



# Queensland Government

## USER CHOICE 2010 – 2015 POLICY

<b>Approving Authority</b>	Executive Director, Skills Investment Department of Education, Training and Employment
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<b>Related Policies and Documents</b>	User Choice Continuing Student Policy 2013 - 2014 Registered Training Organisation User Choice Pre-qualified Supplier Policy Vocational Education and Training (VET) Pre-qualified Supplier Agreement
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## DEFINITIONS

In this policy the following definitions apply:

**'Act'** means the *Vocational Education, Training and Employment Act 2000*.

**'Apprenticeship'** means employment based training declared by Skills Queensland to be an apprenticeship.

**'Apprentice'** means an employee being trained in an Apprenticeship under a Training Contract registered by Skills Queensland on DELTA and issued with a Registration Number.

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

**'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 Points Count or Module Count for certain qualifications or accredited courses.

**'Continuing Student'** means a student recorded on DELTA as having an active Registration Number commencement date prior to 1 July 2010.

**'Continuing Student Agreement'** means a *VET User Choice Program Continuing Student Agreement* awarded to an RTO who has a student or students continuing training and assessment services, which commenced under the User Choice 2006 – 2010 program.

**'DELTA'** means the Department's Direct Entry Level Training Administration database system.

**'Department'** means the Queensland Government Department of Education, Training and Employment.

**'Employer'** means the employer identified in the training contract.

**'Existing Worker'** means a person who has:

(a) Worked 3 months full-time for the employer identified in the training contract;

or

(b) Worked 12 months part-time or casual for the employer identified in the Training Contract and as defined in the Department's *Existing Workers in Apprenticeships and Traineeships Policy*.

**'Government Contribution'** means the amount of public funding the Queensland State Government will contribute towards the cost of training and assessment services for an eligible Apprentice or Trainee to attain the qualification which leads to the occupational outcome of their choice.

**'Letter of Registration'** means the letter issued by the Department to advise an Apprentice or Trainee of their registration on DELTA.

**'Module Count'** means the minimum number of Modules specified by Skills Queensland that are needed to achieve an Apprenticeship/Traineeship outcome. The Module Count in relation to the relevant Qualification is specified in QTIS.

**'New Student'** means a student:

(a) recorded on DELTA as having an active Registration Number commencement date on or after 1 July 2010; or

(b) who recommences an Apprenticeship or Traineeship on or after 1 July 2010.

**‘NVR RTO’** means a training organisation that is registered by the National VET Regulator as a registered training organisation under the *National Vocational Education and Training Regulator Act 2011*.

**‘Parent’** means and includes guardian and each person who is liable to maintain, or has the care and control of, a minor.

**‘Participant’** means a Queensland registered Apprentice/Trainee who is enrolled with the PQS and the PQS is their SRTO.

**‘Point Count’** means the minimum number of Points specified by Skills Queensland that are needed to achieve an Apprenticeship/Traineeship outcome. The Point Count in relation to the relevant qualification is specified in QTIS.

**‘Points’** means the points assigned to an apprenticeship or traineeship program by Skills Queensland, from certain endorsed training package qualifications, which is used as a means to establish the industrial outcome and as a basis for payment.

**‘Pre-qualified Supplier’** or **‘PQS’** or **‘Supplier’** means an RTO approved by the Department as a Pre-qualified Supplier to deliver publicly-funded User Choice training and assessment services.

**‘QTIS’** means the Queensland Training Information Service.

**‘Registration’** means registration of a Training Contract on DELTA.

**‘Registration Number’** means the Training Contract registration number on DELTA for an Apprentice or Trainee.

**‘Restricted Qualifications’** means qualifications, such as those considered as thin markets, which are managed under special arrangements by the Department.

**‘RTO’** means a ‘Registered Training Organisation’ as defined in the Act.

**‘School-based Apprentice or Trainee’** or **‘SAT’** means an Apprentice or Trainee who is a school student – typically years 11 and 12 - in an approved arrangement that allows them to study for their senior certificate or equivalent, whilst at the same time undertaking government approved and accredited training qualifications as paid employees. Students generally would not enter SAT arrangements after the end of semester one of their year 12 studies.

**‘Skills Queensland’** means the state’s statutory body that provides strategic advice to the Minister on current workforce development and skilling issues and performs executive functions in the recognition of group training organisations, the apprenticeship and traineeship system (including apprenticeship and traineeship contracts) and vocational placements in Queensland.

**‘SRTO’** means Supervising Registered Training Organisation as defined in the Act.

**‘Standards for NVR RTOs’** means the Standards for National VET Regulator Registered Training Organisations.

**‘Student Contribution Fee’** means a student’s contribution to the cost of tuition .

**‘Traineeship’** means employment based training declared by Skills Queensland to be a traineeship.

**‘Training and Assessment’** means:

Training is the process used by the Pre-qualified Supplier to facilitate learning.

Assessment is the process of collecting evidence and making judgements on whether competency has been achieved, to confirm that an individual can perform to the standard expected in the workplace, as expressed by the relevant endorsed industry/enterprise competency standards of a training package or by the learning outcomes of an accredited course.

Assessment must include confirmation from the employer as to whether the student has consistently demonstrated competent performance in the workplace tasks relevant to the unit of competency/module.

Assessment must be conducted in accordance with the Training Contract and Training Plan for the student.

