

INDUSTRY REFERENCE COMMITTEES

This document outlines best practice governance principles and processes to assist in the day-to-day operation of Industry Reference Committees

date / version

*Operating
Framework for the
Development of
Training Packages*

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Preface

The Australian Industry and Skills Committee was established by agreement of the Council of Australian Governments Industry and Skills Council to provide effective industry leadership to the VET sector in Australia. The Australian Industry and Skills Committee is supported by the Australian Government Department of Education and Training to provide advice to the COAG Industry and Skills Council on matters including the development and maintenance of training packages, in consultation with Industry Reference Committees.

Industry Reference Committees will be supported by Skills Service Organisations¹, which operate according to funding agreements with the department. These funding agreements underpin the operation and resourcing of the review/development of training packages, and as such, this Industry Reference Committee Operating Framework is subordinate to the terms of those funding agreements.

The way support is to be provided to Industry Reference Committees by their allocated Skills Service Organisation will be articulated in a Memorandum of Understanding. The Memorandum of Understanding will be subordinate to this Operating Framework and hence to the funding agreements. In the event there is any inconsistency between these documents, conditions and activities stipulated in the funding agreements will take priority, followed by the terms of this Operating Framework.

¹ Note: On 27 January 2016, transition arrangements were put in place for IRCs for the mining and drilling, manufacturing and automotive sectors pending the selection of one or more suitable SSOs. In the interim, these IRCs will be serviced by their former Industry Skills Councils. For the purposes of this document, the term SSOs includes these transitional service providers.

1 Purpose

The purpose of this document is to:

- (a) provide an overview of the Australian Vocational Education and Training (VET) system, including an outline of the new arrangements for the development and review of training packages
- (b) explain the roles and relationships of key stakeholders involved in training package development, in particular, the role of the Industry Reference Committees under the new arrangements
- (c) outline best practice governance principles and processes to assist in the day-to-day operation of IRCs.

2 The National Training System

The Australian VET system primarily aims to provide individuals with work-ready skills for the labour market – skills that businesses and industries need to be productive and internationally competitive. A highly capable workforce will help place Australia's economy in a position of strength in the global market and secure Australia's economic prosperity and increase job opportunities for individuals.

The VET system is based on occupational skills standards set out in units of competency and packaged into nationally consistent qualifications that reflect the skills and knowledge required to successfully operate in a particular occupation. Together with the national regulation of training providers and the national governance models that are in place, the objectives of the system are to provide:

- (a) assurance that an individual's qualification or statement of attainment means they have the core competencies required by industry, regardless of the training provider, and that these skills can be enhanced by organisation-specific professional development as needed by the employer
- (b) efficiency gains for employers in recruitment and selection processes, through national qualifications that provide a reliable signal about an individual's skills and knowledge
- (c) a competitive edge for individuals in the job market with qualifications or statements of attainment that are recognised nationally
- (d) a skilled, adaptive and competitive workplace for Australia.

Nationally recognised qualifications and statements of attainment are issued in accordance with industry-defined, nationally agreed and consistent competency standards (set out in training packages). Registered Training Organisations (RTOs) are authorised to issue a nationally recognised qualification or statement of attainment only where the requirements of the training package have been met. The operation of RTOs is overseen by the VET system regulators. These arrangements aim to provide businesses with assurance that VET graduates have the skills they need, and graduates with assurance that their qualifications will have national recognition and portability.

2.1 Training Products

Training products are developed to reflect the occupational skills needs of an industry, or a group of industries, to facilitate employment and vocational outcomes for individuals. For the purposes of this document, training products include training packages and materials that support the implementation of training packages.

2.2 Training Packages

Training packages specify the skills and knowledge required to perform effectively in the workplace; detailed in units of competency. They also describe how these units can be encompassed into nationally recognised qualifications that are aligned to the Australian Qualifications Framework (AQF) and industry recognised skill sets (or part qualifications, which also have currency in the workplace).

Training packages consist of:

- (a) Nationally endorsed components
 - Units of competency which specify the standard of performance required in the workplace
 - Assessment requirements (associated with each unit of competency)
 - Packaging rules for qualifications that are consistent with the AQF (Certificate I to Graduate Diploma)
 - Credit arrangements specifying existing arrangements between training package qualifications and higher education in accordance with the AQF.
- (b) One or more quality assured companion volumes.

