



ACT FUNDING AGREEMENT

APPLICATION GUIDELINES

Skills Canberra

Chief Minister, Treasury and
Economic Development Directorate

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VERSION CONTROL

VERSION	EFFECTIVE DATE	STATUS	DETAILS
1.0	10 March 2015	Initial Release	N/A
1.1	1 December 2015	Modification	<p>Content amended:</p> <p>Sections Key dates 1.0: About this document 5.0: Application overview 5.3: Application assessment 5.4.1: Successful RTOs Recipient created tax invoice details amended 7.0: Correction and update of application Superseded dates removed</p> <p>Content added:</p> <p>4.1: Mandatory criteria Additional criteria 5.3.1: Indicators Further information on indicators 5.4.2: Unsuccessful RTOs Addition to reapplication eligibility requirement 7.0: Correction and update of application Additional information</p>
2.0	1 May 2017	Modification	<p>Update to design</p> <p>Content amended:</p> <p>Sections Key dates 3.0 Overview of ACT Funding Agreement 4.1 Mandatory criteria</p>

It is the responsibility of the user to ensure that this is the current and complete document. The latest version located at:

<http://www.cmtedd.act.gov.au/skillscanberra/act-quality-framework/act-funding-agreement>

GLOSSARY OF TERMS

ACT	Australian Capital Territory
ACTFA	ACT Funding Agreement
ASQA	Australian Skills Quality Authority
AVETMISS	Australian Vocational Education and Training Management Information Statistical Standard
RTO	registered training organisation
Skills Canberra	Skills Canberra branch of the Chief Minister, Treasury and Economic Development Directorate
VET	vocational education and training

KEY DATES

1 July 2015	Commencement of ACTFA Version 2.0
1 July 2017	Commencement of ACTFA Version 2.1

1.0 ABOUT THIS DOCUMENT

These Guidelines provide important information about how registered training organisations (RTOs) apply for a contractual agreement to deliver government subsidised vocational education and training (VET) in the ACT. The Guidelines include:

- > an overview of the ACT Funding Agreement (ACTFA)
- > an overview of the ACTFA application process
- > how applications will be assessed
- > the steps following application outcome notification.

2.0 INTRODUCTION

The ACT Government contributes funding on behalf of the Commonwealth and the Territory towards the cost of delivering training services for selected training initiatives in the ACT. Skills Canberra has responsibility for the oversight and promotion of quality VET in the ACT and administers the funding for each initiative.

Since 1 January 2013, the ACTFA has been the contractual arrangement between the Territory and RTOs to deliver ACT Government training initiatives. Initiatives under the ACTFA may target specific participant groups, such as equity groups or specific skills and qualifications. Specific initiatives are identified through schedules of the ACTFA.

RTOs wishing to access ACT Government funding must hold an ACTFA with the Territory. RTOs that wish to only deliver fee-for-service training for Australian Apprentices in the ACT are not required to have an ACTFA but are required to complete a [RTO Nomination for ACT Fee-for-Service Delivery form](#).

RTOs must hold an approved ACTFA prior to delivering training under any of the following initiatives in the ACT:

- > Skilled Capital
- > Australian Apprenticeships (User Choice).

Once the RTO holds an ACTFA it is eligible to access ACT Government training initiatives, however, holding an ACTFA does not guarantee funding.

3.0 OVERVIEW OF ACT FUNDING AGREEMENT

The original ACTFA commenced on 1 January 2013. This has been replaced by subsequent versions. The current version commenced on 1 July 2015, and expires on 30 June 2017.

- > ACTFA Version 1.0: 1 January 2013 – 30 June 2014
- > ACTFA Version 1.1: 1 July 2014 – 30 June 2015 (extension to the ACTFA Version 1.0)
- > ACTFA Version 2.0: 1 July 2015 – 30 June 2017
- > ACTFA Version 2.1: 1 July 2017 – 30 June 2018 (extension to the ACTFA Version 2.0)

4.0 ACTFA ELIGIBILITY

To be granted an ACTFA, the RTO must satisfy the mandatory eligibility criteria and meet the minimum benchmark in a weighted indicator assessment.

