



Pre-qualified Supplier Policy 2016–17

for Queensland Government subsidised training places



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Related documents:	<ol style="list-style-type: none"> 1. <i>Vocational Education and Training Pre-qualified Supplier Agreement (PQS Agreement)</i> 2. <i>Certificate 3 Guarantee Program Policy 2016–17</i> 3. <i>Higher Level Skills Program Policy 2016–17</i> 4. <i>PQS Compliance Audit Evidence Guide for Pre-qualified Suppliers 2016–17</i> 5. <i>Skilling Queenslanders for Work</i>
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All documents are available online at: www.training.qld.gov.au.

1. Background

The Queensland Government is committed to providing Queenslanders with access to a high quality vocational education and training (VET) sector. One that supports a globally competitive Queensland economy and delivers knowledgeable and skilled graduates equipped to meet job demands now and into the future.

Training delivered under Queensland's VET investment framework is based on pre-qualified supplier (PQS) arrangements, where funding notionally follows the eligible student to their choice of PQS and course. Registered training organisations (RTOs) that wish to participate in subsidised training programs administered by the Queensland Department of Education and Training (the department) – must be approved as a PQS in Queensland.

The PQS system is intended to provide prospective students and employers with peace of mind that providers possess the capability to deliver positive training experiences and quality skills outcomes.

Key principles of the PQS system include students able to make informed and considered choices that support their best interests; training investment is aligned to the skills needs of industry and Queensland's economy; quality VET service provision; and an inclusive training environment.

2. Overview

The purpose of this policy is to outline performance standards and expectations for PQS, and the terms and conditions for accessing Queensland Government funding to deliver training.

The focus of the department's performance monitoring and evaluation activities is to ensure government receives value for money for its investment in VET outcomes. Importantly, this includes ensuring eligible individuals are accessing quality training to develop skills in areas of demand from industry, which leads to them gaining employment or improving their career prospects.

Definitions of commonly used terms in this policy and relevant program documents are in **Appendix 9**.

This policy must be read in conjunction with the Vocational Education and Training Pre-qualified Supplier Agreement (PQS Agreement) and related program policy documents above.

3. Performance standards and expectations

RTOs must meet and adhere to the following performance standards to maintain PQS status for programs administered by the department in Queensland. **Note:** When referring to the PQS website and publishing or communicating information to consumers, this policy refers to the RTO arm or division of the PQS organisation.

Performance standard 1 — Disclose information upfront to enable informed consumer choice

- A. Publish in a prominent and easy-to-access location on its website the total co-contribution fees — concessional and non-concessional — to be charged to an enrolled student for each qualification or skill set it is approved to deliver under a program (see **Appendix 1**).
- B. Provide a prospective student with notice of the co-contribution fee relevant to the student's circumstances prior to enrolment in the qualification or approved skill set.
- C. Provide the prospective student with a copy of, or access to, its refund policy prior to enrolment. The refund policy must meet the requirements under the *Standards for Registered Training Organisations (RTOs) 2015*.
- D. Publish in a prominent and easy-to-access location on its website, its latest VET Quality Framework — or Australian Quality Training Framework (AQTF) — audit results (see **Appendix 2**).
- E. Notify the prospective student of the expectations and rules regarding accessing a government subsidised training place under the relevant program. This notification must include advice that the student will no longer be eligible for a government subsidised training place under a program once they complete the qualification level targeted through the program. PQS must be able to show evidence of the student's acknowledgement of program rules — see the *PQS Compliance Audit Evidence Guide for Pre-qualified Suppliers 2016–17*.
- F. Refer the prospective student to any applicable student fact sheet for the relevant program published on the department's training website, so they have access to independent information and a point of contact with the department.
- G. Where some or all of the training and/or assessment services are to be subcontracted to a partner RTO, notify the prospective student of the full name of the partner RTO and the training and/or assessment services to be provided by the partner RTO.

Performance standard 2 — Demonstrate professional and ethical standards of behaviour

- A. Act honestly and fairly when conducting RTO business, and not behave in a manner (as determined by the department) which may, or has the potential to, discredit or negatively impact on the Queensland Government or its programs.
- B. Only represent itself to the marketplace as a PQS for a program, or as a PQS for a specific qualification or skill set under a program, on or after the start date approved in writing by the department to deliver the qualification or skill set.

Note: Should the department determine that a PQS failed to declare information or made false claims as part of its initial application for PQS status (including unauthorised persons executing the PQS Agreement), then the department may seek to terminate the PQS Agreement.
- C. Hold PQS approval with the department for the qualification or skill set under the specific program at the time the training and assessment services are delivered, and at the time funding is claimed in relation to that delivery.

- D. Comply with all department policies and directives in relation to the proper marketing of a program. This includes not advertising, marketing or promoting to consumers any gifts or inducements an enrolled student would be eligible to receive upon enrolment in training offered by the PQS under a program — see PQS Agreement clause 11, the department’s PQS marketing and disclosure fact sheet and any other relevant publications or instructions the department may publish.
- E. Ensure true and accurate VET activity data is submitted to the department in a timely manner and compliant with the current AVETMIS Standard as per the National Centre for Vocational Education Research (NCVER) website at www.ncver.edu.au (also see **Appendix 4** and **Appendix 6**).
- F. Meet all other Australian Skills Quality Authority (ASQA) registration requirements and obligations, including the *Standards for Registered Training Organisations (RTOs) 2015* which forms part of the VET Quality Framework.
- G. Ensure that appropriate avenues exist for students (and/or employers where applicable) to make complaints and that business processes are in place to resolve any complaints in a timely and fair manner.
- H. Consult and work with the department to transition any existing students should the PQS make an application to terminate its PQS status, approval for a program or qualification under a program. Any such application will be subject to departmental approval in writing.

Performance standard 3 — Comply with all funding terms and conditions

- A. Possess a sound knowledge of PQS obligations stipulated in this policy, the PQS Agreement, the program policies or guidelines and any other relevant documents. It is the responsibility of the PQS to ensure its staff regularly review all relevant policies and contact their departmental contract manager if they require clarification.
- B. Agree all obligations, duties or liabilities under the relevant policies and PQS Agreement (see clause 16) remain the responsibility of the PQS, irrespective of any arrangements or agreements it may have with third parties concerning the funding program.

