

VET in Schools (VETiS) Vocational Education & Training (VET) Funding Framework

Overview

Vocational education and training in Schools (VETiS) is VET undertaken by students while they are at secondary school. Students are offered education and training focused on delivering qualifications that provide the skills and knowledge required for specific industries. Students can undertake VETiS as part of their school studies. This training can be delivered by school RTOs, or students can enrol in a course at TAFE or another RTO.

From 1 July 2014, there will be changes to the way VETiS is funded for schools and students wishing to access the VET investment budget for their VETiS activity. The majority of VETiS activity in Queensland is delivered and resourced by school RTOs. It is important to note that there will be no impact for students undertaking VETiS that is provided and resourced by a school RTO or self-funded VETiS students. School-based apprenticeships and traineeships (SATs) are separate to VETiS and are not impacted by these changes.

Students accessing VETiS through external RTOs can still access any qualification across a range of industries. However in line with the recommendations of the Queensland Skills and Training Taskforce, the VET investment budget will only fund those qualifications that have been identified by industry as most likely to lead to employment (known as employment stream).

Purpose

The VETiS VET Funding Framework establishes the funding parameters for the use of publicly funded VET investment for the delivery of VETiS for students who commence VETiS after 1 July 2014.

Scope

The VETiS VET Funding Framework applies to students commencing vocational education and training in schools funded by the VET investment budget from 1 July 2014. The Framework does not apply to:

- VETiS resourced and delivered by school RTOs;
- SATs which will continue to be funded through User Choice arrangements; and
- VETiS undertaken through fee-for-service training arrangements.

Importantly, VETiS has been delivered and funded by schools in their capacity as school RTOs for many years. VETiS funded by the VET investment budget represents only a small proportion of funding for VETiS activity in Queensland.

Rationale for change

Changes to VETiS, funded by the VET investment budget, stem from (1) the recommendations of the Queensland Skills and Training Taskforce; and (2) actions contained in *Great skills Real opportunities*.

Skills and Training Taskforce

Recommendation 2.9 of the Queensland Skills and Training Taskforce final report identified a need for VETiS to be delivered “within a strictly applied framework that supports achievement of the Government’s economic goals, however Vet Revenue General (VRG) Investment in VETiS needs to be focused on employment outcomes and aligned to the skills needs of industry.”¹

The Government’s response to the Skills and Training Taskforce reaffirmed the Government will target VET investment funding towards VETiS qualifications that deliver clear employment pathways, known as employment stream qualifications.

Great skills Real opportunities

The Queensland Government reform action plan for further education and training, *Great skills Real opportunities* outlines actions to achieve a fully contestable training market, whereby all government funded training, including User Choice and other government subsidised training such as VETiS, will be delivered contestably from 1 July 2014.

Summary of changes to VETiS funded by the VET investment budget

- Schools wishing to provide students with VETiS activity funded by the VET investment budget can choose any registered training organisation (RTO) approved by the Department of Education, Training and Employment (DETE) that is a pre-qualified supplier for the eligible qualification.
- From 1 July 2014, the VET Investment budget will fund students to complete one employment stream qualification.
- Employment stream qualifications are certificate I and II level qualifications that have been identified by industry as leading to employment. [List of employment stream qualifications](#).
- Students wishing to undertake a Certificate III level qualification, funded by the VET investment budget, should enrol in a school-based apprenticeship or traineeship. Certificate III VETiS qualifications that are not delivered as a school-based apprenticeship or traineeship may be considered for VET investment funding subject to the approval of an [Industry Proposal Funding Submission](#). Further details regarding Industry Proposal Funding Submissions are outlined below.
- Foundation skills required to complete a VETiS qualification will continue to be delivered and funded by schools

¹ Government response to the Queensland Skills and Training Taskforce final report, November 2012

Eligibility

Student eligibility

All Queensland secondary school students in Years 10, 11 and 12 can access VET within any recognised qualification across a range of industries in a school environment; however VET investment funding can only be used for those qualifications identified as employment stream qualifications.

Students who complete a certificate III (or higher) qualification at school can access further government subsidised training after school e.g. [Year 12 fee-free training](#) and the [Certificate 3 Guarantee](#).

RTO eligibility

RTOs that wish to deliver VETiS, funded by the VET investment budget, must be approved by the Department of Education, Training and Employment (DETE) as a pre-qualified supplier. Funding follows the eligible student to their chosen pre-qualified supplier and is paid directly to the supplier on submission of the student's validated training data.

School RTOs are not eligible to be a DETE approved pre-qualified supplier for delivery of VETiS. School RTO means a legal entity that is both a school and RTO and has an RTO type of "school" on www.training.gov.au.

School means either:

- A state school is a State instructional institution which provides primary, secondary or special education as defined under the *Education (General Provisions) Act 2006*.
- A private school which is accredited as a non-State school under the *Education (Accreditation of Non-State Schools) Act 2001* to provide primary, secondary and special education.

RTO means a registered training organisation as defined in Section 3 of the *National Vocational Education and Training Act 2011*.

DETE will not support School RTOs becoming pre-qualified suppliers to deliver VETiS funded by the VET investment budget due to the real or perceived conflicts of interest that would arise, namely:

- potential to cost shift between the Education and VET investment budgets, where existing VETiS activity resourced by the school can be transitioned to funding for the School RTO under the VET investment budget, creating additional government expenditure with no additional training outcomes
- potential for conflict in the role of supporting students, as under the VETiS arrangements funded by the VET investment budget, the final choice of RTO and arrangements for enrolment with the selected RTO should be made by the school, in consultation with students and their parents, and this role may conflict with the objectives of a School RTO.

RTOs who are a DETE approved pre-qualified supplier must adhere to all policies, requirements, standards and key performance indicators.

DETE regional offices can provide advice and assistance regarding RTOs that can meet VETiS requirements for schools and industry; however the final choice of RTO is made by the school.

[View the list of PQS.](#)

Industry Proposal Funding Submission

The employment stream list identifies those qualifications that will be funded by the VET investment budget. Other qualifications may be added to the employment stream and receive VET funding, subject to submission of a business case by employers that demonstrates employment pathways and clear support from industry. To be considered for VET investment funding, submissions must demonstrate:

- local arrangements brokered between employers and schools for employment of VETiS graduates, with evidence of employer consultation;
- employers guarantee employment of successful VETiS graduates; and
- consultation with Department of Education, Training and Employment (DETE) regional offices and schools.

Further information on the [Industry Proposal Funding Submission](#).

Fees

VETiS funded by the VET investment budget is fee-free for students. Subsidies for VETiS are detailed in the [Queensland Training Subsidies List](#). The maximum subsidy for VETiS students will be paid in most circumstances. The subsidy for each VETiS qualification should cover the costs associated with participating in the training. In some instances there may be a shortfall between the subsidy level and the fees charged by the pre-qualified supplier. This is known as the co-contribution fee. This fee should be paid by the school to the pre-qualified supplier.

A pre-qualified supplier must disclose any fees upfront and clearly publish them on their website. This allows schools and students to be informed of the all training costs and compare co-contribution fees across different pre-qualified suppliers.

Timelines

These funding principles will be applicable for VETiS students that commence in training after 1 July 2014.