

Skills Fund Program

RTO Guide to the application process, Eligibility Criteria and Conditions

Grant identifier – ST054

Open Date: 19 September 2020

Closing Date: 5pm AEDT, 16 October 2020

This guide is to be used by Endorsed Registered Training Organisations (ERTOs) applying for funding under the Skills Tasmania Skills Fund Program.

Lodgement of application

All program documentation, can be accessed from

https://www.skills.tas.gov.au/providers/rto/funding_programs_for_endorsed_rtos/skills_fund_-_existing_worker

Key dates

Submissions open: Saturday 19 September 2020

Closing date for submissions: 5:00 pm (AEDT), Friday, 16 October 2020

Details of how to register for webinar are published on

https://www.skills.tas.gov.au/providers/rto/funding_programs_for_endorsed_rtos/skills_fund_-_existing_worker

Enquiries about this program should be directed to the program manager

Deb Doherty: (03) 6165 6012 or theskillsfund@skills.tas.gov.au

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Skills Fund Program

This guide provides Endorsed Registered Training Organisations (RTOs) intending to submit applications with information about the contractual requirements, obligations and conditions of applying for and receiving funding under the Skills Fund Program.

The Skills Fund Program is for the purchase of nationally recognised training. The outcome of the grant process is that the Department of State Growth enters into funding agreements with Endorsed RTOs for the delivery of training and assessment services.

The specifications of the training being purchased are described in the [nationally recognised training packages](#), which detail the units of competence, qualifications and assessment requirements.

Skills Fund objective

The objective of the program is to fund Endorsed RTOs to deliver training and assessment services to existing workers that support priority industries to drive economic growth and employment.

Program overview

The Skills Fund program specifically targets areas of skills demand in priority industries. It supports skill sets and full qualifications where there is demonstrated need.

The training helps build the workforce skill needs of employers to increase their business productivity, growth and expansion and improves employee retention rates.

The training also supports **employees** to attain skills to help them do their job better or to further their careers.

The Skills Fund requires a mandatory financial contribution, paid by the employer, based on the size of the employing organisation.

The Skills Fund supports three different partner types – employer, industry association and business/small business groups.

Application conditions, requirements and processes

RTO Eligibility

The following conditions determine a RTO's eligibility to apply for subsidies through the Skills Fund Program:

- **RTOs must be registered** in accordance with the requirements of the Australian Skills Quality Authority (ASQA) to deliver nationally recognised training. RTOs must only submit applications for training subsidies where the qualification(s) and/or units of competency are included on their **scope of registration for delivery in Tasmania** at the time of lodging the application. RTOs must be an **approved Skills Tasmania Endorsed RTO** at the time of the grant round closing date. For more details about the endorsement process go to www.skills.tas.gov.au/providers/rtos/endorsedrtosystem.
- RTOs applying for any Skills Tasmania grants must be **financially viable** at the time of applying for and for the duration of any subsequent funding agreement.

A financially viable entity is one that is not under external administration, being wound up, dissolved or trading while insolvent or where a liquidator has been appointed.

To demonstrate financial viability the RTO must be able to show, if requested, the ability to generate sufficient income to meet operating payments, debt commitments and, where applicable, to allow for growth while maintaining service levels.

By submitting an application, the applicant agrees to meet all conditions and requirements in the **Department of State Growth (Skills Tasmania) Agreement for all Programs** and in this document; the **Skills Fund RTO Guide**.

Skills Tasmania reserves the right to amend the contractual requirements, obligations or guidelines at any time prior to the completion of the grant and the finalisation of contracts with successful Endorsed RTOs.

Relevant legislation

The legislation that governs the work of Skills Tasmania is the [Training and Workforce Development Act 2013](#). The object of the Act is to “*establish a system of training and workforce development that supports a skilled and productive workforce and contributes to economic and social progress in Tasmania*”.