The PQS is not permitted to engage or allow a third party to market the program(s) and the PQS’s participation in the program(s). Failure to abide by this condition may result in termination of the PQS Agreement. Read the PQS marketing and disclosure fact sheet for further clarification.

- C. Assess student eligibility prior to enrolment and retain all evidence to verify eligibility, including whether the student meets:
 - the criteria outlined in the program policy, including the requirement to confirm whether the student has previously attained a certificate III or higher-level qualification*
 - the program’s criteria for concessional status
 - any specific restrictions and/or exemptions for enrolment in a qualification outlined in the relevant program policy and/or Queensland Training Subsidies List which include, but are not limited to, the following:
 - under Higher Level Skills, certain qualifications and skill sets mandate the student be an existing worker within the industry or hold specific qualifications prior to enrolment, to meet industry requirements for the aligned occupation
 - under Certificate 3 Guarantee, the delivery of lower-level vocational qualifications as a direct entry pathway to employment require pre-approval by the department, based on evidence of industry support and employers committed to employing graduates.
Note: where the student completes a subsidised lower-level qualification for industry reasons – they will not be eligible to directly enrol in a subsidised certificate III vocational qualification with the same or a related PQS
 - for VET in Schools (VETiS), only approved qualifications at certificate levels I and II can be delivered to school students, as these have been identified by industry as leading to employment for this cohort.

*It is compulsory for all PQS to use the department's [Apprenticeships/All Students Info – Self Service \(AISS\) tool/search facility](#) to help confirm whether prospective students have previously attained a certificate III or higher-level qualification. AISS may not capture all student records or awards, therefore PQS must also confirm with prospective students whether they hold, or are currently enrolled in, a certificate III or higher-level qualification and not rely solely on AISS.

- D. Maintain RTO registration for each qualification it is approved to deliver under a program and be registered to deliver full qualifications. If the PQS ceases to be registered for a qualification on its delivery schedule or relevant approval for a program, it must inform the department immediately.

Additionally, any proposed changes to control of the RTO entity awarded PQS status must be approved by the department before they happen (see **Appendix 3**).

- E. Cooperate fully with PQS performance monitoring activities, including allowing the department and any auditors acting on the department's behalf, access to its premises to conduct PQS compliance audits. This means providing all necessary records, documents, information or reports to the department to indicate proper conduct and compliance with all aspects of the program. Evidence to be retained by PQS is outlined in the *PQS Compliance Audit Evidence Guide for Pre-qualified Suppliers 2016–17*.
- F. Abide by any departmental directive to cease new enrolments from a specified future date (refer to PQS Agreement). The department may issue such a directive to a PQS in certain circumstances, including but not limited to:
1. where there has been a breach of the PQS Agreement or the Department's Policies
 2. where the department suspects an Event of Default has occurred
 3. funding demand for the qualification will exceed the budget
 4. advice from industry indicates further qualification completions will result in an over-supply in the marketplace and limited job opportunities for graduates.

The department invoking the suspension clause does not prevent the PQS from receiving funding for completing delivery of services to students that have commenced prior to the relevant date from which enrolments are suspended, or delivering the qualification under its own separate fee-for-service (FFS) arrangements.

- G. Claim only eligible, payable and compliant training and assessment services from the department as outlined in this policy at **Appendix 5** and **Appendix 7**, and the relevant program policy or guidelines.
- H. Invite the Minister for Training and Skills to attend, or send a representative to, any official launch, graduation or significant public event relating to the provision of services under the PQS Agreement.

Note: Rectification requirements and penalties for non-compliance with terms and conditions identified at the department's PQS compliance audits are outlined in **Appendix 8**.

Performance standard 4 — Support the learning needs of students

- A. Implement effective inclusive practice strategies for students consistent with the Queensland VET Inclusive Learning Framework — *Inclusive Learning: A way forward*. The framework identifies five actions for RTOs and four principles for VET educators to embed inclusive practice in their processes, systems and day-to-day activity.

The PQS must be able to show at audit that inclusive practice is a core business element. They must demonstrate implementation of inclusive practices to support student participation and learning outcomes. The department provides [free inclusive practice resources](#) to inform and support professional learning.

PQS can also access adaptive technologies and support services for learners with a disability through the department's [Skills Disability Support](#) service.

B. Ensure any foundation skills training delivered to a student is preceded by effective assessment of the student's language, literacy and numeracy (LLN) proficiency skills. Effective assessment means the PQS must be able to show evidence at audit that it undertook the following steps prior to the commencement of training.

1. An informed judgement was made about the student's current capabilities by analysing the student's knowledge and skills against recognised foundation skills benchmarks and against the skills required for entry into and completion of the vocational qualification.

The department supports the use of the *Australian Core Skills Framework (ACSF)* and the *Core Skills for Work Developmental Framework (CSfW)* to benchmark a learner's current foundation skills capabilities. The development of the judgement:

- may be in the form of an interview, test or activities
- must be customised to the competencies required for the targeted vocational qualification
- must consider documented evidence of the student's history (i.e. previous education and training, work history, impairments and disabilities).

2. A training and support plan was developed that outlines how the foundation skills training will be delivered and the foundation skills outcomes to be achieved through to completion of the vocational qualification. The plan and learning pathway must have the support of the student. For requirements to be satisfied relating to the training and support plan – see *the PQS Compliance Audit Evidence Guide for Pre-qualified Suppliers 2016-17*.

A student does not have to be enrolled in a vocational qualification when undertaking foundation skills training, but a pathway to the targeted vocational qualification must be identified in the student's training and support plan.

The training and support plan should be reviewed upon achievement of key milestones and adjusted if needed, based on the progress of the student and the training pathway that will best support their learning needs.

Note: when enrolling students in FSK Foundation Skills Training Package qualifications, the PQS must ensure their selection of elective units maximises foundation skills/LLN training. Where the training package requirements contain flexibility in selection of vocational units, the PQS is to focus this selection on foundation skills training.

