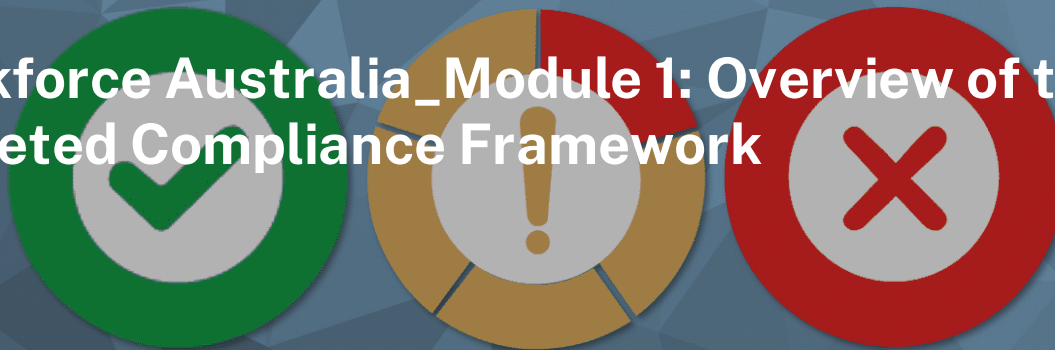


# Workforce Australia\_Module 1: Overview of the Targeted Compliance Framework



## About the Targeted Compliance Framework course

The Targeted Compliance Framework course contains 7 modules. Compulsory quiz questions have been included in the chapters within these modules.

To successfully complete the Targeted Compliance Framework course, you must answer all the compulsory quiz questions correctly.

**Note:** Completion of this course is a contractual requirement. If you don't successfully complete this course, you will be prevented from using the Department's IT system to record attendance results, utilise the Targeted Compliance Framework and re-engagement processes and conduct Capability Interviews.

☰ About the module

MUTUAL OBLIGATION REQUIREMENTS

☰ What are Mutual Obligation Requirements?

☰ What are Mutual Obligation Failures?

☰ The Targeted Compliance Framework - the zones

☰ All about demerits

📄 Quiz 1

#### CAPABILITY REVIEWS

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☰ Capability reviews - what are they?

☰ Penalty Zone

☰ Getting back to the Green Zone

📄 Quiz 2

#### ADDITIONAL INFORMATION

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☰ Work Refusal Failures and Unemployment Failures

☰ Targeted Compliance Framework - visual overview

# About the module

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This module is an overview of the key information providers will action and complete for participants on their caseload.

## Topics covered in this module include:

- 1 Mutual Obligation Requirements and Mutual Obligation Failures
- 2 The TCF Zones - Green, Warning and Penalty
- 3 Demerits
- 4 Capability Reviews
- 5 Financial Penalties

6

Return to the Green Zone

7

Serious Failures

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**This module doesn't show you how to use the Department's IT system. There are separate IT modules which help you do that. You will be better prepared to do the IT modules if you do this module first.**

**CONTINUE**

# What are Mutual Obligation Requirements?

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Participants receiving an income support payment must undertake compulsory tasks in return for their payment. These are called **mutual obligation requirements**.

In consultation with the participant, you will negotiate what mutual obligation requirements they will need to meet.

**These may include:**

**Attending and participating  
in appointments**

with you, or with a third party

**Participating in Mandatory  
Activities**

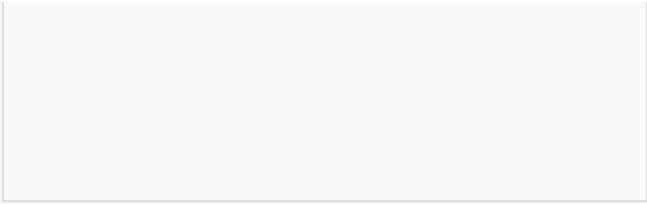
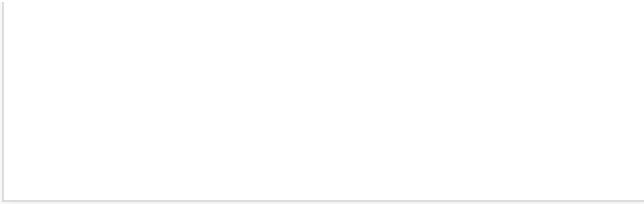
to help them build skills and  
work-like behaviour

**Meeting a Points Target**

including a Job Search  
Requirement

**Attending and participating  
in Job Interviews**

you have arranged for them



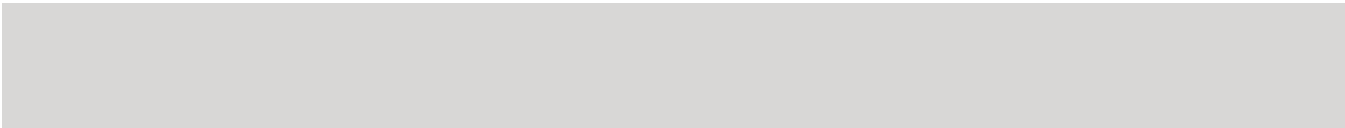
**Accepting suitable paid work**

when it is offered

A participant's **mutual obligation requirements are outlined in their Job Plan** and on the Workforce Australia Employment Services online platform.



It is essential the participant is capable of meeting the requirements you negotiate with and set for them. If you ask the participant to do things they are not capable of in return for their income support payment, you are not supporting them to meet their mutual obligation requirements or to find employment, and they risk losing their payment.



When a participant does not comply with a compulsory requirement, it is known as a **mutual obligation failure**.

CONTINUE



# What are Mutual Obligation Failures?

Each mutual obligation requirement has corresponding types of mutual obligation failures. Let's take a look...