All Tasmanian Government grants are administered in accordance with Treasurer’s Instruction FC-12 Grant Management - <https://www.treasury.tas.gov.au/budget-and-financial-management/financial-management-act-2016/fma-treasurers-instructions>.

Personal information will be managed in accordance with the *Personal Information Protection Act 2004*. Information provided to Skills Tasmania is subject to the provisions of the *Right to Information Act 2009*. These Acts can be viewed in full at www.thelaw.tas.gov.au.

Skills Tasmania will respect the privacy and confidentiality of any information contained within the application, including attachments, that is directly related to the business activities of the nominated grant recipient or identified partner.

Learner eligibility

All learners accessing the Skills Fund program must be a Tasmanian resident aged 15 years or over. A Tasmanian resident is defined as a permanent resident of Australia living in Tasmania for a minimum of six (6) months.

Learner eligibility details are available in Schedule 2.1 Clause 4 of the [Department of State Growth \(Skills Tasmania\) Agreement for all Programs](#) and the [Skills Tasmania Tasmanian Government Subsidised Training \(2019-20\) – Visa Status and Eligibility](#).

Conflict of interest

The RTO must declare that at the time of the application, no conflict of interest exists, or is likely to arise, in the performance of the Contracted Services and that if, during the Term, a conflict of interest arises then the RTO is to notify Skills Tasmania immediately in writing of that conflict or risk.

Stream Selection

There are three streams available for selection:

- **Employer** – choose this option when the application relates to a single employer only.
- **Industry Association** – this option should be selected when the partner organisation is making application on behalf of their client base. The association or group must be an independent body that can describe and validate the skill needs of an industry sector.
- **Business/Small Business** – select this option when there are a group of like businesses that are of the similar size and request the same training. Business/Small Business is defined as businesses with less than 20 employees including sole traders, contractors and non-employing businesses that have a common training need. As the group has been identified, they should be named in the qualification/skill set table.

Each application must relate to only **ONE** stream type, for example Employer.

SmartyGrants

Skills Fund applications must be completed on-line using the SmartyGrants Management System www.smartygrants.com.au. The Help Guide for Applicants provides very useful advice, particularly on accessing saved applications and printing the application out prior to submitting.

Applicants must register with SmartyGrants before making an online application. Registration gives secure access to the application forms allowing them to be worked on over time rather than having to complete them all at once.

Links to the Skills Fund grant application form will be available on www.skills.tas.gov.au/funding/skills_fund.

Applicants should ensure that all mandatory eligibility requirements are met prior to submitting the application.

Where mandatory criteria are not met, the application will be deemed ineligible and will not be assessed or considered for grant funding.

Funding Options

Applications that include full qualifications for existing workers, must consider if the learner is eligible for an apprenticeship or traineeship and may be better suited to access funding through the [Apprentice and Trainee Training Fund \(User Choice\)](#) prior to submitting the application. It is recommended that RTOs consult with the Apprentice and Trainee Training Fund (User Choice) Program Manager if you require guidance or clarification on this matter.

Program Manager – Apprentice and Trainee Training Fund (User Choice): Jen McLeod | 03 6165 6027 | userchoice@skills.tas.gov.au

A section has been included in the application designed to provide a justification why the places being applied for are not eligible for the Apprentice and Trainee Training Fund (User Choice) program.

Third Party arrangements

If the intention is to use a third party or parties in the delivery of the program, RTOs must comply with [ASQA requirements](#) and provide a copy or copies of current third party agreement/s. The application must also list their details and what their role will be in the delivery of the program.

Assessors will be looking for evidence listed in the evidence guide which is outlined in the selection criteria in this guide. Evidence that does not specifically relate to this application should not be included.

Naming conventions

All attached supporting documentation should be named to reflect the **Application ID** supplied by Smarty Grants, the **name of the RTO** applying, the **section of the submission** that the documentation relates to and a **brief description of the document**.