C. When enrolling disadvantaged learners in lower-level vocational qualifications under a program, the PQS must develop a training and support plan that is tailored to the individual student's circumstances and abilities, and includes learning support strategies.

Within the plan, the PQS must include a documented upfront skills assessment that identifies the learner as disadvantaged and requiring lower-level vocational training (other than foundation skills/LLN training) prior to, or rather than, certificate III enrolment. Typically, disadvantaged learners are individuals who face barriers to participating in accredited training (for more information on disadvantaged learners, see the cohort description in *Skilling Queenslanders for Work*).

For requirements to be satisfied relating to the upfront skills assessment, and the training and support plan — see the *PQS Compliance Audit Evidence Guide for Pre-qualified Suppliers 2016-17*.

Performance standard 5 — Achieve a minimum outcome for students

A. Maintain strong industry and employer networks to:

- deliver training that directly links to local job vacancies and employment outcomes
- facilitate any vocational or work placements
- support students to transition to the workforce or into further training, or advance in their chosen career.

- B. Deliver quality training and assessment services that support students to complete the course (qualification or skill set if applicable). When undertaking recognition of prior learning (RPL) assessment, the PQS must be able to demonstrate compliance with all RPL requirements outlined in the *PQS Compliance Audit Evidence Guide for Pre-qualified Suppliers 2016-17*.
- C. Inform students they are required to complete a training and employment survey within three months of completing or discontinuing subsidised training.
- D. Manage an effective student survey process to achieve an adequate response rate from all enrolled training participants who have completed training and students who withdrew or discontinued for whatever reason.
- E. Report student survey responses quarterly to the department in accordance with the timelines in the student training and employment survey fact sheet. This includes a nil report to be submitted by PQS that have no student completions or discontinuing students for the quarter. The PQS must submit collated results using the report template published on the department's website and retain evidence of student responses.

The department will analyse student survey responses for the purpose of assessing PQS performance and return on government investment.

4. Performance monitoring and evaluation

The department will undertake performance monitoring and evaluation activities, including PQS compliance audits, to ensure PQS are complying with this policy, the PQS Agreement, the relevant program policy and any other guidelines or documents as published by the department. The selection of PQS for audits may be done randomly, target PQS perceived to be higher risk, or be initiated in response to complaints made to the department or Training Ombudsman.

Additionally, the department has introduced an independent 12 month post-training destination survey to directly engage with students. Feedback received will inform assessment of PQS performance and the effectiveness of training pathways in leading to employment outcomes or career progression.

The PQS should note any identified contravention of the PQS Agreement or the Department's Policies, may result in action by the department including:

- referral to ASQA for audit of training and assessment practices
- recovery of funds previously paid to the PQS by the department
- suspension of funding for future enrolments in a qualification(s)
- suspension or withdrawal of PQS approval for a qualification(s)
- suspension or withdrawal of PQS approval for a program(s)
- suspension or termination of the PQS Agreement.

Furthermore the department will, among other things, consider performance under a PQS Agreement by any future applicant for a PQS Agreement or other contracts for funding of vocational education and training. This also applies to an applicant who is associated with the PQS and influential in the way the PQS performed its PQS Agreement. This may include a PQS's key personnel such as, but not limited to, a director, chief executive officer, training manager or a significant shareholder.

For example, should the department terminate the PQS Agreement as a result of an Event of Default (as defined in the PQS Agreement), the department may seek to exclude that organisation or an associated individual or organisation influential in the PQS's conduct for an appropriate period. This means associated key personnel or organisations cannot be associated with another RTO entity seeking PQS status until the department considers it is appropriate to do so having regard to the past performance.

The department will also undertake performance reviews of qualifications, based on an assessment of risk in high enrolment and investment areas, which may lead to changes to the funding terms and conditions for these qualifications such as the level of government subsidy available, which will impact on PQS.

Appendix 1: Co-contribution fee

- A. Co-contribution is a key principle of the Queensland Government's VET investment framework, in recognition that the benefits of training are shared between individuals, industry and the broader community.
- B. The Queensland Government supports deregulated pricing arrangements, where government determines the level of subsidy available as a public contribution to the cost of training for a qualification, and the PQS determines the level of fees that will apply based on their offering and negotiation with individuals and/or employers/industry, referred to as the co-contribution fee.
- C. There are a number of circumstances where PQS will not be able to, or not be required to charge a co-contribution fee and these are detailed in the relevant program policies or guidelines and this policy.
- D. PQS may have different offerings for the same qualification. These offerings may arise because of different delivery modes (such as face-to-face and online), delivery locations (such as regional and South East Queensland) or other factors such as vocational/work placement or high-cost electives. PQS may charge a different co-contribution fee for each offering.
- E. The co-contribution fee charged for a qualification or offering must represent the **total cost** to the student and include any enrolment charges (such as identification card charges), tuition fees, services fees, materials fees and all other costs associated with delivering the training and assessment services and awarding the qualification. This includes costs associated with criminal history checks which may be a prerequisite for vocational placement and employment in certain occupations.
- F. The PQS must disclose upfront concessional and non-concessional fees and clearly publish and label them on its website as the co-contribution fee, along with all pertinent information about the offering. This allows prospective students to be clearly informed of all fee costs and able to compare fees for a qualification across different PQS. The PQS must also provide prospective students with a copy of, or access to, its refund policy prior to enrolment.
- G. Where the PQS must collect a co-contribution fee, it may be paid on behalf of the student by their employer or another third party, but cannot be paid or waived by the PQS or any organisation related to the PQS, unless approved by the department.
- H. The PQS must charge and collect the fee at the unit of competency level, so that fees for units of competency add up to the total co-contribution fee published by the PQS. The unit of competency fee must be either the total fee divided by the units of competency payable for the qualification (with the exception of competencies assigned an outcome code of 60 or 65, see **Table 4**), or be assigned proportionally based on the relative length of the competencies, or be a fee charged in accordance with the VET Student Loans program for PQS approved under state-subsidised VET Student Loans program arrangements.
- I. The PQS must retain evidence of co-contribution fees charged and collected. It must report to the department, via its VET activity data submission for each student, the fees collected per unit of competency — with fees reported in whole dollar values for each unit. Fees collected must be reported to the department regardless of who pays the fee on behalf of the student.
- J. PQS must not refund, waive, return payment, or provide a cash payment, bonus either by way of 'referral fee' or otherwise to any payer of the co-contribution fee (including third parties) or fail to collect the co-contribution fee except as provided for in the relevant program policy.
- K. A student's eligibility for concessional status must be confirmed by the PQS at the time of the student's enrolment and evidence must be retained by the PQS in order to attract the higher government subsidy. The intent of the higher government subsidy is to enable the PQS to reduce the co-contribution fee and/or provide increased learning support for the concessional (disadvantaged) student. For specific priority population groups who are granted concessional status under a program, such as people with a disability, PQS must ensure the student meets the cohort definition as per the AVETMIS standard.

