

2014-16 VET Funding Contract Victorian Training Guarantee Program

BETWEEN The State of Victoria through the Secretary of the
Department of Education and Early Childhood Development
(the **Secretary**)
ABN 52 705 101 522

2 Treasury Place
East Melbourne VIC 3002

AND Registered Training Organisation (the **RTO**)

VERSION	DATE	COMMENTS
2.0	October 2014	



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Schedule 1 Victorian Training Guarantee Program Specifications

BACKGROUND TO THIS VET FUNDING CONTRACT

- A. Government funded Vocational Education and Training (**VET**) is provided for under and subject to the *Education and Training Reform Act 2006 (Act)*. Arrangements for VET funding are set out in Part 3.1 of Chapter 3 of the Act.
- B. Section 3.1.2(1) of the Act provides for the Secretary to:
 - i) enter into a VET funding contract with a Registered Training Organisation (**RTO**) in relation to the provision by the RTO of vocational education and training that is funded wholly or partially by the State; and
 - ii) make payments to RTOs that provide or intend to provide vocational education and training on any terms and conditions the Secretary thinks fit.
- C. The Act also provides that a student has a guaranteed vocational education and training place for a government subsidised course if certain criteria set out in section 1.2.2(2)(e) of the Act are satisfied.
- D. The *Victorian Training Guarantee* Program is the vehicle through which registered education and training organisations such as the RTO will be contracted to deliver government subsidised Training Services to eligible individuals.
- E. The purpose of this VET Funding Contract is to set out the terms and conditions under which the Department will make available, and the RTO will accept, funding for the purposes of the RTO delivering Training Services to Eligible Individuals.

1. DEFINITIONS AND INTERPRETATION

1.1. Definitions

In this VET Funding Contract, unless the contrary intention appears:

Act means the *Education and Training Reform Act 2006* including any amendments.

AQTF means the *Australian Quality Training Framework* as updated from time to time.

ASQA means the Australian Skills Quality Authority.

AVETMISS means the Australian Vocational Education and Training Management Information Statistical Standard.

Brokering Services means where an individual or organisation receives payment from the RTO in exchange for recruiting individuals to participate in government subsidised training. This does not include salaried individuals who are employees of the RTO whose primary purpose is the identification and recruitment of potential students.

Business Day means a day which is not a Saturday, Sunday or a public holiday in Melbourne, Victoria.

CEO means the Chief Executive Officer (or relevant equivalent) of the RTO.

Claim means any cause of action, allegation, claim, demand, debt, liability, suit or proceeding of any nature howsoever arising and whether present or future, fixed or unascertained, actual or contingent or at law (including negligence), in equity, under statute or otherwise.

Code of Practice means a code of practice as defined in, and approved under, the *Information Privacy Act 2000*.

Commencement Date means the later of 1 January 2014 or when this VET Funding Contract is executed before 31 December 2014 by means of the RTO accepting an offer from the Department to be bound by the terms and conditions of this VET Funding Contract.

Confidential Information means all confidential or commercially sensitive information of a Party.

Contact Hour Funds means the funds payable by the Department in relation to the scheduled hours reported by the RTO as in respect of an Eligible Individual to whom the RTO has provided the Training Services as detailed in Schedule 1 of this VET Funding Contract.

Contract Notifications means contract notifications issued by the Department from time to time via the SVTS.

Department means the State of Victoria acting through the Department of Education and Early Childhood Development (or its successor).

Deputy Secretary means the Deputy Secretary of Higher Education and Skills Group, the Department (or successor).

Dispute means a dispute in relation to this VET Funding Contract.

Dispute Notice means a written notice setting out details about a Dispute that is given under Clause 15.

Eligible Individual means an individual who is eligible for government subsidised training in accordance with the eligibility requirements set out in this VET Funding Contract and related guidelines.

Evidence of Concession/Waiver/Exemption means evidence of an Eligible Individual's entitlement to concession tuition fees, or to a waiver of or exemption from

tuition fees for government subsidised training, in accordance with the related *Guidelines about Fees*.

Evidence of Eligibility means evidence of an Eligible Individual's eligibility for government subsidised training in accordance with the eligibility requirements set out in this VET Funding Contract and the related *Guidelines about Determining Student Eligibility and Supporting Evidence*.

Evidence of Participation means evidence of an Eligible Individual's participation in training and assessment provided by the RTO, as detailed in Clause 10 of Schedule 1 of this VET Funding Contract.

Executive Director means the Executive Director, Training Market Operations Division, the Department (or successor).

Executive Memoranda means the executive memoranda issued by the Department from time to time.

Executive Officer has the same meaning as in s 3 of the *National Vocational Education and Training Regulator Act 2011* (Cth), and has the corresponding meaning in relation to any registered training organisation not listed on the National Register, as may be the case from time to time.

Fee Concession Contribution means the contribution to be paid by the Department to the RTO in respect of an Eligible Individual as detailed in Clause 12 of Schedule 1 of this VET Funding Contract.

Fee Waiver/Exemption Contribution means the contribution to be paid by the Department to the RTO in respect of an Eligible Individual as detailed in Clause 12 of Schedule 1 of this VET Funding Contract.

Foundation Skills Approved Provider List means a list of RTOs approved by the Department, or authorised delegate, to deliver courses or qualifications on the Foundation Skills List which are funded by the Department.

Foundation Skills List means the specific list of approved foundation courses issued by the Department from time to time.

Funded Courses Report means a report issued and approved by the Department and includes educational and accredited vocational training courses; this does not include higher education courses. The Funded Courses Report is subject to variation at any time.

Funded Scope means the specific list of courses and qualifications with a status of 'Approved' for which Funds will be paid to the RTO under this VET Funding Contract, in accordance with Clause 12 of Schedule 1 of this VET Funding Contract.

Funds means the money provided by the Department to the RTO under this VET Funding Contract in respect of an Eligible Individual for the purposes of the RTO providing the Training Services to that individual, consisting of:

- a) the Contact Hour Funds;
- b) if applicable, the Fee Concession Contribution; and
- c) if applicable, the Fee Waiver/Exemption Contribution.

Guidelines about Apprenticeship/Traineeship Training Delivery means the most recent guidelines of that name issued by the Department from time to time.

Guidelines about Fees means the most recent guidelines of that name issued by the Department from time to time.

Guidelines about Determining Student Eligibility and Supporting Evidence means the most recent guidelines of that name issued by the Department from time to time.

GST means the *Goods and Services Tax* and has the same meaning as specified in the GST Law. Where there are words and expressions that are not defined in this VET Funding Contract but which have a meaning in the GST Law, such meaning as prescribed by the GST Law will apply to this VET Funding Contract.

GST Law means the *A New Tax System (Goods and Services Tax) Act 1999 (Cth)*.

Incentives include:

- a) financial incentives, and/or
- b) non-financial incentives, such as any equivalent 'payment' in the form of goods, services or rewards.

High Managerial Agent has the same meaning as in s 3 of the *National Vocational Education and Training Regulator Act 2011 (Cth)*, and has the corresponding meaning in relation to any registered training organisation not listed on the National Register, as may be the case from time to time.

Information Privacy Principles means the **Victorian** information privacy principles set out in the *Information Privacy Act 2000*.

Intellectual Property means any method, discovery, formulae, copyright, all rights in relation to inventions (including registered and registrable patents), registered and unregistered trade marks, registered and unregistered designs, circuit layouts, know how and confidential information, and all other rights including moral rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields of intangible property.

Insolvency Event means:

- a) any change in the direct or indirect beneficial ownership or control of the RTO which is not subject to the Department's prior written approval;
- b) the RTO disposes of the whole or any part of its assets, operations or business other than in the ordinary course of business;
- c) the RTO ceases to carry on business;
- d) an order is made by a Court of competent jurisdiction for the winding up or dissolution of the RTO;
- e) any step is taken to appoint a receiver, receiver and manager, trustee in bankruptcy or similar officer over all or any of the assets or undertakings of the RTO and is not discontinued or withdrawn within five (5) Business Days;
- f) any step is taken by a mortgagee to take possession either directly or by an agent over all or any of the assets, operations, or undertakings of the RTO and is not discontinued or withdrawn within five (5) Business Days;
- g) any step is taken to appoint a liquidator or provisional liquidator and is not discontinued or withdrawn within five (5) Business Days;
- h) any step is taken to appoint an administrator, or to enter into a deed of company arrangement;
- i) any step is taken to enter into any arrangement between the RTO and its creditors; or
- j) any similar step.

Loss means any loss, damage, liability, cost or expense (including legal expenses on a full indemnity basis) of any kind suffered or incurred or agreed to be paid by way of settlement or compromise and includes any direct, indirect, special or consequential loss or damage, including loss of profits, loss of production, loss or corruption of data, loss of

sales opportunity or business reputation, direct or indirect labour costs and overhead expenses and damage to property, personal injury and death.

Material Breach means the RTO:

- a) failing to meet its obligations regarding:
 - i) the application of all eligibility criteria to determine Eligible Individuals prior to enrolment;
 - ii) the application of fees, including as required under any ministerial directions, orders, regulations or guidelines about fees;
 - iii) the application of fee concessions, fee waivers/exemptions;
 - iv) specific requirements for all Training Services including the requirements for the provision of the Training Services at Clause 4.1, Pre-Training Review, Training Plan, and Evidence of Eligibility, Evidence of Concession/Waiver/Exemption, Evidence of Participation, in relation to each Eligible Individual;
 - v) specific requirements for apprenticeship/traineeship Training Services; and
 - vi) acting ethically, and not doing or omitting to do anything which may damage, ridicule, bring into disrepute or be detrimental, to the Department, the VET sector, the Victorian government subsidised training market, the Department or the State's name or reputation. A determination in this regard will be made at the absolute discretion of the Department, giving due regard to the obligations of the Department under Statute or otherwise; and made in good faith, as specified in
 - vii) this VET Funding Contract;
 - viii) any ministerial directions, ministerial orders, or regulations in relation to fees issued pursuant to the Act; or
 - ix) any directions, policies, procedures or guidelines as issued by the Department from time to time; and
- b) failing to publish its fees in accordance with Clause 1.4 of Schedule 1 of this VET Funding Contract;
- c) refusing to permit, participate in or assist with, or preventing or unreasonably delaying an audit or review as required by the Department in accordance with Clause 10; and
- d) making a claim for payment under this VET Funding Contract for the delivery of Training Services that has not occurred at the time the claim is made, including but not limited to:
 - i) Reporting that a unit of competency/module has commenced, as indicated by the Enrolment Activity Start Date, prior to its actual commencement such that the RTO receives a full or partial payment for the unit prior to its commencing; and/or
 - ii) Reporting that a unit of competency/module has been completed, as indicated by the Enrolment Activity End Date, before it has actually been completed such that the RTO is paid in full for the unit of competency/module before it has been completed.

Maximum Scheduled Hours means the Department-identified maximum nominal hours or maximum payable hours as published on the Funded Courses Report.

MMU means the Market Monitoring Unit within the Regional Support Group of the Department (or successor).

Minister means the Minister for Higher Education and Skills (or successor).

National Act means the *National Vocational Education and Training Regulator Act 2011* (Cth).

National Register has the same meaning as in s 3 of the *National Vocational Education and Training Regulator Act 2011* (Cth).

Party/Parties mean the parties to this VET Funding Contract.

Peer Review Panel means a Panel comprised of CEOs or representatives of RTOs accepted by the Department, formed in accordance with the process in Clause 11.

Performance Indicators means the performance indicators set out at Clause 11 of Schedule 1 of this VET Funding Contract.

Public Authority means public authority within the meaning of s 4 of the *Charter of Human Rights and Responsibilities Act 2006* (Vic), including because that entity has functions under this VET Funding Contract relevant to s 4(c).

Quality Indicators means an annual summary report against the quality indicators required as a condition of registration under the Act and National Act.

Records means any document within the meaning of the *Evidence Act 2008* (Vic) including:

- a) anything on which there is writing;
- b) anything on which there are marks, figures, symbols or perforations having a meaning for persons qualified to interpret them;
- c) anything from which sounds, images or writings can be reproduced with or without the aid of anything else; or
- d) a map, plan, drawing or photograph,

and which is produced or created by the RTO under or in the course of performing its obligations under this VET Funding Contract.

Recordkeeping means making and maintaining complete, accurate and reliable evidence of business transactions in the form of recorded information.

Regional Postcodes Report means a report issued and approved by the Department that identifies postcodes which will attract a regional loading (as detailed in Clause 12 of Schedule 1 of this VET Funding Contract). The Regional Postcodes Report is subject to variation at any time.

Relevant Person means a registered training organisation, or any Executive Officer, High Managerial Agent or any person or entity which exercises a degree of control or influence over the management or direction of the registered training organisation.

RPL Approved Provider List means a list of RTOs approved by the Department, or authorised delegate, to deliver Recognition of Prior Learning (RPL) which is funded by the Department.

Secretary means the Secretary of the Department (or successor).

Segregation of Duties means the assignment of different people in the responsibility of authorising transactions, recording transactions and maintaining custody of assets with the intention of reducing the opportunities to allow any person to be in a position to both perpetrate and conceal fraud or error due to fraud in the normal course of his or her duties.

SNR means Standards for National VET Regulator (NVR) Registered Training Organisations.

State means the Crown in right of the State of Victoria.

Statement of Expectations means the *Statement of Expectations: Principles and obligations for government contracted training providers in Victoria*, released 19 April 2013.

Statement of Fees means a detailed quote for each Eligible Individual, which sets out information required in the SNR and includes the approximate value of the contribution from government towards the qualification(s) in which the Eligible Individual is considering enrolment.

Student Statistical Report means reports provided to the Department in accordance with the *Victorian VET Student Statistical Collection Guidelines*.

Student Tuition Fee Contribution Report means a report issued and approved by the Department and includes the maximum hourly rate the Department will pay for Fee Concession Contributions; and the hourly rate the Department will pay for Fee Waiver/Exemption Contributions. The Student Tuition Fee Contribution Report is subject to variation as directed by the Department at any time.

SVTS means the Skills Victoria Training System or any future system that replaces the Skills Victoria Training System.

Term is defined in Clause 2.

TOID means the Training Organisation Identifier or RTO Code.

Training Services means

- a) training and assessment associated with currently endorsed courses and qualifications or parts thereof, as identified on the Funded Courses Report, and that are on the RTO's Funded Scope, as provided to Eligible Individuals by the RTO; and
- b) all related requirements under this VET Funding Contract including but not limited to:
 - i) determination of eligibility,
 - ii) the application and enrolment requirements set out at Clause 4 of Schedule 1, including Pre-Training Review,
 - iii) levying of student tuition fees, concessions and exemptions/waivers,
 - iv) Evidence of Participation and the collection/maintenance thereof, and
 - v) matters that reasonably relate to providing the Training Services.

VET Funding Contract means this VET Funding Contract and includes all schedules, annexures, attachments, plans and specifications and exhibits to it.

VET Quality Framework has the same meaning as in the *National Vocational Education and Training Regulator Act 2011* (Cth).

Victorian VET Student Statistical Collection Guidelines means the guidelines of that name issued by the Department from time to time.

VRQA means the Victorian Registration and Qualifications Authority.

1.2. Interpretation

- a) If there is any conflict or inconsistency between the terms and conditions contained in the clauses of this VET Funding Contract and any part of any schedules, then the terms and conditions of the clauses

in this VET Funding Contract will prevail to the extent of the conflict or inconsistency.

- b) In this VET Funding Contract, unless the context otherwise requires:
- i) words importing any gender include each other gender;
 - ii) the plural includes any singular and vice versa;
 - iii) a reference to 'dollars' or '\$' is a reference to the lawful currency of Australia;
 - iv) a reference to a person includes any other entity recognised by law and vice versa;
 - v) a reference to a statute, ordinance, code or other law includes subordinate legislation, consolidations, amendments, re-enactments, and replacements of it;
 - vi) a reference to any legislation or statutory instrument is construed in accordance with the relevant interpretation of that legislation or statutory instrument;
 - vii) a reference to a Party to this VET Funding Contract includes the executors, administrators, successors and permitted assigns of that Party;
 - viii) a reference to an individual or person includes a corporation, partnership, joint venture, association, governments, local government authorities and agencies;
 - ix) a power, function or discretion of the Department under this VET Funding Contract may be exercised by a person authorised by the Deputy Secretary, the Department or any person authorised by the Deputy Secretary, either generally or in a particular case;
 - x) a reference to the Department includes any duly authorised officer or agent and its successor Government department and will be read and constructed as references to the State of Victoria;
 - xi) a reference to a recital, clause, schedule or annexure is a reference to a recital, clause, schedule or annexure to this VET Funding Contract, each of which forms a part of this VET Funding Contract;
 - xii) a cross reference to a clause number is a reference to all its subclauses;
 - xiii) where a term is defined, the definition includes all grammatical forms of that term;
 - xiv) headings are used for references only;
 - xv) terms which are defined in a schedule and which are not otherwise defined in this VET Funding Contract have the meaning given to them in that schedule;
 - xvi) where the expression 'including' or 'includes' is used it means 'including but not limited to' or 'including without limitation';

- xvii) if any day for the payment of Funds under this VET Funding Contract falls on a Non-Business Day, the payment will be due on the next Business Day; and
- xviii) a reference to a breach includes a Material Breach.

