

Data Reporting, Claims for Payment and Evidence Requirements in the 2017 VET Funding Contract (*Skills First* Program)

Clarification for contracted Training Providers of the requirements in the 2017 VET Funding Contract and other referenced documents relating to claiming funds for delivery of training services and the evidence required to support claims for payment.

SUBMISSION OF TRAINING DATA BY A PROVIDER IS A CLAIM FOR PAYMENT THAT MUST BE SUPPORTED BY APPROPRIATE EVIDENCE

Substantial tax-payers' funds are provided to support training delivered in the *Skills First* program by Training Providers contracted through a VET Funding Contract. The government has an obligation to ensure that Victorian tax-payers' funds are spent efficiently for their intended purpose and acquitted accurately and promptly.

To ensure that payments made to training providers under the *Skills First* program are accurate and appropriate, the Department's clear expectation is that data submitted that forms the basis of a provider's claim for payment will accurately reflect the engagement of students in supervised training and assessment, and that claims will be supported by sufficient evidence. These expectations are in line with Training Providers' obligations under their VET Funding Contracts and the guidance provided in the *Victorian VET Student Statistical Collection Guidelines*.

This note provides Training Providers with further clarification regarding these expectations, and directs their attention to the relevant sections of the Contract and other referenced documents.

SCHEDULED HOURS AND CONTACT HOUR FUNDS

Lodging a Student Statistical Report to the Department is considered to be a claim for payment and constitutes a representation by the Training Provider that it:

- has delivered the reported hours of training and assessment in accordance with the VET Funding Contract;
- has collected and retained evidence, including Evidence of Participation, in accordance with the Contract for each Eligible Individual in respect of which it is claiming payment; and
- is otherwise entitled to payment in respect of those hours of training and assessment under the Contract¹.

For the purpose of determining the funds to be paid for Training Services², the Department will pay the Training Provider Contact Hour Funds based on scheduled hours of training and assessment delivered to Eligible Individuals³. Payments of Contact Hour Funds are made monthly in arrears on the basis of Student Statistical Reports submitted by the Training Provider⁴. The Contact Hour Funds are calculated by multiplying:

- the number of scheduled hours of training and assessment reported by the Training Provider as having been delivered, or to be delivered, to Eligible Individuals; and
- the applicable hourly rate per scheduled hour.

Note that the final amount to be paid for each Eligible Individual may be adjusted in accordance with the loadings that are described in the Contract⁵. Examples of loadings include adjustments for training of students of Aboriginal or Torres Islander descent and the regional loading applied for training delivered in non-metropolitan locations.

¹ Schedule 1, Clause 13.22 (2017 Standard VET Funding Contract). (Note that all references to the Contract in this Fact Sheet refer to the 2017 Standard VET Funding Contract.)
² Schedule 1, Clause 13.1 (2017 Standard VET Funding Contract)
³ Alternatively, the Hours Attended may be reported in instances where a student withdraws from a subject without completing all training in that subject (2017 Standard VET Funding Contract, Schedule 1, Clause 13.28)
⁴ Schedule 1, Clause 13.21 (2017 Standard VET Funding Contract).
⁵ Schedule 1, Clause 13.3 (2017 Standard VET Funding Contract).

Further, Training Providers' reported scheduled hours must reflect the hours of supervised teaching activities (including assessment times) that the provider schedules for a subject or a unit of competency enrolment⁶. The scheduled hours will usually be the same as the nominal hours specified for a subject or unit of competency, however, different local circumstances or delivery strategies may result in a variation from the standard nominal hours. Note that hours attributed to fully unsupervised work experience or industry placement must not be included in reported scheduled hours.

TIMELY REPORTING BY THE TRAINING PROVIDER OF ACCURATE TRAINING DATA

Training Providers must submit accurate Student Statistical Reports to the Department via SVTS no less than once every calendar month during the life of any VET Funding Contract. Each monthly submission must include full details for all training activity already delivered within the collection year, including government subsidised and fee for service training activity.

The Training Provider must ensure, and the CEO (or their nominee) must certify, that the data submitted is accurate and complete and includes information in accordance with the requirements of the VET Funding Contract and the *Victorian VET Student Statistical Collection Guidelines*.