Mutual Obligation Requirement	Mutual Obligation Failure
<b>Agreeing to a Job Plan</b>	Failure to agree to a Job Plan
<b>Attending and participating in appointments</b> with you, or with a third party	Failure to attend a Compulsory Appointment
	Misconduct at a Compulsory Appointment
<b>Participating in activities</b> to help them build skills and work-like behaviour	Failure to attend a Mandatory Activity
	Misconduct at a Mandatory Activity
<b>Meeting a Points Target</b> , including undertaking Job Applications	Failure to undertake a requirement in the Job Plan – Points-Based failure
<b>Attending and participating in Job</b>	Failure to attend a Job Interview

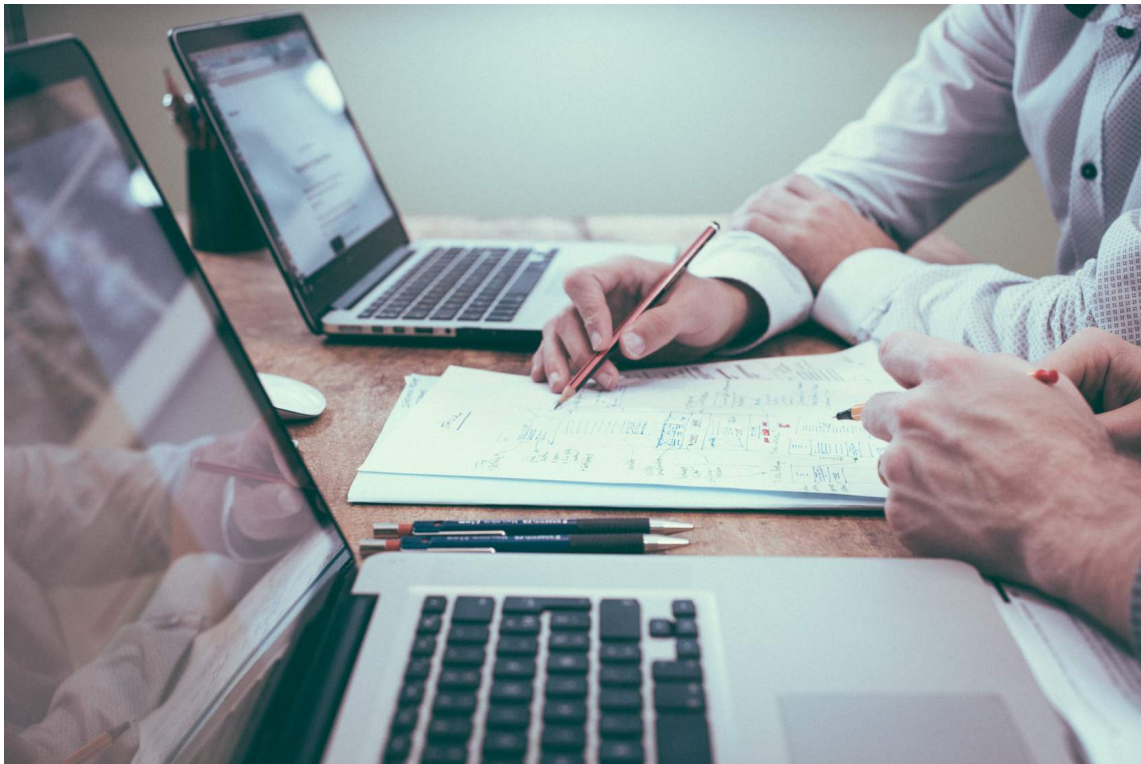
Mutual Obligation Requirement	Mutual Obligation Failure
Interviews you have arranged for them	Misconduct at a Job Interview
Completing Job Referral tasks	Failure to satisfactorily complete a Job Referral task

**When a participant commits a mutual obligation failure, the Targeted Compliance Framework – the TCF – is used to get the participant back on track with meeting their requirements and engaging with you.**

**Using the TCF can include things like:**

**Suspending payment —**

This is a hold put on the participant’s income support payment after 2 business days until they meet their mutual obligation requirement. When they meet their requirement, the hold on their payment stops.



## Applying demerits —

These are applied when a participant doesn't meet a mutual obligation requirement and doesn't have a good reason. Applying demerits means the job seeker moves further through the TCF. Each demerit has a lifespan of 6 months. This means the demerit expires 6 months after it is applied and the IT system removes it from the participant's record.



## Capability Reviews —

These are review points that take place after a certain number of demerits are applied. Capability reviews ensure the participant is capable of meeting the requirements you have set for them.



## Reporting failures to Services Australia —




If the participant moves to a certain point in the TCF and does not meet their requirements, they stop having demerits applied and instead start to lose money through financial penalties. They will also incur a financial penalty if they fail to accept or if they leave suitable work.

[CONTINUE](#)

# The Targeted Compliance Framework - the zones

The TCF comprises 3 'zones', the **Green Zone**, **Warning Zone** and **Penalty Zone**.

The zone the participant is in reflects whether they have committed mutual obligation failures.

The Targeted Compliance Framework		
 <b>Green Zone</b>	 <b>Warning Zone</b>	 <b>Penalty Zone</b>
<p>Participants in the <b>Green Zone</b> are meeting their requirements.</p> <p>All new participants who commence in employment services start in the Green Zone with zero demerits on their record.</p> <p><b>As long as they meet all their requirements, they will not move out of the Green Zone.</b></p> <p>Most participants will remain in the Green Zone while they are on an income support payment.</p>	<p>Participants in the <b>Warning Zone</b> have accrued a demerit or demerits for not meeting their requirements.</p> <p><b>Accruing a 1<sup>st</sup> demerit will move a participant from the Green Zone to the Warning Zone.</b> In the Warning Zone, the participant can accrue no more than 5 demerits.</p> <p>When they have 3 demerits they undergo a capability review with you where you discuss the participant's capability to meet their requirements.</p> <p>If the outcome of that review is that the participant is capable of meeting their requirements, and they then accrue another 2 demerits, the participant undergoes a capability review with Services Australia and they will discuss the participant's capability to meet the requirements you have set for them.</p>	<p>Participants in the <b>Penalty Zone</b> are considered to be persistently non-compliant.</p> <p>This is because the participant was found to be capable at both capability review points of meeting the requirements you set for them, but they are still not meeting their requirements.</p> <p><b>When a participant doesn't meet a requirement in the Penalty Zone, they don't get a demerit. Instead, you report the failure to Services Australia.</b></p> <p>Services Australia will decide whether the participant should incur a financial penalty.</p>

CONTINUE

# All about demerits

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As you have learnt, when participants in the **Green Zone** or **Warning Zone** commit a mutual obligation failure without a good reason, you confirm a demerit on their record, which stays there for 6 months.