1.3. General

- a) The exercise of a power, right, obligation or discretion vested in the Department under this VET Funding Contract is taken to be exercised by the Department on behalf of:
 - i) the Secretary; or
 - ii) a delegate of the Secretary.
- b) The provisions of this VET Funding Contract do not merge or terminate on completion of the transactions contemplated in this VET Funding Contract but, to the extent that they have not been fulfilled and satisfied or are capable of having effect, remain in full force and effect.
- c) No provisions in this VET Funding Contract shall in any way fetter, restrict, or prevent the exercise by the Department of discretions, elections or options available to the Department under legislation which is applicable to the Department (including the Act).
- d) Any waiver of a right or obligation of this VET Funding Contract must be in writing signed on behalf of the party waiving the right or obligation and is effective only to the extent specifically set out in that waiver.
- e) If a provision in this VET Funding Contract is held to be illegal, invalid, void, voidable or unenforceable, that provision will be read down or severed, to the extent necessary to ensure that all other provisions of this VET Funding Contract are enforceable.
- f) It is not necessary for the Department to make payment before enforcing its right, including a right of indemnity conferred by this VET Funding Contract.
- g) Each Party:
 - i) is not an agent, partner, joint venturer or representative of the other Party, and must not hold itself out as such; and
 - ii) must not make any promise, warranty or representation or execute any contract or otherwise deal on behalf of the other Party.
- h) This VET Funding Contract may only be varied by the Department or with the Department's written approval. The Department will not unreasonably withhold consent to a request by the RTO to vary this VET Funding Contract.
- i) Subject to Clause 5, the RTO must not assign, transfer, novate or otherwise deal with this VET Funding Contract or any right under it without the prior written consent of the Department (not to be unreasonably withheld).
- j) This VET Funding Contract is governed by the law of Victoria.

- k) Notwithstanding any other clause or provision in this VET Funding Contract or pursuant to this VET Funding Contract, the Department reserves the right to fund or not fund any course or qualification on the RTO's scope of registration at its absolute discretion, including as applied through Funded Scope.

2. TERM OF THIS VET FUNDING CONTRACT

2.1. Subject to Clause 2.2, the term of this VET Funding Contract will begin on the Commencement Date and continues, in the case of each Eligible Individual to whom the Training Services are being provided by the RTO and in respect of whom the Funds are provided by the Department, until:

- a) all relevant Eligible Individuals have completed or withdrawn from the relevant training course or qualification in which they are enrolled; or
- b) such time as there has been no training activity reported against this VET Funding Contract for any continuous period of 12 months after 15 January 2017, unless, no later than 30 days before the expiry of the 12 month period, the RTO notifies the Department that one or more relevant Eligible Individuals remain enrolled in a relevant training course or qualification; or
- c) notwithstanding any other part of this Clause 2.1, as otherwise agreed in writing by the Department

(the Term).

2.2. The provisions of this VET Funding Contract only operate during the Term, except where this VET Funding Contract specifies otherwise.

2.3. For the avoidance of doubt, any Eligible Individual must commence a training course or qualification with the RTO between the Commencement Date and 31 December 2016.

2.4. The Department may take account of the RTO's performance (including at audit or review) in any calendar year when considering future contractual arrangements with the RTO.

3. GENERAL OBLIGATIONS OF RTO

Maintain registration and standards

3.1. The RTO must,

- a) as applicable to and for the RTO:
 - i) maintain registration as a registered training organisation under the Act; or
 - ii) maintain registration as a registered training organisation under the National Act and maintain a principal place of business with a physical site in Victoria, unless otherwise agreed in writing by the Department; and

- iii) if the RTO did not have a principal place of business with a physical site in Victoria at the Commencement Date of this VET Funding Contract but held: a 2011 Skills for Victoria Service Agreement; a 2012 Skills for Victoria Service Agreement; and a 2013 Service Agreement with the Department, maintain registration as a registered training organisation under the National Act;
- b) maintain at least one (1) nationally recognised qualification for delivery on its scope of registration;
- c) maintain and use AVETMISS compliant software for reporting purposes;
- d) deliver nationally recognised training on its Funded Scope:
 - i) in accordance with the requirements of the accredited course or endorsed national training package;
 - ii) having regard to course/qualification descriptions, pathways information, entry requirements and outcomes; and
 - iii) consistent with purchasing guides, directions or policies issued by the Department;
- e) comply with the AQTF and/or the VET Quality Framework including the Standards for NVR Registered Training Organisations as applicable; and
- f) have a valid ABN and keep the Department indemnified against any loss arising out of the cancellation of the ABN.

Comply with laws

3.2. The RTO must:

- a) provide the Training Services in compliance with the requirements of all laws in any way affecting or applicable to the provision of the Training Services, including laws relating to occupational health and safety;
- b) comply with the requirements of, and pay all fees and bear all costs connected with all applicable laws and regulations, including without limitation all relevant privacy, anti-discrimination and equal opportunity legislation, the *Disability Act 2006* and the *Working With Children Act 2005*; and
- c) if the RTO is not a Public Authority, comply with the requirements of the *Charter of Human Rights and Responsibilities Act 2006 (Vic)* and not act in a way that is incompatible with a human right protected by the Charter or when making a decision in relation to the performance of the Services, fail to give proper consideration to such a human right, as though it was a Public Authority within the meaning of s 4 (c) of the Charter.

Act ethically

3.3. The RTO must:

- a) act ethically;
- b) make all reasonable efforts to work and communicate effectively with and maintain the confidence of, all stakeholders affected by this VET Funding Contract;
- c) not do or omit to do anything which may damage, ridicule, bring into disrepute or be detrimental to the Department, the VET sector, the Victorian government subsidised training market, the Department or the State's name or reputation. In this context, this clause encompasses notions such as:
 - i) behaving honestly and in a way that upholds the objects and values of the *Victorian Training Guarantee Program*;
 - ii) not behaving in a manner that damages the public confidence in the integrity of the *Victorian Training Guarantee Program*;
 - iii) knowing and complying with all policies, procedures and guidelines that relate to the performance by the RTO of its obligations under this VET Funding Contract, including the Statement of Expectations; and
 - iv) not making improper use of the position of trust placed in the RTO in the appropriate expenditure of substantial amounts of public moneys for vocational education and training;
- d) not pay or offer, either directly or indirectly, Incentives to undertake government subsidised training; and
- e) not engage, employ, contract or otherwise deal with any Relevant Person that since 1 January 2011:
 - i) had a contract for government subsidised training delivery with the Department terminated prior to the expiration date on the basis of performance; or
 - ii) had its registration under the Act or National Act, or relevant equivalent legislation revoked, suspended, cancelled or had restrictions imposed on its registered training organisation operations that the Department considers would have affected its ability to provide services equivalent to those under this VET Funding Contract; or
 - iii) was responsible, via their acts or omissions, for any of the matters raised in sub-clause 3.3(e) occurring to another person or entity.

This Clause 3.3(e) does not apply to an employment or other contractual relationship with a Relevant Person where: the Commencement Date is earlier than 1 January 2015; the employment or other contractual relationship with the Relevant Person commenced earlier than 1 January 2015; and, when it commenced, it did not contravene the terms of this VET Funding Contract as they applied at that time.

Be accountable

3.4. The RTO must:

- a) at all times be accountable to the Department for its performance under this VET Funding Contract and demonstrate its compliance, or report its non-compliance, with the terms of this VET Funding Contract;
- b) comply with all requirements in Schedule 1 of this VET Funding Contract, including in relation to determining eligibility, retaining Evidence of Eligibility, completing enrolments, levying and collecting tuition fees, application of tuition fee concessions and waivers, Evidence of Concession/Waiver/Exemption, Evidence of Participation, reporting against Performance Indicators and otherwise meeting the relevant specifications and performance standards;
- c) ensure that all persons employed or engaged by the RTO to provide the Training Services to each Eligible Individual are aware of all obligations under this VET Funding Contract as appropriate;
- d) unless this VET Funding Contract otherwise provides, provide the Training Services to each Eligible Individual and otherwise perform its obligations under this VET Funding Contract at its own cost;
- e) use the Funds reasonably for the purpose of providing the Training Services to the relevant Eligible Individual to whom such Funds apply;
- f) ensure that appropriate compliance, reporting and auditing frameworks, controls and systems are in place including the appropriate Segregation of Duties with respect to the provision of the Training Services to each Eligible Individual and receipt of the Funds from the Department;
- g) not, in providing the Training Services to each Eligible Individual, do any act or undertake any process which would infringe an Intellectual Property right of the Department, the State or any other person or body;
- h) immediately notify the Department in writing of any significant changes to its ownership, CEO (or equivalent) or operations (including its financial viability and any intention or decision to cease operations as an RTO in Victoria); and
- i) participate in:
 - i) any performance improvement initiatives as reasonably determined by the Department, including the introduction of performance targets to be met by the RTO over a reasonable time period; and
 - ii) the National Student Outcomes Survey managed by the National Centre for Vocational Education and Research (NCVER).

4. PROVISION OF THE TRAINING SERVICES

4.1. The RTO must:

- a) provide high quality Training Services, including:

- i) training and assessment that is suitable and appropriate for each Eligible Individual, where:
 - A. **suitable** means the training and assessment meets the individual's needs, links to likely job and/or participation outcomes and minimises duplication of the individual's existing competencies; and
 - B. **appropriate** means the training and assessment is delivered to regulatory and industry standards, uses delivery modes and durations optimised for the individual's needs and includes reasonable support to facilitate the individual's participation and attainment; and
- ii) robust administrative processes to support contract compliance;
- b) have strong links to industry;
- c) provide support to Eligible Individuals;
- d) provide the Training Services in a proper, timely and efficient manner using the standard of care, skill, diligence, prudence and foresight that would reasonably be expected from an expert and experienced provider of Training Services;
- e) demonstrate the highest ethical standards in its dealings and conduct in the provision of the Training Services; and
- f) ensure each Eligible Individual is made aware in circumstances where they are accessing their Victorian Training Guarantee entitlement that this may impact their access to further government subsidised training.

4.2. The RTO must provide the Training Services to each Eligible Individual:

- a) in accordance with any schedules of this VET Funding Contract and any applicable directions, policies or procedures issued by the Department and/or the State from time to time (including as set out in any Contract Notifications or Executive Memoranda, the contents of which the RTO acknowledges and agrees will form part of this VET Funding Contract and will prevail over the requirements of this VET Funding Contract including any schedules to the extent that they are expressed to do so or to the extent that they are inconsistent with those requirements); and
- b) within the State of Victoria, and to an Eligible Individual having a physical presence in Victoria. This includes online delivery except where online delivery takes place during an industry or practical placement and involves the Eligible Individual being temporarily located interstate or overseas for a defined period. During this defined period, no more than 50% of the total scheduled hours applying to the Training Services in which the Eligible Individual is enrolled may be delivered online.

4.3. The RTO acknowledges and agrees that:

- a) to retain or add particular courses on its Funded Scope and/or to deliver Training Services to Eligible Individuals that meet characteristics defined by the Department, the RTO may be required to participate in a

capability or quality assurance process to be determined by the Department; and

- b) if the RTO does not participate in the process or does not meet the required standard, the Department may remove relevant courses from the RTO's Funded Scope and/or direct the RTO to cease enrolments in respect of Eligible Individuals that meet characteristics defined by the Department.

Foundation Skills Approved Provider List

4.4. The RTO acknowledges and agrees that:

- a) in order to commence Eligible Individuals in courses/qualifications from the Foundation Skills List (except Literacy and Numeracy Support), the RTO must be on the Foundation Skills Approved Provider List and have the relevant approval(s); and
- b) the Department may add or remove the RTO from the Foundation Skills Approved Provider List, and/or vary the RTO's approvals on the Foundation Skills Approved Provider List, at any time.

RPL Approved Provider List

4.5. The RTO acknowledges and agrees that:

- a) in order to deliver assessment to Eligible Individuals as Recognition of Prior Learning (RPL), the RTO must be on the RPL Approved Provider List; and
- b) the Department may add or remove the RTO from the RPL Approved Provider List at any time.

5. SUBCONTRACTING OF THE TRAINING SERVICES

Training and assessment

5.1. The RTO may subcontract training and assessment to another RTO that holds a current year Victorian based VET Funding Contract with the Department. In such circumstances, both the RTO and the subcontracted RTO must have the relevant Funded Scope.

5.2. The RTO may only subcontract training and assessment to:

- a) an RTO that does not hold a current year VET Funding Contract;
- b) an RTO that holds a current year non-Victorian based VET Funding Contract; and/or
- c) an entity that is not an RTO

with the prior written approval of the Department. For the avoidance of doubt, the Department has absolute discretion in approving or not approving a request made under this Clause 5.2.

- 5.3. Where an individual is solely engaged to conduct the role of trainer or assessor then this would not represent a subcontracting arrangement as defined under this Clause 5.
- 5.4. The RTO must have the principal line of management of trainers or assessors sourced through labour hire or similar arrangements. Where this is not clearly demonstrated, the arrangement will be considered subcontracting of training and assessment under this Clause 5 and must be approved by the Department.
- 5.5. The RTO may only subcontract some or all assessment relating to Recognition of Prior Learning (RPL) if both the RTO and the subcontracted RTO are on the RPL Approved Provider List. For the avoidance of doubt, the RTO may not subcontract assessment relating to RPL to an entity that is not an RTO.
- 5.6. The RTO may only subcontract some or all training and assessment relating to courses and qualifications on the Foundation Skills List (except Literacy and Numeracy Support) if both the RTO and the subcontracted RTO are on the Foundation Skills Approved Provider List. For the avoidance of doubt, the RTO may not subcontract training and assessment relating to courses and qualifications on the Foundation Skills List (except Literacy and Numeracy Support) to an entity that is not an RTO.
- 5.7. The RTO must ensure that each Eligible Individual who receives training and assessment under a subcontract arrangement under this Clause 5 is aware that they are enrolled with the RTO, not the subcontracted party.
- 5.8. A subcontract arrangement entered into under Clauses 5.1, 5.5 or 5.6 must be on terms that the RTO may immediately terminate an arrangement with a relevant subcontracted RTO if the subcontracted RTO's VET Funding Contract with the Department is suspended or terminated.

Pre-Training Review

- 5.9. The RTO may only subcontract some or all of the Training Services pertaining to Pre-Training Review with the prior written approval of the Department. For the avoidance of doubt, the Department has absolute discretion in approving or not approving a request made under this Clause 5.9.

All subcontracting arrangements

- 5.10. The RTO represents and warrants to the Department that all subcontractors it will use under this VET Funding Contract have appropriate qualifications and are suitably experienced and capable of providing Training Services as required by this VET Funding Contract.
- 5.11. The RTO acknowledges and agrees the Department may direct the RTO to cease, or otherwise vary the scope of, an arrangement to subcontract some or all of the Training Services, including, without limitation, an arrangement approved under Clause 5.2 or Clause 5.9.
- 5.12. If the RTO subcontracts the provision of some or all of its performance of the Training Services it:
- a) must ensure that any subcontract entered into:
 - i) prohibits further subcontracting by the subcontractor;

- ii) requires the subcontractor to provide all necessary assistance, documentation and information that is required under this VET Funding Contract;
 - iii) permits the RTO to immediately suspend the subcontract if the RTO's VET Funding Contract with the Department is suspended;
 - iv) permits the RTO to immediately terminate the subcontract if the RTO's VET Funding Contract with the Department is terminated; and
 - v) otherwise permits the RTO to comply with its obligations under this VET Funding Contract;
- b) must provide a copy of the executed subcontract agreement to the Department if requested;
 - c) retains prime responsibility for all of its obligations under this VET Funding Contract and any subcontract arrangement does not relieve the RTO of any of its liabilities or obligations under this VET Funding Contract or to otherwise provide the Training Services to an Eligible Individual;
 - d) is responsible for ensuring the suitability of the subcontractor and for ensuring that any work performed by the subcontractor meets the requirements of this VET Funding Contract;
 - e) is liable to the Department for the acts, or omissions or negligence of any subcontractor (or any employee, officer or agent of the subcontractor) as if they were the acts, or omissions or negligence, of the RTO (or the employees, officers or agents of the RTO);
 - f) indemnifies (and must keep indemnified) the Department against any or all Loss arising from any acts or omissions by any subcontractor in connection with, or in the course of, the provision of the Training Services to an Eligible Individual or any breach of this VET Funding Contract;
 - g) acknowledges that the Department is not liable for the RTO's subcontractor arrangements and will not become involved in the internal administration of subcontracts or act as a mediator between the RTO and any subcontractor;
 - h) acknowledges that all costs associated with any subcontract are the responsibility of the RTO; and
 - i) must ensure that any subcontractor assists, if requested by the Department or its auditors or reviewers, with any audits or reviews under Clause 10 of this VET Funding Contract.

6. REPORTING

6.1. The RTO must:

- a) use an electronic Student Management System that complies with the *Victorian VET Student Statistical Collection Guidelines* as issued by or on behalf of the Department from time to time;

- b) provide accurate Student Statistical Reports to the Department in relation to the Training Services being provided by the RTO to Eligible Individuals, and to other students on a fee for service basis, which are compliant with Clause 11 of Schedule 1 and the *Victorian VET Student Statistical Collection Guidelines*; and
- c) provide such other reports relating to this VET Funding Contract, the Training Services or the Funds as reasonably requested by the Department and within a reasonable period of time from such a request, in accordance with and including reports specified in Clause 11 of Schedule 1 of this VET Funding Contract.

