



WorkReady Subsidy Framework

Extract from

Directions under WorkReady Accredited Training Service Agreement (ATSA)

Extracted from Version 2.0 –30 April 2019

This document only contains chapter 7 and 8 from the original Directions document and is provided for the purpose of supporting the determination of the WorkReady subsidy and Participants Course Fee.

Versions

Version	Date	Details
1.0	8/7/16	Chapter 8 & 9 extracted from the “ <i>Directions under WorkReady Accredited Training Service Agreement (ATSA)</i> ” document version 2.0, 30 April 2019 last amended 4/9/19

Contents

7	WORKREADY SUBSIDY	7-1
7.1	The subsidy.....	7-1
7.2	Delivery location loading calculation	7-1
7.3	Recognition of Prior Learning.....	7-2
7.4	Completion Payment	7-2
7.5	Participant Course Fee Concession Reimbursement.....	7-3
7.6	Participant Course Fee exemption	7-4
7.7	Bridging Units	7-4
7.8	Attempts at a unit of competency	7-4
7.9	On-Job training and employer-based delivery	7-4
7.10	Result codes	7-4
7.11	Claim adjustment resulting in subsidy adjustment	7-5
8	PARTICIPANT COURSE FEE.....	8-1
8.1	Collection of Participant Course Fee.....	8-1
8.2	Courses on which a Participant Course Fee cannot be imposed	8-1

7 WORKREADY SUBSIDY



RELATED DOCUMENTS

ATSA, clause 12: Payment of Subsidies

ATSA, clause 14: Repayment Event

ATSA, clause 26: Upfront Assessment of Need (in relation to payments of subsidies for Bridging Units)

ATSA, clause 32: Fees

ATSA, Schedule 1, Item 8: Subsidies for Accredited Training

7.1 The subsidy

The subsidy comprises:

- Training subsidy, based on completion of a unit of competency, inclusive of delivery location loadings, adjustments and concession and exemption of Participant Course Fees.
- Completion payment on completion of the course.

The training subsidy is determined in accordance with the following formula:

$$\frac{((\text{Base Rate} \times (1 + \text{Delivery Location Loading})) - \text{AQF Reduction}) \times \text{Course Adjustment} \times \text{Result Code Adjustment} \times \text{Payment Hours}}{1}$$

where:

- “Base Rate” is determined according to the field of education that a unit of competency or accredited module is assigned to, and represents the deemed hourly cost to deliver the training.
- “Delivery Location Loading” is a loading that may be added if the training is delivered outside the Adelaide metropolitan area.
- “AQF Reduction” is based on the AQF level and applied to the Base Rate after the Delivery Location Loading is taken into account. This reduction is deemed to be the Participant Course Fee.
- “Course Adjustment”: The Minister may adjust the subsidy for a particular course.
- “Result Code Adjustment” is the adjustment made according to a result code, e.g. Recognition of Prior Learning.
- “Payment Hours” is the number of hours payable for a unit of competency, which is informed by the Victorian Purchasing Guide.

7.2 Delivery location loading calculation

A unit of competency completed by a Participant may attract an additional payment depending on the delivery location and delivery mode of the training.

The AVETMISS Training Organisation Delivery Location (NAT00020 file) must specify for each Participant the location where the training is delivered for each completed unit of competency.

In addition, the Delivery Mode Identifier in the AVETMISS NAT00120 Enrolment File must identify the predominant mode of delivery for each unit of competency, as follows:

- For classroom-based and employment-based delivery modes (AVETMISS Delivery Mode Identifier 10 and 30 respectively), the delivery location for a unit of competency is the predominant location where the training is conducted.
- For electronic and correspondence-based delivery modes (AVETMISS Delivery Mode Identifier 20 and 40), which may include correspondence-style, web-based, computer-based, on-line, radio, television, videoconference or audio conference, the delivery location for a unit of competency is the predominant location where the training is coordinated.
- For Recognition of Prior Learning (RPL), the delivery location is determined by the mode of delivery of the RPL (i.e. classroom, electronic or correspondence) as described above.

The location loading classifications and additional subsidy loadings are listed in the table below:

Highly accessible	0%
Accessible	10%
Moderately accessible	20%
Remote	30%
Very remote	40%
Interstate	0%

7.3 Recognition of Prior Learning

The use of Recognition of Prior Learning (RPL) is closely monitored by DIS, as the attainment of any qualification subsidised under WorkReady is expected to comprise substantial skill and knowledge development, rather than large amounts of RPL activity. Where most of the qualification is likely to be achieved through RPL, it is expected that the Service Provider will assess and support the Participant to enrol in a higher-level qualification to ensure that skill levels are increased, rather than enrolling the Participant in a qualification that will be attained mostly by RPL.

