

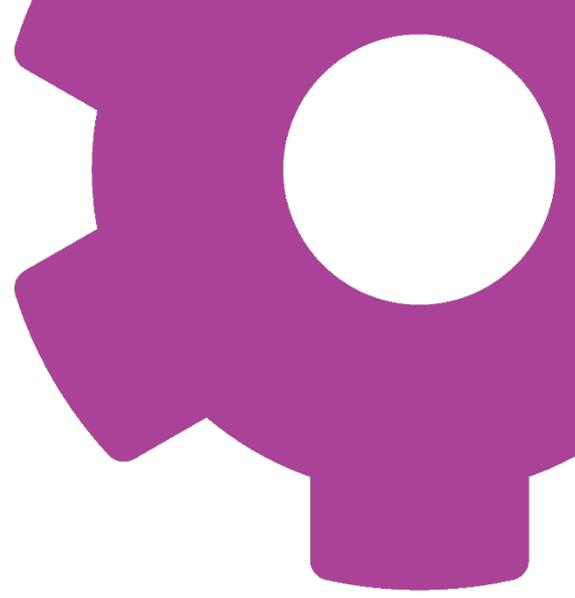


ACT
Government

TRAINING INITIATIVE FUNDING AGREEMENT

APPLICATION GUIDELINES





July 2019 | Version 1.0

Skills Canberra

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VERSION CONTROL

Version	Effective date	Status	Details
1.0	1 July 2019	Initial Release	N/A

It is the responsibility of the user to ensure that this is the current and complete document. The latest version is located on the [Skills Canberra website](#).

GLOSSARY OF TERMS

ACT	Australian Capital Territory
ACT Standards	ACT Standards for Delivery of Subsidised Training, schedule to the Agreement
Agreement	Training Initiative Funding Agreement
Associate	has the meaning referred to in the Agreement
ASQA	Australian Skills Quality Authority
AVETMISS	Australian Vocational Education and Training Management Information Statistical Standard
Compliance Guides	the Guides which set ACT requirements for compliance with the ACT Standards for each Training Initiative.
Disallowed Persons	has the meaning referred to in the Agreement
RTO	registered training organisation
Skills Canberra	Skills Canberra branch of the Chief Minister, Treasury and Economic Development Directorate
Subsidised Training	has the meaning referred to in the Agreement
Training Initiative	the qualifications funded by the ACT and listed for delivery on the ACT Qualifications Register. Includes the Australian Apprenticeships and Skilled Capital training initiatives
VET	vocational education and training

KEY DATES

1 July 2019	Training Initiative Funding Agreement template available
8 July 2019	Applications open, Application SmartForm and Application Guidelines available
16 August 2019	Application closing date for RTOs seeking to hold an Agreement from 1 October 2019
9 - 13 September 2019	RTO outcome notification for applications received on or before 16 August 2019
30 September 2019	Expiry of ACT Funding Agreement Version 2.1
1 October 2019	Commencement of Training Initiative Funding Agreement

1.0 ABOUT THE PUBLICATION

These Guidelines provide important information about how registered training organisations (RTOs) apply for a contractual agreement to deliver Subsidised Training in the ACT.

The Guidelines include:

- > an overview of the Agreement
- > an overview of the 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 Subsidised Training 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.

On 1 October 2019, the ACT Training Initiative Funding Agreement (Agreement) replaces the ACT Funding Agreement (ACTFA) as the contractual arrangement between the Territory and RTOs delivering ACT Government-funded training initiatives.

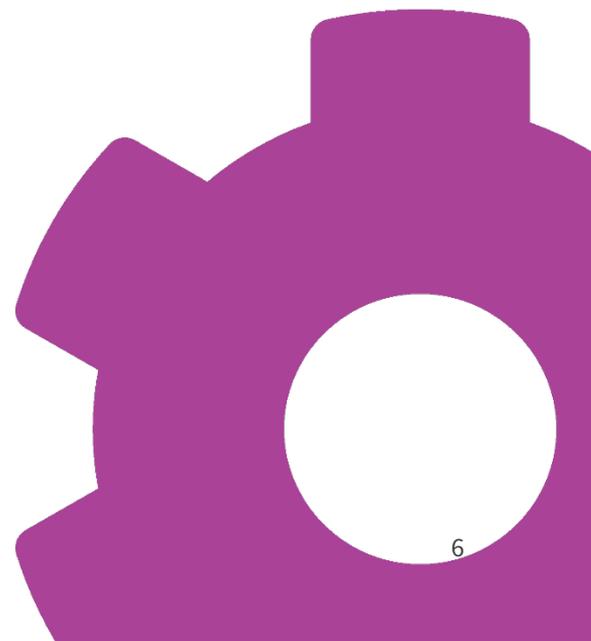
Initiatives under the Agreement may target specific participant groups, such as equity groups, or specific skills and qualifications. Specific initiatives are identified on the [Skills Canberra website](#).