Reports on projected activity

- 6.2. The RTO must provide a report to the Department detailing the RTO's projected enrolment numbers for any period, including related information, as requested by the Department, within a reasonable period of time from such a request and in a form prescribed by the Department.
- 6.3. The Department may use information referred to in Clause 6.2 for the Department's planning, resourcing, administration and management, both in connection with the Victorian Training Guarantee Program generally and this VET Funding Contract, including scheduling or taking specific actions under or in relation to this VET Funding Contract.

7. FUNDING AND PAYMENTS

- 7.1. Subject to Clauses 7.3, 16 and 17, the Department agrees to pay the Funds in respect of each Eligible Individual to whom the RTO is providing the Training Services. The Department will make payment of the Funds to the RTO in accordance with procedures set out in Schedule 1 of this VET Funding Contract.
- 7.2. The RTO acknowledges and agrees:
 - a) that the Department's payment of the Funds to the RTO in respect of an Eligible Individual under this VET Funding Contract is conditional upon the Department being satisfied (and continuing to be satisfied) that:
 - i) the Training Services are being provided by the RTO to the relevant individual in accordance with this VET Funding Contract; and
 - ii) the Funds are being reasonably applied by the RTO for the purpose of the provision of the Training Services to that individual, or on matters that reasonably relate to providing the Training Services;
 - b) that the Department is only obliged to pay the Funds to the RTO in respect of:
 - i) an Eligible Individual until, and on condition that, the Eligible Individual completes the training course or qualification, or part thereof, in which they are enrolled; or
 - ii) an Eligible Individual until the Eligible Individual withdraws from the training course or qualification in which they are enrolled;

- iii) an Eligible Individual that commences training in a superseded qualification if the Eligible Individual commences within 12 months of the date the replacement qualification is released on the National Register;
 - iv) an Eligible Individual undertaking training in a superseded qualification for a period of 12 months from the date the replacement qualification is released on the National Register;
 - v) an Eligible Individual undertaking training in a deleted qualification for a period of 24 months from the date the qualification was removed or deleted from the National Register;
 - vi) training activity that is reported in accordance with Clause 11.1 of Schedule 1; and/or
 - vii) a unit of competency/module, where the RTO has created a claim within 90 days of the Enrolment Activity Start Date;
- c) that the Department may at its sole discretion vary any or all parts of the Funds that are to be paid to the RTO in respect of one or more Eligible Individuals under this VET Funding Contract on 10 Business Days written notice, including:
- i) for reasons of a change of policy;
 - ii) for reasons of ensuring the proper and responsible administration of the Funds and of the Department's *Victorian Training Guarantee* program budget; and
 - iii) in respect of an Eligible Individual who at the time a variation is made has already enrolled in and/or commenced an eligible course or qualification with the RTO during the period 1 January 2014 to 31 December 2016 inclusive.
- d) that the Department will only pay the Funds under this VET Funding Contract in respect of an Eligible Individual to the RTO and not to any other party;
- e) that the Funds and associated payment arrangements constitute the full extent of Funds available to the RTO from the Department for provision of the Training Services in respect of an Eligible Individual; and
- f) that the RTO is not entitled to and may not claim any additional funding or assistance from the Department in relation to the Training Services.

7.3. Without limiting Clauses 16 and 17, or any other rights of the Department, the Department may deduct from any payment of Funds due to the RTO under this VET Funding Contract, or require payment from the RTO, in respect of Funds:

- a) any amounts due to the Department by the RTO under this VET Funding Contract, or any earlier agreement between the Parties pursuant to the *Victorian Training Guarantee* Program or the *Skills for Victoria* Program;

- b) money paid for the provision of any Training Services that the Department is satisfied (in its absolute discretion) have not been provided by the RTO in accordance with this VET Funding Contract;
- c) money expended by the Department to make good any non-compliance by the RTO with this VET Funding Contract; and
- d) money paid by the Department to auditors or reviewers, or any other authorised person, to verify the delivery, replacement or correction of any of the Training Services by the RTO.

7.4. Where the Department requires a payment from the RTO in accordance with Clause 7.3, the RTO will pay the amount due within 30 Business Days, or such other timeframe specified by the Department.

8. GST

8.1. Except as otherwise provided by this clause, all consideration payable under this VET Funding Contract in relation to any supply is exclusive of GST.

8.2. All suppliers under this VET Funding Contract must be registered for GST. If GST is payable in respect of any supply made under this VET Funding Contract by a supplier under this VET Funding Contract, the Department will gross up the GST exclusive amounts by the amount equal to the GST payable and pay the amount of GST at the same time and in the same manner as the GST exclusive amount.

8.3. The Department as a recipient of the taxable supply will issue to the supplier a Recipient Created Tax Invoice (RCTI) without entering into a separate RCTI Agreement, as each RCTI issued by the Department contains an embedded RCTI Agreement.

8.4. If an adjustment event occurs in relation to a taxable supply under this VET Funding Contract, the Department will provide to the supplier a recipient created adjustment note.

9. ACCOUNTS AND RECORDS

9.1. If there is any inconsistency between the obligations of the RTO with respect to Records and Recordkeeping in this Clause 9 and any obligations in the AQTF and/or the VET Quality Framework including the SNR as applicable, the obligations in the AQTF and/or the VET Quality Framework including the SNR as applicable, will apply to the extent of the inconsistency.

9.2. On termination or expiry of this VET Funding Contract, the RTO will retain ownership and custody of its Records.

9.3. The RTO must implement and administer a Recordkeeping system that creates and maintains full and accurate hard copy and/or electronic Records for all Training Services provided by the RTO. The Recordkeeping system must comply with all applicable standards issued under the *Public Records Act 1973 (Vic)* (PR Act).

9.4. The RTO must store and ensure the security of all Records in accordance with all applicable standards issued under the PR Act.

9.5. The RTO must immediately provide access to the Records in the following circumstances:

- a) in accordance with requirements in the PR Act and any other applicable legislation;
 - b) to the Victorian Auditor-General or Victorian Ombudsman on request in writing;
 - c) to a government representative on request in writing; and
 - d) to the Department or an authorised representative of the Department for any purpose connected with this VET Funding Contract.
- 9.6. Subject to Clauses 9.7 and 9.8, the RTO must only dispose of Records in accordance with standards issued under the PR Act (including the General Retention & Disposal Authority for the Records for Higher and Further Education Institutions) and in accordance with any specific instructions provided by the Department from time to time.
- 9.7. The RTO must not dispose of any Records:
- a) that are required as part of enrolment processes to confirm an individual's eligibility for government subsidised training under this VET Funding Contract, including records required under Schedule 1, and to confirm the application of fees in accordance with the requirements of this VET Funding Contract, for at least seven (7) years after the relevant Eligible Individual has completed or withdrawn from the relevant training course or qualification in which they are enrolled; or
 - b) related to Training Plans for at least two (2) years after the relevant Eligible Individual has completed or withdrawn from the relevant training course or qualification in which they are enrolled; or
 - c) related to Evidence of Participation requirements under this VET Funding Contract, including but not limited to assessment records, for at least two (2) years after the relevant Eligible Individual has completed or withdrawn from the relevant module or unit of competency in which they are enrolled.
- 9.8. The RTO must ensure that all Records are made available to the Department on request, including taking any number of copies of any Records or other documents as required and determined by the Department (or persons authorised by the Department).
- 9.9. The RTO indemnifies the Department from and against any Liability or Claim made by any person for Loss suffered or incurred in connection with a breach of the RTO's obligations under this Clause 9.
- 9.10. Without limiting any of the above obligations in this Clause 9, the RTO must:
- a) ensure appropriate accounting processes and controls are implemented and administered in connection with this VET Funding Contract, the Training Services and the Funds;
 - b) keep complete Records and accounts of all dealings connected with this VET Funding Contract, including:
 - i) all quotations, invoices and receipts, which must contain full particulars of payments made by the RTO to its subcontractors and other third parties; and

- ii) other Records and accounts as required by law and any relevant regulatory authorities;
- c) upon request by the Department, make available to the Department for inspection at a location in Victoria specified by the Department during business hours, all books, documents or other records in its possession, control or power relating to the Funds or the Training Services;
- d) supply any information reasonably required by the Department for the purposes of this VET Funding Contract, including information sufficient to allow the Department to satisfy itself as to the financial position of the RTO, the use of the Funds and/or the capacity of the RTO to deliver the Training Services to Eligible Individuals;
- e) retain, and make available to the Department, or its auditors or reviewers for audit or review purposes, all records relating to the Training Services, including:
 - i) Evidence of Eligibility, Evidence of Concession/Waiver/Exemption, Statement of Fees and Evidence of Participation;
 - ii) evidence of the Pre-Training Review undertaken in accordance with Clauses 4.6-4.10 of Schedule 1; and
 - iii) evidence that the training and assessment provided was appropriate as defined at Clause 4.1(a)(i) and meets the requirements set out at subclauses 3.1(d) and (e)

in respect of each Eligible Individual to whom the RTO provides the Training Services;
- f) comply with all laws and standards applicable to the RTO relating to Recordkeeping, including the recordkeeping requirements outlined in the AQTF and/or the VET Quality Framework including the SNR, *Information Privacy Act 2000*, and the *Electronic Transactions (Victoria) Act 2000*;
- g) keep accounting Records in relation to the Funds provided by the Department under this VET Funding Contract in such a manner as to enable them to be audited by the Auditor-General of Victoria or any other entity as directed by the Department; and
- h) not make or amend Records such that they are compliant with the requirements of this VET Funding Contract but are not accurate. Where the RTO identifies, through its continuous improvement processes, the need to amend a Record, the RTO must take steps to document the amendment(s) such that a reasonable person could ascertain the nature of and rationale for the amendment(s) in a straightforward way.

10. AUDIT OR REVIEW

10.1. The Department (or persons authorised by the Department) may conduct an audit or review of the RTO at any reasonable time:

- a) to confirm whether the RTO is complying with this VET Funding Contract;

- b) to establish whether and to what extent the Funds have been used for the provision of the Training Services to Eligible Individuals;
- c) to investigate allegations or suspected misuse of the Funds; and/or
- d) if applicable, as part of the Department's Audit and Risk Committee's Internal Audit Plan.

10.2. The RTO must, in accordance with the Department's directions:

- a) permit the Department, or persons authorised by the Department, to enter its premises, and areas within those premises that are used for the delivery of Training Services, to conduct audits or reviews at any time reasonably required by the Department, including times when Training Services are being provided to Eligible Individuals;
- b) provide the Department (or persons authorised by the Department) with all assistance needed to perform the audit or review, including providing access to office space, telephones, photocopy facilities and other facilities at the RTO's premises;
- c) participate in and assist with any audit or review:
 - i) administered by the Commonwealth Government (including an Invalid Enrolment Audit);
 - ii) specified in Clauses 9.10 or 10.1, or Schedule 1 of this VET Funding Contract; or
 - iii) any other audit not specifically provided for in this VET Funding Contract, but which the Department considers necessary; and
- d) reimburse the Department for any costs incurred in conducting audits or reviews, if directed to do so.

10.3. If an audit or review conducted by, or on behalf of, the Department concludes that there has been non-compliance by the RTO with the VET Funding Contract, the Department may, in its absolute discretion:

- a) exercise any of its rights under Clauses 16 or 17; or
- b) require the RTO to:
 - i) provide a written response to the Department on any matter relating to the audit or review in accordance with the Department's requirements;
 - ii) take all reasonable steps, to the Department's satisfaction, to prevent future instances of non-compliance with this VET Funding Contract which are identified by an audit or review by implementing a management action plan agreed between the RTO and the Department (or persons acting on behalf of or engaged by the Department); and/or
 - iii) within 6 months of an auditor notifying the RTO in writing of its recommendations or such other timeframe specified in writing by the Department:

- A. advise the Department in writing of the steps taken by the RTO to comply with and implement the auditor's recommendations, the management **action** plan and the VET Funding Contract, after receiving notification of the audit findings; and
- B. provide any documentation required by the Department evidencing compliance with, and implementation of, the auditor's recommendations, the management **action** plan and the VET Funding Contract.

Internal Audits

- 10.4. The RTO must conduct an internal audit of its compliance with this VET Funding Contract during each calendar year in accordance with any requirements of the Department. The internal audit must be:
- a) completed six (6) months from the Commencement Date and once each calendar year to 31 December 2016;
 - b) signed off by the CEO of the RTO; and
 - c) provided to the Department, or its auditors or reviewers, on request.
- 10.5. If an internal audit conducted in accordance with Clause 10.4 reveals non-compliance with the VET Funding Contract, the RTO must:
- a) develop a rectification plan within a reasonable timeframe to rectify any non-compliance with this VET Funding Contract within a reasonable timeframe; and
 - b) provide the Department, or its auditors or reviewers, with a copy of the rectification plan on request.

11. THE MARKET MONITORING UNIT

Purpose of the MMU

- 11.1. The RTO acknowledges and agrees that MMU's purpose is to:
- a) monitor, analyse and report on matters relating to the efficiency of the government subsidised VET market in Victoria, including competition, price, and the quality of training outcomes; and
 - b) in connection with those actions and matters:
 - i) conduct reviews or investigations and evaluate the practices of a particular government subsidised body, including the RTO, through a Rapid Response Team; and
 - ii) convene and administer a Peer Review Panel.

Peer Review Panel

- 11.2. The MMU may convene a Peer Review Panel at any time to consider any matter that comes to its attention that:

- a) is relevant to the conduct, advertising or pricing of the Training Services; or
 - b) otherwise falls within the scope of the MMU's purpose, as stated in Clause 11.1.
- 11.3. If the MMU convenes a Peer Review Panel in accordance with this Clause 11, the RTO must, on receipt of at least one month's prior written notice by the Department, make its CEO or an alternative representative approved by the Department available to participate in and assist with a Peer Review Panel.
- 11.4. For the purpose of Clause 11.3:
- a) the RTO must make its CEO or alternative representative available at least once per calendar year for up to 3 Business Days; and
 - b) 'participate in and assist' means participating in discussions with other members of the Peer Review Panel, and contributing to the preparation of any report, recommendation, finding or other document to be submitted by the Peer Review Panel to the MMU.
- 11.5. The MMU may require that the CEO or other representative sign, as a condition of participation:
- a) a confidentiality deed; and
 - b) a terms of reference document.
- 11.6. The RTO agrees and acknowledges that, in addition to its obligations under Clause 12.1 the RTO must ensure that its CEO or other representative does not disclose Confidential Information in relation to the Peer Review Panel to third parties or the RTO's personnel.
- 11.7. The Peer Review Panel will submit any report, recommendation, finding or other document to the MMU.
- 11.8. For the avoidance of doubt, the MMU is under no obligation of any kind by reason of this VET Funding Contract to adopt, recommend, publish, release or refer any material provided by the Peer Review Panel.

12. CONFIDENTIALITY AND PRIVACY

- 12.1. The RTO must not, without the prior written approval of the Department, disclose (or permit the disclosure of) information regarding this VET Funding Contract (including details of the Funds being provided by the Department in respect of any Eligible Individual) or any Confidential Information of the Department, the Department or the State, except:
- a) to the extent required under this VET Funding Contract;
 - b) to the extent required by Law;
 - c) to the extent that the information is already in the public domain (other than due to a breach of this VET Funding Contract);

- d) to its solicitors, barristers and/or other professional advisors in order to obtain advice in relation to its rights under this VET Funding Contract, the Training Services or the Funds and provided such advisors are under a duty of confidentiality;
- e) to the extent necessary for the registration or recording of documents where required; and/or
- f) to the extent required in connection with legal proceedings;

and then only to the extent strictly necessary for that purpose.

12.2. The RTO acknowledges and agrees that:

- a) the Department at its discretion may disclose any and all information relating to the RTO and this VET Funding Contract including course and qualification details, government subsidised fee information, details of the Funds paid, details of any non-compliance by the RTO with this VET Funding Contract, any action taken by the Department under this VET Funding Contract, and findings and outcomes of any audits or reviews undertaken pursuant to this VET Funding Contract;
- b) the Department may make a disclosure referred to in (a), and regarding any suspected non-compliance by the RTO, to the MMU;
- c) disclosure by the Department of information regarding this VET Funding Contract (including details of the Funds paid) or any Confidential Information of the RTO may be required in certain circumstances; and
- d) it consents to such disclosure and, if required, will use all reasonable endeavours to assist the Department in meeting any of its disclosure obligations including, without limitation:
 - i) in connection with permitted re-tendering or any benchmarking or market testing;
 - ii) under the *Freedom of Information Act 1982*;
 - iii) under the *Ombudsman Act 1973*; or
 - iv) to satisfy the disclosure requirements of the Victorian Auditor-General under the *Audit Act 1994* or of Parliamentary accountability or in the case of a Minister to fulfil their duties of office.

12.3. For the avoidance of doubt, a disclosure under Clause 12.2 may be to an entity including, but not limited to, the following entities: the equivalent of the Department in another State or Territory; any relevant government department; the Department; or a regulator.

12.4. The RTO acknowledges that it will be bound by the Information Privacy Principles and any applicable Code of Practice with respect to any act done or practice engaged in by the RTO under or in connection with this VET Funding Contract in the same way and to the same extent as the Department would have been bound had it been directly done or engaged in by the Department.

- 12.5. The RTO must include a standard privacy notice in all enrolment forms, in accordance with the *Victorian VET Student Statistical Collection Guidelines*, which advises students how their data may be supplied to and used by the Department and Commonwealth VET Fee-Help agencies.