Training packages do not generally prescribe how an individual should be trained. RTOs use training packages to help design curriculum and/or learning and assessment methodologies that assist individuals to gain and/or demonstrate they have the skills and knowledge specified in training packages. Training is tailored to individual learner needs and can be contextualised to the specific circumstances of an employer and/or industry sector. Qualifications and statements of attainment can, however, be issued without the graduate undertaking a training program, including through the recognition of prior learning.

RTOs are responsible for assessing whether an individual meets the competency standards specified by industry and for issuing a nationally recognised qualification where appropriate.

3 New arrangements for the development and review of training packages

The development of training packages is premised on principles that were agreed by the COAG Industry and Skills Council (CISC) in May 2015. These principles are that training packages must:

- (a) reflect identified workforce outcomes
- (b) support national (and international) portability of skills and competencies, including reflecting licensing and regulatory requirements
- (c) reflect national agreement about the core transferrable skills and core job-specific skills required for job roles as identified by industry
- (d) be flexible enough to meet the diversity of individual and employer needs, including the capacity to adapt to changing job roles and workplaces

- (e) facilitate recognition of an individual's skills and competencies and support movement between the school, vocational education and higher education sectors
- (f) support interpretation by training providers and others through the use of simple, concise language and clear articulation of assessment requirements.

3.1 Roles and Responsibilities

The Australian Government has introduced a new framework for engaging industry in the development of training packages that will guide the delivery of VET. The new training package framework consists of three key entities:

- (a) the Australian Industry and Skills Committee (AISC)
- (b) Industry Reference Committees (IRCs)
- (c) Skills Service Organisations (SSOs)

See Attachment One for a summary of the roles and responsibilities.

3.1.1 The Australian Industry and Skills Committee

The AISC's role is to provide advice to CISC to ensure that the directions taken by Ministers are informed by an industry-based perspective focused on the quality and relevance of training in VET. As part of this role the AISC will oversee the review and development of training packages, with the objective of ensuring Australian workers are provided with industry-relevant skills that meet the future needs of employers.

The functions of the AISC – as set out in the Terms of Reference agreed by CISC, are to:

- (a) advise on the implementation of national training policies
- (b) quality assure and sign off training packages for implementation
- (c) oversee the process for development and approval of accredited training
- (d) provide direction on the VET sector research priorities, including the work of the National Centre for Vocational Education Research
- (e) provide advice to CISC on training provider and regulator standards
- (f) coordinate industry engagement through CISC meetings
- (g) undertake work as directed by CISC.

As part of its role in overseeing the process for reviewing and developing training packages, the AISC is establishing a network of Industry Reference Committees.

3.1.2 Industry Reference Committees

IRCs provide the industry engagement mechanism at the centre of training package development. They provide a conduit for industry feedback to government on industry trends and for promotion of VET to employers.

IRCs are the formal point through which industry requirements for skills are considered and defined in training packages.

There will not be a 'one-size-fits-all' formula for the composition of IRC membership. IRCs are comprised of industry representatives with expertise from a cross-section of the particular industry

or sector, and will be tailored to the particular circumstances of that industry or sector. The primary purpose of the IRC is to provide advice to the AISC about the skills needs of their industry or sector, based on their experience and expertise,

Participation on IRCs is voluntary and represents a part of industry's 'in-kind contribution' to the operation of a robust VET system that underpins skilled and productive workforces.

IRC's are formed and activated as required to direct SSOs in the review, development and implementation of training package content relevant to the industry sectors they cover.

At the commencement of the new arrangements and from time to time, the AISC and the department will work with industry stakeholders, IRCs, SSOs and state and territory governments to review the scope and membership of IRCs. The purpose of the review is to ensure that the composition of each IRC is fully representative of the industry or sector, across Australia. Reviews will include broad consultation with industry stakeholders, including existing IRC members. The proposed structure and membership will be subject to a decision of the AISC.

Proposed changes to membership outside of a formal review will need to be notified to the department, and where substantive², subject to AISC approval. The AISC would be notified by the department of all changes to membership on a regular basis.

