirements.

The outcome of a Capability Interview determines whether the Participant will remain in the Warning Zone or will go back to the Green Zone with their Demerits reset to zero. The purpose of a Capability Interview is to determine whether a Participant's Job Plan is suitable for the Participant, and to provide an additional opportunity for the Participant to disclose information that may be affecting their capacity to comply with their Mutual Obligation Requirements. A Job Plan will be suitable for a Participant if the Mutual Obligation Requirements specified in the Participant's Job Plan are appropriate for their individual circumstances and the Participant is capable of meeting them.

Broadly speaking, the Department's IT Systems will specify that the Participant's Reconnection Requirement is a Capability Interview when the Participant has, in 6 active months, incurred three Demerits or a Demerit for a 'fast-track' Mutual Obligation Failure.

A fast-track Mutual Obligation Failure is one of the following:

- intentionally acting in a manner at a job interview that could result in an offer of employment not being made to the Participant
- failing to attend a job interview
- failing to act on a job opportunity when requested to do so by their Provider.

Note that, if a Participant has less than three Demerits when they incur a Demerit for a fast-track Mutual Obligation Failure, the Department's IT Systems will automatically increase the number of Demerits to three.

In practice, fast-track Mutual Obligation Failures do not apply in ParentsNext because ParentsNext Participants do not have obligations related to finding work.

A factor that influences whether a Provider must conduct a Capability Interview in the circumstances described above is the outcome of any Capability Interview or Capability Assessment that has been conducted in relation to the Participant in the last 60 days.

Providers' main obligations regarding Capability Interviews are set out in clauses 114.7, 114.8 and 114.9 of the jobactive Deed or clauses 97.1, 97.2 and 97.3 of the ParentsNext Deed, as relevant. See also the [Capability Interview Guideline](#) for more information.

The Department's IT Systems will determine whether the Participant will remain in the Warning Zone, or go back to the Green Zone with their Demerits reset to zero. This is based on the information that the Provider records in the Department's IT Systems regarding the outcome of the Capability Interview. It is intended that, if the result of the Capability Interview is that:

- the Participant's Job Plan is not suitable for the Participant (i.e. the Mutual Obligation Requirements specified in the Participant's Job Plan are not appropriate for their circumstances, and/or the Participant is not capable of meeting them), the Participant will go back to the Green Zone with their Demerits reset to zero, or
- the Participant's Job Plan is suitable for the Participant (i.e. the Mutual Obligation Requirements specified in the Participant's Job Plan are appropriate for their circumstances and the Participant is capable of meeting them), the Participant will continue in the Warning Zone with their confirmed Demerits.

In some circumstances (discussed below), when a Participant is in the Warning Zone, Services Australia will conduct a Capability Assessment with the Participant. The Department's IT Systems will notify the Provider when this will occur.

(Deed references: jobactive Deed 2015–2022 clauses 114.7, 114.8 and 114.9; ParentsNext Deed 2018–2021 clauses 97.1, 97.2 and 97.3)

The Penalty Zone

There are a number of criteria that must be satisfied before a Participant will enter the Penalty Zone. The first is that the Participant has attended a Capability Interview and the outcome of that Capability Interview is that the Participant's Job Plan is suitable for the Participant.

The second criterion that must be satisfied before a Participant will enter the Penalty Zone is that the Participant has incurred five Demerits in 6 active months. When this occurs, Services Australia will arrange for the Participant to attend a Capability Assessment with Services Australia. Note that, if a Participant has three or four Demerits when they incur a Demerit for a fast-track Mutual Obligation Failure (discussed above), the Department's IT Systems will automatically increase the Participant's total number of Demerits to five.

The final criterion is that the outcome of the Capability Assessment is that the Participant's Job Plan is suitable for the Participant. This means that the outcome of a Capability Assessment determines whether the Participant will enter the Penalty Zone or will go back to the Green Zone with their Demerits reset to zero.

The Capability Assessment has the same goals as the Capability Interview: to assess whether a Participant's Job Plan is suitable for the Participant (i.e. whether the Mutual Obligation Requirements specified in the Participant's Job Plan are appropriate for their circumstances and whether the Participant is capable of meeting them).

The Department's IT Systems will determine whether the Participant will enter the Penalty Zone or will go back to the Green Zone with their Demerits reset to zero. It does this based on the information that Services Australia records in the

Department's IT Systems regarding the outcome of the Capability Assessment. It is intended that, if the result of the Capability Assessment is that:

- the Participant's Job Plan is not suitable for the Participant (i.e. the Mutual Obligation Requirements specified in the Participant's Job Plan are not appropriate for their circumstances, and/or the Participant is not capable of meeting them), the Participant will go back to the Green Zone with their Demerits reset to zero; or
- the Participant's Job Plan is suitable for the Participant (i.e. the Mutual Obligation Requirements specified in the Participant's Job Plan are appropriate for their circumstances and the Participant is capable of meeting them), the Participant will enter the Penalty Zone.

Broadly speaking, it is intended that a Participant in the Penalty Zone will incur the following financial penalties in succession if they continue to commit Mutual Obligation Failures:

- first Mutual Obligation Failure without a Reasonable Excuse in the Penalty Zone—loss of one week's Income Support Payment
- second Mutual Obligation Failure without a Reasonable Excuse in the Penalty Zone—loss of two weeks' Income Support Payment
- third Mutual Obligation Failure without a Reasonable Excuse in the Penalty Zone—Income Support Payment is cancelled, and the Participant must serve a four-week preclusion period before they may be paid again (after reapplying for income support). The preclusion period referred to here is called a 'post-cancellation non-payment period' in the relevant legislation.

Once a Participant's Income Support Payment has been cancelled, the Participant must reapply for income support—they will not automatically receive an Income Support Payment again once the four-week preclusion period has ended. If a Participant has had their Income Support Payment cancelled, but they return to payment within 3 active months of cancellation, they will return to the beginning of the Penalty Zone. In other words, their next Mutual Obligation Failure without a Reasonable Excuse (committed within 3 active months after cancellation) would result in another loss of one week's payment.

It is intended that a Participant in the Penalty Zone will return to the Green Zone if they do not commit any further Mutual Obligation Failures for 3 active months. The potential to return to the Green Zone through demonstrating compliance provides a further incentive for Participants to change their behaviour and meet their Mutual Obligation Requirements.

Note that, although Participants can incur financial penalties while they are in the Penalty Zone (as discussed above), they do not accrue further Demerits.

Recording participation by close of business

Providers have an obligation to record Engagements in each Participant's Electronic Calendar (see clause 83A of the jobactive Deed or clause 71 of the ParentsNext Deed, as relevant). The types of Engagements that must be recorded include all Mutual Obligation Requirements, except for those that involve a requirement to:

- undertake adequate Job Searches

- enter into a Job Plan, or
- act on a job opportunity.

Providers also have an obligation to confirm or record participation against each Mutual Obligation Requirement scheduled in a Participant's Electronic Calendar. This must be done no later than close of business on the day that the Mutual Obligation Requirement is scheduled to occur in the Participant's Electronic Calendar (see clause 106A of the jobactive Deed or clause 88 of the ParentsNext Deed, as relevant).

Except in the case of attending a Provider Appointment, if participation is not recorded by close of business on the day that the Mutual Obligation Requirement is scheduled to occur in the Participant's Electronic Calendar (either by the Provider or by the Participant), the Department's IT Systems will automatically suspend the Participant's Income Support Payment in the Green Zone and the Warning Zone after two Business Days if the Participant does not make contact or does not meet a Reconnection Requirement (where the Participant does not have a Valid Reason). See the [Payment Suspension](#) section of this Guideline for more information on payment suspensions.

Although a Participant does not necessarily accrue a Demerit for failing to record their participation against a Mutual Obligation Requirement, they may potentially accrue a Demerit if they did not attend or participate in the Mutual Obligation Requirement, including if they failed to give prior notice of their inability to meet the requirement when it was reasonable to expect them to do so. See [Attachment A](#) for information on the circumstances in which a Participant will accrue a Demerit.

(Deed references: jobactive Deed 2015–2022 clause 83A, 106A; ParentsNext Deed 2018–2021 clauses 71, 88)

Self-reporting participation

Providers must assess whether each individual Participant is capable of taking personal responsibility for self-reporting participation against all the Mutual Obligation Requirements in their Job Plan (see clause 106A.1 of the jobactive Deed or clause 88.1 of the ParentsNext Deed, as relevant).

If the Provider assesses that a Participant is not capable of self-reporting as referred to above, the Provider must remove the Job Plan code 'Personal Responsibility to Record or Report Attendance (PA03)' from the Participant's Job Plan. It is then the Provider's responsibility to record the Participant's participation against each of the Mutual Obligation Requirements scheduled in their Electronic Calendar (see clause 106A.2 of the jobactive Deed or clause 88.2 of the ParentsNext Deed, as relevant). Providers are encouraged to work with Participants assessed as not capable of self-reporting to help them build the required skills to be able to self-report their participation against each of the Mutual Obligation Requirements scheduled in their Electronic Calendar.

If the Provider assesses that a Participant is capable of self-reporting as referred to above, the Provider must confirm with the Participant that they understand that this means:

- the Participant must record their participation against each of the Mutual Obligation Requirements scheduled in their Electronic Calendar themselves—either on the jobactive website, or by using the Job Seeker App
- if the Participant does not do this, their Income Support Payment will be suspended—and, if their payment is suspended, it will remain suspended until they contact their Provider to discuss.

For information on how Providers must assess whether each individual Participant is capable of taking personal responsibility for self-reporting participation against all the Mutual Obligation Requirements in their Job Plan, refer to the [Job Plan and Scheduling Mutual Obligation Requirements Guideline](#) on the Provider Portal.

(Deed references: jobactive Deed 2015–2022 clauses 106A.1, 106A.2; ParentsNext Deed 2018–2021 clauses 88.1, 88.2)

3. Committing Mutual Obligation Failures

The term ‘Mutual Obligation Failure’ is defined in the jobactive Deed and ParentsNext Deed by reference to the meaning of that term in the *Social Security (Administration) Act 1999* (see the definition of ‘mutual obligation failure’ in section 42AC of that Act). In summary, this means that a Participant will commit a Mutual Obligation Failure if they:

- fail to enter into a Job Plan
- fail to attend, or to be punctual for, an appointment that they are required to attend under their Job Plan
- fail to attend, to be punctual for, or to participate in, an activity that they are required to undertake under their Job Plan
- fail to undertake adequate Job Searches
- fail to comply with any other requirement in their Job Plan
- act in an inappropriate manner:
 - during an appointment that they are required to attend under their Job Plan, or
 - while participating in an activity that they are required to undertake under their Job Plan
- intentionally act in a manner that could result in an offer of employment not being made to the person
- fail to:
 - attend a job interview, or
 - act on a job opportunity when requested to do so by their Provider.

Fast-track Mutual Obligation Failures

Particular types of Mutual Obligation Failures are referred to as ‘fast-track’ Mutual Obligations Failures because they can result in a Participant having a Capability Interview or Capability Assessment more quickly than would otherwise be the case. See [The Warning Zone](#) section of this Guideline for more information on ‘fast-track’ Mutual Obligations Failures.

Prior notice and Acceptable Reasons

A Participant may notify the Provider, before the start time scheduled for a Mutual Obligation Requirement, that they are unable to comply with their Mutual Obligation Requirement. Providers must then assess whether the Participant's reason for being unable to comply with the Mutual Obligation Requirement is an Acceptable Reason. If the Provider is satisfied that the Participant has an Acceptable Reason for being unable to comply with the Mutual Obligation Requirement, they have an obligation to reschedule or remove the Mutual Obligation Requirement from the Electronic Calendar. See clause 106B.1 of the jobactive Deed or clause 89.1 of the ParentsNext Deed, as relevant, together with the definition of 'Acceptable Reason' in Annexure A1 in the relevant Deed.

For the purposes of the above, the Provider must determine that a Participant has an Acceptable Reason for being unable to satisfy a Mutual Obligation Requirement if:

- the Participant notified the Provider, before the start time scheduled for a Mutual Obligation Requirement, that the Participant is unable to satisfy the Mutual Obligation Requirement
- the Provider is satisfied that the Participant has a Valid Reason for being unable to satisfy the Mutual Obligation Requirement.

A Provider must determine that the Participant has a Valid Reason for a Mutual Obligation Failure when they are satisfied that the reason the Participant provides:

- would directly prevent the Participant from meeting the Mutual Obligation Requirement at the time that the Mutual Obligation Requirement is scheduled to occur;
- would be considered to be reasonable by a member of the general public; and
- aligns with the Participant's personal circumstances as known by the Provider.

However, note the exception to the above discussed in the [Drug and alcohol dependency or misuse](#) section of this Guideline.

Where a Provider has an obligation to reschedule or remove a Mutual Obligation Requirement under clause 106B.1 of the jobactive Deed or clause 89.1 of the ParentsNext Deed, the Provider must select 'No Longer Required' or 'Rescheduled' (as appropriate) in relation to the Mutual Obligation Requirement in the Participant's Electronic Calendar. This will either remove the Mutual Obligation Requirement from the Participant's Electronic Calendar or allow the Mutual Obligation Requirement to be re-scheduled in the Participant's Electronic Calendar.

Despite the above, the Provider must select 'No Longer Required' in relation to the Mutual Obligation Requirement in the Participant's Electronic Calendar if the Mutual Obligation Requirement in question is a requirement to undertake Job Searches or a requirement to act on a job opportunity.

If the Provider selects 'No Longer Required' or 'Rescheduled' in relation to a Mutual Obligation Requirement in the Participant's Electronic Calendar as referred to above, the Provider must also select a description of the relevant Valid Reason from the drop-down menu that will appear. In selecting a Valid Reason option from the drop-down menu, the Provider must select the option that is most similar to the

Participant's Valid Reason as they described it to the Provider. The Provider must not use the options in the drop-down menus to prompt or elicit responses from the Participant. A full list of these drop-down menu options can be found at [Attachment C](#).

If the Provider is **not** satisfied that the Participant has a Valid Reason for being unable to satisfy the Mutual Obligation Requirement, the Provider must tell the Participant why. The Provider must then remind the Participant that they are still expected to meet the Mutual Obligation Requirement and must remind them about the consequences of non-compliance.

(Deed references: jobactive Deed 2015–2022 clause 106B.1; ParentsNext Deed 2018–2021 clause 89.1; definition of 'Acceptable Reason' in Annexure A1 in the relevant Deed)

Misconduct—Acting in an inappropriate manner

Particular types of Mutual Obligations Failures are referred to as 'misconduct' in the Department's IT Systems. The circumstances in which the Provider must select 'misconduct' are described below in the [When the Participant does not have a Valid Reason](#) section of this Guideline.

Misconduct refers to:

- inappropriate behaviour by the Participant:
 - during an appointment that they are required to attend under their Job Plan, or
 - while participating in an activity that they are required to undertake under their Job Plan, or
- behaviour by a Participant, during a job interview, that could result in an offer of employment not being made to the Participant.

A Provider must determine that a Participant's behaviour involved 'misconduct' in the circumstances described above when the Participant's behaviour during the relevant appointment, activity or job interview:

- was within the Participant's control
- prevented the purpose of the relevant appointment, activity or job interview from being met
- would be judged by a reasonable person as being inappropriate in the circumstances.

This behaviour may include:

- dressing in a way that is clearly inappropriate for the relevant appointment, activity or job interview
- using offensive language during the relevant appointment, activity or job interview
- showing an obvious lack of interest in the relevant appointment, activity or job interview
- exaggerating the severity of an existing injury or illness to avoid fully participating in the relevant appointment, activity or job interview
- leaving the relevant appointment, activity or job interview before its completion.

Behaviour that appears to be inappropriate but is out of the Participant's control must not be determined by a Provider to be misconduct. For example, a Participant may act in an inappropriate manner because they:

- do not have appropriate clothes to wear to the relevant appointment, activity or job interview
- are affected by a major personal crisis
- are affected by a medical condition.

Mutual Obligation Failures

Participant contact

In most cases, if the Provider becomes aware that a Participant has apparently committed a Mutual Obligation Failure, the Provider must attempt to contact the Participant on the same Business Day on which the Provider becomes aware of the apparent Mutual Obligation Failure. See clauses 114.1 and 114.2 of the jobactive Deed or clauses 96.1 and 96.2 of the ParentsNext Deed, as relevant. If there is contact between the Provider and the Participant on that day, the Provider must:

- discuss with the Participant the circumstances of the apparent Mutual Obligation Failure so that the Provider can determine whether a Mutual Obligation Failure has actually been committed; and
- if the Provider considers that a Mutual Obligation Failure has been committed:
 - discuss with the Participant their reasons for the Mutual Obligation Failure, assess whether the Participant has a Valid Reason, and comply with the obligations set out below in the [Assessing Valid Reasons](#) section in this Guideline
 - set an appropriate Reconnection Requirement for the Participant (if they do not have a Valid Reason for the relevant Mutual Obligation Failure) in accordance with the [Reconnection Requirements](#) section in this Guideline; or
- if the Provider considers that a Mutual Obligation Failure has not been committed, not take any further action.

See clause 114 of the jobactive Deed or clause 96 of the ParentsNext Deed, as relevant.

See the [Assessing Valid Reasons](#) section in this Guideline for more information on Valid Reasons.

See the [Reconnection Requirements](#) section in this Guideline for more information on Reconnection Requirements.

(Deed references: jobactive Deed 2015–2022 clause 114; ParentsNext Deed 2018–2021 clause 96)

Contact attempt not required

The Provider is not required to attempt to contact the Participant if the Mutual Obligation Failure has occurred because the Participant:

- failed to undertake adequate Job Searches (this does not apply to participants in ParentsNext), or
- failed to enter into a Job Plan.

See clause 114.2 of the jobactive Deed or clause 96.2 of the ParentsNext Deed, as relevant.

In these instances, the Provider should wait for the Participant to make contact. Once the Participant has made contact, the Provider must:

- schedule a date and time for a Reconnection Requirement to occur (if the Participant does not have a Valid Reason for the relevant Mutual Obligation Failure) in accordance with the [Reconnection Requirements](#) section in this Guideline
- otherwise comply with the Deed clauses referred to above.

(Deed references: jobactive Deed 2015–2022 clause 114.2; ParentsNext Deed 2018–2021 clause 96.2)

Contact attempt not successful

As discussed above, in most cases, the Provider has an obligation to attempt to contact the Participant on the same Business Day on which the Provider becomes aware of an apparent Mutual Obligation Failure. When the Provider attempts to contact the Participant in accordance with that obligation and the attempt is not successful, the Provider must:

- record that they are not in contact with the Participant, and select ‘Did Not Attend—Invalid’ in relation to the relevant Mutual Obligation Requirement in the Participant’s Electronic Calendar. Doing so will:
 - create a pending Demerit on the Participant’s record if the Participant is in the Warning Zone; or
 - create a pending Non-Compliance Report on the Participant’s record if the Participant is in the Penalty Zone; and
- comply with clause 114.5 of the jobactive Deed or clause 96.5 of the ParentsNext Deed, as relevant.

If the Participant is in the Green Zone or the Warning Zone, the Department’s IT Systems will automatically suspend the Participant’s Income Support Payment if, within two Business Days, the Participant does not make contact or does not meet a Reconnection Requirement (where the Participant does not have a Valid Reason).

If the Participant is in the Penalty Zone, Income Support Payment suspension will occur when the Provider has recorded ‘Did Not Attend—Invalid’ in the Department’s IT Systems.

If the Participant later contacts the Provider to discuss the Mutual Obligation Failure, the Provider must:

- schedule a date and time for a Reconnection Requirement to occur (if the Participant does not have a Valid Reason for the relevant Mutual Obligation Failure) in accordance with the Reconnection Requirements section in this Guideline; and
- otherwise comply with clause 114.6 of the jobactive Deed or clause 96.5 of the ParentsNext Deed, as relevant.

(Deed references: jobactive Deed 2015–2022 clause 114.5; ParentsNext Deed 2018–2021 clause 96.5)

When a Participant commits a Mutual Obligation Failure

When a Participant commits a Mutual Obligation Failure, it is intended that there are a few consequences:

- Their Income Support Payment is suspended:
 - If the Participant is in the Green Zone or the Warning Zone, payment suspension will occur if, within two Business Days of the date of the Mutual Obligation Failure, they do not provide a Valid Reason or meet a Re-connection Requirement.
 - If the Participant is in the Penalty Zone, payment suspension will occur at the time the Provider records that a Mutual Obligation Failure has occurred.
- They accrue a Demerit if they do not have a Valid Reason.

See [Attachment A](#) for information on the circumstances in which:

- a Participant's Income Support Payment is suspended
- the suspension of a Participant's Income Support Payment is lifted
- a Participant will accrue a Demerit.

Two Business Day delay of payment suspension: Green and Warning Zones

The purpose of delaying the suspension of an Income Support Payment is to allow Participants two Business Days to contact their Provider, and to discuss and—when possible—resolve the Mutual Obligation Failure before a Participant's payment is impacted. This will also reduce the number of payment suspensions Participants' experience in the course of their servicing.

In the Green Zone and the Warning Zone, a Participant's Income Support Payment is generally suspended two Business Days following the day a Mutual Obligation Failure is recorded in the Department's IT Systems.

Suspension of a Participant's Income Support Payment will not occur if, within those two Business Days, the Participant contacts the Provider and:

- the Provider records that the Participant has a Valid Reason, or
- the Participant meets a Reconnection Requirement.

See the [Reconnection Requirements](#) and [Assessing Valid Reasons](#) sections of this Guideline.

During the two Business Days that occur between:

- the recording of a Mutual Obligation Failure in the Department's IT Systems, and
- the suspension of a Participant's Income Support Payment,

the Provider must be available to engage with Participants who make contact to discuss a Mutual Obligation Failure and the relevant delayed payment suspension.

During this discussion, the Provider must determine whether the Participant has a Valid Reason for the Mutual Obligation Failure and must immediately record this assessment in the Department's IT Systems. As a result of this assessment:

- If the Provider records that the Participant has a Valid Reason, the payment suspension will be avoided .

- If the Provider records that the Participant does not have a Valid Reason, the Participant must meet a Reconnection Requirement.
 - If the Participant meets the Reconnection Requirement before the two Business Day timeframe has expired, the payment suspension will be avoided.
 - If the Participant does not meet the Reconnection Requirement before the two Business Day timeframe has expired, the payment suspension will occur two Business Days following the day the Mutual Obligation Failure was recorded. This suspension will generally be maintained until the Participant meets the Reconnection Requirement.

If the Provider has discussed the Mutual Obligation Failure with the Participant and is satisfied that a Reconnection Requirement is not necessary, the Provider must record either 'Re-engagement Not Required' or 'Compliance Action No Longer Appropriate'.

See the [Reconnection Requirements](#) section of this Guideline.

Immediate payment suspension: Penalty Zone

In the Penalty Zone, a Participant's Income Support Payment is generally suspended at the time a Mutual Obligation Failure is recorded in the Department's IT Systems. This immediate suspension is intended to encourage the Participant to contact their Provider and discuss the Mutual Obligation Failure.

On the day the Provider records a Mutual Obligation Failure in the Department's IT Systems

The effects of recording a Mutual Obligation Failure in the Department's IT Systems differ depending on whether the Participant is in the Green Zone or Warning Zone, or whether they are in the Penalty Zone.

When the Provider records in the Department's IT Systems that a Participant has committed a Mutual Obligation Failure in the Green Zone or Warning Zone, the Department's IT Systems send the Participant a notification to advise them:

- that it appears they have failed to meet a Mutual Obligation Requirement
- to contact their Provider as soon as possible
- that their Income Support Payment may be suspended after two Business Days have passed if they take no further action.

When the Provider records in the Department's IT Systems that a Participant has committed a Mutual Obligation Failure in the Penalty Zone, the Department's IT Systems send the Participant a notification to advise them:

- that their Income Support Payment is suspended
- why their Income Support Payment is suspended
- what they must do to lift the Income Support Payment suspension
- to contact their Provider as soon as possible.

The automatic notifications described above only occur if the Participant has SMS or e-mail details recorded in the Department's IT Systems for automatic notification. If the Participant does not have SMS or e-mail details recorded in the Department's

IT Systems for automated notification, the Provider must send the notice prepared by the Department's IT Systems in response to the Mutual Obligation Failure to the Participant's postal address. See clauses 114.2(a)(iii), 114.5(a)(i), 114.5(c) and 115.4(a)(ii) of the jobactive Deed, or clauses 96.5(a)(i) and 96.5(c) of the ParentsNext Deed, as relevant.

If the Participant's Income Support Payment has been suspended as a result of recording the Mutual Obligation Failure, the payment will normally remain suspended until they meet a Reconnection Requirement or until the Provider records a Valid Reason in the Department's IT Systems. Failure to comply with a Reconnection Requirement within 28 days of notification will usually result in Services Australia cancelling the Participant's Income Support Payment. For more information on Reconnection Requirements, see the [Reconnection Requirements](#) section in this Guideline.

(Deed references: jobactive Deed 2015–2022 clauses 114.2(a)(iii), 114.5(a)(i), 114.5(c) and 115.4(a)(ii); ParentsNext Deed 2018–2021 clauses 96.5(a)(i) and 96.5(c))

After two Business Days have passed since the Provider recorded the Mutual Obligation Failure in the Department's IT Systems: in the Green and Warning Zones

If the Participant is in the Green Zone or the Warning Zone, the Department's IT Systems will automatically suspend the Participant's Income Support Payment once two Business Days have passed and:

- the Participant has not contacted their Provider, or
- the Provider has recorded that the Participant does not have a Valid Reason, and the Participant has not yet met a Reconnection Requirement.

When the Participant's Income Support Payment is suspended, the Department's IT Systems send them a payment suspension notification to notify them:

- that their Income Support Payment is suspended
- why their Income Support Payment is suspended
- what they must do to lift the Income Support Payment suspension
- to contact their Provider as soon as possible.

As noted above, if the Participant does not have SMS or e-mail details recorded in the Department's IT Systems for automated notification, the Provider must send the notice prepared by the Department's IT Systems in response to the Mutual Obligation Failure to the Participant's postal address. See clause 114.5(c) in the jobactive Deed or clause 96.5(c) of the ParentsNext Deed, as relevant.

A Participant's Income Support Payment will normally remain suspended until they meet a Reconnection Requirement or until the Provider records a Valid Reason in the Department's IT Systems, and an Income Support Payment will normally be cancelled by Services Australia if the Participant fails to meet a Reconnection Requirement within four weeks of notification. For more information on Reconnection Requirements, see the [Reconnection Requirements](#) section in this Guideline.

(Deed references: jobactive Deed 2015–2022 clauses 114.2(a)(iii), 114.5(a)(i), 115.4(a)(ii); ParentsNext Deed 2018–2021 clause 96.5(a)(i))

Assessing Valid Reasons

Providers have obligations to assess whether a Participant has a Valid Reason for a Mutual Obligation Failure in a number of specific circumstances (see clauses 114.4, 114.6 and 114.11 of the jobactive Deed or clauses 96.4 and 96.6 of the ParentsNext Deed, as relevant). It is intended that if the Participant:

- has a Valid Reason for a Mutual Obligation Failure, any Demerit on their record relating to that Mutual Obligation Failure will be removed; or
- does not have a Valid Reason, the Demerit will be confirmed.

See [Attachment A](#) for information on the circumstances in which:

- a Demerit (pending confirmation) will be put on a Participant's record
- a Demerit (pending confirmation) will be confirmed or removed from the Participant's record.

For the purposes of the above, a Provider must determine that the Participant has a Valid Reason for a Mutual Obligation Failure when they are satisfied that:

- the reason the Participant provided:
 - directly prevented the Participant from meeting the Mutual Obligation Requirement at the relevant time that the Mutual Obligation Failure occurred
 - would be considered to be reasonable by a member of the general public
 - aligns with their personal circumstances as known by the Provider
- it would have been unreasonable to expect the Participant to give prior notice of their inability to meet the relevant Mutual Obligation Requirement.

However, note the exception to the above discussed below under the heading 'Drug and alcohol dependency or misuse'.

(Deed references: jobactive Deed 2015–2022 clauses 114.4, 114.6, 114.11; ParentsNext Deed 2018–2021 clauses 96.4, 96.6)

Drug and alcohol dependency or misuse

There are limits on the circumstances in which a Provider can determine that a Participant's drug or alcohol misuse or dependency is a Valid Reason for a Mutual Obligation Failure. Valid Reason determinations are discussed above in the [Prior notice and Acceptable Reasons](#) and [Assessing Valid Reasons](#) sections of this Guideline. Subject to what is stated in those sections, the first time a Participant cites drug or alcohol misuse or dependency as the reason they have committed a Mutual Obligation Failure, the Provider may determine that this is a Valid Reason. If the Participant does this, the Provider must identify and source an available and appropriate treatment program, and must encourage the Participant to participate in that program. Participation in treatment services to address drug or alcohol misuse or dependency may reduce other Mutual Obligation Requirements. See the [Managing and Monitoring Mutual Obligation Requirements](#) Guideline for information on setting Mutual Obligation Requirements.

If a Participant cites drug or alcohol misuse or dependency as the reason they have committed a Mutual Obligation Failure, the Provider must not determine that this is a Valid Reason if:

- the Participant previously committed a Mutual Obligation Failure on or after 1 July 2018;
- the Provider determined that the Participant's drug or alcohol misuse or dependency was a Valid Reason for that previous Mutual Obligation Failure, so it did not result in a Demerit
- as a result of the Mutual Obligation Failure, the Provider referred to Participant to treatment to address the drug or alcohol misuse or dependency
- the Participant refused or failed to participate in the treatment.

