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: 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. After the initial payment, second and subsequent milestone payments will be assessed and processed in the following reporting period.

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.

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

The Enhanced VET Data and Evidence policy initiative includes a number of 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; and
- transitioning State Training Authority (STA) systems to the VET Information Standard) by 31 December 2028.

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
    - co-develop state specific validation and business rules, reference data, metadata requirements, and business processes 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 using the New South Wales Department of Education's enterprise-wide Data Lake (EduLake).
    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 Jul 2027.
    - 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 baselined and detailed schedule will be provided as part of Milestone-2 documentation.)
        - New South Wales requirements analysis complete (Apr 2025)
        - Procurement activity begins (Jun 2025)
        - High Level Design complete (Sep 2025)
        - Detailed planning complete (Sep 2025)
        - Detailed design complete (Mar 2026)

- New South Wales STA build complete (Mar 2027)
- New South Wales STA User Acceptance Testing complete (Jun 2027)
- New South Wales STA integration to the VDS as a direct state – go live (Jul 2027)
- Commence transition of New South Wales funded RTOs (Jul 2027)
- 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).

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 $**
Commonwealth contribution	725,000	TBA-	TBA-	TBA-

Future payments to be agreed prior to 30 June 2026 (as per clause A136 of the National Skills Agreement) following delivery of the project management plan at Milestone 2.

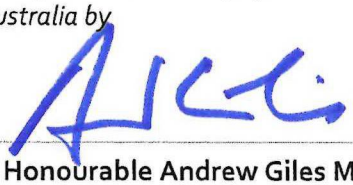
MILESTONES FOR ENHANCED - VET DATA AND EVIDENCE

The initial payment amount is limited to 10 per cent of the maximum Commonwealth contribution, States will receive up to a further 10 per cent on completion and acceptance of detailed State-specific program management planning artifacts, as outlined in the table below:

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 artifacts	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 • Detailed project schedule • Resource / procurement plan • Risk Management Plan and key risks • Payment schedule • Agreed delivery payment milestones • State Specific Reconciliation Report Template.	$725,000	30 September 2025
Future milestones to be agreed prior to 30 June 2026 (as per clause A136 of the National Skills Agreement) following delivery of the Project Management Plan at Milestone 2.			

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

26/ 3/ 2025

Signed *for and on behalf of the State of NSW by*



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

18/3/ 2025