- L. Co-contribution fees cannot be charged for:
- outcome 60 (credit transfer)
 - outcome 65 (transitional gap training) — when transitioning a student from a superseded qualification to the new qualification and a completed unit of competency is identified during the mapping process as similar but not equivalent between the superseded qualification and new qualification, therefore gap training is required; or when a student has completed a unit of competency and the competency has been superseded and is similar but not equivalent, therefore gap training is required (however the qualification code remains the same)
 - student cohorts exempt from paying fees as specified in the relevant program policy or guidelines.
- M. Cost recovery — atypical and minor charges by PQS are permitted on a cost-recovery basis for services which are not required for the standard delivery of training and assessment services, and awarding of a qualification. This would apply if a qualification has to be reissued — the PQS (or department if applicable) may charge the student for this service on a cost-recovery basis.
- N. State-subsidised VET Student Loans — VET Student Loans may be available to eligible students to cover all or part of the co-contribution fee for an eligible diploma, advanced diploma under the Higher Level Skills program.

The PQS must ensure that all Australian and Queensland Government requirements have been met including:

- the PQS has been approved by the Australian Government under the *VET Student Loans Act 2016* (or other applicable legislation) to offer VET Student Loans to eligible students
- the PQS has been approved to offer the qualification under the VET Student Loans program in Queensland by the Australian Government
- the student meets the eligibility requirements to access the VET Student Loans program
- the PQS manages state subsidised VET Student Loans offered to students to an average of no more than \$5000
- the PQS provides information to students in relation to the VET Student Loans program in accordance with the requirements of the Australian Government and as outlined in this appendix.

Appendix 2: ASQA audit results

The PQS must publish a summary of its latest ASQA VET Quality Framework audit results in an easy-to-access location on its website, as per the information required below. If a PQS has not been audited under the VET Quality Framework, then the PQS must publish its latest AQTF audit information in accordance with the requirements below.

This requirement applies to all PQS, including those who hold a delegation of regulatory responsibility from ASQA.

The PQS must publish the following minimum audit information:

1. audit date
2. qualifications audited (i.e. list all qualifications audited on the above date)
3. audit outcomes:
 - a) audit non-compliance identified: Yes or No
 - b) a summary of significant and/or critical non-compliances (if applicable) and actions taken to rectify
 - c) non-compliances rectified: Yes or No or Not applicable.

Non-compliances are categorised as minor, significant or critical as follows:

- **Minor**
The evidence reviewed indicates that the requirements of the VET Quality Framework have not been met but there is minimal or no serious adverse impact on students and/or persons affected by the outcomes of the training and assessment services provided.
- **Significant**
The evidence reviewed indicates that the requirements of the VET Quality Framework have not been met and there are indications of a serious or potentially serious adverse impact on students and/or persons affected by the outcomes of the training and assessment services provided.
- **Critical**
The evidence reviewed indicates that the requirements of the VET Quality Framework have not been met and there is an actual or potential critical adverse impact on students and/or persons affected by the outcomes of the training and assessment services provided.

Appendix 3: Records maintenance and variation requests

Records maintenance

The PQS is responsible for ensuring the accuracy and currency of information held by the department relating to its business details, contact information and the qualifications it is approved to deliver as listed on its departmental delivery schedule(s) or relevant approval for a program.

For any RTO not listed on the Australian Stock Exchange, this includes notifying and obtaining the consent of the department **prior to** any anticipated change of ownership or change in control being effected (including any changes to senior officer appointments, such as chief executive officer, director, manager or shareholders) to ensure your compliance with the existing PQS Agreement. This means that any notice to the department received after the date of the relevant change will not only impact on the department's ability to make any payments due, but may be a significant breach of the PQS Agreement and the department may have the right to terminate. See the PQS Agreement clause 25 and the notification of change to a pre-qualified supplier's legal entity fact sheet.

To update business details or contact information, the PQS must contact their assigned departmental contract manager in the Contract Management and Performance team on email at supplier.management@dete.qld.gov.au or telephone 07 3328 6892.

Variation requests

For requests to add or remove qualification(s) on a delivery schedule, including any superseding qualifications, a PQS must apply for these variations online through the variations online (VOL) function, which is a part of the department's purchasing online (POL) system. PQS can access POL at www.trainandemploy.qld.gov.au/tol.

The PQS may be required to supply industry letters to support variation requests relating to some qualifications. In this case, the PQS must refer to the Guideline for providing industry support prior to submitting the variation request.

PQS should note that qualifications are not automatically added to or removed from a delivery schedule and all additions or removals must be actioned by the PQS via VOL. A PQS can only commence training in a new or superseding qualification as at the date approved by the department and variations will not be backdated by the department.

Appendix 4: Reporting conditions

To make a claim for payment to the department for any training and assessment services delivered, a PQS must provide an electronic data submission to the department utilising a current AVETMISS compliant student management system. It is the responsibility of the PQS to ensure its student management system is compliant against the most current AVETMISS release and Queensland state requirements.

Additionally, the PQS must provide any qualitative reports, which may be a requirement under a program, to the department by the required due date (including reports against key performance indicators).