The Provider must not determine that drug or alcohol misuse or dependency is a Valid Reason in the circumstances described above, unless one of the following applies:

- the treatment that the Participant was referred to was not available or appropriate for the Participant
- the Participant was genuinely unable to participate in the treatment
- the Participant agreed to participate in the treatment but, despite taking all reasonable steps to commence the treatment, the treatment did not commence, or
- before the Participant was referred to the treatment, the Participant had:
 - completed the same type of treatment as the treatment they were referred to, or
 - completed treatment that was substantially similar to the treatment they were referred to

and, in the opinion of an appropriately qualified medical professional, the Participant would not benefit from further treatment of the same kind as the type of treatment already completed by the person.

When the Participant has a Valid Reason

On the day that the Provider determines that a Participant has a Valid Reason for a Mutual Obligation Failure, they must record this assessment in the Department's IT Systems. The way to record this assessment can differ, depending on the type of Mutual Obligation Failure that the Participant has committed. The steps that the Provider must take, depending on the type of Mutual Obligation Failure, are described below.

When the Provider records that the Participant has a Valid Reason, the Provider must also select a description of the relevant Valid Reason from a drop-down menu that will appear. In selecting a Valid Reason option, the Provider must select the option that is most similar to the Participant's Valid Reason as they described it to the Provider. The Provider must not use the options in the drop-down menus to prompt or elicit responses from the Participant. By recording a reason that is Valid, the Provider is:

- finalising the Mutual Obligation Failure and preventing the payment suspension if the Participant's Income Support Payment has not yet been suspended

- lifting the Participant's payment suspension if the Participant's Income Support Payment is suspended, and removing the relevant Demerit from the Participant's record.

A full list of these drop-down menu options can be found at [Attachment D](#). In the Department's IT Systems:

- 'reasons accepted' refers to reasons that the Provider determines are Valid Reasons; and
- 'reasons not accepted' refers to reasons that the Provider determines are not Valid Reasons.

Failures against requirements that are in the Participant's Electronic Calendar

On the day that the Provider determines that a Participant has a Valid Reason for a Mutual Obligation Failure:

- If the Provider has not already recorded an attendance result in relation to the relevant Mutual Obligation Requirement—the Provider must select 'Did Not Attend—Valid'.
- If the Provider has already recorded 'Did Not Attend—Invalid' or 'Misconduct' in relation to the relevant Mutual Obligation Requirement—the Provider must select 'Yes' in response to the question of whether they accept the job seeker's given reason.

Failures to undertake adequate Job Searches

For failures to undertake adequate Job Searches, on the day that the Provider determines that a Participant has a Valid Reason for a Mutual Obligation Failure, the Provider must select 'Yes' on the Provider Re-engagement page in the Department's IT Systems to indicate that the job seeker's reason for not meeting their Job Search requirement has been accepted.

Failures to enter into a Job Plan

For failures to enter into a Job Plan, on the day that the Provider determines that a Participant has a Valid Reason for the Mutual Obligation Failure, the Provider must select 'Yes' on the Provider Re-engagement Page in the Department's IT Systems to indicate that the job seeker's reason for failing to enter into a Job Plan has been accepted.

Once the Provider has recorded that the Participant has a Valid Reason, the Provider must then create a Provider Appointment for the Participant to attend within two Business Days after the day the Provider has recorded their assessment. If the Participant attends the Provider Appointment, the Provider must discuss the Job Plan with the Participant. If the Participant does not attend the Provider Appointment to discuss the Job Plan, this is a Mutual Obligation Failure, and the Provider must comply with their usual obligations regarding Mutual Obligation Failures.

Failures to act on a job opportunity

For failures to act on a job opportunity, on the day that the Provider determines that a Participant has a Valid Reason for a Mutual Obligation Failure, the Provider must select 'Unsatisfactory—Valid' on the Provider Re-engagement page in the Department's IT Systems to indicate that the job seeker's reason for failing to act on a job opportunity has been accepted.

When the Participant does not have a Valid Reason

On the day that the Provider determines that a Participant does not have a Valid Reason for failing to meet a Mutual Obligation Requirement, the Provider must record this assessment in the Department's IT Systems. The way to record this assessment can differ, depending on the type of Mutual Obligation Failure the Participant has committed. The steps that the Provider must take, depending on the type of Mutual Obligation Failure, are described below.

When they do this, the Provider must also select a description of the Participant's reason that was not a Valid Reason from a drop-down menu that will appear. In selecting a reason option, the Provider must select the option that is most similar to the reason that the Participant gave as they described it to the Provider. By recording that the Participant's reason is not a Valid Reason, the Provider is confirming the relevant Demerit on the Participant's record.

A full list of these drop-down menu options can be found at [Attachment D](#). In the Department's IT Systems:

- 'reasons accepted' refers to reasons that the Provider determines are Valid Reasons
- 'reasons not accepted' refers to reasons that the Provider determines are not Valid Reasons.

On the day that the Provider determines that a Participant does not have a Valid Reason for failing to meet a Mutual Obligation Requirement, the Provider must explain the following to the Participant, depending on whether they are in the Green Zone or Warning Zone, or in the Penalty Zone.

If the Participant is in the Green Zone or Warning Zone, the Provider must inform them that:

- their Income Support Payment will be suspended in two Business Days as a result of a Mutual Obligation Failure, unless the Participant is able to meet a Reconnection Requirement before those two Business Days lapse, and
- if the Participant does not meet a Reconnection Requirement within two Business Days, their Income Support Payment will remain suspended until they do so.

If the Participant is in the Penalty Zone, the Provider must inform them that:

- their Income Support Payment has been suspended as a result of a Mutual Obligation Failure, and
- they must meet a Reconnection Requirement to have their Income Support Payment suspension lifted.

Regardless of what Zone the Participant is in, the Provider must then also explain to the Participant:

- why their given reason was not a Valid Reason and what the consequences of this are
- how this decision will be recorded on the 'Participant's Participation (Compliance) History' page in the Department's IT Systems and displayed on the 'Participant's Compliance Status Indicator' on the online Dashboard
- whether the Mutual Obligation Failure is considered a 'fast-track' Mutual Obligation Failure and, if so, what that means and what the next steps are
- the number of Demerits the Participant has accrued so far
- the importance of meeting all Mutual Obligation Requirements
- the consequences of persistent non-compliance, including financial penalties and Income Support Payment cancellation, what and when the Participant's Reconnection Requirement will be.

By reinforcing the consequences of failing to meet Mutual Obligation Requirements, Participants are encouraged to meet their Mutual Obligation Requirements in the future and remain engaged with their Providers.

Failures against requirements that are in the Participant's Electronic Calendar

On the day that the Provider determines that a Participant does not have a Valid Reason for a Mutual Obligation Failure:

- If the Provider has not already recorded an attendance result in relation to the relevant Mutual Obligation Requirement—the Provider must select 'Did Not Attend—Invalid' or 'Misconduct'.
- If the Provider has already recorded 'Did Not Attend—Invalid' or 'Misconduct' in relation to the relevant Mutual Obligation Requirement—the Provider must select 'No' in response to the question of whether they accept the job seeker's given reason.

Failures to undertake adequate Job Searches

For failures to undertake adequate Job Searches, on the day that the Provider determines that a Participant does not have a Valid Reason for a Mutual Obligation Failure, the Provider must select 'No' on the Provider Re-engagement page in the Department's IT Systems to indicate that the job seeker's reason for not meeting their Job Search requirement has not been accepted.

Failures to enter into a Job Plan

For failures to enter into a Job Plan, on the day that the Provider determines that a Participant does not have a Valid Reason for the Mutual Obligation Failure, the Provider must select 'No' on the Provider Re-engagement page in the Department's IT Systems to indicate that the job seeker's reason for failing to enter into a Job Plan has not been accepted.

Failures to act on a job opportunity

For failures to act on a job opportunity, on the day that the Provider determines that a Participant does not have a Valid Reason for a Mutual Obligation Failure, the Provider must select 'Unsatisfactory—Invalid' on the Provider Re-engagement page in the Department's IT Systems to indicate that the job seeker's reason for failing to act on a job opportunity has not been accepted.

Manually removing Demerits

Providers have obligations to remove Demerits in certain circumstances. See clauses 114.11 and 114.12 of the jobactive Deed or clause 98 of the ParentsNext Deed, as relevant. If the Participant is in the Penalty Zone when the provider assesses that a Demerit should be removed in accordance with clause 114.11 of the jobactive Deed or clause 98 of the ParentsNext Deed, as relevant, the Provider should contact their Account Manager for advice before removing the Demerit.

When removing the Demerit, the Provider must record the reason for the removal in the Department's IT Systems. A full list of these drop-down menu options can be found at [Attachment E](#).

(Deed references: jobactive Deed 2015–2022 clauses 114.11, 114.12; ParentsNext Deed 2018–2021 clause 98)

Participants cannot appeal Demerit decisions under Social Security Law

All Participants have the right to ask for a review of a decision made under Social Security Law, and, in most cases, appeal the decision to a court or tribunal. This includes decisions to suspend a Participant's Income Support Payment as a result of non-compliance and decisions made by Services Australia to reduce or cancel their Income Support Payment.

Demerit decisions are not decisions under Social Security Law and so Participants cannot appeal or ask for a formal review of any decision to confirm a Demerit using the same processes as those that apply for decisions under Social Security Law. However, Participants may dispute Demerit decisions.

Disputing a Demerit decision with the National Customer Service Line

If a Participant is dissatisfied with a Demerit decision, they must first discuss the decision with their Provider. If they still wish to dispute the decision after this discussion, they can contact the Department of Education, Skills and Employment National Customer Service Line (NCSL).

By contacting the NCSL to dispute a Demerit decision, the Participant will in effect make a jobactive servicing-related complaint. If required and appropriate, Providers must action complaints that are referred back to them by the NCSL. This may include reviewing the Demerit decision-making process, any Valid Reason assessments, or information that has been recorded on the Department's IT Systems.

(Deed references: jobactive Deed 2015-2020 clause 114.12 and ParentsNext Deed 2018-2021 clause 98.2)

4. Reconnection Requirements

A Participant must generally meet a Reconnection Requirement following a Mutual Obligation Failure when they do not have a Valid Reason.

If the Provider has discussed the Mutual Obligation Failure with the Participant and is satisfied that a Reconnection Requirement is not necessary, the Provider must record either 'Re-engagement Not Required' or 'Compliance Action No Longer Appropriate'.

If the Participant's Income Support Payment has been suspended, they must meet a Reconnection Requirement in order to have their Income Support Payment suspension lifted.

See [Attachment A](#) for information on the circumstances in which:

- a Participant's Income Support Payment is suspended
- the suspension of a Participant's Income Support Payment is lifted.

'Reconnection Requirements' are referred to as 're-engagement requirements' in the Department's IT Systems.

Note that a Reconnection Requirement is a Mutual Obligation Requirement. This means that, among other things:

- the Provider must comply with clause 83A of the jobactive Deed or clause 71 of the ParentsNext Deed, as relevant, when recording Reconnection Requirements in a Participant's Electronic Calendar
- the Provider must comply with clause 106B of the jobactive Deed or clause 89 of the ParentsNext Deed, as relevant, in relation to rescheduling or removing a Reconnection Requirement from a Participant's Electronic Calendar.

(Deed references: jobactive Deed 2015–2022 clauses 83A, 106B; ParentsNext Deed 2018–2021 clauses 71, 89)

Setting a Reconnection Requirement

For the purposes of the jobactive Deed and ParentsNext Deed and this Guideline, a Participant will be taken to have complied with a Reconnection Requirement where the Provider has, in accordance with the relevant Deed and this Guideline:

- discussed with the Participant their reasons for the relevant Mutual Obligation Failure
- then determined that the Participant has a Valid Reason for the Mutual Obligation Failure.

All the obligations discussed below in relation to setting Reconnection Requirements only apply where the Participant does not have a Valid Reason for the relevant Mutual Obligation Failure.

Subject to this Guideline (including the above provisions in particular), Providers have obligations to set Reconnection Requirements in certain circumstances following a Mutual Obligation Failure (see clauses 114.2(a)(ii), 114.4(b) and 114.6(b)(ii) of the jobactive Deed or clauses 96.4(b) and 96.5(a)(i) of the ParentsNext Deed, as relevant). When setting a Reconnection Requirement, the Provider must follow the prompts in the Department's IT Systems and notify the Participant of the

Reconnection Requirement. The Department's IT Systems will specify the type of Reconnection Requirement that the Provider must set for the purposes of complying with their Deed obligation referred to above.

Note that, when a Provider sets a Reconnection Requirement as discussed above, they are imposing a Reconnection Requirement for the purposes of subsection 42AM of the *Social Security (Administration) Act 1999*.

Providers have obligations to schedule Reconnection Requirements in the timeframes specified in this Guideline. See clauses 114.2(a)(ii) and 114.4(b) of the jobactive Deed, and clause 96.4(b) of the ParentsNext Deed. The Provider must schedule the Reconnection Requirement in the Participant's Electronic Calendar to occur within two Business Days following the day of the contact between the Participant and their Provider to discuss the relevant Mutual Obligation Failure.

Exceptions to this two Business Day requirement are:

- the Department's IT Systems automatically sets the date and time of the Reconnection Requirement as discussed below under the heading 'Reconnection Requirements that have times and dates automatically set by the Department's IT Systems', or
- the Participant has a Valid Reason for not being able to meet the Reconnection Requirement within the two Business Day timeframe as discussed below under the heading 'Valid Reason to not meet Reconnection Requirement within two Business Days'.

Reconnection Requirements must be scheduled to occur within two Business Days of Participant contact to try and ensure that a Participant's Income Support Payment is not suspended for more than two Business Days following contact with their Provider.

(Deed references: jobactive Deed 2015–2022 clauses 114.2(a)(ii), 114.4(b), 114.6(b)(ii); ParentsNext Deed 2018–2021 clauses 96.4(b), 96.5(a)(i))

Multiple Mutual Obligation Failures before contact

When a Participant commits multiple Mutual Obligation Failures before there is a contact with their Provider to discuss those Mutual Obligation Failures:

- only one Reconnection Requirement can be set
- the Provider must advise Participants that they only have to meet one Reconnection Requirement.

Reconnection Requirements that have times and dates automatically set by the Department's IT Systems

For some Mutual Obligation Failures, the Department's IT Systems will automatically set the Reconnection Requirement. This happens when:

- in jobactive, the Participant has failed to undertake adequate Job Searches by the end of their Job Search Period as referred to in clause 114.2(a) of the jobactive Deed, or
- the Participant has failed to enter into a Job Plan as referred to in clause 114.2(b) of the jobactive Deed or clause 96.2 of the ParentsNext Deed.

Where the Department's IT Systems automatically sets a Reconnection Requirement for a Participant as described above, the Provider does not need to do this.

(Deed references: jobactive Deed 2015–2022 clause 114; ParentsNext Deed 2018–2021 clause 96)

Job Search failures in the Penalty Zone

If a Participant fails to undertake adequate Job Searches and the Participant is in the Penalty Zone, the Participant's Reconnection Requirement is to contact their Provider (this is as opposed to the usual Reconnection Requirement, which is to undertake adequate job searches). The Department's IT Systems automatically sets this Reconnection Requirement. If the Participant's Income Support Payment is suspended, the suspension is lifted when the Provider records that they are in contact with the Participant.

Valid Reason to not meet Reconnection Requirement within two Business Days

When the Provider contacts the Participant to discuss the relevant Mutual Obligation Failure(s), they must consider whether the Participant has a Valid Reason for being unable to meet their Reconnection Requirement within two Business Days following that contact. If the Provider considers that the Participant does have such a Valid Reason, the Provider must select 'Unable to Re-engage Within two Business Days' on the Provider Re-engagement page in the Department's IT Systems. If the Participant's Income Support Payment is suspended, this will lift the Participant's Income Support Payment suspension and remove the need for a Reconnection Requirement.

For the purposes of the above, a Provider must determine that the Participant has a Valid Reason for being unable to meet their Reconnection Requirement within two Business Days when they are satisfied that the reason the Participant is unable to do this:

- directly prevents the Participant from meeting meet their Reconnection Requirement within two Business Days following the contact with their Provider to discuss the relevant Mutual Obligation Failure(s)
- would be considered to be reasonable by a member of the general public
- aligns with the Participant's personal circumstances as known by the Provider.

If the Provider selects 'Unable to Re-engage Within two Business Days' as described above, the Provider must also select a description of the relevant Valid Reason from the drop-down menu that will appear. In selecting a Valid Reason option from the drop-down menu, the Provider must select the option that is most similar to the Participant's Valid Reason as they described it to the Provider. Providers must not use the options in the drop-down menus to prompt or elicit responses from the Participant.

A full list of these drop-down menu options can be found at [Attachment F](#).

Provider not able to arrange or deliver the Reconnection Requirement within two Business Days

In some circumstances, a Provider is not be able to arrange or deliver the Reconnection Requirement within two Business Days following the contact between

the Participant and the Provider to discuss the relevant Mutual Obligation Failure(s). If that is the case, and only if that is the case, the Provider must select 'Re-engagement Not Required' on the provider Re-engagement page. If the Participant's Income Support Payment is suspended, this will lift the payment suspension and remove the need for a Reconnection Requirement. When selecting 'Re-engagement Not Required' as described above, the Provider must also select a description of the relevant reason from the drop-down menu that will appear when they make that selection. In selecting a reason option from the drop-down menu, the Provider must select the option that is most similar to the actual reason.

A full list of these drop-down menu options can be found at [Attachment G](#).

Compliance action no longer appropriate

Once a Participant's Reconnection Requirement has been set, unexpected circumstances may make it inappropriate to expect them to meet a Reconnection Requirement and/or to maintain their payment suspension. If that is the case, the Provider must record 'Compliance action no longer appropriate' on the Provider Re-engagement page. If the Participant's Income Support Payment is suspended, this will lift the payment suspension and remove the need for a Reconnection Requirement.

When selecting 'Compliance action no longer appropriate' as described above, the Provider must also select a description of the relevant reason from the drop-down menu that will appear when they make that selection. In selecting a reason option from the drop-down menu, the Provider must select the option that is most similar to the actual reason.

A full list of these drop-down menu options can be found at [Attachment H](#).

Failure to meet a Reconnection Requirement

If the Provider becomes aware that a Participant has failed to meet a Reconnection Requirement, the Provider must attempt to contact the Participant on the same Business Day. If the Provider:

- is not able to contact the Participant on that day, the Provider must record that they are not in contact with the Participant and select 'Did Not Attend—Invalid' in relation to the Reconnection Requirement in the Participant's Electronic Calendar. In this case:
 - if the Participant's Income Support Payment is not yet suspended, it will be suspended if the Participant does not meet another Reconnection Requirement within two Business Days following the date they failed to meet the original Reconnection Requirement, or
 - if the Participant's Income Support Payment is suspended, the payment will remain suspended, and the Provider must reschedule the Reconnection Requirement
- is able to contact the Participant on that day, the Provider must discuss the Participant's reasons for not meeting the Reconnection Requirement and assess if the Participant had a Valid Reason.

For the purposes of the above, a Provider must determine that the Participant had a Valid Reason for being unable to meet their Reconnection Requirement when they are satisfied that the Participant's reason:

- directly prevented the Participant from meeting meet their Reconnection Requirement
- would be considered to be reasonable by a member of the general public
- aligns with the Participant's personal circumstances as known by the Provider.

If the Participant had a Valid Reason, the Provider must select 'Did Not Attend–Valid' in relation to the Reconnection Requirement in the Participant's Electronic Calendar. If the Participant's Income Support Payment is suspended, this will lift the payment suspension as the Participant will be taken to have met the Reconnection Requirement (as they have a Valid Reason). The Provider must set a Mutual Obligation Requirement for the Participant:

- to occur within two Business Days after the day on which the Provider determines that the Participant has a Valid Reason for not meeting the Reconnection Requirement
- that is the same type as the Mutual Obligation Requirement the Participant failed to meet originally.

If the Participant did not have a Valid Reason, the Provider must select 'Did Not Attend—Invalid' in relation to the Reconnection Requirement in the Participant's Electronic Calendar. In this case:

- if the Participant's Income Support Payment is not yet suspended, it will be suspended if the Participant does not meet another Reconnection Requirement within two Business Days following the date of the original Reconnection Requirement, or
- if the Participant's Income Support Payment is suspended, the payment will remain suspended, and

the Provider must reschedule the Reconnection Requirement.

5. The Penalty Zone

As discussed in further detail above under the heading 'The Penalty Zone', the Department's IT Systems will determine whether the Participant will enter the Penalty Zone based on the information that Services Australia records in the Department's IT Systems regarding the outcome of a Capability Assessment.

Non-compliance reports

If a Participant is in the Penalty Zone, and the Provider records 'Did Not Attend—Invalid' or 'Misconduct' as discussed above under the heading '[When the Participant does not have a Valid Reason](#)', the Department's IT Systems creates a non-compliance report and submits it to Services Australia for investigation, instead of recording a Demerit. The Participant's Income Support Payment is suspended as a result of the creation of a non-compliance report.

If a Participant is in the Penalty Zone, and the Provider records 'Did Not Attend—Valid' as discussed above under the heading '[When the Participant has a Valid](#)

[Reason](#), any non-compliance report on their record relating to that Mutual Obligation Failure will be closed.

An open non-compliance report on a Participant's record will prevent the Participant from finalising their fortnightly reporting requirement, and it will prevent the Participant from receiving their Income Support Payment.

Summary of required Documentary Evidence

Depending on the Mutual Obligation Failure that the Participant has committed, in addition to the evidence recorded in the Department's IT Systems, the Provider must retain the following Documentary Evidence:

- where the Mutual Obligation Failure is a failure to attend a job interview or act on a job opportunity, a copy of the prior notification of the requirement to attend the job interview or act on the job opportunity;
- where the Mutual Obligation Failure is a failure to attend an appointment, a copy of the prior notification of the requirement to attend the appointment;
- where the Mutual Obligation Failure is a failure to undertake adequate Job Searches, a hard copy of any relevant fully or partially completed Job Searches; and
- where the Mutual Obligation Failure is acting in an inappropriate manner during an appointment or while participating in an activity, details of the job/employer and/or details of the relevant incident, including dates, the parties involved and what occurred.

Attachment A—System steps that affect: creation and confirmation of Demerits; potential suspension of Income Support Payment; lifting of Income Support Payment suspensions

Mutual Obligation Failure related Provider actions in the Department’s IT Systems that result in a Participant’s Income Support Payment being suspended, the suspension being lifted, or a Demerit being created on a Participant’s record or accrued by the Participant (i.e. confirmed).

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
<p>Non-attendance</p> <p>The Participant fails to:</p> <ul style="list-style-type: none"> attend, or to be punctual for, an appointment that they are required to attend under their Job Plan; attend, to be punctual for, or to participate in, an activity that they are required to undertake under their Job Plan; or attend a job interview. <p>The relevant Mutual Obligation Requirement is shown in the</p>	<p>When the Provider selects ‘Did Not Attend Invalid (DNAI)’ in relation to a Mutual Obligation Requirement in the Participant’s Electronic Calendar.</p> <p>See the discussion on page 15 of this Guideline regarding when a Provider must select ‘Did Not Attend—Invalid’.</p> <p>When both the Participant and the Provider have failed to select ‘Attended’ by close of business on the day on which the Mutual Obligation</p>	<p>When the Provider selects ‘Did Not Attend Invalid (DNAI)’ in relation to a Mutual Obligation Requirement in the Participant’s Electronic Calendar.</p> <p>See the discussion on page 15 of this Guideline regarding when a Provider must select ‘Did Not Attend—Invalid’.</p>	<p>When the Provider records the reason they did not accept as a Valid Reason in the Department’s IT Systems.</p> <p>See the discussion on page 17 of this Guideline regarding when a Provider must select a description of the Participant’s reason that was not a Valid Reason.</p>	<p>When the Provider has already recorded ‘Did Not Attend—Invalid’: when the Provider selects ‘Yes’ in response to the question ‘Do you accept the job seeker’s reason?’ and records the reason accepted as a Valid Reason on the Provider Re–engagement Page in the Department’s IT Systems.</p> <p>OR</p> <p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ in relation to a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p>OR</p> <p>When the Provider reschedules a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p>OR</p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 24 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p>OR</p> <p>When the Provider selects ‘Re-engagement Not Required’ on the Provider Re-engagement page in the Department’s</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
Participant’s Electronic Calendar as one of the following: <ul style="list-style-type: none"> • ‘Provider Appointment’; • ‘Activity’; • ‘Third Party Appointment’ or • ‘Job Interview’. 	Requirement is Scheduled to occur in the Participant’s Electronic Calendar (for all requirements indicated except Provider Appointment).			IT Systems. See discussion on page 24 of this Guideline regarding when a Provider must select ‘Re-engagement Not Required’. OR If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment. OR When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 25 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’. OR When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ (where this was previously not selected by close of business on the day on which the Mutual Obligation Requirement is Scheduled to occur in the Participant’s Electronic Calendar).
Non-attendance at Activity—Supervisor reported The Participant fails to attend, to be punctual for, or to participate in, an activity that they are	When the activity Supervisor records DNA via the Supervisor App.	N/A—No Demerit.	N/A—No Demerit.	When the Provider selects ‘Yes’ in response to the question ‘Do you accept the job seeker’s reason?’ and records the reason accepted as Valid on the Provider Re-engagement Page in the Department’s IT Systems. OR

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
<p>required to undertake under their Job Plan.</p> <p>The relevant Mutual Obligation Requirement is shown in the Participant’s Electronic Calendar as ‘Activity’.</p>				<p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ in relation to a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p>OR</p> <p>When the Provider reschedules a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p>OR</p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 24 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p>OR</p> <p>When the Provider selects ‘Re-engagement Not Required’ on the Provider Re-engagement page in the Department’s IT Systems. See discussion on page 24 of this Guideline regarding when a Provider must select ‘Re-engagement Not Required’.</p> <p>OR</p> <p>If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment.</p> <p>OR</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
				When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 25 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.
<p>Misconduct</p> <p>The Participant acted in an inappropriate manner:</p> <ul style="list-style-type: none"> during an appointment that they are required to attend under their Job Plan; or while participating in an activity that they are required to undertake under their Job Plan. <p>The relevant Mutual Obligation Requirement is shown in the Participant’s Electronic Calendar as one of the following:</p> <ul style="list-style-type: none"> ‘Provider Appointment’, which 	<p>When the Provider selects ‘Misconduct (MISC)’ in relation to the relevant appointment or activity in the Participant’s Electronic Calendar, along with the type of inappropriate behaviour.</p> <p>See the discussion on pages 12 and 17 of this Guideline regarding when a Provider must select ‘Misconduct’.</p>	<p>When the Provider selects ‘Misconduct (MISC)’ in relation to the relevant appointment or activity in the Participant’s Electronic Calendar, along with the type of inappropriate behaviour.</p> <p>See the discussion on pages 12 and 17 of this Guideline regarding when a Provider must select ‘Misconduct’.</p>	<p>When the Provider records the reason they did not accept as a Valid Reason in the Department’s IT Systems.</p> <p>See the discussion on page 17 of this Guideline regarding when a Provider must select a description of the Participant’s reason that was not a Valid Reason.</p>	<p>When the Provider selects ‘Yes’ in response to the question ‘Do you accept the job seeker’s reason?’ and records the reason accepted as a Valid Reason on the Provider Re-engagement Page in the Department’s IT Systems.</p> <p>OR</p> <p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ in relation to a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p>OR</p> <p>When the Provider reschedules a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p>OR</p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 24 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p>OR</p> <p>When the Provider selects ‘Re-engagement Not Required’ on the Provider Re-engagement page in the Department’s</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
includes Reconnection Requirements; <ul style="list-style-type: none"> • ‘Activity’; • ‘Third Party Appointment’; or • ‘Job Interview’. 				IT Systems. See discussion on page 24 of this Guideline regarding when a Provider must select ‘Re-engagement Not Required’. OR If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment. OR When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 25 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.
<p>Job Plan Failure</p> <p>The Participant fails to enter into a Job Plan</p> <p>See the Job Plan and Scheduling Mutual Obligation Requirements Guideline for information on the process of entering into a Job Plan.</p>	<p><u>Job Plan sent Job Plan online</u>—when the ‘think time’ expires and the Participant has not agreed to their Job Plan online.</p>	<p>When the ‘think time’ expires and the Participant has not agreed to their Job Plan online.</p> <p>Demerit is automatically created and confirmed.</p>	<p>When the ‘think time’ expires and the Participant has not agreed to their Job Plan online.</p>	<p>When the Participant agrees to their Job Plan.</p> <p>OR</p> <p>When the Provider selects ‘Yes’ in response to the question ‘Do you accept the job seeker’s reason?’ and records the reason accepted as a Valid Reason on the Provider Re-engagement Page in the Department’s IT Systems.</p> <p>OR</p> <p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ in relation to a Reconnection Requirement in the Participant’s Electronic Calendar.</p>
	<p><u>Job Plan sent Job Plan in hard copy</u>—when the ‘think time’ expires</p>	<p>When ‘think time’ expires.</p>	<p>When the Provider records the reason they did not accept as a Valid Reason in the</p>	