IRC's are expected to operate in accordance with this framework and will perform the following functions (supported by their SSO as required):

- (a) Gather general intelligence for their industry sectors to inform advice on training package development and review
- (b) Oversight the development and review of training packages in accordance with the requirements of the AISC
- (c) Oversight the development of the IRC workplan by the SSO, advising who should be included in the consultation and the type of information to include
- (d) Provide sign off on the workplan, business cases, cases for endorsement and other submissions for consideration by the AISC
- (e) Report to the AISC on progress of its work
- (f) Promote the use of VET in the sectors they represent.

In the course of the development and maintenance of training packages, an IRC may directly, or through its SSO, establish and work through one or more Technical Advisory Committees (TACs). A TAC may, for example, include technical industry experts, industry associations, regulators and training providers, and can assist the IRC by providing technical input to the review and development of training packages. Expectations in relation to the use of TACs are:

² This would need to be determined on a case by case basis by the department. However, for example, where a member leaves his/her position with a particular company and is replaced by another representative from the same company – and both the IRC Chair and the department is satisfied that the change will not disrupt the effective operation of the Committee, this would not need to be subject to a separate decision by the AISC. However, where there was a need to call for nominations to fill a vacant position – this would be subject to AISC approval.

- (a) The establishment of a TACs is not subject to approval by the AISC and may be done on an ad hoc basis as the need arises
- (b) Support for the operation of a TAC is subject to the SSO funding agreement with the department and the MOU between the IRC and the SSO.

3.1.3 Skills Service Organisations

SSOs were identified through a competitive grants process. They are funded by the Australian Government through a funding agreement for an initial three year period, subject to meeting performance requirements and other contractual arrangements, with an option to extend for two years.

The role of SSOs is to provide services to a range of IRCs, to ensure training packages reflect the skills needs of industry. SSOs provide technical, operational and secretariat services to enable IRCs to undertake their industry engagement and training package development and review activities.

SSOs support industry engagement while remaining independent from both industry and the training sector itself. SSOs are governed by boards whose members can demonstrate independence as well as strategic capability and professional expertise.

The Australian Government recognises that each industry sector has different characteristics and that the new arrangements need to be flexible enough to ensure that SSOs are able to provide high quality and tailored support to their clients, which will include a number of different IRCs. This requires a strong ability to nurture stakeholder relationships and facilitate cooperation and partnerships.

SSOs are not prohibited from undertaking commercial activities separate and additional to undertaking their role in supporting IRCs, provided these do not breach conflict of interest requirements set out in the funding agreement. These activities do not, however, carry government endorsement.

Where there is evidence of SSO non-performance, the IRC Chair may submit a case to the AISC to move to a different SSO. Such a submission must be the result of a fully constituted vote that is carried by a two thirds majority of the IRC. The submission must include:

- (a) particulars of the reasons for the proposed change of SSO
- (b) details of the performance issues with the SSO experienced by the IRC, including the steps taken to resolve the performance issue
- (c) the benefits of moving to the proposed SSO e.g. opportunities to achieve better synergies between and across industry sectors; or the skill set of the proposed SSO is better suited to deliver the services required by the IRC
- (d) a description of how the proposed change would facilitate better outcomes for industry and provide a better overall fit for the national training system.

The AISC will make a decision on whether or not a change should occur and may consult other parties including affected SSOs, or other IRCs in the process of making a decision. The decision of the AISC will be based on evidence about performance as set out in the MoU between the SSO and IRC.

4 Scheduling and Commissioning of Training Package Recommendations

4.1 IRC Workplans

Each SSO will support their allocated IRCs to develop a four year workplan and refresh that workplan annually. The IRC workplan will be comprised of two parts:

- (a) industry analysis including qualitative and quantitative data, an analysis of new and emerging skills, and associated training needs for an industry
- (b) a proposed plan for reviewing and developing the relevant training products.

The IRC workplan will be submitted to the AISC to inform the development of a four-year rolling National Schedule of training package development and review work.

4.2 National Schedule

In developing the National Schedule, the AISC will assess relative priorities across IRC workplans, taking account of risk, regulatory need, strategic industry and government priorities, economic impact, current levels of VET activity, and available budget.

Training package review and development work will be commissioned based on the National Schedule.

The AISC may, in consultation with the relevant IRCs and SSOs, amend the National Schedule from time to time to meet more urgent or critical national priorities.

Where the National Schedule does not allow for the work proposed by an IRC to be undertaken as proposed in the IRC workplan, the department, SSO and IRC will work through these issues together.