4.1. MANDATORY CRITERIA

To be eligible for an ACTFA, the RTO must:

- > hold a current registration with the Australian Skills Quality Authority (ASQA)
- > hold all insurance cover as specified in the ACTFA
- > be able to report training delivery information using an AVETMISS compliant student management system
- > not have had an agreement with the Territory terminated within the last seven years

The eligibility section of the application also includes questions about any persons or entities associated with the applicant.

Where an applicant indicates 'yes' to any of the questions in the Eligibility section of the application form, specifically related to previous dealings with any person or entity that has had its agreement terminated or suspended, sanctions and/or conditions imposed on its registration or has been responsible for any of the aforementioned matters, the applicant must contact the Directorate to discuss the matter before being able to proceed with the application. Where the matter has already been discussed with the Directorate, the outcome of the discussion must be recorded in the application details field.

The Directorate reserves the right to consider the matters discussed with the applicant and any additional information available to it in making determinations, at its discretion, on an RTO's initial or continuing eligibility for an ACTFA.

The phrase 'otherwise dealt with' in the context of the Eligibility section refers to dealings with a person or entity relating to any aspect of the administration and/or operations of an RTO.

Where an applicant does not satisfy all of the criteria in the Eligibility section, the application will not progress any further.

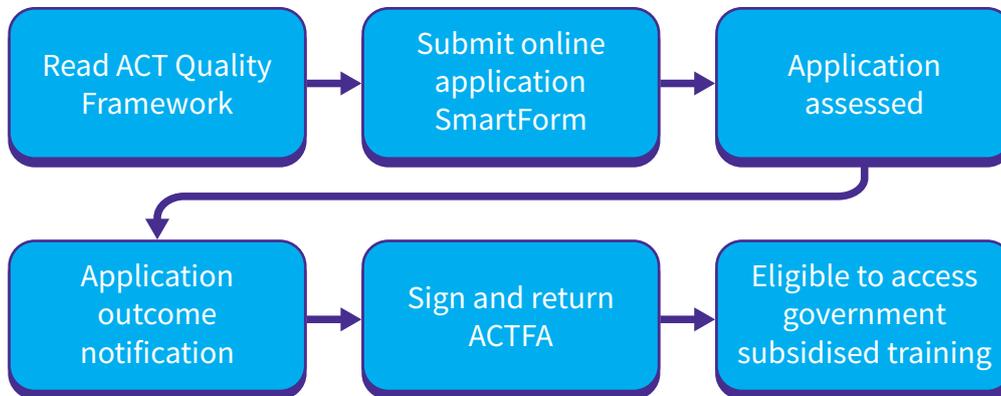
4.2. WEIGHTED INDICATOR ASSESSMENT

Applications that satisfy the eligibility criteria and RTO obligations will proceed to assessment against a series of quality and performance indicators. Refer to section 5.3 for further information.

5.0 APPLICATION OVERVIEW

Figure 1 illustrates the steps involved in the ACTFA application process.

Figure 1



5.1. ACT QUALITY FRAMEWORK

The ACT Quality Framework (the Framework) underpins the delivery of training in the ACT. The Framework has been developed to promote excellence, transparency and the quality of the VET sector in the ACT.

The Framework comprises the existing contractual and compliance arrangements and incorporates a set of principles and obligations for the conduct of RTOs. Combined, these components support the ACT Government's strategic direction for a flexible and responsive training sector that delivers high quality training.

RTOs must be familiar with the Framework before applying for an ACTFA. The document can be found on the [Directorate's website](#).

5.2. ONLINE APPLICATION SMARTFORM

To be considered for an ACTFA, RTOs must submit an application via an online SmartForm. The SmartForm will collect information in the following categories:

- > RTO details
- > Past performance
- > Enrolment history
- > RTO leadership
- > Engagement
- > Financial health
- > Legal information
- > Meeting the needs of learners
- > Program quality

The online application SmartForm can be accessed via the [Directorate's website](#).