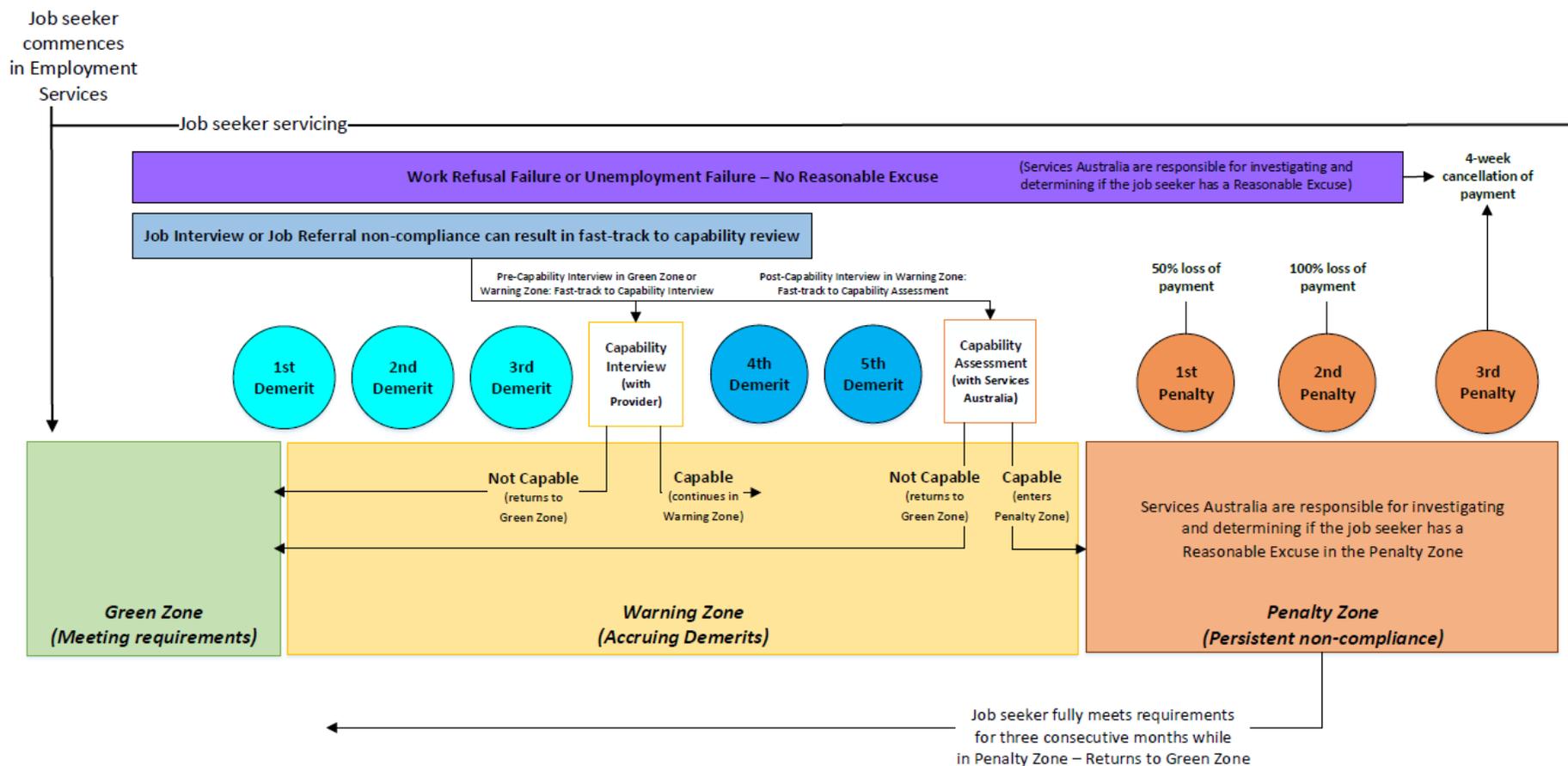
Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
	<p><u>If a Participant refuses outright to agree to Job Plan:</u></p> <p>When the Provider selects ‘Create Compliance’ and selects ‘submit’ on the Job Plan screen in the Department’s IT Systems.</p>	<p>When the Provider selects ‘Create Compliance’ and selects ‘submit’.</p> <p>Demerit is automatically created and confirmed.</p>	<p>Department’s IT Systems.</p> <p>See the discussion on page 17 of this Guideline regarding when a Provider must select a description of the Participant’s reason that was not a Valid Reason.</p> <p>When the Provider selects ‘Create Compliance’ and selects ‘submit’.</p> <p>Demerit is automatically created and confirmed.</p>	<p>OR</p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ in relation to a Reconnection Requirement on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 24 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p>OR</p> <p>If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment.</p> <p>OR</p> <p>When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 25 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.</p>
Failure to act on a job opportunity	When the Provider records ‘Unsatisfactory—Invalid Reason’ on the Job referrals page.	When the Provider records ‘Unsatisfactory—Invalid Reason’ on the Job referrals page.	When the Provider records ‘Unsatisfactory—Invalid Reason’ on the Job referrals page.	When the Provider selects ‘Unsatisfactory—Valid Reason’ on the Provider Re-engagement page in the Department’s IT Systems. OR

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
				<p>When the Provider selects ‘Satisfactory’ in relation to a Reconnection Requirement on the Provider Re-engagement page in the Department’s IT Systems.</p> <p>OR</p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 24 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p>OR</p> <p>When the Provider selects ‘Re-engagement Not Required’ on the Provider Re-engagement page in the Department’s IT Systems. See discussion on page 24 of this Guideline regarding when a Provider must select ‘Re-engagement Not Required’.</p> <p>OR</p> <p>If a Capability Interview is the Reconnection Requirement, the Department’s IT Systems will lift the Income Support Payment suspension once the Provider selects ‘Attended’ or ‘Did Not Attend –Valid’ in the Participant’s Electronic Calendar in relation to the Capability Interview.</p> <p>OR</p> <p>If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
				suspension once the Participant contacts them to participate in a Capability Assessment. OR When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 19 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.
Job Search Failure The Participant failed to undertake adequate Job Searches.	When the Job Search Period ends and the number of Job Search efforts that are recorded by the Participant in the Department’s IT Systems is not equal to the number of Job Search efforts that are required under the Participant’s Job Plan.	When the Job Search Period ends and the number of Job Search efforts that are recorded by the Participant in the Department’s IT Systems is not equal to the number of Job Search efforts that are required under the Participant’s Job Plan. Demerit is automatically created and confirmed.	When the Job Search Period ends and the number of Job Search efforts that are recorded by the Participant in the Department’s IT Systems is not equal to the number of Job Search efforts that are required under the Participant’s Job Plan. Demerit is automatically confirmed.	When the Provider selects ‘Yes’ in response to the question ‘Do you accept the job seeker’s reason?’ and records the reason accepted as a Valid Reason on the Provider Re-engagement Page in the Department’s IT Systems. OR When the Provider selects ‘Yes’ in response to the question ‘Has the job seeker now met their re-engagement requirement?’ on the Provider Re-engagement Page in the Department’s IT Systems. OR When the Provider selects ‘Unable to Re-engage Within 2 Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 21 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within 2 Business Days’. OR
	If the Provider assesses that submitted Job Search efforts are not	When the Provider records an ‘Unsatisfactory’	When the Provider records the reason they did not accept as	

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
	<p>of satisfactory quality to have satisfactorily met their requirement, payment is suspended when the Provider records an ‘Unsatisfactory’ assessment result in the Job Search Reporting page.</p>	<p>assessment result in the Job Search Reporting page.</p>	<p>a Valid Reason in the Department’s IT Systems. See the discussion on page 17 of this Guideline regarding when a Provider must select a description of the Participant’s reason that was not a Valid Reason.</p>	<p>When the Provider selects ‘Requirement no longer needs to be met’ on the Provider Re-engagement page in the Department’s IT Systems. OR If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment. OR When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 22 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’. OR If the Participant is in the Penalty Zone, when the Provider records that the Participant is in contact.</p>

Attachment B—Overview of the Targeted Compliance Framework



Attachment C—‘Rescheduled’, ‘No Longer Required’ and ‘Requirement no longer needs to be met’ reason options

‘Rescheduled’ or ‘No Longer Required’

- | | |
|---|---|
| <ul style="list-style-type: none"> • Acceptable Reason—Caring/family reasons • Acceptable Reason—Housing—instability issues/inspections • Acceptable Reason—Legal requirements • Acceptable Reason—Travel/transport—access/financial issues • Acceptable Reason—Local issue/natural disaster • Reason not acceptable—flexibility utilised | <ul style="list-style-type: none"> • Acceptable Reason—Cultural business • Acceptable Reason—Major personal crisis affecting job seeker* • Acceptable Reason—Medical/health reason • Acceptable Reason—Working on day of requirement • Provider Initiated—Requirement can’t be delivered |
|---|---|

‘Requirement no longer needs to be met’

Job Search	Job referrals
<ul style="list-style-type: none"> • Job Plan requires update to reflect new job search efforts • Paid work impacting level of job search • Major personal crisis impacting job seeker* • Ongoing local issue/natural disaster impacts ongoing compliance • Cultural business for extended period • Significant and ongoing caring/family duties—no exemption • Significant and ongoing medical/health issues—no exemption 	<ul style="list-style-type: none"> • Applications closed/Vacancy withdrawn • Caring/family duties • Conditions or pay not suitable • Housing instability/emergency • Legal requirements • Local issue/natural disaster • Medical/health issue • Major personal crisis affecting job seeker* • Position no longer suitable • Referral created in error

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Attachment D—Valid Reason assessment options

The following tables replicate the drop-down menus in the system. When recording a reason that is a Valid Reason or that is not a Valid Reason in the Department’s IT Systems, the appropriate menu will appear. Reasons may appear in both columns and may be a Valid Reason or not a Valid Reason, depending on the Provider’s determination (see the [Assessing Valid Reasons](#) section of this Guideline, above). In the Department’s IT Systems, ‘reasons accepted’ refers to Reasons that the Provider determines are Valid Reasons, and ‘reasons not accepted’ refers to Reasons that the Provider determines are not Valid Reasons.

Failure to attend a Provider Appointment, Third Party Appointment, activity or job interview

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Caring/family reasons that were unforeseeable—unable to advise prior • Conditions or pay not suitable⁺ • Conditions/skills beyond job seeker* capacity⁺ • Cultural business—unable to advise prior • Believe job seeker⁺ thought they were exempt • Housing instability issues—unable to advise prior • Housing—landlord/property inspection—unable to advise prior • Legal requirements—unable to advise prior • Local issue/natural disaster—unable to advise prior • Major personal crisis affected job seeker⁺—unable to advise prior • Medical/health reason—unable to advise prior • Notification issue—not aware of requirement • Travel/transport, did not have money to pay—unable to advise prior • Travel/transport access issue—unable to advise prior • Working on day of requirement—unable to advise prior 	<ul style="list-style-type: none"> • Away from home/on holiday • Caring/family reasons • Caring—claims childcare will be too expensive if offered job⁺ • Conditions—claims job does not match skills⁺ • Conditions—claims not in preferred employment industry⁺ • Did not believe they had a requirement • Did not think they had to attend—thought exempt • Did not want to attend requirement • Forgot about requirement • Got lost/got time wrong • Housing instability issues • Medical/health reason • Slept in/missed requirement • Travel/transport—did not have money to pay • Travel/transport issue—did not have access • Travel/transport issue—claims distance too great • Undertaking other non-mutual obligation requirement • Prior notice not given and reasonable to expect: <ul style="list-style-type: none"> ▪ Caring/family reasons ▪ Housing—landlord/property inspection ▪ Legal requirement ▪ Medical/health reason

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Failure to attend a Provider Appointment, Third Party Appointment, activity or job interview

Reasons accepted	Reasons not accepted
	<ul style="list-style-type: none"> ▪ Travel/transport—did not have money to pay ▪ Travel/transport issue—did not have access ▪ Working on day of requirement

**Applicable to Job Interviews only*

Misconduct at a Provider Appointment, Third Party Appointment, activity or job interview

Behaviours that may be considered misconduct which prevent the purpose of the requirement from being met include:

- | | |
|--|---|
| <ul style="list-style-type: none"> • Appeared intoxicated/under the influence • Disingenuous • Disruptive/disengaged—unable to complete requirement • Inadequate presentation/attire at requirement • Left prior to completion of requirement | <ul style="list-style-type: none"> • Physically abusive—unable to deliver requirement • Self-sabotage • Theft • Verbally abusive—unable to deliver requirement. |
|--|---|

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Did not have appropriate attire to wear at requirement • Disability/condition presenting itself as misconduct • Major personal crisis affected job seeker* • Medical issue/condition contributed to behaviour 	<ul style="list-style-type: none"> • Couldn't control behaviour/self • Denied nature of misconduct • Did not believe they were impacted by substances • Did not think they had to stay for the duration • Did not think they were dressed inappropriately • Did not want to participate/engage with requirement • Falsified disability/condition presenting itself as misconduct • Did not want that job⁺

**Applicable to Job Interviews only*

* In this case, 'job seeker' refers to a 'Fully Eligible Participant (Mutual Obligation)' as defined in the jobactive Deed 2015–2022 or a 'Compulsory Participant' as defined in the ParentsNext Deed 2018–2021, as relevant

Failure to agree to a Job Plan

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Did not understand requirement to agree to Job Plan • Required further assistance to understand terms of Job Plan • Housing instability issues—unable to return Plan or advise prior • Local issue/natural disaster—unable to return Plan or advise prior • Legal requirements—unable to return Plan or advise prior • Medical/health reason—unable to return Plan or advise prior • Travel/transport access issue—unable to return Plan or advise prior 	<ul style="list-style-type: none"> • Away from home/on holiday • Caring/family reasons—claims no time to participate • Does not believe they have to meet requirements • Refuses to participate in employment services • Refuses to look for work—number or overall • Refuses to participate due to study • Refuses to participate in specific activity • Refuses to participate/claims to have no time due to paid work • Refuses to participate due to self-employment • Refuses to discuss requirements • Refuses to participate due to undertaking other, non-mutual obligation requirements • Does not want to enter into a Job Plan • Forgot about requirement • Medical/health reason—could not return Plan • Caring/family reasons—could not return Plan • Travel/transport issues—could not return Plan

Failure to satisfactorily meet a Job Search Requirement

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Caring/family duties that were significant—no exemption • Cultural business for extended period • Housing instability issues • Legal requirements impacted job search • Local issue/natural disaster impacted job search • Medical/health reason—no exemption • Major personal crisis—no exemption 	<ul style="list-style-type: none"> • Away from home/on holidays • Caring/family requirements affected job search • Claims other requirements affected job search • Does not believe suitable jobs are available • Does not want to apply for jobs • Does not want to apply for jobs using different methods • Does not want to look for work in diverse industries • Does not want to tailor applications to industry • Forgot about job search/got due date wrong • Housing instability • Medical/health reasons • States not required to look for work • States too many job searches required • Technology issue—claims could not submit efforts online • Technology issue—reported job search efforts incorrectly • Thinks quality of applications is satisfactory

Failure to act on a job referral

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Caring/family duties were significant—no exemption • Commute to/from workplace—distance too great/expensive • Conditions or pay not suitable • Conditions/skills for job beyond job seeker* capacity • Cultural business for extended period • Cultural—workplace unsuitable for cultural/religious reasons • Housing instability issues • Legal requirements prevented compliance • Local issue/natural disaster prevented compliance • Major personal crisis affected job seeker[§] • Medical/health reason prevented compliance • Notification issue—not aware of requirement • PCP—job seeker[§] not better off financially • Technology—no access to technology to complete requirement • Technology—no phone or credit to contact employer 	<ul style="list-style-type: none"> • Acted in a manner that did not result in a job offer/interview • Away from home/on holiday • Believes not required to look for work • Caring/family requirements • Caring—claims childcare will be too expensive if job offered • Conditions—claims job does not match skills • Conditions—claims not in preferred employment industry • Conditions—claims too many or too few hours • Conditions—pay not enough (within allowable policy) • Does not want job • Forgot about requirement • Housing instability • Medical/health reason • Résumé not acceptable standard • Technology—claims no access to technology to complete requirement • Technology—claims no phone or credit to contact employer • Travel/transport issue—claims distance too great/expensive

* In this case, 'job seeker' refers to a 'Fully Eligible Participant (Mutual Obligation)' as defined in the jobactive Deed 2015–2022 or a 'Compulsory Participant' as defined in the ParentsNext Deed 2018–2021, as relevant

Attachment E—Manual Demerit removal options

All Demerit types

Reason	Description
Issue affected overall capability—requirements changed	The Participant’s personal circumstances would have likely affected their overall capability to meet requirements. Their Provider has updated their requirements to be more appropriate and to support the Participant to meet them.
New information disclosed—job seeker* in services to address	New information about the Participant has been disclosed which impacted their ability to meet requirements at the time they accrued the Demerit. The Provider has referred the Participant to services, or the Participant is in services, to address this issue.
New information disclosed—likely impacted compliance	New information about the Participant has been disclosed which impacted their ability to meet requirements at the time they accrued the Demerit, and should it have been known, would likely have meant the Participant had a Valid Reason.
Provider Error	An error occurred and the Participant should not have accrued a Demerit—for example, they had a Valid Reason or they should not have had the requirement.

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Job Search Demerits

Reason	Description
Issue affected overall capability— requirements changed	The Participant’s personal circumstances would have likely affected their overall capability to meet requirements. Their Provider has updated their requirements to be more appropriate and to support the Participant to meet them.
Job Search efforts submitted after end of Job Search Period— Valid Reason identified	The Participant has submitted their outstanding Job Search efforts online. Upon Participant contact, the Provider identified that the Participant had a Valid Reason for not submitting their efforts by the end of their Job Search Period.
Adjustment not made— paid work impacted number required	The Participant’s declared earnings for that period mean that their Provider should have reduced their level of job search. Note: this is only applicable where paid work/self-employment is not included in the Job Plan as a requirement. Where it is included, the Department’s IT Systems will automatically make this adjustment based on hours committed to per fortnight (regardless of actual earnings).
Adjustment not made— exemption impacted number required	The Participant had an Exemption during the Job Search Period. Although the system re calculated their required efforts based on the exemption period, the Provider should have made further adjustment due to the nature of the Exemption.
Adjustment not made to number of Job Search efforts required	The Provider failed to adjust the Participant’s required Job Search efforts for the Job Search Period. The result was that the number of required efforts was too high, and the Provider will makes the adjustment in the Job Plan for the next Job Search Period.
Job Search efforts were reported manually within Job Search Period	The Participant provided their Job Search efforts to their Provider during the Job Search Period; however, the Provider did not record them in the Department’s IT Systems before the end of the Participant’s Job Search Period.
Job Search efforts were satisfactory	The Provider had assessed that the Participant’s Job Search efforts were unsatisfactory in quality. Upon review, the Provider identified that the efforts and quality were satisfactory.

Job Plan Demerits

Reason	Description	Type of failure
Job Plan accepted online—Valid Reason identified	The Participant accepted their Job Plan online, but only after the due date. Upon contact with the Participant, the Provider identified that they had a Valid Reason for not agreeing to the Job Plan within the required timeframe.	Job Plan
Job Plan terms unreasonable/inappropriate	Upon another review of the Job Plan and discussion with the Participant, the Provider identified that the requirements in the Plan are not suitable for Participant.	Job Plan
Signed Job Plan was returned	An error occurred and the Participant did not return their signed hardcopy Job Plan within the required timeframe, however the Provider did not record this agreement in the Department’s IT Systems.	Job Plan—where think time granted (hardcopy)
Job seeker* did agree to Job Plan at appointment	An error or misunderstanding occurred and the Participant did actually agree to their Job Plan onsite. However, the Provider did not record this agreement in the Department’s IT Systems, and they used the compliance framework instead.	Job Plan—think time granted (hard copy) or refusal recorded
Job seeker** did not refuse to sign Job Plan	An error or misunderstanding occurred and the Participant had not refused to agree to their Job Plan onsite. However the Provider did not record their agreement or their request for think time, and they used the compliance framework instead.	Job Plan—refusal

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Attachment F—‘Unable to Re-engage Within 2 Business Days’ reason options

‘Unable to Re-engage within 2 Business Days’

- | | |
|--|--|
| • Caring/family duties that were unexpected impacts attendance | • Local issue/natural disaster impacts attendance |
| • Cultural business over next two business days impacts attendance | • Major personal crisis affecting job seeker* impacts attendance |
| • Full-Time Activity/Training impacts attendance | • Medical/health issue over next two days impacts attendance |
| • Housing instability/emergency impacts attendance | • Travel/transport—exceptional issue impacts attendance |
| • Legal requirements impact attendance | • Working over next two business days |
-

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Attachment G— ‘Re-engagement Not Required’ reason options

The following table describes the options Providers have to record the reason a Re-engagement is Not Required. The table also indicates which requirements each of the options can be recorded against.

Reason	Appointment (Provider or third party)	Activity	Job interview	Job Plan	Job referral
Re-engagement not required— non-compliance discussed	✓	✓	✓		✓
Outreach/Part-time site impacts re-engagement	✓	✓	✓		
Unable to be arranged in next two days		✓			
Applications closed/ Vacancy withdrawn					✓
Local issue/natural disaster impacts compliance	Record as ‘unable to re-engage within 2 business days’			Record ‘compliance action no longer appropriate’	✓
Major personal crisis impacts compliance					✓
Departmental Override [^]	✓	✓	✓	✓	✓
Exit/Transfer from services [^]	✓	✓	✓	✓	✓

[^] Departmental Users or the IT system (automatically) only

Attachment H— ‘Compliance Action No Longer Appropriate’ reason options

The following table describes the options Providers have to record the reason Compliance Action is No Longer Appropriate. The table also indicates which requirements each of the options can be recorded against.

Reason	Appointment (Provider or third party)	Job Plan	Activity or job interview	Job Search	Job referral
Applications closed/ Vacancy withdrawn					✓
Local issue/natural disaster impacts compliance	✓		✓	✓	✓
Major personal crisis impacts compliance	✓	✓	✓	✓	✓
Significant and ongoing caring/family duties—no exemption				✓	
Significant and ongoing medical/health issues—no exemption				✓	
Job seeker* requirements changed—job search not applicable				✓	
Departmental Override [^]	✓	✓	✓	✓	✓
Exit/Transfer from services [^]	✓	✓	✓	✓	✓

[^] Departmental Users or the IT system (automatically) only

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

All capitalised terms in this guideline have the same meaning as in the jobactive Deed 2015–2022 (the Deed).

This Guideline is not a stand-alone document and does not contain the entirety of Employment Services Providers' obligations. It must be read in conjunction with the relevant Deed and any relevant Guidelines or reference material issued by Department of Education, Skills and Employment under or in connection with the relevant Deed.

Guideline:

Targeted Compliance Framework: Mutual Obligation Failures

The Targeted Compliance Framework (TCF) is designed to target financial penalties towards only those Participants who persistently commit Mutual Obligation Failures without a Valid Reason or Reasonable Excuse, while providing protections for the most vulnerable. It is designed to encourage Participants to engage with their employment services provider (Provider), take personal responsibility for managing and meeting their Mutual Obligation Requirements, and actively look for work.

Participants commit Mutual Obligation Failures when they fail to comply with any one of a range of particular requirements specified in the Social Security Law. Broadly speaking, these requirements include, among other things:

- entering into a Job Plan
- attending appointments, and participating in activities, where required by their Job Plan
- acting appropriately during those appointments and while participating in those activities
- undertaking adequate Job Searches, where required by their Job Plan
- attending job interviews
- acting on job opportunities when requested to do so by their Provider.

If a Participant persistently commits Mutual Obligation Failures, they progress through the compliance framework. The Participant may eventually incur financial penalties after they:

- have participated in a Capability Interview with their Provider, and a Capability Assessment with Services Australia, to ensure that the Mutual Obligation Requirements specified in their Job Plan are appropriate for their personal circumstances and that they are capable of meeting them
- have continued to commit Mutual Obligation Failures.

That Participant may also face financial penalties if, at any time, they commit a Work Refusal Failure or an Unemployment Failure. See the [Work Refusal Failures and Unemployment Failures Guideline](#) for more information.

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Changes from the previous version (Version 4.0)

Policy changes:

Nil.

Wording changes:

The following minor updates have been made:

- Clarifying the processes for Providers when apparent non-compliance cannot be actioned under the Targeted Compliance Framework (TCF) as the non-compliance is identified outside of normal timeframes or policy settings.
- Outlining the interactions and processes the Provider must take regarding the Employer Reporting Line.
- Addition of Attachment D, previous attachments from D to H are now E to I.
- Deed clause numbers have been removed from body of the text and appear at the bottom of each section.
- Deed clause numbers and links have been updated where necessary.

A full document history is available on the [Provider Portal](#).

Related documents and references

jobactive

[Job Plan and Setting Mutual Obligation](#)

[Requirements Guideline](#)

[Capability Assessment Guideline](#)

[Capability Interview Guideline](#)

[Work Refusal Failures and Unemployment Failures Guideline](#)

ParentsNext

[Capability Assessment Guideline](#)

[Capability Interview Guideline](#)

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1. Interpretation

Unless otherwise specified:

- all references in this Guideline to:
 - a ‘Participant’ are references to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 (jobactive Deed) or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021 (ParentsNext Deed), as relevant;
 - a ‘Job Plan’ are references to a ‘Job Plan’ as defined in the jobactive Deed or a ‘Participation Plan’ as defined in the ParentsNext Deed, as relevant;
 - ‘3 active months’ are, broadly speaking, references to 91 days, but prolonged for the time the Participant is in a penalty period or has an Exemption (up to a maximum of 12 months); and
 - ‘6 active months’ are, broadly speaking, references to 182 days, but prolonged for the time the Participant is in a penalty period or has an Exemption (up to a maximum of 12 months); and
- capitalised terms in this Guideline have the meaning given to them in the jobactive Deed or the ParentsNext Deed, as relevant.

2. The Targeted Compliance Framework (TCF)

Providers’ main obligations relating to the Targeted Compliance Framework (TCF) are set out in Chapter B3 of the jobactive Deed or Chapter B3 of the ParentsNext Deed, as relevant. One of the key obligations is that Providers must actively monitor and record each Participant’s compliance against their Mutual Obligation Requirements. This includes recording compliance against requirements that, if not complied with, would result in a Mutual Obligation Failure, Work Refusal Failure or Unemployment Failure for jobactive Participants, or a Mutual Obligation Failure for ParentsNext Participants.

For more information on the meaning of the term ‘Mutual Obligation Failure’, see section 3, Committing Mutual Obligation Failures.

See the [Targeted Compliance Framework: Work Refusal and Unemployment Failures Guideline](#) for more information on Work Refusal Failures and Unemployment Failures.

In summary, a Participant’s Income Support Payment potentially may be:

- suspended, reduced and/or cancelled—if they commit a Mutual Obligation Failure (see section Committing Mutual Obligation Failures in this Guideline)
- suspended and/or cancelled if they commit a Work Refusal Failure (that is, they refuse or fail to accept an offer of suitable employment, subject to certain exceptions)
- cancelled if they commit an Unemployment Failure (that is, they become unemployed as a result of a voluntary act or misconduct, subject to certain exceptions).

Note that, if a Participant’s Income Support Payment is cancelled, the Participant must serve a four-week preclusion period before they may be paid again (after reapplying for income support).

A key principle of the TCF is personal responsibility. Participants are held personally responsible for managing, meeting and reporting on their Mutual Obligation Requirements

each fortnight in return for their Income Support Payment. This means that Participants are responsible for:

- meeting their Mutual Obligation Requirements, including those set out in their Job Plan
- self-reporting participation against their Mutual Obligation Requirements as they are scheduling in their Electronic Calendar—when they are found to be reasonably capable of doing so
- looking for work and reporting their Job Searches on time each month—when required to do so.

The three zones

The TCF comprises three zones for Participants:

- the Green Zone
- the Warning Zone
- Penalty Zone.

The key things that influence whether a Participant moves from one zone to another are:

- whether they accrue a Demerit. See [Attachment A](#) for information on the circumstances in which a Participant will accrue a Demerit. Broadly speaking, it is intended that a Participant will accrue a Demerit when they commit a Mutual Obligation Failure without a Valid Reason
- how many Demerits they accrue in a particular time period
- the types of Mutual Obligation Failures that lead to the accrual of the Demerits
- the outcomes of any Capability Interview or Capability Assessment that the Participant participates in.

See the [Capability Interview Guideline](#) and the [Capability Assessment Guideline](#) for more information on Capability Interviews or Capability Assessments.

Each of the three zones are described in further detail below.

For a diagram illustrating the three zones in the TCF, see [Attachment B](#).

The Green Zone

All Participants begin in the Green Zone. As long as they do not commit any Mutual Obligation Failures without a Valid Reason, they will remain in this zone.

The Warning Zone

Moving into the Warning Zone helps to reinforce the importance of meeting Mutual Obligation Requirements and discourages Participants from committing any further Mutual Obligation Failures.

When a Participant in the Green Zone accrues a Demerit, they move into the Warning Zone. Each Demerit has a lifespan of 6 active months, after which they are automatically removed by the Department's IT Systems.

In some circumstances (discussed below), when a Participant is in the Warning Zone, the Provider must conduct a Capability Interview with the Participant.

The Provider must do this when the Department's IT Systems specify that the Participant's Reconnection Requirement is a Capability Interview (the timing of when this occurs is discussed below). Note that the Department's IT Systems refer to a Reconnection Requirement as a 're-engagement requirement'.

See the [Reconnection Requirements](#) section of this Guideline for more information on setting Reconnection Requirements.

The outcome of a Capability Interview determines whether the Participant will remain in the Warning Zone or will go back to the Green Zone with their Demerits reset to zero. The purpose of a Capability Interview is to determine whether a Participant's Job Plan is suitable for the Participant, and to provide an additional opportunity for the Participant to disclose information that may be affecting their capacity to comply with their Mutual Obligation Requirements. A Job Plan will be suitable for a Participant if the Mutual Obligation Requirements specified in the Participant's Job Plan are appropriate for their individual circumstances and the Participant is capable of meeting them.

Broadly speaking, the Department's IT Systems will specify that the Participant's Reconnection Requirement is a Capability Interview when the Participant has, in 6 active months, incurred three Demerits or a Demerit for a 'fast-track' Mutual Obligation Failure.

