

Appendix A: Bilateral Implementation Plan – National Skills Agreement Policy Initiatives

PRELIMINARIES

1. This implementation plan is made between the Commonwealth of Australia (Commonwealth) and New South Wales under the 2024–2028 National Skills Agreement (the NSA) and should be read in conjunction with the NSA and the NSA Bilateral Implementation Plan Guidance.
2. Once executed, this implementation plan and any updates agreed with the Commonwealth, will be appended to the NSA and will be published on the Commonwealth's Federal Financial Relations website (<https://federalfinancialrelations.gov.au>).
3. This implementation plan is expected to expire on 31 December 2028 (in line with the NSA), or on completion of the initiative, including final performance reporting and processing of final payments against milestones.
4. In all public materials relating to the policy initiatives, New South Wales will acknowledge the Commonwealth's contribution with the following statement: The Enhanced Vocational Education and Training (VET) Data and Evidence is a joint initiative between the Australian Government and New South Wales Government.

REPORTING AND PAYMENTS

Reporting

1. Performance reporting will be due by 31 March and 30 September each year until the cessation of this Agreement, or the final payment is processed.
2. New South Wales will provide to the Commonwealth a traffic light status and activity summary on all policy initiatives.
3. The Commonwealth will provide templates for the purposes of reporting.

Payments

1. The Commonwealth will make payment subject to performance reporting demonstrating the relevant milestone has been met.
2. As part of the performance reporting, New South Wales will provide evidence of what has been delivered in the reporting period. Payments will be processed once performance reports have been assessed and accepted.
3. Where a payment is due at a reporting period (31 March and/or 30 September), New South Wales will complete the relevant section of the reporting template and provide the evidence required as agreed in the Milestones and Payments associated with this Implementation Plan.
4. Under A92 of the NSA, if a State is unable to expend any Commonwealth funding provided for policy initiative milestone payments, the Commonwealth may reduce a future payment by an amount equivalent to the unspent funds.

ENHANCED VET DATA AND EVIDENCE (Clause A130 to A140 of the NSA)

The Enhanced VET Data and Evidence policy initiative includes three key measures. The following relates to the VET Data Streamlining (VDS) program only.

VET Data Streamlining: New South Wales opts-in to the VDS program and commits to:

- completing transition to the National VET Data System by 31 December 2028;
- transitioning State Training Authority (STA) systems to the VET Information Standard by 31 December 2028 and
- Supporting TAFE with their transition to the National VET Data System and the VET Information Standard if and as needed

1. Specify activities that support the VDS program.

New South Wales commits to:

- 1) assist in the development of the National VET Data System. New South Wales will:
 - provide subject matter experts and expertise in all phases of the development lifecycle of the National VET Data System, including analysis input and design review, development support and go-live
 - work collaboratively to ensure data ingestion, flow and validation requirements are met for the VDS program, including supporting systems interfaces and data exchange mechanisms to support the VDS implementation
 - assist in testing of the National VET Data System, including User Acceptance Testing
 - actively participate in VDS program governance
- 2) New South Wales will ensure the successful transition of Skills New South Wales data system to effectively implement a direct reporting pathway to the National VET Data System by 31 December 2028. New South Wales's state specific changes required to complete the integration of systems to the National VET Data System include:
 - a. Establishment and configuration of the New South Wales VDS data and integration platform.
 - b. Establishment of a Business Rules Engine for implementing the state level validation rules in the new VET Information Standard format.
 - c. Development of state integration with the National VET Data System
 - d. Development of new VDS state system integration with existing state legacy systems/applications
 - e. Development of the transition approach
 - f. Along with the Commonwealth have a support model in place to provide customer support with providers who require assistance to be able to move to the new National VET Data System.
- 3) The following New South Wales activities outline the transition to the National VET Data:
 - New South Wales anticipates going live with the STA systems integrated with the National VET Data System by July 2028.
 - New South Wales anticipates transition of all state funded Registered Training Organisations (RTOs) will be completed by Dec 2028.
 - The following activities supports this transition approach. (A detailed schedule will be provided as part of Milestone-3.)
 - High Level Design complete (June 2026)
 - Detailed planning complete (September 2026)
 - New South Wales requirements analysis complete (December 2026)

- Detailed design complete (December 2026)
- New South Wales STA build complete (December 2027)
- New South Wales STA User Acceptance Testing complete (Jun 2028)
- New South Wales STA integration to the VDS as a direct state – go live (Jul 2028)
- Commence transition of New South Wales funded RTOs (Jul 2028)
- Complete New South Wales funded RTO's transition (Dec 2028)

2. Specify activities that support the VET Information Standard.

- New South Wales has been and will continue to assist the National Centre for Vocational Education Research (NCVER) as the national data custodian in the development of the VET Information Standard. This includes that New South Wales will:
 - participate in the design lifecycle, including analysis, input and design review
 - co-design state specific data elements and associated rules
 - provide subject matter expertise in all phases of the development lifecycle in design and testing the VET Information Standard
 - actively participate in governance forums and decisions.
- New South Wales will ensure successful transition of State Training Authority systems to the VET Information Standard.

3. Specify the State's reporting pathway for the purpose of collecting VET Activity Data (clause A138b refers).

New South Wales proposed approach is the Direct pathway where:

- 1) funded RTOs submit Total VET Activity Data directly to the National VET Data System.

4. Specify the State's collection and submission processes.

New South Wales will support the collection of metadata related to VET Activity Data submitted by RTOs to the National VET Data System to enable States to monitor compliance with State specific contracts and regulators to monitor compliance with the Data Provisioning Requirements (DPRs).