13. LIABILITY, INDEMNITY AND INSURANCE

- 13.1. The RTO acknowledges that it is solely responsible for carrying out its obligations under this VET Funding Contract and that the Department is in no way liable for the actions of the RTO or its personnel.

- 13.2. The RTO releases the Department from all liabilities and Claims directly or indirectly incurred or suffered by the RTO or its personnel arising from or in connection with this VET Funding Contract, including termination of this VET Funding Contract under Clause 17.

- 13.3. To the maximum extent permitted by law, the RTO indemnifies (and must at all times keep indemnified) the Department, the State and their employees, servants and agents (on behalf of whom the Department has agreed this Clause 13.3) from and against all Loss and liability which it or they may incur or suffer and all Claims which may be brought or made against it or them by any third party arising out of or in connection with this VET Funding Contract and:

- a) the provision of, or failure to provide, Training Services by or on behalf of the RTO;
- b) any act or omission of the RTO, its officers, employees, agents or subcontractors in connection with this VET Funding Contract, the Funds or the provision of the Training Services;
- c) any breach by the RTO of any obligation under this VET Funding Contract (including breach of any warranty given under this VET Funding Contract) or at law;
- d) any negligent, fraudulent, reckless, wilfully wrongful, unlawful or other wrongful act or omission of the RTO, its officers, employees, agents, or subcontractors;
- e) the loss of, or damage to, any property (including property of the Department) or data;
- f) the death of, disease or injury to any person; and
- g) any infringement, or alleged infringement, of an Intellectual Property right by the RTO, its officers, employees, agents or subcontractors where the infringement or alleged infringement occurs directly or indirectly as a result of the provision of the Training Services or otherwise in connection with this VET Funding Contract.

- 13.4. The RTO's liability to indemnify the Department under Clause 13.3 will be reduced proportionally to the extent that a negligent, wilfully reckless, or unlawful act or omission of the Department has directly caused the relevant liability.

- 13.5. The Department will not have any liability to the RTO for any indirect, special or consequential Loss arising out of breach of this VET Funding Contract.

13.6. The RTO must, at its own expense:

- a) take out and maintain until 7 years after expiry of the Term all appropriate insurances at an adequate level to cover the provision of the Training Services to Eligible Individuals and any risk, loss or damage arising out of or caused by the performance of those Training Services, including insurance for workers compensation, public liability, professional liability, professional indemnity and property. The insurance policies must include public liability insurance of not less than \$20 million per event;
- b) ensure that the insurances are taken out and maintained with reputable insurers;
- c) comply with all relevant insurance requirements, including conducting and improving relevant risk management practices and incident notification processes and not do any thing to jeopardise indemnity under an insurance policy;
- d) provide copies of insurance certificates of currency, including details of limits on cover, and any other evidence of insurances maintained to the Department upon request; and
- e) immediately notify the Department if any insurance is cancelled, any insurance details change or an insurer refuses to indemnify it.

14. NOTICES AND REPRESENTATIVES

14.1. A notice issued under this VET Funding Contract by a Party (Notice) must be:

- a) in writing;
- b) signed by or on behalf of the Party giving it; and
- c) hand delivered or sent by pre paid post (airmail if posted to or from a place outside Australia) to the recipient's address for Notices specified on offer and acceptance documentation relating to this VET Funding Contract (as varied by any notice given by the recipient to the sender).

14.2. A Notice takes effect from the time it is received, unless a later time is specified in it. A Notice will be deemed to have been received by the addressee:

- a) in the case of hand delivery, at the time of delivery; or
- b) in the case of pre paid post, on the second Business Day (or seventh Business Day if posted to or from a place outside Australia) after posting.

14.3. The authorised representative of each Party who will be responsible for issuing and receiving Notices under this VET Funding Contract are as follows:

- a) the Department's representative is the Executive Director or the Deputy Secretary, the Department; and
- b) the RTO's representative is the CEO.

15. DISPUTE RESOLUTION

- 15.1. A party claiming that a Dispute has arisen must promptly give the other party a Dispute Notice.
- 15.2. The parties must attempt to resolve all Disputes under this Clause 15 before commencing any court proceedings, except proceedings for urgent interlocutory relief.
- 15.3. Despite the existence of a Dispute, the parties must continue to perform their obligations under this VET Funding Contract.
- 15.4. This clause does not affect the rights of the Department, which includes all of its rights and its right to terminate this VET Funding Contract.
- 15.5. The parties must seek to resolve all Disputes acting in good faith and must not unreasonably delay or hinder the dispute resolution process provided for under this clause.
- 15.6. If a Party provides a Dispute Notice under this Clause 15, it is open to either Party to provide written notice of any other issue or dispute; and all other issues or disputes raised shall be deemed to have been included in the initial Dispute Notice.
- 15.7. If a Dispute Notice has been served by a Party, neither Party may issue a further Dispute Notice which recommences that Dispute Resolution process as specified in this Clause 15 without the consent of the other Party. A Party seeking to issue a further Dispute Notice or Dispute Notices must provide evidence to the other Party as to why the new issues that it wishes to raise cannot be managed as part of resolving the current Dispute; and that the Dispute which warrants the issue of a further Dispute Notice is clearly distinguished from; or does not arise as a result of that which was commenced by the initial Dispute Notice.
- 15.8. If the Parties are unable to settle a dispute within seven (7) days of one Party giving a Dispute Notice to the other Party, each Party must appoint a representative with authority to settle the Dispute. The appointed representatives must meet within a further seven (7) days to attempt to settle the Dispute.
- 15.9. If the representatives are unable to resolve the Dispute within seven (7) days of first meeting, the Dispute must be referred within a further seven (7) day period (Referral Period) to:
- a) in the case of the Department - its Executive Director or the Deputy Secretary of the Department, or delegate; and
 - b) in the case of the RTO – its CEO.
- 15.10. The Department's representative and the CEO must meet with each other to seek to resolve the Dispute within seven (7) days of the last day of the Referral Period.
- 15.11. If the Dispute is not resolved within seven (7) days of the first meeting of the Department's representative and the CEO, the Department may refer the Dispute to mediation administered by the Australian Commercial Disputes Centre (ACDC) according to its mediation guidelines.
- 15.12. If a Dispute is referred to mediation by the Department:
- a) the parties will agree on a mediator within 7 days of the referral, failing which a mediator will be provided by ACDC;

- b) the parties must (unless they agree otherwise) conduct the mediation within 14 days of the mediator being appointed;
- c) each party will pay its own costs in relation to attendance at, and participation in, the mediation; and
- d) the cost of the ACDC and the appointed mediator will be shared equally between the parties.

15.13. The Department may notify the Minister of any Dispute.

15.14. In the event that the Department refers the Dispute to mediation and the parties are unable to resolve the Dispute pursuant to Clause 15.12, or the Dispute is not referred to mediation then the Department may, in its sole discretion, refer the Dispute to the Secretary, or such other person nominated by the Secretary, as appropriate. A decision made pursuant to a referral under this Clause 15.14, will be final and binding on both parties.

15.15. This Clause 15 does not apply to Clause 10 or Clause 17 of this VET Funding Contract, or Clause 13 of Schedule 1.

16. ENFORCEMENT

16.1. The Department may take one or more of the actions in Clause 16.2 if:

- a) the RTO has breached, or the Department reasonably suspects that the RTO has breached or may breach a clause of this VET Funding Contract; or
- b) an event referred to in Clause 17.3 has occurred, or the Department reasonably suspects that such an event has occurred or may occur; or
- c) the Department becomes aware of what it considers to be an irregularity or inconsistency regarding the RTO's operations, reporting or other obligations under this VET Funding Contract, which the RTO fails to explain to the Department's reasonable satisfaction in the time required by the Department; or
- d) the Department becomes aware of any communication, representation or step taken by ASQA or VRQA that indicates that ASQA or VRQA has formed an adverse view in relation to the RTO, or which the Department considers will impair the RTO's performance of this VET Funding Contract; or
- e) the RTO has breached an obligation to make a payment to the Department under any earlier agreement between the Parties with respect to the *Victorian Training Guarantee Program* and/or the *Skills for Victoria Program*, whether or not such amounts comprise a refund of funds previously paid by the Department or any interest, penalty, or other moneys.

16.2. The Department may by written notice:

- a) direct the RTO to suspend part or all of the provision of Training Services under this VET Funding Contract (whether in respect of one

Eligible Individual, a group of Eligible Individuals or all Eligible Individuals);

- b) withhold, suspend, cancel or terminate payment of any part of the Funds as the Department determines is appropriate until the Department is satisfied that the issue has been satisfactorily resolved;
- c) require the RTO to refund such amount of the Funds previously paid as the Department reasonably deems appropriate (together with interest calculated daily at the rate prescribed under *Penalty Interest Rates Act 1983* (Vic) at the date of this VET Funding Contract until the amount is refunded by the RTO);
- d) set off money which the Department is satisfied is due to it by reason of the RTO's non-compliance with this VET Funding Contract from Funds payable to the RTO under this VET Funding Contract;
- e) require payment of a monetary amount from the RTO to the Department; and
- f) where Clause 16.1(a) applies as a result of a breach of this VET Funding Contract by the RTO, the Secretary may, pursuant to section 3.1.5 of the Act, seek an order for specific performance. The order for specific performance will be available despite anything to the contrary in a rule of, or principle at, common law or equity, even though:
 - i) adequate damages may be available for the breach of contract; or
 - ii) enforcement of the contract may require personal services to be provided.

16.3. The RTO must immediately comply with a direction from the Department given under Clause 16 or Clause 17, which may include a direction to assist Eligible Individuals to transfer to another RTO in order to continue the training commenced by the Eligible Individual, under this VET Funding Contract.

16.4. For the avoidance of doubt, where the RTO is required to pay a monetary amount to the Department in accordance with Clause 16.2(e) as a result of:

- a) a breach of this VET Funding Contract;
- b) a failure to meet a performance requirement specified in this VET Funding Contract which does not fall within subclause (a); or
- c) termination of this VET Funding Contract,

pursuant to section 3.1.4 of the Act, the RTO will be obliged to make payments despite anything to the contrary in a rule of, or principle at, common law relating to liquidated damages or penalties.

17. TERMINATION RIGHTS

17.1. In addition to any other rights it has to terminate this VET Funding Contract, the Department may in its sole and absolute discretion terminate this VET Funding Contract at any time by giving the RTO 20 Business Days written notice of termination. In the

event that the Department terminates this VET Funding Contract in accordance with this Clause 17.1, subject to Clauses 7.3, 16 and 17.5, the Department will pay:

- a) amounts that, in the reasonable opinion of the Department, are due and payable under Clause 7 of this VET Funding Contract as at the date of termination; and
- b) reasonable costs (but not including loss of profit or income) that, in the reasonable opinion of the Department, have been necessarily and directly incurred by the RTO as a result of the termination, provided that the RTO has, to the reasonable satisfaction of the Department:
 - i) used its best efforts to minimise any costs arising as a result of the termination; and
 - ii) provided adequate documentary evidence to substantiate those costs.

The RTO acknowledges and agrees that any amount paid by the Department will be finally determined by the Department.

17.2. This VET Funding Contract may be terminated at any time by written agreement between the Parties.

17.3. The Department may terminate this VET Funding Contract immediately by written notice to the RTO if:

- a) the RTO commits a Material Breach of this VET Funding Contract;
- b) the RTO commits a breach of this VET Funding Contract which cannot be remedied;
- c) the RTO commits a breach of this VET Funding Contract and the RTO:
 - i) fails to commence action to remedy the breach within 10 Business Days after the Department has served a notice requiring it to do so; or
 - ii) having commenced action to remedy the breach, fails to complete that action as soon as possible and in any event within 20 Business Days of the Department's notice;
- d) without limiting Clauses 17.3 a), b) or c), the RTO fails to provide some or all of the Training Services for which Funds have been claimed and/or paid or if the Training Services are not provided to a standard satisfactory to the Department;
- e) there has been any fraud or reasonably suspected fraud relating to the RTO or the Funds, misappropriation of Funds by the RTO or there has otherwise been any misleading or deceptive conduct on the part of the RTO in connection with this VET Funding Contract or the provision or use of the Funds;
- f) an Insolvency Event occurs in relation to the RTO;
- g) at any time, the ultimate holding company of the RTO (as defined in Section 9 of the *Corporations Act 2001* (Cth)), as at the date of this VET Funding Contract ceases to be the ultimate holding company of

the RTO; or if there is a change which the Department (acting reasonably) considers material in the ownership of the RTO;

- h) the RTO has made, or the Department reasonably suspects that the RTO has made any false or misleading representation to the Department in connection with this VET Funding Contract (whether by act or omission, and whether before or after the Commencement Date);
and/or
- i) the registration of the RTO under applicable legislation is suspended, withdrawn, cancelled or otherwise ceases.

17.4. The RTO must promptly notify the Department if the RTO becomes subject to an Insolvency Event or if any event occurs that may be covered by Clauses 17.3.g) or 17.3.i).

17.5. If the Department terminates this VET Funding Contract other than under Clause 17.1, or under Clause 17.3(f) from the date of an Insolvency Event occurring as envisaged under (c) to (j) of the definition of an Insolvency Event, or Clause 17.3 (i) from the date of suspension or cancellation, the Department may require the RTO to refund such amount of the Funds previously paid by the Department as the Department reasonably deems appropriate (together with interest calculated daily at the rate prescribed under the *Penalty Interest Rates Act 1983 (Vic)* for the period between the Department demanding the refund and the RTO refunding the Funds).

18. SURVIVAL

18.1. Clauses 1, 5.12, 7.3, 7.4, 8, 9, 10.1 to 10.3, 12, 13, 14, 16, 17.5 of this VET Funding Contract, and Clauses 11.2, 11.6 and 13 of Schedule 1 of this VET Funding Contract, survive the termination or expiry of this VET Funding Contract and may be enforced at any time.

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2014-16 VET Funding Contract

Schedule 1

Victorian Training Guarantee Program Specifications

VERSION	DATE	COMMENTS
2.0	October 2014	



PURPOSE

This Schedule 1 of the VET Funding Contract comprises the Victorian Training Guarantee Program Specifications. This schedule describes important processes and requirements with which RTOs must comply in delivering government subsidised training under the VET Funding Contract. This Schedule 1 must be read in conjunction with the VET Funding Contract.

This schedule is divided into four (4) parts.

Part A sets out obligations of the RTO with respect to attracting, enrolling and delivering training to government subsidised students (and related processes), including:

1. Promotional materials, website and other publications;
2. Victorian Training Guarantee eligibility criteria;
3. Evidence of Eligibility for the Victorian Training Guarantee
4. Application and enrolment requirements;
5. Tuition fees;
6. Training Plan requirements;
7. Apprenticeship/traineeship training delivery requirements;
8. Nursing courses/qualifications training delivery requirements;
9. Practical Placements; and
10. Evidence of Participation requirements.

Part B sets out obligations of the RTO with respect to the Department (and related entities and processes), including:

11. Reporting
12. Determination and payment of Funds;
13. Audits or Reviews relating to Evidence of Participation, Evidence of Eligibility and Evidence of Fee Concessions/Waivers/Exemptions;
14. Enrolments in Courses and Qualifications on the Foundation Skills List; and
15. Completions.

Part C sets out obligations of the RTO with respect to certain initiatives, namely:

16. the Single and Teenage Parents Training Initiative;
17. the Young People Transitioning from Care Initiative; and
18. access to the VTG for retrenched employees; and
19. the Automotive Supply Chain Training Initiative.

Part D provides additional reference material, including:

20. Data Systems;
21. Links to useful websites; and
22. a Glossary.

PART A

1. PROMOTIONAL MATERIALS, WEBSITE AND OTHER PUBLICATIONS

- 1.1 In any promotional publication, report, signage or other material prepared by (or on behalf of) the RTO relating to the Training Services, the RTO must:
- a) acknowledge in a prominent way that the Training Services are provided to Eligible Individuals with Funds made available by the Victorian and Commonwealth Governments (for example, by stating that “This training is delivered with Victorian and Commonwealth Government funding”);
 - b) not, without the prior written approval of the State or the Department, use any logo or trademarks of the State or the Department;
 - c) ensure that such materials meet the requirements of the *Equal Opportunity Act 2010* and related laws, including the provision of materials encouraging individuals with disabilities to access government subsidised training;
 - d) ensure marketing and advertising of the Training Services to prospective clients is ethical, accurate and consistent with the requirements under the VET Funding Contract and at law;
 - e) identify the RTO legal entity and/or trading name and TOID; and
 - f) if the RTO enters into a subcontract arrangement under Clause 5 of the VET Funding Contract, refer on its website and corporate materials to the identity of the subcontracted party (RTO or otherwise), and the respective roles in the provision of training and assessment, in relation to any Training Services to which a subcontract arrangement applies.
- 1.2 The RTO must publish a summary of its latest registration audit information in a prominent position on its website. The minimum registration audit information to be published by the RTO is as follows:
- a) Audit date;
 - b) Qualifications audited (list all qualifications audited on the above audit date); and
 - c) Audit Outcomes:
 - i) Audit non-compliance identified: Yes / No;
 - ii) A summary of significant and/or critical non-compliances and actions taken to rectify; and
 - iii) Non-compliances rectified: Yes / No / Not Applicable.
- 1.3 The RTO must publish on its website a copy of its most recent Quality Indicators (or its successor). Indicators relating to the previous calendar year must be published within one (1) month of the Commencement Date. Indicators relating to the current calendar year must be published by 31 July of each calendar year into which the Term extends. The following Explanatory Notes must be published with the Indicators:
- a) For the Learner Engagement and Employer Satisfaction Surveys:

‘These indicators are based on a survey of [number] students (and if applicable) and [number] employers. This sample represents [percentage] per cent of this organisation’s training delivery in the [201X] calendar year. The students (if applicable) and employers surveyed for these indicators were selected by this organisation in accordance with national guidelines’; and

b) For the Competency Completions Reports:

‘Competency completions, in this case, are a measure of volume’.

