



Australian Government
Department of Education,
Skills and Employment

Exposure Draft

for the New Employment Services Model 2022
Purchasing Arrangements

**Appendix 1 RFP – Enhanced Services
(Statement of Requirements)**



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The document must be attributed as the (Exposure Draft for the New Employment Services Model 2022 Purchasing Arrangements – Appendix 1 RFP Enhanced Services).

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Appendix 1 RFP - Enhanced Services

1 Statement of requirements

1.1 Introduction

This appendix describes the services that will be required for the delivery of Enhanced Services as part of the new employment services model.

Successful Respondents will be required to commence delivery of Enhanced Services on 1 July 2022 and participate in the process to transition job seekers into the new arrangements in advance of the commencement date.

The department expects to engage multiple Enhanced Services Providers (Providers) in each ER, including Specialist Providers in some ERs who will service specific job seeker cohorts. Information about the indicative number of licences for each ER is available at Appendix C (Caseload data and Licence information).

1.2 Objectives of Enhanced Services

The objectives of Enhanced Services are to:

- drive high quality services and outcomes for job seekers and employers
- deliver personalised support to job seekers
- increase investment in disadvantaged job seekers to reduce their risk of becoming long-term or very long-term unemployed
- deliver simple, efficient, trusted and connected recruitment services that employers actively use to fill vacancies and match the most appropriate job seeker for the role.

1.3 Outline of Enhanced Services Provider role

Providers delivering Enhanced Services, will support job seekers with significant vocational and non-vocational barriers to work. Providers will deliver in-person face-to-face servicing and support job seekers to find a job based on their strengths, skills and experience. Providers will be expected to deliver tailored and intensive servicing of job seekers, including:

- to access training
- referrals to other social services
- sourcing appropriate employment opportunities
- post placement support.

Providers will need to work to achieve high levels of job seeker engagement from the commencement of the service period. Early investment in job seekers and effective engagement with employers to achieve sustainable Employment Outcomes is essential to the Provider's role.

Providers will also be required to act in good faith towards job seekers and the department in a manner that maintains a positive reputation of employment services.

1.4 Specific requirements

Providers delivering Enhanced Services will carry out Services in accordance with the DoSO and relevant Guidelines. A draft DoSO is available at Appendix 1a.

Under the DoSO Providers will do the following.

1. Deliver individually tailored and intensive case management to eligible job seekers, designing an employment pathway that considers the local labour market and addressing specific barriers to obtaining and sustaining employment.
2. Use Job Plans to identify the compulsory requirements (including Points Targets under the PBAS) job seekers need to undertake in return for their income support payment.
3. Use the PBAS to incentivise job seekers to undertake suitable activities to meet their individual pathway to employment. Completion of these tasks will form part of the job seeker's mutual obligations.
4. Monitor job seeker compliance with their mutual obligation requirements and use the TCF as required.
5. Develop and maintain supportive relationships with job seekers through in-person face-to-face contact (preferred) or via the phone or email when necessary.
6. Support job seekers to utilise resources on the digital platform (including tools and information such as Online Learning Modules), to improve their employment prospects.
7. Provide career advice, including advice on how to prepare a résumé, develop job applications, interview techniques, as well as exploring post-interview outcomes.
8. Assist job seekers to improve foundation and employability skills such as the ability to work in a team, communication skills, digital skills, motivation and reliability. As required, connect job seekers to complementary programs and activities including EST, CTA, Work for the Dole, Youth Jobs PaTH Internships and NWEF.
9. Actively engage and work with employers to understand their recruitment needs and ensure job seekers are the right fit for the job. Develop effective relationships and provide a responsive service to employers that identifies and sources appropriate employment opportunities, which is focused on outcomes and, where appropriate, uses wage subsidies and other available financial tools to secure employment opportunities for job seekers.
10. Use the Employment Fund to proactively support job seekers according to their individual circumstances to help them find and keep employment, and to meet the needs of employers.

1.5 Connecting to an Enhanced Services Provider

Eligible job seekers will be offered a choice of Provider in their local area, including a Specialist Provider where available. There are four ways job seekers can be connected to a Provider:

- on claiming income support through Services Australia
- on transfer from Digital Services
- through direct registration with the Provider, or
- on transfer from one Provider to another.

1.5.1 On income support claim through Services Australia

A job seeker applying for income support or employment services assistance (via Services Australia), will generally be asked to complete the JSCI. Most will complete this online through the New Employment Services Gateway, along with other relevant assessment questions (known as the Job Seeker Snapshot). Others will complete the JSCI either by phone or face-to-face with Services Australia.

The JSCI will remain at the core of the initial assessment process and will continue to assess the relative risk of long-term unemployment for each job seeker. The JSCI will be used to determine if Enhanced Services is the most appropriate service offering. Job seekers assessed as being more capable of self-managing their job search and moving into work without additional assistance are more likely to be referred to the Digital Services than to an Enhanced Services Provider. Some job seekers may be provided with the option of program choice, for example to an Enhanced Services Provider or TtW.

1.5.2 Transfer from Digital Services

Digital servicing will generally be limited to 12 months if the job seeker is not in work, study, training or a work placement. At that time, the job seeker will move to Enhanced Services for tailored, personal assistance. To support rapid engagement, job seekers transferring to a Provider after 12 months in Digital Services are required to participate in a mandatory activity within three months of commencing in Enhanced Services. Under these circumstances, Work for the Dole will be the default activity for eligible job seekers.

In addition, job seekers in Digital Services will be able to choose to transfer to an Enhanced Services Provider at any time. Job seekers will be able to self-manage a move to a Provider online, or through the DSCC and will be able to choose their Provider as part of this process.