When reporting training and assessment services to the department, the PQS must:

- A. provide an electronic data submission utilising an AVETMISS compliant student management system that complies with the current AVETMISS release and Queensland state requirements. It is compulsory that the PQS use DET Connect to upload/submit VET activity data.
- B. submit VET activity data on or before the last working day of each month; for TAFE Queensland, data is to be submitted by the 15th day of each month (to assist the department to manage the high volume of data).
- C. submit accurate and compliant VET activity data in accordance with the following timelines:
 - report enrolments within **30 days** of the unit of competency enrolment
 - report outcomes within **30 days** of completion of the unit of competency.
- D. report for each student, compliant VET activity data that contains complete and correct information against all relevant fields specified for the applicable AVETMISS and Queensland state requirements as superseded, amended or replaced from time to time, including:
 1. PQS Agreement number
 2. a verified Unique Student Identifier (USI)
 3. date of birth
 4. complete student address and contact details, including street number and name; suburb, locality or town; contact telephone number; email address
 5. complete student demographic data including, but not limited to, gender, indigenous status, disability status and main language spoken
 6. correct fund source code (see **Table 1** and **Table 2** where applicable)
 7. whether eligible for a concession (see **Table 3**)
 8. delivery mode/type identifier
 9. outcome identifier (see **Table 4**)
 10. location postcode where training delivery predominantly took place — for online delivery the PQS must report the postcode where the training is coordinated (such as state office), not the student location
 11. amount of co-contribution fees collected per unit of competency (rounded to nearest dollar)
 12. highest school level completed identifier
 13. year highest school level completed
 14. prior educational achievement flag and identifier
 15. VET in schools flag (if applicable)
 16. labour force status identifier for Job Seekers either 06 or 07 as specified in AVETMISS
 17. labour force status identifier for Existing Workers either 01, 02, 03, 04 or 05 as specified in AVETMISS
 18. actual hours of training and assessment delivered where the student has engaged in the learning activity and withdrawn from the unit of competency prior to completion (see **Table 4**)
 19. when all requirements for the successful completion of the qualification, course or skill set have been met, the student must be reported in the Program Completed file (NAT130); until the certificate is issued to the student — the 'issued flag' in the Program Completed file must remain as an 'N' (Not Issued) value
 20. when the certificate is issued to the student, the 'issued flag' value in the Program Completed file must be changed to 'Y' (Issued)
 21. any other information as requested by the department.

E. comply with the following:

Total VET activity reporting: The PQS must comply with the mandatory total VET activity (TVA) requirements of reporting all VET activity, including FFS (domestic and international) delivery, with the exception of where an exemption has been granted by ASQA.

Unique Student Identifier (USI): All students (new and continuing) participating in nationally recognised training in Australia from 1 January 2015 are required to have a verified USI. As legislated (*Student Identifiers Act 2014 – Part 5 Section 53*), an RTO must not issue a VET Statement of Attainment and/or a VET Qualification to a student that hasn't been assigned an USI, except where an exemption applies.

Credit transfer: The PQS must report any unit of competency available for credit transfer as a credit transfer, as per the rules under the relevant training package or accredited course. It is the responsibility of the PQS to check a student's statement of attainment or record of results when they have previously undertaken training, to determine if any completed units of competency can be counted towards the qualification in which the student intends to enrol. If yes, the PQS must record the unit of competency as a credit transfer and it will be counted as part of the maximum number of units of competency payable for the qualification.

Location loadings: Loadings will be paid to PQS to encourage delivery in identified country and remote areas in Queensland, and in Cape York and the Torres Strait. PQS will be required to report the postcode and locality name of where training was delivered to claim and receive an applicable location loading.

Locations attracting the loading and the loading amounts can be found in the Localities and Location Loadings List. To ensure location loadings are only payable where the PQS has incurred additional costs through actual local delivery, eligibility to claim the loading will be restricted to classroom-based (10) and employment-based (30) delivery modes only.

Appendix 5: Payment terms

- A. The government subsidy will be paid to the PQS as units of competency are delivered and accurately reported. All payments will be made at an individual unit of competency level if applicable, with payable outcomes as per **Table 4**.
- B. The maximum claim for any unit of competency is calculated by dividing the government subsidy by the competency count payable for the qualification. Claimed units of competency in excess of the maximum number payable will not be paid by the department.
- C. For training and assessment services, payments to PQS are made monthly only for the data which is error free and addresses all requirements and fields specified in Appendix 4, i.e. data which meets the AVETMIS standard and all program rules and departmental validations for delivery and payment. If payment is not received, the PQS should review its data submission to correct errors and/or incomplete data, for payment in the following month.
- D. All payments to a PQS will be made via electronic funds transfer to a bank account nominated by the PQS. It is the responsibility of the PQS to inform the department of any changes to its bank account details.
- E. To support both national reporting obligations and the department's budget management, the PQS must comply with the notified timelines for submission of compliant VET activity data to the department. No payment will be made for training and assessment services not reported to the department in accordance with the timelines stated in this policy (see **Appendix 4**).
- F. Any changes to the government subsidy for a qualification will only apply to students who commence training from the date specified by the department, which will be an appropriate period after the announcement of the change by the department.
- G. For recommencing students, the government subsidy will be equal to the residual value of the government subsidy for the qualification at the time of the student's recommencement. For example, if the government subsidy for a qualification is \$3000 and the maximum number of payable units of competency is 10 (i.e. \$300 per unit), then if a student recommences after completing four units (i.e. six units remaining), the residual value will be \$1800 calculated as follows — six units x \$300 = \$1800.
- H. In the event that a qualification is superseded by a new qualification, the PQS will transfer students from the original qualification to the new qualification in accordance with ASQA's General Direction — Learner Transition and Clauses 1.26 and 1.27 in the *Standards for Registered Training Organisations (RTOs) 2015*.
- I. Outcome Code 65 — 'Transitional Gap Training' — this payment code is only to be reported where a student is transitioning from a superseded qualification into a new qualification or previously completed competencies have been superseded, and the new competencies do not directly map, therefore necessitating additional delivery to address the variance in the new competencies. The RTO can report this outcome code, in recognition of delivery, to generate payment against the relevant PQS Agreement for the new competencies.
- J. See **Appendix 7** for training and assessment services which are not funded by the department and will not be paid.