For example: SF046001-RTO_SC3_Program Overview

Number of places - Evidence of Demand

The Skills Fund budget is limited and priority will be given to the identified priority industries, which are listed in this guide. The number of places requested for a partner (i.e. employer, industry association or business/ small business group), will need to be based on evidence of demand that the training is required by the employer or industry.

Co-contributions

The co-contribution financial payment must be paid by the business owner/employing organisation.

Whilst training is heavily subsidised, contributions for full qualifications and skill sets will be required based on the size of any organisation named in the application process, as follows:

Government Business Enterprises, State Owned Companies & Local Government	60 per cent contribution
> 1000 FTEs	50 per cent contribution
200-999 FTEs	30 per cent contribution
20-199 FTEs	20 per cent contribution
1-19 staff FTEs	10 per cent contribution
For Not-for-profit organisations who have an FTE >1000, the contribution rate is 30 per cent.	
Industry Association supported applications - where places applied for are “General Industry” a 20 per cent contribution will apply. Where possible list the individual employers who are applying via Industry Association. By naming them in the application (qualification or skill set table), they may attract a lower co-contribution rate.	
As the Business/Small Business Groups are businesses with less than 20 employees including sole traders, contractors and non-employing businesses they will attract a 10 per cent contribution.	
Licensing skill sets will attract a 50 per cent contribution rate.	
All State and Australian Government Departments are not eligible for the Skills Fund.	

An FTE (Full-time equivalent) is the hours worked by one employee on a full-time basis. The concept is used to convert the hours worked by several part-time employees into the hours worked by full-time employees. On an annual basis, an FTE is considered to be 2,080 hours, which is calculated as: 8 hours per day x 5 work days per week.

Organisation is defined as a legal entity. A legal entity can be an association, corporation, partnership, proprietorship, trust, or individual that has legal standing in the eyes of law. A legal entity has legal capacity to enter into agreements or contracts, assume obligations, incur and pay debts, sue and be sued in its own right, and to be held responsible for its actions.

It is important to read the **Department of State Growth (Skills Tasmania) Agreement for all Programs** with regard to the payment and collection of the co-contribution. Schedule 2.1 – Service Obligation 1 – Fees and Charges outlines the process.

Industry coverage

Priority industries are used to guide Skills Tasmania's workforce development and funding activities. Priority industries are those that

- a) Demonstrate:
 - i. A high level of demand for skilled labour; and/or
 - ii. Significant contribution to the economy; and/or
 - iii. High growth and/or employment potential; and/or
- b) Are identified as a government policy priority.

All industries will be considered in the application assessment process, however the industry sectors listed below have been identified as high growth sectors and may be given priority. Skills Tasmania's Workforce Plans and Reports (<http://www.skills.tas.gov.au/employersindustry/workforceplans>) are a useful reference tool.

- Tourism and hospitality
- Building and construction (including Civil Construction)
- Advance manufacturing (including Maritime and Defence Manufacturing)
- Information and communications technology
- Aged services
- Disability services
- Agriculture (including Forestry)
- Aquaculture (including Maritime)
- Transport and logistics

Skills Tasmania has formal partnerships with Strategic Community and Industry Partners who provide high-level strategic advice on training and workforce development on behalf of their industries which may be of assistance when applying. There are 14 Strategic Community and Industry Partners:

- [Aged and Community Services Australia](#)
- [Engineers Australia](#)
- [Migrant Resource Centre - Southern Tasmania](#)
- [Migrant Resources - Northern Tasmania](#)
- [National Disability Services](#)
- [Neighbourhood Houses Tasmania](#)
- [TasICT](#)
- [Tasmanian Building and Construction Industry Training Board](#)
- [Tasmanian Chamber of Commerce and Industry](#)
- [Tasmanian Farmers and Graziers Association](#)
- [Tasmanian Hospitality Association](#)
- [Tasmanian Minerals and Energy Council](#)
- [Tasmanian Seafood Council](#)
- [Tasmanian Transport and Logistics Workforce Advisory Group](#)

Note:

The Industry sector should be relevant to the partner. For example if the partner grows apples, then the industry sector is Fruit Grower.