A fast-track Mutual Obligation Failure is one of the following:

- intentionally acting in a manner at a job interview that could result in an offer of employment not being made to the Participant
- failing to attend a job interview
- failing to act on a job opportunity when requested to do so by their Provider.

Note that, if a Participant has less than three Demerits when they incur a Demerit for a fast-track Mutual Obligation Failure, the Department's IT Systems will automatically increase the number of Demerits to three.

In practice, fast-track Mutual Obligation Failures do not apply in ParentsNext because ParentsNext Participants do not have obligations related to finding work.

A factor that influences whether a Provider must conduct a Capability Interview in the circumstances described above is the outcome of any Capability Interview or Capability Assessment that has been conducted in relation to the Participant in the last 60 days.

Providers' main obligations regarding Capability Interviews are set out in the jobactive Deed or the ParentsNext Deed, as relevant. See also the [Capability Interview Guideline](#) for more information.

The Department's IT Systems will determine whether the Participant will remain in the Warning Zone or go back to the Green Zone with their Demerits reset to zero. This is based on the information that the Provider records in the Department's IT Systems regarding the outcome of the Capability Interview. It is intended that, if the result of the Capability Interview is that:

- the Participant's Job Plan is not suitable for the Participant (i.e. the Mutual Obligation Requirements specified in the Participant's Job Plan are not appropriate for their circumstances, and/or the Participant is not capable of meeting them), the Participant will go back to the Green Zone with their Demerits reset to zero, or

- the Participant's Job Plan is suitable for the Participant (i.e. the Mutual Obligation Requirements specified in the Participant's Job Plan are appropriate for their circumstances and the Participant is capable of meeting them), the Participant will continue in the Warning Zone with their confirmed Demerits.

In some circumstances (discussed below), when a Participant is in the Warning Zone, Services Australia will conduct a Capability Assessment with the Participant. The Department's IT Systems will notify the Provider when this will occur.

(Deed references: jobactive Deed 2015–2022 clauses 114.7, 114.8 and 114.9; ParentsNext Deed 2018–2021 clauses 97.1, 97.2 and 97.3)

The Penalty Zone

There are a number of criteria that must be satisfied before a Participant will enter the Penalty Zone. The first is that the Participant has attended a Capability Interview and the outcome of that Capability Interview is that the Participant's Job Plan is suitable for the Participant.

The second criterion that must be satisfied before a Participant will enter the Penalty Zone is that the Participant has incurred five Demerits in 6 active months. When this occurs, Services Australia will arrange for the Participant to attend a Capability Assessment with Services Australia. Note that, if a Participant has three or four Demerits when they incur a Demerit for a fast-track Mutual Obligation Failure (discussed above), the Department's IT Systems will automatically increase the Participant's total number of Demerits to five.

The final criterion is that the outcome of the Capability Assessment is that the Participant's Job Plan is suitable for the Participant. This means that the outcome of a Capability Assessment determines whether the Participant will enter the Penalty Zone or will go back to the Green Zone with their Demerits reset to zero.

The Capability Assessment has the same goals as the Capability Interview: to assess whether a Participant's Job Plan is suitable for the Participant (i.e. whether the Mutual Obligation Requirements specified in the Participant's Job Plan are appropriate for their circumstances and whether the Participant is capable of meeting them).

The Department's IT Systems will determine whether the Participant will enter the Penalty Zone or will go back to the Green Zone with their Demerits reset to zero. It does this based on the information that Services Australia records in the Department's IT Systems regarding the outcome of the Capability Assessment. It is intended that, if the result of the Capability Assessment is that:

- the Participant's Job Plan is not suitable for the Participant (i.e. the Mutual Obligation Requirements specified in the Participant's Job Plan are not appropriate for their circumstances, and/or the Participant is not capable of meeting them), the Participant will go back to the Green Zone with their Demerits reset to zero; or
- the Participant's Job Plan is suitable for the Participant (i.e. the Mutual Obligation Requirements specified in the Participant's Job Plan are appropriate for their circumstances and the Participant is capable of meeting them), the Participant will enter the Penalty Zone.

Broadly speaking, it is intended that a Participant in the Penalty Zone will incur the following financial penalties in succession if they continue to commit Mutual Obligation Failures:

- first Mutual Obligation Failure without a Reasonable Excuse in the Penalty Zone—loss of one week’s Income Support Payment
- second Mutual Obligation Failure without a Reasonable Excuse in the Penalty Zone—loss of two weeks’ Income Support Payment
- third Mutual Obligation Failure without a Reasonable Excuse in the Penalty Zone—Income Support Payment is cancelled, and the Participant must serve a four-week preclusion period before they may be paid again (after reapplying for income support). The preclusion period referred to here is called a ‘post-cancellation non-payment period’ in the relevant legislation.

Once a Participant’s Income Support Payment has been cancelled, the Participant must reapply for income support—they will not automatically receive an Income Support Payment again once the four-week preclusion period has ended. If a Participant has had their Income Support Payment cancelled, but they return to payment within 3 active months of cancellation, they will return to the beginning of the Penalty Zone. In other words, their next Mutual Obligation Failure without a Reasonable Excuse (committed within 3 active months after cancellation) would result in another loss of one week’s payment.

It is intended that a Participant in the Penalty Zone will return to the Green Zone if they do not commit any further Mutual Obligation Failures for 3 active months. The potential to return to the Green Zone through demonstrating compliance provides a further incentive for Participants to change their behaviour and meet their Mutual Obligation Requirements.

Note that, although Participants can incur financial penalties while they are in the Penalty Zone (as discussed above), they do not accrue further Demerits.

Recording participation by close of business

Providers have an obligation to record Engagements in each Participant’s Electronic Calendar. The types of Engagements that must be recorded include all Mutual Obligation Requirements, except for those that involve a requirement to:

- undertake adequate Job Searches
- enter into a Job Plan, or
- act on a job opportunity.

Providers also have an obligation to confirm or record participation against each Mutual Obligation Requirement scheduled in a Participant’s Electronic Calendar. This must be done no later than close of business on the day that the Mutual Obligation Requirement is scheduled to occur in the Participant’s Electronic Calendar.

Except in the case of attending a Provider Appointment, if participation is not recorded by close of business on the day that the Mutual Obligation Requirement is scheduled to occur in the Participant’s Electronic Calendar (either by the Provider or by the Participant), the Department’s IT Systems will automatically suspend the Participant’s Income Support Payment in the Green Zone and the Warning Zone after two Business Days if the Participant does not make contact or does not meet a Reconnection Requirement (where the Participant does not have a Valid Reason). See the [Payment Suspension](#) section of this Guideline for more information on payment suspensions.

Although a Participant does not necessarily accrue a Demerit for failing to record their participation against a Mutual Obligation Requirement, they may potentially accrue a

Demerit if they did not attend or participate in the Mutual Obligation Requirement, including if they failed to give prior notice of their inability to meet the requirement when it was reasonable to expect them to do so. See [Attachment A](#) for information on the circumstances in which a Participant will accrue a Demerit.

(Deed references: jobactive Deed 2015–2022 clause 83A, 106A; ParentsNext Deed 2018–2021 clauses 71, 88)

Self-reporting participation

Providers must assess whether each individual Participant is capable of taking personal responsibility for self-reporting participation against all the Mutual Obligation Requirements in their Job Plan.

If the Provider assesses that a Participant is not capable of self-reporting as referred to above, the Provider must remove the Job Plan code ‘Personal Responsibility to Record or Report Attendance (PA03)’ from the Participant’s Job Plan. It is then the Provider’s responsibility to record the Participant’s participation against each of the Mutual Obligation Requirements scheduled in their Electronic Calendar. Providers are encouraged to work with Participants assessed as not capable of self-reporting to help them build the required skills to be able to self-report their participation against each of the Mutual Obligation Requirements scheduled in their Electronic Calendar.

If the Provider assesses that a Participant is capable of self-reporting as referred to above, the Provider must confirm with the Participant that they understand that this means:

- the Participant must record their participation against each of the Mutual Obligation Requirements scheduled in their Electronic Calendar themselves—either on the jobactive website, or by using the Job Seeker App
- if the Participant does not do this, their Income Support Payment will be suspended—and, if their payment is suspended, it will remain suspended until they contact their Provider to discuss.

For information on how Providers must assess whether each individual Participant is capable of taking personal responsibility for self-reporting participation against all the Mutual Obligation Requirements in their Job Plan, refer to the [Job Plan and Scheduling Mutual Obligation Requirements Guideline](#) on the Provider Portal.

(Deed references: jobactive Deed 2015–2022 clauses 106A.1, 106A.2; ParentsNext Deed 2018–2021 clauses 88.1, 88.2)

3. Committing Mutual Obligation Failures

The term ‘Mutual Obligation Failure’ is defined in the jobactive Deed and ParentsNext Deed by reference to the meaning of that term in the *Social Security (Administration) Act 1999* (see the definition of ‘mutual obligation failure’ in section 42AC of that Act). In summary, this means that a Participant will commit a Mutual Obligation Failure if they:

- fail to enter into a Job Plan
- fail to attend, or to be punctual for, an appointment that they are required to attend under their Job Plan
- fail to attend, to be punctual for, or to participate in, an activity that they are required to undertake under their Job Plan

- fail to undertake adequate Job Searches
- fail to comply with any other requirement in their Job Plan
- act in an inappropriate manner:
 - during an appointment that they are required to attend under their Job Plan, or
 - while participating in an activity that they are required to undertake under their Job Plan
- intentionally act in a manner that could result in an offer of employment not being made to the person
- fail to:
 - attend a job interview, or
 - act on a job opportunity when requested to do so by their Provider.

Fast-track Mutual Obligation Failures

Particular types of Mutual Obligation Failures are referred to as ‘fast-track’ Mutual Obligations Failures because they can result in a Participant having a Capability Interview or Capability Assessment more quickly than would otherwise be the case. See [The Warning Zone](#) section of this Guideline for more information on ‘fast-track’ Mutual Obligations Failures.

Prior notice and Acceptable Reasons

A Participant may notify the Provider, before the start time scheduled for a Mutual Obligation Requirement, that they are unable to comply with their Mutual Obligation Requirement. Providers must then assess whether the Participant’s reason for being unable to comply with the Mutual Obligation Requirement is an Acceptable Reason. If the Provider is satisfied that the Participant has an Acceptable Reason for being unable to comply with the Mutual Obligation Requirement, they have an obligation to reschedule or remove the Mutual Obligation Requirement from the Electronic Calendar. See the jobactive Deed or the ParentsNext Deed, as relevant, together with the definition of ‘Acceptable Reason’ in Annexure A1 in the relevant Deed.

For the purposes of the above, the Provider must determine that a Participant has an Acceptable Reason for being unable to satisfy a Mutual Obligation Requirement if:

- the Participant notified the Provider, before the start time scheduled for a Mutual Obligation Requirement, that the Participant is unable to satisfy the Mutual Obligation Requirement
- the Provider is satisfied that the Participant has a Valid Reason for being unable to satisfy the Mutual Obligation Requirement.

A Provider must determine that the Participant has a Valid Reason for a Mutual Obligation Failure when they are satisfied that the reason the Participant provides:

- would directly prevent the Participant from meeting the Mutual Obligation Requirement at the time that the Mutual Obligation Requirement is scheduled to occur;
- would be considered to be reasonable by a member of the general public; and
- aligns with the Participant’s personal circumstances as known by the Provider.

However, note the exception to the above discussed in the [Drug and alcohol dependency or misuse](#) section of this Guideline.

Where a Provider has an obligation to reschedule or remove a Mutual Obligation Requirement as per the jobactive Deed or the ParentsNext Deed, the Provider must select 'No Longer Required' or 'Rescheduled' (as appropriate) in relation to the Mutual Obligation Requirement in the Participant's Electronic Calendar. This will either remove the Mutual Obligation Requirement from the Participant's Electronic Calendar or allow the Mutual Obligation Requirement to be re-scheduled in the Participant's Electronic Calendar.

Despite the above, the Provider must select 'No Longer Required' in relation to the Mutual Obligation Requirement in the Participant's Electronic Calendar if the Mutual Obligation Requirement in question is a requirement to undertake Job Searches or a requirement to act on a job opportunity.

If the Provider selects 'No Longer Required' or 'Rescheduled' in relation to a Mutual Obligation Requirement in the Participant's Electronic Calendar as referred to above, the Provider must also select a description of the relevant Valid Reason from the drop-down menu that will appear. In selecting a Valid Reason option from the drop-down menu, the Provider must select the option that is most similar to the Participant's Valid Reason as they described it to the Provider. The Provider must not use the options in the drop-down menus to prompt or elicit responses from the Participant. A full list of these drop-down menu options can be found at [Attachment C](#).

If the Provider is **not** satisfied that the Participant has a Valid Reason for being unable to satisfy the Mutual Obligation Requirement, the Provider must tell the Participant why. The Provider must then remind the Participant that they are still expected to meet the Mutual Obligation Requirement and must remind them about the consequences of non-compliance.

(Deed references: jobactive Deed 2015–2022 clause 106B.1; ParentsNext Deed 2018–2021 clause 89.1; definition of 'Acceptable Reason' in Annexure A1 in the relevant Deed)

Misconduct—Acting in an inappropriate manner

Particular types of Mutual Obligations Failures are referred to as 'misconduct' in the Department's IT Systems. The circumstances in which the Provider must select 'misconduct' are described below in the [When the Participant does not have a Valid Reason](#) section of this Guideline.

Misconduct refers to:

- inappropriate behaviour by the Participant:
 - during an appointment that they are required to attend under their Job Plan, or
 - while participating in an activity that they are required to undertake under their Job Plan, or
- behaviour by a Participant, during a job interview, that could result in an offer of employment not being made to the Participant.

A Provider must determine that a Participant's behaviour involved 'misconduct' in the circumstances described above when the Participant's behaviour during the relevant appointment, activity or job interview:

- was within the Participant's control

- prevented the purpose of the relevant appointment, activity or job interview from being met
- would be judged by a reasonable person as being inappropriate in the circumstances.

This behaviour may include:

- dressing in a way that is clearly inappropriate for the relevant appointment, activity or job interview
- using offensive language during the relevant appointment, activity or job interview
- showing an obvious lack of interest in the relevant appointment, activity or job interview
- exaggerating the severity of an existing injury or illness to avoid fully participating in the relevant appointment, activity or job interview
- leaving the relevant appointment, activity or job interview before its completion.

Behaviour that appears to be inappropriate but is out of the Participant's control must not be determined by a Provider to be misconduct. For example, a Participant may act in an inappropriate manner because they:

- do not have appropriate clothes to wear to the relevant appointment, activity or job interview
- are affected by a major personal crisis
- are affected by a medical condition.

Mutual Obligation Failures

Participant contact

In most cases, if the Provider becomes aware that a Participant has apparently committed a Mutual Obligation Failure, the Provider must attempt to contact the Participant on the same Business Day on which the Provider becomes aware of the apparent Mutual Obligation Failure. If there is contact between the Provider and the Participant on that day, the Provider must:

- discuss with the Participant the circumstances of the apparent Mutual Obligation Failure so that the Provider can determine whether a Mutual Obligation Failure has actually been committed; and
- if the Provider considers that a Mutual Obligation Failure has been committed:
 - discuss with the Participant their reasons for the Mutual Obligation Failure, assess whether the Participant has a Valid Reason, and comply with the obligations set out below in the [Assessing Valid Reasons](#) section in this Guideline
 - set an appropriate Reconnection Requirement for the Participant (if they do not have a Valid Reason for the relevant Mutual Obligation Failure) in accordance with the [Reconnection Requirements](#) section in this Guideline; or
- if the Provider considers that a Mutual Obligation Failure has not been committed, not take any further action.
- if the Provider determines that the Participant has been non-compliant but the TCF cannot be applied, follow the TCF workflow at [Attachment D](#).

See the jobactive Deed or the ParentsNext Deed, as relevant.

See the [Assessing Valid Reasons](#) section in this Guideline for more information on Valid Reasons.

See the [Reconnection Requirements](#) section in this Guideline for more information on Reconnection Requirements.

(Deed references: jobactive Deed 2015–2022 clause 114; ParentsNext Deed 2018–2021 clause 96)

Contact attempt not required

The Provider is not required to attempt to contact the Participant if the Mutual Obligation Failure has occurred because the Participant:

- failed to undertake adequate Job Searches (this does not apply to participants in ParentsNext), or
- failed to enter into a Job Plan.

See the jobactive Deed or the ParentsNext Deed, as relevant.

In these instances, the Provider should wait for the Participant to make contact. Once the Participant has made contact, the Provider must:

- schedule a date and time for a Reconnection Requirement to occur (if the Participant does not have a Valid Reason for the relevant Mutual Obligation Failure) in accordance with the [Reconnection Requirements](#) section in this Guideline
- otherwise comply with the Deeds referred to above.

(Deed references: jobactive Deed 2015–2022 clause 114.2; ParentsNext Deed 2018–2021 clause 96.2)

Contact attempt not successful

As discussed above, in most cases, the Provider has an obligation to attempt to contact the Participant on the same Business Day on which the Provider becomes aware of an apparent Mutual Obligation Failure. When the Provider attempts to contact the Participant in accordance with that obligation and the attempt is not successful, the Provider must:

- record that they are not in contact with the Participant, and select ‘Did Not Attend—Invalid’ in relation to the relevant Mutual Obligation Requirement in the Participant’s Electronic Calendar. Doing so will:
 - create a pending Demerit on the Participant’s record if the Participant is in the Warning Zone; or
 - create a pending Non-Compliance Report on the Participant’s record if the Participant is in the Penalty Zone; and
- comply with the jobactive Deed or the ParentsNext Deed, as relevant.

If the Participant is in the Green Zone or the Warning Zone, the Department’s IT Systems will automatically suspend the Participant’s Income Support Payment if, within two Business Days, the Participant does not make contact or does not meet a Reconnection Requirement (where the Participant does not have a Valid Reason).

If the Participant is in the Penalty Zone, Income Support Payment suspension will occur when the Provider has recorded ‘Did Not Attend—Invalid’ in the Department’s IT Systems.

If the Participant later contacts the Provider to discuss the Mutual Obligation Failure, the Provider must:

- schedule a date and time for a Reconnection Requirement to occur (if the Participant does not have a Valid Reason for the relevant Mutual Obligation Failure) in accordance with the Reconnection Requirements section in this Guideline; and
- otherwise comply with the jobactive Deed or the ParentsNext Deed, as relevant.

Where the TCF cannot be applied, but the Provider has determined that the Participant has been non-compliant, follow the TCF workflow at [Attachment D](#).

(Deed references: jobactive Deed 2015–2022 clause 114.5; ParentsNext Deed 2018–2021 clause 96.5)

When a Participant commits a Mutual Obligation Failure

When a Participant commits a Mutual Obligation Failure, it is intended that there are a few consequences:

- Their Income Support Payment is suspended:
 - If the Participant is in the Green Zone or the Warning Zone, payment suspension will occur if, within two Business Days of the date of the Mutual Obligation Failure, they do not provide a Valid Reason or meet a Re-connection Requirement.
 - If the Participant is in the Penalty Zone, payment suspension will occur at the time the Provider records that a Mutual Obligation Failure has occurred.
- They accrue a Demerit if they do not have a Valid Reason.

See [Attachment A](#) for information on the circumstances in which:

- a Participant's Income Support Payment is suspended
- the suspension of a Participant's Income Support Payment is lifted
- a Participant will accrue a Demerit.

Two Business Day delay of payment suspension: Green and Warning Zones

The purpose of delaying the suspension of an Income Support Payment is to allow Participants two Business Days to contact their Provider, and to discuss and—when possible—resolve the Mutual Obligation Failure before a Participant's payment is impacted. This will also reduce the number of payment suspensions Participants' experience in the course of their servicing.

In the Green Zone and the Warning Zone, a Participant's Income Support Payment is generally suspended two Business Days following the day a Mutual Obligation Failure is recorded in the Department's IT Systems.

Suspension of a Participant's Income Support Payment will not occur if, within those two Business Days, the Participant contacts the Provider and:

- the Provider records that the Participant has a Valid Reason, or
- the Participant meets a Reconnection Requirement.

See the [Reconnection Requirements](#) and [Assessing Valid Reasons](#) sections of this Guideline.

During the two Business Days that occur between:

- the recording of a Mutual Obligation Failure in the Department's IT Systems, and
- the suspension of a Participant's Income Support Payment

the Provider must be available to engage with Participants who make contact to discuss a Mutual Obligation Failure and the relevant delayed payment suspension.

During this discussion, the Provider must determine whether the Participant has a Valid Reason for the Mutual Obligation Failure and must immediately record this assessment in the Department's IT Systems. As a result of this assessment:

- If the Provider records that the Participant has a Valid Reason, the payment suspension will be avoided.
- If the Provider records that the Participant does not have a Valid Reason, the Participant must meet a Reconnection Requirement.
 - If the Participant meets the Reconnection Requirement before the two Business Day timeframe has expired, the payment suspension will be avoided.
 - If the Participant does not meet the Reconnection Requirement before the two Business Day timeframe has expired, the payment suspension will occur two Business Days following the day the Mutual Obligation Failure was recorded. This suspension will generally be maintained until the Participant meets the Reconnection Requirement.

If the Provider has discussed the Mutual Obligation Failure with the Participant and is satisfied that a Reconnection Requirement is not necessary, the Provider must record either 'Re-engagement Not Required' or 'Compliance Action No Longer Appropriate'.

See the [Reconnection Requirements](#) section of this Guideline.

Immediate payment suspension: Penalty Zone

In the Penalty Zone, a Participant's Income Support Payment is generally suspended at the time a Mutual Obligation Failure is recorded in the Department's IT Systems. This immediate suspension is intended to encourage the Participant to contact their Provider and discuss the Mutual Obligation Failure.

On the day the Provider records a Mutual Obligation Failure in the Department's IT Systems

The effects of recording a Mutual Obligation Failure in the Department's IT Systems differ depending on whether the Participant is in the Green Zone or Warning Zone, or whether they are in the Penalty Zone.

When the Provider records in the Department's IT Systems that a Participant has committed a Mutual Obligation Failure in the Green Zone or Warning Zone, the Department's IT Systems send the Participant a notification to advise them:

- that it appears they have failed to meet a Mutual Obligation Requirement
- to contact their Provider as soon as possible
- that their Income Support Payment may be suspended after two Business Days have passed if they take no further action.

When the Provider records in the Department's IT Systems that a Participant has committed a Mutual Obligation Failure in the Penalty Zone, the Department's IT Systems send the Participant a notification to advise them:

- that their Income Support Payment is suspended
- why their Income Support Payment is suspended
- what they must do to lift the Income Support Payment suspension
- to contact their Provider as soon as possible.

The automatic notifications described above only occur if the Participant has SMS or e-mail details recorded in the Department's IT Systems for automatic notification. If the Participant does not have SMS or e-mail details recorded in the Department's IT Systems for automated notification, the Provider must send the notice prepared by the Department's IT Systems in response to the Mutual Obligation Failure to the Participant's postal address.

If the Participant's Income Support Payment has been suspended as a result of recording the Mutual Obligation Failure, the payment will normally remain suspended until they meet a Reconnection Requirement or until the Provider records a Valid Reason in the Department's IT Systems. Failure to comply with a Reconnection Requirement within 28 days of notification will usually result in Services Australia cancelling the Participant's Income Support Payment. For more information on Reconnection Requirements, see the [Reconnection Requirements](#) section in this Guideline.

(Deed references: jobactive Deed 2015–2022 clauses 114.2(a)(iii), 114.5(a)(i), 114.5(c) and 115.4(a)(ii); ParentsNext Deed 2018–2021 clauses 96.5(a)(i) and 96.5(c))

After two Business Days have passed since the Provider recorded the Mutual Obligation Failure in the Department's IT Systems: in the Green and Warning Zones

If the Participant is in the Green Zone or the Warning Zone, the Department's IT Systems will automatically suspend the Participant's Income Support Payment once two Business Days have passed and:

- the Participant has not contacted their Provider, or
- the Provider has recorded that the Participant does not have a Valid Reason, and the Participant has not yet met a Reconnection Requirement.

When the Participant's Income Support Payment is suspended, the Department's IT Systems send them a payment suspension notification to notify them:

- that their Income Support Payment is suspended
- why their Income Support Payment is suspended
- what they must do to lift the Income Support Payment suspension
- to contact their Provider as soon as possible.

As noted above, if the Participant does not have SMS or e-mail details recorded in the Department's IT Systems for automated notification, the Provider must send the notice prepared by the Department's IT Systems in response to the Mutual Obligation Failure to the Participant's postal address.

A Participant's Income Support Payment will normally remain suspended until they meet a Reconnection Requirement or until the Provider records a Valid Reason in the Department's IT Systems, and an Income Support Payment will normally be cancelled by Services Australia if the Participant fails to meet a Reconnection Requirement within four weeks of notification. For more information on Reconnection Requirements, see the [Reconnection Requirements](#) section in this Guideline.

(Deed references: jobactive Deed 2015–2022 clauses 114.2(a)(iii), 114.5(a)(i), 115.4(a)(ii); ParentsNext Deed 2018–2021 clause 96.5(a)(i))

Assessing Valid Reasons

Providers have obligations to assess whether a Participant has a Valid Reason for a Mutual Obligation Failure in a number of specific circumstances. It is intended that if the Participant:

- has a Valid Reason for a Mutual Obligation Failure, any Demerit on their record relating to that Mutual Obligation Failure will be removed; or
- does not have a Valid Reason, the Demerit will be confirmed.

See [Attachment A](#) for information on the circumstances in which:

- a Demerit (pending confirmation) will be put on a Participant’s record
- a Demerit (pending confirmation) will be confirmed or removed from the Participant’s record.

For the purposes of the above, a Provider must determine that the Participant has a Valid Reason for a Mutual Obligation Failure when they are satisfied that:

- the reason the Participant provided:
 - directly prevented the Participant from meeting the Mutual Obligation Requirement at the relevant time that the Mutual Obligation Failure occurred
 - would be considered to be reasonable by a member of the general public
 - aligns with their personal circumstances as known by the Provider
- it would have been unreasonable to expect the Participant to give prior notice of their inability to meet the relevant Mutual Obligation Requirement.

However, note the exception to the above discussed below under the heading ‘Drug and alcohol dependency or misuse’.

(Deed references: jobactive Deed 2015–2022 clauses 114.4, 114.6, 114.11; ParentsNext Deed 2018–2021 clauses 96.4, 96.6)

Drug and alcohol dependency or misuse

There are limits on the circumstances in which a Provider can determine that a Participant’s drug or alcohol misuse or dependency is a Valid Reason for a Mutual Obligation Failure. Valid Reason determinations are discussed above in the [Prior notice and Acceptable Reasons](#) and [Assessing Valid Reasons](#) sections of this Guideline. Subject to what is stated in those sections, the first time a Participant cites drug or alcohol misuse or dependency as the reason they have committed a Mutual Obligation Failure, the Provider may determine that this is a Valid Reason. If the Participant does this, the Provider must identify and source an available and appropriate treatment program, and must encourage the Participant to participate in that program. Participation in treatment services to address drug or alcohol misuse or dependency may reduce other Mutual Obligation Requirements. See the [Managing and Monitoring Mutual Obligation Requirements](#) Guideline for information on setting Mutual Obligation Requirements.

If a Participant cites drug or alcohol misuse or dependency as the reason they have committed a Mutual Obligation Failure, the Provider must not determine that this is a Valid Reason if:

- the Participant previously committed a Mutual Obligation Failure on or after 1 July 2018;
- the Provider determined that the Participant's drug or alcohol misuse or dependency was a Valid Reason for that previous Mutual Obligation Failure, so it did not result in a Demerit
- as a result of the Mutual Obligation Failure, the Provider referred to Participant to treatment to address the drug or alcohol misuse or dependency
- the Participant refused or failed to participate in the treatment.

The Provider must not determine that drug or alcohol misuse or dependency is a Valid Reason in the circumstances described above, unless one of the following applies:

- the treatment that the Participant was referred to was not available or appropriate for the Participant
- the Participant was genuinely unable to participate in the treatment
- the Participant agreed to participate in the treatment but, despite taking all reasonable steps to commence the treatment, the treatment did not commence, or
- before the Participant was referred to the treatment, the Participant had:
 - completed the same type of treatment as the treatment they were referred to, or
 - completed treatment that was substantially similar to the treatment they were referred to

and, in the opinion of an appropriately qualified medical professional, the Participant would not benefit from further treatment of the same kind as the type of treatment already completed by the person.

When the Participant has a Valid Reason

On the day that the Provider determines that a Participant has a Valid Reason for a Mutual Obligation Failure, they must record this assessment in the Department's IT Systems. The way to record this assessment can differ, depending on the type of Mutual Obligation Failure that the Participant has committed. The steps that the Provider must take, depending on the type of Mutual Obligation Failure, are described below.

When the Provider records that the Participant has a Valid Reason, the Provider must also select a description of the relevant Valid Reason from a drop-down menu that will appear. In selecting a Valid Reason option, the Provider must select the option that is most similar to the Participant's Valid Reason as they described it to the Provider. The Provider must not use the options in the drop-down menus to prompt or elicit responses from the Participant. By recording a reason that is Valid, the Provider is:

- finalising the Mutual Obligation Failure and preventing the payment suspension if the Participant's Income Support Payment has not yet been suspended
- lifting the Participant's payment suspension if the Participant's Income Support Payment is suspended, and
removing the relevant Demerit from the Participant's record.

A full list of these drop-down menu options can be found at [Attachment E](#). In the Department's IT Systems:

- 'reasons accepted' refers to reasons that the Provider determines are Valid Reasons; and
- 'reasons not accepted' refers to reasons that the Provider determines are not Valid Reasons.