**‘Training Contract’** means a national *Apprenticeship/Traineeship Training Contract*, which forms a legally binding agreement between an employer and employee for the training of Apprentices and Trainees leading to a nationally recognised qualification.

**‘Unit of Competency’** means the specification of knowledge and skill and the application of that knowledge and skill to the standard of performance expected in the workplace.

**‘VET’** means Vocational Education and Training.

# **1. POLICY INTENT**

## **1.1 Background**

The User Choice program provides public funding paid directly to Pre-qualified Suppliers (PQS) for the delivery of accredited entry-level training to Apprentices and Trainees.

The program works in conjunction with the Commonwealth Australian Apprenticeships System, under which Apprentices and Trainees (also known in some jurisdictions as “Australian Apprentices”) enter into legally binding Training Contracts with their employers and receive structured training to achieve a nationally recognised qualification.

The User Choice 2010 – 2015 program provides a public funding contribution towards the cost of training and assessment for eligible Queensland Apprentices and Trainees.

The program will provide greater flexibility for Apprentices, Trainees and their employers to select a training supplier of their choice and to negotiate the type of training they require.

Based on the outcomes of an independent review, and ongoing feedback from stakeholders, the User Choice 2010 – 2015 framework and model has been developed to address the most significant challenges of the government’s funding priorities, the contribution towards qualifications and the funding strategy for training and assessment services.

The Queensland User Choice 2010 – 2015 program will provide funding aligned to the skill needs of industry and respond to changing government priorities in a timely manner.

A number of key principles underpin the program, including, ensuring that the program is transparent, flexible, responsive, consistently applied and easily understood.

User Choice related policies and documents are available online through the Department’s training website at [www.training.qld.gov.au/training-organisations/user-choice](http://www.training.qld.gov.au/training-organisations/user-choice).

Information and requirements for Supervising Registered Training Organisations (SRTOs) is available through the Department’s training website at [www.training.qld.gov.au/training-organisations/srto](http://www.training.qld.gov.au/training-organisations/srto).

## **1.2 Employment Arrangements**

The intent of the User Choice program is to provide funding for the training and assessment that supports the apprenticeship and traineeship system, as defined by the Act. User Choice funding is only available when all arrangements, particularly employment arrangements, are consistent with the Act. Thus the employer of an apprentice or trainee must provide adequate facilities, range of work, supervision and the on-the-job training required by the Act and documented in a training plan agreed to with the SRTO and the apprentice or trainee. The SRTO is required to assess these employment arrangements to ensure compliance with the Act.

If the employment arrangements are non-compliant with the Act then the SRTO should not commit to the training plan and must advise the employer, the Australian Apprenticeships Centre and the Department of Education, Training and Employment immediately.

## **1.3 Dual Programs**

The User Choice 2010 – 2015 program will be phased in as the 2006 - 2010 User Choice program is phased out. Hence for a number of years, both programs will operate in parallel. This allows for an orderly, planned transition to the new program.

There are funding and policy differences between the two programs and the commencement date on a student's Training Contract constitutes the principal demarcation between the two programs.

Training delivered to students with a commencement date prior to 1 July 2010 falls under the 2006 - 2010 User Choice program. While the 2010 - 2015 User Choice program aims to provide flexibility where required, the intent of this Policy is for students with a commencement date prior to 1 July 2010 to be managed under the 2006 - 2010 User Choice program. Any attempt to shift students to the new Program simply to access the funding or policy environment of the new Program is considered a breach of this Policy.

## **2. SCOPE**

### **2.1 User Choice 2010 – 2015 Policy Framework**

The User Choice 2010 – 2015 program will operate under the following policy framework:

- This policy supersedes the *Queensland User Choice Program 2006 – 2010 Policy*.
- Continuing Students will be subject to the Department's *Continuing Student Policy* and any future policies or amendments.
- Pre-qualified Suppliers will be subject to this policy, the Department's *Registered Training Organisation User Choice Pre-qualified Supplier Policy 2010 – 2015* and the VET Pre-qualified Supplier Agreement.

The three key considerations of the User Choice 2010 – 2015 program are the government's funding priorities, the funding contribution towards qualifications and the funding strategy used to obtain training and assessment services.

#### **2.1.1 Prioritisation of Funding**

The User Choice program funds nationally recognised, accredited training and assessment services for Apprentices and Trainees.

Under the User Choice 2010 - 2015 program, funding will specifically target the occupational outcomes of the Apprenticeship or Traineeship and align with the skill outcomes required by industry.

The funding priority will determine the level of public funds contributed to training regardless of whether the qualification is an Apprenticeship or Traineeship.

The funding priorities under the User Choice 2010 - 2015 program are:

##### Priority One (100 per cent subsidised)

Priority One qualifications are those which lead to occupations deemed to be critical priorities in Queensland.

##### Priority Two (75 per cent subsidised)

Priority Two qualifications are those which lead to occupations not deemed critical in Queensland but considered as high priorities.

##### Priority Three (50 per cent subsidised)

Priority Three qualifications are those which lead to occupations not deemed critical in Queensland but considered as medium priorities.

##### Unfunded

Unfunded qualifications are those which lead to occupations not deemed critical and which are not a funding priority. These include those qualifications which are not entry level qualifications identified by industry.

The User Choice funding priorities are determined from national and state data in conjunction with industry input, and are reviewed annually.

#### Priority Population Groups

Individuals identified as belonging to a Priority Population Group (PPG) undertaking a Priority Two or Priority Three qualification will receive 100% of the Government Contribution.

