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

PRELIMINARIES

1. This implementation plan is made between the Commonwealth of Australia (Commonwealth) and ACT under the 2024–2028 National Skills Agreement (the NSA) and should be read in conjunction with the NSA.

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, ACT will acknowledge the Commonwealth's contribution with the following statement: Ensuring Access to Foundation Skills Training is a joint initiative between the Commonwealth and ACT Government.

REPORTING AND PAYMENTS

Reporting

1. Performance reporting will be due by 31 March and 30 September each year until the cessation of this implementation plan, or the final payment is processed.

2. ACT 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, ACT 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), ACT 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.

ENSURING ACCESS TO FOUNDATION SKILLS TRAINING (Clause A104 to A111 of the NSA)

Ensuring Access to Foundation Skills Training special policy initiative of the National Skills Agreement (NSA) will support Australians with low levels of foundation skills, who have left school, to access the training they need. It will improve access to and the quality of foundation skills training, noting that secondary schools deliver foundation skills to secondary school children (A104).

This Bilateral Implementation Plan relates to A105(a). It sets out the approach the ACT will take to meet requirements (A107- A111) for the Commonwealth to allocate the ACT a maximum of $1.475 million over five years to support the ACE sector or equivalent.

CONTEXT OF THE ACT

In the ACT, government funded foundation skills training programs are primarily delivered through the Canberra Institute of Technology's (CIT) foundation skills programs; the ACT Adult and Community Education (ACE) Grants Program; and through Australian Government funded programs which include Skills for Education and Employment (SEE).

CIT tailors' foundation skills programs for individual teaching departments, depending on the needs of the learner cohort. CIT delivers foundation skills courses to eligible learners under the Free TAFE initiative.

The ACT Adult Community Education (ACE) Grants Program, provides funding to not-for-profit organisations to support pathways for Canberrans experiencing barriers to further education, training and employment through the delivery of accredited and non-accredited foundation skills training. Training is provided free of charge.

ACT ACE grant recipient organisations are not-for-profit organisations, who may or may not provide training on an ongoing basis, who have added an ACE program to their scope of operations for the grant funding period.

ACT ACE grant recipients take individually tailored approaches to determining the suitability of learners for their grant project and to assess learners' skills development. There is currently no standardised assessment process built into the ACT ACE Grants Program.

ACT commits through this Bilateral Implementation Plan to continue to provide no- or low-fee access to foundation skills training in its VET and ACE sector or equivalent for learners with an assessed need during the term of the National Skills Agreement.

Through this Bilateral Implementation Plan, the ACT will work with stakeholders to:

- Strengthen referral pathways and a 'no-wrong door' approach to the delivery of foundation skills training in the ACT;
- Expand the ACT ACE Grants Program to cement the recent gains to the breadth and calibre of ACE programs, and in order to better reach priority cohorts, including Aboriginal and Torres Strait Islander learners;
- Review and update the ACT ACE Grants Program to maximise its effectiveness in delivering foundation skills training for priority cohorts. This work will include embedding an approach to learner assessments; and
- Strengthen the foundation skills workforce and sector capability.

Commonwealth investment in the ACT ACE Grants Program made through this initiative will be combined with ACT Government investment, boosting the funds available to deliver an expanded grants program.

The work progressed will be developed to align with and contribute to the implementation of the 10-year Foundation Skills Strategy.

ACTIONS

1) Foundation skills assessment and referral that delivers a 'no-wrong door' experience for foundation skills learners (clause A107 refers).

ACTION ONE- CONSULTATION AND REVIEW

The ACT will engage a supplier to consult, review and provide recommendations on:

1. Implementing a 'no-wrong door' approach to foundation skills training delivery in the ACT;
2. A review of the ACT ACE Grants Program to support the program's effectiveness in delivering accessible foundation skills training for priority cohorts. This includes approaches to assessment;
3. Workforce and sector development initiatives; and
4. The implementation of the 10-year Foundation Skills Strategy in the ACT.

This consultation will build on existing consultation and research, in particular the work progressed by the NSW Government under the Ensuring Access to Foundation Skills Training special policy initiative.

ACT will engage stakeholders to, where possible, test the applicability of NSW findings to the ACT context and progress further analysis, as needed, to shape recommendations appropriate for the ACT.