Failures against requirements that are in the Participant's Electronic Calendar

On the day that the Provider determines that a Participant has a Valid Reason for a Mutual Obligation Failure:

- If the Provider has not already recorded an attendance result in relation to the relevant Mutual Obligation Requirement—the Provider must select 'Did Not Attend—Valid'.
- If the Provider has already recorded 'Did Not Attend—Invalid' or 'Misconduct' in relation to the relevant Mutual Obligation Requirement—the Provider must select 'Yes' in response to the question of whether they accept the job seeker's given reason.

Failures to undertake adequate Job Searches

For failures to undertake adequate Job Searches, on the day that the Provider determines that a Participant has a Valid Reason for a Mutual Obligation Failure, the Provider must select 'Yes' on the Provider Re-engagement page in the Department's IT Systems to indicate that the job seeker's reason for not meeting their Job Search requirement has been accepted.

Failures to enter into a Job Plan

For failures to enter into a Job Plan, on the day that the Provider determines that a Participant has a Valid Reason for the Mutual Obligation Failure, the Provider must select 'Yes' on the Provider Re-engagement Page in the Department's IT Systems to indicate that the job seeker's reason for failing to enter into a Job Plan has been accepted.

Once the Provider has recorded that the Participant has a Valid Reason, the Provider must then create a Provider Appointment for the Participant to attend within two Business Days after the day the Provider has recorded their assessment. If the Participant attends the Provider Appointment, the Provider must discuss the Job Plan with the Participant. If the Participant does not attend the Provider Appointment to discuss the Job Plan, this is a Mutual Obligation Failure, and the Provider must comply with their usual obligations regarding Mutual Obligation Failures.

Failures to act on a job opportunity

For failures to act on a job opportunity, on the day that the Provider determines that a Participant has a Valid Reason for a Mutual Obligation Failure, the Provider must select 'Unsatisfactory—Valid' on the Provider Re-engagement page in the Department's IT Systems to indicate that the job seeker's reason for failing to act on a job opportunity has been accepted.

When the Participant does not have a Valid Reason

On the day that the Provider determines that a Participant does not have a Valid Reason for failing to meet a Mutual Obligation Requirement, the Provider must record this assessment in the Department's IT Systems. The way to record this assessment can differ, depending on the type of Mutual Obligation Failure the Participant has committed. The steps that the Provider must take, depending on the type of Mutual Obligation Failure, are described below.

When they do this, the Provider must also select a description of the Participant's reason that was not a Valid Reason from a drop-down menu that will appear. In selecting a reason option, the Provider must select the option that is most similar to the reason that the Participant gave as they described it to the Provider. By recording that the Participant's reason is not a Valid Reason, the Provider is confirming the relevant Demerit on the Participant's record.

A full list of these drop-down menu options can be found at [Attachment E](#). In the Department's IT Systems:

- 'reasons accepted' refers to reasons that the Provider determines are Valid Reasons
- 'reasons not accepted' refers to reasons that the Provider determines are not Valid Reasons.

On the day that the Provider determines that a Participant does not have a Valid Reason for failing to meet a Mutual Obligation Requirement, the Provider must explain the following to the Participant, depending on whether they are in the Green Zone or Warning Zone, or in the Penalty Zone.

If the Participant is in the Green Zone or Warning Zone, the Provider must inform them that:

- their Income Support Payment will be suspended in two Business Days as a result of a Mutual Obligation Failure, unless the Participant is able to meet a Reconnection Requirement before those two Business Days lapse, and
- if the Participant does not meet a Reconnection Requirement within two Business Days, their Income Support Payment will remain suspended until they do so.

If the Participant is in the Penalty Zone, the Provider must inform them that:

- their Income Support Payment has been suspended as a result of a Mutual Obligation Failure, and
- they must meet a Reconnection Requirement to have their Income Support Payment suspension lifted.

Regardless of what Zone the Participant is in, the Provider must then also explain to the Participant:

- why their given reason was not a Valid Reason and what the consequences of this are
- how this decision will be recorded on the 'Participant's Participation (Compliance) History' page in the Department's IT Systems and displayed on the 'Participant's Compliance Status Indicator' on the online Dashboard
- whether the Mutual Obligation Failure is considered a 'fast-track' Mutual Obligation Failure and, if so, what that means and what the next steps are
- the number of Demerits the Participant has accrued so far
- the importance of meeting all Mutual Obligation Requirements

- the consequences of persistent non-compliance, including financial penalties and Income Support Payment cancellation, what and when the Participant's Reconnection Requirement will be.

By reinforcing the consequences of failing to meet Mutual Obligation Requirements, Participants are encouraged to meet their Mutual Obligation Requirements in the future and remain engaged with their Providers.

Failures against requirements that are in the Participant's Electronic Calendar

On the day that the Provider determines that a Participant does not have a Valid Reason for a Mutual Obligation Failure:

- If the Provider has not already recorded an attendance result in relation to the relevant Mutual Obligation Requirement—the Provider must select 'Did Not Attend—Invalid' or 'Misconduct'.
- If the Provider has already recorded 'Did Not Attend—Invalid' or 'Misconduct' in relation to the relevant Mutual Obligation Requirement—the Provider must select 'No' in response to the question of whether they accept the job seeker's given reason.

Failures to undertake adequate Job Searches

For failures to undertake adequate Job Searches, on the day that the Provider determines that a Participant does not have a Valid Reason for a Mutual Obligation Failure, the Provider must select 'No' on the Provider Re-engagement page in the Department's IT Systems to indicate that the job seeker's reason for not meeting their Job Search requirement has not been accepted.

Failures to enter into a Job Plan

For failures to enter into a Job Plan, on the day that the Provider determines that a Participant does not have a Valid Reason for the Mutual Obligation Failure, the Provider must select 'No' on the Provider Re-engagement page in the Department's IT Systems to indicate that the job seeker's reason for failing to enter into a Job Plan has not been accepted.

Failures to act on a job opportunity

For failures to act on a job opportunity, on the day that the Provider determines that a Participant does not have a Valid Reason for a Mutual Obligation Failure, the Provider must select 'Unsatisfactory—Invalid' on the Provider Re-engagement page in the Department's IT Systems to indicate that the job seeker's reason for failing to act on a job opportunity has not been accepted.

Employer Reporting Line

The Department has a dedicated Employer Reporting Line for employers to report suspected non-compliance by a Participant. The Employer Reporting Line will review reports received from employers, and if appropriate email an Employer Report Referral for action to the relevant Provider. The report will include information about the job interview or job, the employer and the Participant.

Providers must review the information provided in the Employer Report Referral and action in accordance with the relevant [Targeted Compliance Framework: Mutual Obligation Failures](#) Guideline and the [Work Refusal Failures and Unemployment Failures](#) Guideline.

Providers must respond to the Employer Reporting Line within the specified timeframes in the Employer Report Referral, outlining details of any actions and outcomes, relevant to the referral.

Manually removing Demerits

Providers have obligations to remove Demerits in certain circumstances. If the Participant is in the Penalty Zone when the Provider assesses that a Demerit should be removed in accordance with the jobactive Deed or the ParentsNext Deed, as relevant, the Provider should contact their Account Manager for advice before removing the Demerit.

When removing the Demerit, the Provider must record the reason for the removal in the Department's IT Systems. A full list of these drop-down menu options can be found at [Attachment F](#).

(Deed references: jobactive Deed 2015–2022 clauses 114.11, 114.12; ParentsNext Deed 2018–2021 clause 98)

Participants cannot appeal Demerit decisions under Social Security Law

All Participants have the right to ask for a review of a decision made under Social Security Law, and, in most cases, appeal the decision to a court or tribunal. This includes decisions to suspend a Participant's Income Support Payment as a result of non-compliance and decisions made by Services Australia to reduce or cancel their Income Support Payment.

Demerit decisions are not decisions under Social Security Law and so Participants cannot appeal or ask for a formal review of any decision to confirm a Demerit using the same processes as those that apply for decisions under Social Security Law. However, Participants may dispute Demerit decisions.

Disputing a Demerit decision with the National Customer Service Line

If a Participant is dissatisfied with a Demerit decision, they must first discuss the decision with their Provider. If they still wish to dispute the decision after this discussion, they can contact the Department of Education, Skills and Employment National Customer Service Line (NCSL).

By contacting the NCSL to dispute a Demerit decision, the Participant will in effect make a jobactive servicing-related complaint. If required and appropriate, Providers must action complaints that are referred back to them by the NCSL. This may include reviewing the Demerit decision-making process, any Valid Reason assessments, or information that has been recorded on the Department's IT Systems.

(Deed references: jobactive Deed 2015-2022 clause 114.12 and ParentsNext Deed 2018-2021 clause 98.2)

4. Reconnection Requirements

A Participant must generally meet a Reconnection Requirement following a Mutual Obligation Failure when they do not have a Valid Reason.

If the Provider has discussed the Mutual Obligation Failure with the Participant and is satisfied that a Reconnection Requirement is not necessary, the Provider must record either 'Re-engagement Not Required' or 'Compliance Action No Longer Appropriate'.

If the Participant's Income Support Payment has been suspended, they must meet a Reconnection Requirement in order to have their Income Support Payment suspension lifted.

See [Attachment A](#) for information on the circumstances in which:

- a Participant's Income Support Payment is suspended
- the suspension of a Participant's Income Support Payment is lifted.

'Reconnection Requirements' are referred to as 're-engagement requirements' in the Department's IT Systems.

Note that a Reconnection Requirement is a Mutual Obligation Requirement. This means that, among other things:

- the Provider must comply with the jobactive Deed or the ParentsNext Deed, as relevant, when recording Reconnection Requirements in a Participant's Electronic Calendar
- the Provider must comply with the jobactive Deed or the ParentsNext Deed, as relevant, in relation to rescheduling or removing a Reconnection Requirement from a Participant's Electronic Calendar.

(Deed references: jobactive Deed 2015–2022 clauses 83A, 106B; ParentsNext Deed 2018–2021 clauses 71, 89)

Setting a Reconnection Requirement

For the purposes of the jobactive Deed and ParentsNext Deed and this Guideline, a Participant will be taken to have complied with a Reconnection Requirement where the Provider has, in accordance with the relevant Deed and this Guideline:

- discussed with the Participant their reasons for the relevant Mutual Obligation Failure
- then determined that the Participant has a Valid Reason for the Mutual Obligation Failure.

All the obligations discussed below in relation to setting Reconnection Requirements only apply where the Participant does not have a Valid Reason for the relevant Mutual Obligation Failure.

Subject to this Guideline (including the above provisions in particular), Providers have obligations to set Reconnection Requirements in certain circumstances following a Mutual Obligation Failure. When setting a Reconnection Requirement, the Provider must follow the prompts in the Department's IT Systems and notify the Participant of the Reconnection Requirement. The Department's IT Systems will specify the type of Reconnection Requirement that the Provider must set for the purposes of complying with their Deed obligation referred to above.

Note that, when a Provider sets a Reconnection Requirement as discussed above, they are imposing a Reconnection Requirement for the purposes of subsection 42AM of the *Social Security (Administration) Act 1999*.

Providers have obligations to schedule Reconnection Requirements in the timeframes specified in this Guideline. The Provider must schedule the Reconnection Requirement in the

Participant's Electronic Calendar to occur within two Business Days following the day of the contact between the Participant and their Provider to discuss the relevant Mutual Obligation Failure. Exceptions to this two Business Day requirement are:

- the Department's IT Systems automatically sets the date and time of the Reconnection Requirement as discussed below under the heading 'Reconnection Requirements that have times and dates automatically set by the Department's IT Systems', or
- the Participant has a Valid Reason for not being able to meet the Reconnection Requirement within the two Business Day timeframe as discussed below under the heading 'Valid Reason to not meet Reconnection Requirement within two Business Days'.

Reconnection Requirements must be scheduled to occur within two Business Days of Participant contact to try and ensure that a Participant's Income Support Payment is not suspended for more than two Business Days following contact with their Provider.

(Deed references: jobactive Deed 2015–2022 clauses 114.2(a)(ii), 114.4(b), 114.6(b)(ii); ParentsNext Deed 2018–2021 clauses 96.4(b), 96.5(a)(i))

Multiple Mutual Obligation Failures before contact

When a Participant commits multiple Mutual Obligation Failures before there is a contact with their Provider to discuss those Mutual Obligation Failures:

- only one Reconnection Requirement can be set
- the Provider must advise Participants that they only have to meet one Reconnection Requirement.

Reconnection Requirements that have times and dates automatically set by the Department's IT Systems

For some Mutual Obligation Failures, the Department's IT Systems will automatically set the Reconnection Requirement. This happens when:

- in jobactive, the Participant has failed to undertake adequate Job Searches by the end of their Job Search Period as referred to in the jobactive Deed, or
- the Participant has failed to enter into a Job Plan as referred to in the jobactive Deed or the ParentsNext Deed.

Where the Department's IT Systems automatically sets a Reconnection Requirement for a Participant as described above, the Provider does not need to do this.

(Deed references: jobactive Deed 2015–2022 clause 114.2(a), 114.2(b); ParentsNext Deed 2018–2021 clause 96)

Job Search failures in the Penalty Zone

If a Participant fails to undertake adequate Job Searches and the Participant is in the Penalty Zone, the Participant's Reconnection Requirement is to contact their Provider (this is as opposed to the usual Reconnection Requirement, which is to undertake adequate job searches). The Department's IT Systems automatically sets this Reconnection Requirement. If the Participant's Income Support Payment is suspended, the suspension is lifted when the Provider records that they are in contact with the Participant.

Valid Reason to not meet Reconnection Requirement within two Business Days

When the Provider contacts the Participant to discuss the relevant Mutual Obligation Failure(s), they must consider whether the Participant has a Valid Reason for being unable to meet their Reconnection Requirement within two Business Days following that contact. If the Provider considers that the Participant does have such a Valid Reason, the Provider must select 'Unable to Re-engage Within two Business Days' on the Provider Re-engagement page in the Department's IT Systems. If the Participant's Income Support Payment is suspended, this will lift the Participant's Income Support Payment suspension and remove the need for a Reconnection Requirement.

For the purposes of the above, a Provider must determine that the Participant has a Valid Reason for being unable to meet their Reconnection Requirement within two Business Days when they are satisfied that the reason the Participant is unable to do this:

- directly prevents the Participant from meeting meet their Reconnection Requirement within two Business Days following the contact with their Provider to discuss the relevant Mutual Obligation Failure(s)
- would be considered to be reasonable by a member of the general public
- aligns with the Participant's personal circumstances as known by the Provider.

If the Provider selects 'Unable to Re-engage Within two Business Days' as described above, the Provider must also select a description of the relevant Valid Reason from the drop-down menu that will appear. In selecting a Valid Reason option from the drop-down menu, the Provider must select the option that is most similar to the Participant's Valid Reason as they described it to the Provider. Providers must not use the options in the drop-down menus to prompt or elicit responses from the Participant.

A full list of these drop-down menu options can be found at [Attachment G](#).

Provider not able to arrange or deliver the Reconnection Requirement within two Business Days

In some circumstances, a Provider is not be able to arrange or deliver the Reconnection Requirement within two Business Days following the contact between the Participant and the Provider to discuss the relevant Mutual Obligation Failure(s). If that is the case, and only if that is the case, the Provider must select 'Re-engagement Not Required' on the Provider Re-engagement page. If the Participant's Income Support Payment is suspended, this will lift the payment suspension and remove the need for a Reconnection Requirement. When selecting 'Re-engagement Not Required' as described above, the Provider must also select a description of the relevant reason from the drop-down menu that will appear when they make that selection. In selecting a reason option from the drop-down menu, the Provider must select the option that is most similar to the actual reason.

A full list of these drop-down menu options can be found at [Attachment H](#).

Compliance action no longer appropriate

Once a Participant's Reconnection Requirement has been set, unexpected circumstances may make it inappropriate to expect them to meet a Reconnection Requirement and/or to maintain their payment suspension. If that is the case, the Provider must record 'Compliance action no longer appropriate' on the Provider Re-engagement page. If the Participant's

Income Support Payment is suspended, this will lift the payment suspension and remove the need for a Reconnection Requirement.

When selecting 'Compliance action no longer appropriate' as described above, the Provider must also select a description of the relevant reason from the drop-down menu that will appear when they make that selection. In selecting a reason option from the drop-down menu, the Provider must select the option that is most similar to the actual reason.

A full list of these drop-down menu options can be found at [Attachment I](#).

Failure to meet a Reconnection Requirement

If the Provider becomes aware that a Participant has failed to meet a Reconnection Requirement, the Provider must attempt to contact the Participant on the same Business Day. If the Provider:

- is not able to contact the Participant on that day, the Provider must record that they are not in contact with the Participant and select 'Did Not Attend—Invalid' in relation to the Reconnection Requirement in the Participant's Electronic Calendar. In this case:
 - if the Participant's Income Support Payment is not yet suspended, it will be suspended if the Participant does not meet another Reconnection Requirement within two Business Days following the date they failed to meet the original Reconnection Requirement, or
 - if the Participant's Income Support Payment is suspended, the payment will remain suspended, and the Provider must reschedule the Reconnection Requirement
- is able to contact the Participant on that day, the Provider must discuss the Participant's reasons for not meeting the Reconnection Requirement and assess if the Participant had a Valid Reason.

For the purposes of the above, a Provider must determine that the Participant had a Valid Reason for being unable to meet their Reconnection Requirement when they are satisfied that the Participant's reason:

- directly prevented the Participant from meeting meet their Reconnection Requirement
- would be considered to be reasonable by a member of the general public
- aligns with the Participant's personal circumstances as known by the Provider.

If the Participant had a Valid Reason, the Provider must select 'Did Not Attend—Valid' in relation to the Reconnection Requirement in the Participant's Electronic Calendar. If the Participant's Income Support Payment is suspended, this will lift the payment suspension as the Participant will be taken to have met the Reconnection Requirement (as they have a Valid Reason). The Provider must set a Mutual Obligation Requirement for the Participant:

- to occur within two Business Days after the day on which the Provider determines that the Participant has a Valid Reason for not meeting the Reconnection Requirement
- that is the same type as the Mutual Obligation Requirement the Participant failed to meet originally.

If the Participant did not have a Valid Reason, the Provider must select 'Did Not Attend—Invalid' in relation to the Reconnection Requirement in the Participant's Electronic Calendar. In this case:

- if the Participant's Income Support Payment is not yet suspended, it will be suspended if the Participant does not meet another Reconnection Requirement within two Business Days following the date of the original Reconnection Requirement, or
- if the Participant's Income Support Payment is suspended, the payment will remain suspended, and

the Provider must reschedule the Reconnection Requirement.

5. The Penalty Zone

As discussed in further detail above under the heading 'The Penalty Zone', the Department's IT Systems will determine whether the Participant will enter the Penalty Zone based on the information that Services Australia records in the Department's IT Systems regarding the outcome of a Capability Assessment.

Non-compliance reports

If a Participant is in the Penalty Zone, and the Provider records 'Did Not Attend—Invalid' or 'Misconduct' as discussed above under the heading [When the Participant does not have a Valid Reason](#), the Department's IT Systems creates a non-compliance report and submits it to Services Australia for investigation, instead of recording a Demerit. The Participant's Income Support Payment is suspended as a result of the creation of a non-compliance report.

If a Participant is in the Penalty Zone, and the Provider records 'Did Not Attend—Valid' as discussed above under the heading [When the Participant has a Valid Reason](#), any non-compliance report on their record relating to that Mutual Obligation Failure will be closed.

An open non-compliance report on a Participant's record will prevent the Participant from finalising their fortnightly reporting requirement, and it will prevent the Participant from receiving their Income Support Payment.

Summary of required Documentary Evidence

Depending on the Mutual Obligation Failure that the Participant has committed, in addition to the evidence recorded in the Department's IT Systems, the Provider must retain the following Documentary Evidence:

- where the Mutual Obligation Failure is a failure to attend a job interview or act on a job opportunity, a copy of the prior notification of the requirement to attend the job interview or act on the job opportunity;
- where the Mutual Obligation Failure is a failure to attend an appointment, a copy of the prior notification of the requirement to attend the appointment;
- where the Mutual Obligation Failure is a failure to undertake adequate Job Searches, a hard copy of any relevant fully or partially completed Job Searches; and
- where the Mutual Obligation Failure is acting in an inappropriate manner during an appointment or while participating in an activity, details of the job/employer and/or details of the relevant incident, including dates, the parties involved and what occurred.

Attachment A—System steps that affect: creation and confirmation of Demerits; potential suspension of Income Support Payment; lifting of Income Support Payment suspensions

Mutual Obligation Failure related Provider actions in the Department’s IT Systems that result in a Participant’s Income Support Payment being suspended, the suspension being lifted, or a Demerit being created on a Participant’s record or accrued by the Participant (i.e. confirmed).

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
<p>Non-attendance</p> <p>The Participant fails to:</p> <ul style="list-style-type: none"> attend, or to be punctual for, an appointment that they are required to attend under their Job Plan; attend, to be punctual for, or to participate in, an activity that they are required to undertake under their Job Plan; or attend a job interview. <p>The relevant Mutual Obligation Requirement</p>	<p>When the Provider selects ‘Did Not Attend Invalid (DNAI)’ in relation to a Mutual Obligation Requirement in the Participant’s Electronic Calendar.</p> <p>See the discussion on page 21 of this Guideline regarding when a Provider must select ‘Did Not Attend—Invalid’.</p> <p>When both the Participant and the Provider have failed to select ‘Attended’ by close of business on the day on which the Mutual Obligation</p>	<p>When the Provider selects ‘Did Not Attend Invalid (DNAI)’ in relation to a Mutual Obligation Requirement in the Participant’s Electronic Calendar.</p> <p>See the discussion on page 13 of this Guideline regarding when a Provider must select ‘Did Not Attend—Invalid’.</p>	<p>When the Provider records the reason they did not accept as a Valid Reason in the Department’s IT Systems.</p> <p>See the discussion on page 15 of this Guideline regarding when a Provider must select a description of the Participant’s reason that was not a Valid Reason.</p>	<p>When the Provider has already recorded ‘Did Not Attend—Invalid’: when the Provider selects ‘Yes’ in response to the question ‘Do you accept the job seeker’s reason?’ and records the reason accepted as a Valid Reason on the Provider Re–engagement Page in the Department’s IT Systems.</p> <p>OR</p> <p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ in relation to a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p>OR</p> <p>When the Provider reschedules a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p>OR</p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 24 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p>OR</p> <p>When the Provider selects ‘Re-engagement Not Required’ on the Provider Re-engagement page in the Department’s</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
<p>is shown in the Participant’s Electronic Calendar as one of the following:</p> <ul style="list-style-type: none"> • ‘Provider Appointment’; • ‘Activity’; • ‘Third Party Appointment’ or • ‘Job Interview’. 	<p>Requirement is Scheduled to occur in the Participant’s Electronic Calendar (for all requirements indicated except Provider Appointment).</p>			<p>IT Systems. See discussion on page 24 of this Guideline regarding when a Provider must select ‘Re-engagement Not Required’.</p> <p>OR</p> <p>If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment.</p> <p>OR</p> <p>When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 25 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.</p> <p>OR</p> <p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ (where this was previously not selected by close of business on the day on which the Mutual Obligation Requirement is Scheduled to occur in the Participant’s Electronic Calendar).</p>
<p>Non-attendance at Activity—Supervisor reported</p> <p>The Participant fails to attend, to be punctual for, or to participate in, an activity that they are</p>	<p>When the activity Supervisor records DNA via the Supervisor App.</p>	<p>N/A—No Demerit.</p>	<p>N/A—No Demerit.</p>	<p>When the Provider selects ‘Yes’ in response to the question ‘Do you accept the job seeker’s reason?’ and records the reason accepted as Valid on the Provider Re-engagement Page in the Department’s IT Systems.</p> <p>OR</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
<p>required to undertake under their Job Plan.</p> <p>The relevant Mutual Obligation Requirement is shown in the Participant’s Electronic Calendar as ‘Activity’.</p>				<p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ in relation to a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p>OR</p> <p>When the Provider reschedules a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p>OR</p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 24 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p>OR</p> <p>When the Provider selects ‘Re-engagement Not Required’ on the Provider Re-engagement page in the Department’s IT Systems. See discussion on page 24 of this Guideline regarding when a Provider must select ‘Re-engagement Not Required’.</p> <p>OR</p> <p>If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment.</p> <p>OR</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
				When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 25 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.
<p>Misconduct</p> <p>The Participant acted in an inappropriate manner:</p> <ul style="list-style-type: none"> during an appointment that they are required to attend under their Job Plan; or while participating in an activity that they are required to undertake under their Job Plan. <p>The relevant Mutual Obligation Requirement is shown in the Participant’s Electronic</p>	<p>When the Provider selects ‘Misconduct (MISC)’ in relation to the relevant appointment or activity in the Participant’s Electronic Calendar, along with the type of inappropriate behaviour.</p> <p>See the discussion on pages 12 and 17 of this Guideline regarding when a Provider must select ‘Misconduct’.</p>	<p>When the Provider selects ‘Misconduct (MISC)’ in relation to the relevant appointment or activity in the Participant’s Electronic Calendar, along with the type of inappropriate behaviour.</p> <p>See the discussion on pages 12 and 17 of this Guideline regarding when a Provider must select ‘Misconduct’.</p>	<p>When the Provider records the reason they did not accept as a Valid Reason in the Department’s IT Systems.</p> <p>See the discussion on page 15 of this Guideline regarding when a Provider must select a description of the Participant’s reason that was not a Valid Reason.</p>	<p>When the Provider selects ‘Yes’ in response to the question ‘Do you accept the job seeker’s reason?’ and records the reason accepted as a Valid Reason on the Provider Re-engagement Page in the Department’s IT Systems.</p> <p>OR</p> <p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ in relation to a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p>OR</p> <p>When the Provider reschedules a Reconnection Requirement in the Participant’s Electronic Calendar.</p> <p>OR</p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 24 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p>OR</p> <p>When the Provider selects ‘Re-engagement Not Required’ on the Provider Re-engagement page in the Department’s</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
<p>Calendar as one of the following:</p> <ul style="list-style-type: none"> • ‘Provider Appointment’, which includes Reconnection Requirements; • ‘Activity’; • ‘Third Party Appointment’; or • ‘Job Interview’. 				<p>IT Systems. See discussion on page 24 of this Guideline regarding when a Provider must select ‘Re-engagement Not Required’.</p> <p>OR</p> <p>If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment.</p> <p>OR</p> <p>When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 25 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.</p>
<p>Job Plan Failure</p> <p>The Participant fails to enter into a Job Plan</p> <p>See the Job Plan and Scheduling Mutual Obligation Requirements Guideline for information on the process of entering into a Job Plan.</p>	<p><u>Job Plan sent Job Plan online</u>—when the ‘think time’ expires and the Participant has not agreed to their Job Plan online.</p>	<p>When the ‘think time’ expires and the Participant has not agreed to their Job Plan online.</p> <p>Demerit is automatically created and confirmed.</p>	<p>When the ‘think time’ expires and the Participant has not agreed to their Job Plan online.</p>	<p>When the Participant agrees to their Job Plan.</p> <p>OR</p> <p>When the Provider selects ‘Yes’ in response to the question ‘Do you accept the job seeker’s reason?’ and records the reason accepted as a Valid Reason on the Provider Re-engagement Page in the Department’s IT Systems.</p> <p>OR</p> <p>When the Provider selects ‘Attended’ or ‘Did Not Attend—Valid’ in relation to a Reconnection Requirement in the Participant’s Electronic Calendar.</p>
	<p><u>Job Plan sent Job Plan in hard copy</u>—when the ‘think time’ expires</p>	<p>When ‘think time’ expires.</p>	<p>When the Provider records the reason they did not accept as a Valid Reason in the</p>	