Appendix 6: Data tables

Table 1: Fund source codes — Certificate 3 Guarantee

PQS **must** report the correct fund source code for the student enrolled under the Certificate 3 Guarantee delivery schedule (based on the eligibility rules for the cohort) from the list below:

Fund source code	Applicable student cohort
ENT	Mainstream student
GS1	Year 12 graduates (high-priority qualifications only)
VSS	VET in Schools (secondary school students)
SQT	Skilling Queenslanders for Work
AP3	Adult prisoners
YD3	Youth in detention
CLG	Community Learning (continuing students only)
IT3	Indigenous VET Partnerships
IP3	Strategic Industry Initiatives

Table 2: Fund source codes — Higher Level Skills program

PQS **must** report the correct fund source code for the student enrolled under the Higher Level Skills delivery schedule (based on the eligibility rules for the cohort) from the list below:

Fund source code	Applicable student cohort
ENH	Mainstream student
HLT	Student accessing VET FEE-HELP / VET Student Loans
APH	Adult prisoners
ITH	Indigenous VET Partnerships
IPH	Strategic Industry Initiatives

Table 3: Concessional or non-concessional identifier — all programs

Code	Definition
C	Concessional student — meets eligibility criteria at enrolment for concessional status under the relevant program.
N	Non-concessional student — does not meet eligibility criteria at enrolment for concessional status under the relevant program.

Table 4: VET activity outcome identifier and payment

Outcome identifier	Description that applies to unit of competency/module Refer to www.ncver.edu.au/publications/2368.html	Maximum payment
20	Competency achieved (i.e. sufficient evidence has been gathered that competency has been met/completed, as expressed by the relevant endorsed industry/enterprise competency standards of a training package or learning outcomes of an accredited course).	100%
30	Competency not achieved/fail	100%
40	<p>Withdrawn — the student has engaged in some learning activity and has then notified the PQS of their withdrawal before completing all the assessment criteria; or the student has engaged in some learning activity and then stopped attending or submitting assessments (i.e. discontinues) without notifying the PQS (in this case the PQS should be satisfied the student will not return to complete the competency).</p> <ul style="list-style-type: none"> • Notes: PQS must be able to show evidence of student engagement in the training. • Where the PQS claimed a 40 outcome for a student (i.e. received 50% payment) and subsequently, for the same student and unit of competency/module, claimed an outcome that pays 100% (for example, 20 or 30 outcome) then — unless approved by the department — the PQS is only entitled to payment of the balance owing between the previous amount paid for the 40 outcome and the amount now due for the 100% claim. See PQS Agreement, clause 8 overpayments. 	50%
51	Recognition of prior learning (RPL) — granted Note: Not payable for foundation skills training and lower-level vocational qualifications (i.e. certificate levels I and II).	100%
52	RPL — not granted	0%
60	Credit transfer	0%
65 (department code)	Transitional Gap Training — this payment code is only to be reported where a student is transitioning from a superseded qualification into a new qualification or previously completed competencies have been superseded, and the new competencies do not directly map, therefore necessitating additional delivery to address the variance in the new competencies. The RTO can report this outcome code, in recognition of delivery, to generate payment against the relevant PQS Agreement for the new competencies.	5%
70	Continuing enrolment	0%
81	Non-assessable enrolment — satisfactorily completed	0%
82	Non-assessable enrolment — withdrawn or not satisfactorily completed	0%
90	Not yet available (enrolment is in current collection period)	0%

Note: The use of outcome identifier codes must be in accordance with the current AVETMISS release with the exception of outcome code 65 which is defined by the department.

Appendix 7: Training and assessment services not funded

Table 5: No payment to apply

Service provision	Payment conditions
A. Delivery of any unit of competency or module through RPL under a foundation skills/LLN course or certificate I and II level vocational qualifications.	No payment
B. Provision of training and assessment services to a student beyond the prescribed period, as specified in ASQA's General Direction — Learner Transition and clauses 1.26/1.27 of the <i>Standards for Registered Training Organisations (RTOs) 2015</i> (as superseded, replaced or amended from time to time) for that superseded qualification.	No payment
C. Provision of training and assessment services to a student who was enrolled after the transition end date specified for the relevant qualification.	No payment
D. Provision of training and assessment services where the PQS has not complied with all requirements in the PQS Agreement and this policy.	No payment
E. Provision of training and assessment services to a student in excess of the maximum payable competency count specified in the Queensland Training Subsidies List, irrespective of whether or not the student received training or assessment against the competency count for the relevant qualification from another RTO or PQS.	No payment
F. Provision of training and assessment services that are not reported within the timeframe specified in this policy. Note: PQS must still report this provision to the department.	No payment
G. Training and assessment services provided to a student who has previously been assessed as competent for the same unit of competency or module.	No payment
H. Provision of training and assessment services to a student for whom the PQS is not approved by the department to deliver training and assessment services to under the program.	No payment
I. Training and assessment services provided to a student where the PQS has received funding or payment in relation to those services from any other source.	No payment
J. Provision of training and assessment services in a qualification or course for which the PQS does not hold authorisation from the department to deliver under the program. This may include enrolling a student before the start date specified in the department's letter of authority to the PQS, or before the variation request to add the qualification to the PQS's program approval or delivery schedule has been approved by the department.	No payment
K. Delivery of any unit of competency which is not in accordance with the relevant training package rules.	No payment
L. Vocational/work placement will not receive any extra government funding in addition to the government subsidy for the qualification, irrespective of whether it is a compulsory component of the qualification (i.e. mandated as compulsory by the training package rules or ASQA). No payment also applies to workplace simulation.	No payment
M. The unit <i>QLD190PTA01A Formulate and review individual training plan</i> will not be funded when delivered in isolation as a standalone unit.	No payment
N. Non-assessable enrolment and training (outcome codes 81 and 82).	No payment