PPGs are those declared on the national *Apprenticeship/Traineeship Training Contract*, such as individuals of Aboriginal or Torres Strait Islander origin, individuals from a non-English speaking background and individuals with a disability, impairment or long-term condition.

#### School based Apprentices & Trainees

School based Apprentices and Trainees receive funding aligned to the priority level of the qualification.

#### Existing Workers

Existing Workers, irrespective of whether they belong to a PPG, are eligible for funding only when undertaking Priority One qualifications.

#### Language, Literacy and Numeracy Support

Limited funding is available from the Department for language, literacy and numeracy (LLN) support for eligible Apprentices and Trainees. Funding will be provided under a separate agreement to approved RTOs.

LLN support for school based apprentices and trainees will not be funded. LLN support will be provided by the relevant secondary schooling sector. Accordingly, in the case of a school based Apprentice or Trainee, contact should be made with the relevant secondary school.

### **2.1.2 Funding amounts**

The User Choice Government Contribution represents the level of public funding the government will contribute towards the total cost of training for apprentices and trainees.

Other contributions by industry, employers, apprentices and trainees may be required. Contributions made by apprentices and trainees are governed by section 2.6.1 of this policy.

Information regarding qualifications and Government Contributions under the User Choice 2010 - 2015 program is published on the Department's training website ([www.training.qld.gov.au/training-organisations/user-choice](http://www.training.qld.gov.au/training-organisations/user-choice)).

User Choice 2010 – 2015 qualifications and Government Contributions are available on QTIS.

#### Restricted Qualifications

Information regarding Restricted Qualifications and their special pricing arrangements under the User Choice 2010 - 2015 program is published on the Department's training website ([www.training.qld.gov.au/training-organisations/user-choice](http://www.training.qld.gov.au/training-organisations/user-choice)).

#### Location loadings

Training delivered in country, remote, Cape York and Torres Strait regions of the state will attract a location loading in addition to the Government Contribution. A full list of locations and the relevant loadings is published on the Department's training website ([www.training.qld.gov.au/training-organisations/user-choice](http://www.training.qld.gov.au/training-organisations/user-choice)).

#### Enterprise-specific Registered Training Organisations (ESRTOs) and National Registered Training Organisations (NRTOs)

Under the User Choice 2006 - 2010 program, organisations referred to as ESRTOs and NRTOs received a different level of funding than other RTOs. All training organisations now have the same classification. The Department has removed ESRTO and NRTTO status under

the User Choice 2010 – 2015 program. A PQS who used to be referred to as an ESRTO cannot refuse to become the SRTO for an Apprentice or Trainee who is not in their employ except where specified under Clause 2.7 of this Policy.

### **2.1.3 Funding Strategy**

To deliver publicly-funded training and assessment services to Apprentices and Trainees, RTOs must apply for, and be approved by the Department as, Pre-qualified Suppliers (PQS).

RTOs seeking PQS status can apply online through the Department's training website ([www.training.qld.gov.au/training-organisations/user-choice](http://www.training.qld.gov.au/training-organisations/user-choice)).

Successful PQS applicants will be advised of their authority to commence delivery against approved qualifications under a *VET Pre-qualified Supplier Agreement*.

Funding under the 2010 - 2015 User Choice program is only available for eligible students as per section 2.2.2.

## **2.2 Eligibility Requirements**

### **2.2.1 RTO Eligibility**

Only RTOs approved by the Department to deliver publicly-funded training and assessment services to Apprentices and Trainees under a Vocational Education and Training (VET) Pre – qualified Supplier Agreement for the User Choice program 2010 – 2015 are eligible to receive payment from the Department.

Pre-qualified Suppliers are subject to the terms and conditions of the *VET Pre-qualified Supplier Agreement* and to the *Registered Training Organisation User Choice Pre-qualified Supplier Policy*.

Any organisation seeking to be a Queensland PQS must be a NVR RTO with registration, at the time of the application, for each qualification they are applying to include in their PQS contract.

PQS status is granted for successful applicants from the start date specified in the Department's letter of authority, unless otherwise advised by the Department.

Applicants must wait until they receive the Department's letter of authority before representing themselves to the market as a PQS with access to funding under the User Choice program.

In order to apply for PQS status, RTOs must apply online through the Department's Purchasing Online (POL) system. RTOs seeking to apply for PQS status should refer to the PQS application process detailed on the Department's training website ([www.training.qld.gov.au/training-organisations/user-choice](http://www.training.qld.gov.au/training-organisations/user-choice)).

The PQS application process requires applicants to submit information to the Department relating to their business and the qualifications they would like to deliver under the User Choice program in Queensland.

Applications which do not conform to the requirements of the User Choice program will not be accepted.

Pre-qualified Supplier status will only be granted upon receipt and approval of an RTO's application and subsequent execution of a *VET Pre-qualified Supplier Agreement* by the Department. Successful applicants will be notified of their authority to commence training delivery against approved qualifications.



Pre-qualified Supplier details for approved qualifications will be published on QTIS by the Department.

Only RTOs who hold PQS status and are specifically authorised by the Department can nominate and deliver publicly-funded training and assessment services for Restricted Qualifications.

The Department will automatically remove a qualification from a Pre-qualified Supplier's record on QTIS should the PQS cease to be registered for that particular qualification.