An application for an ACTFA must:

- > be submitted using the online application SmartForm
- > be in English
- > include the appropriate information in every mandatory field of the application SmartForm
- > include the declaration made by the most senior executive of the RTO.

Once the application is submitted, the RTO will receive confirmation of receipt by the Directorate via a delivery receipt. Applications will then be assessed by the Directorate.

The Directorate reserves the right to:

- > refuse to consider an incomplete application for an ACTFA
- > not offer an ACTFA to the RTO for an identified reason, by giving written notice
- > seek the advice of persons who may include employers, students or industry members to assist in the assessment or review of any application
- > seek further information from the RTO and contact other persons or organisations including those identified in the application for verification purposes
- > provide information about the RTO and its application to ASQA, other relevant government agencies and third parties engaged by the Directorate.

Submitting an application SmartForm for an ACTFA in accordance with this process does not guarantee a Funding Agreement will be offered, nor guarantee that funding will be available to the RTO.

5.3. APPLICATION ASSESSMENT

The RTO's application will be assessed using a two-tiered assessment methodology. In tier one, the RTO will be assessed against the mandatory criteria outlined in section 4.1. In tier two, the RTO will be grouped, assessed and scored against the suite of indicators. Scoring against each indicator will form an overall aggregate score. The RTO's aggregate score must meet the minimum assessment threshold determined by the ACT Government to be granted an ACTFA.

The anticipated assessment time for an application is two months. Decisions of the assessment process are final, and there is no provision for review or appeal.

5.3.1. Indicators

Applications will be assessed against a series of quality and performance indicators. Information relevant to each indicator will be collected from Directorate data sources and from information provided by the RTO through the application process. Information may also be sought from other parties where relevant. For example, information may be requested from ASQA or other State Training Authorities and/or a third party may be engaged to assess an RTO's capacity to deliver high risk qualifications. Indicators have been grouped into the following categories:

Table 1: Quality and performance indicators

Indicator Category	Contractual compliance and performance	Stakeholder engagement	Trainer and staff quality	Service quality and outcomes	Financial performance
Approximate weighting	25%	15%	20%	35%	5%
Example indicators within category	Has the RTO previously held an ACTFA Compliance with ASQA accreditation	Assessment of responses from referees Analysis of industry engagement (by RTO grouping)	Ratio of students to teachers in the ACT Analysis of RTO leaders' qualifications and experience (by RTO grouping)	Analysis of the support strategies the RTO has in place for students Student completion rates in previously funded programs (by RTO grouping)	Analysis of the Special Purpose Financial Report submitted by the RTO

Some indicators require a written response in a free text field. Responses in these fields are assessed by Directorate personnel and a score awarded based on a set of defined parameters. Responses that comprehensively address the criteria requirements and contain specific examples are more likely to achieve a higher score.

5.3.2. Benchmarks

A minimum benchmark has been determined for each indicator. Applications will be assessed against these benchmarks. Achievement of the benchmark will result in the full weighted score for that indicator. Failure to meet the benchmark will result in a zero score for that indicator. The benchmarks have been determined by the ACT Government and validated by external expert consultants, follow best practice principles and employ statistical mean-variance techniques.

5.3.3. RTO groupings

To ensure RTOs with similar characteristics are assessed fairly, each RTO will be assigned a grouping based on the RTO's characteristics for each indicator. These characteristics may include, but are not limited to:

- > Size of the RTO
- > Length of registration
- > Head office location
- > Student cohort
- > Focus of operations
- > Organisation type
- > Modes of delivery

RTO groupings may determine which weightings and benchmarks are applied during the application assessment.

5.3.4. Weightings

Not every indicator is valued equally. Each indicator has been weighted based on its relevance to quality VET and ACT Government priorities. As illustrated in Table 1, the greater the relevance, the higher the assigned value. Performing well in highly valued indicators brings an RTO closer to the threshold score they need to attain to be approved for an ACTFA. Weightings have been determined by the ACT Government and validated by external expert consultants.

