



Australian Government

Department of Education, Employment and Workplace Relations

WORKFORCE INNOVATION PROGRAM (WIP)

GUIDELINES FOR APPLICANTS

FEBRUARY 2010



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1. Foreword

1.1 Purpose of this document

The purpose of this document is to assist industry bodies and other organisations that are considering applying for funding through the Workforce Innovation Program.

Funding under the Workforce Innovation Program will be administered through the execution of funding agreements between an organisation and the Department of Education, Employment and Workplace Relations ('the Department'). If there is any inconsistency between the terms of the funding agreement and these guidelines, the provisions of the funding agreement prevail.

The Department reserves the right to amend these guidelines at any time. This document replaces and supersedes all previous administrative information for the Workforce Innovation Program.

2. Introduction to the Workforce Innovation Program

2.1 Overview

The Workforce Innovation Program is an element of the broader Australian Government approach to workforce development and improving workforce productivity. It provides grant funding for innovative, one-off projects that address workforce and skills development needs.

The level of Australian Government contribution varies according to the activity to be undertaken and the timeframe. Australian Government funding is a contribution to the total cost of the project, with other stakeholders also being required to provide a contribution.

2.2 Aim and priority areas

The aim of the Workforce Innovation Program is to provide support for industry-led pilot projects that address current and future workforce and skills development needs.

The current priority areas are:

- (a) promoting a workforce development approach to address industry skills needs;**

The Organisation for Economic Co-operation and Development (OECD) defines workforce development as "the comprehensive management of human resources, so as to meet better the demands of a global economy at both the national and local levels, through improving economic competitiveness and social cohesion."¹

¹ OECD. 2008. *More Than Just Jobs: Workforce Development in a Skills Based Economy*

Workforce development increases the capacity of individuals to participate in the workforce, become productive and pursue their career aspirations. It supports the capacity of businesses to attract, retain and develop their workforce, and stay globally competitive. It also builds the capacity of organisations to collaborate and support each other to develop regional and industry solutions to workforce and skills challenges.

Workforce development is a multi-faceted approach to increasing productivity and includes recruitment and retention, work flows and job roles, workplace conditions and pay, career structure and succession planning, performance management and recognition, management culture and internal communications, business and HR systems, as well as skills development and training.

(b) developing skills and management to create an innovation culture in Australian workplaces;

Innovation is well recognised as an important driver of productivity growth. However, Australia's recent innovation performance has failed to keep pace with international levels². To enhance our productive capacity and competitiveness, Australia needs to equip its workforce with the skills to innovate.

But, on their own, workforce skills will not deliver improvements without the type of work organisation that encourages innovation and productivity improvement. Enterprises and workplaces need to be consistently innovating – not just with the next generation of products, inventions and technologies, but in their operations, organisation, relationships and business models.

(c) supporting the development of 'skills for environmental sustainability';

The transition to a low carbon sustainable economy will have implications for jobs across the Australian economy. In many instances, existing jobs will need to be transformed as individual firms and entire industries move towards more sustainable operations. In other cases, existing workers will be required to up-skill in new 'green' skills to implement sustainable processes and meet emerging consumer demand for sustainable goods and services. And there will be new jobs created that cannot be imagined today.

The Australian Government is determined to create an enabling environment that provides the skills, training and knowledge required for workers, investors and entrepreneurs to participate in – and benefit from – the transition to a sustainable, low carbon future.

(d) strengthening training system support for emerging technologies.

Innovation often leads to the emergence of new technology which can be a major contributor to productivity improvements. The tertiary sector needs to have the capacity to adapt to technological evolution to ensure that those being educated

² Australian Government. 2009. *Powering Ideas: An Innovation Agenda for the 21st Century*.

receive instruction that will allow them to work with the tools provided to them by industry.

Those delivering training for the application of new technologies need to be flexible and responsive in order to meet rapidly changing industry demands. The time lag between the development of new technologies and the need for new training and curricula needs to shorten. Pilots that aim to reduce the gap in the delivery of up to date curricula with a view to roll out across industry are encouraged.

2.3 Uses of Workforce Innovation Program funding

Workforce Innovation Program funding is provided for activities which support the conduct of innovative pilot that address current and future workforce and skills development needs.