Value for Money

Skills Tasmania acknowledges that in some instances, the costs associated with the delivery of training can exceed the subsidy normally paid via the variable pricing model.

This is particularly so if the delivery of the program is challenging, e.g. in a regional or remote area or the cohort has additional needs.

Consequently costs that are higher than the subsidy rate paid by Skills Tasmania must include a justification.

Assessment and selection process

The Skills Fund program is a competitive process where applications will be assessed on their merit and ranked accordingly. This means that not all submissions will be successful.

Applicants should also ensure that the information provided in the application form complies with all identified conditions in the Department of State Growth (Skills Tasmania) Agreement for all Programs, this guide and the Skills Fund application.

The maximum score for each criteria is 10 and then the weighting is applied to bring the total score possible to 100. Submissions which score less than 50 weighted points in total will not be considered for funding.

The total score will consist of the following:

- The quality of the information provided against criteria 1, 2 and 3.
- If the application is assessed as meeting the quality benchmark, then a further assessment is made of those applications against the requested subsidy.

If the subsidy requested is equivalent to the Skills Tasmania subsidy or has a reasonable adjustment, then those applications will rate higher.

However if the subsidy requested is considerably higher than the Skills Tasmania subsidy then this may adjust the ranking of the application and deem it less competitive.

Reasonable adjustment is defined as the RTO providing a justification of a higher price that can be evidenced by either delivery in remote/regionally areas or there are higher costs that are clearly explained and/or costed. Final rankings will represent an assessment of the overall value for money of each application.

All eligible applications will be assessed and ranked via the following process:

1. An initial assessment of applications against the mandatory conditions and checks for accuracy.
2. A selection panel will independently assess and score the submissions against industry priority, identified need, how the training will be delivered and how the learner will be supported throughout their training program and the requested subsidy.

Note: Each panel member is required to sign a confidentiality and conflict of interest form. Any individual involved in the selection process who has declared a conflict of interests will not participate in any decisions involving a potential conflict.

3. The panel meets to moderate and finalise the scores and feedback comments.
4. A final ranking of applications, funded to the total program value available.
5. The recommendations will be endorsed and approval is received from the Minister's Delegate to release the funds.
6. Successful and unsuccessful applicants will be advised of the outcome.

Based on the Selection Panel's determinations, the findings and any recommendations will be used as the basis for a selection report.

As part of the assessment process applications will be monitored for excessive requests for training by any one organisation. If this occurs, Skills Tasmania reserves the right to negotiate to adjust the application.

In order to ensure that the aims of the Skills Fund are achieved, the group of applications approved will represent an equitable mix of applications that satisfactorily address the assessment criteria, meet a benchmark score and together cover the broadest possible mix of Tasmanian regions and industries.

During the selection process, officers within the Department of State Growth (represented by Skills Tasmania) may seek further details from the applicant or an independent industry representative. Skills Tasmania as the purchasing body will make the final decision.

Selection criteria

The selection criteria requires that applicants demonstrate the skills, networks and organisational capacity to meet the needs of their clients and the requirements of the training packages.

Responses to the criteria should be written with the audience in mind - in this case, members of the selection panel who will be assessing the application may not have specific knowledge about training packages and/or learner needs. Therefore the responses must be as clear and concise.

Applicants should use the templates provided for the criteria. If they are not used, the responses may not be considered.

Demand for Training

Criteria I - Demonstrated need for training services

The RTO must provide direct written evidence from each employer as to the need for the training and the specific training outcome/s needed by each employer.