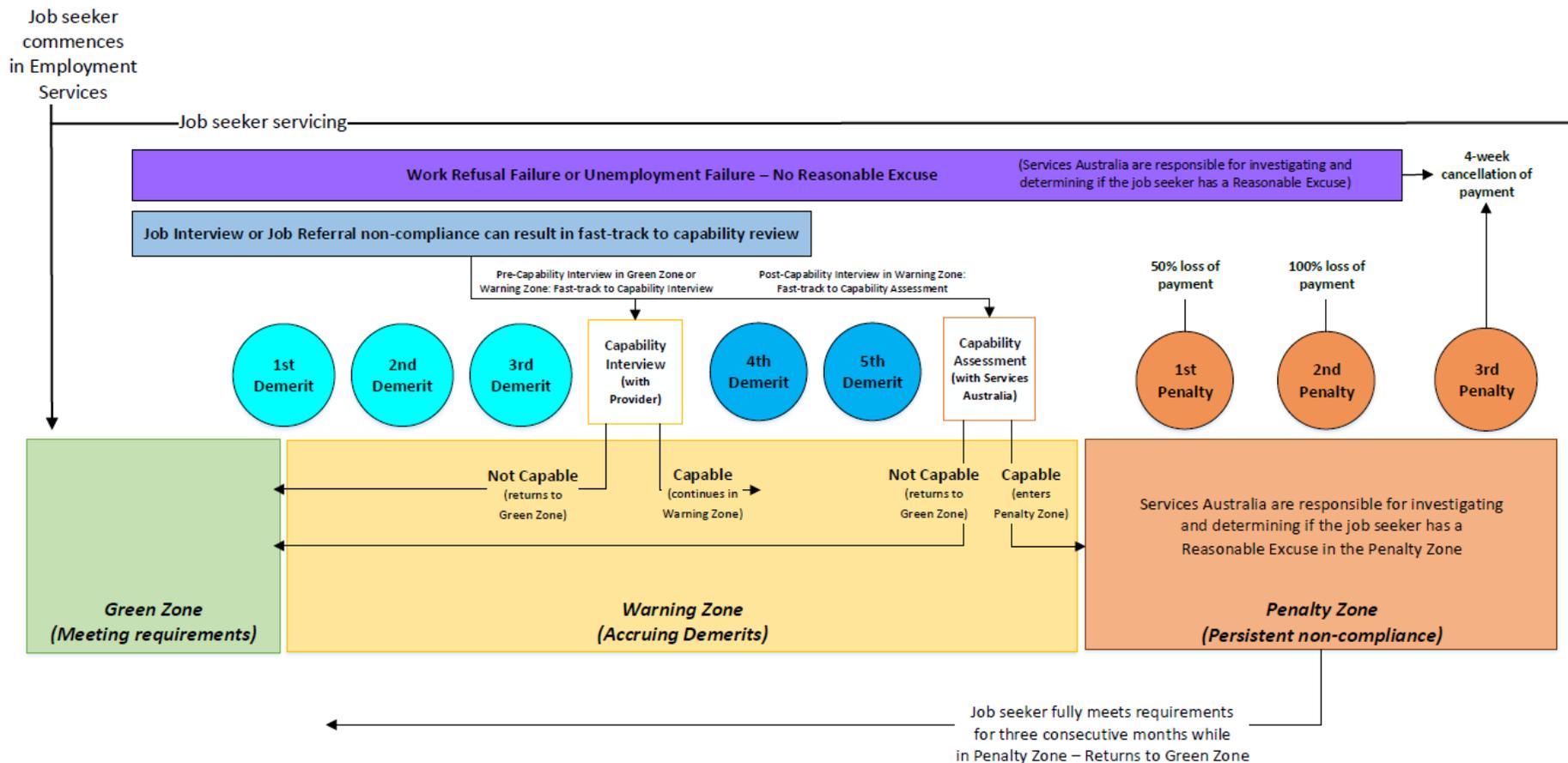
Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
	<p><u>If a Participant refuses outright to agree to Job Plan:</u></p> <p>When the Provider selects ‘Create Compliance’ and selects ‘submit’ on the Job Plan screen in the Department’s IT Systems.</p>	<p>When the Provider selects ‘Create Compliance’ and selects ‘submit’.</p> <p>Demerit is automatically created and confirmed.</p>	<p>When the Provider selects ‘Create Compliance’ and selects ‘submit’.</p> <p>Demerit is automatically created and confirmed.</p>	<p>Department’s IT Systems.</p> <p>See the discussion on page 15 of this Guideline regarding when a Provider must select a description of the Participant’s reason that was not a Valid Reason.</p> <p>OR</p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ in relation to a Reconnection Requirement on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 24 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p>OR</p> <p>If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment.</p> <p>OR</p> <p>When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 25 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.</p>
Failure to act on a job opportunity	<p>When the Provider records ‘Unsatisfactory—Invalid Reason’ on the Job referrals page.</p>	<p>When the Provider records ‘Unsatisfactory—Invalid Reason’ on the Job referrals page.</p>	<p>When the Provider records ‘Unsatisfactory—Invalid Reason’ on the Job referrals page.</p>	<p>When the Provider selects ‘Unsatisfactory—Valid Reason’ on the Provider Re-engagement page in the Department’s IT Systems.</p> <p>OR</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
				<p>When the Provider selects ‘Satisfactory’ in relation to a Reconnection Requirement on the Provider Re-engagement page in the Department’s IT Systems.</p> <p>OR</p> <p>When the Provider selects ‘Unable to Re-engage Within two Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 24 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within two Business Days’.</p> <p>OR</p> <p>When the Provider selects ‘Re-engagement Not Required’ on the Provider Re-engagement page in the Department’s IT Systems. See discussion on page 24 of this Guideline regarding when a Provider must select ‘Re-engagement Not Required’.</p> <p>OR</p> <p>If a Capability Interview is the Reconnection Requirement, the Department’s IT Systems will lift the Income Support Payment suspension once the Provider selects ‘Attended’ or ‘Did Not Attend –Valid’ in the Participant’s Electronic Calendar in relation to the Capability Interview.</p> <p>OR</p> <p>If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment</p>

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
				suspension once the Participant contacts them to participate in a Capability Assessment. OR When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 19 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’.
Job Search Failure The Participant failed to undertake adequate Job Searches.	When the Job Search Period ends and the number of Job Search efforts that are recorded by the Participant in the Department’s IT Systems is not equal to the number of Job Search efforts that are required under the Participant’s Job Plan.	When the Job Search Period ends and the number of Job Search efforts that are recorded by the Participant in the Department’s IT Systems is not equal to the number of Job Search efforts that are required under the Participant’s Job Plan. Demerit is automatically created and confirmed.	When the Job Search Period ends and the number of Job Search efforts that are recorded by the Participant in the Department’s IT Systems is not equal to the number of Job Search efforts that are required under the Participant’s Job Plan. Demerit is automatically confirmed.	When the Provider selects ‘Yes’ in response to the question ‘Do you accept the job seeker’s reason?’ and records the reason accepted as a Valid Reason on the Provider Re-engagement Page in the Department’s IT Systems. OR When the Provider selects ‘Yes’ in response to the question ‘Has the job seeker now met their re-engagement requirement?’ on the Provider Re-engagement Page in the Department’s IT Systems. OR When the Provider selects ‘Unable to Re-engage Within 2 Business Days’ on the Provider Re-engagement page in the Department’s IT Systems. See the discussion on page 21 of this Guideline regarding when a Provider must select ‘Unable to Re-engage Within 2 Business Days’. OR
	If the Provider assesses that submitted Job Search efforts are not	When the Provider records an ‘Unsatisfactory’	When the Provider records the reason they did not accept as	

Type of potential Mutual Obligation Failures	When is a Participant’s Income Support Payment suspended?	When is a Demerit created (pending confirmation) on a Participant’s record?	When does a Participant accrue a Demerit (i.e. the Demerit is confirmed)?	When is a Participant’s potential Income Support Payment suspension prevented? OR When is a Participant’s Income Support Payment suspension lifted?
	<p>of satisfactory quality to have satisfactorily met their requirement, payment is suspended when the Provider records an ‘Unsatisfactory’ assessment result in the Job Search Reporting page.</p>	<p>assessment result in the Job Search Reporting page.</p>	<p>a Valid Reason in the Department’s IT Systems. See the discussion on page 15 of this Guideline regarding when a Provider must select a description of the Participant’s reason that was not a Valid Reason.</p>	<p>When the Provider selects ‘Requirement no longer needs to be met’ on the Provider Re-engagement page in the Department’s IT Systems. OR If a Capability Assessment is the Reconnection Requirement, Services Australia will lift the Income Support Payment suspension once the Participant contacts them to participate in a Capability Assessment. OR When the Provider selects ‘Compliance action no longer appropriate’ on the Provider Re-engagement page. See the discussion on page 22 of this Guideline regarding when a Provider must select ‘Compliance action no longer appropriate’. OR If the Participant is in the Penalty Zone, when the Provider records that the Participant is in contact.</p>

Attachment B—Overview of the Targeted Compliance Framework



Attachment C—‘Rescheduled’, ‘No Longer Required’ and ‘Requirement no longer needs to be met’ reason options

‘Rescheduled’ or ‘No Longer Required’	
<ul style="list-style-type: none"> • Acceptable Reason—Caring/family reasons • Acceptable Reason—Housing—instability issues/inspections • Acceptable Reason—Legal requirements • Acceptable Reason—Travel/transport—access/financial issues • Acceptable Reason—Local issue/natural disaster • Reason not acceptable—flexibility utilised 	<ul style="list-style-type: none"> • Acceptable Reason—Cultural business • Acceptable Reason—Major personal crisis affecting job seeker • Acceptable Reason—Medical/health reason • Acceptable Reason—Working on day of requirement • Provider Initiated—Requirement can’t be delivered

‘Requirement no longer needs to be met’	
Job Search	Job referrals
<ul style="list-style-type: none"> • Job Plan requires update to reflect new job search efforts • Paid work impacting level of job search • Major personal crisis impacting job seeker • Ongoing local issue/natural disaster impacts ongoing compliance • Cultural business for extended period • Significant and ongoing caring/family duties—no exemption • Significant and ongoing medical/health issues—no exemption 	<ul style="list-style-type: none"> • Applications closed/Vacancy withdrawn • Caring/family duties • Conditions or pay not suitable • Housing instability/emergency • Legal requirements • Local issue/natural disaster • Medical/health issue • Major personal crisis affecting job seeker* • Position no longer suitable • Referral created in error

Attachment D – Targeted Compliance Framework (TCF) D – Targeted Compliance Framework (TCF) workflow

The following table describes the TCF workflow Providers must undertake when the Provider considers that the TCF cannot be applied but the Participant has been non-compliant.

Reason	TCF is applicable	TCF is not applicable
<p>Job seeker submitted a poor quality job search application</p>	<ul style="list-style-type: none"> As per the Guideline, if job search is unsatisfactory in quality apply the TCF. <p>For details on how to report non-compliance due to unsatisfactory Job Search efforts, refer to:</p> <p><i>Task Card Guide – Monitoring Job Search Requirements.</i></p>	<ul style="list-style-type: none"> When the TCF cannot be applied, for example if the unsatisfactory job application was submitted in a previous reporting period that is now finalised and cannot be quality reviewed, attempt contact with the job seeker to discuss the matter. If contact is unsuccessful, schedule a Provider Appointment for the job seeker to attend (if there is not one already scheduled to occur within a reasonable timeframe). Discuss with the job seeker – over the phone or during the Provider Appointment – and where applicable, the information provided by the Employer Reporting Line (through the Employer Report Referral) - and provide guidance on how to improve the quality of the job seeker’s job search applications. During this discussion Providers should also consider referring the job seeker to activities to build or improve employability skills or similar appropriate activities.
<p>Job seeker did not attend or behave appropriately at a job interview</p>	<ul style="list-style-type: none"> As per the Guideline, if a job seeker failed to attend or behaved inappropriately at a scheduled job interview that their Provider notified them of with no valid reason apply the TCF. <p>For details on how to report non-compliance refer to:</p> <p><i>Task Card Guide – Recording attendance results for Third Party Appointments, Job Interviews and Activities where the Provider is responsible for this.</i></p> <p><i>Task Card Guide – Actions following a no Result Entered (NRE) and Did Not Attend (DNA) result.</i></p>	<ul style="list-style-type: none"> Review the job seeker’s calendar. If the interview was not scheduled in the job seeker’s calendar the TCF is not applicable. However, Providers must discuss the information provided in the Employer Report Referral with the job seeker. Attempt contact with the job seeker to discuss the matter. If contact is unsuccessful, schedule a Provider Appointment for the job seeker to attend (if there is not one already scheduled to occur within a reasonable timeframe). Discuss with the job seeker – over the phone or during the Provider Appointment – and where applicable, the information provided by the Employer Reporting Line (through the Employer Report Referral) - and provide guidance on successful job interview techniques. During this discussion Providers should also consider referring the job seeker to activities to build or improve employability or similar appropriate activities.

<p>Job seeker was offered a suitable job by an employer but did not accept the job, or accepted a job offer but did not commence on the agreed start date</p>	<ul style="list-style-type: none"> • If not already assessed undertake a suitable work assessment. • As per the Work Refusal and Unemployment Failure Guideline, if no valid reason apply the TCF. • This must be reported to Services Australia as a Work Refusal Failure. <p>For details on how to create a Work Refusal Failure Report, refer to:</p> <p><i>Task Card Guide – Reporting Work Refusal Failures.</i></p>	<ul style="list-style-type: none"> • If not already assessed undertake a suitable work assessment. • If the assessment determines that the work is unsuitable, no further action required. • If the assessment determines that the work was suitable, review the date of the job offer. If it is more than 10 business days since this date the TCF is not applicable. However, Providers must discuss the information provided in the report with the job seeker. • Attempt contact with the job seeker to discuss the matter. • If contact is unsuccessful, schedule a Provider Appointment for the job seeker to attend (if there is not one already scheduled to occur within a reasonable timeframe). • Discuss with the job seeker – over the phone or during the Provider Appointment – and where applicable, the information provided by the Employer Reporting Line (through the Employer Report Referral) - and provide guidance on accepting and commencing suitable employment. During this discussion Providers should also consider referring the job seeker to activities to build or improve employability or similar appropriate activities.
<p>Job seeker voluntarily left a suitable job or was dismissed due to misconduct</p>	<ul style="list-style-type: none"> • As per the Work Refusal Failures and Unemployment Failures Guideline, if following a discussion with the job seeker, the Provider considers that the job seeker has committed an apparent Unemployment Failure, apply the TCF. • This must be reported to Services Australia as an Unemployment Failure. <p>For details on how to create an Unemployment Failure Report, refer to:</p> <p><i>Task Card Guide – Reporting Unemployment Failures.</i></p>	<ul style="list-style-type: none"> • As per the Work Refusal and Unemployment Failure Guideline, if following a discussion with the job seeker, the Provider considers that the job seeker has not committed an apparent Unemployment Failure, no further action is required. • However, if the Provider considers that the job seeker has committed an apparent Unemployment Failure but the TCF cannot be applied, as more than 20 business days have passed since the incident date, Providers must while in contact with the job seeker: <ul style="list-style-type: none"> ○ discuss the information provided by the Employer Reporting Line (through the Employer Report Referral) where applicable, and provide guidance on sustaining employment. ○ during this discussion Providers should also consider referring the job seeker to activities to build or improve employability or similar appropriate activities.

Attachment E—Valid Reason assessment options

The following tables replicate the drop-down menus in the system. When recording a reason that is a Valid Reason or that is not a Valid Reason in the Department’s IT Systems, the appropriate menu will appear. Reasons may appear in both columns and may be a Valid Reason or not a Valid Reason, depending on the Provider’s determination (see the [Assessing Valid Reasons](#) section of this Guideline, above). In the Department’s IT Systems, ‘reasons accepted’ refers to Reasons that the Provider determines are Valid Reasons, and ‘reasons not accepted’ refers to Reasons that the Provider determines are not Valid Reasons.

Failure to attend a Provider Appointment, Third Party Appointment, activity or job interview

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Caring/family reasons that were unforeseeable—unable to advise prior • Conditions or pay not suitable⁺ • Conditions/skills beyond job seeker* capacity⁺ • Cultural business—unable to advise prior • Believe job seeker* thought they were exempt • Housing instability issues—unable to advise prior • Housing—landlord/property inspection—unable to advise prior • Legal requirements—unable to advise prior • Local issue/natural disaster—unable to advise prior • Major personal crisis affected job seeker*—unable to advise prior • Medical/health reason—unable to advise prior • Notification issue—not aware of requirement • Travel/transport, did not have money to pay—unable to advise prior • Travel/transport access issue—unable to advise prior • Working on day of requirement—unable to advise prior 	<ul style="list-style-type: none"> • Away from home/on holiday • Caring/family reasons • Caring—claims childcare will be too expensive if offered job⁺ • Conditions—claims job does not match skills⁺ • Conditions—claims not in preferred employment industry⁺ • Did not believe they had a requirement • Did not think they had to attend—thought exempt • Did not want to attend requirement • Forgot about requirement • Got lost/got time wrong • Housing instability issues • Medical/health reason • Slept in/missed requirement • Travel/transport—did not have money to pay • Travel/transport issue—did not have access • Travel/transport issue—claims distance too great • Undertaking other non-mutual obligation requirement • Prior notice not given and reasonable to expect: <ul style="list-style-type: none"> ▪ Caring/family reasons ▪ Housing—landlord/property inspection ▪ Legal requirement ▪ Medical/health reason

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Failure to attend a Provider Appointment, Third Party Appointment, activity or job interview

Reasons accepted	Reasons not accepted
	<ul style="list-style-type: none">▪ Travel/transport—did not have money to pay▪ Travel/transport issue—did not have access▪ Working on day of requirement

*Applicable to Job Interviews only

Misconduct at a Provider Appointment, Third Party Appointment, activity or job interview

Behaviours that may be considered misconduct which prevent the purpose of the requirement from being met include:

<ul style="list-style-type: none"> • Appeared intoxicated/under the influence • Disingenuous • Disruptive/disengaged—unable to complete requirement • Inadequate presentation/attire at requirement • Left prior to completion of requirement 	<ul style="list-style-type: none"> • Physically abusive—unable to deliver requirement • Self-sabotage • Theft • Verbally abusive—unable to deliver requirement.
<ul style="list-style-type: none"> • Reasons accepted • Did not have appropriate attire to wear at requirement • Disability/condition presenting itself as misconduct • Major personal crisis affected job seeker* • Medical issue/condition contributed to behaviour 	<ul style="list-style-type: none"> • Reasons not accepted • Couldn't control behaviour/self • Denied nature of misconduct • Did not believe they were impacted by substances • Did not think they had to stay for the duration • Did not think they were dressed inappropriately • Did not want to participate/engage with requirement • Falsified disability/condition presenting itself as misconduct • Did not want that job+

*Applicable to Job Interviews only

*In this case, 'job seeker' refers to a 'Fully Eligible Participant (Mutual Obligation)' as defined in the jobactive Deed 2015–2022 or a 'Compulsory Participant' as defined in the ParentsNext Deed 2018–2021, as relevant

Failure to agree to a Job Plan

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Did not understand requirement to agree to Job Plan • Required further assistance to understand terms of Job Plan • Housing instability issues—unable to return Plan or advise prior • Local issue/natural disaster—unable to return Plan or advise prior • Legal requirements—unable to return Plan or advise prior • Medical/health reason—unable to return Plan or advise prior • Travel/transport access issue—unable to return Plan or advise prior 	<ul style="list-style-type: none"> • Away from home/on holiday • Caring/family reasons—claims no time to participate • Does not believe they have to meet requirements • Refuses to participate in employment services • Refuses to look for work—number or overall • Refuses to participate due to study • Refuses to participate in specific activity • Refuses to participate/claims to have no time due to paid work • Refuses to participate due to self-employment • Refuses to discuss requirements • Refuses to participate due to undertaking other, non-mutual obligation requirements • Does not want to enter into a Job Plan • Forgot about requirement • Medical/health reason—could not return Plan • Caring/family reasons—could not return Plan • Travel/transport issues—could not return Plan

Failure to satisfactorily meet a Job Search Requirement

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Caring/family duties that were significant—no exemption • Cultural business for extended period • Housing instability issues • Legal requirements impacted job search • Local issue/natural disaster impacted job search • Medical/health reason—no exemption • Major personal crisis—no exemption 	<ul style="list-style-type: none"> • Away from home/on holidays • Caring/family requirements affected job search • Claims other requirements affected job search • Does not believe suitable jobs are available • Does not want to apply for jobs • Does not want to apply for jobs using different methods • Does not want to look for work in diverse industries • Does not want to tailor applications to industry • Forgot about job search/got due date wrong • Housing instability • Medical/health reasons • States not required to look for work • States too many job searches required • Technology issue—claims could not submit efforts online • Technology issue—reported job search efforts incorrectly • Thinks quality of applications is satisfactory

Failure to act on a job referral

Reasons accepted	Reasons not accepted
<ul style="list-style-type: none"> • Caring/family duties were significant—no exemption • Commute to/from workplace—distance too great/expensive • Conditions or pay not suitable • Conditions/skills for job beyond job seeker* capacity • Cultural business for extended period • Cultural—workplace unsuitable for cultural/religious reasons • Housing instability issues • Legal requirements prevented compliance • Local issue/natural disaster prevented compliance • Major personal crisis affected job seeker • Medical/health reason prevented compliance • Notification issue—not aware of requirement • PCP—job seeker Error! Bookmark not defined. not better off financially • Technology—no access to technology to complete requirement • Technology—no phone or credit to contact employer 	<ul style="list-style-type: none"> • Acted in a manner that did not result in a job offer/interview • Away from home/on holiday • Believes not required to look for work • Caring/family requirements • Caring—claims childcare will be too expensive if job offered • Conditions—claims job does not match skills • Conditions—claims not in preferred employment industry • Conditions—claims too many or too few hours • Conditions—pay not enough (within allowable policy) • Does not want job • Forgot about requirement • Housing instability • Medical/health reason • Résumé not acceptable standard • Technology—claims no access to technology to complete requirement • Technology—claims no phone or credit to contact employer • Travel/transport issue—claims distance too great/expensive

* In this case, 'job seeker' refers to a 'Fully Eligible Participant (Mutual Obligation)' as defined in the jobactive Deed 2015–2022 or a 'Compulsory Participant' as defined in the ParentsNext Deed 2018–2021, as relevant

Attachment F—Manual Demerit removal options

All Demerit types

Reason	Description
Issue affected overall capability— requirements changed	The Participant’s personal circumstances would have likely affected their overall capability to meet requirements. Their Provider has updated their requirements to be more appropriate and to support the Participant to meet them.
New information disclosed— job seeker* in services to address	New information about the Participant has been disclosed which impacted their ability to meet requirements at the time they accrued the Demerit. The Provider has referred the Participant to services, or the Participant is in services, to address this issue.
New information disclosed—likely impacted compliance	New information about the Participant has been disclosed which impacted their ability to meet requirements at the time they accrued the Demerit, and should it have been known, would likely have meant the Participant had a Valid Reason.
Provider Error	An error occurred and the Participant should not have accrued a Demerit—for example, they had a Valid Reason or they should not have had the requirement.

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Job Search Demerits

Reason	Description
Issue affected overall capability— requirements changed	The Participant’s personal circumstances would have likely affected their overall capability to meet requirements. Their Provider has updated their requirements to be more appropriate and to support the Participant to meet them.
Job Search efforts submitted after end of Job Search Period— Valid Reason identified	The Participant has submitted their outstanding Job Search efforts online. Upon Participant contact, the Provider identified that the Participant had a Valid Reason for not submitting their efforts by the end of their Job Search Period.
Adjustment not made— paid work impacted number required	The Participant’s declared earnings for that period mean that their Provider should have reduced their level of job search. Note: this is only applicable where paid work/self-employment is not included in the Job Plan as a requirement. Where it is included, the Department’s IT Systems will automatically make this adjustment based on hours committed to per fortnight (regardless of actual earnings).
Adjustment not made— exemption impacted number required	The Participant had an Exemption during the Job Search Period. Although the system re calculated their required efforts based on the exemption period, the Provider should have made further adjustment due to the nature of the Exemption.
Adjustment not made to number of Job Search efforts required	The Provider failed to adjust the Participant’s required Job Search efforts for the Job Search Period. The result was that the number of required efforts was too high, and the Provider will makes the adjustment in the Job Plan for the next Job Search Period.
Job Search efforts were reported manually within Job Search Period	The Participant provided their Job Search efforts to their Provider during the Job Search Period; however, the Provider did not record them in the Department’s IT Systems before the end of the Participant’s Job Search Period.
Job Search efforts were satisfactory	The Provider had assessed that the Participant’s Job Search efforts were unsatisfactory in quality. Upon review, the Provider identified that the efforts and quality were satisfactory.

Job Plan Demerits

Reason	Description	Type of failure
Job Plan accepted online— Valid Reason identified	The Participant accepted their Job Plan online, but only after the due date. Upon contact with the Participant, the Provider identified that they had a Valid Reason for not agreeing to the Job Plan within the required timeframe.	Job Plan
Job Plan terms unreasonable/inappropriate	Upon another review of the Job Plan and discussion with the Participant, the Provider identified that the requirements in the Plan are not suitable for Participant.	Job Plan
Signed Job Plan was returned	An error occurred and the Participant did return their signed hardcopy Job Plan within the required timeframe, however the Provider did not record this agreement in the Department’s IT Systems.	Job Plan— where think time granted (hardcopy)
Job seeker* did agree to Job Plan at appointment	An error or misunderstanding occurred and the Participant did actually agree to their Job Plan onsite. However, the Provider did not record this agreement in the Department’s IT Systems, and they used the compliance framework instead.	Job Plan— think time granted (hard copy) or refusal recorded
Job seeker** did not refuse to sign Job Plan	An error or misunderstanding occurred and the Participant had not refused to agree to their Job Plan onsite. However, the Provider did not record their agreement or their request for think time, and they used the compliance framework instead.	Job Plan— refusal

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Attachment G—‘Unable to Re-engage Within 2 Business Days’ reason options

‘Unable to Re-engage within 2 Business Days’

- | | |
|--|---|
| <ul style="list-style-type: none">• Caring/family duties that were unexpected impacts attendance• Cultural business over next two business days impacts attendance• Full-Time Activity/Training impacts attendance• Housing instability/emergency impacts attendance• Legal requirements impact attendance | <ul style="list-style-type: none">• Local issue/natural disaster impacts attendance• Major personal crisis affecting job seeker* impacts attendance• Medical/health issue over next two days impacts attendance• Travel/transport—exceptional issue impacts attendance• Working over next two business days |
|--|---|
-

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

Attachment H— ‘Re-engagement Not Required’ reason options

The following table describes the options Providers have to record the reason a Re-engagement is Not Required. The table also indicates which requirements each of the options can be recorded against.

Reason	Appointment (Provider or third party)	Activity	Job interview	Job Plan	Job referral
Re-engagement not required— non-compliance discussed	✓	✓	✓		✓
Outreach/Part-time site impacts re-engagement	✓	✓	✓		
Unable to be arranged in next two days		✓			
Applications closed/ Vacancy withdrawn					✓
Local issue/natural disaster impacts compliance	Record as ‘unable to re-engage within 2 business days’			Record ‘compliance action no longer appropriate’	✓
Major personal crisis impacts compliance					✓
Departmental Override [^]	✓	✓	✓	✓	✓
Exit/Transfer from services [^]	✓	✓	✓	✓	✓

[^] Departmental Users or the IT system (automatically) only

Attachment I—‘Compliance Action No Longer Appropriate’ reason options

The following table describes the options Providers have to record the reason Compliance Action is No Longer Appropriate. The table also indicates which requirements each of the options can be recorded against.

Reason	Appointment (Provider or third party)	Job Plan	Activity or job interview	Job Search	Job referral
Applications closed/ Vacancy withdrawn					✓
Local issue/natural disaster impacts compliance	✓		✓	✓	✓
Major personal crisis impacts compliance	✓	✓	✓	✓	✓
Significant and ongoing caring/family duties—no exemption				✓	
Significant and ongoing medical/health issues—no exemption				✓	
Job seeker* requirements changed—job search not applicable				✓	
Departmental Override [^]	✓	✓	✓	✓	✓
Exit/Transfer from services [^]	✓	✓	✓	✓	✓

[^] Departmental Users or the IT system (automatically) only

* In this case, ‘job seeker’ refers to a ‘Fully Eligible Participant (Mutual Obligation)’ as defined in the jobactive Deed 2015–2022 or a ‘Compulsory Participant’ as defined in the ParentsNext Deed 2018–2021, as relevant

All capitalised terms in this Guideline have the same meaning as in the jobactive Deed 2015–2022 (the Deed). This Guideline is not a stand-alone document and does not contain the entirety of Employment Services Providers' obligations. It must be read in conjunction with the relevant Deed and any relevant Guidelines or reference material issued by Department of Education, Skills and Employment under or in connection with the relevant Deed.

Assessments Guideline

Document change history

Version	Start date	Effective date	End date	Change and location
1.1	01 07 15	01 07 15		Addition of attachment and inclusion of SPI text.
1.0	01 07 15	01 07 15		Original version of document.

Explanatory Note

All capitalised terms have the same meaning as in the jobactive Deed 2015–2020. In this document, ‘**must**’ means that compliance is mandatory and ‘**should**’ means that compliance represents best practice and that compliance is discretionary.

Disclaimer

This Guideline is not a stand-alone document and does not contain the entirety of Employment Providers’ obligations.

It **must** be read in conjunction with the Deed and any relevant Guidelines or reference material issued by Department of Employment under or in connection with the Deed.

Summary

Stream Participants (hereon referred to as job seekers or by the appropriate jobactive Deed 2015–2020 (the Deed) definition as applicable to their level of service) are assessed for Employment Provider Services using the Job Seeker Classification Instrument (JSCI) and an Employment Services Assessment (ESAt). The JSCI is conducted by Employment Providers and the Department of Human Services (DHS). ESAts are conducted by DHS health and allied health professionals.

The JSCI is the tool used to measure a job seeker’s relative level of disadvantage in the labour market and determines if a job seeker **should** receive services in Stream A or Stream B. The JSCI will also indicate if a job seeker may require further Assessment through an ESAt. Additional information about the JSCI factors and relative labour market disadvantage is available in the document — Job Seeker Classification Instrument Overview and Factors published on the Provider Portal.

An ESAt determines if a job seeker **should** receive services in Stream C, or through other services such as Disability Employment Services. An ESAt recommends the most appropriate employment service assistance based on an Assessment of a job seeker’s:

- barriers to finding and maintaining employment (this may relate to the impact of a job seeker's disability, injury, illness, or other disadvantage) and
- work capacity (in hour bandwidths).

This Guideline, in conjunction with clause 79 and annexures A1 and B1 of the jobactive Deed 2015–2020, outlines when a job seeker is to be assessed or re-assessed by conducting the JSCI, and the operational policy and process by which the JSCI **must** be administered by Employment Providers. This Guideline also explains how to determine if a referral for an ESAt is required and how to make a referral for an ESAt.

A Job Capacity Assessment (JCA) may be used for employment services purposes. A JCA is an assessment similar to the ESAt but is only used for job seekers who are applying for Disability Support Pension (DSP). Only DHS can refer a job seeker for a JCA.

Policy Intent

The intent is that all job seekers have an Assessment that accurately reflects their current circumstances so they can be referred to Employment Provider Services or other services that are most appropriate to their needs.

Relevant Deed clause/s

The relevant clauses in the jobactive Deed 2015–2020 (the Deed) are:

- Annexure A1—Definitions
- Annexure B1—Transition in
- Clause 79—Change of Circumstances Reassessment.