4.3 Business Cases

Each year SSOs will undertake the review work required in the National Schedule and develop one or more business cases. The scope of this work will be determined by the AISC and reflected in one or more activity orders issued by the department.

Business cases will detail:

- (a) information about review (including the methodology and the outcome)
- (b) the industry supported case for change and expected impact of the change, including on the industry sector and on the VET sector
- (c) an assessment of the benefits and estimated costs³ to industry and the VET sector expected from the proposed change/s, including an assessment of impact on productivity if the change is not made
- (d) the extent to which cross industry competencies⁴ can be used to support skills outcomes for the industries covered

³Note – this is not a formal cost/benefit analysis. Rather the AISC is looking for a description of the options explored and the impacts – both positive and negative of those options. The analysis of those impacts should indicate the reasons why the IRC is recommending the proposed action and could include using existing qualitative and quantitative information where it is available.

- (e) an analysis of the risks identified by both the relevant industry sector and the VET sector and the mitigation strategies to be put in place to manage those risks
- (f) any external impacts such as the regulatory environment or changes to industry practice which are driving the proposed change
- (g) recommendations on whether a qualification is suitable to be delivered as a traineeship or an apprenticeship arrangement, providing evidence of consultation with state and territories and evidence that their views have been considered
- (h) advice about industry's expectations of training delivery (including expectations around the duration of training, mode of delivery, work-based learning strategies and learner characteristics).⁵

The development of a business cases, including scoping the research and analysis, industry engagement and writing, will be carried out by the SSO, under direction of the IRC, in accordance with an activity order provided by the department.

At the completion of the review work, the SSO will provide to the AISC, on behalf of the IRC approved business cases to the AISC for consideration.

4.4 Training package development work

The AISC will consider business cases and determine the scope of training product development work to be undertaken. The AISC determination will be reflected in one or more activity orders issued by the department. The activity order may include additional requirements, or a smaller scope of work than was proposed in the business case.

The AISC may commission work to change existing, or develop new, training product content without the need for a business case. Depending on the trigger and the evidence available, work commissioned may not require a business case to substantiate the need for change.

The training package development work, including necessary industry engagement, technical writing and validation of changes to training packages will be carried out by the SSO in accordance with the activity order issued by the department.

At the completion of the training package development work, the SSO will prepare a case for endorsement for the training package for IRC approval.

4.5 Cases for Endorsement

The case for endorsement will be developed in accordance with the [Training Package Products Policy](#)⁶ and the [Training Package Development and Endorsement Process Policy](#)⁷ will include evidence of consultation with states and territories and evidence that their views have been considered.

⁴ Note – The COAG Industry and Skills Council has indicated its intention to improve the efficiency of the training system by creating units that can be owned and used by multiple industry sectors.

⁵ Note – The COAG Industry and Skills Council has indicated its intention to ensure that more information about industry's expectations of training delivery is available to training providers to improve their delivery and to consumers to enable more informed course choices

⁶ Note that the policy is currently under review to reflect the new arrangements for developing training packages.

⁷ Note that the policy is currently under review to reflect the new arrangements for developing training packages.

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The case for endorsement, once approved by the IRC, will be submitted to the department. The case will be assessed by the department against the activity order as well as the Standards for Training Packages and the abovementioned policy documents, as amended from time to time. Advice will be provided to the AISC for their consideration.

The AISC will also consider recommendations for changes to training products through representation, including industry proposals, submitted by interested stakeholders.

4.6 Industry Proposals

Industry proposals can be submitted to the department by any party. Industry proposals will detail:

- (a) the reason(s) the proponent would like to see a change to the National Schedule
- (b) details of the proposed work and how it is different from the existing provisions in the national training system
- (c) why the AISC should see the work as a priority including an explanation of how the work or proposed change/s meet/s industry needs and/or government priorities
- (d) information about the breadth of industry and other stakeholder support for the work or proposed change (including the views of the relevant IRC).

The department will discuss the industry proposals with the relevant IRC(s) and SSO(s) as appropriate. Where appropriate, industry proposals will be forwarded to the AISC for consideration.⁸ The department will keep a record of all industry proposals received and the action taken.

