TAFE Technology Fund Guidelines for Applications from States and Territories

Contents

Context

The Australian Government is working with States and Territories to put TAFE at the heart of the Vocational Education and Training (VET) sector. The Australian Government in the 12-month Skills Agreement has committed to work with states and territories to address national areas of priority skill demand including: care (aged care, childcare, health care, disability care), technology and digital, hospitality and tourism, construction, agriculture, and sovereign capability (for example manufacturing, and Defence). As part of the 12-month Skills Agreement, the Australian Government has set aside $50 million for the TAFE Technology Fund (the Fund) to support TAFEs across the country to upgrade and expand their facilities, such as laboratories, workshops and IT services. To date 14 projects have been committed to be supported from the Australian Government's TAFE Technology Fund (the Fund) to a total value of $28.2 million (Committed Projects), and $21.8 million of the Fund (the Funding Pool) remains available for distribution to 'Pool Projects' (projects) through the process outlined in these Guidelines.

Overview

1) This document provides guidance for state and territory governments (states) to put forward project proposals for the Fund's Funding Pool, and the administration of those projects, once agreed. This includes guidance on:
    a) submitting a project proposal under the Funding Pool
    b) the content of state project proposal(s)
    c) the assessment of a state's project proposal(s) by the Australian Government, and
    d) the conditions on project funding from the Funding Pool.
2) The following general process and parameters are proposed for distributing the balance of the Funding Pool to projects:
    a) state governments may submit a project proposal on behalf of TAFEs (or public provider campuses[1]) for assessment for capital funding by the Australian Government
    b) the Australian Government contribution per project is capped at $3.2 million (e.g. the Australian Government may fund the full cost of a Pool Project up to the value of $3.2 million where the value of the project is $3.2 million or less)
    c) states may use up to ten per cent of the total Commonwealth contribution for project administration, and
    d) projects will have a target for completion within 24 months of a state government signing a TAFE Technology Fund Project Plan. Projects must demonstrate a benefit to a currently identified need and contribute in the near term to improvements in training, while balancing market capacity to deliver the project in the target timeframe. As agreed in the 12-month Skills Agreement[2] applications will be assessed in terms of:
        i) value for money
        ii) contribution to improving training delivery standards expected by industry
        iii) evidence of industry support
        iv) demonstrable need identified in the state or territory TAFE sector
        v) completion by 30 June 2025, and
        vi) history of capital support for addressing the need.

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[1] For the purposes of clarity, projects on school campuses are not eligible for funding.
[2] 12-month Skills Agreement, p 12

Submitting a project proposal

3) Proposals must be submitted to the following email box: TAFETechFund@dewr.gov.au, by 8:00 PM (AEST) 26 May 2023. Proposals submitted after this time will only be considered in light of extenuating circumstances.

4) All relevant information for a project proposal (see 'What to include in the proposal(s)' below) should be provided in a single document (pdf or docx) attached to the email. Multiple project proposals each require a standalone project proposal document, however multiple project proposals can be attached to a single email.

5) The covering email should clearly set out what project proposals are attached and any order of preference the state government has for considering them.

What to include in the proposal(s)

6) Each project proposal document by a state must contain:
   a) description of the project, including:
      i) the evidence of need for the project and how the project proposal contributes to improving training delivery standards in the near term (e.g. meeting industry requirements, better use of equipment, more up-to-date equipment and technology, better learning environments)
      ii) number, and demographics, of students that are likely to benefit from the project
      iii) linkages to local and regional employment skills needs
      iv) description of current training infrastructure
      v) proposed evidence of project completion (e.g. certificate of occupancy, certification of equipment operation)
      vi) a brief summary of how the project will be managed
      vii) detail on how the Australian Government will be consulted on the nature and content of any events, announcements, promotional activity or publicity related to the Funding Pool, and
      viii) other relevant information.
   b) total cost of the project, including:
      i) funding contribution sought for the project (capped at $3.2 million) from the Funding Pool and other capital funding sources (e.g. state, industry, etc), if applicable
      ii) evidence that the project proposal can be completed by 30 June 2025 and expected project timeline and payment milestone, and
      iii) commitment by the state to ongoing operational funding for the project proposal (if required).
   c) outline of any recent capital investment to address the identified training need of the project proposal
   d) demonstrated industry support for the proposal (e.g. letter from a Chamber of Commerce, an industry bodies and unions, a local employer group, or a report outlining a need for the project produced by or on behalf of industry or employers)
   e) outline of state policies and processes to prevent, detect and address fraud and corruption
   f) letter of support from the state Skills Minister outlining the priority of the project proposal, and
   g) evidence, if nomination sought, for the Australian Government Skills and Training Minister to consider a project proposal urgently for funding prior to closing of the submission window (Clause 3).