Relevant references

Reference documents relevant to this Guideline include:

- [Learning Centre website](#)
- [Eligibility, Referral and Commencement Guideline](#)
- [Direct Registration Guideline](#)
- [Mutual Obligation Requirements \(including Annual Activity Requirements\) Guideline](#)
- [Documentary Evidence Guideline.](#)

Assessment using the Job Seeker Classification Instrument

Process	Details
Who requires a JSCI	<p>A JSCI is required for each job seeker in Stream A and Stream B who is defined as a Fully Eligible Participant under the Deed.</p> <p>Employment Providers should also conduct the JSCI for Volunteers and Stream C job seekers to enable them to tailor their service offer to best meet each individual job seeker’s circumstances and needs, and improve employment outcomes.</p> <p>Employment Providers are not required to conduct the JSCI for Vulnerable Youth (VY) or Vulnerable Youth Students (VYS). These job seekers must be referred to DHS within four weeks of being commenced in Stream C in accordance with the Eligibility, Referral and Commencement Guideline. DHS will conduct the JSCI and ESAt, as appropriate.</p>
When to conduct a JSCI (a) Initial JSCI	<p>DHS will conduct an initial JSCI Assessment as part of the Registration process.</p> <p>If a job seeker Directly Registers with an Employment Provider to receive Employment Provider Services as a Volunteer and does not have an active and up-to-date JSCI, the Employment Provider should conduct the JSCI. Refer to the Direct Registration Guideline for more information. Pre-release Prisoner job seekers must have an active JSCI to Commence in Employment Provider Services. Employment Providers must conduct an initial JSCI for PRPs. Refer to Servicing Pre-Release Prisoners Guideline.</p>

Process	Details
<p>(b) Change of Circumstances Reassessment</p>	<p>Employment Providers must conduct a JSCI for a Stream A or Stream B job seeker if the individual circumstances of the job seeker change or they disclose information that indicates that they should be placed into a higher stream.</p> <p>Exceptions:</p> <ul style="list-style-type: none"> Stream A or Stream B job seekers who are in their first six months of service and require a JSCI reassessment must be referred to DHS for Assessment (this does not apply to job seekers who transition to Employment Provider Services from Job Services Australia, Volunteers and Pre-release Prisoners) <p>Employment Providers must only conduct a JSCI (including directly in the Department's IT System or on Third Party Systems) where there is clear evidence or information from the job seeker of a change in their circumstances.</p> <p>If a Stream C job seeker or a Volunteer discloses a change in their circumstances, the Employment Provider should conduct a JSCI to ensure it is up to date and accurately reflects the job seeker's circumstances.</p>
<p>How to conduct a JSCI</p>	<p>Employment Providers are expected to conduct the JSCI process in a private setting in a professional, sensitive and culturally appropriate manner. Interpreter services should be used if appropriate to the job seeker's needs.</p> <p>The JSCI must be conducted face to face for job seekers in Stream A and Stronger Participation Incentive (SPI) Participants. For all other job seekers the Employment Provider may choose to conduct the JSCI either face to face, by video conference or by telephone.</p> <p>For support when the JSCI is conducted, a job seeker may be accompanied by a nominee, including a family member, advocate, social worker or counsellor.</p> <p>The Employment Provider must inform the job seeker that the information provided is protected by the <i>Privacy Act 1988</i>. More information on privacy, confidentiality and access or disclosure of information is available from the Office of the Australian Information Commissioner or by calling 1300 363 992 or teletypewriter TTY 133 677 (ask for 1300 363 992).</p> <p>The Employment Provider should inform the job seeker that some of the questions are voluntary disclosure questions and advise them that they will be told which questions are voluntary before the question is asked.</p> <p>To ensure JSCI questions are answered with the most appropriate response, Employment Providers should refer to the Explanation of the Job Seeker Classification Instrument Questions when conducting the JSCI or Change of Circumstances Reassessment.</p> <p>If a job seeker discloses a need for crisis assistance they must be referred to services appropriate to their current needs or to DHS for further assistance.</p> <p>Job seekers who disclose domestic violence, family grief or trauma and require further assistance with these issues should be referred to DHS.</p> <p>Information to assist job seekers in crisis and information to assist job seekers affected by domestic and family violence is available on the DHS website.</p>
<p>Who conducts a JSCI</p>	<p>The JSCI is conducted on the Department's IT System. Where the Department's IT System is not available, a printable JSCI Form¹ is available on the Provider Portal that</p>

¹ Where the JSCI Form is used for a Stream A job seeker or SPI Participant, they must initial each page and sign and date the last page of the completed JSCI Form. The provider must keep the signed JSCI Form on file.

Process	Details
<p>A. Employment Provider</p>	<p>can be used as an interim measure to record the job seeker’s responses to the JSCI. The Employment Provider must record all the information from the JSCI form in the Department’s IT System as soon as possible.</p> <p>When conducting a JSCI for a job seeker’s change of circumstances² the Employment Provider:</p> <ul style="list-style-type: none"> • may either: <ul style="list-style-type: none"> • ask all JSCI questions in sequence and update the job seeker’s answers where relevant or • ask only those questions and record responses that relate to the job seeker’s changed circumstances or disclosed information. • must review the recorded responses with the job seeker to ensure they are correct before submitting the JSCI in the Department’s IT System: <ul style="list-style-type: none"> • A limit of two JSCIs per job seeker per day is applied by the Department’s IT System. <p>When correcting details in a job seeker’s JSCI—where the job seeker’s response was incorrectly recorded and requires correction—the same requirements apply as when conducting a JSCI for a job seeker’s change of circumstances.</p> <p>When conducting a JSCI for Stream A job seekers (excluding Volunteers) and SPI Participants the Employment Provider must:</p> <ul style="list-style-type: none"> • keep a record of all changes made to the JSCI. The Change of Circumstances Reassessment Summary screen displays the changes made in the JSCI and has a text box where the Employment Provider must document the exact nature of each change made in the job seeker’s JSCI, and the context and impact of each change on the job seeker’s level of disadvantage in the labour market <ul style="list-style-type: none"> • To ensure appropriate accountability, this requirement applies to all changes including those perceived as a positive change for the job seeker • print the Change of Circumstances Summary page and provide it to the job seeker to check that the recorded responses are correct • ensure that the job seeker signs and dates the Change of Circumstances Reassessment Summary page of the finalised report to verify they have read the information or have had the information read to them and agree that the information is correct • provide a copy of the signed Change of Circumstances Summary page to the job seeker, keep a signed copy of the Change of Circumstances Reassessment Summary page on file and retain copies or originals of any documents provided by the job seeker that support responses recorded in the JSCI. <p>If a job seeker does not have an active JSCI the Department’s IT System will create a new JSCI for the job seeker. Where a new JSCI has been created, the Employment Provider must ask and record the job seeker’s answers to all JSCI questions in sequence.</p> <p>When conducting a new JSCI for Stream A job seekers and SPI Participants the Employment Provider must print the JSCI report for the job seeker. The job seeker must initial each page of the finalised JSCI report and sign and date the last page to verify they have read the information or have had the information read to them and</p>

² When correcting details in a job seeker’s JSCI—where the job seeker’s response was incorrectly recorded and requires correction—the same requirements apply as when conducting a JSCI for a job seeker’s change of circumstances.

Process	Details
	<p>agree that the information is correct.</p> <p>Once the JSCI report is signed the Employment Provider must provide a copy of the signed JSCI to the job seeker, keep a signed copy on file and retain copies or originals of any documents provided by the job seeker that support responses recorded in the JSCI.</p> <p>Further assessment</p> <p>On completion of the JSCI, the JSCI will indicate if the job seeker has disclosed multiple and/or complex barriers to employment that may require further Assessment through an ESAt. See the Referral for an Employment Services Assessment section below.</p>
<p>B. DHS</p>	<p>Where an Employment Provider determines that a JSCI is required due to a change of circumstances for a Stream A job seeker (except Volunteers) or Stream B job seeker in their first six months of service, the Employment Provider must request a JSCI by DHS.</p> <p>When making the request in the Department's IT System, the Employment Provider must indicate the reason(s) the JSCI is required for the job seeker.</p> <p>Once a JSCI request has been sent to DHS, DHS will make an appointment with the job seeker to conduct the JSCI. DHS will contact the job seeker to provide the relevant appointment details.</p> <p>Employment Providers will receive notification through the Department's IT System once the JSCI has been completed by DHS.</p>

Employment Services Assessments

<p>Who requires an ESAt</p>	<p>A job seeker must have an ESAt for referral to Stream C.</p>
<p>When to refer to DHS for an ESAt</p>	<p>Employment Providers should advise Stream A job seekers and Stream B job seekers who they consider may need an ESAt to go to DHS to report the details of their change of circumstances and to provide any medical evidence.</p> <p>When determining the need for an ESAt, DHS will take into account a range of factors including whether the job seeker's circumstances have been previously assessed and whether an ESAt is likely to result in a change of employment service eligibility or work capacity.</p> <p>Employment Providers should advise Stream A Volunteers who they consider may be eligible for Disability Employment Services or another programme of support to go to DHS to report the details of their circumstances and to provide any medical evidence.</p> <p>Job seekers in Stream C</p> <p>For job seekers in Stream C the Employment Provider may make a referral for an ESAt if, at any time, the job seeker discloses new information that indicates a change in the job seeker's circumstances that cannot be addressed by their current service or is likely to change their current work capacity.</p>
<p>How to make a Referral for an ESAt for job seekers in Stream C</p>	<p>Employment Providers can directly refer job seekers in Stream C for an ESAt through the Department's IT System.</p> <p>When a referral to an ESAt appointment is made via the Department's IT System the Employment Provider must give the job seeker the details of the appointment. This can be done by printing the appointment notification letter containing details of the appointment when the referral is made. The Employment Provider must advise the job seeker of the following:</p> <ul style="list-style-type: none"> the reason for the ESAt

	<ul style="list-style-type: none"> • that the ESAt will involve an interview to determine their work capacity and the employment services assistance that they will need to help them gain work • the date, time and venue for the appointment • the importance of disclosing all of their barriers to employment • the importance of taking relevant medical evidence to the appointment and the steps they can take to gather medical evidence • that they may have a nominee or support person present to assist them • that attending the appointment is compulsory • that, after the Assessment, they may be referred to a different service that better meets their needs • of the requirement to contact the assessor at least 24 hours before the appointment time if they cannot attend. <p>If it is necessary to reschedule an ESAt appointment, Employment Providers or the job seeker should contact DHS to reschedule. An ESAt referral should only be cancelled if it was made in error.</p> <p>Where no ESAt appointments are available in the Department’s IT System Employment Providers should contact the local DHS Assessment Services Manager and request an ESAt appointment or email the relevant address below:</p> <ul style="list-style-type: none"> • QLD (excluding Gold Coast), NT & Kimberley at.services.qld.nt@humanservices.gov.au • NSW and ACT (excluding Far West), including Gold Coast at.services.nsw.act@humanservices.gov.au • VIC & TAS at.services.vic.tas@humanservices.gov.au • SA & Far Western NSW at.services.sa@humanservices.gov.au • WA (excluding the Kimberley) at.services.wa@humanservices.gov.au. <p>If a response to the request for an ESAt appointment is not received within two business days, the Employment Provider should raise the issue with their Department of Employment contract manager, who will escalate the issue to the DHS Assessment Services national team.</p>
<p>The process for Pre-release Prisoners</p>	<p>The Department of Social Services (DSS) is responsible for arranging ESAts for Pre-release Prisoners. If the Employment Provider considers that an ESAt referral may be required for a Pre-release Prisoner, the Employment Provider must complete the Request for an Employment Services Assessment Form and email it to esat.requests@dss.gov.au for approval to proceed.</p> <p>DSS will consider the request and contact the Employment Provider and, if required, make arrangements for the ESAt to be conducted. The Employment Provider should notify the job seeker through their pre-release centre.</p>
<p>Supporting medical evidence</p>	<p>When considering a referral for an ESAt due to medical conditions, the Employment Provider must confirm that the job seeker has medical evidence supporting their condition/s and that the condition/s have not previously been assessed, or changed since their previous Assessment. Where there is no medical evidence available to support a job seeker’s identified condition, the Employment Provider should assist the job seeker to obtain relevant medical evidence before a referral for an ESAt is considered.</p> <p>Appropriate medical evidence can include:</p> <ul style="list-style-type: none"> • a Department of Human Services medical certificate • a standard general practitioner medical certificate • a specialist medical report • a hospital/outpatient’s report

	<ul style="list-style-type: none"> • a psychologist report • a special school report (IQ report for people with intellectual disability) • x-rays and related reports • psychometric test results • prescription medication • reports from community services (for example, drug and alcohol support services). <p>The Verification of Medical Condition(s) Form (SU684) may be given to the job seeker to be completed by their treating doctor. It provides appropriate information where assessment of medical conditions is required for an ESAt.</p> <p>Medical evidence can be faxed to the DHS National Business Gateway on 1300 786 102. Employment Providers faxing medical evidence to the National Business Gateway must ensure that all documents:</p> <ul style="list-style-type: none"> • can be clearly read • include the job seeker’s name, address and Customer Reference Number (CRN) • are clearly identified as medical evidence for an ESAt.
<p>The ESAt report</p>	<p>When the ESAt is completed, the assessor submits a report on the Department’s IT System and the Employment Provider is notified via the Noticeboard that the report can be viewed. The ESAt report shows relevant information about the job seeker’s medical condition/s, barriers to employment, hours of work capacity, employment support requirements, recommended interventions, the employment services that are recommended and any relevant referral arrangements.</p> <p>Release to job seeker</p> <p>The ESAt report may be released to a job seeker except where it has been identified as containing information that may be prejudicial to the job seeker’s health, as identified by the following statement:</p> <ul style="list-style-type: none"> • This report does contain information, which if released to the client, might be prejudicial to his/her health. <p>If the job seeker requests the ESAt report and it contains the above statement, the job seeker must submit a request for access to the report to the Department of Employment’s Freedom of Information team at foi@employment.gov.au.</p> <p>ESAt recommended work capacity</p> <p>Work capacity is expressed as bandwidths of hours per week:</p> <ul style="list-style-type: none"> • 0–7 hours per week • 8–14 hours per week • 15–22 hours per week • 23–29 hours per week • 30+ hours per week. <p>Baseline Work Capacity</p> <p>Baseline Work Capacity (also referred to as Current Work Capacity) is a determination of the job seeker’s capacity to work at the time of Assessment. This takes into account the impact of permanent medical conditions that have been verified by appropriate medical evidence.</p> <p>Future Work Capacity</p> <p>The work capacity within two years with intervention (Future Work Capacity) is a determination of the job seeker’s work capacity that could be achieved with employment assistance and other interventions within the next two years. It takes</p>

into account the impact of permanent medical conditions that have been verified by appropriate medical evidence.

Partial Capacity to Work

If a job seeker has a Baseline Work Capacity and Future Work Capacity of fewer than 30 hours per week they have a Partial Capacity to Work (PCW). See the [Mutual Obligation Requirements \(including Annual Activity Requirement\) Guideline](#) for further information.

PCW—0 and 14 hours per week

Job seekers who have a Baseline Work Capacity and Future Work Capacity with intervention between 0 and 14 hours per week are not required to participate in Employment Provider Services and are automatically Suspended from Employment Provider Services. These job seekers will receive a letter from DHS advising that they may contact an Employment Provider to elect to participate voluntarily in Employment Provider Services as a Fully Eligible job seeker. The Employment Provider may also contact the job seeker to offer employment assistance.

Temporary Reduced Work Capacity

A Temporary Reduced Work Capacity (TRWC) is a determination of the job seeker's work capacity due to a short-term condition. A TRWC will end at a future date and the job seeker's work capacity will revert to their assessed Baseline Work Capacity and Future Work Capacity, which may be more or less than 30 hours per week. See the [Mutual Obligation Requirements \(including Annual Activity Requirement\) Guideline](#) for further information.

Job seekers who have a TRWC may elect to participate in Employment Provider Services for some or all of the TRWC period. These job seekers will receive a letter from DHS notifying them of their TRWC and advising them of their options. If the job seeker elects not to participate they will be Suspended from Employment Provider Services for their TRWC period. Employment Providers will be notified through the Department's IT System to resume servicing these job seekers once their TRWC period has ended.

ESAt recommended referral

The ESAt report generally contains a recommended referral. The possible recommended referrals are:

- Stream Services (A or B based on JSCI result)
- Stream C Services
- Disability Employment Services (DES)—Disability Management Service or Employment Support Service
- Australian Disability Enterprises (ADE)
- Assessed as unable to benefit from any programme due to their identified barriers to employment and assessed Work Capacity.

Where the job seeker has a recommended referral to Stream Services, the Employment Provider **must** commence, or continue servicing the job seeker in Stream A or Stream B as determined by the JSCI.

Where the job seeker has a referral to Stream C Services, the Employment Provider **must** commence the job seeker in Stream C or continue to deliver Stream C Services as appropriate.

If the ESAt Report recommends referral to DES, DHS will action the referral to DES.

If the ESAt Report recommends referral to ADE, the Employment Provider **must** manually **Exit** the job seeker. DHS will action the referral to ADE.

Where a Fully Eligible Participant is identified as being unable to benefit in any

programme, the Employment Provider **should** advise them of their option to elect to participate voluntarily in Employment Provider Services. If they choose not to participate in the service the Employment Provider **must** Exit the job seeker.

Where a job seeker is identified as being unable to benefit in any programme, the Employment Provider **should** advise them of their option to continue to participate in assistance for up to six months or the option to exit assistance (noting that they are only eligible for one period of participation (see clause 75.3 of the Deed).

Review of ESAt recommended referral

An Employment Provider may contact the DHS assessor to request a review of the ESAt recommended referral where new information has come to their attention that could have influenced the recommended referral or where the Employment Provider believes an error has been made.

Employment Providers are required to give detailed reasons with supporting evidence to substantiate their position.

This **must** occur within 28 days of the ESAt report being submitted. After that time reports will be finalised in the Department's IT System and no further changes to the referral recommendation will be possible.

Where the assessor does not agree to change their referral recommendation, the assessor's decision is final and the Employment Provider **must** accept the referral recommendation.

EXPLANATION OF THE JOB SEEKER CLASSIFICATION INSTRUMENT QUESTIONS – ADVICE

Policy Intent

The following pages provide an explanation of the Job Seeker Classification Instrument (JSCI) questions to assist Employment Providers help job seekers complete the JSCI.

The JSCI questions collect information about factors that have a significant impact on a job seeker's likelihood to remain unemployed for another year. A comprehensive description of these factors is provided in document JSCI Factors and Relative Levels of Labour Market Disadvantage published on the Provider Portal.

Operational Process

The JSCI is conducted in the Department's IT System—Employment Services System (ESS). Employment Providers should select the Job Seeker's record/JSCI/JSCI Questions.

The JSCI comprises up to 49 questions. The number of JSCI questions displayed for a job seeker depends on various factors such as the answers provided to previous questions.

Generally, a job seeker who has a higher level of disadvantage will answer more questions. The minimum number of questions a job seeker will answer when completing the JSCI is 18.

JSCI Questions

Work Experience

Question (i) What have you MOSTLY been doing in the LAST TWO YEARS?

Question (i) determines the job seeker's main activity in the two years before the JSCI is conducted. All job seekers are asked question (i).

The main activity should be the activity that has occupied the greatest amount of time—not necessarily the most recent activity—irrespective of whether it occurred in Australia or overseas.

'Paid work' includes full time, part time or casual work, seasonal work or still working. Note: *This includes work undertaken with additional support as a result of a disability or medical condition where applicable but does not include supported employment with Australian Disability Enterprises.*

'Caring' is defined as providing constant care to a child or an adult who has significant care requirements.

'Parenting' is defined as providing regular care to a dependent child or dependent children.

'NOT working and NOT looking for work' includes time spent in hospital, in psychiatric confinement or in prison or other detention—if not working while in prison or other detention – or overseas if not working or looking for work.

Job seekers who are participating in programmes like Work for the Dole must be recorded as 'Unemployed (not working but looking for work)'.

Question (ii) In your most recent job, how many hours did you mostly work per week?

Job seekers who answered 'Paid work' to question (i) are asked question (ii) to determine the number of hours worked per week.

For job seekers who worked variable hours per week, it is appropriate to record the average number of hours worked in a typical week. You may prompt the job seeker based on the responses available; the answer does not have to be exact (for example, how many hours did you *mostly* work?).

If the job seeker had several jobs, record the total number of hours mostly worked each week in all jobs.

Casual employment with irregular hours must be recorded as 'Irregular or seasonal'.

Question (iii) Have you done any paid work at all in the last two years?

Job seekers who did not answer 'Paid work' to question (i) are asked question (iii), regardless of how many hours worked or duration of the job. This includes any employment overseas within the last two years.

i Any additional support a job seeker with a disability or medical condition may have received in order to undertake their paid work **should not** be taken into account when answering these questions because it is not relevant to this section and is covered in another question.

Education—Qualifications

Question (i) What is the highest level of schooling you have COMPLETED?

All job seekers are asked question (i) to identify the highest level of schooling they have completed.

For job seekers educated overseas, you may prompt them for the age they left school. This may indicate the equivalent level of schooling.

Some job seekers may have returned to school at a later age. Record the highest level completed, even if schooling was not continuous.

i Some job seekers may have completed their schooling up to Year 12/13 (or equivalent) in a special school or support unit in a school *with a tailored curriculum*. Where this is the case, the response '**Special school/support unit in a school**' must be selected. Other job seekers with a disability or medical condition may have completed Year 12/13 (or equivalent) in a public or private school with additional support but they have completed the same curriculum as other students. Where this is the case, the response '**Year 12/13**' must be selected.³

i For job seekers aged less than 21 years with a Centrelink Customer Reference Number (CRN), you will not be able to update question (i) if the job seeker answered 'Year 12/13' in their last JSCI. If the response to this question needs to be updated Employment Providers should refer the job seeker to Department of Human Services (DHS).

Question (ii) Have you COMPLETED any other qualifications?

All job seekers are asked question (ii) to determine if they have completed any qualification(s) at school or since leaving school, for example—university degree, TAFE certificate, forklift licence, Responsible Service of Alcohol course, or First Aid certificate. This does not include a standard driver's license or motorcycle license as these are covered in a following section.

For job seekers aged under 21 with a Centrelink CRN, you will not be able to update question (ii) if the job seeker answered 'Year 11' or below for question (i) *and* Year 12/13 or equivalent or above for question (iii) in their last JSCI. If the response to this question needs to be updated Employment Providers should refer the job seeker to DHS.

Question (iii) What are they? What qualification(s) have you completed?

This question allows you to record multiple responses where required and you should record all qualifications held by the job seeker, not just the highest level. Recorded responses for qualifications include:

'**Tradesperson's qualification**' includes Australian Qualifications Framework Certificate III or IV or equivalent.

'**Other non-trade VET Certificates II, III or IV**' includes Australian Qualifications Framework Certificate II, III or IV or equivalent.

'**VET Certificate 1 or industry licence/ticket**' includes Australian Qualifications Framework Certificate I or equivalent.

³ Department of Human Services will determine if a young person is classified as an Early School Leaver.

'Course run by private or community organisation' includes courses organised by Employment Providers.

Qualifications held by the job seeker should not be removed completely from the JSCI when conducting a Change of Circumstances Reassessment (CoCR). If a job seeker considers a qualification cannot or should not be used to assist them to find employment, questions (v) and (vi) should be answered. These questions address whether or not a qualification can still be used or what may be preventing the job seeker from using their qualification.

i For job seekers aged less than 21 years with a Centrelink CRN, you will not be able update question (iii) to remove *all* qualifications which are the equivalent of Year 12/13 or above if the job seeker answered 'Year 11' or below for question (i) *and* the equivalent of Year 12/13 or above for question (iii) in their last JSCI. You can add or remove qualifications but at least one must remain for question (iii) which is the equivalent of Year 12/13 or above.

If the response to this question needs to be updated to remove *all* qualifications the equivalent of Year 12/13 or above, Employment Providers should refer the job seeker to DHS.

Question (iv) Do you think any of these could be work-related?

Question (iv) identifies whether any of the qualification(s) could be work related or vocational.

In general, a qualification should be considered to be work related if it is recognised and offers an advantage to the job seeker in obtaining employment, irrespective of whether or not the job seeker wants to use that qualification or can still use that qualification.

The following are examples of qualifications that are considered to be work related:

- educational qualifications that have a vocational orientation (such as a nursing or architecture degree compared to a general arts degree)
- trade qualifications required for particular occupations (such as plumbing and electrical trade certificates)
- other non-educational qualifications required for particular occupations (such as special licences for driving a bus, forklift or truck)
- tickets (such as a seaman's ticket and other technical qualifications), and
- short courses that are formally accredited or generally recognised by employers and constitute the basic prerequisites for entry to a particular occupation (such as a Responsible Service of Alcohol Certificate).

For the purposes of this question, Occupational Health and Safety tickets and First Aid certificates or similar are not considered to be work related qualifications. It is valuable training to have in a workplace but is not work related or vocational in nature.

i The answer to this question should be based ultimately on the job seeker's assessment.

Question (v) Can you still use any of these (work-related qualifications)? and Question (vi) What is preventing you from using your qualification(s)?

Questions (v) and (vi) identify whether the work related qualification(s) can still be used and if not, why not. More than one response can be selected for question (vi).

For questions (v) and (vi) the responses should cover qualifications that the job seeker may not wish to use but could. For example, the job seeker may have completed an apprenticeship as a mechanic but indicates in response to this question that they no longer want to be a mechanic. These questions are about identifying work related qualifications which potentially offer an advantage to the job seeker in obtaining employment in general. The type of job preferred by the job seeker is something that should be discussed separate to the JSCI process.

If the job seeker answers **'Low English language proficiency'** then they may require referral to the Adult Migrant English Programme (AMEP) or the Skills for Education and Employment (SEE)⁴ programme.

⁴ Formerly known as the Australian Government Language, Literacy and Numeracy program; administered by the Department of Industry.

If the job seeker answers **'Qualification(s) not recognised'** then they may require further information about the Assessment Subsidy for Overseas Trained Professionals (ASDOT).

Language

Question (i) Did you speak English as a child? and Question (ii) What language(s) did you first speak as a child?

Question (i) applies to all job seekers and determines their first language spoken as a child.

Job seekers who did not speak English as a child are asked question (ii) to determine what languages were first spoken as a child. Up to two languages can be recorded.

Question (iii) Do you consider you speak English – Very well, Well, Not Well, Not at All?

Question (iv) Do you consider you read English – Very well, Well, Not Well, Not at All?

Question (v) Do you consider you write English – Very well, Well, Not Well, Not at All?

All job seekers are asked questions (iii), (iv) and (v). The purpose of these questions is to identify the job seeker's ability to speak, read and write English.

If the job seeker has a sensory, speech or physical disability, the answers to these questions should take into account their English language ability. For example, a vision impaired job seeker who can read large print English very well should be recorded as reading English very well.

 The answers to these questions should be based on the job seeker's assessment of their ability in addition to your observations. However, you should discuss your observations with the job seeker—for example, a job seeker may answer that they can read English very well but you notice during the course of the JSCI that they found it difficult to understand questions and communicate answers—and, if necessary, review the answers to these questions with their agreement. Where a job seeker has achieved qualifications such as trade certificates, special licences etc. in the English language (as outlined in the Education/Qualification tab) then this should also be taken into consideration when assessing the job seeker's English ability.

The job seeker may have also asked for help with reading or understanding the forms. For some job seekers it might be useful to ask them to read a short passage of text, such as a newspaper article, to assess their ability.

Question (vi) Have you done any courses or classes to help improve your English language skills in the last six months?

Question (vi) applies to any job seekers who answered 'Not well' or 'Not at all' to questions (iii), (iv) or (v). Its purpose is to find out if job seekers have undertaken any courses to help improve their English language skills in the last six months. These job seekers may require referral to AMEP or SEE.

Job seekers who have a sensory, speech or physical disability who have answered 'Not well' or 'Not at all' to questions (iii), (iv) or (v) should only be referred to the AMEP or SEE if they would benefit from these programmes. For example, a vision impaired job seeker who has difficulty reading a newspaper but can read large print, and has no other problems with functional English, would not benefit from referral to the SEE programme. However, a migrant job seeker who is vision impaired and can read large print but has difficulty making himself understood in spoken English may benefit from referral to the AMEP.

Descent—Origin

Questions (i) and (ii) apply to all Australian born job seekers and determine the Indigenous status of job seekers.

Question (i) Are you Aboriginal or Torres Strait Islander? (VOLUNTARY DISCLOSURE QUESTION⁵)

⁵ A voluntary disclosure question must be asked but gives the job seeker the option to provide a response of 'Do not wish to answer'. Employment Providers should inform the job seeker this is a voluntary disclosure question before they ask the question, and advise the job seeker that they may choose the response of 'Do not wish to answer'. Employment Providers should encourage the job seeker to fully disclose their circumstances to ensure they receive the most appropriate employment services and support.

Question (ii) Indigenous status: More than one response can be selected for question (ii). The job seeker may identify as Aboriginal and/or Torres Strait Islander.

 The responses selected should be based on the job seeker's self-identification as Aboriginal or Torres Strait Islander.

The following questions display for non-Australian born job seekers.

Questions (i), (ii) and (iii) on refugee status apply to all non-Australian born job seekers.

Question (i) Did you arrive in Australia on a refugee/humanitarian visa OR were you granted a refugee/humanitarian visa when you arrived in Australia? (VOLUNTARY DISCLOSURE QUESTION)

For job seekers who indicate they have a refugee/humanitarian visa you must record the country from which the job seeker is a refugee or humanitarian entrant—not the last country the job seeker lived in. For example, a job seeker who is a refugee from Afghanistan may have arrived in Australia from Indonesia. In this case, 'Afghanistan' should be recorded as the response.

