**Payments under Skills First**

This fact sheet explains how payments work under the Skills First program.

## What we pay you

We pay asubsidy for each scheduled hour you report. Scheduled hours are the hours of supervised training and assessment that you plan for a single subject.

### Payable hours

Use the [Victorian training package purchasing guides](https://www.vic.gov.au/victorian-training-package-purchasing-guides) or accredited course documentation to help you plan your Skills First training delivery.

These set out nominal hours for each subject within AQF qualifications and skill sets. Nominal hoursare the hours of supervised training and assessment we think is needed to achieve the outcomes of a subject. It doesn’t include homework or practice.

Normally, we’d expect your scheduled hours to be similar to nominal hours. But use your professional judgement about what scheduled hours you need for the programs you deliver to your specific students.

The guides also set out minimum and maximum payable hours.

We pay you up to the maximum payable hours for each program. But the minimum hours are a guide only.

See the funded programs report for details of subsidies and maximum payable hours.

### Subsidy loadings

We pay additional loadings to reflect government priorities and in recognition of where it might cost more to deliver training. These are applied automatically by SVTS and increase the hourly subsidy rate for eligible students:

* indigenous loading 50%
* disengaged youth loading 30%
* VCE and VPC loading 10%
* regional loading 10%

More than one loading may be relevant and if so, are applied cumulatively to the subsidy.

How we pay you

We pay monthly and in arrears. We calculate payments for each subject you report by multiplying your reported scheduled hours by the relevant subsidy rate (including any loadings and contributions):

Where a subject is delivered across multiple months, we apportion or ‘split' your payment across those months.

## Our payments and your tuition fees

Subsidies reduce the cost of training for eligible students and contribute to your training delivery costs.

But our subsidy may not cover the full cost of training and you may need to charge a tuition fee. You can set your own tuition fees based on what you think is appropriate to deliver quality training services. But you must:

* grant a fee concession to students who are entitled to one
* grant a fee waiver to students where they meet the criteria set out in the contract and guidelines.

Fee concessions or waivers support particular students to afford training or to ensure priority programs are done by as many students as possible.

We pay a contribution towards revenue you lose where we require you to grant fee concessions or fee waivers. Our maximum concession contribution and our fee waiver contribution are published on the funded programs report.

This chart illustrates this combination of subsidy, contributions and fees.

## Your data

It’s important that you submit timely and accurate data to SVTS every month so we can calculate your payments. Payment is conditional on:

* your data being in line with the Victorian VET Statistical Guidelines
* students being eligible
* training being provided in line with the contract.

SVTS also validates and actions specific funding arrangements, including approved allocations and will reject claims and/or recover funds in line with contract settings.

We may recover funds or adjust payments, for example, where:

* you have not reported training activity accurately or as required
* training activity is not consistent with the vocational intent or packaging rules
* there’s another program with a lower subsidy you could deliver to meet a student's needs.

### Program Unique Supervised Hours

As well as scheduled hours, you must also report Program Unique Supervised Hours (PUSH). This is the total number of hours experienced by the student in supervised training and assessment.

For example if you deliver a 300 hour scheduled program, but cluster some units so that the student only experiences 200 hours of supervised training and assessment you would report the PUSH as 200 hours.

We ask you to report PUSH because it tells us about the intensity of the student experience for the whole program.

We do not use PUSH to calculate payments and they might be different to scheduled hours.

## Avoiding errors and rejects

### Upload often

You’re required to upload your data at least once a month but we recommend you upload more often to give yourself time to correct any data errors before the payment processing date.

### Review

Your upload is processed by SVTS overnight, so review your data the next day to check for any errors or rejects.

We allow you to suspend claims even if they meet the business rules. This 'claims confirmation' process allows you to suspend payment if you’re not sure you’re entitled to it.

### Use our guides

We provide claims and reporting guides to assist you.

The Guide to SVTS Claims:

* explains how to create claims
* demonstrates how your data is treated by SVTS
* provides instructions on how to manage and monitor your claims and payments.

We also provide the Victorian VET Student Statistical Guidelines to help you understand the form, purpose, scope and requirements of submitting data to the SVTS.

### Use our reports

Use the current claim status report in SVTS to see the value of your claims for payment and check your subject end dates are correct.

Use the forecast payment report to see claims awaiting payment, the students you’ve made claims for and your expected revenue.

### How we can help

We’ll help you fix any payment issues where possible via SVTS enquiries. Be sure to provide the type of error or reject, RTO student ID, program code and subject code in your enquiry.

We can override automated decisions made by SVTS if we determine it’s appropriate.

## Further information

* [Guide to SVTS Claims](https://www.eduweb.vic.gov.au/svts/Administration/ContentManagement/DocumentList.aspx)
* [Victorian VET Student Statistical Guidelines](https://www.vic.gov.au/training-data-collection/)
* [Guidelines about Fees](https://www.vic.gov.au/vet-funding-contracts)
* [Guidelines about Eligibility](https://www.vic.gov.au/vet-funding-contracts)
* [Fact sheet: Concessions](https://www.vic.gov.au/vet-funding-contracts)
* Submit an enquiry via [SVTS](https://www.education.vic.gov.au/svts)

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