1.4 The RTO must publish in a prominent place on its website:

a) standard fees for government subsidised training for each course/qualification it offers under the VET Funding Contract. This information must be kept up to date and include the following caveat:

‘The student tuition fees as published are subject to change given individual circumstances at enrolment’; and

b) details of any other fees including but not limited to student services, amenities, goods or materials.

1.5 The RTO must publish on its website its complaints and appeals process.

2. VICTORIAN TRAINING GUARANTEE ELIGIBILITY CRITERIA

Eligibility Exclusions

2.1 An individual is not eligible for government subsidised training under the VET Funding Contract if the individual is:

a) a student enrolled in a school (excluding a School Based Apprentice/Trainee). This includes:

i) any government, non-government, independent or Catholic school; or

ii) a student registered for home schooling in Victoria

Government schools are responsible for funding these opportunities for VET within the school curriculum through their Student Resource Package (SRP) allocation, including targeted VET in Schools funding. Non-government schools make similar decisions for students on the basis of the resources available to them; or

b) within the meaning of the *Corrections Act 1986*, a prisoner held at a prison, including but not limited to:

i) Hopkins Correctional Centre (Ararat)

ii) Barwon Prison

iii) Beechworth Correctional Centre

iv) Dame Phyllis Frost Centre

v) Dhurringile Prison

vi) Langi Kal Kal Prison

vii) Loddon Prison

viii) Marngoneet Correctional Centre

ix) Tarrengower Prison

x) Metropolitan Remand Centre

xi) Melbourne Assessment Prison

xii) Fulham Correctional Centre

- xiii) Port Phillip Prison
 - c) A person who is detained under the *Mental Health Act 1986*; or the *Crimes (Mental Impairment and Unfitness to be Tried) Act 1997* or the *Sentencing Act 1991* at the Thomas Embling Hospital.
 - d) A person who is detained (other than on weekend detention) under the *Children, Youth and Families Act 2005* or the *Sentencing Act 1991* or who is held on remand in one or more of the following youth justice facilities:
 - i) Malmsbury Juvenile Justice Centre;
 - ii) Parkville Youth Residential Centre;
 - iii) Melbourne Youth Justice Centre.
- 2.2 The exclusions described in Clauses 2.1 (b), (c) and (d) of this Schedule 1 do not apply to young people on community based orders made under the *Children, Youth and Families Act 2005*, or individuals held in Judy Lazarus Transition Centre who, subject to Clause 2 of this Schedule 1, may be eligible for funding under this Schedule 1 as they are able to physically access training outside of a custodial setting without supervision.

Eligibility Requirements

- 2.3 The RTO must have a clear and documented business process for the determination of eligibility of individuals for government subsidised training (prior to commencement in training) under this Schedule 1. The business process and related documentation demonstrating that appropriate checks have been performed to establish each individual's eligibility must be made available to the Department (or persons authorised by the Department) for audit or review purposes.
- 2.4 The RTO must comply with the *Guidelines for Determining Student Eligibility and Supporting Evidence* as issued by the Department from time to time.
- 2.5 The RTO must apply the following requirements to determine whether an individual is eligible for government subsidised training under this Schedule 1 and thereby be an Eligible Individual for the purpose of the VET Funding Contract.
- 2.6 To be eligible, an individual must meet *Victorian Training Guarantee* requirements as follows:
- a) An individual must be:
 - i) an Australian citizen; or
 - ii) a holder of a permanent visa; or
 - iii) a New Zealand citizen;and
 - b) An individual must enrol and commence training in a course or qualification provided by the RTO between the later of 1 January 2014 or when the VET Funding Contract is executed, and 31 December 2016 inclusive and be:
 - i) under 20 years of age (as at 1 January in the year of commencement of training) and seeking to enrol in nationally recognised training; or
 - ii) over 20 years of age (as at 1 January in the year of commencement of training) and seeking to enrol in nationally recognised training in a Foundation Skills List course; or

- iii) over 20 years of age (as at 1 January in the year of commencement of training) and seeking to enrol in nationally recognised training as an Apprentice (not Trainee); or
- iv) over 20 years of age (as at 1 January in the year of commencement of training) and seeking to enrol in training in the Victorian Certificate of Education or the Victorian Certificate of Applied Learning (Intermediate or Senior); or
- v) over 20 years of age (as at 1 January in the year of commencement of training) and seeking to enrol in nationally recognised training in a course that is at a higher qualification level than the highest qualification held at the time of the scheduled commencement of training.

2.7 In addition to meeting the requirements of Clause 2.6 of this Schedule 1, an individual is only eligible to:

- a) commence a maximum of two government subsidised courses in a calendar year. Where an individual is enrolled in a course(s) that is scheduled to commence at a later date in that calendar year, this course(s) must be counted for the purpose of this clause when assessing eligibility;
- b) undertake a maximum of two government subsidised courses at any one time;
- c) commence a maximum of two government subsidised courses at the same level within the Australian Qualifications Framework (AQF) in their lifetime; and
- d) commence a maximum of two government subsidised accredited courses with the title 'Course in...' in their lifetime.

Additional Apprentice/Trainee Eligibility Requirements

2.8 If the RTO is to deliver training to eligible Apprentices/Trainees who are Eligible Individuals in accordance with the schemes deemed by the VRQA to be Approved Training Schemes under the Act, then in addition to individual eligibility requirements detailed in Clauses 2.6 and 2.7 of this Schedule 1, to be eligible for government subsidised training under the VET Funding Contract as an Apprentice/Trainee and thereby be an Eligible Individual for the purposes of the VET Funding Contract, the individual must be:

- a) employed in Victoria in either a full time or part time capacity under an award or registered agreement;
- b) undertaking an Approved Training Scheme;
- c) a signatory to a Training Contract with their employer which is registered with the VRQA;
- d) a signatory, jointly with the employer and the RTO, to a Training Plan; and
- e) involved in paid work and Structured Training, either workplace based or off-the job.

2.9 Whether an individual is an Apprentice or a Trainee depends on how the qualification they are undertaking is designated in the relevant Approved Training Scheme. Information on current Approved Training Schemes can be found at:

<http://www.education.vic.gov.au/training/providers/rto/Pages/schemes.aspx>

Exceptions to the Victorian Training Guarantee eligibility criteria under particular arrangements

- 2.10 Individuals referred to training under the particular arrangements set out at Section 2 of the *Guidelines about Student Eligibility and Supporting Evidence* may not be required to meet particular aspects of the eligibility criteria detailed in Clause 2 of this Schedule 1.
- 2.11 To be considered an Eligible Individual for the purpose of this Schedule 1, individuals undertaking training under the following arrangements must present the relevant Referral Form or Letter to the RTO prior to enrolment:
- a) Asylum Seekers and Victims of Human Trafficking Initiative;
 - b) Single and Teenage Parents Training Initiative (if appropriate to the RTO);
 - c) Young People Transitioning from Care Initiative (if appropriate to the RTO);
 - d) access to the VTG for retrenched employees; and
 - e) Automotive Supply Chain Training Initiative.
- 2.12 The RTO must:
- a) enrol the individual in accordance with the relevant procedures issued by the Department from time to time; and
 - b) retain a copy of the relevant Referral Form or Letter for audit or review purposes.

3. EVIDENCE OF ELIGIBILITY FOR THE VICTORIAN TRAINING GUARANTEE

- 3.1 Relevant evidence is to be sighted by the RTO for each Eligible Individual, prior to commencement in training, in accordance with the *Guidelines about Determining Student Eligibility and Supporting Evidence*.
- 3.2 The evidence described in the *Guidelines about Determining Student Eligibility and Supporting Evidence* must be recorded in the form prescribed by the Department or in a form which records the exact information as the form prescribed by the Department and must be made available to the Department (or persons authorised by the Department) for audit or review purposes.

4. APPLICATION AND ENROLMENT REQUIREMENTS

- 4.1 The RTO must inform the Eligible Individual that the enrolment is under the Victorian Training Guarantee and may impact their access to further government subsidised training.
- 4.2 The RTO must complete enrolments for all Eligible Individuals in accordance with the:
- a) *Victorian VET Student Statistical Collection Guidelines*;
 - b) AQTF Essential Conditions and Standards for Continuing Registration and/or the Standards for NVR Registered Training Organisations as applicable; and
 - c) *Guidelines about Determining Student Eligibility and Supporting Evidence*.
- 4.3 The RTO must ensure that all mandatory standard enrolment questions as described in the *Victorian VET Student Statistical Collection Guidelines*, together with any directions of the Department, are applied during the enrolment process of all Eligible Individuals.

- 4.4 The RTO must ensure that it complies with Victorian Student Number (VSN) reporting requirements and includes the VSN as specified in the *Victorian VET Student Statistical Collection Guidelines*.
- 4.5 The RTO must advise students of the possibility of receiving an NCVET survey and/or an invitation to participate in a Department endorsed project and/or being contacted by the Department (or persons authorised by the Department) for audit or review purposes.

Pre-Training Review

- 4.6 For each Eligible Individual, the RTO must conduct a Pre-Training Review of current competencies including literacy and numeracy skills prior to commencement in training. The Pre-Training Review must:
 - a) identify any competencies previously acquired (Recognition of Prior Learning (RPL), Recognition of Current Competency (RCC) or Credit Transfer);
 - b) ascertain the most suitable (as defined at Clause 4.1(a)(i) of this VET Funding Contract) qualification for that student to enrol in, based on the individual's existing educational attainment, capabilities, aspirations and interests and with due consideration of the likely job outcomes from the development of new competencies and skills; and
 - c) ascertain that the proposed learning strategies and materials are appropriate for that individual.
- 4.7 The RTO must have a clear and documented business process for conducting the Pre-Training Review that demonstrates how the RTO determined which qualification/s the student enrolled in and why this was the most suitable training option for that student.
- 4.8 The business process and related documentation used by the RTO to conduct the Pre-Training Review must be made available to the Department (or persons authorised by the Department) for audit or review purposes.
- 4.9 The RTO must not enrol an Eligible Individual in a course or qualification that is at an inappropriate level for that student, including but not limited to enrolling students in courses on the Foundation Skills List that would not provide additional relevant competencies.

For example, it would be inappropriate to enrol a student assessed at Australian Core Skills Framework Level 3 in all core skills areas in either Certificate I in General Education for Adults or Certificate II in Skills for Work and Vocational Pathways.

- 4.10 The Pre-Training Review must be completed, and the outcomes known and documented, prior to the student's commencing training.

5. TUITION FEES

- 5.1 The RTO must adhere to:
 - a) the requirements set out in the *Guidelines about Fees* as issued by the Department and updated from time to time; and
 - b) any subsequent relevant requirements set out in:
 - i) a Contract Notification; and/or
 - ii) orders or regulations pursuant to the Act or the National Act
- with respect to the amount, imposition and collection of tuition fees and other fees for government subsidised training and financial and accountability requirements

with regards to student fees (Fee Requirements) as if they were set out in the VET Funding Contract.

5.2 For the avoidance of doubt:

- a) Fee Requirements set out in any subsequent Contract Notification or subsequent orders or regulations pursuant to the Act or the National Act take priority over Fee Requirements set out in the *Guidelines about Fees*; and
- b) Fee Requirements set out in orders or regulations pursuant to the Act or the National Act take priority over Fee Requirements set out in a Contract Notification.

6. TRAINING PLAN REQUIREMENTS

For all Eligible Individuals

6.1 The RTO must document information on training and assessment in a Training Plan to be provided for all Eligible Individuals in respect of which Funds are paid by the Department under the VET Funding Contract:

- a) For non-apprentices/trainees, this may be either as a group of Eligible Individuals or a single Eligible Individual.
- b) For Apprentices/Trainees, this must be as a single Eligible Individual.

6.2 The information should include, at least the:

- a) name and contact details of the RTO (and employer, for apprentices/trainees);
- b) title and code of qualification;
- c) unit title and code of competencies/modules to be obtained;
- d) scheduled hours for competencies to be obtained;
- e) timeframe for achieving competencies including the start date and end date of each competency (and actual dates for where training has already occurred, for Apprentices/Trainees);
- f) delivery modes to be used;
- g) assessment details and arrangements;
- h) party or parties responsible for the delivery and/or assessment of each competence; and
- i) record of RPL and Credit Transfer hours granted, as relevant.

Additional Apprentice/Trainee requirements:

- j) detailed training activities and responsibilities for training to be undertaken as part of any workplace based training arrangements;
- k) details (when, how & how much) of the time allocated outside routine work duties for Structured Training;
- l) signature (including date of signature) of the RTO representative, employer, Apprentice/Trainee (School-based Apprentices/Trainees also require the signature of the school's representative); and
- m) any other specific requirements to be met in accordance with the Training Contract or the Approved Training Scheme.

- 6.3 The information must be consistent with the qualifications or competencies to be attained and customised (as required), for the needs of the Eligible Individual or group of Eligible Individuals, including the needs identified in the Pre-Training Review.
- 6.4 The Training Plan may be in hardcopy paper or electronic format.
- 6.5 The information on training and assessment must be agreed and endorsed by the RTO and the Eligible Individual or group of Eligible Individuals via a signature or an electronic action equivalent to a signature. A copy of the endorsed (hardcopy or electronic) information must be provided to each Eligible Individual. This information ensures that both the RTO and the group of Eligible Individuals or the Eligible Individual are making informed decisions about the Training Services required and the respective obligations in the delivery of these Training Services.
- 6.6 Training Plans may be developed and signed prior to training commencement but no later than four (4) weeks after training commencement.
- 6.7 The RTO must update the Training Plan according to any changes mutually agreed throughout the Training Services. The RTO must monitor each Eligible Individual's progress in satisfying the requirements of the qualification, in line with the Training Plan.

Further Training Plan Requirements for Apprentices/Trainees

- 6.8 Employers are required to arrange for their Apprentices/Trainees to be enrolled with an RTO and for a Training Plan to be signed within three (3) months of the date of commencement of the Apprentice/Trainee's Training Contract (or within 2 months for school-based arrangements in accordance with the Approved Training Scheme).
- 6.9 The RTO's enrolment timelines should not impede the employer's ability to comply with this requirement.
- 6.10 Subject to any nominal duration that may be specified in an Approved Training Scheme, the employer and Apprentice/Trainee (but not the RTO) can specify a duration less than the maximum over which competencies will be attained. Completion will be available earlier than the specified duration in the Training Contract if all competencies have been attained, and an extension to the maximum duration can be mutually agreed if all required competencies have not been attained.
- 6.11 Training models offered by RTOs should ensure compliance with the Department's Part Time policy (refer to *Guidelines about Apprenticeship/Traineeship Training Delivery*).
- 6.12 The Training Plan must be developed by the RTO, together with the employer, and Apprentice/Trainee.
- 6.13 The Training Plan must be vocationally relevant and reflect industry requirements and the workplace setting. It must list all the training (both the Structured Training provided by the RTO and the practical experience in the occupation provided by the employer) that will be delivered during the Apprenticeship/Traineeship. A copy of the Training Plan signed by all parties must be provided to all parties (including the school if a School-based Apprentice/Trainee).
- 6.14 The Training Plan is a living document that is intended to facilitate competency based progression and completion and reflect the current status of the apprentice or trainee's training. The Training Plan must include all of the specifications outlined at Clause 6.2 of this Schedule 1 and be straight forward, easy to follow and written in plain English.
- 6.15 The RTO must update the Training Plan according to any changes mutually agreed with the parties to the Training Contract throughout the Training Services. The changes must be endorsed by the employer and Apprentice/Trainee.

6.16 Training Plan guidelines are provided at the following web address:
<http://www.education.vic.gov.au/training/providers/rto/Pages/trainingplans.aspx>

6.17 Victorian Purchasing Guides and sample training plans are available at:
<http://trainingsupport.skills.vic.gov.au>

7. APPRENTICESHIP/TRAINEESHIP TRAINING DELIVERY REQUIREMENTS

7.1 If the RTO delivers training to Apprentices or Trainees under a Training Contract, the RTO must adhere to all legislative requirements under the Act and the *Guidelines about Apprenticeship/Traineeship Training Delivery* as issued and updated from time to time.

8. NURSING COURSES/QUALIFICATIONS TRAINING DELIVERY REQUIREMENTS

8.1 If the Training Services to be provided by the RTO to Eligible Individuals includes the delivery of:

- a) the Certificate IV in Nursing (Enrolled/Division 2 Nursing); and/or
- b) the Diploma of Nursing (Enrolled/Division 2 Nursing); and/or
- c) any other course/units of competency that are regulated by the Nursing and Midwifery Board of Australia (NMBA) or accredited by the Australian Nursing and Midwifery Accreditation Council Limited (ANMAC);

then the provision of Training Services by the RTO must be in accordance with the guidelines and regulations of the NMBA and the ANMAC, and delivery (including method, mode and location/facilities) must be approved by the NMBA and ANMAC as appropriate.