In particular, the reporting of the Program Commencement Date, Activity Start Date and Activity End Date must comply with the requirements for the NAT00120 file, as set out in the Guidelines. The relevant Business Rules state that:

- The **Program Commencement Date** is a training activity date (not an enrolment or admission date). The date will generally be the date of the first activity for the first subject towards the completion of the program in which the student has enrolled;
- The **Activity Start Date** must be on or before the Activity End Date and must not be after the end of the collection period; and, for each unit of competency or subject enrolment, the Activity Start Date should be on or after the Program Commencement Date;
- The **Activity End Date** must be on or after the Activity Start Date; must not be before the start of the collection period; must include the assessment period; and must cover all training delivery and all assessment activities (for Apprentices, this includes

employer confirmation of competency). The field for the Activity End Date must not be left blank. If the date is unknown, the Training Provider should report the expected end date.

COLLECTION AND MAINTENANCE OF EVIDENCE BY THE TRAINING PROVIDER

Training Providers must collect and maintain evidence relating to a range of its activities conducted under the 2017 VET Funding Contract. In accordance with Clause 5 of the Contract, activities for which evidence is required includes:

- Testing of individuals' eligibility for training subsidised through the *Skills First Program*;
- Pre-Training Reviews and Enrolment processes;
- Training Plans; and
- Fees levied to individuals, including applying any concessions, exemptions or waivers.

In relation to the claims resulting in payment of Contact Hour Funds, Training Providers must retain, and make available to the Department, or its auditors or reviewers, all records relating to **Evidence of Eligibility** and **Evidence of Participation**, as per Clause 10.9 (e) of the 2017 VET Funding Contract.

EVIDENCE OF ELIGIBILITY

Evidence of Eligibility means evidence of an individual's eligibility for training subsidised through the *Skills First Program* in accordance with the eligibility requirements set out in the 2017 VET Funding Contract and the *Guidelines about Determining Student Eligibility and Supporting Evidence*.

The Training Provider must have a clear and documented business process for the determination of eligibility of individuals for training subsidised through the *Skills First Program* (prior to commencement in training). Related documentation demonstrating that appropriate checks have been performed to establish each individual's eligibility must be made available to the Department (or persons authorised by the Department) for audit, review or investigation purposes.

The 2017 VET Funding Contract (Schedule 1, Clause 2) and the *Guidelines about Determining Student Eligibility and Supporting Evidence* provide guidance for determining an individual's eligibility, specifically with regard to: citizenship/residency status; age guidelines; requirements for 'upskilling' for students over 20 years of age; and

⁶ *Victorian VET Student Statistical Collection Guidelines*, Version 2017 v1, page 161

limitations on the number and level of courses that may be commenced in a single year (the '2 in a year', '2 at a time' and '2 at level' limitations).

The Guidelines also set out the eligibility criteria for individuals referred under particular initiatives such as the Asylum Seeker VET Program, Retrenched employees and the Automotive Supply Chain Training Initiative. Other special initiatives include the Young People Transitioning from Care Initiative and the TAFE and Learn Local Upskilling Exemptions.

Section 3 of the Guidelines refer to the Evidence of Eligibility required for the *Skills First* program and the types of required evidence are further described in the 2017 *Evidence of Student Eligibility and Student Declaration*, Attachment 3 of the Guidelines.

Relevant evidence, being an original or certified copy of the relevant documentation, is to be sighted by the Training Provider and a copy of the relevant evidence retained for each Eligible Individual, prior to commencement in training, in accordance with the *Guidelines about Determining Student Eligibility and Supporting Evidence*.

EVIDENCE OF PARTICIPATION

Evidence of Participation means evidence of an individual's participation in training and assessment provided by the Training Provider, as detailed in Clause 11 of Schedule 1 of the 2017 VET Funding Contract.

Training and assessment delivered by the Training Provider to an Eligible Individual must be supported by Evidence of Participation for each unit of competency/module. Acceptable evidence is required that will support a reasonable judgement regarding an individual's participation in training and provide a reasonable demonstration of ongoing engagement by the individual in learning and/or assessment activity across the unit of competency/module.

Claims for payment must be supported by Evidence of Participation as set out in the Contract (and described below) and the claimed hours should be the scheduled hours reported in Statistical Reports which, in turn, should match the schedule set out in the student's Training Plan. The information in the Training Plan must include the scheduled hours for competencies to be obtained and the timeframe for achieving the competencies including the start date and end date of each competency.

The following minimum specifications must be met to evidence an Eligible Individual's engagement in training activity:

- One point of Evidence of Participation per unit of competency/module must be provided if the period between the Activity Start Date and Activity End Date (inclusive) for the unit of competency/module is one month or less.
- Two points of Evidence of Participation per unit of competency/module must be provided if the period between the Activity Start Date and Activity End Date for the unit of competency/module is greater than one month, including one point within the first month and one point within the last month of training delivery and/or assessment as identified by the reported Activity End Date.

Where two points of evidence are required, two different forms of Evidence of Participation must be used.