- 1) New South Wales will support Government funded RTOs to submit VET Information Standard compliant data progressively on all VET Activity they deliver and all students that they train at least quarterly.

New South Wales may require their government funded RTOs to submit VET activity data more (but not less) frequently than quarterly to meet state specific obligations for the following programs:

- a. for the Smart and Skilled program – RTOs are required to submit every 28 days.
 - b. for the Adult Community Education program – RTOs are required submit every quarter.
- 2) New South Wales as a Direct pathway state will validate and release VET Activity Data in the National VET Data System as often as possible, but no less frequently than quarterly.

5) Specify activities to support inclusive and robust governance.

New South Wales commits to participating in the VDS program delivery governance processes endorsed by Senior Skills Officials Network (SSON) as part of the VDS program reset on 24 April 2024. New South Wales agrees to implement any changes to governance as agreed by SSON over the life of the program. New South Wales commits to providing details of the State specific program governance model and arrangements (for example, project board, governance requirements, and how decisions are made) as part of the project management plan in Milestone 2.

6) Specify approach to project management and reporting

New South Wales commits to providing a detailed project management plan as part of Milestone 2, which will include details of how New South Wales will manage its State-specific VDS transition project using its preferred contemporary, fit-for-purpose program and project governance, and delivery methodology.

New South Wales further commits to:

- participating in the Commonwealth VDS program delivery program and project management forums and working groups.
- collaborating on VET Data Streamlining program wide risk management activities with all partners including risk identification, mitigation and treatments.
- providing regular industry standard status reporting to the Commonwealth VDS Program Management Office in line with the agreed format and frequency, as agreed by the VDS Steering Group.

Gate Reviews

New South Wales commits to actively participating in the VDS program Gate Review process endorsed by SSON on 24 April 2024 as part of the VDS governance reset. These are:

Gate 1 - Governance Review

Gate 2 - Go Live Review

Gate 3 - Mid-point Review

Gate 4 – Delivery and Operational Transfer

Gate 5 – Program Closure

Enhanced VET Data and Evidence - evaluation arrangements

New South Wales will support the development of a VET Data Streamlining Evaluation framework, for consideration by SSON, which will provide a consistent methodology for all jurisdictions to use to evaluate the success of the VDS program. The Evaluation arrangements will be robust and appropriate to the design and scale of the VET Data Streamlining program.

As part of Milestone 2 Project Planning, New South Wales commits to using the evaluation framework to assess how the VDS program functions within New South Wales, including measuring

its success against state-specific requirements, how effectiveness will be evaluated, and how findings will be disseminated and actioned from a New South Wales perspective.

Enhanced VET Data and Evidence - Funding arrangements

Details of funding (\$)	2025-26	2026-27	2027-28	2028-29	Total
Commonwealth contribution	725,000	4,433,613	6,866,267	2,475,120	14,500,000

MILESTONES FOR ENHANCED - VET DATA AND EVIDENCE

Milestone	Evidence	Payment Value (Commonwealth funded)	Commonwealth reporting period
Milestone 1: Agreement of bilateral implementation plan.	Bilateral Implementation Plan agreed with Commonwealth	\$0	N/A
Milestone 2: Completion and acceptance of detailed State-specific program management planning artefacts	State-specific program management planning artifacts (as approved by VDS Steering Group) accepted by the Commonwealth. This includes: • NSW VET Data Streamlining Roadmap • Project Management Plan, including • High-level project schedule • Resource / procurement plan • Risk Management Plan and key risks • Payment schedule • Agreed delivery payment milestones	\$725,000	31 March 2026
Milestone 4: Completion of NSW VDS Detailed Design & Final Business Requirements	4. Commonwealth acceptance of NSW's completed detailed design document, signed by a NSW senior official with responsibility for skills, including: • Detailed system design documentation, including system components, data structures, integration with the National VET Data System demonstrating readiness for system build and integration • Finalised business requirements aligned to the high-level design established at Milestone 3	\$2,664,478	31 March 2027

Milestone 5: Completion of NSW/STARS Integration Design	5. Commonwealth acceptance of a design document, signed by a NSW senior official with responsibility for skills, including: Detailed integration design documentation, including system components, integration with the National VET Data System demonstrating readiness for system build and integration	\$3,560,063	30 September 2027
Milestone 6: Completion of NSW VDS Build	6. Commonwealth acceptance of a comprehensive build report, signed by a NSW senior official with responsibility for skills, confirming: Build report detailing business requirements have been met.	\$3,306,204	31 March 2028
Milestone 7: Completion of NSW VDS Testing	7. Commonwealth acceptance of testing report signed by a NSW senior official with responsibility for skills including: - A test summary report confirming that production verification testing has been successfully completed - that no high-severity defects remain - any issues identified through testing have been addressed or are subject to agreed management arrangements	\$1,029,489	30 September 2028
Milestone 8: Completion of NSW VDS / STARS Integration and NSW funded RTO transition complete with project closure	8. Commonwealth acceptance of project closure report signed by a NSW senior official with responsibility for skills providing: - Project Closure report, endorsed though NSW project governance, confirming - NSW Government funded RTOs reporting via the new VET Information Standard (VIS) and	\$1,445,631	31 December 2028

	STARS, with NSW receiving the required data needs for payment via STARS ○ All agreed project deliverables have been completed or transitioned ○ The project has been formally closed		
--	---	--	--

The Parties have confirmed their commitment to this implementation plan as follows:

Signed for and on behalf of the Commonwealth
of Australia by



The Honourable Andrew Giles MP
Minister for Skills and Training

30 / 6 / 2026

Signed for and on behalf of the
State of New South Wales by



The Honourable Steve Whan MP
Minister for Skills, TAFE, and Tertiary Education

16 / 6 / 2026