Table 2 – Weighted indicators*

Indicator	Weighting	Assigned Value
1	High	50%
2	Medium	30%
3	Low	20%

**For illustrative purposes only*

5.3.5. Scoring

The weighted score from each indicator where the benchmark is achieved will be combined to form an aggregate score for the RTO. As illustrated in Table 2, the RTO's final score will be determined by the number of indicators where the benchmark is achieved and the relative weightings of those indicators.

Table 3 – Scoring example*

	Indicator 1 (50%)	Indicator 2 (30%)	Indicator 3 (20%)	Score
RTO 1	✓	✓	✓	100%
RTO 2	✓	✗	✗	50%
RTO 3	✗	✓	✓	50%
RTO 4	✗	✓	✗	30%

**For illustrative purposes only*

Failure to meet the minimum assessment threshold will result in an unsuccessful application outcome.

5.4. APPLICATION OUTCOME NOTIFICATION

Following application assessment, RTOs will be notified of the application outcome. The types of outcome are:

5.4.1. Successful RTOs

Successful RTOs will receive a letter of determination advising the successful application outcome. The RTO must then complete a series of steps to ensure final approval for an ACTFA, detailed below.

Figure 2

Steps following successful notification

1. RTO acceptance

- Accept the terms of the ACTFA
- Print and initial each page of the agreement
- sign the declaration

2. Recipient created tax invoice

- RTO to complete and submit the RCTI
(will be provided in the letter of determination)

3. Return

- RTO to scan and email signed ACTFA and RCTI to Directorate at skills@act.gov.au

4. Final approval of ACTFA

- Directorate will sign the ACTFA on behalf of the Territory
- Directorate will scan and email final signed version to the RTO

5.4.2. Unsuccessful RTOs

Unsuccessful RTOs will receive a letter of determination detailing the unsuccessful application outcome.

Unsuccessful applicants may request verbal feedback from the Directorate on applications. Requests for feedback must be submitted in writing (via skills@act.gov.au). The Directorate will not enter into justification for the selection of successful RTOs, and will not debate the evaluation process.

Unsuccessful RTOs will be eligible to reapply six months following the date of the notice of unsuccessful outcome.

5.5. COMMENCE ENROLMENT IN ACT

Once the RTO has been approved for an ACTFA, it is eligible to access government subsidised training in the ACT. A summary of each initiative is shown below.

Table 4 – Overview of funding initiatives

Initiative	Overview	Initiative Requirements
Australian Apprenticeships	<p>Australian Apprenticeships (User Choice) is a national funding policy for Australian Apprenticeships promoting choice in training services provided to employers and Australian Apprentices.</p> <p>A key feature of Australian Apprenticeships is more flexibility for the users (employers and Australian Apprentices) of the training system. User Choice is a model for achieving client responsive training which means that businesses and Australian Apprentices can select their own registered training organisation (RTO) and negotiate how, where and when the training and assessment is to occur.</p>	Australian Apprenticeships
Skilled Capital	<p>The Skilled Capital initiative aims to improve access to high quality training in areas of skills need and maximise improved employment outcomes for students. The initiative also provides a comprehensive range of support services to ensure students accessing training receive the help they need to successfully complete their chosen qualification.</p>	Skilled Capital

6.0 QUESTIONS ABOUT THE APPLICATION PROCESS

Questions asked throughout the ACTFA application process will be published on the [Directorate's website](#) with a response.

7.0 CORRECTION AND UPDATE OF APPLICATION

If at any time prior to receiving the assessment outcome notification, the RTO becomes aware that the Application SmartForm it has submitted:

- > contains errors or omissions, and/or
- > circumstances have changed such that the application is no longer correct,

the most senior executive of the RTO must immediately advise the Directorate in writing (skills@act.gov.au) providing details of the errors/changes and/or omissions. The information provided by the RTO will be considered and the RTO will be informed as to whether it will be required to submit a new application.



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