Appendix 8: Departmental PQS compliance audits

Table 6: PQS non-compliance issues

Non-compliance issue	Rectification and/or penalty
<p>Use of generic enrolment start and end dates for unit of competency PQS must ensure that the enrolment activity start and end dates reflect the actual start and end date of the training for each unit of competency.</p>	Data must be resubmitted to the department with actual/correct start and end dates.
<p>Co-contribution fees PQS are required to report the total co-contribution fees charged and collected for each unit of competency in which a student enrolls. Note: If the VET activity data submission by a PQS shows that a fee was collected and at audit there is no evidence of fee collection, this shall be deemed PQS non-compliance and the department will recover monies paid for the applicable units of competency.</p>	Penalty is 20 per cent (20%) of funding paid to the PQS for all units of competency which do not indicate or incorrectly indicate co-contribution fees charged and collected by the PQS. This includes PQS not complying with all requirements regarding the payment, collection and retention of fees as detailed in Appendix 1.
<p>Concessional status PQS are required to report whether a student is eligible for a concession (i.e. student meets evidence criteria at enrolment for concessional status).</p>	Penalty is 20 per cent (20%) of funding paid to the PQS for all units of competency which do not indicate or incorrectly indicate concessional status of the student.
<p>Incorrect use of outcome codes All outcome codes must comply with the AVETMIS standard and departmental requirements. The following should be noted:</p> <ul style="list-style-type: none"> • A 30 outcome (competency not achieved/fail) must only be reported where the student has attempted all of the requirements for the assessment and has been assessed as not competent, or as not satisfying one or more of the requirements for the unit of competency or module. • A 40 outcome (withdrawn/discontinued) is reported when the student has engaged in some learning activity and has withdrawn before completing all assessment criteria. • A 51 outcome (RPL — granted) involves the assessment of the previously unrecognised skills and knowledge an individual has achieved outside the formal education and training system. RPL is an assessment process (rather than a training process) that assesses the individual's non-formal and informal learning. This assessment determines the extent to which the individual has achieved the required learning outcomes, competency outcomes or standards for entry to and/or partial or total completion of a qualification. Sufficient evidence must be collected and retained demonstrating that a student is competent against all the assessment criteria in a unit of competency (see <i>PQS Compliance Audit Evidence Guide for Pre-qualified Suppliers 2016-17</i>). • A 60 outcome (credit transfer) is training credit for a unit of competency or module previously completed by a student and includes granted application for mutual recognition. Under the <i>Standards for Registered Training Organisations 2015</i>, an RTO must recognise Australian Qualifications Framework VET qualifications, VET statements of attainment or record of results issued by any other RTO. Credit transfers cannot be reported as RPL. • A 65 outcome code — Transitional Gap Training — is only to be reported where a student is transitioning from a superseded qualification into a new qualification or previously completed competencies have been superseded, and the new competencies do not directly map, therefore necessitating additional delivery to address the variance in the new competencies. The RTO can report this outcome code, in recognition of 	Data must be resubmitted to the department with correct outcome codes; all overpayments made to the PQS will be repaid to the department.

Non-compliance issue	Rectification and/or penalty
delivery, to generate payment against the relevant PQS Agreement for the new competencies.	
<p>Insufficient or no evidence of vocational/work placement</p> <p>Where vocational or work placement is a mandatory requirement for training in the qualification, evidence of vocational placement must be retained, including the quantum of vocational placement undertaken.</p>	Penalty is 20 per cent (20%) of funding paid to the PQS for all students who have completed and have insufficient evidence of adequate vocational/work placement.
<p>Qualification issued flag</p> <p>PQS must advise the department when a student has been deemed eligible to receive a qualification and the certificate has been issued. This advice must be provided within 30 days of the student being issued with the certificate by using the qualification issued flag 'Y' in the PQS compliant Student Management System.</p>	Penalty is 10 per cent (10%) of funding paid to the PQS for all students not reported.

Appendix 9: Definitions that apply

Act means the *National Vocational Education and Training Regulator Act 2011* (and includes any commenced amendment affecting the legislation, such as *the National Vocational Education and Training Regulator Amendment Act 2015*).

AISS means apprentices/all students information self-service system/tool. To find out how to access and use AISS visit www.apprenticeshipsinfo.qld.gov.au/about-us/aiss.html.

AQF or Australian Qualifications Framework is the national policy for regulated qualifications in Australian education and training. The AQF incorporates the qualifications from each education and training sector into a single comprehensive national qualifications framework.

AQTF or Australian Quality Training Framework means the national set of compliance standards that the training provider must meet to become an RTO. Since the establishment of ASQA, the former AQTF standards have been replaced by the *Standards for Registered Training Organisations (RTOs) 2015*.

ASQA means the Australian Skills Quality Authority — the national regulator for Australia's vocational education and training sector.

Australian permanent resident means a non-citizen (being usually a resident in Australia) who is the holder of a permanent visa. The prospective student will need to show evidence they were granted a permanent visa. For example, a visa label on their passport or formal communication from the Commonwealth Department of Immigration and Border Protection. Further information on visas and acceptable evidence can be sourced from the Department of Immigration and Border Protection.

AVETMISS means the *Australian Vocational Education and Training Management Information Statistical Standard* published by the National Centre for Vocational Education Research (NCVER).

co-contribution fee means the non-government financial contribution to the cost of the training and assessment services provided by the PQS — the fee is paid to the PQS.

competency count means the minimum number of units of competency specified by the training package that are needed to achieve the qualification outcome. The minimum number of units of competency will be the maximum number of competencies payable for a qualification.

Note: Competency count may be replaced by **module count or points count** for certain qualifications or accredited courses. **Points** mean the value specified by the relevant training package for a unit of competency.

concessional student means as defined in the relevant policy or guidelines for the program.

conflict of interest means, in the reasonable opinion of an independent observer, the interest of the PQS comes into conflict with, or opposition to, the objectives or standards within the PQS Agreement, this PQS Policy or the relevant program policy.

control means with respect to an RTO entity, the ability or capacity to determine the outcome of decisions about that entity's financial and operating policies.

delivery schedule means the attachment to the pre-qualified supplier (PQS) letter of authority (i.e. approval) showing the qualification or list of qualifications the PQS is approved to deliver for a program.

department or DET means the Queensland Department of Education and Training.