1.5.3 Direct registration

Some individuals will be able to access employment services even if they are not in receipt of income support. Individuals identified as vulnerable youth, pre-release prisoners and Structural Adjustment Package participants (where applicable) will be eligible to access Enhanced Services without the need for a referral from Services Australia.

Retrenched workers and their partners will also be able to access employment services prior to being eligible for income support, but their eligibility for Enhanced Services will be assessed by the DSCC. Retrenched workers and their partners will be referred to either Digital or Enhanced Services based on their assessed needs.

1.5.4 Transfers between Providers

The new employment services model will support job seeker choice and movement between Enhanced Services Providers, such as where a job seeker changes address and can no longer reasonably access the original Provider. In such circumstances the job seeker will be removed from the original Enhanced Services Provider's caseload.

1.6 Job seeker engagement and activation

Enhanced Services promotes upskilling and finding a job through a flexible activation approach which allows choice for the job seeker, and support from a Provider for those needing more assistance.

Job seekers generally have mutual obligations or requirements they need to do in return for income support. Quality job search will remain a key focus. However, through the PBAS the way job seekers can meet their

mutual obligation requirements will be more flexible and they will be encouraged to take on more personal responsibility.

1.6.1 Points Based Activation System

All job seekers will use the Points Based Activation System (PBAS) to meet their mutual obligation requirements. Job seekers in Enhanced Services will be supported by Providers to manage their participation and reporting through PBAS. PBAS gives both job seekers and Providers greater flexibility to determine and access the activities they can do as part of their pathway to employment and are rewarded for their active effort and engagement.

Under PBAS, job seekers will need to meet a monthly Points Target. The Points Target will be tailored to the job seeker based on their personal circumstances and local labour market conditions.

Job seekers can meet their Points Target by undertaking job search, job search-related tasks and activities, such as interviews, commencing a job, paid work, study and training or non-vocational activities.

Job seekers will need to complete a minimum number of job searches per month as part of meeting their Points Target, tailored to their personal circumstances. The detailed value and approach are to be finalised.

Providers will be expected to work with the job seeker to determine the appropriate mix of individual, group and self-directed activities for the job seeker to meet their Points Target. Providers will still have a critical role in assuring the quality of job search effort job seekers report as part of PBAS and the TCF.

Job seekers who go above and beyond their Points Target can 'bank' points for the next reporting period only (up to a maximum of 50 per cent of their monthly Points Target).

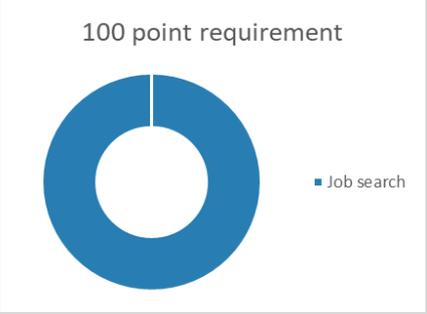
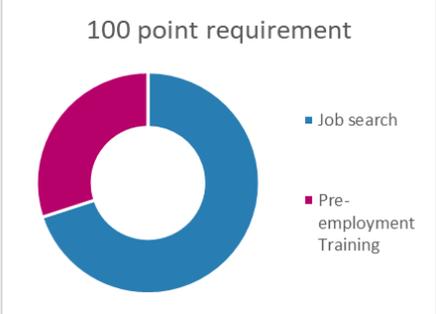
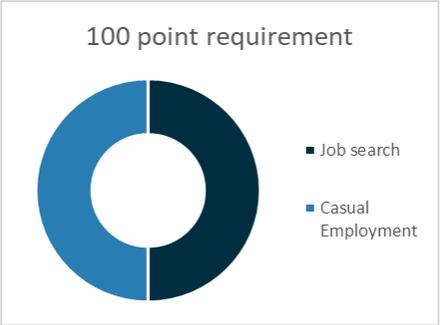
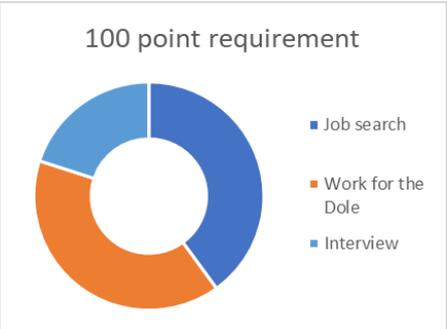
Tasks and activities have different points values. Examples of the points values for different tasks and activities that are being trialled are included in Table 6 below.

Table 6: Tasks and Activities (indicative only – final policy detail to be announced prior to 1 July 2022)

Tasks and Activities	Points
Completing a quality job application	5 points
Attending a job interview	10 points
Starting a job	10 points
Education and Training, including JobTrainer funded courses	30 points per month while studying
Paid work	5 points per 10 hours worked
Work for the Dole	30 points per month while participating
Creating or updating their career profile	5 points (once per month only)

A job seeker can meet their monthly 100 Points Target in a variety of ways, including through job search alone (20 job searches per month, with one job search = 5 points and $5 \times 20 = 100$) or by completing a combination of job search, paid work and activities (see Table 7 below).