### **2.2.2. Student Eligibility**

To be eligible to receive a Government Contribution the Apprentice or Trainee must have entered into a Training Contract for a qualification that is funded by the Department, be registered on DELTA with a commencement date or recommencement date on or after 1 July 2010, and select a training provider who holds Pre-qualified Supplier status for their nominated qualification.

The Government Contribution for a User Choice funding contribution will be detailed in the Apprentice or Trainee's Letter of Registration from the Department, and is subject to student eligibility and their selection of an eligible Pre-qualified Supplier as their SRTTO.

#### Dual-trade Apprenticeship or Traineeship

A student undertaking a declared dual trade Apprenticeship will receive the Government Contribution as specified on the Department's User Choice 2010 – 2015 Qualification and Price List.

#### School-based Apprentices and Trainees (SATs)

School based Apprentices and Trainees receive funding aligned to the priority level of the qualification. The Government Contribution for the qualification will be detailed in their Letter of Registration from the Department.

SATs are subject to the same policies as Apprentices and Trainees with the following exceptions.

- *School-based Apprentices*

The maximum institutional training which may be delivered for a School-based Apprentice (for the qualification detailed on their Letter of Registration) will be limited to the following delivery levels until such time as the School-based Apprentice transfers to full Apprenticeship status (full-time or part-time) under the same Registration Number and qualification:

- (a) Four year nominal term – 33.3% delivery limit
- (b) Three year nominal term – 40% delivery limit
- (c) Two year nominal term – 50% delivery limit.

The Director – Training at the local regional Training Queensland Office may approve an increase in the institutional training delivery on a case by case basis upon receipt of an application from the parties to the apprenticeship.

PQS reported data will be validated to ensure compliance with this policy.

On transferring to full Apprenticeship status (full-time or part-time) under the same qualification, the School-based Apprentice will be able to access the residual value of their Government Contribution.

The residual value of the Government Contribution will be calculated by multiplying the remaining number of Units of Competency or Points the Apprentice has to complete by

the Unit of Competency or Point value applicable to the student when they first commenced their Apprenticeship.

Transition to full time or part time status must occur by 31 March of the year immediately following the completion of their school-based component of the qualification in order to continue to be funded as a SAT.

- ***School-based Trainees***

On transferring to full Traineeship status (full-time or part-time) under the same Registration Number and qualification, the School-based Trainee will be able to access the residual value of their Government Contribution.

The residual value of the Government Contribution will be calculated by multiplying the remaining number of Units of Competency or Points the Trainee has to complete by the Unit of Competency or Point value applicable to the student when they first commenced their Traineeship.

Transition to full time or part time status must occur by 31 March of the year immediately following the completion of their school-based component of the qualification in order to continue to be funded as a SAT.

### **2.2.3 Multiple Government Contributions**

An Apprentice or Trainee can only receive one Government Contribution for a User Choice funded qualification at any single point in time.

In circumstances where a student undertakes more than one Apprenticeship or Traineeship at the same time, the student will only receive the Government Contribution for the qualification nominated in the first Training Contract registered on DELTA, not the Training Contract with the earliest start date.

A maximum of two Government Contributions will be funded per participant under the User Choice 2010 – 2015 program.

Qualifications which do not contribute to the Government Contribution count are:

- Qualifications funded outside of the User Choice 2010 – 2015 program
- User Choice funded qualifications which commenced but were not completed

For the purposes of determining multiple government contributions, SATs are treated in the same way as other Apprentices and Trainees.

A second Government Contribution is approved for participants who have previously commenced and completed one funded qualification under the User Choice 2010 - 2015 program and the second qualification is a:

- Priority One qualification
- Higher priority than the first qualification.

## **2.3 Government Contribution**

The Government Contribution will be determined by the following business rules:

- The Government Contribution for User Choice funded qualifications will be the “*PRICES - Priority Population Groups*” and “*PRICES – All other students incl SATs*” as published on the QTIS system or specified in the User Choice 2010 – 2015 Qualification and Price List as

published on the Department's training website ([www.training.qld.gov.au/training-organisations/user-choice](http://www.training.qld.gov.au/training-organisations/user-choice)).

- The Government Contribution for all User Choice qualifications will be reviewed annually. Any changes to the Government Contribution, Point Count or Unit of Competency Count will apply only to students commencing under the User Choice 2010 – 2015 program from 1 July of the next financial year period.
- Industry and/or employer contributions may be required where the government's contribution of public funding does not meet the cost of training offered by the Pre-qualified Supplier.

### 2.3.1 Location Loadings

Training delivered in country, remote, Cape York and Torres Strait regions of the state will attract a location loading in addition to the Government Contribution. A full list of locations and the relevant loadings is published on the Department's training website ([www.training.qld.gov.au/training-organisations/user-choice](http://www.training.qld.gov.au/training-organisations/user-choice)).

- **Country:** training and assessment services delivered in a postcode defined in the *User Choice Localities and Location Loadings* document as representing "Country" Suppliers will receive a 15% increase to the Government Contribution applicable for the qualification being claimed.
- **Remote:** training and assessment services delivered in a postcode defined in the *User Choice Localities and Location Loadings* document as representing "Remote" Suppliers will receive a 75% increase to the Government Contribution for the qualification being claimed.
- **Cape York and Torres Strait:** Training and Assessment services delivered in a postcode defined in the *User Choice Localities and Location Loadings* document as representing "Cape York" or "Torres Strait" Suppliers will receive a 150% increase to the Government Contribution for the qualification being claimed.