Workforce Innovation Program funding can be used in conjunction with other Commonwealth and state/territory funding programs. But care will be required to segregate and account for expenditure under each program.

Workforce Innovation Program funding cannot be used for recurrent funding of activities. Workforce Innovation Program funding is provided to support projects of a developmental, pilot or innovative nature and is not provided for indefinite or ongoing support.

Funding is not provided for infrastructure or other capital development costs. Funding will not normally be provided to pay for training course fees for existing training packages.

2.4 Nature of projects

Proposals should seek to examine and provide evidence of the impact on productivity and performance of specific initiatives or interventions that, if successful, can be replicated by others. For example projects could seek to: identify and pilot ways to:

- lift the innovative capacity of Australian workplaces and workforces in a region or industry sector
- identify leadership, culture and management initiatives at the workplace level aimed at improving innovation, driving productivity and ensuring sustainability
- improve the responsiveness of the national education and training system to the modern labour market
- sustainably address labour and workforce skill demands in a region or industry sector
- develop high performance workplaces
- facilitate joint industry/RTO pilots to develop innovative solutions to training problems being faced by industry and extend the learnings to other sectors
- develop, test and provide support tools, frameworks, blue-prints and guidelines on best practice to help enterprises lift productivity through improved skills utilisation

- identify the gaps between workers existing skills and the skill needs of enterprises in a low carbon economy, and then demonstrate pathways to assist workers meet these skill needs in the transition to a low carbon economy

Proposals should be submitted using the Workforce Innovation Program Application form, found at www.deewr.gov.au/wip.

Attachment A provides information about legal and financial conditions pertaining to funding recipients.

2.5 Impact of projects

Projects provide an opportunity to demonstrate the impact of particular workforce development actions, innovations and interventions on the productivity, performance or sustainability of organisations, industry sectors or regions. This evidence can then support the development of business cases for the replication of successful activities and the roll-out of lessons learnt more broadly.

Projects should have an evaluation plan to measure and quantify the impact of the initiatives being piloted. This includes articulating performance indicators, before and after measures, and any “control” arrangements that may be required to compare participating organisations with similar organisations that are not undertaking interventions. Evaluation plans should also include post-project measurement at regular intervals (such as biannually) for a relevant period, to record the ongoing benefits (or otherwise) of activities, tools and processes.

Following the project, it is expected that the lessons learnt, tools and better practice models identified through the project will be continue to be applied by participants. It is also anticipated that successful models will be implemented more broadly across an industry sector or region. To support this, projects should have a post-project implementation plan that may include a communications plan to promote the outcomes of the project, listing industry responsibilities and actions to apply lessons more widely, details of how tools will be maintained and how users of the tools will be supported.

3. Selection of Projects

3.1 Submission process

Workforce Innovation Program proposals may be submitted to the Department at any time.

Proposals should be completed using the WIP application form, available at www.deewr.gov.au/wip Proposals should be sent to wip@deewr.gov.au

3.2 Applicant eligibility

Any entity with an ABN and the capacity to enter into a contract may make a funding submission under the Workforce Innovation Program. To date most submissions

have been unsolicited proposals from industry associations and industry peak bodies. Organisations may usually only receive approval for funding of one new project in any financial year.

Applications may be submitted by consortia. The Department requires that each consortium appoint a lead member who is authorised to deal on behalf of all members of the consortium, and to enter into contracts which are binding on them. All consortium members, and the lead member, must be clearly identified in the application. The Department may subsequently require all consortia members to confirm in writing that the lead member has the authority to bind other members, in a form specified by the Department.

3.3 Assessment criteria

Assessments of proposals received will be made by officers of the Department in consultation with independent experts as necessary. Projects should address all the criteria below to be considered for funding:

i) Meets Workforce Innovation Program aim and priority areas (see section 2.2 above for aim and priority areas).

Note: Proposal should establish evidence of a workforce development need that is not being met for an industry or sector. It should outline the importance of addressing this need, provide background on what has been done to address this issue and explain how the proposal will build on or complement those efforts. Proposal should not be contrary to Australian Government policy.

ii) Contributes to addressing an identified workforce development gap by:

- a. conducting research on areas of workforce development needs; and/or
- b. identifying and piloting models for addressing workforce development needs.