Table 7: Examples of job seekers meeting their monthly 100 Point Target (indicative only – final policy detail to be announced prior to 1 July 2022)

<p>Example 1 By submitting a minimum of 20 job searches</p>  <p>100 point requirement</p> <p>100 points = 20 job searches</p>	<p>Example 2 By submitting 14 job searches and completing a four-week training program tailored to the retail industry.</p>  <p>100 point requirement</p> <p>100 points = 14 job searches + a four-week Training Block</p>
<p>Example 3 The job seeker's Points Target has been adjusted due to their personal circumstances and their Points Target is now 80 points. By working in paid employment for 20 hours each week and submitting eight job searches.</p>  <p>100 point requirement</p> <p>100 points = 20 points adjustment + eight jobs searches + 20 hours per week of paid work</p>	<p>Example 4 By participating in a Work for the Dole activity to build core work-like skills, securing two job interviews and submitting 10 job searches.</p>  <p>100 point requirement</p> <p>100 points = 10 jobs searches + two job interviews + Work for the Dole.</p>

1.6.2 Six-month activity requirement

A review of each job seeker's engagement in Enhanced Services will be undertaken every six months using data from the PBAS and other sources.

Job seekers who have actively engaged early in their employment pathway through training or other activities and progressed towards work, will be identified as having met their mandatory requirement. Successful engagement could include a diverse mix of work, work experience and vocational or non-vocational activities recognising each job seeker's pathway to employment may be different.

However, job seekers who have not been intensively engaged in services and are not progressing towards employment will be required to undertake a mandatory two month activity (up to 25 hours per week). Job

seekers who transition from Digital Services after 12 months service to Enhanced Services will also have a mandatory activity requirement within three months.

1.6.3 Referral to activities

Under the new employment services, job seekers have greater agency to determine and access the activities they undertake on their pathway to employment. Job seekers in Enhanced Services will have access to the tools and online learning available in Digital Services, PaTH Internships, an enhanced NWEF and Work for the Dole.

A greater menu of programs and activities will be available through the digital platform to support job seekers and Provider staff to identify suitable local activities and services that can contribute to job seekers' employment pathway and Points Target. Provider staff and job seekers will also have the flexibility to identify and engage with additional suitable activities where these are likely to improve the job seeker's employability.

Providers are expected to work with local community organisations, training institutions and employers to identify a diverse range of activities that will support individual employment pathways for the job seekers on their caseload. They will work with job seekers to select suitable employment related tasks and activities. The Enhanced Services Provider's responsibilities will vary depending on the activity and could include:

- sourcing sufficient suitable activities for job seekers on the caseload. Providers achieve this through engaging with existing and potential Host Organisations and collaborating with other Providers and Workforce Specialists. The range of activities must cover a wide variety of job seekers with different characteristics, needs and limitations
- Work Health and Safety is a fundamental requirement. Providers must make sure job seekers are always safe when participating in activities. Work Health and Safety needs to be assessed at the outset when contemplating whether an activity is suitable
- assessing the suitability of the job seeker for the activity
- referring and placing job seekers into activities
- ensuring safety checks are completed where necessary to ensure the safety of job seekers and those they will come in contact with. These could include police checks, working with children checks, risk assessments, etc.
- negotiating agreements with Hosts Organisations and/or job seekers where necessary
- monitoring job seekers and their participation in the activity, and managing incidents as required
- providing support to the Host and job seeker before, during and after the placement
- continuing to provide the specific requirements outlined in this document to the job seeker with the aim to securing long-term employment.

The range of activities can include vocational and non-vocational training, language, literacy and numeracy programs (for example, the Skills for Education and Employment (SEE) program), Voluntary Work opportunities, other government programs, non-government programs (for example, Try, Test and Learn, Defence Force Reserves), state and local government activities (Skill Queenslanders for Work). In addition, the employment activities listed in the table below are also administered by the department.

Table 8: Activities administered by the department

Activity	Description
Online Learning Modules	<p>Several online modules will be available on the digital platform to encourage labour market participation and support for job seekers to become more competitive in their local labour market.</p> <p>The modules will focus on increasing working hours, juggling multiple jobs; keeping motivated; training for specific cohorts such as a youth, parent returning to work or retrenched workers; and industry tailored modules to help job seekers explore new opportunities.</p>
EST	<p>EST will be available to job seekers in Digital Services of all ages. Enhanced Services Providers can refer job seekers to EST on a fee for service basis, meaning the Provider must pay the fees. Training is 25 hours per week for three weeks.</p> <p>Training Block 1 (\$1250): will focus on advanced job search skills, pre-employment and EST to improve job seekers' prospects of employment.</p> <p>Training Block 2 (\$1500): will focus on industry specific training for 25 hours per week for three weeks.</p> <p>Training Block 2 will focus on industry specific training and may be either:</p> <ul style="list-style-type: none"> • a generalist course, covering several industries, offering insights into the duties and requirements of a range of industries for those job seekers looking to decide on a career path, or • a specialist course, focused on one industry only, and that may include micro-credentials related to that industry, and must have PaTH Internship opportunities available for suitable young job seekers who participate. <p>Training Block 2 courses will help job seekers gain a sharper understanding of the labour market relating to the relevant industry(ies) so they can identify clear career prospects, skill sets and training requirements for one or more industries that meet their aptitude and interest.</p>
Youth Jobs PaTH: Internships	<p>PaTH Internships will be available to eligible job seekers, aged 17–24, who are on income support and with mutual obligation requirements in Digital and Enhanced Services, TtW and DES.</p> <p>Job seekers in Digital Services will be able to participate in PaTH Internships as soon as they have completed Block 1 or Block 2 of EST or are undertaking projects through Workforce Specialists, otherwise they can access an internship after four months in Digital Services, which aligns with the four month digital activation point. EST Providers and Workforce Specialists will source and manage these placements.</p> <p>Enhanced Services, TtW and DES job seekers will continue to access a PaTH Internship from commencement, given their higher barriers to employment.</p> <p>Placement duration will remain as four to 12 weeks, but where PaTH Internships are used as part of business and industry tailored pathway projects through Workforce Specialists, the placement can be shorter than four weeks.</p> <p>A \$1000 payment will be paid to Providers who directly manage a PaTH Internship placement upon job seeker commencement of the Internship.</p>