But some Mutual Obligation Failures are more serious than others, and that means some mutual obligation failures are worth more than 1 demerit.

We call these 'fast-track failures'.

A 'fast-track failure' results in a 'fast-track demerit' and this gets the participant to the next capability review quicker than normal. Fast-track demerits also expire after 6 months.

Let's take a look...

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## Single demerit types

Click on the accordion below on the examples of single demerit types.

### Failure to attend a Compulsory Appointment —

The participant has not attended the appointment, or has attended too late for the appointment to be conducted.

### Misconduct at a Compulsory Appointment —

The participant has acted in a manner that has prevented the appointment from being conducted.

### Failure to attend a Mandatory Activity —

The participant has not attended the activity, or has attended too late to meaningfully participate in the activity.

### Misconduct at a Mandatory Activity —



The participant has acted in a manner that caused the supervisor to report their behaviour to the participant's provider.

#### **Failure to undertake a requirement in the Job Plan – Points-Based Failure** —

The participant did not record sufficient tasks to meet their Points Target by the end of their Points Reporting Period, including submitting sufficient job applications.

OR

The job applications the participant submitted to contribute towards their Points Target are not of sufficient quality to meet the requirement.

### **'Fast-track' demerit types**

Click on the accordion below on the examples of fast-track demerit types.

#### **Failure to attend a Job Interview** —

The participant did not attend the Job Interview you scheduled for them, or did not arrive on time.

### **Misconduct at a Job Interview** —

The participant acted in a manner that prevented the employer from offering the participant the job.

### **Failure to satisfactorily complete a Job Referral task** —

The participant did not act on a Job Referral task by the due date, or failed to complete it satisfactorily.

### **Did you know...**

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Fast-track failures reflect the seriousness of the failure. A participant's main responsibility is to look for and secure paid work. Because participating in Job Interviews and completing Job Referral tasks has a direct link to the participant securing paid work, failing to do these things results in moving through the TCF more quickly.

### **Fast-track to the capability review**

**When the participant has a certain number of confirmed demerits on their record, they must undertake the relevant capability review.**

But as you have learnt, some mutual obligation failures are worth more than 1 demerit. It might sound confusing, but it's not.

Here is the rule...

No matter where the participant is in the **Green Zone** or **Warning Zone** and no matter how many demerits they have already – a fast-track demerit will move them

GOT IT! (click to continue)

**You don't need to do the calculations or decide which demerits are fast-track:** the IT system will calculate and keep track of how many single demerits and fast-track demerits a participant has, and will tell you when a capability review needs to be conducted.

CONTINUE



# Quiz 1

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There are 4 true or false questions. When you obtain 100% please click the continue button.

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Question

01/04

There are 5 zones in the TCF

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True

False

Question

02/04

A participant in the Green Zone is meeting their requirements.

---

True

False

Question

03/04

The tasks participants undertake in return for their payment are called mutual obligation requirements.

---

True

False



Question

04/04

A participant who commits a fast-track failure goes straight to the Penalty Zone.

---

True

False

# Capability reviews – what are they?


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There are 2 different capability reviews, but they both serve the same purpose: to make sure the participant is capable of meeting the requirements you have negotiated with them to undertake in return for their income support payment.

The capability review is a structured conversation with the participant to talk about the tasks you have set for them, their individual circumstances and whether these are impacting them being able to meet their requirements.

They are an important part of the TCF and allow you to identify where a participant needs more support from you to be successful in meeting their requirements.

### Capability Interview: vital information



**When?**  
When **3 demerits** – or the equivalent – are confirmed on the participant's record.

**Who?**  
You conduct the Capability Interview with the participant.

**Why?**  
**The participant has failed to meet their requirements 3 times in the last 6 months**, or has incurred fast-track demerits.  
You need to have a discussion with them to find out why the participant keeps failing to do what they are supposed to do.

### Capability Assessment: vital information



**When?**  
When **5 demerits** – or the equivalent – are confirmed on the participant's record.

**Who?**  
**Services Australia** conducts the Capability Assessment with the participant.

**Why?**  
**The participant has failed to meet their requirements 5 times in the last 6 months**, or has incurred fast-track demerits. They have already had a Capability Interview with you to discuss why they keep failing to do what they are supposed to do, but have kept failing.  
Services Australia needs to have a discussion with the participant to find out why they keep failing to do what they are supposed to do.

Click to zoom

Click to zoom

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## Outcomes of the capability review

There are 2 main outcomes of capability reviews:

1

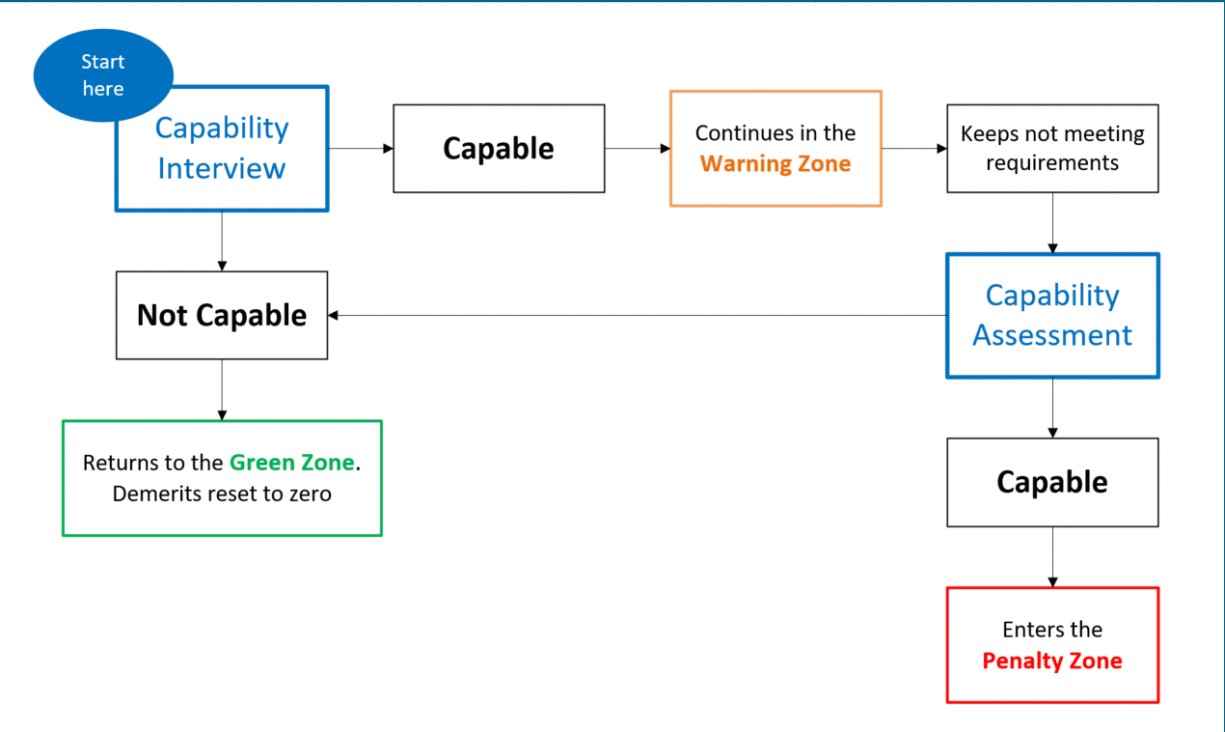
**Capable** of meeting requirements, or

2

**Not Capable** of meeting requirements.

What you need to do following a capability review is discussed in depth in the Capability Review module.

But let's take a look at the below to understand where the participant moves to in the TCF following the outcome of the review.



Click to zoom

CONTINUE

# Penalty Zone

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## About financial penalties



**When the outcome of a Capability Assessment (with Services Australia) is that the participant is capable of meeting their requirements, they move to the **Penalty Zone**.**

If the participant doesn't meet a requirement in the Penalty Zone, you report this to Services Australia. When the participant reports to Services Australia to get their payment, Services Australia will talk to them about the failure you reported.

If the participant doesn't have a good reason for not meeting their requirement, Services Australia will apply a financial penalty. This means the participant loses some or all of their payment. They cannot

get it back and the penalty cannot be waived.

The rules in the Penalty Zone are strict. This is because the participant can do the things you have asked them to do in return for their payment, but they have continually failed to do so, despite being found capable of meeting them.

### **1st penalty** —

The 1st time the participant fails to meet a requirement in the Penalty Zone, they lose **half** of their fortnightly payment (50%).

### **2nd penalty** —

The 2nd time the participants fails to meet a requirement in the Penalty Zone, they lose **all** of their fortnightly payment (100%).

### **3rd penalty** —

The 3rd time the participants fails to meet a requirement in the Penalty Zone, their payment is **cancelled**. The participant **cannot re-apply to Services Australia for their payment for 4 weeks**.

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Note: The participant might go into the Penalty Zone and never commit a failure.

**CONTINUE**

# Getting back to the Green Zone

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Except where the outcome of a capability review returns the participant to the Green Zone and resets their demerits to zero, **there is only one other way to get back to the Green Zone:** the participant must meet all their mutual obligation requirements for a period of time.



## Green Zone

Participant meeting all their  
Mutual Obligation Requirements

This means if a participant is in the...





## Warning Zone

they must meet all their  
Mutual Obligation Requirements  
for **6 consecutive months to return to**  
the **Green Zone**



## Penalty Zone

they must meet all their  
Mutual Obligation Requirements  
for **3 consecutive months to return to**  
the **Green Zone**

CONTINUE

## Quiz 2

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There are 3 questions. When you obtain 100% please click the continue button.

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## Quiz 2

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There are 3 questions. When you obtain 100% please click the continue button.

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Question

01/03

The Capability Interview is a \_\_\_\_\_ with the participant

---

- pathway to work
- short meeting
- list of questions you go through
- structured conversation

Question

02/03

Capability reviews make sure the participant is \_\_\_\_\_ the requirements you have negotiated with them to undertake in return for their income support payment.

---

- correctly managing
- capable of meeting
- able to view
- happy to meet

Question

03/03

Once the participant accrues their first demerit, they\_\_\_\_\_

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- get a financial penalty
- leave employment services
- leave the Green Zone
- have their payment suspended

# Work Refusal Failures and Unemployment Failures

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There are certain types of failures a participant can commit that sit outside of the TCF – we call these serious failures. There are 2 types of serious failures. They are even more serious than fast-track failures and are treated specially. These types of failures also result in a financial penalty. These failures and your responsibilities are covered in depth in the Serious Failures module.



As you have learnt, a participant's main responsibility is to look for and secure paid work.

---

### Where a participant

- refused or did not accept an offer of suitable employment, or
- accepted an offer of suitable employment, but did not commence work on the agreed start date

they have committed a **Work Refusal Failure**.

### Where a participant

- has been dismissed from a suitable job due to misconduct, or
- voluntarily left a suitable job

they have committed an **Unemployment Failure**.

---

**It doesn't matter what TCF zone the participant is in when they commit one of these serious failures: you must report the failure to Services Australia and they will decide whether to apply a financial penalty.**

---

**There are serious  
penalties for Serious  
Failures**



A Work Refusal Failure or  
Unemployment Failure  
means the participant's  
**payment is cancelled for 4  
weeks.**