Assessment process

7) The state proposals will be assessed by Australian Government officials who will provide advice to the Australian Government Skills and Training Minister. Proposals will be assessed as: very good; satisfactory; or unsatisfactory; against the criteria of:

    a) value for money.
-        i) outline how the project represents an efficient, effective, economical and ethical use of public resources, including how the state is contributing to the project, if applicable.
-        ii) the economic benefit such as:
    - delivering state of the art, flexible and interactive training experiences in line with industry expectations, equipment or technologies,
    - improved infrastructure to enhance industry relevance and/or learner experience, or
    - meeting skills gaps with job ready graduates to meet employer and community skills needs.
-        iii) how the project will be managed, including adequacy of fraud prevention, detection and control policies and processes.

    b) contribution to improving training delivery standards expected by industry.
-        i) the project proposal outlines how the project will contribute to improving the quality of training to meet the needs of industry.

    c) demonstrable need – that it meets a need identified in the state TAFE sector.
-        i) A statement (letter, news item, media release etc.) from the state Skills Minister or other state government spokesperson and/or other relevant sources supporting the claim that the project will address a currently identified need in the state TAFE system.

    d) industry support.
-        i) a statement (letter, news item, media release etc.) from industry and/or employer groups, and/or unions supporting the claim that the project will improve training standards.

    e) completion by 30 June 2025.
-        i) the ability for the project to be completed by 30 June 2025. This could include a risk analysis/plan to mitigate issues such as supply-chain disruption. Proposed evidence for completion will be considered.

    f) history of capital support for addressing the need.
-        i) details of any recent capital support (by governments or other means) to addressing the need.
    - (1) Generally, a lack of recent capital support will be assessed positively.

    g) urgency (if applicable).
-        i) details of the how urgent assessment by the Commonwealth of a project proposal would lead to an expedited improvement in training delivery standards expected by industry and/or demonstratable need of the state TAFE system.

8) Each criterion will be assessed using a Rubric and given a rating of:

    a) very good – exceeds the criterion requirements.
    b) satisfactory – meets the criterion.
    c) unsatisfactory – does not meet the criterion.

9) An overall rating for the project will be given, noting:

    a) all criteria are equally weighted.

b) if, a project that continues to receive a result of 'unsatisfactory' against the criteria, even after supplementary information has been provided, may not be further considered.

c) all projects rated 'very good' or 'satisfactory' will be ranked as potential priorities.

d) a project's ranking within funding allocations may be influenced by geographic factors. Proposals for projects in regional and remote areas will be regarded positively.

10) Australian Government officials may seek further project proposal information from states to inform their assessment.

11) The final list of successful projects will be limited by the size of the Funding Pool ($21.8 million). The Australian Government may seek to negotiate with states on the scope of proposed projects and the amount of Australian Government funding (e.g. partial project funding) in order to reach this figure.

12) Australian Government officials will recommend projects for support from the Fund to the Australian Government Minister for Skills and Training, based on clauses 7 to 11, for decision.

13) The decision of the Australian Government Minister for Skills and Training will be final.

Advice on outcome of assessment

14) The state Skills Minister will be advised of successful projects in their jurisdiction following completion of the assessment process.

15) Feedback on unsuccessful project proposals will be limited to broad statements against the criteria.

Payments and reporting

16) Funding payments for successful proposals will be based on:

a) 70 per cent on signing of the Project Plan(s), and

b) 30 per cent on completion of the project as evidenced by relevant certifications as agreed in the Project Plan and provision to the Australian Government of a final acquittal report (see Part 2 and Part 3 of the 12-month Skills Agreement and 18 b) below).

Unless otherwise agreed between the Australian Government and a state.

17) Reporting obligations to the Australian Government for projects supported by the Funding Pool are:

a) quarterly progress report against the individual Project Plan(s), due 15 days after the end of the quarter in the template provided by the Australian Government, and

b) a final acquittal report on completion of the project demonstrating project completion from the state.

18) Payments will be disbursed by the Australian Government Treasury on advice from the Australian Government Minister for Skills and Training or their delegate.

Non-commencement of projects

19) If a project does not proceed and/or a state terminates their participation in the Agreement, the state will be required to repay any Australian Government payments made through the Fund, except where the Australian Government agrees that there are exceptional circumstances. The Australian Government may return the funds to the Funding Pool and reallocate these funds to another project(s).

20) States are required to notify the Australian Government in writing as soon as possible, but no longer than 30 days, after becoming aware that a project cannot proceed and propose how funds will be repaid.

Events relating to commencement and completion of projects

21) States and the Commonwealth will make best efforts to ensure they consult on the nature and content of any events, announcements, promotional activity or publicity, for projects funded through the Fund and provide the Australian Government with the opportunity to open the project jointly with the state.