For this loading to apply Training and Assessment services must not only be delivered in the Cape York or Torres Strait region, but provided to Participants that reside in identified Cape York or Torres Strait regions as defined in the *User Choice Localities and Location Loadings* document.

Cape York and Torres Strait location loadings are only applicable to the 4871, 4873, 4874, 4875, 4876 and 4895 postcodes and must meet the following conditions:

- Only "Postcode" and "Region" combinations shown in the *User Choice Localities and Location Loadings* document as "Cape York" or "Torres Strait" will be accepted for Cape York or Torres Strait location loading claims.
- An Apprentice or Trainee must have a residential address in one of the "Postcode" and "Regions" shown in the *User Choice Localities and Location Loadings* document as "Cape York" or "Torres Strait".
- An Apprentice or Trainee must receive User Choice Training and Assessment services within one of the "Postcode" and "Regions" shown in the *User Choice Localities and Location Loadings* document as "Cape York" or "Torres Strait".
- Pre-qualified Suppliers must report the "Postcode" and "Locality Name", shown in the *User Choice Localities and Location Loadings* document, of the Apprentice or Trainee's residence and the Postcode and Locality Name of where training was delivered to claim and receive a location loading payment applicable to Cape York or Torres Strait.

### 2.3.2 Recommencing Apprentice or Trainee

The Government Contribution for a recommencing Apprentice or Trainee will be determined by the following business rules:

- Recommencing in the Same Qualification

An Apprentice or Trainee who has previously cancelled their Training Contract and then recommences their Apprenticeship or Traineeship in the same qualification will receive a Government Contribution equal to the residual value of their Government Contribution for the qualification at the time of recommencement.

The residual value of the Government Contribution will be calculated by multiplying the remaining number of Units of Competency or Points the Apprentice or Trainee has to complete by the Unit of Competency or Point value applicable to the student when they first commenced their Apprenticeship.

### 2.3.3 Superseded Qualifications

In the event that a qualification is superseded by a new qualification an Apprentice or Trainee will transfer from the original qualification to the new qualification in accordance with the transition and teach out rules prescribed by ASQA.

Outcome Code '65' is to be used (when transitioning an Apprentice or Trainee from a superseded qualification to the new qualification) when a Unit of Competency is identified during the mapping process as similar but not equivalent between the superseded and new qualification. In this case when gap training is required the PQS must report Outcome Code '65' in order to attract a 5% payment for additional training delivered.

Using Outcome Code '65' will not affect the number of competencies undertaken to date by the Apprentice or Trainee.

The PQS cannot charge a Student Contribution Fee for an enrolment in a competency, which is awarded a '65' outcome. The higher Government Contribution and Units of Competency or Point Count between the old and the new qualification will be applied for the Apprentice or Trainee.

## 2.4 Payment and Reporting

To receive payment from the Department, the PQS must:

- provide Training and Assessment services leading to the attainment of the qualification detailed on the Apprentice or Trainee's Letter of Registration.
- provide administrative and support services and meet all other obligations required by any legislation, regulation or standard.
- adhere to the Key Performance Indicators as detailed in Appendix 1 of this policy.
- adhere to the terms and conditions detailed in their *VET Pre-qualified Supplier Agreement*.

All payments to a PQS will be made via electronic funds transfer to a bank account nominated by the PQS.

It is the sole responsibility of the PQS to inform the Department of any changes to their bank account details.

## 2.4.1 Supplier Eligibility

To be eligible to receive payment from the Department for the delivery of User Choice Training and Assessment services, a PQS must:

- hold PQS status with the Department
- ensure that employment arrangements for the apprentice or trainee are compliant with the Act
- meet all PQS Reporting requirements as per 2.4.2
- be the SRTTO appearing on the Apprentice or Trainee's Training Contract at the time of making a claim for payment.

## 2.4.2 PQS Reporting

To make a claim for payment for any Training and Assessment delivery, a PQS must provide an electronic claim report to the Department using the latest AVETMISS compliant system.

It is the sole responsibility of the PQS to ensure that their AVETMISS system complies with the relevant and latest AVETMISS release requirements.

A PQS will only receive payment for data received that is error free and meets the standard Departmental validations for User Choice delivery and payment.

It is the sole responsibility of the PQS to rectify any data errors with the relevant Departmental sectors prior to receiving payment.

## 2.4.3 AVETMISS Reporting Requirements

In relation to each Apprentice or Trainee the Supplier must submit electronic AVETMISS data that contains full and correct information against all relevant fields in AVETMISS as superseded, amended or replaced from time to time, including the following:

- (a) the "Pre-qualified Supplier Number" shown on the letter advising an RTO of their successful application for PQS and the attached *Delivery Schedule*
- (b) relevant "Fund Source Code" specified in this policy
- (c) "Delivery Type Identifier" specified in AVETMISS for the relevant mode of delivery
- (d) "Outcome Identifier" specified in AVETMISS and this policy;
- (e) "Location postcode where the Apprentice or Trainee predominantly undertakes training and/or assessment (excluding online delivery) (as specified in the *User Choice Localities and Location Loadings* at [www.training.qld.gov.au/training-organisations/user-choice/documents-2010-2015](http://www.training.qld.gov.au/training-organisations/user-choice/documents-2010-2015)). In the case of online delivery the RTO must report the postcode of where the training is coordinated from.
- (f) Training Contract DELTA registration number
- (g) an Apprentice or Trainee's eligibility as a priority population group
- (h) other information specified by the Department from time to time.