Activity	Description
	<p>A \$1000 payment will be paid to employers who host an Intern.</p> <p>Job seekers will receive an income support supplement of \$200 for each fortnight they participate.</p>
National Work Experience Program	<p>NWEP offers a workplace trial to job seekers aged 25 and over in Enhanced Services, to help gain experience and confidence, while demonstrating skills to potential employers.</p> <p>Placements must have a reasonable prospect of employment, will be up to a maximum of four weeks and between 30 hours to 50 hours per fortnight.</p> <p>A \$1000 payment will be paid to Providers who directly manage a National Work Experience placement.</p> <p>A \$1000 payment will be paid to employers who host a National Work Experience placement.</p> <p>Job seekers will receive an income support supplement of \$200 for each fortnight they participate.</p>
CTA	<p>CTA helps job seekers aged 45 and over to become more competitive in their local labour market through practical support to increase their job readiness, identify transferable skills and develop technology and digital skills. CTA will tailor courses to industry demand and will facilitate direct engagement of job seekers with employers.</p>
New Business Assistance with NEIS	<p>New Business Assistance with NEIS supports people to start a small business through access to accredited small business training, help to develop a business plan and mentoring. Eligible participants may be able to access NEIS Allowance.</p>
Observational Work Experience	<p>Observational Work Experience allows participants who may not be job-ready to undertake short-term, unpaid, observational work experience to build soft skills and gain a better understanding of how workplaces operate and the basic expectations and behaviours required.</p>
SEE	<p>The SEE program provides initial, basic and advanced accredited English language training as well as basic and advanced literacy, numeracy and digital literacy training. Participation in the program will help participants improve their reading, writing, oral communication and numeracy skills, often in the vocational context, so they can acquire confidence and skills to improve their employment prospects.</p>
Workforce Specialists Projects	<p>A panel of Workforce Specialists will be established to deliver projects providing tailored support to meet the workforce needs of identified key industries and large employers, helping them connect to suitable job seekers in Digital Services and Enhanced Services.</p> <p>A Workforce Connections Plan will identify key priority industries and occupations for targeted investment as part of this initiative.</p> <p>Workforce Specialists may also be used to respond to more immediate workforce opportunities or challenges (such as natural disasters or pandemics).</p> <p>Projects will vary in size and duration, and one or more Workforce Specialists could be engaged on each project.</p>

Activity	Description
	<p>Projects may include opportunities for job seekers to participate in PaTH Internships or NWEF placements as part of an employment pathway.</p> <p>Workforce Specialists will work closely with Enhanced Services and other Providers to strengthen the service offer to employers and industries and support job seekers to participate in these projects.</p> <p>Organisations delivering Enhanced Services, including their related entities, will not be eligible to be a member of the Workforce Specialist panel.</p>
Work for the Dole	<p>The Work for the Dole program will continue to be available for job seekers in Enhanced Services, with changes to reduce red tape and ensure Work for the Dole activities give consideration to the core competencies identified by the National Skills Commission and other, lower complexity qualifications that may be incorporated as part of these activities. This will help maximise the benefit that job seekers receive from participating in Work for the Dole and ensure the program continues to prepare participants for employment. Work Health and Safety will remain a key priority of the program.</p> <p>Providers will be required to source and fill sufficient, suitable and safe Work for the Dole activities to meet their job seeker caseload needs.</p> <p>Who is eligible?</p> <ul style="list-style-type: none"> • Work for the Dole activities will be available to Participants in Enhanced Services who are aged 18 and over and are fully eligible for Enhanced Services. This would primarily exclude volunteers. • Work for the Dole activities will be the default activity for job seekers who have not been intensively engaged in services and are required to undertake a mandatory two month activity at their six-month Activation Point (up to 25 hours per week). • Job seekers who transition from Digital Services to Enhanced Services will also have a mandatory activity requirement within three months, of which Work for the Dole will be the default activity for eligible job seekers. • Work for the Dole activities must only be hosted by: <ul style="list-style-type: none"> ○ not-for-profit organisations/charities ○ local, state, territory or government organisations or agencies, or ○ a not-for-profit arm of for-profit organisations. <p>However, training can be delivered in partnership with a Registered Training Organisation.</p> <p>Activity structure</p> <p>The new employment services model will include two sub-activity types— Placements and Projects.</p>

Activity	Description
	<p>Placements will involve placing single or multiple job seekers within an existing function of the Host Organisation, and Providers will be encouraged to consider the core competencies and work-like experience that can be addressed in these activities.</p> <p>Projects will be specific community projects developed for the purpose of providing a work-like experience for groups of job seekers, including the engagement of a supervisor/mentor for participants and delivery of a benefit to the community. These projects may include the attainment of a licence, qualification or other recognised skill/core competency acquisition.</p> <p>Activities would be able to be established for up to 12 months, with the possibility of an extension following a review of the Risk Assessment.</p> <p>Job seekers will be able to be placed in activities at any time through the duration of the activity, with an expectation that most placements will be two months to align with the activation requirements. Providers will retain the flexibility to place job seekers in activities for longer than two months if this suits the individual needs of the job seeker.</p> <p>Activity cost</p> <p>Placements – payments will be a fixed fee of \$500 per job seeker commencement, split between the Provider and Host Organisation to cover the upfront costs of commencing a job seeker in the activity.</p> <p>Projects – To support the delivery of these activities, Enhanced Services Providers will be allocated a budget within the department’s IT system to be drawn down on the agreement of a suitable activity and cost.</p>

1.7 Monitoring participation

1.7.1 Job Plans

Enhanced Services Providers must ensure that all job seekers have a current Job Plan. The Job Plan will be tailored to the requirements of each job seeker. The Job Plan will set out the agreed activities that will satisfy the job seeker’s mutual obligations requirements, where relevant, under Social Security law. This will include meeting a Points Target every month.