Department's Policies means the department's policies regulating Pre-qualified Suppliers and policies regulating a Program (including, without limitation, Evidence Guides) as published from time to time on the department's website (www.training.qld.gov.au) or other website notified by the department.

existing worker means a current employee who has a one month or more employment relationship with their employer and has actively fulfilled work duties for this period. The one month working relationship could be full-time or on a part-time/casual employment equivalent basis. Existing workers have access to employee entitlements and therefore do not include volunteers. Registration with a Labour Hire Company does not satisfy the 'existing worker' requirement, unless at the

commencement of the training the prospective student has been engaged in employment for a period of one month or more and is currently employed.

government subsidy means the amount of public funding the Queensland Government will contribute towards the cost of training and assessment services for an eligible student in a subsidised qualification or course. The subsidy is paid directly to the PQS.

inclusive practice means a training and assessment approach where all students are supported, valued and respected for their differences as they develop new skills. For further information, see <https://training.qld.gov.au/providers/inclusive>.

inducement means the offer of gifts or money to a person or business to entice or persuade that person or business.

key personnel means an individual:

- (a) who is concerned in or takes part in the management of the Supplier;
- (b) who is an employee or agent of the Supplier with duties of such responsibility that his or her conduct may fairly be assumed to represent the Supplier in relation to its business;
- (c) who exercises a degree of control or influence over the management or direction of the Supplier including those who participate in making decisions that affect the business of the applicant or who has the capacity to significantly affect the future operations and financial standing;
- (d) who has the ability or capacity to determine the outcome of decisions about the financial and operating policies of the Supplier.

module means a unit of education or training that can be completed on its own or as part of an accredited course. Modules may also result in the attainment of one or more units of competency. For **module count** see **competency count**.

National VET regulator means the body established by section 155 of the *National Vocational Education and Training Regulator Act 2011*.

NVR registered training organisation means an organisation registered by the National VET Regulator as a registered training organisation under the *National Vocational Education and Training Regulator Act 2011*.

pre-qualified supplier (PQS) means a registered training organisation pre-approved by the department to deliver publicly funded training and assessment services for a program in Queensland (also referred to as 'supplier' in the PQS Agreement).

program means a Queensland Government investment program for subsidising training and assessment services to achieve a nationally recognised training outcome for eligible students.

recognition of prior learning or RPL means an assessment process that assesses an individual's formal, non-formal and informal learning to determine the extent to which that individual has achieved the required learning outcomes, competency outcomes, or standards for entry to, and/or partial or total completion of, a VET qualification.

record means a written, printed or electronic document providing evidence that activities have been performed.

record of results means a record of all learning leading to an AQF qualification or an accredited unit in which a student is enrolled and is issued by an authorised issuing organisation. In Australia this may be called a transcript of results, academic transcript, record of achievement or statement of results.

registration means formal registration by the National VET Regulator under the Act. A training organisation/person covered by the Act must be registered in order to deliver and assess nationally recognised training, and issue nationally recognised VET qualifications.

RTO means a training organisation listed on the National Register as a registered training organisation.

scope of registration means the training products for which an RTO is registered to issue AQF certification documentation. It allows the RTO to provide (a) both training delivery and assessment

resulting in the issuance of AQF certification documentation by the RTO; or (b) assessment resulting in the issuance of AQF certification documentation by the RTO.

skill set means a single unit of competency or combination of units of competency from one or more training packages that link to a licence, regulatory requirement or defined industry need. Nationally endorsed skill sets have been approved by ASQA and assigned a code for reporting purposes. Priority skill sets subsidised under this PQS Policy are published on the Queensland Training Subsidies List on the department's website.

small business means a business or employer that employs less than 20 people as per the definition used by the Australian Bureau of Statistics.

Standards for Registered Training Organisations (2015) mean the conditions that National VET Regulator RTOs must comply with as regulated by ASQA. The purpose of the Standards is to (a) set out the requirements that an organisation must meet in order to be an RTO; (b) ensure training products delivered by RTOs meet the requirements of training packages or VET accredited courses, and have integrity for employment and further study; and (c) ensure RTOs operate ethically with due consideration of the needs of learners and enterprises.

student or **learner** or **participant** means an eligible individual who is enrolled with a PQS under the program and has commenced training.

Student Identifiers Act 2014 means an Act to provide for student identifiers and access to transcripts relating to vocational education and training, and for related purposes.

third party means any entity, organisation or person that is not a part of the RTO entity awarded PQS status (i.e. not employed by the PQS, nor within its organisational structure such as a director). A third party operates as a separate entity in the marketplace, either with or without a contract or agreement with the PQS.

training package means an integrated set of nationally endorsed standards, guidelines and qualifications for a specific industry, sector or workplace. Each training package provides consistent components for training and assessment/recognising skills.

Unique Student Identifier (USI) means an account or reference number issued by the USI Registrar that uniquely identifies an individual undertaking nationally recognised training over their lifetime. The USI allows collation of an individual's educational attainments for analysis and research purposes while protecting individual privacy.

units of competency mean the specification of industry knowledge and skill, and the application of that knowledge and skill to the standard of performance expected in the workplace and — where applicable for the course or qualification — may refer instead to points or modules.

VET means vocational education and training.

VET accredited course means (a) if the National VET Regulator has delegated to a body the function of accrediting a course, a course accredited by the body under the delegation; or (b) in any other case, a course accredited by the National VET Regulator. Courses subsidised under this PQS Policy are published on the Queensland Training Subsidies List on the department's website.

VET qualification means a testamur, relating to a VET course, given to a person confirming that the person has achieved learning outcomes and competencies that satisfy the requirements of a qualification. Qualifications subsidised under this PQS Policy are published on the Queensland Training Subsidies List on the department's website.

VET Quality Framework means the set of standards and conditions that ASQA uses to assess whether an RTO meets the requirements for registration and comprises the following: (a) *Standards for Registered Training Organisations (RTOs) 2015*; (b) AQF; (c) Fit and Proper Person requirements; (d) Financial Viability Risk Assessment requirements; (e) Data Provision requirements.

VET regulator means (a) the National VET Regulator; and (b) a body of a non-referring State that is responsible for the kinds of matters dealt with by the Act.

VET statement of attainment means, in relation to units of competency or modules of a VET course, a statement given to a person confirming that the person has satisfied the requirements of the units of competency or modules specified in the statement.

Year 12 graduate means the individual has completed Year 12 in Queensland and holds a senior statement issued by the Queensland Curriculum and Assessment Authority (QCAA) or equivalent certification.