ACT will engage the following stakeholders for this work:

- Priority cohort representative organisations;
- Community sector organisations, particularly those who provide services to priority cohorts and/or deliver ACE programs;
- Registered Training Organisations, including CIT; and
- Other organisations and individuals who are involved in supporting effective foundation skills training delivery and referral.

Initiative	Commonwealth Investment ($)	State Investment ($)	Planned Start Date	Planned End Date
Action One- Consultation and Review	$0	$150,000	July 2025	December 2026

2) Provide no-or low-fee access to foundation skills training in the State's VET and Adult and Community Education (ACE) (or equivalent) systems, for learners who have been assessed as at or below Australian Core Skills Framework and/or Digital Literacy Skills Framework Level 3 (clause A108 refers).

ACTION TWO- EXPANSION AND UPDATE OF THE ACT ACE GRANTS PROGRAM

To ensure additional foundation skills training opportunities flow to community in a timely manner, the ACT ACE Grants Program will be expanded from 2025, using a two phased approach.

Phase One- From 2025
Funds will be directed to the ACT ACE Grants Program to:

1. Cement and build on the boosted breadth and calibre of ACE programs delivered as a result from the addition of funds to the grants program in 2022-23; and
2. Expand the reach of the program to service priority cohorts. This includes a focus on funding for projects for Aboriginal and Torres Strait Islander learners delivered directly by, or in partnership with Aboriginal and Torres Strait Islander organisations.

Phase Two- From 2027
Funds will be directed to the ACT ACE Grants Program to:

1. Deliver the first round of the updated ACT ACE Grants Program; and
2. Expand the reach of the program to service priority cohorts, with a continued focus on funding for Aboriginal and Torres Strait Islander learners.

The updates made to the ACT ACE Grants Program will include updates to embed an approach to foundation skills assessment, ensuring training is delivered to learners who have been assessed as at or below Australian Core Skills Framework and/or Digital Literacy Skills Framework Level 3. The updates will also strengthen referral pathways to support a 'no-wrong door' experience for foundation skills learners. The updates will be shaped through the consultation that will be undertaken through Action One.

The ACT will promote and market the program to all eligible entities and support successful recipients in promoting the projects that will be delivered. The guidelines for the grants program will include the priority cohorts as identified under the NSA.

The ACT Government will invest a total of $770,000 in the ACT ACE Grants Program, from financial years 2025-26 through to 2028-29. This investment will be combined with Commonwealth investment of $872,500 over this period to deliver the expanded grants program.

Initiative	Commonwealth Investment ($)	State Investment ($)	Planned Start Date	Planned End Date
Action Two- Expansion and update to the ACT ACE Grants Program	$872,500	$770,000 ACT Government ACE Grants Program funding from 2025-26 through to 28-29	July 2025	December 2028

3) Activities that support the Adult Community Education sector or equivalent (clause A109a refers).

ACTION THREE- DEVELOPMENT FUND
ACT will establish a Development Fund to support additional projects and activities identified through consultation (Action One) to strengthen the ACT ACE sector and to support effective

foundation skills delivery in the ACT. ACT will share insights from these projects with the Commonwealth and other jurisdictions to support related work in this space.

Outcomes from these initiatives will include:

- Increased capacity in the ACE workforce and sector;
- Innovation in the delivery of foundation skills training, including in achieving a 'no-wrong door' experience for learners; and
- Progress on projects that align and respond to the 10-year Foundation Skills Strategy.

Initiative	Commonwealth Investment ($)	State Investment ($)	Planned Start Date	Planned End Date
Action Three- Development Fund	$602,500	$0	February 2027	December 2028

Ensuring Access to Foundation Skills Training funding arrangements.

Details of funding	2025-26	2026-27	2027-28	2028-29	Total
Commonwealth contribution	$590,000	$442,500	$442,500	$0	$1,475,000

Performance Indicators

Action One

By December 2026, ACT will deliver:

1. A report on the outcomes and recommendations from the review and consultation; and
2. An update from the ACT Government on how the recommendations from the review and consultation will be applied to:

- Implementing foundation skills assessment and referral that delivers a 'no-wrong door' experience for foundation skills learners;
- Updating the ACT ACE Grants Program so it delivers effective access to no-fee foundation skills training for learners who have been assessed as at or below Australian Core Skills Framework and/or Digital Literacy Skills Framework Level 3; and
- Strengthening capacity in the foundation skills training workforce and sector.