Timelines

TAFE Technology Fund Timelines[3]

	Pool Projects
Applications open for Pool Projects	End of March to 26 May 2023
Commonwealth assessment of Pool Projects - the Commonwealth may contact states and territories for additional information to aid assessment during this period (clause 10 above)	From 26 May to end of July 2023
Commonwealth and State officials agree bi-lateral TAFE Technology Fund Project Plans	End of August 2023
Advise Treasury to make sign-on payments to States	September 2023

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[3] Proposals that are considered under the clause 6) g) (urgency) may run on a different timeline.

GLOSSARY

Capital funding	Capital funding is for the funding on the relevant campus of such things as buildings, laboratory fit-out, training equipment, ICT equipment, relevant industry equipment and technology, relevant software, etc.
Industry standards	Students have access to modern facilities, equipment and/or systems required to gain the knowledge and skills to be work ready for their industry.
Industry support	Relevant industry or employer group's, and/or union support for project and the investment will have positive impacts for the industry(s) (e.g. letter, news item, media release etc.).
Learner experience	The 'learner experience' is how the learner interacts with and feels about their TAFE and their course.
Need for the project	Includes, for example, meeting industry requirements, better use of equipment, more up-to-date equipment and technology, better learning environments, etc.
Project proposal	Details of the proposed project to be funding including project name, total cost, Commonwealth contribution, a description of the substantive works of the project and proposed timeline, etc.
Project administration	Includes tender processes, monitoring expenditure and progress, quality assurance, distribution of funds, etc.
Public Provider Campuses	Public TAFE Campuses, campuses of VET provider arms of public dual sector higher education providers (e.g. CQ University, Batchelor Institute of Indigenous Tertiary Education), in some cases campuses of publicly funded Adult and Community Education Providers providing accredited VET courses. For the purposes of the Fund, Public Provider Campuses does not include schools.
Recent capital investment	Investment in the last 3 years on the relevant campus in such things as buildings, laboratory fit-out, training equipment, ICT equipment, relevant industry equipment and technology, relevant software, etc.
State Skills Minister	Minister responsible for skills and training in a state or territory
TAFE	A training provider that is recognised as a TAFE, public dual sector higher education provider, a TAFE auspicing or partnership arrangement.
TAFE Technology Fund (the Fund)	A $50 million Australian Government fund to support TAFEs across the country to upgrade and expand their facilities, such as laboratories, workshops and IT services.

Value for money	Demonstrates an efficient, effective, economical and ethical use of public resources and determined from a variety of considerations, including:

- the economic impact of the milestones, activities or outcomes

- fit for purpose to contribute to government objectives, and

- without this investment the quality of delivery will not meet required industry standards.

Frequently Asked Questions

1. What is the TAFE Technology Fund (the Fund)?

    * The Fund is $50 million to support TAFEs across the country to upgrade and expand their facilities, such as laboratories, workshops and IT services.

2. Are private RTO's eligible for funding from the remaining funds available?

    * No, only state governments are eligible to apply for funding for publicly owned VET provider campuses, including community education providers, public dual sector higher education providers (e.g. CQ University, Batchelor Institute of Indigenous Tertiary Education), and does not include schools).

3. Can TAFEs apply directly for funding?

    * No, state governments will apply for the funding.

    * States may also submit proposals for community education providers and other public provider campuses, including public dual sector higher education providers.

4. Why is the funding for infrastructure and information technology only?

    * The funding specifically targets TAFE infrastructure to ensure TAFEs (and public provider campuses) are equipped to deliver training to the standards expected by industry and students.

5. What other assistance is there available for TAFEs?

    * This funding is in addition to the Australian Government's National Skills and Workforce Development Special Purpose Payment (SPP), which provides around $1.6 billion to the states each year to support state training systems.

    * This funding is also in addition to the $1 billion co-investment in Fee Free TAFE in 2023.

6. What about projects over $3.2 million?

    * The Australian Government contribution is capped at $3.2 million per project. That is, the Australian Government may fund the full cost of a project up to the value of $3.2 million when the value of the project is $3.2 million or less.

    * For projects with total costs over $3.2 million, states will be responsible for funding the balance of projects above $3.2 million, as well as ongoing operational funding for the project.

7. What happens in the case of cost over-runs?

    * States are responsible for meeting any costs for the project above those agreed by the Australian Government.

8. How will projects with completion beyond 30 June 2025 be treated?

    * Payments will be made upon completion of the project, unless the state and federal government have agreed to terminate the project and no further payments will be made.

9. How will industry support be assessed?

    * Industry support will be assessed on the evidence included in the project proposal.

10. What reporting evidence will be required quarterly?

    * States and TAFEs will be required to report quarterly (within 15 days of the end of the quarter) using the TAFE Technology Fund Project Quarterly Reporting Template provided by the Australian Government. Reporting will include:

        - Status of the project

- Description of progress over the quarter

- Expenditure to date on the projects

- Major delays or risks to the project

- Outlook for the next quarter, including any planned events in relation to the project, and
- Endorsement by State and TAFE officials.

12. Is an urgent project required to still meet the criteria?

- Urgent projects are required to meet the assessment criteria.