A Job Plan is required to be updated as the job seeker progresses towards employment and to reflect changes in their circumstances. The Job Plan must contain any compulsory activities a job seeker is required to undertake to meet their mutual obligation requirements.

The Job Plan must be recorded on the department’s IT systems and Providers will also need to supply either an electronic or hard copy to the job seeker, depending on the job seeker’s preference.

1.7.2 Targeted Compliance Framework

The TCF applies to job seekers in Enhanced Services with mutual obligation requirements. In addition to helping job seekers understand, meet and track their mutual obligation requirements, it is designed to:

- target financial penalties towards job seekers who persistently fail to meet their requirements without a valid reason or reasonable excuse
- provide protections for vulnerable people
- encourage job seekers to engage with their Provider
- encourage job seekers to take personal responsibility for managing and meeting their mutual obligation requirements, and actively look for work.

If the Provider becomes aware that a job seeker has apparently committed a Mutual Obligation Failure, for example non-attendance at an interview, the Provider must attempt to contact the job seeker on the same business day on which the Provider becomes aware of the apparent Mutual Obligation Failure. Providers have an obligation to assess whether a job seeker has a valid reason for the Mutual Obligation Failure. In assessing if a job seeker has a valid reason, Providers will need to discuss and consider a range of circumstances relating to the job seeker's personal circumstances in line with guidance from the department.

A job seeker has two days to respond to the Provider and address any missed requirements. If the job seeker does not respond, their income support payments will be put on hold. Once the job seeker provides a reasonable excuse or meets a re-engagement/reconnection requirement, their payment will be reinstated with full-backpay. Irrespective of payment suspension, if the job seeker does not have a valid reason, they will attract a demerit.

Each demerit will last six months and then expire. A job seeker with three demerits will have a Capability Interview with their Provider. The Capability Interview is a key component of the TCF and provides additional protection for vulnerable job seekers. The purpose of a Capability Interview is to determine if a job seekers Job Plan is suitable for them. Each Capability Interview involves a detailed face-to-face discussion with the job seeker about their mutual obligation requirements, their recent non-compliance, any personal circumstances preventing the job seeker from meeting their requirements, the genuineness of their job searching efforts and any other services that can support the job seeker to meet their requirements.

A job seeker with five demerits will have a Capability Assessment with Services Australia to confirm the job seeker can meet their requirements. A Capability Assessment is further protection for the most vulnerable job seekers and provides another opportunity for job seekers to disclose issues that may be affecting their ability to meet their mutual obligation requirements as set out in their Job Plan. It ensures that only those job seekers who deliberately fail to meet their participation requirements may face potential financial penalties.

1.8 Services to employers

Providers will work actively with employers to support and fulfil their recruitment needs. This will be done through targeted industry projects and solutions, via a range of avenues. This will include collaborating closely with Workforce Specialists. Employers will have access to better applicant matching and dynamic servicing based on their needs through the digital platform.

Enhanced Services Providers are expected to have a comprehensive strategy for engaging with and supporting employers in the locations in which they are licensed to deliver services. As part of this strategy, Providers should tailor services to reflect an understanding of the local labour market, including key employers and priority industries. Providers will also need to develop and maintain relationships with local

employers to understand their recruitment needs, create pathways for job seekers on their caseload to help them prepare for and remain engaged in suitable employment opportunities.

Enhanced Services Providers will offer employers tailored support to fill vacancies. Providers will have expertise in working with job seekers who need additional support to move into employment, building quality relationships with employers and strong links with local community services. Providers will work closely with employers to understand and meet their needs, and work to tailor pathways for job seekers.

This includes:

- organising pre-employment opportunities for employers to prepare and trial job seekers, including work experience, internships, work trials and offering post placement support
- improving the alignment of skills and training gained by job seekers to suit employers' needs
- implementing strategies to develop and deliver training that is tailored to make sure that job seekers are equipped to meet the specific needs of employers
- collaborating with other Providers and services to identify and refer suitable job seekers for major employers and significant projects
- using the Employment Fund to ensure job seekers have the skills and experience that employers are looking for
- understanding the requirements of the role and organising wage subsidies, to complement the establishment of strong relationships with employers and other supports provided to job seekers through the Employment Fund
- helping job seekers to relocate to take up work in another location, including providing Relocation Assistance to support their moving costs where required
- providing appropriate post placement support to employers and job seekers so job seekers stay in employment.

The Performance Framework will also recognise the quality of service that Providers deliver to meet the needs of employers and job seekers to assess Provider performance.

For employers and industry groups seeking support with larger recruitment needs, the department will triage assistance and coordinate a package of support including through tailored projects delivered by Workforce Specialists. Assistance will continue to be available in the new model to respond to large employer or industry closures, which may include structural adjustment programs, tailored Jobs Fairs and local Employment Facilitators.