The subsidy paid for RPL (AVETMISS result code **51 or 52**) in a unit of competency completed by a Participant enrolled in a course at Certificate III and above is **50%** of the published subsidy inclusive of the location loading.

A subsidy will not be paid for RPL for Participants enrolled in:

- Skill Sets;
- Skill Clusters;
- Certificate I or II Courses;
- Bridging Units;
- Foundation Skills courses.

7.4 Completion Payment

On completion of a qualification, a Completion Payment may be payable, in addition to the subsidy. This varies according to the qualification level, as follows:

Certificate I or II	\$0
Certificate III or IV	\$200
Diploma or Advanced Diploma	\$400
Skill Sets	\$0
Skill Cluster	\$0

To qualify for the Completion Payment, the Service Provider must:

- Change the Participant’s Training Account status to “Qualification Issued”; and
- Enter into the Training Account the parchment number and date issued.

7.5 Participant Course Fee Concession Reimbursement

A Participant enrolled in a course for which a course fee can be charged will be eligible for a Participant Course Fee Concession if, at the **commencement of training in a unit of competency** in the course, the Participant holds a current:

- Health Care Card; or
- Pensioner Concession Card; or
- Veteran Affairs Concession Card.

The Service Provider must offer a Participant Course Fee Concession to a Participant who holds one of the above concession cards, and the level of concession must be commensurate with DIS’s calculation of concession reimbursement described in the next section.

A Participant enrolled in a course for which a fee can be charged will be eligible for a Participant Course Fee Concession if the Participant is a **prisoner** in a South Australian correctional institution. This includes all prison inmates, detainees, people on remand, those held in South Australian institutions in connection with the commission of an offence and extends to children in South Australian detention centres who are beyond the age of compulsory schooling. Generally, this group of Participants may be referred to a Service Provider through a Prisoner Education Officer.

The Service Provider must seek and retain evidence of eligibility for a Participant Course Fee Concession from the Participant and record this in the Participant’s Training Account to ensure that the correct subsidy is paid.

The Service Provider must ensure the information about concession eligibility recorded in the Training Account for each Participant is current and maintained throughout the period of the enrolment.

The concession subsidy will only be paid for a resulted unit of competency if the expiry date of the Concession Card is later than the Enrolment Activity Start Date for the unit of competency.

Where a Service Provider gives a Participant a concession, and the expiry date of the Concession Card is later than the Enrolment Activity Start Date for the unit of competency, the Service Provider will be reimbursed by the Minister for the Concession saving passed on to the participant, up to a maximum of \$1.35 per hour. The reimbursement cannot be more than the concession given to the participant.

7.5.1 Calculation of concession reimbursement

The concession reimbursement payable by the Minister is the standard Participant Course Fee for the course minus \$0.50 per hour of training delivered, to a maximum of \$1.35 per hour. The table below shows examples of concession reimbursement, based on the standard Participant Course Fee charged by the Service Provider.

<i>Example</i>	<i>Standard Participant Course Fee</i>	<i>Concession reimbursement</i>	<i>Participant pays</i>
A	\$0.50 per hour	\$0	\$0.50 per hour
B	\$0.80 per hour	\$0.30 per hour (\$0.80 - \$0.50)	\$0.50 per hour
C	\$1.85 per hour	\$1.35 per hour (\$1.85 - \$0.50)	\$0.50 per hour
D	\$2.50 per hour	\$1.35 per hour	\$1.15 per hour

The calculation of a concession reimbursement is based on the information provided by the Service Provider in the creation of a Training Account.

Note: The concession course fee that the Participant is charged is managed by the Service Provider outside of Skills and Employment systems.

7.6 Participant Course Fee exemption

Participants over the age of 16 and who are, or have been, under the Guardianship of the Minister for Education and Child Development (or interstate equivalent) on any guardianship order, will be eligible for a Participant Course Fee exemption.

Where a Participant is entitled to an exemption of the Participant Course Fee, the Service Provider must not impose a Participant Course Fee.

The Subsidy Calculator will enable the Service Provider to estimate the subsidy payable for completed units of competency for Participants who are entitled to a Participant Course Fee exemption.

7.7 Bridging Units

A subsidy will be payable for up to five (5) Bridging Units completed by a Participant enrolled in a full qualification (see **Bridging Units** Direction and Upfront Assessment of Need Direction).

7.8 Attempts at a unit of competency

A subsidy will be paid for up to three (3) separate attempts by a Participant to complete a unit of competency. An attempt by a Participant comprises enrolment, training activity and assessment of the unit of competency.

