For all RTO staff

Purpose

This Contract Notification enacts variations to VET Funding Contracts to coincide with the establishment of Maximum and Minimum Payable Hours for funding of Standards Compliant Training Package qualifications under the Victorian Training Guarantee (VTG).

Background

On 16 November 2013 new Standards for Training Packages (Standards) were endorsed by the Standing Council on Tertiary Education, Skills and Employment (SCOTese).

The purpose of the Standards for Training Packages is to ensure Training Packages are of high quality and meet the workforce development needs of industry, enterprises and individuals. The Standards apply to the design and development of Training Packages by Industry Skills Councils (ISCs).

All Training Package qualifications are to comply with the Standards by 31 December 2015.

Main Points

The Victorian Government is introducing Maximum and Minimum Payable Hours as a replacement for Maximum and Minimum Nominal Hours for all Training Package qualifications that are endorsed under the Standards.

This Contract Notification varies and replaces Clause 12.12 of the aforementioned VET Funding Contracts with the following:

12.12 The Department will pay the Contact Hour Funds to the RTO in respect of an Eligible Individual up to the Maximum Scheduled Hours per course or qualification as published on the Funded Courses Report.

Accordingly, this Contract Notification includes in Section 1: Definition and Interpretation of the aforementioned VET Funding Contracts the following:

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

**Maximum Payable Hours**

Maximum Payable Hours describe the maximum number of hours the Victorian Government will subsidise for achievement of a Standards compliant qualification under the Victorian Training Guarantee (VTG).

For those Training Package qualifications that do not yet comply with the Standards, Maximum Nominal Hours will continue to apply.
Maximum Payable Hours provides for the attainment of the minimum vocational outcome of the qualification as described through the qualification packaging rules. Maximum Payable Hours do not cover every possible combination of core and elective units available for achievement of the qualification.

The Maximum Payable Hours will be progressively added to Victoria’s Funded Courses Report and to Victorian Purchasing Guides (VPG).

Registered Training Organisations (RTOs) will continue to report Scheduled Contact Hours for units of competency.

**Minimum Payable Hours**

- Minimum Payable Hours provide guidance on the number of hours the Victorian Government designates as the minimum required to deliver a qualification, taking into account contextualisation and integrated delivery efficiencies.
- Minimum Payable Hours are a guide only.

**Critical Dates**

- This Contract Notification is effective immediately for all Standards compliant Training Package qualifications.

**Relevant Resources**

- Refer to *Documents* section of SVTS for:
  - Fact sheet on: ‘Maximum and Minimum Payable Hours’
  - List of Standards compliant qualifications and accompanying Minimum and Maximum Payable Hours effective 5 February 2014
  - CHC Community Services Training Package VPG and HLT Health Training Package VPG
  - Power point presentation on establishment of Maximum Payable Hours delivered on 4 February 2014 to RTOs delivering CHC and HLT Training Package qualifications.

- All enquiries concerning this Contract Notification should be lodged on SVTS under the Category ‘Maximum Payable Hours.’

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Higher Education and Skills