Enhanced Services Providers will develop and maintain proactive and positive relationships with other Providers and organisations, including Workforce Specialists and Employment Facilitators, to identify and connect job seekers to suitable employment opportunities and projects. This includes supporting job seekers to prepare for and take up these opportunities.

1.9 Working with other Providers

Enhanced Services Providers are expected to work in collaboration with a range of related services and programs to tailor support for job seekers and help them access the assistance they need. Providers are also expected to collaborate with other Providers, services and projects such as those delivered by Workforce Specialists to identify and refer suitable job seekers for major employers and significant projects. In addition, Providers are expected to engage with the Local Jobs Program, which involves Employment Facilitators in each region working with local community stakeholders such as employers, Employment Services Providers, higher education and training organisations to support job seekers (dese.gov.au/local-jobs-program). Providers are required to identify how they intend to work with and collaborate with other Providers and community organisations that deliver services in the ER for which they respond.

1.10 Payment model

The Enhanced Services payment structure recognises that Providers will be servicing the most disadvantaged job seekers and will need to invest in them if they are to secure long-term employment. The payment model has been designed to incentivise personalised support and outcomes for the those hardest to help, and to support Provider viability.

Please note: all payments listed in this document are GST inclusive.

1.10.1 Upfront Payments

Higher Upfront Payments will support early intervention. An Engagement Payment of \$1,200 is payable for new job seekers commencing in employment services with an Enhanced Services Provider.

A Transfer Payment of \$600 will be paid for existing job seekers currently in jobactive or NEST Enhanced Services who transition to Enhanced Services under the new model.

A **Transfer Payment** of \$600 is also paid when a job seeker commences with a new Enhanced Services Provider following a transfer or a change in business share (i.e. a new Panel Member gaining a licence).

There will be a scaling of Engagement Payments at the end of a licence with \$600 payable on the commencement of a newly referred job seeker during the final six months of the contract and \$300 payable during the final three months of the licence.

The Upfront Payments are not a time-based payment so there is no concept of an unused portion being recovered by the department as is the case with jobactive administration fees. Many job seekers, even from the most disadvantaged cohorts, will exit employment services within quite short periods, however, the Provider will retain the entire Upfront Payment for these job seekers regardless of their time in service with the Provider.

1.10.2 Progress Payments

Progress Payments are payable for demonstrable improvement in a job seeker's employment prospects through the provision of intensive, tailored services. Progress Payments recognise the investments made to get job seekers job-ready, including efforts to reduce or remove non-vocational barriers. Triggers for progress payments will be flexible to recognise the differing investments made for each job seeker but will include work placements (other than those that attract Outcome Payments) and education interventions.

Providers may claim a Progress Payment of \$750 (where eligible) every 24 months for job seekers on their caseload.

Table 9: Upfront and Progress

Engagement Payment	Transition/Transfer Payment	Progress Payment
\$1,200	\$600	\$750
Paid when a new job seeker starts in Enhanced Services	Paid when an existing jobactive or NEST job seeker transitions to the new model or transfers to a different Enhanced Services Provider	Claimable every 24 months for demonstrable improvement in a job seeker's employment prospects

1.10.3 Employment Outcome Payments

Employment Outcome Payments are a financial incentive for Providers on moving job seekers into employment. They are payable upon a job seeker's achievement of four, 12 and 26-weeks in employment. The rate of payment is determined by whether it is a Full or Partial Outcome, and by the job seeker's risk of becoming long-term unemployed (as measured by their JSCI Score).

For most job seekers, a Partial Outcome is payable where they are earning enough income from employment to reduce their rate of income support by 60 per cent, with a Full Outcome payable where they earn sufficient income to receive no income support at all. Flexibility exists for job seekers who are not able to work as much, such as people with disability or principal carer parents (that is, parents with a primary caring responsibility).

Table 10: Employment Outcome Payments

Employment Outcome Type	Outcome	JSCI (moderate)	JSCI (high)
Partial	<ul style="list-style-type: none"> 4 week 12 week 26 week 	<ul style="list-style-type: none"> \$240 \$400 \$800 	<ul style="list-style-type: none"> \$400 \$1,000 \$1,650
Full	<ul style="list-style-type: none"> 4 week 12 week 26 week 	<ul style="list-style-type: none"> \$500 \$1,000 \$2,000 	<ul style="list-style-type: none"> \$1,000 \$3,000 \$5,000

1.10.4 Very Long-Term Unemployment Bonus

A Very Long-Term Unemployment (VLTU) Bonus is payable when a job seeker with more than 24 months period of unemployment at the time of job placement achieves a 12 or 26 week Employment Outcome. The period of unemployment commences when the job seeker registers with Services Australia (or directly with the Provider) and continues until the job seeker exits employment services. This is automatically paid on top of the Employment Outcome Payment.

Table 11: VLTU Bonus payment Payable when a job seeker with more than 24 months service achieves an Employment Outcome

Bonus Type	Fee
12 week Partial Outcome	\$1,000
26 week Partial Outcome	\$2,000
12 week Full Outcome	\$2,000
26 week Full Outcome	\$4,000

1.10.5 Verification

Providers will not be required to collect documentary evidence for Employment Outcomes where there is data from Services Australia (in the department’s IT system) that confirms the job seeker has met the working hours requirement or reduced/ceased their rate of income support. Where Services Australia data cannot verify an Employment Outcome, the Provider will be able to make a claim supported by sufficient evidence (such as pay slips) as specified by the department.

There are some situations that will not attract Outcome Payments. These situations include, but are not limited to:

- employment that is not considered valid, such as a work placement funded or subsidised by another program, a voluntary or unpaid position or a job in another country
- employment that would bring the program into disrepute such as work involving illegal activity or associated with the sex industry.