## 2.4.4 AVETMISS Reporting Timelines

- (a) The PQS must submit electronic AVETMISS data on or before the last working day of each month.
- (b) The PQS must ensure all electronic AVETMISS data that contains full and correct information against all relevant fields (as stated above in 2.4.3) relating to the provision

of Services provided and validate error free no later than ninety (90) days from the date of delivery of the Training and Assessment Services.

- (c) For the purposes of national reporting requirements the Supplier must comply with the notified timelines for the submission of electronic AVETMISS data as identified by the Department.

#### 2.4.5 Data Validations

In order to verify that Training and Assessment services are delivered within policy and contractual guidelines the Department will validate data submitted from a PQS before payment is made.

#### 2.4.6 Payment Level and Value

PQS payments will be made based on the following business rules:

- Payments will be made monthly.
- No payment will be made for Training and Assessment not reported within 90 days after the date the Training and Assessment is delivered.
- All payments will be made at an individual Unit of Competency or Point level.
- All Units of Competency or Points are of equal value, calculated by dividing the Government Contribution by the designated number of Units of Competency or Points for the particular qualification.
- The actual payment value of an individual Unit of Competency or Point will be influenced by:
  - the postcode and locality name of the location of delivery (as required for a location loading); and
  - the postcode and locality name of the Apprentice or Trainee's residency (as required for a location loading)as reported by the RTO.
- Claimed Units of Competency or Points, over the maximum payable Units of Competency or Points for a particular qualification, will not be paid.
- Claims for payment against a Unit of Competency, which has previously been completed, by the Apprentice or Trainee will not be paid.

**Table 1. Fund Source Codes**

Supplier	School-based Apprentices and Trainees	Apprentices	Trainees
TAFE User Choice Fund Source Codes:	T21	T01	T02
Private Provider Fund Source Codes:	SAT	F3	GK

**Table 2. Payment Codes**

Unit of Competency/Module Outcome Identifier and Payment Rates for PQS payment claims:

Outcome Identifier National Code *	Outcome Identifier Description	Payment Percentage (maximum claimable)
20	Competency achieved/Pass <b>User Choice policy requirements:</b> This code is to be applied where: (a) Sufficient evidence has been gathered that competency has been achieved, as expressed by the relevant endorsed industry/enterprise competency standards of a training package or by the learning outcomes of an accredited course; <b>AND</b> confirmation has been obtained by the employer that the student has consistently demonstrated competent performance in workplace tasks relevant to the unit of competency/module	100%
30	Competency not achieved/Fail	100%
40	Withdrawn/discontinued with participation <b>User Choice policy requirements:</b> This code is to be applied where the Training Contract is cancelled or withdrawn in DELTA or there is a change of SRTO and the change or cancellation is recorded in DELTA.	50%
51 <sup>1 2</sup>	Recognition of Prior Learning - Granted	100%
52	Recognition of Prior Learning – Not Granted	0%
60	Credit Transfer/National Recognition	0%
65 (Department Code)	Used when transferring Participants to a superseding qualification and similar Units of Competency are deemed to be non-equivalent. Will not affect a Participant's competency count (see section 2.3.3)	5%
70	Continuing Enrolment	0%
81	Administration Payments	See table below
90	Enrolment in current collection period	0%

\* The use of all Outcome Identifier codes must be in accordance with the relevant AVETMISS release. This can be found at <http://www.ncver.edu.au/publications/2368.html>

<sup>1</sup> Recognition of Prior Learning (RPL) involves the assessment of the previously obtained skills and knowledge an individual has achieved outside the formal education and training system of their apprenticeship or traineeship. RPL can not be claimed for experience, skills or knowledge gained since commencing the current apprenticeship or traineeship.

<sup>2</sup> Recognition of Prior Learning for SATs in Sport & Recreation qualifications attracts a payment percentage of 0%.

## 2.4.7 Administration Payments

The Department will pay for either the Government Contribution or the administration payment, calculated as set out in the following table, in relation to a student, but not both. The administration payment will only be made in relation to students:

- (a) who have achieved a qualification through an alternative pathway, enter the corresponding Apprenticeship/Traineeship for that qualification, and only require a completion certificate to be issued for the Apprenticeship/Traineeship (SRTO1 and SRTO2 payment applies);

- (b) who have received all Training and Assessment required from a different SRT0 under their previous Training Contract, entered into a new Training Contract, and only require a Completion Certificate to be issued for the Apprenticeship/Traineeship (SRT01 and SRT02 payment applies);
- (c) who have gained the entire qualification through recognition of prior learning (the RTO must firstly confirm with a Department Regional Office representative that the student's Training Contract will be approved by Skills Queensland) (SRT01 and SRT02 payment applies);
- (d) whose Training Contract has been cancelled prior to any training provision commencing (SRT01 payment only applies);
- (e) who have withdrawn within the probationary period prior to any training provision commencing (SRT01 payment only applies); or
- (f) who have changed to another SRT0 prior to any training provision commencing (SRT01 payment only applies).