9. PRACTICAL PLACEMENTS

9.1 In accordance to section 5.4.14 of the Act, practical placements must be conducted in accordance with the *Amended Guidelines for Registered Training Organisations and Employers in relation to students of technical and further education undertaking Practical Placement* (the amended Practical Placement Guidelines) available at:
<http://www.education.vic.gov.au/training/providers/rto/Pages/workplacelearn.aspx>.

10. EVIDENCE OF PARTICIPATION

10.1 All Training Services delivered by the RTO to an Eligible Individual must be supported by Evidence of Participation as defined in Clauses 10.3, 10.4 and 10.5 of this Schedule 1 for each unit of competency/module such that a reasonable judgement regarding an Eligible Individual's participation in Training Services can be made.

10.2 Evidence sought in this regard must be authenticated by documented evidence from the RTO of engagement by the student in the learning and/or assessment activity. Unless specified further at Clause 10.5 of this Schedule 1, to be valid, evidence provided must contain the student's name or identification number, a module or unit of competency identifier and a date. The Department will determine, at its absolute discretion, if the evidence provided is sufficient to substantiate the claim that the student participated in training.

- 10.3 In addition, the following minimum specifications must be met to evidence an Eligible Individual's engagement in Training Services activity:
- a) One (1) point of Evidence of Participation per unit of competency/module must be provided if the period between the Enrolment Activity Start Date and Enrolment Activity End Date **(inclusive)** for the unit of competency/module is one month or less;
 - b) Two (2) points of Evidence of Participation per unit of competency/module must be provided if the period between the Enrolment Activity Start Date and Enrolment Activity End Date for the unit of competency/module is greater than one month, including one point within the last month of training delivery and/or assessment as identified by the reported Enrolment Activity End Date. An auditor would consider the time elapsed between the start and end date (or withdrawal) of the unit of competency/module and use discretion as to a reasonable demonstration of ongoing engagement by an individual in learning and/or assessment activity across the unit of competency/module.
- 10.4 In instances where competency based completions are involved, and where the employer signoff has not yet been received by the RTO, an auditor will consider the last point of Evidence of Participation relating to training and/or assessment.
- 10.5 The only Evidence of Participation that will be accepted for this purpose is as follows:
- a) **Evidence of work submitted relating to engagement by the student in the unit of competency or module:** At a minimum, this evidence must contain the student's signature, in addition to the student's name, unit of competency/module and date required for all Evidence of Participation. In cases where this information cannot be recorded on the work itself, separate evidence must accompany the work to allow it to be linked to the student, the unit of competency/module and date completed, for example identification of a student trademark and a delivery schedule or equivalent detailing how the piece of work covers the module or unit of competency in question, including due dates and milestones.

OR
 - b) **Instructor (trainer and/or assessor) notes based on personal interviews, telephone, e-mail, or other communication modes on the engagement of a student in learning and/or assessment activity of the unit of competency or module.**

OR
 - c) **A provider endorsed attendance roll:** In order to be considered acceptable, the format of the roll should be one that is recognised by the training organisation as a tool to record attendance as a part of their normal processes. 'Endorsed' in this instance means a signature of the trainer or relevant administration person of the RTO on the attendance roll, the printed name and date (including a key to any symbols used if appropriate). This will be sufficient provided it can be shown that the actual unit of competency or module was delivered at the point at which the Eligible Individual is marked on the roll (i.e. endorsed each time the Eligible Individual is marked on the roll). Where the roll indicates that the individual has only attended the first class supporting documentation must be supplied demonstrating that there was engagement in the learning and/or assessment activities of the module/unit of competency during that class. Attendance at an induction or orientation class alone is not sufficient Evidence of Participation.

For clustered delivery:

- i) where, for the purposes of delivery or assessment, units of competency or modules are clustered together the evidence provided must satisfy participation at the unit of competency and module level requested;
- ii) where the modules are delivered consecutively, a notation on a roll or student management sheet that indicates which training was actually delivered in a session at the unit of competency or module level will be sufficient;
- iii) for other types of clustered delivery, a delivery schedule or equivalent must be provided that shows the planned training, at the unit of competency or module level, on the date/s the individual was in attendance.

OR

- d) **Primary documentation that provides evidence of assessment:** Primary documentation is considered to be either a secure paper based or electronic record that indicates an actual result consistent with assessment. All results should be supported by trainer/assessor endorsed documentation such as the Training Plan, trainer's record book, diary, the actual assessment or similar record which confirms delivery to the individual student. Evidence of student results should have an endorsement at the delivery level that confirms the accuracy of the student information such as the signature of the trainer, printed name and position. For all RPL outcomes, only the primary assessment tool used for any skills recognition assessments will be accepted.

OR

- e) **Where primary recording documentation is not available a signed statutory declaration from the relevant RTO staff affirming an individual's participation:** In the event that extreme circumstances prevent the provision of any of the primary recording documentation as detailed above (e.g. fire, flood or other equivalent circumstances), staff directly associated with the training delivery that are authorised by the RTO may be prepared to attest participation of the individual in the unit of competency or module enrolment in question. In all such cases the staff member is required to submit and sign a statutory declaration affirming their evidence.

To result in a verifiable enrolment an auditor would be required to record two (2) elements, certified by an appropriate staff member:

- i) a full explanation of the reasons why primary recording documentation is not available; and
- ii) a signed and dated statutory declaration containing a full explanation of the evidence being provided and affirmed. The auditor would determine if the evidence provided is sufficient to substantiate the claim that the individual participated and thereby verify the enrolment. It should be noted that a signed document merely stating that participation within the enrolment has occurred would not meet verification requirements.

OR

- f) **Login and engagement with learning and/or assessment activity required for the unit of competency or module:** Where an individual has a secure login to specific learning and/or assessment activity (for the unit of competency or module) in which they are enrolled, the login record demonstrating on-line engagement with the learning and/or assessment activity will constitute evidence of engagement. The login record must evidence the Eligible Individual undertaking learning and/or assessment activity. A login record indicating the Eligible Individual received

training materials alone is not sufficient Evidence of Participation. Records must also indicate that the RTO has checked with the student that they are continuing to engage across the unit of competency/module.

OR

- g) **In flexible and distance modes of learning, records of staff/student engagement with learning and/or assessment activity at a unit of competency or module level that indicates the individual has commenced working on the learning materials received.** Records must also indicate that the RTO has checked with the student that they are continuing to engage across the unit of competency/module.

General Requirements associated with verification of participation

- 10.6 Evidence of Participation for each Eligible Individual being provided with Training Services by the RTO and in respect of which Funds are payable by the Department must be collected and retained by the RTO for audit or review purposes.
- 10.7 In undertaking an audit or review of Evidence of Participation in respect of Eligible Individuals, an auditor will attempt to utilise appropriate recording models adopted by the RTO to assure Evidence of Participation relating to the unit of competency or module.
- 10.8 An auditor may use judgement when Evidence of Participation relating to common elements of competency across several units of competency/modules is provided to validate more than one unit of competency/module.
- 10.9 Where a final assessment in the next collection year is supplied to justify participation in a module or unit of competency for a continuing enrolment in the current collection year, an auditor may verify each enrolment for participation on its merits.
- 10.10 An auditor will not accept RTO based Certificates in isolation to satisfy Evidence of Participation at the unit of competency or module level.
- 10.11 Statements from Eligible Individuals declaring they participated in the module/unit of competency will only be accepted if evidence of extreme and exceptional circumstances such as fire, flood or theft, outlined in **Clause 10.5 (e)**, is provided.
- 10.12 Verification of enrolments will not be allowed where documents such as 'catch all' sets of questions are provided as the only Evidence of Participation in respect of an Eligible Individual for a module or unit of competency. These sets of questions are typically completed on the first day of student attendance, covering all modules or units of competency within the cluster and the nature of the questions are very simple with limited educational use.

Clarification Regarding Participation in VCE Units 3 & 4

- 10.13 There are particular requirements for Evidence of Participation in respect of Eligible Individuals relating to VCE Units 3 & 4:
- a) the criteria of Evidence of Participation apply to VCE Units 3 & 4 as they do to all other units or modules;
- b) VCE Units 3 & 4 should be reported on the AVETMISS as individual units of study, (e.g. "Unit 3 Economics" Code ECO33 and "Unit 4 Economics" Code ECO34). Where an individual withdraws after commencing Unit 3, the provider will also need to withdraw the individual from Unit 4, as both units must be delivered sequentially. In this instance the individual would be considered to have participated only in Unit 3, but not Unit 4 as there was no attendance or participation;

- c) where withdrawal is prior to May 1st, the individual will be automatically withdrawn from both Units 3 and 4;
- d) where an individual ceases to participate after May 1st they must be recorded as a Code 30 Assessable Enrolment – Competency Not Achieved/Fail for Unit 3. They must also be separately withdrawn from Unit 4; and
- e) where an individual completes Unit 3, they may be withdrawn from Unit 4, up to July 10, after which time they must be recorded as a Code 30 Assessable Enrolment – Competency Not Achieved/Fail.

PART B

11. REPORTING

Training activity data and Government subsidised tuition fees

11.1 The RTO must:

- a) submit Student Statistical Reports to the Department via the SVTS no less than once every calendar month per collection year. Each monthly submission must include full details for all training activity already delivered within the collection year, including government subsidised and fee for service training activity. This includes delivery already commenced/underway and/or completed in the current collection year; and reporting in relation to qualification completions;
- b) in the event that data previously submitted by the RTO as part of Student Statistical Reports to the Department is incorrect, resubmit correct data by no later than the following month's Student Statistical Report; and
- c) ensure that all required data is included and correct in the final Student Statistical Report for each calendar year into which the Term extends and that this report is submitted to the Department via SVTS by no later than the earlier of:
 - i) 5pm on 15 January of the next calendar year; or
 - ii) one month after the expiration or termination of the VET Funding Contract.
- d) report (in cents) the actual tuition fee per hour charged to each Eligible Individual for government subsidised training via the Client Tuition Fee field in the Student Statistical Report.

11.2 The Department may publish fee information related to government subsidised training gathered through this process on an individual RTO basis.

Third Party Arrangements

11.3 If requested in writing by the Department, the RTO must promptly provide the Department with details of all third party arrangements for the delivery of Training Services on the RTO's behalf. This may include but is not limited to: determination of eligibility and enrolment processes, Pre-Training Reviews, marketing, and Brokering Services.

Quality Indicators

11.4 The RTO must, if requested in writing by the Department, submit data to the Department on the following three (3) Quality Indicators (or its successor) for the preceding calendar year in a format to be notified by the Department:

- a) Competency completion;
- b) Learner engagement; and
- c) Employer satisfaction.

11.5 The Department will not share or release to other parties any Quality Indicator data (or its successor) provided by the RTO under this VET Funding Contract on an individual RTO basis.

11.6 The Department may publish aggregated Quality Indicator data gathered through this process and use it to inform future quality improvement initiatives that support and promote quality training provision.

Performance Indicators

Trainer qualifications

- 11.7 The RTO must, in each calendar year into which the Term extends, submit:
- a) the number of trainers and assessors employed by the RTO;
 - b) the number of trainers and assessors employed by the RTO who hold a qualification in teaching and/or training above Certificate IV (or equivalent) level; and
 - c) for each such trainer and assessor within the scope of subclause 11.7(b):
 - i) the title of the highest qualification in teaching and training; and
 - ii) whether that trainer or assessor is involved in the delivery of courses on the Foundation Skills List

to the Department in a format, and by a date, to be notified by the Department. This includes trainers and assessors both directly employed by the RTO and engaged through any subcontracting or third party arrangements.

Employment outcomes

- 11.8 The RTO must, in each calendar year into which the Term extends, collect data on the employment status of each Eligible Individual completing or withdrawing from training. This data must be submitted to the Department in a format, and by a date, to be notified by the Department.

Pre- and post-testing of Foundation Skills

- 11.9 For RTOs on the Foundation Skills Approved Provider List only, the RTO must, in each calendar year into which the Term extends, collect and submit for each Eligible Individual that commences, completes or withdraws from a qualification in Domain A and Domain B of the Foundation Skills List:
- a) data that measures an Eligible Individual's skill level translated into the Australian Core Skills Framework or equivalent (as determined by the Department) at commencement of training; and
 - b) data that measures the same Eligible Individual's skill level translated into the Australian Core Skills Framework or equivalent (as determined by the Department) at the completion or withdrawal of training.

This data must be submitted to the Department in a format, and by a date, to be notified by the Department.

12. DETERMINATION AND PAYMENT OF FUNDS

Government Subsidy

- 12.1 The Department will only make payment of Funds (as calculated in accordance with this Clause 12 of this Schedule 1) for Training Services delivered to Eligible Individuals for currently endorsed courses and qualifications as identified on the Funded Courses Report as published on the SVTS and which are on the RTO's Funded Scope. For the avoidance of doubt, payment of Funds will only be made where the Course Commencement Date for the relevant course or qualification:

- a) falls within a period where the “Is Approved For Funding” status on the RTO’s Funded Scope Report is “Approved” (where the period is defined by the relevant “Start Date” and “End Date” in the Report); and
 - b) falls within the “Effective for CCD from” and “Effective for CCD to” dates for the course as identified in the Funded Courses Report.
- 12.2 The RTO may request (through the SVTS Enquiry function) the Department to add a VET course or qualification to the Funded Courses Report. Private copyright courses will only be considered for inclusion where relevant course documentation is provided to the Department.
- 12.3 Subject to Clauses 12.1, 12.8, 12.12, 12.16 12.17 and 14 of this Schedule 1, the Department will pay the RTO Contact Hour Funds for scheduled hours of training and assessment reported under this Schedule 1 as having been delivered to Eligible Individuals.
- 12.4 Subject to Clauses 12.1, 12.8, 12.12, 12.16 and 12.17 of this Schedule 1, the Department will only pay the RTO Contact Hour Funds for scheduled hours of training and assessment reported as Recognition of Prior Learning (RPL) if the RTO is approved by the Department, or authorised agents of the Department, to be funded for RPL delivery under the RPL Approved Provider List.
- 12.5 For Eligible Individuals, the Department will pay the RTO Contact Hour Funds at the hourly rate per scheduled hour as identified in Clause 12.6 of this Schedule 1.
- 12.6 The hourly rate per scheduled hour is based on either the ‘Subsidy’ or ‘RPL Subsidy’ field of the Funded Courses Report as published on the SVTS as relevant. The hourly rate per scheduled hour takes into account the applicable payment year, course commencement date and enrolment type (non-apprenticeship or apprenticeship), and adjusted (if applicable) as follows:
- a) By a student loading being either or both of the following two:
 - i) For Eligible Individuals who self-identify as being of Aboriginal or Torres Strait Islander descent (and are reported as such through the “Indigenous Student Identifier” field of the Student Statistical Report) by multiplying the ‘Subsidy’ or ‘RPL Subsidy’ for the course by 1.5;
 - and
 - ii) For Eligible Individuals aged 15-19 years as at 1 January in the year of commencement of training without a senior secondary certificate or an accredited qualification at Australian Qualifications Framework (AQF) II or above, and eligible for a concession in accordance with Clauses 3.6 and 3.7 of the Guidelines about Fees, by multiplying the ‘Subsidy’ or ‘RPL Subsidy’ for the course by 1.3; and/or
 - b) By a regional loading whereby the relevant ‘Subsidy’ or ‘RPL Subsidy’ for units/modules delivered in non-metropolitan locations to Eligible Individuals will be adjusted by the Department by multiplying the ‘Subsidy’ or ‘RPL Subsidy’ for the course by 1.1. Training will be considered to be in a non-metropolitan location if the postcode of the training delivery location identified in the NAT000120 file is one of the postcodes identified as “non-metropolitan” on the Regional Postcodes Report as published on SVTS. The Regional Postcodes Report is subject to change at any time. The Regional Loading does not apply to online delivery or to distance education. Delivery will be deemed to have been delivered online or via distance education if:
 - i) the postcode of the training delivery location identified in the NAT000120 file is “VIC” or “OSPC”;

or

- ii) the Delivery Mode Identifier in the NAT00120 file in the Student Statistical Report is “20” (electronic based) or “40” (Other); and/or
 - c) By an RPL adjustment whereby the relevant ‘RPL Subsidy’ will be reduced by the Department for Eligible Individuals assessed through Recognition of Prior Learning (RPL) for units in courses, by multiplying the ‘RPL Subsidy’ for the course by the ‘RPL Adjustment’ (as identified on the Funded Courses Report). Payment of Contact Hour Funds for RPL is subject to the RTO being approved by the Department to be funded for RPL delivery under the RPL Approved Provider List.
- 12.7 For the avoidance of doubt, the adjustments outlined in Clause 12.6 (a), (b) and (c), will be used as multipliers of the relevant ‘Subsidy’ or ‘RPL Subsidy’ in determining the Contact Hour Funds paid for an Eligible Individual.
- 12.8 RPL undertaken as part of a government subsidised enrolment in a Foundation Skills List course, the Certificate I in Vocational Preparation, or RPL undertaken by an RTO not on the RPL Approved Provider List, will not be funded by the Department under the VET Funding Contract. If the RTO is on the RPL Approved Provider List, RPL will be paid based on the scheduled hours up to the nominal hours per unit of competency or module in accordance with Clause 12.6 (c) of this Schedule 1. Recognition of Current Competency (RCC) will not be funded by the Department under the VET Funding Contract.
- 12.9 Payments of Contact Hour Funds to the RTO in respect of an Eligible Individual by the Department under this Schedule 1 will be made monthly in arrears by the Department on the basis of Student Statistical Reports submitted by the RTO to the Department in accordance with the VET Funding Contract and on the understanding that the RTO has Evidence of Participation for each Eligible Individual in respect of which it is claiming payment. The act of lodging a Student Statistical Report by the RTO to the Department is considered a claim for payment.
- 12.10 Evidence of Participation in respect of each Eligible Individual, for the purpose of payment of Contact Hour Funds by the Department under this Schedule 1, is required and must be in accordance with the types of evidence specified at Clause 10 of this Schedule 1.
- 12.11 Contact Hour Funds paid by the Department to the RTO in respect of an Eligible Individual will be calculated at the unit of competency or module level, such that the scheduled hours reported will be spread over the number of months of scheduled delivery.
- 12.12 The Department will pay the Contact Hour Funds to the RTO in respect of an Eligible Individual up to the Maximum Scheduled Hours per course or qualification as published on the Funded Courses Report.
- 12.13 The RTO must ensure Student Statistical Reports to the Skills Victoria Training System (SVTS) reflect actual Training Services that are supported by Evidence of Participation. At a minimum, each monthly submission of Student Statistical Reports must include full details for all reportable training activity already delivered within the collection year. In particular Enrolment Activity Start Dates and Enrolment Activity End Dates must match the actual period of time within which Training Services occurred.
- 12.14 Training Services to Eligible Individuals which are funded by the Department under this Schedule 1 must be reported by the RTO in accordance with the *Victorian VET Student Statistical Collection Guidelines* against:
- a) Funding Source Identifier P for Eligible Individuals who are not under a referral form, and who are not under a contract of training (i.e. not apprentices/trainees); or