If the participant got  
financial assistance

**CONTINUE**

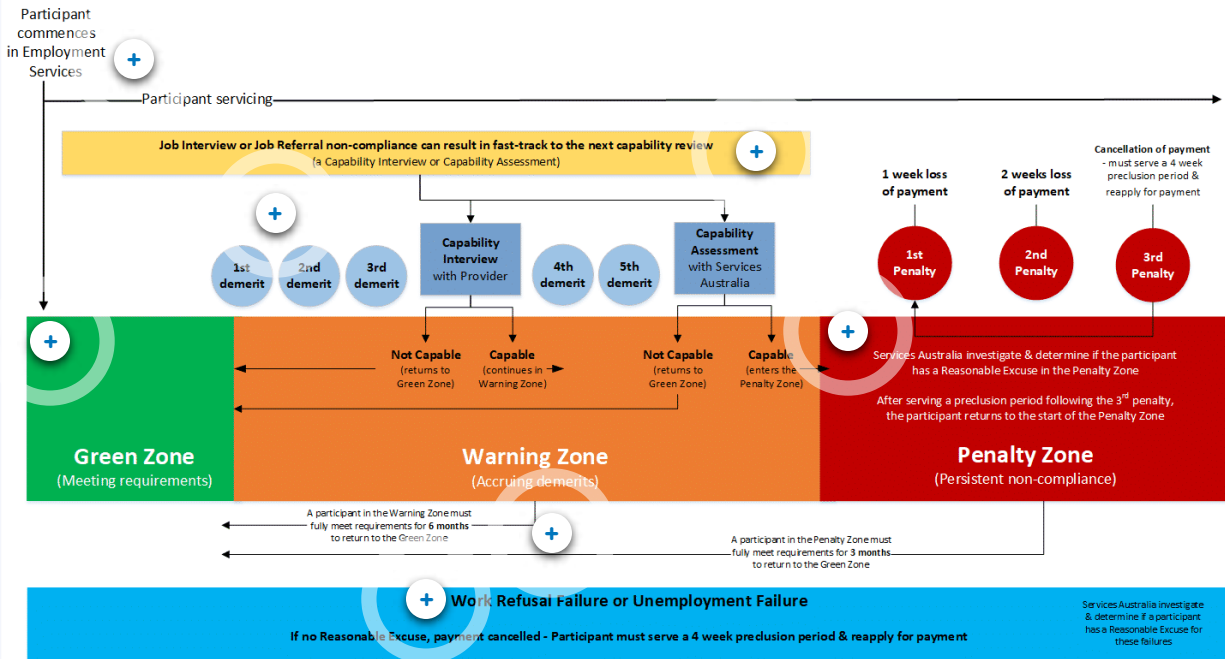
# Targeted Compliance Framework – visual overview

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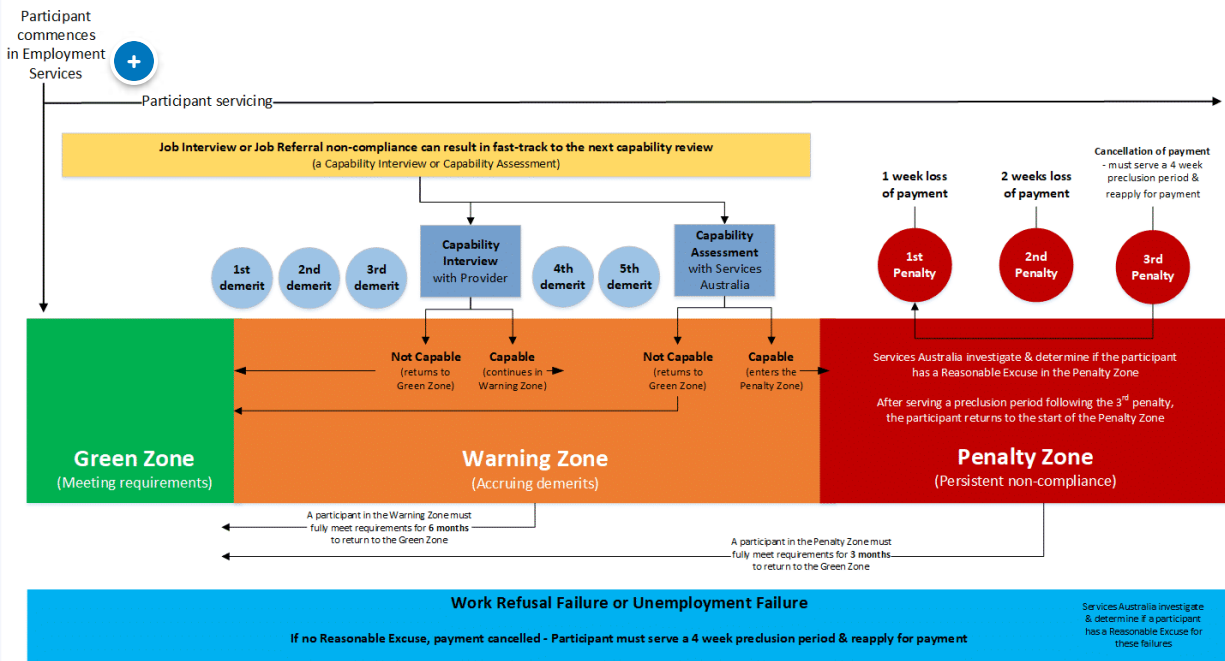


The below chart summarises what you have just learnt about in the TCF Overview. Download and print it out to put somewhere visible in your office. Refer to it as you work through the TCF lessons.