A subsidy will be payable for an attempt in the same or equivalent unit of competency if an AVETMISS result code has been recorded in the Participant's Funded Training History as Competency Not Achieved/Fail (**30**) or Recognition of Prior Learning Not Achieved (**52**) **and**

- the Participant has subsequently re-enrolled and been re-assessed in the same unit of competency; **and**
- the Service Provider retains evidence to this effect; **and**
- a Subsidy has been paid for the same unit of competency no more than twice.

7.9 On-Job training and employer-based delivery

No subsidy will be payable to a Service Provider where the training services are delivered or provided by the employer of the Participant, and where the Service Provider's role is to validate the achievement of competency and issue the qualification or statement of attainment.

No subsidy will be payable for a course completed by a Participant who is under a **Training Contract** where the Participant and the employer select the "on-job" option in the approved Training Plan as required under the *Training and Skills Development Act, 2008*.

7.10 Result codes

The result codes for which a payment will be made are detailed in Schedule 1 of the ATSA and replicated below.

<i>AVETMISS result code</i>	<i>AVETMISS result code descriptor</i>
20	Competency achieved/pass
30	Competency not achieved/fail
51	Recognition of Prior Learning granted
52	Recognition of Prior Learning not granted
70AP	Academic Pass (only for prescribed units)

7.11 Claim adjustment resulting in subsidy adjustment

Subsidies may need to be recovered, or additional subsidies paid, as a result of:

- Data reported into STELA that was not complete, compliant and accurate as required by AVEMISS and Directions; or
- Data re-reported into STELA that has been amended and may reflect a different subsidy calculation (for example, a change in delivery location); or
- The Minister has miscalculated a claim value.

Claim adjustments will be undertaken on a monthly, quarterly and annual basis, as described below. Resulting subsidy adjustments will be limited to activity within the current AVETMISS reporting period, i.e. no subsidy adjustment will occur if the data cannot be reported under AVETMISS.

Note, however, that any repayment due as a result of a breach of the ATSA (clause 14 - Repayment Event), the repayment will not be limited to activity within the current AVETMISS reporting period.

Monthly and quarterly

Monthly as part of the subsidy claim period, and quarterly as part of the AVETMISS reporting period, a reconciliation of subsidies paid identifies any data discrepancies. Where appropriate, Service Providers will be given the opportunity to amend their data. There may be instances where a recovery or additional payment will occur.

AVETMISS reporting period

At the conclusion of each AVETMISS reporting period (i.e. calendar year), there will be a reconciliation of subsidies paid compared to data reported. The reconciliation will investigate:

- Data no longer being reported by a Service Provider;
- Data still being reported, but no longer coded with the correct Fund Source Indicator; and
- Data still being reported, but the result code has changed and is no longer a payable result code.

Reports will identify data integrity issues highlighted by the reconciliation. The Service Provider will be given the opportunity to amend records where appropriate. Discrepancies that cannot be amended may result in recovery action.

8 PARTICIPANT COURSE FEE



RELATED DOCUMENTS

ATSA, clause 32: Fees

ATSA, clause 32.3: Incidental Fees

ATSA Direction: Marketing

ATSA Direction: WorkReady Subsidy (Participant Course Fee Concession Reimbursement)

ATSA Direction: WorkReady Subsidy (Participant Course Fee Exemption)

8.1 Collection of Participant Course Fee

WorkReady subsidy levels are premised on the principle of co-investment, i.e. that in addition to the subsidy, there will be a financial contribution for the training in the form of a Participant Course Fee paid to the Service Provider by the Participant, the employer of a Participant, or some other person or body. Hence, there is an expectation that the Service Provider shall charge a Participant Course Fee, unless otherwise specified by the Minister (see below). The Participant Course Fee cannot be paid or waived by the Service Provider.

The Service Provider may not collect a Participant Course Fee from:

- Training Guarantee for SACE Students (TGSS) for TGSS approved Certificate II courses
- Australian School Based Apprenticeship (ASBA) students for TGSS approved Certificate II courses
- Flexible Learning Option (FLO) students undertaking Certificate II courses

Where a Participant Course Fee is payable, the Service Provider must record it accurately in the creation of a Training Account and must retain evidence of the collection of the fee.

In accordance with the ATSA, Service Providers must publish full and accurate information on Participant Course Fees, and any Incidental Fees. The Service Provider must not charge additional fees such as administration or enrolment fees.

Service Providers must not charge Participants a full fee-for-service fee upfront, and subsequently reimburse the Participant with the WorkReady subsidy when it is received.

8.2 Courses on which a Participant Course Fee cannot be imposed

The Service Provider may not collect a Participant Course Fee in the following circumstances:

- Foundation Skills courses (FSK); or Bridging Units sourced from the Foundation Skills training package.
- Participants who are entitled to an exemption of the Participant Course Fee (see **WorkReady Subsidy** Direction).