Approved industry proposals will be reflected in the National Schedule and may, in some cases, form the basis of an additional activity order for the development of a business case. The activity order may include additional requirements, or a smaller scope of work than was proposed in the industry proposal.

5 IRC Governance Arrangements

The governance requirements outlined in this section are the standard arrangements that IRCs are to adhere to. Where an IRC is of the view that alternative arrangements would better suit the needs of their industry or sector, those alternative arrangements will be subject to the agreement of the AISC.

5.1 Chair

Each IRC will have a Chair and Deputy Chair. Both will be elected by the IRC based on the criterion of the most suitable person to fulfil the role. The tenure of the Chair/Deputy would normally be for two years. However the Chair/Deputy may be re-elected for two additional terms.

The Chair/Deputy must be elected by a fully constituted vote that is carried by a two thirds majority. IRCs members should, however, make efforts in good faith to select nominees by consensus. The

⁸ This would need to be determined on a case by case basis by the department in light of the information contained in the industry proposal and the feedback provided by the relevant IRC/SSO. However, it is likely that the department will receive industry proposals that contain general feedback – or which re-prosecute issues that the IRC/AISC has already considered/agreed. In such cases, the industry proposal would not be forwarded separately to the AISC.

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This was strongly supported by the IRC Chairs, but questions have been raised by the AISC about whether this is workable.

role of the Deputy will be to perform the role of the Chair on occasions when the Chair is not available.

Chairs have an important role providing leadership to the IRC, being the primary contact for the AISC, working with the the SSO identifying opportunities for communication and consultation directly with their industry or sector.

Chairs of IRCs will have a key role in applying best practice governance principles and processes to the operation of their committee and act as the conduit between the committee and the AISC. In particular, Chairs:

- (a) are required to discharge their duties as a committee member in good faith. That is, in accordance with the public good, the best interests of their industry, and in accordance with training package principles agreed by [CISC](#) (page 3)
- (b) must not improperly use their position, or improperly use information obtained, to gain an advantage for themselves or others
- (c) are required to discharge their duties in the best interest of the constituents of the industry sector allocated to the committee, and not the particular organisation or enterprise that the Chair may be representing if there is a conflict of position on an issue
- (d) will not vote if they have a conflict of interest on any matter that is before the committee.

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At the initial meeting of the IRC, the Chair will lead a discussion to frame members' expectations of each other, of how they will work with their SSO(s), including the development of the MoU and IRC workplan, and of how they will measure their success as an IRC.

5.2 Quorum

An IRC is a decision making forum in terms of what it agrees to submit to the AISC for approval. As such, a quorum of members must be present for the business of the meeting to commence:

5.2.1 Quorum requirements

- (a) A quorum will be half the IRC members plus one.
- (b) Attendance via teleconference or videoconference qualifies as attendance for the purposes of a quorum.
- (c) If proxy attendance is permitted, the nominated proxy must be advised to the Chair at least 24 hours prior to the meeting.
- (d) Where a decision pertains *exclusively* to training products relevant to one or a set of individual members, alternate quorum arrangements may be applied.

5.3 Meetings, Agendas, Motions and Minutes

The IRC and the SSO will determine the scope and requirements for facilitating IRC meetings through the development of the MoU between the parties.

5.3.1 Meeting operation requirements

- (a) It is expected that an IRC will meet at least once per year, subject to the initial review of industry priorities and the approved workplan for that committee.⁹
- (b) Meetings may be held face-to-face. However, in order to minimise operational costs, it is expected that IRCs utilise options including teleconference, videoconference or other electronic format where appropriate.
- (c) Additional meetings may be called by a quorum of members and held as required, subject to available budget.
- (d) If a member fails to attend three consecutive meetings, without the approval of the Chair, the IRC may apply to the AISC to terminate that individual's membership and to have a new member appointed.
- (e) All agenda and meeting papers are to be distributed at least five working days before the meeting.
- (f) Observers/visitors may be invited and admitted to the meeting by agreement of a quorum.
- (g) The relevant SSO will provide secretariat services for the meeting in accordance with the MoU.
- (h) IRCs must agree on a decision-making process that suits the circumstances and scope of the IRC. Decisions made according to the established process must be recorded in the minutes. Decisions should be taken by an orderly and formal process:
 - (i) A motion should be clearly put to the meeting and have a seconder
 - (ii) All members should be given the opportunity to speak for or against the motion
 - (iii) Where a vote is taken, it is carried by a two-thirds majority of those in attendance.