RTOs seeking access to ACT Government funding must hold an Agreement 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 Agreement but are required to complete a [RTO Nomination for ACT Fee-for-Service Delivery form](#).

RTOs must hold an approved Agreement prior to delivering ACT Government training initiatives, including:

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

Holding an Agreement does not guarantee funding.



3.0 ELIGIBILITY

To be granted an Agreement, the RTO must satisfy the mandatory eligibility criteria and meet the minimum assessment benchmark.

3.1 Mandatory criteria

To be eligible for an Agreement, the RTO must:

- > hold a current registration with the Australian Skills Quality Authority (ASQA)
- > hold all insurance cover as specified in the Agreement
- > 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
- > agree to supply financial information to the Directorate's nominated Independent Financial Assessor, unless an exemption applies (refer 4.2 Financial Viability Assessment).

In determining eligibility the Directorate also seeks to identify whether the applicant has any dealings with Disallowed Persons. The Eligibility section of the application includes questions about any persons or entities (Associates) associated with the applicant that has:

- > had its agreement in the ACT or any other Australian jurisdiction terminated, suspended and/or conditions placed upon its access to entitlements under the agreement
- > had its RTO registration refused, revoked, cancelled, suspended and/or conditions imposed on its registration by ASQA, or
- > has been responsible for any of the aforementioned matters.

Where an applicant indicates 'yes' to any of these questions it is possible that the Associate may be classified as a Disallowed Person. The applicant must contact the Directorate to discuss the matter and record the outcome of the discussion 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 Agreement.

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.

An application will not be able to be submitted where the applicant does not satisfy all of the eligibility criteria.

3.2 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 4.3 for further information.

4.0 Application Overview

Figure 1 illustrates the steps involved in the application process.

Figure 1



4.1 Online application SmartForm

To apply for an Agreement, RTOs must complete and submit an application through the [ACT Vocational Education and Training Administrative Records System](#) (AVETARS). AVETARS is the online system used by the Directorate to manage vocational education and training initiatives in the ACT. The online application 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 on AVETARS using the following link:

https://avetars.act.gov.au/forms/training_initiative_funding_agreement_application/responses

An application must:

- > be submitted using the online application SmartForm
- > include the appropriate information in every mandatory field of the online 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 via email.

The Directorate reserves the right to:

- > refuse to consider an incomplete application
- > not offer an Agreement 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 in accordance with this process does not guarantee that an Agreement will be offered, nor guarantee that funding will be available to the RTO.

4.2 Financial viability assessment

The RTO will be required to supply financial information to an Independent Financial Assessor for a financial viability assessment, the results of which will be used to determine the RTO's score for the financial performance indicator. Equifax Australasia Credit Ratings Pty Ltd, trading as Corporate Scorecard, is the Directorate's nominated Independent Financial Assessor.

The following types of RTOs are exempt from the financial viability assessment process:

- > Technical and Further Education Institutes
- > RTOs whose legal entity is a Government agency
- > ACT Government and Independent Schools.

Shortly after submission of the application for an Agreement, the RTO will be contacted by Corporate Scorecard and will receive an email with instructions for providing the required financial information for the assessment. The RTO will need to respond to a questionnaire and submit audited financial statements for the previous two years.

On completion of the financial viability assessment, Corporate Scorecard will provide a report to the Directorate for consideration as part of the RTO's application assessment.

For RTOs seeking to hold an Agreement from 1 October 2019, it is expected that all required financial information will be supplied within two weeks of receiving contact from Corporate Scorecard. For applications received during 12 – 16 August 2019, the financial information must be supplied by no later than 23 August 2019. Financial information provided outside of these timeframes will delay the assessment of an RTO's application for an Agreement.

All financial information provided to Corporate Scorecard will be treated in strict confidence.

Failure to supply the required financial information to Corporate Scorecard will result in rejection of the RTO's application.

4.3 Application assessment

Applications will be assessed on receipt of the online application SmartForm and the financial viability assessment report from Corporate Scorecard.

The assessment process uses a two-tiered assessment methodology. In tier one, the RTO is assessed against the mandatory criteria outlined in section 3.1. In tier two, the RTO is grouped, assessed and scored against the suite of indicators below. The score received for 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 Agreement. Decisions of the assessment process are final, and there is no provision for review or appeal.