Work Capacity

Question (i) Do you have any disabilities or medical conditions that affect the HOURS you are able to work? (VOLUNTARY DISCLOSURE QUESTION)

Question (i) applies to all job seekers and identifies those who have any disabilities or medical conditions that affect the number of hours they can work.

Disabilities or medical conditions include:

- injuries
- health conditions
- intellectual, mental, sensory or physical disabilities, and
- addictions.

Question (ii) What is the most NUMBER OF HOURS a week you think you are able to work?

Question (ii) identifies the most number of hours the job seeker thinks they can work per week.

You must record the number of hours the job seeker thinks they could work in a typical week (that is, over five consecutive days). It is the job seeker's assessment that should be recorded.

A job seeker who is affected by an intermittent disability or medical condition, such as asthma or mental illness, should answer this question based on their current circumstances.

Question (iii) Do you have any disabilities or medical conditions that affect the TYPE OF WORK you can do? (VOLUNTARY DISCLOSURE QUESTION)

Question (iii) applies to all job seekers. The purpose of this question is to determine if the job seeker has any disabilities or medical conditions that affect the type of work they can do, regardless of whether it affects the hours of work they can do. It is the job seeker's assessment that should be recorded.

 If a job seeker has a current ESAt/JCA with an assessed work capacity of less than 30 hours, relevant information from the ESAt/JCA is copied into the JSCI and will contribute to the JSCI score. In this process, the JSCI answers to questions (i) and (iii) will be set to 'Yes' and 'Not sure/Don't know', respectively, to ensure the appropriate number of JSCI points are allocated to this factor.

Question (iv) Do you think you need additional support to help you at work as a result of your condition(s)?

Job seekers who have reported disabilities or medical conditions or who are '**Not sure/don't know**' are asked **question (iv)** about whether they think they need additional support at work as a result of their disabilities or medical conditions. Additional support includes modifications to the workplace, changes to the job requirements or having someone else come in on a regular basis to assist the job seeker with their work duties.

Question (v) How long will your condition(s) affect your ability to work? – DO NOT READ OUT RESPONSES.
Select the most appropriate response based on the job seeker's answer.

Question (v) aims to identify for relevant job seekers how long they think their disabilities or medical conditions will affect their ability to work. The question intends to capture whether or not the job seeker has an ongoing disability or medical condition which will affect their ability to find employment over the longer term.

A job seeker who is affected by an intermittent disability or medical condition, such as asthma or mental illness, should answer this question based on their current circumstances.

Job seekers who report temporary conditions should be advised that they *may* be eligible for an activity test exemption from DHS. If they want to seek an activity test exemption the job seeker should be advised to lodge a medical certificate with DHS.

Question (vi) What is/are the conditions?

Question (vi) asks job seekers to list their disabilities or medical conditions. You can select up to ten disabilities or medical conditions. Each type of disability or medical condition should be recorded only once. It is important that you try to find the disabilities or medical conditions in the list available. The response of '**Unknown**' should only be used as a last resort.

 Any permanent and temporary medical conditions (lasting 91 days or greater), and disabilities identified in a job seeker's ESAt/JCA, where applicable, are merged into the list of disabilities or medical conditions identified by the job seeker in their JSCI—the JSCI will identify where the data was derived from an ESAt/JCA.

(vii) Work Capacity:

Item (vii) is auto-populated from the job seeker's current ESAt/JCA report. You are not required to complete this question.

Living Circumstances

Question (i) Have you been living in secure accommodation, such as rented accommodation or your own home, for the last 12 months or longer?

Question (i) applies to all job seekers. The purpose of this question is to find out if job seekers have been living in secure accommodation for at least 12 months at the time the JSCI is conducted. For example, a job seeker who has been:

- living in secure accommodation for the whole 12 months preceding the JSCI being conducted must answer '**Yes**'.
- living in secure accommodation for 11 months and emergency or temporary accommodation for 1 month in the 12 months preceding the JSCI being conducted must answer '**No**'.

For the purposes of this question, secure accommodation is defined as having a reasonably fixed, regular and adequate place to stay. It includes rented or owner-occupied accommodation which may be a house, flat or caravan. Secure accommodation is not necessarily about living in the one place (e.g. a job seeker may have moved twice in the last 12 months from one form of secure accommodation to another form of secure accommodation).

 The answer to this question should be based on the job seeker's assessment.

Question (ii) Are you currently staying in emergency or temporary accommodation? and

Question (iii) How often have you moved in the last year?

Question (ii) applies to job seekers who answered 'No' or 'Not sure/don't know' to question (i). The purpose of Questions (ii) and (iii) is to identify job seekers who are homeless or living in unstable accommodation at the time of the JSCI.

For the purposes of the JSCI, job seekers can be identified as primary homeless or secondary homeless. Primary homelessness is defined as staying in a squat, sleeping out or having nowhere to stay. Secondary homelessness is defined as staying in a refuge; staying in emergency, transitional or support accommodation; staying in a hostel, boarding house or rooming house; staying in a hotel; short stays in a caravan park; temporarily staying with friend.

Stability of residence can vary in a short period of time. For job seekers identified as homeless at the time of the JSCI, Employment Providers must verify periodically (at least every three months) if their circumstances have changed and update the JSCI accordingly.

 The JSCI also takes into consideration under *Personal Factors* if a job seeker living in secure accommodation or who is currently not homeless is, due to personal circumstances, at risk of homelessness. More details are provided under the *Personal Characteristics* tab in this document.

Question (iv) Do you live alone? and

Question (v) Who lives with you?

The purpose of questions (iv) and (v) is to identify the job seeker's living arrangements and family status, including any parenting responsibilities or caring for adult responsibilities. You can select more than one response for **question (v)** if the job seeker does not **'Live alone'**.

'Live alone' means that the job seeker lives alone for most of the time. If a job seeker is living in a supportive share house they are considered to be living with others.

Question (vi) Are you the main care-giver to this child/these children? and Question (vii) What is the date of birth of your youngest child?

Question (vi) and (vii) applies to job seekers who answered **'Dependent child/children under 16 years of age'** to question (v). Its purpose is to identify job seekers who have parenting responsibilities.

'Date of birth of your youngest child' refers to the youngest child for whom the job seeker has caring responsibility (regardless of whether the job seeker is the main care giver or the responsibility is shared equally).

Transport

Question (i) Do you have a valid driver's licence?

Question (i) applies to all job seekers and determines if a job seeker has a valid driver's licence. Valid means that the driver's licence is paid for and not cancelled or suspended.

An answer of **'Yes'** may be recorded for this question if the job seeker has a learner driver's licence (or its equivalent) for a motorcycle providing the learner driver's licence is valid and as long as the job seeker can use their motorcycle learner driver's licence to travel independently.

An answer of **'No'** must be recorded if the job seeker indicates that they are too young to have a driver's licence or have a learner driver's licence (or its equivalent) for a car.

Question (ii) Do you have your own car or motorcycle that you can use to travel to and from work?

Question (ii) is to find out whether job seekers who hold a valid driver's licence own a car or motorcycle that they can use to travel to and from work.

The job seeker may not necessarily own the car or motorcycle but they may have unrestricted access to a car or motorcycle that they can use to travel to and from work. For example, a parent or relative may have loaned a car to the job seeker to use for an extended period of time. If this is the case, the job seeker must answer **'Yes'** to this question. If the job seeker answers **'No'**, you will need to ask further questions to find out the most appropriate response.

Question (iii) What can you use to travel to and from work?

Question (iii) is asked of job seekers who do not own or have unrestricted access to a car or motorcycle to determine what mode of transport they are able to use to travel to and from work.

The job seeker should have sufficient or adequate access to these forms of transport. For example, if the job seeker can only access **'Other private transport'** on weekends then another response should be selected. Similarly, if they can only access public transport to reach limited locations then a more suitable response should be selected.

Criminal Convictions

Criminal Convictions questions vary depending on the age of the job seeker. Job seekers aged 22 years of age or younger/ Job seekers aged 23 to 27/Job seekers aged 28 years or older.

All Criminal Convictions Questions are VOLUNTARY DISCLOSURE QUESTIONS⁶

The purpose of these questions is to identify job seekers who have had a custodial or non-custodial sentence within a specified period of time. The answer to these questions should be based on the job seeker's assessment.

It is important to reassure the job seeker that you are not seeking information about the nature of their offence but only whether they have a criminal conviction (that is, they have been convicted of a criminal offence) and the length of any custodial sentence that was imposed.

The definition of a criminal offence under Commonwealth law includes:

indictable offences which are punishable by imprisonment for a period exceeding 12 months, unless a contrary intention appears.

summary offences which are (a) punishable by imprisonment for a period not exceeding 12 months or (b) are not punishable by imprisonment.

A criminal offence would have involved the case being referred to a court. Criminal court action pending, on bail or on remand may be recorded under *Personal Characteristics* where appropriate.

Personal Circumstances

Question (i) Does the following sentence apply to you? – At least one of my parents or legal guardians was regularly in paid employment when I was in my early teens. (VOLUNTARY DISCLOSURE QUESTION⁷)

Question (i) applies to job seekers aged less than 45 years. Its purpose is to identify job seekers who are or who may have been a member of a jobless family or affected by intergenerational disadvantage while in their early teens (that is, 13 to 16 years old).

Job seekers should answer the question based on the parent or legal guardian they lived with the most during their early teens (that is, 13 to 16 years old). Job seekers who were not raised by a parent or legal guardian, for example, where they were raised by a grandparent but the grandparent was not their legal guardian, should have the answer '**Not applicable (for example, I was raised in an orphanage)**' recorded.

Question (ii) Are there any other factors which you think might affect your ability to work, obtain work or look for work that we haven't already discussed? (VOLUNTARY DISCLOSURE QUESTION)

Questions (ii) identifies any other factors which job seekers think might affect their ability to work, obtain work or to look for work which has not already been discussed while conducting the JSCI or has already been discussed **but has not been recorded elsewhere in the JSCI** and you consider they should be recorded in the JSCI.

It would be appropriate for a person conducting a JSCI to provide some context by using examples of the types of factors that might be recorded in this area. The Employment Provider should not ask direct questions about personal factors or specific condition/s but rather ask a general question/s about other factors that have not already been identified that the job seeker believes may impact on their ability to participate in employment.

Question (iii) Please specify the factors: DO NOT READ OUT RESPONSES

Select the most appropriate response based on the job seeker's answer.

The Employment Provider should not read the drop down responses out loud but select the appropriate response(s) based on the job seeker's answer. More than one response can be recorded for question (iii).

Question (iv) For any other factors not included in the above list, please provide details:

Only record other factors for **question (iv)** if they are not adequately covered by the factors in the drop down list and they do not relate to other questions contained in the JSCI.

It may be necessary to review and change previous responses based on your discussion of questions (iii) and (iv) with the job seeker. Please note:

⁶ A voluntary disclosure question must be asked but gives the job seeker the option to provide a response of 'Do not wish to answer'.

⁷ A voluntary disclosure question must be asked but gives the job seeker the option to provide a response of 'Do not wish to answer'.

- conditions such as addictions, depression, anxiety, Post Traumatic Stress Disorder (including refugee experiences of torture and trauma) and other disability, health or medical issues should be recorded under *Work Capacity* if they are expected to last three months or more.
- **short term or temporary medical conditions should not be recorded here** and the job seeker should be advised to lodge a medical certificate with DHS.
- criminal record should be recorded under *Criminal Convictions* but criminal court action pending, on bail or on remand should be recorded here.
- not having a valid driver's licence or access to adequate private or public transport should be recorded under *Transport*.
- English language difficulties should be recorded under *Language*.
- lack of recent workforce experience should be recorded under *Work Experience*.
- living in secure accommodation or staying in emergency or temporary accommodation should be recorded under the *Living Circumstances* tab.

 If a job seeker indicates that in the immediate future they will be unable to continue living in secure accommodation and will have to move into emergency or temporary accommodation or have nowhere to stay, they must be recorded as at 'Risk of homelessness' under the *Personal Circumstance* tab. Examples may include job seekers in housing stress, leaving violence or leaving state care who will in the immediate future have no other option but to stay in a refuge, in emergency, transitional or support accommodation, in a hostel, boarding house or rooming house, a hotel, or for a short period in a caravan park or with friends, stay in a squat, sleep out or have nowhere to stay.

Item (v) ESAt/JCA Report Reference: Item (v) is auto-populated with the job seeker's last Employment Services Assessment / Job Capacity Assessment (ESAt/JCA) reference number—if one exists. You are not required to complete this question.

Job Seeker Classification Instrument Form

This Form allows for the manual recording of responses to the JSCI questions in areas or situations where access to the Department's IT System is not possible or practicable. It should be used in conjunction with the Direct Registration Form. All the recorded information must be entered into the Department's IT System as soon as possible after the JSCI is conducted.

Employment Provider Details

Name of Provider Organisation: _____

Name of Consultant: _____ Date: ____/____/____

Privacy and Your Personal Information

Your personal information is protected by law, including the *Privacy Act 1988* (Cth). The personal information you provide in this report is collected by your Employment Provider on behalf of the Australian Government Department of Employment to determine the most appropriate employment assistance for you and to provide you with employment and training opportunities.

Your information will be managed in accordance with the Australian Privacy Principles Policy (Privacy Policy) and may be passed on to agencies involved in the administration of employment services and social security payments and services including, but not limited to, the Department of Human Services, Department of Education, Department of Social Services, Department of the Prime Minister and Cabinet and their respective contracted service providers where those providers are delivering services to you.

You can view the Department of Employment's Privacy Policy on the Privacy page at www.employment.gov.au or by requesting a copy from the department at privacy@employment.gov.au.

Job Seeker Details:

Surname	
Given Names	
Title	
Gender	
Country of Birth	
Date of Birth	
Age	
Nationality	
Job Seeker ID	
Centrelink Customer Reference Number (CRN)	
Residential Address	Street: Suburb: State: Post Code:
Postal Address	Street: Suburb: State: Post Code:
Telephone Numbers	Home: Mobile: Work:

Job Seeker Classification Instrument (JSCI)

Work Experience

1. What have you MOSTLY been doing in the LAST TWO YEARS?

Note: The recorded response should be the activity that has occupied the greatest amount of time, not necessarily the most recent activity.

<input type="checkbox"/> Paid work (includes full-time, part-time or casual work, employment overseas, seasonal work or still working)
<input type="checkbox"/> Working while in prison or other detention
<input type="checkbox"/> Unpaid work (includes volunteering but not caring)
<input type="checkbox"/> Unemployed (i.e. not working but looking for work)
<input type="checkbox"/> Community Development Employment Projects (CDEP)
<input type="checkbox"/> Studying part-time
<input type="checkbox"/> Studying full-time
<input type="checkbox"/> Caring
<input type="checkbox"/> Parenting
<input type="checkbox"/> NOT working and NOT looking for work

If answered 'Paid work' go to Question 2, otherwise go to Question 3.

2. In your most recent job, how many hours did you mostly work per week?

Note: Casual employment with irregular hours should be recorded as 'Irregular or seasonal'.

<input type="checkbox"/> 30 hours or more
<input type="checkbox"/> 8 hours or more but less than 30 hours
<input type="checkbox"/> Less than 8 hours
<input type="checkbox"/> Irregular or seasonal

Go to Question 4.

3. Have you done any paid work at all in the last two years?

Note: Includes employment overseas within the last two years.

Yes <input type="checkbox"/>	No <input type="checkbox"/>
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Education-Qualifications

4. What is the highest level of schooling you have COMPLETED?

<input type="checkbox"/> Year 12/13 or equivalent (e.g. Form 6 or Matriculation)
<input type="checkbox"/> Year 11 or equivalent (e.g. Form 5)
<input type="checkbox"/> Year 10 or equivalent (e.g. Form 4)
<input type="checkbox"/> Completed primary school but less than Year 10 or equivalent
<input type="checkbox"/> Primary school or less or equivalent
<input type="checkbox"/> Special school/support unit in school or equivalent
<input type="checkbox"/> Did not go to school

5. Have you COMPLETED any other qualification(s)?

Yes <input type="checkbox"/>	No <input type="checkbox"/>
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If answered 'No' go to Question 10.

6. What are they? (What qualification(s) have you completed?)

Select ALL that apply.

<input type="checkbox"/> Doctoral Degree or equivalent
<input type="checkbox"/> Masters Degree or equivalent
<input type="checkbox"/> Vocational Graduate Diploma, Graduate Diploma or equivalent
<input type="checkbox"/> Vocational Graduate Certificate, Graduate Certificate or equivalent
<input type="checkbox"/> Bachelor Degree or equivalent
<input type="checkbox"/> Diploma, Advanced Diploma, Associate Degree or equivalent
<input type="checkbox"/> Tradesperson's qualification
<input type="checkbox"/> Other non-trade Vocational Education and Training Certificates II, III or IV
<input type="checkbox"/> Vocational Education and Training Certificate I or other industry-specific licence or ticket
<input type="checkbox"/> Course run by private or community organisation

7. Do you think any of these could be work-related?

Note: This response should cover qualifications that the job seeker may not wish to use but could.

Yes <input type="checkbox"/>	No <input type="checkbox"/>
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If answered 'No' go to Question 10.

8. Can you still use any of these (work-related qualifications)?

Yes <input type="checkbox"/>	No <input type="checkbox"/>
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If answered 'Yes' go to Question 10.

9. What is preventing you from using your qualification(s)?

Select ALL that apply.

<input type="checkbox"/> Disability or health related reasons
<input type="checkbox"/> Low English language proficiency
<input type="checkbox"/> Qualification(s) suspended/terminated
<input type="checkbox"/> Qualification(s) not recognised (including overseas qualification(s) not recognised)
<input type="checkbox"/> Qualification(s) outdated or irrelevant

Language

10. Did you speak English as a child?

Yes <input type="checkbox"/>	No <input type="checkbox"/>
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If answered 'Yes' go to Question 12.

11. What language(s) did you first speak as a child?

Record up to two languages

1.
2.

12. Do you consider you speak English:

<input type="checkbox"/> Very well
<input type="checkbox"/> Well
<input type="checkbox"/> Not well
<input type="checkbox"/> Not at all

13. Do you consider you read English:

<input type="checkbox"/> Very well

<input type="checkbox"/> Well
<input type="checkbox"/> Not well
<input type="checkbox"/> Not at all

14. Do you consider you write English:

<input type="checkbox"/> Very well
<input type="checkbox"/> Well
<input type="checkbox"/> Not well
<input type="checkbox"/> Not at all

If answered 'Very well' or 'Well' to Questions 12, 13 AND 14 AND Australian born go to Question 16.

If answered 'Very well' or 'Well' to Questions 12, 13 AND 14 AND non-Australian born go to Question 18.

Otherwise go to Question 15.

15. Have you done any courses or classes to help improve your English language skills in the last six months?

Note: If the job seeker has answered 'No', it may be appropriate to refer the job seeker to the Adult Migrant English Program (AMEP) or the Skills for Education and Employment (SEE) program⁸.

Yes <input type="checkbox"/>	No <input type="checkbox"/>
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Go to Question 16 if Australian born OR go to Question 18 if non-Australian born.

Descent-Origin

16. Are you Aboriginal or Torres Strait Islander? (VOLUNTARY DISCLOSURE QUESTION)

<input type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> Do not wish to answer

If answered 'No' or 'Do not wish to answer' go to Question 21.

17. Indigenous status

The job seeker can select more than one response if applicable.

<input type="checkbox"/> Aboriginal
<input type="checkbox"/> Torres Strait Islander

⁸ Formerly known as the Language, Literacy and Numeracy Program (LLNP); administered by the Department of Industry

Go to Question 21.

18. Did you arrive in Australia on a refugee/humanitarian visa OR were you granted a refugee/humanitarian visa when you arrived in Australia? (VOLUNTARY DISCLOSURE QUESTION)

<input type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> Not sure/don't know
<input type="checkbox"/> Do not wish to answer

If answered 'No', 'Not sure/don't know' or 'Do not wish to answer' go to Question 21.

19. From which country did you arrive?

Record here: _____

20. Was this more than five years ago?

<input type="checkbox"/> Yes, more than 5 years ago
<input type="checkbox"/> No, 5 years ago or less
<input type="checkbox"/> Not sure/don't know

Work Capacity

21. Do you have any disabilities or medical conditions that affect the HOURS you are able to work? (VOLUNTARY DISCLOSURE QUESTION)

<input type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> Not sure/don't know
<input type="checkbox"/> Do not wish to answer

If answered 'No', 'Not sure/don't know' or 'Do not wish to answer' go to Question 23.

22. What is the most NUMBER OF HOURS a week you think you are able to work?

Note: Select the number of hours the job seeker thinks they could work in a typical week.

Where the job seeker answers '15-29 hours' or 'Less than 15 hours' - advise the job seeker that if they are referred for a Job Capacity Assessment then supporting documentary evidence (e.g. Treating Doctor's Report) will be required.

<input type="checkbox"/> 30 hours or more

<input type="checkbox"/> 15-29 hours
<input type="checkbox"/> Less than 15 hours

23. Do you have any disabilities or medical conditions that affect the TYPE OF WORK you can do? (VOLUNTARY DISCLOSURE QUESTION)

<input type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> Not sure/don't know
<input type="checkbox"/> Do not wish to answer

If answered 'Yes' or 'Not sure/don't know' go to Question 24.

If the job seeker answered 'Yes' or 'Not sure/don't know' to Question 21 go to Question 24.

Otherwise go to Question 27.

24. Do you think you need additional support to help you at work as a result of your condition(s)?

Note: Includes modifications to the workplace, changes to the job requirements or having someone come in on a regular basis to assist with work duties.

<input type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> Not sure/don't know

25. How long will your condition(s) affect your ability to work?

Note: DO NOT READ OUT RESPONSES. Select appropriate response based on job seeker's answer.

<input type="checkbox"/> Less than 3 months
<input type="checkbox"/> 3 months or more
<input type="checkbox"/> Not sure/don't know

If answered 'Less than 3 months' go to Question 27.

26. What is/are the condition(s)?

Record up to 10 conditions:

Record up to 10 conditions:

Living Circumstances

27. Have you been living in secure accommodation, such as rented accommodation or your own home, for the last 12 months or longer?

Note: Does not necessarily have to be the one place.

<input type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> Not sure/don't know

If answered 'Yes' go to Question 29.

28. Are you currently staying in emergency or temporary accommodation?

<input type="checkbox"/> No
<input type="checkbox"/> Yes, a refuge
<input type="checkbox"/> Yes, emergency, transitional or support accommodation
<input type="checkbox"/> Yes, a hostel, boarding house or rooming house
<input type="checkbox"/> Yes, hotel
<input type="checkbox"/> Yes, short stays in caravan park
<input type="checkbox"/> Yes, temporarily staying with friends (or couch-surfing)
<input type="checkbox"/> Yes, living in a squat
<input type="checkbox"/> Yes, sleeping out, in a car or tent
<input type="checkbox"/> Yes, have nowhere to stay
<input type="checkbox"/> Yes, other

If answered 'Yes' go to Question 30.

29. How often have you moved in the past year?

<input type="checkbox"/> 0–3 moves
<input type="checkbox"/> 4 or more moves

30. Do you live alone?

Yes <input type="checkbox"/>	No <input type="checkbox"/>
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If answered 'Yes' go to Question 34.

31. Who lives with you?

Select ALL that apply.

<input type="checkbox"/> Partner/spouse (includes same-sex partner)
<input type="checkbox"/> Dependent child/children under 16 years of age
<input type="checkbox"/> Dependent full time student(s)—child/children who is a/are full-time student(s) aged between 16 and 24 years
<input type="checkbox"/> Parent(s)/guardian(s)
<input type="checkbox"/> Other family member(s) or relative(s)
<input type="checkbox"/> Others, not family

If answer includes 'Dependent child/children under 16 years of age' go to Question 32, otherwise go to Question 34.

32. Are you the main caregiver for this child/these children?

<input type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> Care is shared equally with another person

If answered 'No' go to Question 34.

33. What is the date of birth of your youngest child?

Note: This question refers to the youngest child for whom the job seeker has caring responsibility (either main caregiver or shared equally).

Record here: _____

Transport

34. Do you have a valid driver's licence?

Note: 'Valid' means paid for and not cancelled or suspended.

Yes <input type="checkbox"/>	No <input type="checkbox"/>
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If answered 'No' go to Question 36.

35. Do you have your own car or motorcycle that you can use to travel to and from work?

Note: If job seeker reports they have unrestricted access to a vehicle they do not own, record 'Yes'.

If the job seeker answers 'No', question further to find out the most appropriate response.

<input type="checkbox"/> No, don't own a car/motorcycle
<input type="checkbox"/> No, own a car/motorcycle but cannot afford running costs/maintenance
<input type="checkbox"/> No, other

Yes

If the job seeker answered 'Yes' AND is aged 22 years or younger go to Question 37.

If the job seeker answered 'Yes' AND is aged between 23 and 27 years go to Question 40.

If the job seeker answered 'Yes' AND is aged 28 years or older go to Question 43.

36. What can you use to travel to and from work?

Note: The job seeker should have sufficient and adequate access to the mode of transport recorded.

- Own non-motorised transport (e.g. bicycle)
- Other private transport (e.g. friend's or relative's car)
- Public transport (e.g. bus or train)
- Taxi
- Other motorised transport
- No transport (except walking)

Criminal Convictions

Go to Question 37 if the job seeker is aged 22 years or younger, Question 40 if the job seeker is aged between 23 and 27 years, or Question 43 if the job seeker is aged 28 years or older.

37. Have you spent time in custody in the last two years as a result of a criminal conviction? (VOLUNTARY DISCLOSURE QUESTION)

- Yes
- No
- Do not wish to answer

If answered 'No' go to Question 39, if answered 'Do not wish to answer' go to Question 46.

38. Was your sentence 14 days or less?

- Yes, 14 days or less
- No, more than 14 days

Go to Question 46.

39. Have you been convicted of a criminal offence in the last five years but received a non-custodial sentence? (VOLUNTARY DISCLOSURE QUESTION)

- Yes
- No

Do not wish to answer

Go to Question 46.

40. Have you spent time in custody since turning 21 years of age as a result of a criminal conviction? (VOLUNTARY DISCLOSURE QUESTION)

- Yes
- No
- Do not wish to answer

If answered 'No' go to Question 42, if answered 'Do not wish to answer' go to Question 46.

41. Was your sentence 14 days or less?

- Yes, 14 days or less
- No, more than 14 days

Go to Question 46.

42. Have you been convicted of a criminal offence since turning 18 years of age but received a non-custodial sentence? (VOLUNTARY DISCLOSURE QUESTION)

- Yes
- No
- Do not wish to answer

Go to Question 46.

43. Have you spent time in custody in the last seven years as a result of a criminal conviction? (VOLUNTARY DISCLOSURE QUESTION)

- Yes
- No
- Do not wish to answer

If answered 'No' go to Question 45, if answered 'Do not wish to answer' go to Question 46.

44. Was your sentence 14 days or less?

- Yes, 14 days or less
- No, more than 14 days

Go to Question 46.

45. Have you been convicted of a criminal offence in the last ten years but received a

non-custodial sentence? (VOLUNTARY DISCLOSURE QUESTION)

<input type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> Do not wish to answer

Personal Factors

46. Does the following sentence apply to you? At least one of my parents or legal guardians was regularly in paid employment when I was in my early teens. (VOLUNTARY DISCLOSURE QUESTION)

Note: This question is asked only of job seekers aged less than 45 years. 'Early teens' is defined as aged between 13 and 16 years.

<input type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> Not applicable (e.g. I was raised in an orphanage)
<input type="checkbox"/> Do not wish to answer

47. Are there any other factors which you think might affect your ability to work, obtain work or to look for work that we haven't already discussed? (VOLUNTARY DISCLOSURE QUESTION)

<input type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> Do not wish to answer

If answered 'No' or 'Do not wish to answer', the JSCI is finished.

48. Please specify the factors.

Note: Please ensure that the job seeker's response(s) are relevant to this question and not other question(s) asked previously in this form. If a job

seeker reports medical conditions, disabilities, a criminal record, English language difficulties, no driver's licence/transport or lack of recent work experience - **DO NOT record them here.** Record these responses under the appropriate question.

Select ALL that apply.

<input type="checkbox"/> Anger issues/temper/violence
<input type="checkbox"/> Caring responsibilities
<input type="checkbox"/> Criminal court action pending/bail/remand
<input type="checkbox"/> Dental issues
<input type="checkbox"/> Domestic violence
<input type="checkbox"/> Drug treatment program (e.g. methadone)
<input type="checkbox"/> Family grief/trauma
<input type="checkbox"/> Gambling addiction
<input type="checkbox"/> Numeracy issues
<input type="checkbox"/> Pregnancy
<input type="checkbox"/> Relationship breakdown
<input type="checkbox"/> Risk of homelessness
<input type="checkbox"/> Self-esteem/motivation/presentation issues
<input type="checkbox"/> Severe stress
<input type="checkbox"/> Sleep problems/insomnia

Important note: When a job seeker records 'Domestic violence' or 'Family grief/trauma', the job seeker should be referred to a Centrelink Specialist Officer.

49. For any other factors not included in the list above, please provide details.

The JSCI is now complete.

Job Seeker Declaration

I [Job Seeker's Name]: _____

- **Declare that:**
 - the information that I have provided in this form is true and correct
 - I have read and initialled each page of this form to confirm all information recorded is correct
- **Understand that:**
 - I may need to provide further documentation if requested
 - giving false or misleading information is a serious offence.

(Job Seeker's Signature) _____ Date: ____/____/____