5.3.2 Meeting minutes

In its capacity as secretariat, unless at the explicit instruction of the IRC Chair, at least one SSO engaged facilitator or employee will be present at IRC meetings for the purpose of taking minutes and answering any questions from members about agenda papers and/or the status of work being undertaken on behalf of the IRC.

Minutes must be made available to all IRC members, present or absent, as soon as possible after the meeting (and generally no later than 10 business days). The SSO will provide a copy of the minutes from each meeting to the AISC Secretariat.

Minutes will normally include:

- (a) names of those present
- (b) apologies received
- (c) an outline of substantive discussions
- (d) details of actions agreed and decisions made, including numbers for and against.

⁹ The actual number of meetings for an IRC in any given year will depend on the level of activity scheduled for that year. To ensure the capability of each IRC to provide advice on the training needs of their industry, it is recommended that each IRC should meet face to face once per year.

5.3.3 Costs associated with meetings

Costs associated with facilitating IRC meetings will be borne by the SSO. This may include the provision of reasonable travel and accommodation costs to support IRC member attendance at the meetings. However, it should be noted that the SSO may only support the reasonable travel and accommodation costs of IRC members up to a maximum of \$10,000 per calendar year per IRC, or as otherwise agreed in the MOU.

5.4 Confidentiality

IRC meetings will by their nature include broad and in depth discussions on industry practice. This may include information about the use of specific technologies or operations in the workplace.

To ensure that there is no perceived or actual misuse of confidential information, each committee will decide what content is confidential. Members can ask that specific information be treated as confidential. This agreement should be documented in the relevant meeting minutes, and may also be included in the policies and standard operating procedures as agreed in the MoU between the IRC and the SSO.

Where the IRC deals with training package material that is classified as 'Controlled Access' or 'Not for Public Access', appropriate processes to ensure the proper use of information must be set out in the MoU.

5.5 Conflicts of Interest

The nature of an IRC makes it likely that potential conflicts of interest will arise. As a group chosen for its capacity to engage and represent industry, members may represent sponsors of training products, training providers, purchasers of training and other stakeholders. Therefore it is important that the IRC deals with conflict of interest appropriately and transparently, to ensure outcomes and decisions that meet the needs of the industry or sector.

The IRC must establish (in consultation with its SSO) an ongoing process for the disclosure and management of Conflicts of Interest, with all interests that may lead to an actual or perceived conflict, to be declared and recorded in a Register of Interests.

For the purposes of this document, a Conflict of Interest is defined as any matter, circumstance, interest or activity affecting the IRC member which may impair, or may appear to impair, the ability of the member to make a decision diligently, independently and without bias.

On joining the IRC, a member must declare all actual or perceived conflicts of interest.¹⁰ The Chair is responsible for ensuring this is kept up to date and available for examination. The SSO should seek updates from IRC members' conflicts of interest ahead of each IRC meeting when it sends out the agenda papers and provide an updated list to the Chair.

Each committee member is required to discharge their duties in good faith: that is, in accordance with the public good, the best interests of their industry and in accordance with training package principles agreed by CISC.

Committee members must not improperly use their position, or improperly use information obtained, to gain an advantage for themselves or others.

¹⁰ An example of such an interest may be that the member or the organisation they work for has an interest in an RTO that delivers qualifications included in the relevant training package.

IRC members with an actual or perceived conflict of interest, or who may receive a financial benefit from a decision, must declare this and clearly demonstrate how they will separate these interests from their role on the IRC.

A member who has declared a conflict of interest may nevertheless be able to add value to the debate. A quorum of the committee is to decide if the declared conflict of interest should or should not preclude the member from staying in the room, noting that the member would not be allowed to vote on the issue.

5.6 Privacy

IRC members are expected to familiarise themselves with the Commonwealth *Privacy Act 1988* and ensure that they comply with it at all times.

If necessary, an IRC may collect, use and disclose members' personal information to properly and efficiently carry out its functions, complying with legal obligations, or otherwise in compliance with Commonwealth privacy provisions.

5.7 Reporting

Each IRC will, through the SSO, report on the progress of its work to the AISC from time to time, as requested by the AISC.