1.10.6 Indexation

Indexation of 6.8 per cent will be applied to all payment rates every three years (starting from 1 July 2025).

1.11 Employment Fund

The Employment Fund is a pool of funds that can be used by Enhanced Services Providers to support job seekers. Providers should proactively help job seekers to prepare for work and build their experience and develop skills to meet the needs of employers and their current job vacancies.

Employment Fund credits can be used by Providers to access the services that job seekers need. The flexibility of the Employment Fund enables assistance to be targeted to individual job seeker circumstances, employer requirements and changing labour market conditions in their local regions. Over time, the system will increase automation to reduce administration for users.

Job seekers in Digital Services will attract a limited amount of Employment Fund credits from the notional funding pool, allocated after two months in Digital Services, however, those job seekers will be eligible to access the Employment Fund immediately on commencement in Digital Services. Job seekers in Enhanced Services will attract larger credits. Enhanced Services Providers will also be able to offer wage subsidies, through the Employment Fund, to employers who recruit job seekers in Enhanced Services, of up to a maximum of \$10,000.

The Youth Bonus Wage Subsidy of \$10,000 will only be accessible by individuals who are in receipt of income support. In this regard, TtW’s eligibility criteria allow young people who may not be in receipt of income support (for example, due to means testing of parental incomes) to volunteer to participate in TtW. These young people would not be eligible for the Youth Bonus Wage Subsidy.

1.11.1 Credits

A one-off credit of \$1,600 will be made to the Employment Fund when a new job seeker commences in Enhanced Services. Transition credits will be made to the Provider when a job seeker transitions from jobactive or the NEST to Enhanced Services under the new model. Transition credit amounts will vary between \$400 and \$1,200, based on the job seeker’s period of unemployment. The credits in the Employment Fund are not quarantined to any one job seeker and can be used flexibly to provide services to any job seeker being serviced by the same Provider.

Any unused Employment Fund credits cannot be retained by the Provider.

Table 12: Employment Fund credits

Service Type	Credit Amount
Digital	\$300*
Enhanced Services	\$1,600

**The Digital Employment Fund is credited after a Participant has been in Digital Services for two months.*

1.11.2 Purchasing goods and services

Providers can claim reimbursement for payments that genuinely support employers and assist job seekers to achieve the goal of employment.

Employment Fund purchases must be in accordance with the Guidelines, provide value for money, comply with any laws that may apply, withstand public scrutiny and not bring the government into disrepute.

1.11.3 Wage subsidies

After six months in Enhanced Services, Providers can offer employers a wage subsidy, available through the Employment Fund, of up to a maximum of \$10,000. Wage subsidies are intended to accompany more comprehensive work with employers to understand their current recruitment needs and to support disadvantaged job seekers such as mature age, long-term unemployed or Indigenous job seekers. The demand driven Youth Bonus Wage Subsidy will also be available to support disadvantaged young people aged 15–24 after six months in Enhanced Services. Wage subsidies are offered at the discretion of the Provider to encourage ongoing work and there will be greater flexibility for Providers and employers to negotiate tailored support to meet their business needs.

1.11.4 Relocation Assistance

Relocation Assistance will be available through the Employment Fund.

Enhanced Services Providers should actively help job seekers to move and have the discretion to offer Relocation Assistance, based on the individual needs of the job seeker, including making Upfront Payments directly to suppliers ahead of the person’s move.

Enhanced Services Providers will be able to offer Relocation Assistance to job seekers without entering into a Relocation Agreement, reducing the administrative burden on job seekers. There will be no minimum

requirements regarding the number of hours worked per week or the duration of the employment placement (currently 30 hours per week and six months) for the job seeker to be eligible for assistance.

1.12 Performance Framework for Enhanced Services

Enhanced Services will be underpinned by a comprehensive Provider Performance Framework that measures success and drives the performance of Provider delivered services. Central to this will be ensuring employers and job seekers—the users of the system—receive a quality service that meets their needs. The department will use the Provider Performance Framework to determine how well a Provider is performing, and to make decisions around extending their licence.

Individual elements of the Provider Performance Framework may be adjusted prior to the commencement of the new employment services model to ensure the framework fully supports the policy intent of Enhanced Services. The department will engage with stakeholders on specific elements of the Provider Performance Framework and welcomes stakeholder feedback and suggestions on the most effective ways to incentivise the policy intent of the model.

1.12.1 Module based approach to performance

A module based Performance Framework will improve the transparency of Provider performance and enable a holistic assessment of performance. There will be several independent performance modules, each focused on a different element of the service.

Each module will be supported by a small number of underpinning measures. Where appropriate, these underpinning measures will be a mix of different assessment types for example, a module could include both a quantitative and qualitative underpinning measure. The use of different types of performance assessment aims to reward Providers that deliver services consistent with the full policy intent of Enhanced Services.

Providers will have visibility over how their results for each underpinning measure feed into the module assessment and overall licensing decision. The primary performance assessment will be at the region level; however, Providers will receive underlying data at the site level to assist in identifying areas of high and low performance.

1.12.2 Sustained employment module

The objective of this module is to assess Provider performance in achieving sustained employment for job seekers.

The underpinning measures for this module will be based on the relative success of the Provider at achieving paid Employment Outcomes for job seekers on their caseload.

1.12.3 Progress to employment module

The objective of this module is to assess Provider performance in progressing job seekers on their caseload towards employment.

The underpinning measures for this module will be based on the success of the Provider at achieving meaningful and relevant progress for job seekers on their caseload. It will also assess the success of the Provider in engaging their entire caseload, including efforts to work with job seekers that may not result in progress or Outcome Payments.