To be valid, Evidence of Participation must contain the student's name or identification number, a module or unit of competency identifier and a date. The only Evidence of Participation that is acceptable under the Contract is:

- evidence of work submitted relating to engagement by the student in the unit of competency or module;
- instructor (trainer and/or assessor) notes based on personal interviews, telephone, e-mail, or other communication modes on the engagement of a student in learning and/or assessment activity of the unit of competency or module;
- a provider endorsed attendance roll;
- primary documentation that provides evidence of assessment;
- login and engagement with learning and/or assessment activity required for the unit of competency or module;
- in flexible and distance modes of learning, records of staff/student engagement with learning and/or assessment activity at a unit or module level that indicates the individual has commenced working on the learning materials received;
- in extreme circumstances where primary recording documentation is not available, a signed statutory declaration from the relevant Training Provider personnel affirming an individual's participation is acceptable;
- where primary recording documentation is not available, a statement from an individual affirming their participation, and supported by the Training Provider, is also acceptable.

FREQUENTLY ASKED QUESTIONS

Meeting required data reporting timelines when Evidence of Participation has not been submitted by trainers and assessors to a Training Provider's central office

Q: *In our organisation, the EOP is often collected at the classroom level by trainers and assessors and submitted to a central administration office for processing and filing. Sometimes our trainers and assessors are delayed in submitting the required EOP and, because we prefer to ensure that we have the required EOP on file before we submit our training data and claims for payment, we are unable in this circumstances to meet the requirement for timely submission of data. Is it OK to delay reporting of data until all required EOP has been submitted to our central office?*

A: Training and assessment staff employed by Training Providers should be made aware of your organisation's required business processes to ensure the timely reporting of accurate training data in accordance with the VET Funding Contract and reminded of the organisation's compliance obligations, including the consequences of non-compliance. In particular, Training Providers' must create a claim/submit required data within 60 days of the Activity Start Date for each Eligible Individual and submit accurate Student Statistical Reports via SVTS no less than once every calendar month per collection year. Each monthly data submission to SVTS must include details of training activity already delivered within the relevant collection year, including delivery already commenced/underway and/or completed in the current collection year.

Training Providers are expected to maintain business processes and systems that support the timely reporting of accurate training data for each Eligible Individual. Non-compliance with data reporting and Evidence of Participation requirements identified during an audit or review may result in the requirement to repay funds to the Department by the Training Provider.

Collecting Evidence of Participation where employer sign-off of an apprentice's competency is required

Q: *I am aware that, where the duration of a unit is greater than one month, two pieces of Evidence of Participation are required, and that one of these points must be in the last month of delivery for the unit (as determined based on the Activity End Date, per Schedule 1, Clause 11.3 b). However, in instances where employer sign-off of an Apprentice's competency is required for each unit (or cluster of units), I often complete a final assessment on one date, but the employer does not sign off competency for the unit until six weeks later or even longer. In these instances, the Activity End Date must be the date of the employer sign-off, but this makes it impossible for me to provide Evidence of Participation in the last month as required in Schedule 1, Clause 11.3 b. How should I deal with this?*

A: Schedule 1, Clause 11.4 notes that, where competency based completions are involved, an auditor will consider the last point of Evidence of Participation relating to training and/or assessment. This means that, per the example above, the assessment that took place six weeks before the employer sign-off will be counted at the auditor's discretion towards meeting the requirement to have Evidence of Participation in the last month for that unit, even though the unit end date is more than a month later.

In assessing this evidence, auditors will take into consideration any reasonable and unavoidable delays that may have been experienced in finalising employer sign-off.

In these instances, the Training Provider should report an accurate Enrolment Activity End Date that reflects the period of delivery of training and assessment (inclusive of employer sign-off). Submission of timely and accurate training and assessment data should not be delayed in instances where employer sign-off is pending.

Evidence of Participation where assessment does not involve further engagement with the student

Q: In some instances, the assessment of students' work by the Training Provider may be conducted in the days or weeks following the completion of training delivery and/or all required assessment tasks by the student. How should I collect EOP in this instance and present it at audit?

A: Clause 11.5 (d) of Schedule 1 of the Contract states that primary documentation that provides evidence of assessment is acceptable as evidence of participation. In instances where student assessment is conducted by the Training Provider following the completion of training delivery and/or all required assessment tasks by the student, the assessment of work on a date subsequent to its submission by the student will be acceptable. In such instances, the period of assessment is considered to be included in the definition of the delivery of training and assessment in accordance with the Contract.

In these instances, the Training Provider should report an accurate Activity End Date that reflects the period of delivery of training (inclusive of training and assessment).