It is expected that IRC Chairs will also communicate with the department from time to time to discuss the progress of work, current priorities, the working relationship the SSO and other industry policy and related matters.

5.8 Authority

IRCs advise the AISC and have no delegated authority to make independent decisions on behalf of the Commonwealth, the AISC or CISC.

SSOs cannot independently make recommendations to the AISC on the content or form of nationally recognised training packages without sign off from the relevant IRC(s).

5.9 Professional Indemnity

The Commonwealth does not take responsibility for the advice or recommendations provided to the AISC by IRCs.

CISC is the final decision maker in relation to the content of training packages. As such the Commonwealth has not deemed it necessary to indemnify advisors in the process of training package development.

IRC members are responsible for obtaining their own legal advice if they deem it appropriate for the purpose of assurances.

5.10 Review

The role, structure and performance of IRCs against the provisions of this IRC operating framework may be reviewed from time to time by the AISC, and variations to membership and structure may be instigated in consultation with IRC members, industry and other stakeholders.

5.11 Memorandum of Understanding

The way support is to be provided to the IRC will be articulated in a MoU to between the IRC and its allocated SSO. The MoU:

- (a) will be subordinate to the relevant SSO funding agreement with the department and this IRC Operating Framework
- (b) can take any form the SSO and IRC consider appropriate to meet the needs of both parties, provided it is consistent with the SSO's obligations under the funding agreement and meets the requirements of the AISC and the department
- (c) will recognise that SSOs support multiple IRCs in accordance with funding agreements with the department, and that SSOs must allocated support and resources equitably to the group of supported IRCs as directed by the department.

To ensure the MoU meets the requirements of the funding agreement, the MoU will be subject to the approval of the department and the endorsement of the AISC.

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6 Further Information and Contacts

AISC Website

Templates available on Department of Education and Training website (add links):

Memorandum of Understanding

Four year workplan

Business case

Training package case for endorsement

Contacts:

IRC Team at the Department of Education and Training: IRC@education.gov.au

AISC Secretariat: AISCsecretariat@education.gov.au

Mailing address: AISC Secretariat, GPO Box 9880, Canberra ACT 2601

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Attachment One: Summary of Key Roles and Responsibilities

A summary of the key roles and responsibilities of the key entities is provided below:

Australian Industry and Skills Committee (AISC)

- Governed by its Terms of Reference (add link)
- Advise on the implementation of national training policies
- Quality assure and sign off training packages for implementation
- Oversee the process for development and approval of accredited training
- Provide direction on the VET sector research priorities, including the work of the National Centre for Vocational Education Research
- Provide advice to CISC on training provider and regulator standards
- Coordinate industry engagement through CISC meetings
- Undertake work as directed by CISC
- Meet with IRC Chairs at least once per year.

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Industry Reference Committees

- Guided by the IRC Operating Framework and the MOU
- Gather intelligence for their industry sectors to inform advice on training package development and review
- Oversight the development and review of training packages in line with the requirements of the AISC
- Oversight the development of the IRC workplan, advising who to consult and the type of information to include
- Provide sign off for industry proposals, business cases, cases for endorsement and other submissions for consideration by the AISC
- Report, through SSO, to the AISC on progress of its work.
- Promote the use of VET in the sectors they represent.

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Skills Service Organisations

- Funded by the Commonwealth Government through contestable funding arrangements
- Governed by a Funding Agreement that is managed by the Department of Education and Training
- Guided by the [Training Product Development Programme Guidelines](#)
- Support the activities of IRCs, including by providing secretariat services and as otherwise outlined in the MoU
- Prepare and submit required documentation to the department, including an MoU with IRCs, annual work plan, business cases and training packages
- Liaise with the AISC via the AISC Secretariat
- Establish and maintain relevant policies and standard operating procedures

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- Manage industry communication, engagement and analysis as directed by the IRC
- Provide recommendations to IRCs
- Maintain relevant websites, databases and records as required.

Department of Education and Training

The Australian Government Department of Education and Training (the department) will:

- oversight the operation of IRCs, including adherence to governance documentation and professional development
- facilitate annual meetings between IRC Chairs and the AISC
- monitor and synthesise information and data provided through the AISC public interface, and forward it to the appropriate channels
- manage funding agreements with SSOs
- provide secretariat services for the AISC
- manage the AISC website and other relevant communication

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