- b) Funding Source Identifier WTP for Eligible Individuals who are referred to the RTO with a Workers in Transition Program Letter and who are not under a contract of training (i.e. not apprentices/trainees); or
 - c) Funding Source Identifier ASP for Eligible Individuals (Asylum Seekers and Victims of Human Trafficking) with a Referral Form, and who are not under a contract of training (i.e. not apprentices/trainees); or
 - d) Funding Source Identifier NGP for Eligible Individuals in the Guaranteed Access Cohort under the Single and Teenage Parents Training Initiative with a Referral Form, and who are not under a contract of training (i.e. not apprentices/trainees); or
 - e) Funding Source Identifier NSP for Eligible Individuals in the Secondary Access Cohort under the Single and Teenage Parents Training Initiative with a Referral Form, and who are not under a contract of training (i.e. not apprentices/trainees); or
 - f) Funding Source Identifier AEP for Eligible Individuals who are referred to the RTO through the Automotive Supply Chain Training Initiative (or its successor) and who are not under a contract of training (i.e. not apprentices/trainees); or
 - g) Funding Source Identifier SCP for Eligible Individuals who are referred to the RTO as retrenched employees and who are not under a contract of training (i.e. not apprentices/trainees); or
 - h) Funding Source Identifier L for Eligible Individuals who are not under a referral form, and who are under a contract of training (i.e. apprentices/trainees); or
 - i) Funding Source Identifier WTL for Eligible Individuals who are referred to the RTO with a Workers in Transition Program Letter, and who are under a contract of training (i.e. apprentices/trainees); or
 - j) Funding Source Identifier ASL for Eligible Individuals (Asylum Seekers and Victims of Human Trafficking) with a Referral Form, and who are under a contract of training (i.e. apprentices/trainees); or
 - k) Funding Source Identifier NGL for Eligible Individuals in the Guaranteed Access Cohort under the Single and Teenage Parents Training Initiative with a Referral Form, and who are under a contract of training (i.e. apprentices/trainees); or
 - l) Funding Source Identifier NSL for Eligible Individuals in the Secondary Access Cohort under the Single and Teenage Parents Training Initiative with a Referral Form, and who are under a contract of training (i.e. apprentices/trainees); or
 - m) Funding Source Identifier AEL for Eligible Individuals who are referred to the RTO through the Automotive Supply Chain Training Initiative (or its successor), and who are under a contract of training (i.e. apprentices/trainees); or
 - n) Funding Source Identifier SCL for Eligible Individuals who are referred to the RTO as retrenched employees and who are under a contract of training (i.e. apprentices/trainees).
- 12.15 The RTO must identify all units of competency or modules relevant to the course or qualification in which an Eligible Individual is enrolled that have been attained by an individual as a result of previous formal training. The RTO is not eligible for Contact Hour Funds from the Department for the student contact hours associated with these units of competency or modules, and must report such units of competency/modules as Credit Transfer.
- 12.16 In the event that an Eligible Individual withdraws from Training Services delivered under this Schedule 1 prior to achieving competency in an individual module or unit of competency, and the RTO has sufficient evidence of the student's participation, the enrolment must be reported by the RTO as a withdrawal in all future Student Statistical

Reports for the calendar year in accordance with the current *Victorian VET Student Statistical Collection Guidelines*. In these instances, payment of Contact Hour Funds in respect of the individual by the Department for the individual module or unit of competency from which the individual withdrew will be made in accordance with the reported Hours Attended prior to withdrawal.

- 12.17 In the event that an Eligible Individual withdraws from Training Services delivered under this Schedule 1 without participation, or where the RTO has insufficient evidence of the student's participation, the RTO must either:
- a) exclude that student's unit of competency/module from future Student Statistical Reports for the calendar year; or
 - b) report the enrolment as a withdrawal with zero Hours Attended in all future Student Statistical Reports for the collection year in accordance with the current *Victorian VET Student Statistical Collection Guidelines*,

No payment is made from Contact Hour Funds in respect of withdrawals with no attendance.

- 12.18 All withdrawals (Outcome Identifier – National Code "40") must be reported within the year of the scheduled commencement in training and no later than two (2) months from the point of withdrawal, unless extenuating circumstances prevent this from occurring (or by the final data submission date for the **collection** year as advised by the Department, whichever is earliest). For the avoidance of doubt, the point of withdrawal is either:
- a) the date of formal withdrawal; or
 - b) in the case of no formal withdrawal, the date of the last engagement.

Fee Concession Contribution

- 12.19 Where the RTO has granted a fee concession to an Eligible Individual in accordance with the requirements set out in the *Guidelines about Fees*, the RTO will receive a contribution from the Department as a result of charging the concession fee to that individual.
- 12.20 The RTO must report to the Department all fee concessions granted by the RTO to Eligible Individuals in accordance with the fee concession reporting requirements outlined in the *Victorian VET Student Statistical Collection Guidelines* issued by the Department from time to time.
- 12.21 The Fee Concession Contribution paid to the RTO by the Department under Clause 12.19 of this Schedule 1 is on the basis of Student Statistical Reports provided by the RTO taking into account scheduled hours; qualifications for enrolments for which concessions were granted; and data indicating the grounds for the concession granted to an individual.
- 12.22 The Fee Concession Contribution amount for the purposes of Clause 12.19 of this Schedule 1 will be 100% of revenue foregone, up to a maximum value. This will be calculated based on four (4) times the actual hourly rate paid by the student and reported by the RTO (being 20% of the standard published hourly fee), up to a maximum hourly value, applied to the paid scheduled hours in each enrolment. The maximum hourly value is the relevant 'Maximum Fee Concession Contribution per hour' for the course (as identified on the Student Tuition Fee Contribution Report as published on the SVTS).
- 12.23 The Department will not pay a Fee Concession Contribution to the RTO in relation to individuals who are granted a fee concession and who are also referred Job Seekers. A referred Job Seeker is an individual who holds a standard Job Seeker Referral Form. In these instances, with prior agreement of the referring agency, providers must invoice the referring agency directly for the portion of the tuition fee not covered by the referred Job Seeker. The RTO must report the correct Fee Concession/Exemption Identifier for this, which may be subject to annual reconciliation with the Commonwealth.

Fee Waiver/Exemption Contribution

- 12.24 Where the RTO has granted a fee waiver/exemption to an Eligible Individual in accordance with the requirements set out in the *Guidelines about Fees*, the RTO will receive a contribution from the Department as a result of waiving/exempting the fee for that individual.
- 12.25 The RTO must report to the Department all fee waivers/exemptions granted to Eligible Individuals in accordance with the fee waiver/exemption reporting requirements outlined in the *Victorian VET Student Statistical Collection Guidelines* issued by the Department from time to time.
- 12.26 The Fee Waiver/Exemption Contribution paid to the RTO by the Department under Clause 12.24 of this Schedule 1 is on the basis of Student Statistical Reports provided by the RTO taking into account scheduled hours; qualifications for enrolments for which concessions were granted; and data indicating the grounds for the concession granted to an individual.
- 12.27 The Fee Waiver/Exemption Contribution under Clause 12.24 of this Schedule 1 will be calculated and paid by the Department on the basis of the relevant 'Fee Waiver/Exemption Contribution per Hour' (fixed value) for the course (as identified on the Student Tuition Fee Contribution Report as published on the SVTS), applied to the paid scheduled hours in each enrolment.

13. AUDITS OR REVIEWS RELATING TO EVIDENCE OF PARTICIPATION, EVIDENCE OF ELIGIBILITY AND EVIDENCE OF FEE CONCESSIONS/ WAIVERS/EXEMPTIONS

- 13.1 The Department may instigate an Evidence of Participation Audit, Evidence of Eligibility Audit and/or Evidence of Concession Audit at any time should the Department have any concerns relation to Training Services provided under the VET Funding Contract or any other Service Agreement.

Evidence of Participation

- 13.2 The RTO must be able to support the sampled units of competency/modules with Evidence of Participation as prescribed in Clause 10 of this Schedule 1, in respect of each Eligible Individual for which it has made a claim for payment from the Department.
- 13.3 If the Evidence of Participation Audit using a statistically valid sample size as determined by the Department reveals that units of competency/modules audited are not supported, then without limiting the Department's rights under Clauses 16 and 17 of the VET Funding Contract, where the percentage of unsupported units of competency/modules (exceptions) exceeds a threshold specified by the Department, the Department may:
- a) apply a monetary amount in accordance with Clause 16 of the VET Funding Contract;
 - b) require a refund of some or all of the Funds from the RTO; and/or
 - c) cancel some or all of the Funds claimed by the RTO.
- 13.4 For the purpose of Clause 13.3(a), the monetary amount will be 10 per cent of the total Funds claimed and/or paid to the RTO across the total population of units of competency/modules from which the statistically valid sample has been drawn, multiplied by the percentage points of exceptions.
- 13.5 For the purpose of Clause 13.3(b), the value of Funds sought by the Department under this clause may be up to the percentage points of exceptions above the threshold, applied

to the total Funds claimed and/or paid to the RTO across the total population of units of competency/modules from which the statistically valid sample has been drawn.

Evidence of Eligibility

- 13.6 The RTO must be able to support assessment of student eligibility for the Victorian Training Guarantee as prescribed in the VET Funding Contract and the related *Guidelines about Determining Student Eligibility and Supporting Evidence* in respect of each Eligible Individual for which it has made a claim for payment from the Department.
- 13.7 If the Evidence of Eligibility Audit reveals insufficient documentation (exceptions), then without limiting the Department's rights under Clauses 16 and 17 of the VET Funding Contract, the Department may:
- a) apply a monetary amount in accordance with Clause 16 of the VET Funding Contract;
 - b) require a refund of some or all of the Funds from the RTO; and/or
 - c) cancel some or all of the Funds claimed by the RTO
- 13.8 For the purpose of Clause 13.7(a), the monetary amount will be 10 per cent of the total Funds claimed and/or paid to the RTO for each enrolment for which an exception has been identified.

Evidence of Concession

- 13.9 The RTO must be able to support the application of fee concessions and fee waivers/exemptions as prescribed in the VET Funding Contract, and the related *Guidelines about Fees* in respect of each Eligible Individual for which it has made a claim for payment from the Department.
- 13.10 If the Evidence of Concession Audit reveals insufficient documentation (exceptions) then, without limiting the Department's rights under Clauses 16 and 17 of the VET Funding Contract, the Department may:
- a) apply a monetary amount in accordance with Clause 16 of the VET Funding Contract;
 - b) require a refund of some or all of the Funds from the RTO; and/or
 - c) cancel some or all of the Fee Concession Contribution or Fee Waiver/Exemption Contribution claimed by the RTO.
- 13.11 For the purpose of Clause 13.10(a), the monetary amount will be 10 per cent of the total Fee Concession Contribution or Fee Waiver/Exemption Contribution claimed and/or paid to the RTO for each enrolment for which an exception has been identified.

14. ENROLMENTS IN COURSES AND QUALIFICATIONS ON THE FOUNDATION SKILLS LIST

- 14.1 For government subsidised enrolments in a course on the Foundation Skills List, for a claim to be eligible for payment of Funds a unit of competency/module must be:
- a) specified as a core unit in the curriculum for that course, or
 - b) specified and listed as a unit within a specialisation or as an elective unit in the curriculum for that course, or

- c) designated by the Department as Literacy and Numeracy Support units as specified in the Literacy and Numeracy Support Implementation Guide issued by the Department.
- 14.2 The Department will not fund, and the RTO must not make a claim for, any unit of competency/module undertaken as part of a government subsidised enrolment in a course on the Foundation Skills List that is not in accordance with Clause 14.1 of this Schedule 1.
- 14.3 Any payment of Funds by the Department in respect of a claim for any unit of competency/module not specified in Clause 14.1 of this Schedule 1 will be immediately repayable by the RTO to the Department.
- 14.4 This Clause 14 does not apply to the Victorian Certificate of Applied Learning (Foundation).

15. COMPLETIONS

- 15.1 The RTO must report all completions in Student Statistical Reports to the Department in relation to each Eligible Individual. Completions must be reported in accordance with the *Victorian VET Student Statistical Collection Guidelines*, specifically in relation to the NAT 130 'Qualification Completed' file in each monthly submission.
- 15.2 When the Eligible Individual has completed activity under the Training Plan, the RTO must assess, record and report qualification completion as soon as possible after successful completion.
- 15.3 The RTO must issue recognised qualifications or Statements of Attainment to the specifications of the relevant accredited courses, endorsed national Training Packages, as well as any other applicable guidelines, regulations or legislation. Refer to the *Guidelines about Apprenticeship/Traineeship Training Delivery* for particular requirements relating to completions by Apprentices/Trainees.

PART C

16. SINGLE AND TEENAGE PARENTS TRAINING INITIATIVE

Purpose

- 16.1 This Clause 16 describes the requirements of the Single and Teenage Parents Training Initiative. This Clause 16 has no legal effect unless the RTO has specifically been contracted in a letter of offer from the Department.

Roles and Responsibilities of Provider Network RTOs

- 16.2 Under this Clause 16, the RTO agrees:
- a) to make every reasonable effort to place an individual referred under this Initiative,
 - b) to participate fully with the Department, the Commonwealth Government, referring agencies and any other relevant body in investigations of instances where a referred individual is unable to be placed at any RTO in the Provider Network (i.e. a 'guarantee failure'),
 - c) to fulfil the 'Roles and Responsibilities' defined at Clauses 16.3 and 16.4 of this Schedule 1, and
 - d) that information provided on the Expression of Interest form submitted by the RTO may be published and/or provided to referring agencies and other relevant parties at the discretion of the Department.
- 16.3 The RTO's roles and responsibilities with respect to individuals referred as being in the Guaranteed Access Cohort are to:
- a) work with referring agencies in the RTO's region to ensure strong working relationships exist and:
 - i) provide up to date advice on appropriate courses for referral purposes,
 - ii) ensure up to date information is available on course availability, prerequisite requirements and associated costs, which will assist in the resolution of issues at the local level without further escalation, and
 - iii) provide information to support referring agencies' referral and follow up processes.
 - b) guarantee a place in the recommended course for the individual in the current student intake, or if not possible, in the next student intake (subject to meeting any course entry requirements),
 - c) provide places that as far as possible fit with the caring responsibilities of the individual,
 - d) where a referred individual is not able to be enrolled in the recommended course, provide the reason to the individual and the relevant referring agency for refusing enrolment and work towards resolving the issue
 - e) cooperate with any investigations of guarantee failures, and
 - f) report on individuals that access guarantee places and report on guarantee failures as required by the Department to support reporting obligations.
 - g) complete the Single and Teenage Parents Training Initiative – Unmet Referral form when the RTO is unable to place a student in the Guaranteed Access Cohort. The RTO must provide a copy of this form to the referring agency and retain the original for audit purposes.

- 16.4 The RTO's roles and responsibilities with respect to individuals referred as being in the Secondary Access Cohort are to:
- a) work with referring agencies in their region to ensure strong working relationships exist and:
 - i) provide up to date advice on appropriate courses for referral purposes, and
 - ii) ensure up to date information is available on course availability, prerequisite requirements and associated costs, which will assist in the resolution of issues at the local level without further escalation,
 - iii) provide information to support referring agencies' referral and follow up processes,
 - b) provide places that as far as possible fit with the caring responsibilities of the individual.

Application, Payment and Reporting of fee concessions

- 16.5 The RTO must charge the concession fee to all Eligible Individuals who have been referred to training under the Single and Teenage Parents Training Initiative in accordance with the *Guidelines about Fees* as issued by the Department from time to time.
- 16.6 The RTO will receive a contribution from the Department as a result of charging the concession fee to an Eligible Individual under the Single and Teenage Parents Training Initiative in accordance with this Schedule 1 of the VET Funding Contract.
- 16.7 The RTO must report to the Department all Training Services delivered to Eligible Individuals under the Single and Teenage Parents Training Initiative in accordance with the reporting requirements outlined in the *Victorian VET Student Statistical Collection Guidelines* as issued by the Department from time to time.