RTOs that submitted an application on or before 16 August 2019 will be notified of the assessment outcome by 13 September 2019.

The anticipated assessment time for applications received after 16 August 2019 is two months.

4.3.1 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:

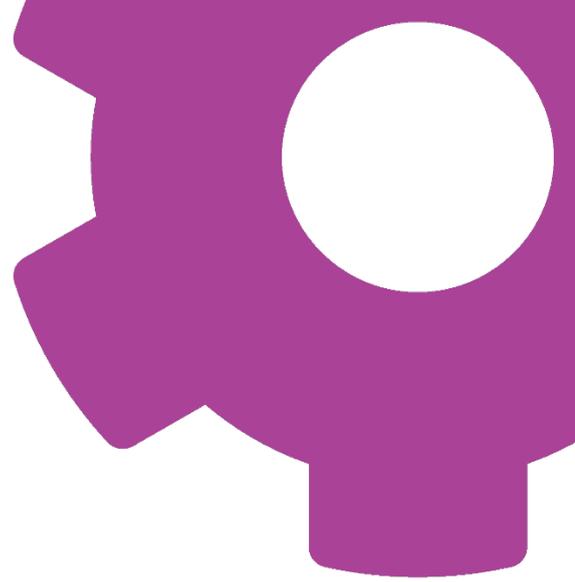
Table 1: Quality and performance indicators

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 financial assessment report provided by Corporate Scorecard

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.

4.3.2 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.



4.3.3 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.

4.3.4 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 Agreement. 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*

4.3.5 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.

4.5 Commence enrolment in ACT

Once the RTO has been approved for an Agreement, it is eligible to access Subsidised Training in the ACT. A summary of each initiative is shown below.

Table 4 – Overview of funding initiatives

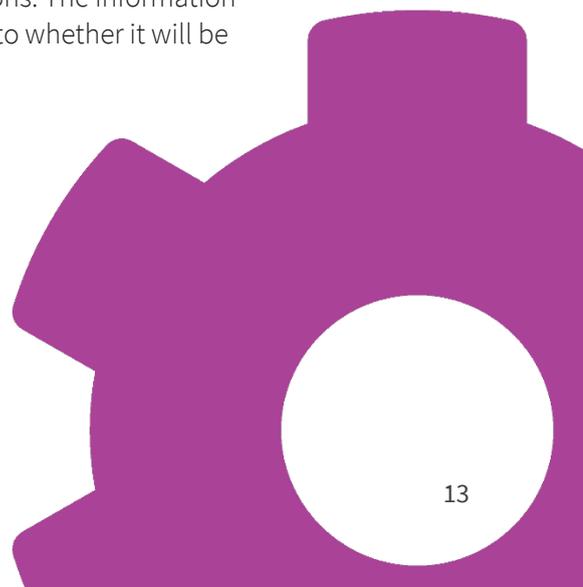
Initiative	Overview	Initiative eligibility requirements
Australian Apprenticeships	<p>Australian Apprenticeships (User Choice) is a national funding policy for Australian Apprenticeships promoting choice in training services provided to employers and Australian Apprentices.</p> <p>A key feature of Australian 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>	https://skills.act.gov.au/apprenticeships
Skilled Capital	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 training program.	https://skills.act.gov.au/skilled-capital

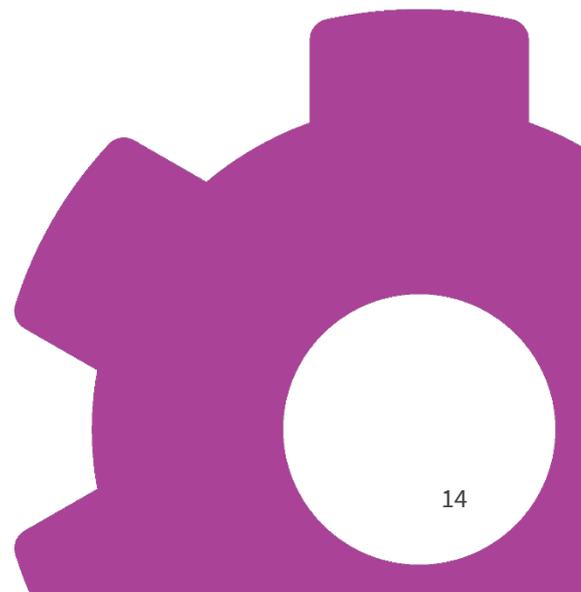
5.0 CORRECTION AND UPDATE OF APPLICATION

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 (via 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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