Targeted Compliance Framework



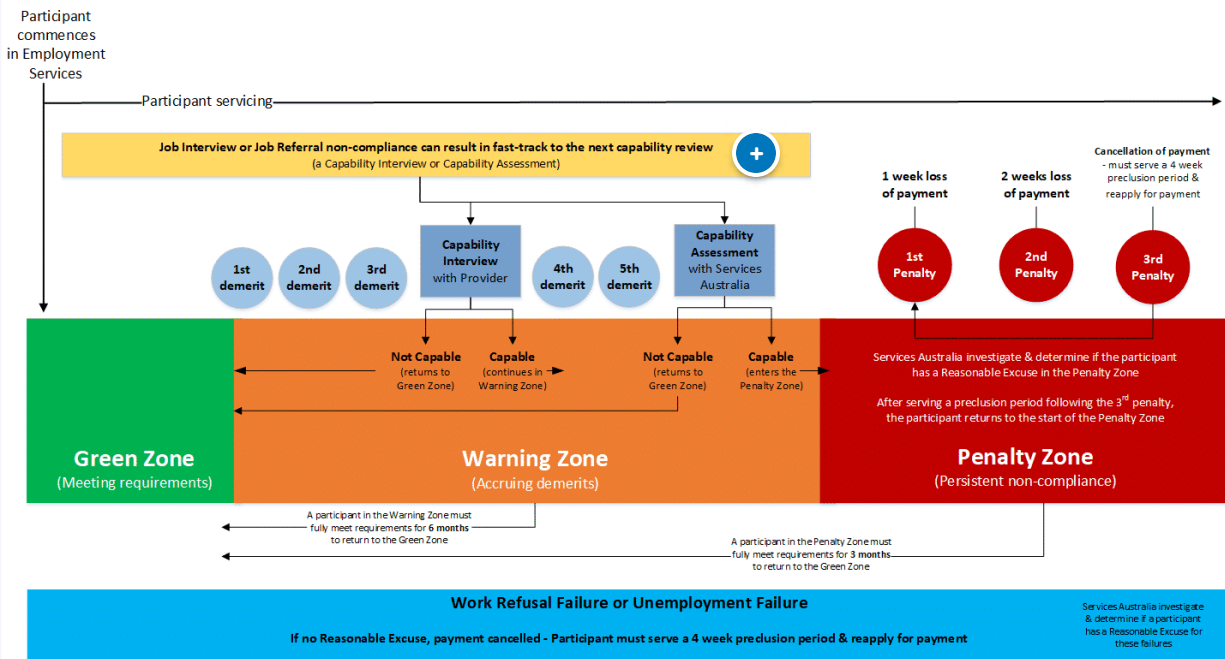
## Targeted Compliance Framework



## Mutual obligation requirements

Mutual obligation requirements are negotiated by the provider in consultation with a participant. A participant must agree to a Job Plan and compulsory requirements. Refer to the **What are Mutual Obligation Requirements?** lesson.

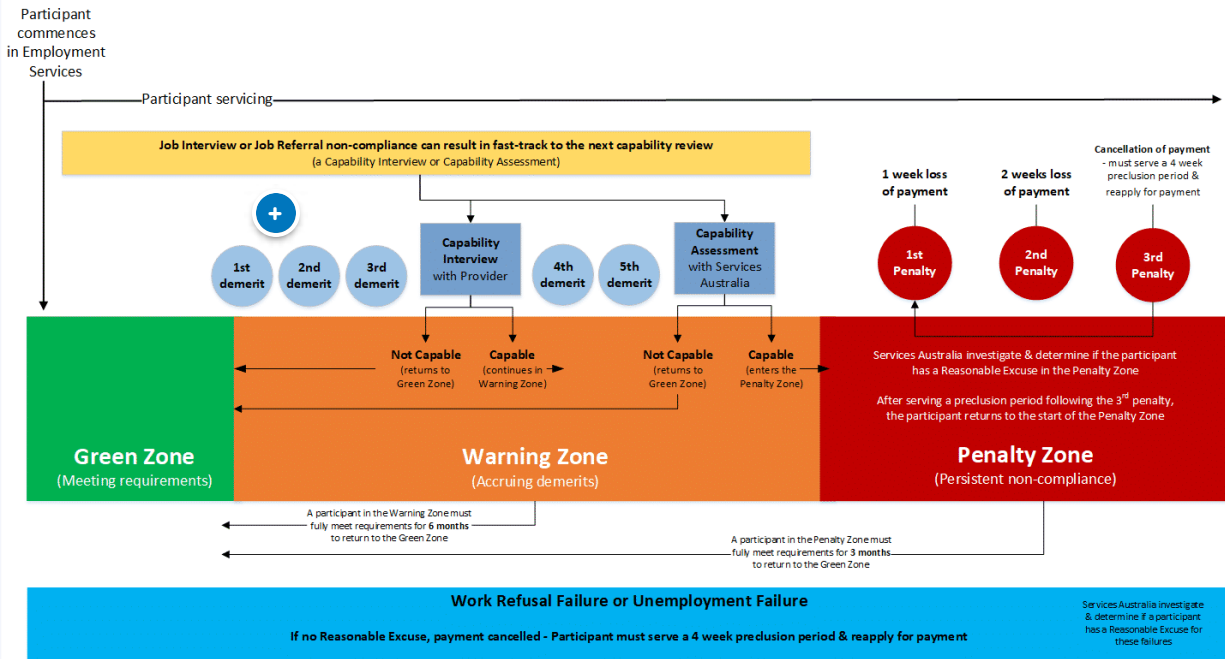
## Targeted Compliance Framework



## Capability Reviews

Capability reviews are a structured conversation with the participant to talk about their requirements, their individual circumstances and whether these circumstances are impacting on their ability to meet requirements. Refer to the **Capability reviews – what are they?** lesson.