**Table 3. Delivery Type Identifier Payments**

Delivery Type Identifier	Descriptor	Outcome identifier	Unit Competency/ Module Code	Payment Rule	Payment
90	Prepare for training	81	SRT01	Prepare for training: Paid at completion of Participant's induction, including developing a Training Plan that meets the Department's and Skills Queensland requirements.	\$100
90	Apprentice or Trainee completion	81	SRT02	Apprentice or Trainee completion: Paid at completion of the Training Contract after the following has occurred: a) Participant has successfully completed the requirements of the Training Plan; and b) PQS has complied with section 73 of the Act.	\$400

**Table 4. Service Provision Not Funded**

Service provision	Exceptional Circumstances Payment Conditions	Special Reporting Requirements
a) Delivery of any Unit of Competency or Module through RPL where the effect would be that the Participant has completed the entire qualification by way of RPL.	No payment unless the Supplier is entitled to claim an Administration Payment.	



Service provision	Exceptional Circumstances Payment Conditions	Special Reporting Requirements
b) Provision of Training and Assessment services to a Participant who was enrolled after the final enrolment date specified for the relevant qualification in QTIS.	No payment unless the Participant's Training Contract was cancelled prior to the final enrolment date and the Participant recommenced in the Qualification within 3 months of the cancellation.	
c) Provision of Training and Assessment services to a Participant beyond the prescribed teach-out period, as specified in ASQA's general direction on 'transition & teach-out' (as superseded, replaced or amended from time to time), for that superseded qualification.	No payment.	
d) Provision of Training and Assessment services where the Supplier has not complied with all of the requirements of the <i>VET Pre-qualified Supplier Agreement</i> .	No payment.	
e) Provision of Training and Assessment services to a Participant in excess of the Competency Count, Module Count or Points Count specified in QTIS – irrespective of whether or not the Participant received training or assessment against the Competency Count, Module Count or Points Count for the relevant qualification from another provider.	No payment.	
f) Provision of Services that are not reported within the time frame specified in this policy.	No payment.	The PQS must still report this provision to the Department.
g) Training and Assessment services provided to a Participant who has been previously assessed as competent for the same Unit of Competency or Module.	No payment.	The PQS must report this provision as: i) Delivery Type Identifier in accordance with the relevant AVETMISS release; and ii) Outcome Identifier in accordance with the relevant AVETMISS release.
h) Training and Assessment services provided to a Participant where the PQS has received funding or payment in relation to those Services from any other source.	No payment.	
i) Provision of Training and Assessment services to a Participant for whom the PQS is not nominated as the SRTTO in the Participant's Training Contract or through a Department approved amendment.	No payment.	
j) Provision of Training and Assessment services in a Restricted Qualification for which the PQS does not hold specific authorisation from the Department to deliver against.	No payment.	

## **2.4.8 Final date of Enrolment**

A PQS will not receive payment for Training and Assessment services provided to an Apprentice or Trainee with a Training Contract commencement date after the “Final Date of Enrolment” for superseded or discontinued qualifications.

The qualification’s “Final Date of Enrolment” will be published on the QTIS system.

## **2.4.9 Pre-payments**

A PQS will not be provided with a pre-payment for the delivery of User Choice Training and Assessment services.

## **2.5 Variations**

The VET Pre-qualified Supplier Agreement may not be varied except by agreement in writing signed by the Pre-qualified Supplier and the Department.

All Variations to applications must be applied for online through the Variations Online (VOL) function that is part of the Department’s Purchasing Online (POL) system. Pre-qualified Suppliers can access (POL) at <https://www.trainandemploy.qld.gov.au/tol>.

Variations can include but are not limited to adding and removing qualifications and publishing and unpublishing qualifications on QTIS. It is the PQS’ responsibility to ensure that their Delivery Schedule is up to date and that information published on QTIS is correct and up to date.

RTOs may be required to supply Industry and/or employer support letters to support some variation requests. Please refer to the “Industry Support Guidelines for User Choice 2010-2015 Variation Requests” document which can be located on the Departments website at [www.training.qld.gov.au/training-organisations/user-choice/documents-2010-2015](http://www.training.qld.gov.au/training-organisations/user-choice/documents-2010-2015) for details.

The Department does not automatically update a PQS’ Schedule when a qualification is superseded or the PQS is no longer registered for a qualification.

A PQS can only commence training in a new qualification as at the date approved by the Department. Variations will not be backdated.

## **2.6 Fees and Charges**

### **2.6.1 Student Contribution Fees**

- (a) Student Contribution Fees are a Participant’s contribution to the cost of tuition.
- (b) The PQS must detail its fees and charges policy, including full costs method of collection, refunds, and exemptions prior to enrolment and provide access to this written policy to Apprentices and Trainees.
- (c) The PQS must retain evidence of fees collected as well as evidence of Participants who have been deemed as totally or partially exempt from the payment of Student Contribution Fees.
- (d) Student Contribution Fees under the User Choice program in 2013 are set at **\$1.60** per nominal hour for each Unit of Competency/Module to be calculated at the commencement of the Unit of Competency/Module. Student Contribution Fees are adjusted annually and all PQS will be informed by the Department of any changes to the Student Contribution Fees.
- (e) The PQS must not charge Participants or their Parent more than the Student Contribution Fee amounts contained in this Policy except as required periodically by the Department.

- (f) The PQS may only charge less than the Student Contribution Fee if in accordance with sections 2.6.2 or 2.6.3 of this Policy.
- (g) When the Participant converts from a School-based Apprentice or Trainee to a full time or part time Apprenticeship or Traineeship the Participant must be charged the Student Contribution Fee for training and assessment for any Units of Competency not yet commenced.