Action Two

In March 2026, March 2027, March 2028 and December 2028, the following quantitative indicators will be reported on:

- Total number of ACE participants;
- Number of ACE participant from priority cohorts;
- Training completed by ACE participants; and
- ACE learner's pathway action (for example employed, enrolled in further training) on completion of the ACE program.

Qualitative case studies or examples from the ACE grants program will be provided alongside quantitative reporting measures where applicable.

Action Three

In March 2028 and December 2028, the following will be reported on for the Development Fund:

- The activities funded;
- The outcomes achieved;
- The number of workers and/or organisations engaged; and
- Feedback on initiatives from participants collated from evaluation surveys.

In December 2028, ACT will provide an update on progress and outcomes as listed in 'Evaluation Arrangements' below.

Evaluation arrangements

ACT will review progress on actions by mid-2028. This review will:

1. Collate feedback from ACE providers, learners, the community sector, First Nation organisations and other key stakeholders on the expansion and update to the ACT ACE Grants Program; and initiatives progressed through the Development Fund.

2. Feedback will be sought on the extent to which these initiatives have been successful in
   - Advancing foundation skills assessment and referral that delivers a 'no-wrong door' experience for foundation skills learners.
   - Providing effective access to no-fee foundation skills training, for learners from priority cohorts.
   - Strengthening capacity in the foundation skills training workforce and sector.

3. Identify trends in the ACT ACE Grants Program outcome measures, to determine if the ACT ACE Grants Program expansion has been effective in delivering foundation skills training to priority cohorts.

MILESTONES AND PAYMENTS – ENSURING ACCESS TO FOUNDATION SKILLS TRAINING

Milestone	Evidence	Payment Value Up To (Commonwealth funded)	Commonwealth reporting period
Milestone 1: Initial payment on agreement of bilateral implementation plan	Bilateral implementation plan agreed with Commonwealth	1: $147,500	N/A
Milestone 2: Commonwealth acceptance that the ACT has: • Engaged a supplier to conduct Action One: Consultation and Review • Commenced work on the Consultation and Review • Executed deed of grants for the 2025 ACT ACE Grant Round	Report signed by the relevant ACT Senior Skills Official that provides: - A progress report on the Consultation and Review - A listing of executed Deed of Grants for the 2025 ACT ACE Grants Round	2: $442,500	31 March 2026
Milestone 3: Commonwealth acceptance that the ACT has: • Finalised a report on findings and recommendations from the Consultation and Review • Identified updates for the ACT ACE Grants Program • Developed an approach to the delivery of initiatives to be funded through the Development Fund	Report signed by the relevant ACT Senior Skills Official that provides an update on progress and in accordance with 'Performance Indicators' section: - Report on the findings and recommendations from the Review and Consultation - Report on how the recommendations from the Review and Consultation will be applied - Report on indicators for the ACT ACE Grants Program	3: $442,500	31 March 2027
Milestone 4: Commonwealth acceptance that the ACT has: • Executed deed of grants for the 2027 ACT ACE Grant Round • Commenced Development Fund initiatives	Report signed by the relevant ACT Senior Skills Official that provides an update on progress and in accordance with 'Performance Indicators' section: - Report on progress of initiatives supported through the Development Fund - A listing of executed Deed of Grants for the 2027 ACT ACE Grants Round - Report on indicators for the ACT ACE Grants Program	4: $442,500	31 March 2028

Milestone 5: Commonwealth acceptance that the ACT has:	Report signed by the relevant ACT Senior Skills Official that provides an update on progress and in accordance with 'Performance Indicators' section: - Final report on progress of initiatives supported through the Development Fund - Final report on indicators for the ACT ACE Grants Program - Final report on evaluation arrangements.	$0	31 December 2028
	Total	**$1,475,000**	

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

11 / 8 / 2025

Signed *for and on behalf of the Australian Capital Territory by*

Mr Michael Pettersson MLA
Minister for Skills, Training and Industrial Relations

28 / 7 / 2025