Evidence Guide

The selection panel will assess the application based on the following points;

*Training is in a **priority industry** and*

Employer or Business/Small Business application:

- *There is an employer support form from one or more employers completed and is supportive of the RTO's submission.*
- *The employer/s have clearly articulated the business imperative for this training.*
- *The employer/s have made clear the need for the training.*
- *The employer/s have been involved in the development and design of the program and understand the proposed timeframe if successful.*
- *The employer/s have clearly articulated what this training will achieve and what their success measures will be.*
- *The employer/s have indicated confidence with the RTO they have chosen.*
- *The number of places nominated by the employer aligns with the number of places asked by the RTO.*
- *The employer/s has agreed to release the employees during work time to participate in training.*

Industry association application:

- *The industry association has provided a statement identifying the main reasons the MEMBERS say they want this training.*
- *The industry association support identifies all interested employers who have expressed interest in the training program and have named up separately the number of employees to undertake training and the need for the training. Evidence could include:*
 - *Response to an expression of interest*
 - *There is completed employer support form/s that is supportive of the RTO's submission.*
 - *Email that outlines support and a need for the training proposed*
- *The industry association submission aligns with the individual employer's numbers and need.*
- *The industry association states that their MEMBERS have been involved in the development and design of the program and understand the proposed timeframe if successful.*
- *The industry association support clearly articulates what this training will achieve and what their success measures will be.*
- *The industry association support has indicated confidence with the RTO they have chosen.*

50% weighting

Approach to the delivery of the program

Criteria 2 – Outline the training summary for the proposed program/s

The RTO must complete a separate Training Summary for each qualification or skill set.

Evidence Guide

The selection panel will assess the application based on the following points:

- *The training summary aligns to the NEED addressed by the employer/s in criterion 1.*
- *The training summary aligns with the INVOLVEMENT identified by the employer/s in criterion 1*
- *The duration is reasonable and has been justified and suitable for the learner cohort.*
- *The overview of the training program is detailed and incorporates the training and assessment methods.*
- *The proposed resources that will be used and where they will be accessed from is clearly outlined.*

30% weighting

Learner Support

Criteria 3 – Identification of learner support needs, provision of learner support service/s and or referral of learners to support service/s

- **Outline the:**
 - **process for identifying individual learner support needs prior to the commencement of the program**
 - **strategy used to retain learners and help them complete the program**
 - **methods used to refer learners to relevant support services**
 - **the LLN approach used and documented that is appropriate for the learner cohort**
- **List the range of support services:**
 - **provided to learners by the RTO**
 - **to which learners can be referred**

Evidence Guide

The selection panel will assess the application based on the following elements;

- *The processes for identifying individual learner support are robust, provided prior to the commencement of training services and do not rely on self-assessment or identification alone.*
- *The RTO's strategy to retain learners in the program and support them if they struggle to complete is reasonable.*
- *The RTO provides a reference resource/s for learners that includes contact details for a wide and relevant range of Tasmanian support options for the cohort. Supporting evidence must be attached.*
- *RTO staff provide some of the support services available.*
- *The support services provide or referrals available include a range of services that address the major risks to learner disengagement such as mental health services, homelessness services, financial counselling, personal counselling, study assistance and mentoring.*
- *An outline of the LLN approach used by the RTO is detailed and that is appropriate for the cohort.*

20% weighting

Developing the cost per learner

In this round, the training request for qualifications and/or skill sets, places and costs has been embedded into the SmartyGrants application form as part of Criteria 2 – Program Overview. However, the same process when developing your costs per learner should be used.

As a guide, to assist in developing the cost per learner, Skills Tasmania has provided the cost calculator spreadsheet which identifies the subsidy Skills Tasmania pays for apprenticeships and traineeships under the Apprentice and Trainee Training Fund (User Choice).

The formula used to estimate the subsidy is based on \$7.00 per hour which is multiplied with the Field of Education Weighting. Each qualification level attracts a different subsidy. For skill sets, the subsidy aligns to the identified qualification.

Note 1: The subsidy requested must include any pre-requisite units as identified in the training package.