17. YOUNG PEOPLE TRANSITIONING FROM CARE INITIATIVE

Purpose

- 17.1 This Clause 17 describes the requirements of the Young People Transitioning From Care Initiative for young Victorians who are living, or have lived, in out of home care and subject to Victorian child protection custody or guardianship orders. This Clause 17 has no legal effect unless the RTO has specifically been contracted in a letter of offer from the Department.

Roles and Responsibilities of Provider Network RTOs

- 17.2 Under this Clause 17, the RTO agrees:
- a) That information provided on the Expression of Interest application form submitted by the RTO may be published and/or provided to referring agencies and other relevant parties at the discretion of the Department.
 - b) To work with referring agencies in their region to ensure strong working relationships exist and:
 - i) provide up to date advice on appropriate courses for referral purposes;
 - ii) ensure up to date information is available on course availability, prerequisite requirements and costs (any other costs which are not student tuition fees), which will assist in the placement of young people in appropriate courses; and

- iii) provide information to support eligible young people and referring agencies' to make informed choices for referral and follow up processes.
- c) To make every reasonable effort to place an individual referred under this Initiative, by offering training in the recommended course for the individual in the current student intake, or if not possible, in the next student intake (subject to meeting any course entry requirements).
- d) To participate fully with the Department, the Victorian Government, referring agencies and any other relevant body in assisting a referred individual to undertake accredited training.
- e) To provide information about services and support available to individuals referred under this Initiative.

Application, Payment and Reporting of the fee waiver/exemption

- 17.3 The RTO must apply a fee waiver/exemption to all Eligible Individuals who have been referred to training under the Young People Transitioning From Care Initiative in accordance with the *Guidelines about Fees* as issued by the Department from time to time.
- 17.4 The RTO will receive a contribution from the Department as a result of waiving/exempting the fee to an Eligible Individual under the Young People Transitioning From Care Initiative in accordance with this Schedule 1 of the VET Funding Contract.
- 17.5 The RTO must report to the Department all fee waivers/exemptions granted to Eligible Individuals in accordance with the fee waiver/exemption reporting requirements outlined in the *Victorian VET Student Statistical Collection Guidelines* as issued by the Department from time to time.

18. ACCESS TO THE VTG FOR RETRENCHED EMPLOYEES

The Victorian Government supports retrenched employees by providing those from eligible businesses the opportunity to build on their current skills or retrain through the Victorian Training Guarantee. Individuals who have been retrenched from participating businesses are provided with access to government subsidised training if they do not meet the 'up-skilling' requirement of the Victorian Training Guarantee. Such individuals are provided with a letter of exemption from a Regional Market Facilitation Manager from DEECD, taking the form of either:

- a Workers in Transition Program letter (dated prior to 3 November 2014) or
- a Training Referral Letter (dated on or after 3 November 2014).

Purpose

- 18.1 To set out the RTO's roles and responsibilities with respect to administering assistance to retrenched employees who have been referred to the RTO with a letter of exemption from the upskilling requirement set out at Clause 2.6(b)(v) of Schedule 1 of the VET Funding Contract.

Roles and Responsibilities of the RTO

- 18.2 The RTO will work with individuals or groups of retrenched workers referred to it by a DEECD Regional Market Facilitation Manager to ensure their current skills are assessed/recognised in order to access appropriate government subsidised training in recognised qualifications.

18.3 Individuals referred to the RTO should be encouraged to undertake training in a skills shortage occupation or for jobs where there are demonstrated local or regional employment opportunities.

18.4 The RTO must:

- a) Screen referred individuals to determine the vocational interests of the student;
- b) Provide career information to referred individuals;
- c) Assess referred individuals' eligibility for a government subsidised training place under the Victorian Training Guarantee; and
- d) Enrol referred individuals in accordance with the requirements set out in the *Guidelines about Determining Student Eligibility and Supporting Evidence*.

Recognition of Prior Learning for retrenched employees

18.5 Where the RTO (Approved RPL Provider List RTOs only) delivers government subsidised recognition of prior learning (RPL) to referred individuals, the RTO agrees to:

- a) facilitate new skills acquisition by using RPL in conjunction with training.

For example, where a referred individual is provided with some transferable skills to enter new industry/job and requires some training to complete a new qualification. RPL of 100% of the qualification is not supported in this case.

- b) make every reasonable effort to help improve the skill levels of retrenched Victorians to transition to new employment through the provision of relevant training advice, including that RPL should:
 - i) contribute to a job outcome for unemployed/underemployed individuals; and/or
 - ii) support the referred individual to transfer to a new occupation/area of labour market demand with overlapping skill needs. For example, a worker retrenched due to an individual business closing (but not linked to a declining industry) requiring a qualification through RPL to stay in the same industry.

In some instances, this may mean the RTO works with referring agencies or agents, such as Victorian Workforce Development Centres in Geelong, Dandenong and Broadmeadows, Job Services Australia providers, industry associations or using other resources in the relevant region to ensure retrenched individuals are provided advice on training in an area linked to job opportunities.

- c) support job retention through RPL where accredited skills are required. For example, RPL may be used to respond to regulatory or legislative changes where a certain qualification is now required (i.e. childcare) that will help the worker to be re-employed/employed in a certain industry. RPL of 100% of the qualification is supported in this case. Evidence used to determine this requirement should be retained by the RTO.
- d) ensure that up to date information is available on course availability and prerequisite requirements, which may require RPL assessment. Associated costs should be identified, which will assist in the understanding of costs incurred by the individual at the local level without further escalation.

18.6 Individuals referred under this initiative that do not meet the 'upskilling' requirement must be reported to the Department through the use of the Eligibility Exemption Indicator field in the monthly Student Statistical Reports to be provided under the VET Funding Contract.

- 18.7 The RTO must report to the Department all Training Services delivered to individuals in accordance with the reporting requirements outlined in the *Victorian VET Student Statistical Collection Guidelines* as issued by the Department from time to time.
- 18.8 Technical queries about reporting should be submitted through the Enquires function of the Skills Victoria Training System under the category Skills for Victoria/Funding Source Codes.

19. AUTOMOTIVE SUPPLY CHAIN TRAINING INITIATIVE

The Victorian Government supports employees of the Automotive Supply Chain by providing those from eligible businesses the opportunity to build on their current skills or retrain through the Victorian Training Guarantee. Individuals that are referred to training under the Automotive Supply Chain Training Initiative are provided with access to government subsidised training if they do not meet the 'up-skilling' requirement of the Victorian Training Guarantee. Such individuals are provided with a letter of exemption from a Regional Market Facilitation Manager from DEECD, taking the form of an Automotive Supply Chain Training Initiative letter.

Purpose

- 19.1 To set out the RTO's roles and responsibilities with respect to administering assistance to retrenched employees who have been referred to the RTO with an letter of exemption from the upskilling requirement set out at Clause 2.6(b)(v) of Schedule 1 of the VET Funding Contract.

Roles and Responsibilities of the RTO

- 19.2 The RTO will work with individuals or groups of automotive supply chain employees referred to it by a DEECD Regional Market Facilitation Manager to ensure their current skills are assessed/recognised in order to access appropriate government subsidised training in recognised qualifications.
- 19.3 Individuals referred to the RTO may have accessed career advice through the Government's Career & Transition Advice Service. Individuals should be encouraged to follow this advice, or to undertake training in a skills shortage occupation or for jobs where there are demonstrated local or regional employment opportunities.
- 19.4 The RTO must:
- Screen referred individuals to determine the vocational interests of the student;
 - Provide career information to referred individuals;
 - Assess referred individuals' eligibility for a government subsidised training place under the Victorian Training Guarantee; and
 - Enrol referred individuals in accordance with the requirements set out in the *Guidelines about Determining Student Eligibility and Supporting Evidence*.

Recognition of Prior Learning for Employees of the Automotive Supply Chain

- 19.5 Where the RTO (Approved RPL Provider List RTOs only) delivers government subsidised recognition of prior learning (RPL) to referred individuals, the RTO agrees to:
- facilitate new skills acquisition by using RPL in conjunction with training.

For example, where a referred individual is provided with some transferable skills to enter new industry/job/role and requires some training to complete a new qualification. RPL of 100% of the qualification is not supported in this case.

- b) make every reasonable effort to help improve the skill levels of Victorian automotive supply chain employees to transition to new employment or roles through the provision of relevant training advice, including that RPL should:
- i) contribute to a job outcome for unemployed/underemployed individuals; and/or
 - ii) support the referred individual to transfer to a new occupation/area of labour market demand with overlapping skill needs. For example, an automotive supply chain employee retrenched due to an individual business closing (but not linked to a declining industry) requiring a qualification through RPL to transition to employment in advanced manufacturing industry.

In some instances, this may mean the RTO works with referring agencies or agents, such as Victorian Workforce Development Centres in Geelong, Dandenong and Broadmeadows, Job Services Australia providers, industry associations or using other resources in the relevant region to ensure automotive supply chain employees are provided advice on training in an area linked to job opportunities.

- c) support job retention through RPL where accredited skills are required. For example, RPL may be used to respond to regulatory or legislative changes where a certain qualification is now required (i.e. childcare) that will help the automotive supply chain employee to be re-employed/employed in a certain industry. RPL of 100% of the qualification is supported in this case. Evidence used to determine this requirement should be retained by the RTO.
- d) ensure that up to date information is available on course availability and prerequisite requirements, which may require RPL assessment. Associated costs should be identified, which will assist in the understanding of costs incurred by the individual at the local level without further escalation.
- 19.6 Individuals referred under this initiative that do not meet the 'upskilling' requirement must be reported to the Department through the use of the Eligibility Exemption Indicator field in the monthly Student Statistical Reports to be provided under the VET Funding Contract.
- 19.7 The RTO must report to the Department all Training Services delivered to individuals, in accordance with the reporting requirements outlined in the *Victorian VET Student Statistical Collection Guidelines* as issued by the Department from time to time.
- 19.8 Technical queries about reporting should be submitted through the Enquires function of the Skills Victoria Training System under the category Skills for Victoria/Funding Source Codes.

PART D

20. DATA SYSTEMS

20.1 The RTO is required to access and/or submit data to a number of data systems managed by the Department. The table below provides a summary of relevant data systems and login addresses.

System Name	Purpose	Login Address	Comments
DELTA	Track and complete Training Contracts	https://www.eduweb.vic.gov.au/deltarto	The DELTA database records all Apprentices/Trainees in Victoria.
SVTS	Statistical reporting and claiming for training	http://www.education.vic.gov.au/svts/	Enter monthly delivery data for all training and claims.
	Enquires		The RTO should complete and submit all enquiries to the Department.
	Lost/Forgotten User ID and/or Password details		Refer to instructions on the Skills Victoria Training System Homepage.

20.2 If the RTO is delivering in Apprenticeship/Traineeship mode, the RTO must access the DELTA database at least weekly to identify new individuals that have nominated the RTO as their preferred provider.

20.3 When an RTO is nominated as the training provider relating to Clause 20.2, the details for the Apprentice or Trainee are lodged by an AAC and registered on the Department's DELTA database. The RTO must have access to DELTA and should also check it regularly.

20.4 The RTO must register to use DELTA by completing the Conditions of Use form. Contact the DELTA Database Manager for a copy of the Conditions of Use form:

DELTA Database Manager
Victorian Registration and Qualifications Authority
GPO Box 2317
Melbourne 3001

Phone: 03 9032 1501
Fax: 03 9032 1579

20.5 The RTO must use the SVTS for all student statistical data and claims for funding in accordance with the *Victorian VET Student Statistical Collection Guidelines* and the *Skills Victoria Training System: Guide to Claims*.

21. USEFUL WEBSITES

Approved Training Schemes

<http://www.education.vic.gov.au/training/providers/rto/Pages/schemes.aspx>

Australian Apprenticeships Centres

<http://www.australianapprenticeships.gov.au/search/aacsearch.asp>

Australian Skills Quality Authority (ASQA)

<http://www.asqa.gov.au/>

Course Accreditation

<http://www.vrqa.vic.gov.au/accreditation/pages/default.aspx>

<http://www.asqa.gov.au/course-accreditation/course-accreditation.html>

Curriculum Maintenance Managers

<http://trainingsupport.skills.vic.gov.au/cmminf.cfm>

Guide to Apprenticeships and Traineeships

<http://www.education.vic.gov.au/training/learners/apprentices/Pages/what.aspx>

Higher Education and Skills website

<http://www.education.vic.gov.au/training>

Standards for Regulators (AQTF and National VET Regulator)

http://www.nssc.natese.gov.au/vet_standards/standards_for_vet_regulators

Training.gov.au

<http://training.gov.au/>

Victorian VET Student Statistical Collection Guidelines

<http://www.education.vic.gov.au/training/providers/rto/Pages/datacollection.aspx>

Victorian Curriculum and Assessment Authority (VCAA)

<http://www.vcaa.vic.edu.au/>

Victorian Purchasing Guides

<http://trainingsupport.skills.vic.gov.au>

Victorian Registration and Qualification Authority (VRQA)

<http://www.vrqa.vic.gov.au>

22. GLOSSARY

Terms	Explanation
Approved Training Schemes	An Approved Training Scheme means a training scheme approved under section 5.5.2. of the <i>Education and Training Reform Act 2006</i> .
Course Commencement Date	Date of first scheduled training for the first module towards the completion of the qualification in which the student has enrolled.
Credit Transfer	Credit given based on documentary evidence of statement of attainment/qualifications.
DELTA Database	The DELTA Database records all Apprentices and Trainees in Victoria. All contracted RTOs delivering training to Apprentices or Trainees must have access to this database. It is an important source of information about Apprentices or Trainees that have been allocated to your RTO. Access to DELTA is a mandatory requirement for RTOs who receive funding for Apprentices and Trainees.
Enquiries	A form in the SVTS for RTOs to complete and submit for any enquiries about the Victorian Training Guarantee Program.
Enrolment Type	Enrolment Type refers to either an apprenticeship (not traineeship) or a non apprenticeship qualification.
Nominal Hours	Nominal Hours are the anticipated hours of learning or training deemed necessary in order to adequately cover the educational material. These hours are generally specified in the curriculum documentation of courses or the purchasing guides for training package qualifications.
Recognition of Current Competency (RCC)	RCC applies if an individual has previously successfully completed the requirements of a unit of competency or module and is now required to be reassessed to ensure that the competence is being maintained. It is particularly relevant where there is a requirement for an occupational license or ticket in order to practice in the skill area, e.g. first aid, meat inspection.
Recognition of Prior Learning (RPL)	RPL involves the assessment of any previously unrecognised skills and knowledge that an individual has achieved outside the formal education and training system. RPL is an assessment process (as distinct from a training process) that assesses the individual's non-formal and informal learning. This assessment determines the extent to which an individual has achieved the required learning outcomes, competency outcomes, or standards for entry to, and/or partial or total completion of a qualification.
Scheduled Hours	The hours of teaching activity (including assessment times) that the RTO schedules for a module or unit of competency enrolment. The Scheduled Hours will often be the same as the Nominal Hours, however different local circumstances or delivery types may result in a variation from the nominal curriculum hours.
SMS	Student Management System

Terms	Explanation
Structured Training: Off-the-job	This is Structured Training and Assessment that the RTO delivers in a formal setting. It is often referred to as 'trade school' or 'block release'. Timetables vary, but may include a day a week or blocks of weeks at a training facility.
Structured Training: Workplace-based	This is the Structured Training (and assessment) organised to take place in the workplace by the RTO. It takes place when the Apprentice or Trainee is withdrawn from regular work duties.
SVTS	Skills Victoria Training System (SVTS) – The Department's IT system for managing contracts between the Victorian Skills Department and RTOs for delivery of Victorian government subsidised training.
TOID	Training Organisation Identifier or RTO Code.
Training Contract	A Training Contract is an agreement signed by the employer and the Apprentice or Trainee (and a parent or guardian if applicable) specifying the type of Apprenticeship or Traineeship that will be undertaken. It details the training obligations of employers and Apprentices or Trainees. It also contains details on the commencement date for the training, the duration of the training period, at what workplace/location the Apprentice or Trainee will receive practical experience, and which Registered Training Organisation will provide the structured, off-the-job or workplace based training. A Training Contract must be signed within 14 days of the Apprentice or Trainee being employed.
Training Contract Commencement Date	The date of commencement of the Training Contract for the Apprenticeship/Traineeship can be found on the DELTA record at the field called: <i>(date) Commenced</i> . The data in this field is the date on which the legal Contract between the employer and the Apprentice/Trainee comes into effect.
Training Package Qualification	Identifies the title of the training package qualification directly related to the training, as described at http://training.gov.au/
Training Plan	A Training Plan documents detailed information on training and assessment to a group of students (collective Training Plan) or an individual student whose training is subsidised under the VET Funding Contract. This information ensures that both the RTO and the group of students or the individual student are making informed decisions about the services required and the respective obligations in the delivery of these services. The Training Plan provides details of the arrangements.
Victorian Training Guarantee (VTG)	The <i>Victorian Training Guarantee</i> is an entitlement to a government subsidised place in recognised training that can be accessed in accordance with criteria set out in the Act and the VET Funding Contract.