Note: Proposal should identify the workforce development aspects of the gap that will be examined (for example: job design, new skills or competencies, attraction and retention measures, workplace conditions and remuneration, and performance management). Proposal should suggest a solution that uses a workforce development approach, and outline how the proposed activities will address the gap. Proposal should identify how the approach to be undertaken is innovative.

iii) Has a commitment from industry support of the relevant Industry Skills Council(s) and includes other appropriate groups as partners.

Note: Proposal should demonstrate commitment of industry stakeholders, including Industry Skills Council(s), identifying how training solutions fit with the relevant national training package. Examples of stakeholders include industry bodies, enterprises, training organisations, employment service providers, and government and non-government agencies.

iv) Collects evidence of impact and uses findings to:

- a. share learnings nationally
- b. improve Tertiary sector (Vocational Education and Training and Higher Education) responsiveness and flexibility to address workforce development needs;

Note: Proposal should describe what intervention will be undertaken and how the success of the project will be evaluated. Proposal should show how the lessons learnt from the project will be implemented sustainably across the industry beyond the period of project funding. Proposal should also outline how the lessons learnt and successful business cases will be promoted to the industry.

v) Proposal represents value for money:

Note: Proposal must demonstrate an anticipated return on investment. Proposal must list key activities and milestones, and outline how the activities will be conducted. Proposal should not duplicate projects previously completed or funded through other Australian Government programs. The Department will also consider the need to ensure an equitable distribution of funds across industries and geographical areas.

- vi)** The Department may also take into account other considerations such as financial viability of the applicant, significant deficiencies in the performance of any substantive requirement or obligation under a prior contract, and compliance with Commonwealth legislation and policies.

3.4 Approval process

- Applications will be assessed by the Department against the criteria listed in section 3.3.
- The Program Manager will recommend to the Program Delegate those applications which meet the funding priorities and assessment criteria.
- The Program Delegate will determine if the project will receive an offer of funding through the program.
- Where a project is to receive an offer of funding, the Department will enter into negotiations with the successful entity, to agree the amount of funding and deliverables, and enter into a funding agreement.

3.5 Conflict of interest

Applicants must warrant that, to the best of their knowledge after making reasonable inquiries, no conflict of interest exists or is likely to arise in the performance of their obligations under the funding agreement. If during the agreement a conflict, risk of conflict or apparent conflict arises in the performance of the applicant's obligations under the agreement, it must be immediately disclosed to the Department.

Where a conflict of interest is identified, applicants must specify how the conflict will be addressed and monitored, and how the Department can be assured that the

conflict of interest will not give rise to outcomes inconsistent with those stated in the contract.

3.6 Financial viability assessment

Applicants may be assessed for financial viability in accordance with the Department's funding policy.

3.7 Subcontracting

The full details of all subcontracting arrangements that are going to be considered should be included in the initial application for approval by the Department. Subcontractors will be subject to the same conflict of interest and financial viability checks as the primary contracting party. A proposal to use a large number of subcontractors may represent a higher level of risk, and may open the applicant organisation to more stringent financial viability checks.

In relation to subcontracting arrangements, the primary contracting organisation remains responsible for all funding, and for the achievement of all project outcomes.

4. Departmental roles and responsibilities

4.1 The Department

The Department is responsible for:

- managing the Workforce Innovation Program
- providing advice to the Minister for Education on the Workforce Innovation Program
- undertaking preliminary assessment of proposals and making recommendations to the Minister, or a delegate of the Minister
- negotiating a Funding Agreement with successful proponents
- monitoring, reviewing and evaluating the Workforce Innovation Program funded projects for performance and contractual compliance and taking action in cases where necessary
- collecting, analysing and reporting information on outcomes achieved.