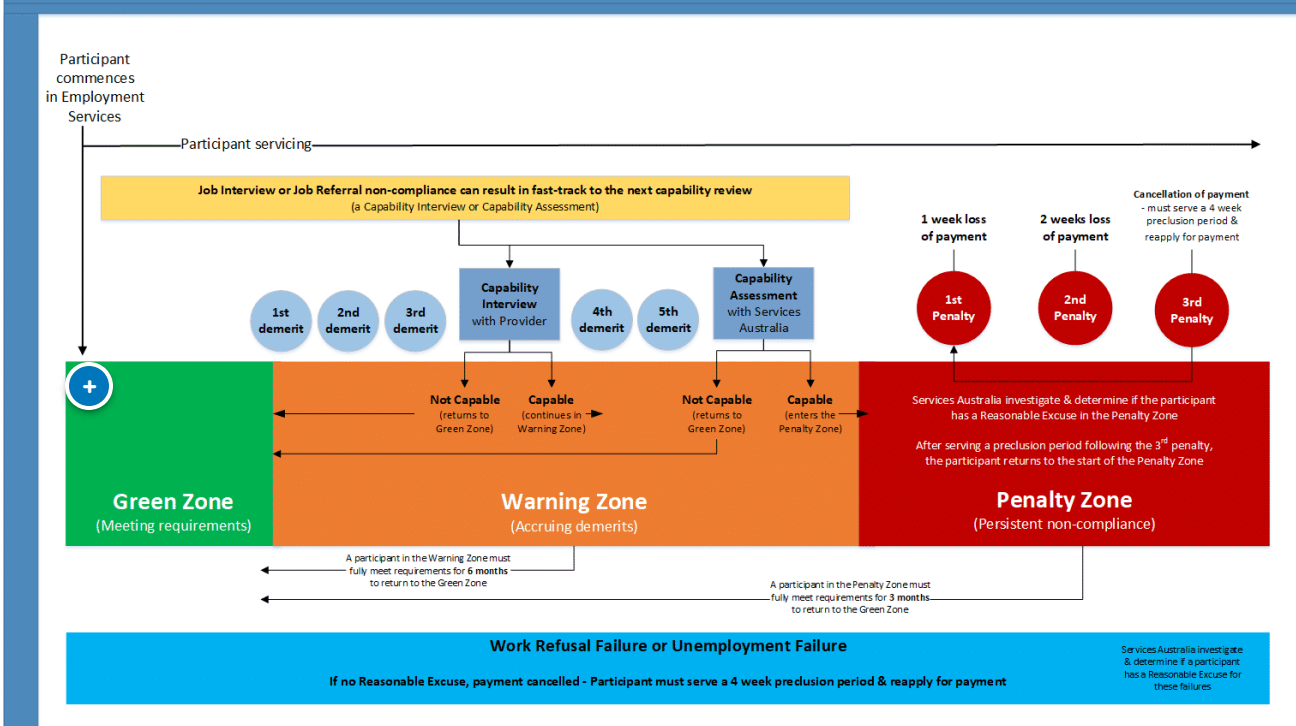
## Targeted Compliance Framework



## Demerits

A participant accrues demerits when they fail to meet requirements and they don't have a Valid Reason. Refer to the **All about demerits** lesson.

## Targeted Compliance Framework

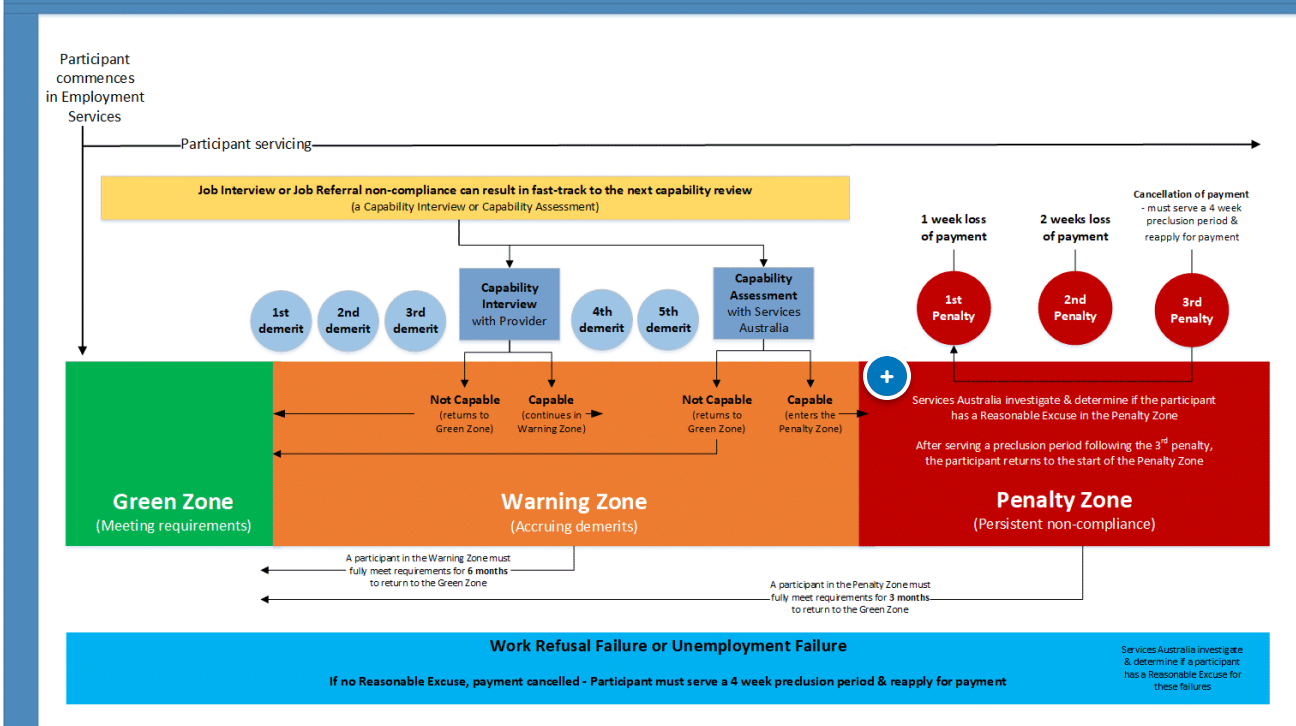


## The TCF zones

The TCF comprises of 3 zones: the Green Zone, Warning Zone and Penalty Zone. Refer to **The TCF - the zones** lesson.