Note 2: If the application is assessed as meeting the quality benchmark, then a further assessment is made of those applications against the requested subsidy. If the subsidy requested is equivalent to the Skills Tasmania subsidy then those applications will rate higher. However if the subsidy requested is higher than the Skills Tasmania subsidy then it could adjust the ranking of the application and deem it less competitive.

How to use the Cost Calculator

COST CALCULATOR		
Qualification/Skill Set Price Worksheet	Step 1 - Enter the total nominal hours	
Enter Total Number of Hours	408	
Enter the FoED Cost Weighting	0.91	
Qual/Skill Set Price	2598.96	Hourly rate
Qual Price Cert II & III (2015 Subsidy - price less 5%)	2469.01	6.05
Qual Price Cert IV (2015 Subsidy - price less 25%)	1949.22	4.78
Qual Price Diploma (2015 Subsidy - price less 35%)	1689.32	4.14
Notes: The skill set subsidy price should be based on the qualification level. If the units in the skill set come from more than one qualification, identify the skill set as a whole to determine the Field of Education. The FoED can be identified by looking up the qualification/unit on training.gov.au		
Field of Education (FoED) Cost Weighting		
FoED	FoED Cost Weight	
Accounting	0.8	
Aerospace Engineering and Technology	1.25	
Agriculture	1.12	
Architecture And Urban Environment	1.14	
Automotive Engineering And Technology	1.31	
Banking, Finance And Related Fields	0.76	
Biological Sciences	0.98	
Building	1.16	
Business And Management	0.91	
Civil Engineering	1.21	
Communication And Media Studies	0.97	
Complementary Therapies	0.84	

Example:
Using Certificate IV in Business as an example, the nominal hours are 408 and the Field of Education is Business and Management which has a weighted cost of .91. This results in a qualification of \$1 949.22. THIS IS THE SUBSIDY.

Step 2 – Enter the FOED weighting

Step 1 - The total nominal hours are the hours calculated by adding up the nominal hours of the unit/s selected for the qualification or skill set in the application. The **Nominal hours** per unit listing can be accessed at: laureldw.education.tas.gov.au/trainingpackages.

Step 2 – The Field of Education Cost Weighting is designed to recognise the complexity and effort required to deliver training and assessment for that particular field and determines the variation between the different fields. If you are unable to identify the Field of Study, go to <https://www.abs.gov.au/ausstats/abs@.nsf/0/E7779A9FD5C8D846CA256AAF001FCA5C> which has all the Field of Study classifications which you can then link to the cost calculator FOE weighting.

Post-Grant

Arrangements for successful applicants

RTOs who are notified they have successful applications will be required to enter into a funding agreement with the Department of State Growth, on behalf of the Crown in Right of Tasmania.

The Conditions of Contract for this grant are contained in the [Department of State Growth \(Skills Tasmania\) Agreement for all Programs](#) and of the General Terms and Conditions, Program Specific Terms and Conditions and the schedules outlined in clause 3.0 of that agreement.

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Unsuccessful applications

Applicants will be deemed unsuccessful if they cannot meet all of the eligibility requirements outlined in this guide and/or do not adequately address the assessment criteria or are ranked less competitive.

Unsuccessful applicants will be given the opportunity to receive feedback on their application.

Payments

Details on payment arrangements can also be found in [Department of State Growth \(Skills Tasmania\) Agreement for all Programs](#).

Publishing details of successful grant applicants

The names of successful RTO applicants and the training programs approved for each RTO will be made publicly available on the Skills Fund website.

Training commencement

It is a condition of the Skills Fund program that training in all places must commence within 8 months of a pre-defined date. The '**training can commence from**' and '**training in all places must commence by**' will be identified in the Schedule agreement and PCID Report. Delivery of training cannot start earlier than that date.

These timeframes may be extended by contacting the Skills Fund Program Manager and providing a justification to support the request.

Completion of training

Most training will be completed within a four year period. However if an additional period is required, RTOs are to apply to the Skills Fund Program Manager to request an extension to the funding agreement.



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