### **2.6.2 Partial Exemption—Tuition Fees**

The PQS must charge 40 per cent of the Student Contribution Fee where the Participant falls into one or more of the following exemption categories:

- (a) The Participant was or will be under 17 at the end of February in the year in which the PQS provides training, and the Participant is not at school and has not completed year 12;
- (b) The Participant holds a health care card or pensioner card issued under Commonwealth law, or is the partner or a dependant of a person who holds a health care card or pensioner concession card, and is named on the card;
- (c) The Participant issues the PQS with an official form under Commonwealth law confirming that the Participant, his or her partner or the person of whom the Participant is a dependant, is entitled to concessions under a health care card or pensioner concession card; or
- (d) The Participant is an Aboriginal or Torres Strait Islander person. Acceptable evidence is as stated on the Training Contract and AVETMISS VET Enrolment Form.

### **2.6.3 Full Exemption – Tuition Fees**

The PQS may apply full exemption from the Student Contribution Fee where the Participant falls into one or more of the following exemption categories:

- (a) Where payment of the student contribution fee would cause the Participant extreme financial hardship, then the PQS may exempt the Participant from these fees.
  - i. The exemption process should be in place at the time of the Participant's enrolment.
  - ii. For 2.6.3(a) of this *Fees and Charges* section, the PQS must have a reasonable internal process to manage an appeal from a Participant about the outcome of the Participant's application under financial hardship.
- (b) Where the State, as represented by the Departmental officer responsible for the User Choice budget, advises in writing that fees are optional. On receipt of such advice, the PQS may exempt the Participant from the Student Contribution Fee. Any exemptions granted by the PQS do not create a liability for the Department. The PQS may not apply for reimbursement by the Department of fee revenue foregone. Refer to the User Choice 2010 – 2015 Qualification and Price List as published on the Department's training website ([www.training.qld.gov.au/training-organisations/user-choice](http://www.training.qld.gov.au/training-organisations/user-choice)) for information on where fee exemptions are applicable.

The PQS must apply full exemption from the Student Contribution Fee where the Participant falls into one or more of the following exemption categories:

- (a) Where credit transfer/national recognition has been applied to a Unit of Competency/Module.
- (b) Where the Participant is a School-based Apprentice or Trainee.

## **2.6.4 Additional Charges**

### Employer/Industry

The Pre-qualified Supplier may seek additional charges from the employer/industry. Any additional charges must be negotiated up-front and disclosed to the employer/industry prior to the participant's enrolment.

## **2.6.5 Refund Policy**

The PQS must have a refund policy that meets the requirements of the Standards for NVR RTOs. This policy must also include:

- (a) the provision for full refunds to Participants for Student Contribution Fees charged for training delivery that has not commenced at the time of the cancellation of enrolment
- (b) the provision of proportionate refunds where the Participant has withdrawn from a Unit of Competency/Module; and
- (c) the provision of refunds to employers/industry for additional charges paid beyond the Participant and government contributions.

## **2.6.6 No Charges**

The PQS must not charge Participants for:

- (a) The provision of materials essential to achieving competence;
- (b) The development and supply of a Training Plan; and
- (c) The development and supply of the initial Training Record.

## **2.6.7 No claim against the Department**

The PQS must not claim and will not be paid by the Department in respect of the fees and charges under this Policy.

## **2.6.8 Withholding of results, statement of attainment or qualification due to non-payment of fees.**

When the PQS has claimed payment for the relevant units of competency through the User Choice funding program, the PQS must not withhold the results, statement of attainment or qualification from an Apprentice or Trainee due to the non-payment of fees.

## **2.7 Pre-qualified Supplier refusal to provide services**

The PQS may only refuse to become a SRTTO, or enrol or provide the training and assessment services to an Apprentice/Trainee if one or more of the following circumstances apply:

- The PQS has the Department's consent not to enrol Apprentices/Trainees.
- The Employer of the Apprentice/Trainee is a prohibited employer under the Act.
- The PQS is prevented pursuant to the Act from enrolling Apprentices/Trainees.
- The Apprentice/Trainee does not pay their Student Contribution Fee despite being advised of the PQS fees policy prior to enrolment.
- The Employer does not pay, or agree to pay, any additional PQS charges associated with the provision of Training and Assessment Services

## SUPPLIER PERFORMANCE

- A PQS will be subject to the terms and conditions of their *VET Pre-qualified Supplier Agreement*.
- A PQS will be subject to the performance measures (Key Performance Indicators) under the User Choice 2010 – 2015 Program as specified in Appendix 1.
- Failure to meet the standard of performance under the program Key Performance Indicators may result in Agreement termination.
- The Department will undertake monitoring and evaluation activities to ensure Pre-qualified Suppliers are adhering to the required standards and acting within the intent of the User Choice 2010 – 2015 Program.

## Appendix 1.

Key Performance Indicators	Standard of Performance	Method of Calculation Performance determined by the Department reviewing:
<b>(a)</b> Client Satisfaction	(1) Satisfactory resolution of any complaint received by the Department (2) Satisfactory management of student training progression (3) Maintain satisfactory training services to apprentices and trainees	(1) Advice and/or recommendations from Departmental Officers and/or Industry Representatives (2) Recorded outcomes collected and through investigation of the results from targeted workplace visits (3) Change of Supervising Registered Training Organisation as recorded on DELTA
<b>(b)</b> Reported Outcomes	(1) Achieve and report a minimum of 90% successful completion of Units of Competency of the annual payable training delivery (completed Units of Competency)	(1) Performance calculated as the percentage of successfully completed Units of Competency against all Units of Competency assessed.