1.12.4 Quality of job seeker service module

The objective of this module is to assess Provider performance in delivering a high quality service to job seekers.

The underpinning measures for this module will be based on the success of the Provider at delivering tailored services for job seekers that meet both job seeker and community expectations.

1.12.5 Quality of employer service module

The objective of this module is to incentivise Providers to deliver a quality service to employers.

The underpinning measures for this module will be based on the success of the Provider at meeting employer needs. This could involve assessing the success of Providers in actively building relationships with employers and supporting job seekers to connect to vacancies appropriate to them individually.

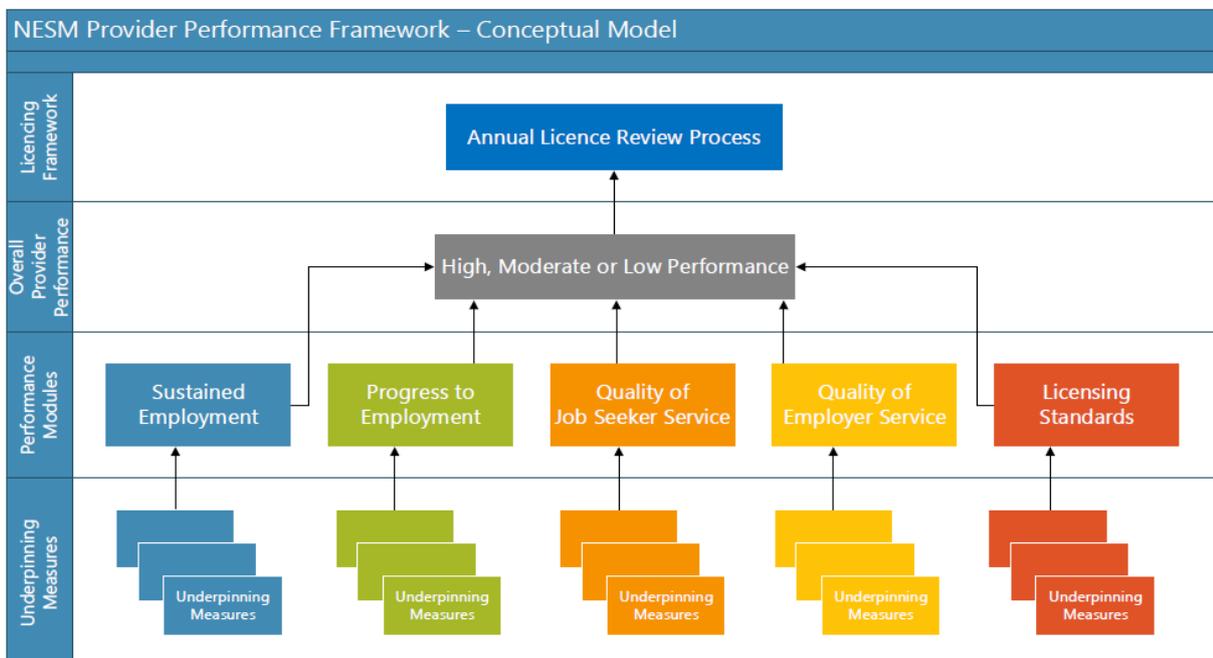
1.12.6 Licensing requirements module

The objective of the licensing requirements module is to ensure that Providers continue to meet the standards required to operate and are displaying the desired values and behaviours.

This module will include a range of items such as:

- compliance with the Deed
- certification against the QAF
- cybersecurity requirements under RFFR.

Figure 3



1.12.7 Approach to performance categories

To support the Licence Review process, there will be three performance categories within the Performance Framework. For more information about the Licence Reviews is available in section 2.2.13 of the Exposure Draft. The three performance categories will be:

- High performance
- Moderate performance
- Low performance.

Providers will be placed into one of the three performance categories for each module according to their performance against the underpinning measures. The licensing requirements module is an exception to this in that Providers will either pass or fail to meet the module.

To ensure that the Provider Performance Framework continues to drive continuous improvement, there will be a periodic review of the levels required to achieve each performance category on a module by module basis.

The approach to determine overall levels of performance are set out in Table 13 below.

Table 13: Performance Category requirements

Performance Category	Requirements
High Performance	<ul style="list-style-type: none"> • Must achieve High Performance against the Sustained Employment module. • Must pass the Licensing Requirements module. • Must not achieve Low Performance against any modules.
Moderate Performance	<ul style="list-style-type: none"> • Must pass the Licensing Requirements module. • Must not achieve Low Performance against any modules.
Low Performance	<ul style="list-style-type: none"> • Does not pass the Licensing Requirements module. <p><i>or</i></p> <ul style="list-style-type: none"> • Achieves Low Performance against any module.

1.13 Enhanced Services Provider Service Guarantee

Each Enhanced Services Provider will have a Service Guarantee that states the standard of service they will provide in delivering Enhanced Services.

A copy of the relevant Enhanced Services Service Guarantee must be provided to all job seekers at their initial appointment and must be prominently available in each Provider’s office and on their website.

The Enhanced Services Service Guarantee will outline a set of minimum standards that the Provider will adhere to in the delivery of Enhanced Services to the job seeker. The Guarantee will be required to cover the full range of Enhanced Services that a Provider is responsible for. The Guarantee must require the Provider to deliver assistance in a manner sensitive to the job seeker’s culture, circumstances and background, and where possible be tailored to the needs of the job seeker.

A draft Service Guarantee will be included in the RFP.