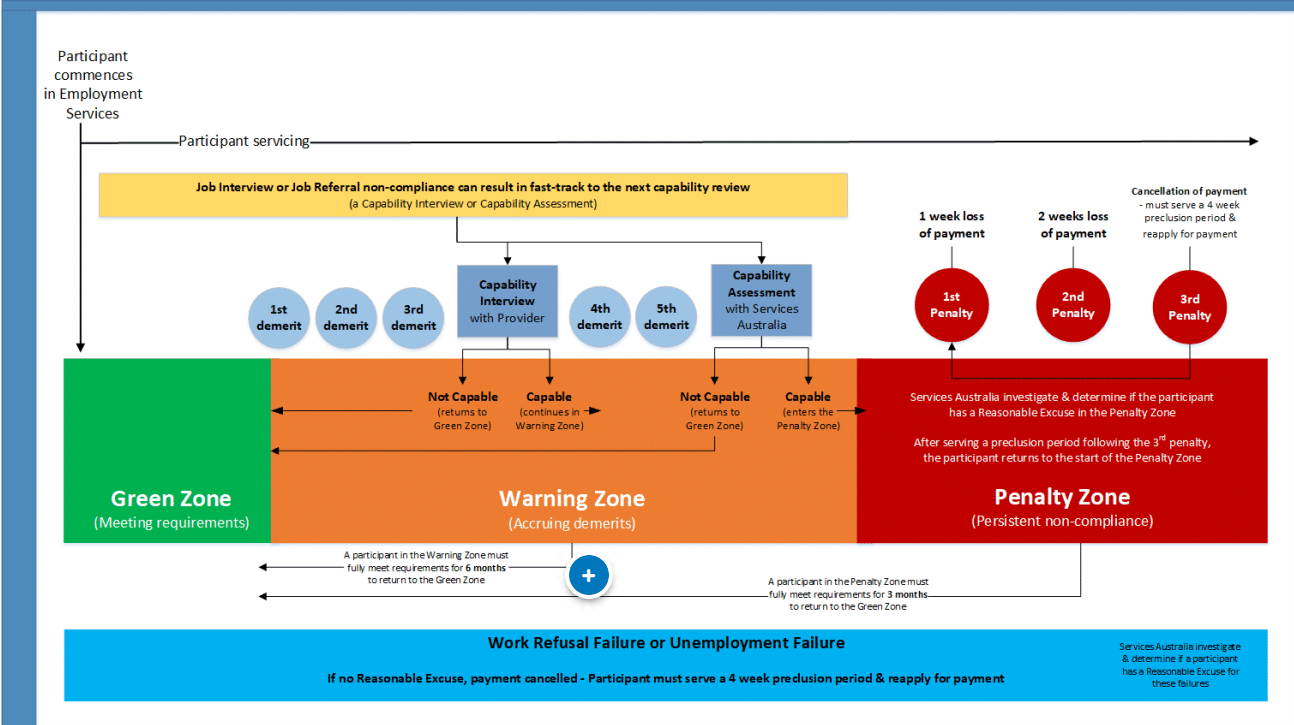
## Targeted Compliance Framework



## Financial Penalties

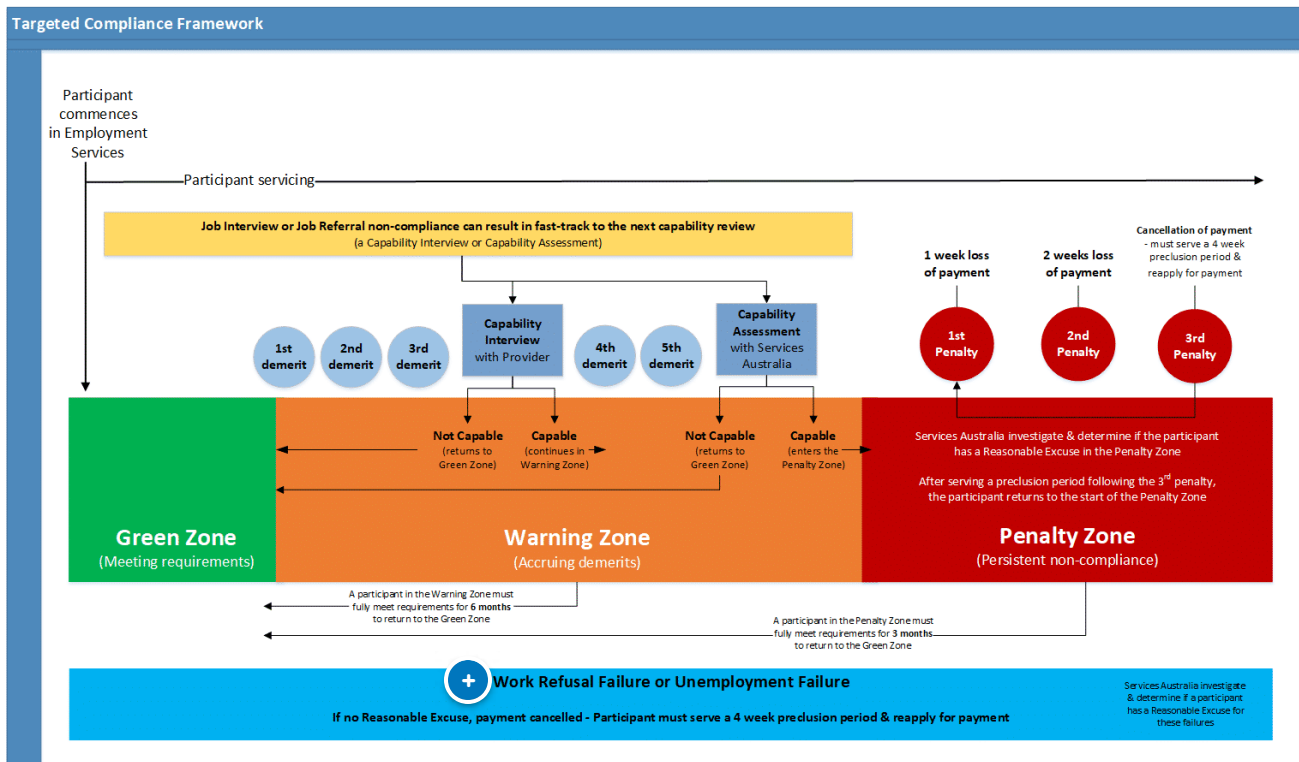
Participants in the Penalty Zone are subject to financial penalties when they fail to meet a requirement and they don't have a Reasonable Excuse. Refer to the **Penalty Zone** lesson.

## Targeted Compliance Framework




## Return to the Green Zone

If a participant is in the Warning Zone or Penalty Zone, they must meet their requirements for a period of time before they can get back to the Green Zone. Refer to the **Getting back to the Green Zone** lesson.



## Work Refusal Failures and Unemployment Failures


Work Refusal Failures and Unemployment Failures are known as ‘serious failures’. These are failures a participant can commit that sit outside the TCF. Refer to the **Work Refusal Failures and Unemployment Failures** lesson.



**PDF**

**The Targeted Compliance Framework (TCF).pdf**

201.2 KB



You have now completed the Overview of the Targeted Compliance Framework Module.

Please navigate to the **next module - Expected Servicing and Engagement**.

**Exit the module**

To confirm you have completed the module, click the Close button.

CLOSE