4.2 Administrative Officers

Administrative Officers representing the Department have one or more of the following roles in the Workforce Innovation Program:

- **Program Delegate:** means the person, named in the contract, for the time being performing the duties of the office of the Department or any other person specified by the Secretary and notified in writing to the Workforce Innovation Program funding recipient.
- **Contract Manager:** manages general liaison with the contractor in regard to the funding agreement. The Contract Manager is responsible for supervising performance, processing payments, and accepting and issuing any written notification under the contract. This person will be specified in the individual funding agreement.

5. Contacting us

For information about the Workforce Innovation Program or this document contact:

Email: wip@deewr.gov.au

Phone: 02 6240 6973

Web: www.deewr.gov.au/wip

Mail: Director
Workforce Innovation Program
Workforce Development Branch
Department of Education, Employment and Workplace Relations
C16MT6
GPO Box 9880
CANBERRA ACT 2601

Attachment A: Legal and Financial Information

Workforce Innovation Program Contractual Arrangements

A.1 Contractual arrangements

All bodies successful in receiving an offer of funding must enter into a contract with the Department. The standard departmental funding agreement will be used.

A.2 Work and Finance plan

Each Workforce Innovation Program funding recipient will be required to develop a detailed Work and Finance Plan for delivery of the project. The plan, when agreed to by the Department, will form part of the contract between the Department and the contractor. The plan must include as a minimum:

- project objectives;
- a detailed description of the milestones to be achieved by the Project, the strategies you will use to achieve them, and the timeframe for achieving them; and
- a project budget.

A.3 Survey requirements

Where a project involves a survey of 50 or more businesses, approval must be obtained from the Commonwealth Government Statistical Clearing House before the survey commences. The review process and contact details are available in an information pack available at www.sch.abs.gov.au.

A.4 Reports

The Workforce Innovation Program funding recipient is required to submit reports on activity as specified in the contract. Reports may include the following:

- a work and finance plan that describes the use of funding;
- an overview of project activity including whether or not milestones and key performance indicators have been achieved; and
- an evaluation of the project or obligations of the contract as stipulated in the contract.

A.5 Assessment of reports

The Department will assess the reports against the project plan and the reporting requirements specified in the relevant contract. Where the report is assessed as satisfactory, any payment associated with the report will be processed, so long as other conditions specified in clause A.14 below are met.

Where the report is assessed as unsatisfactory, any payment which is due will be deferred pending resolution of the areas of the report that have been deemed to be unsatisfactory.

The Department undertakes to complete the assessment of reports within 30 days and advise in writing (by letter or e-mail) whether the report has been deemed satisfactory or if not, what issues and gaps in information need to be addressed.

Assessment criteria for evaluating reports may include, but not be limited to, consideration of the following:

- satisfactory evidence provided that key project objectives and terms of reference of the project have been addressed, where applicable;
- satisfactory delivery against the timeframes detailed in the contract;
- recommendations that are consistent with and relate to information included in the report;
- use of appropriate badging and acknowledgement required by the Department; and
- appropriate approval/sign off from commissioning authority for the report.

A.6 Insurance arrangements

Workforce Innovation Program funding recipients are required to have insurance policies as specified in the contract. Insurance required is usually for Workers Compensation, Public Liability for \$10,000,000 or more per claim, and Professional Indemnity for \$1,000,000 or more per claim. Insurance must be valid for as long as any obligations remain in connection with the project. When requested by the Department funding recipients must provide within 10 business days evidence satisfactory to the Department that insurance obligations have been complied with.

A.7 Acknowledgement of funding

Workforce Innovation Program funding recipients must acknowledge the financial and other support received for the project from the Department in all publications, promotional materials, and activities relating to this project as stated in the funding agreement.

A.8 Subcontracting

Workforce Innovation Program funding recipients must identify the names and roles of all subcontractors in funding agreements. Further, to manage potential conflict of interest, information needs to be updated and kept current as projects are delivered.

Workforce Innovation Program funding recipients must not without the Department's prior written approval subcontract any obligation under the funding agreement, and will remain fully responsible for the performance of their obligations under the funding agreement.

Workforce Innovation Program Funding

A.9 Goods and Services Tax (GST)

Funding provided under the Workforce Innovation Program will be inclusive of GST where GST is payable.

A.10 Terms of funding

Workforce Innovation Program grants are made for periods specified in the funding agreement. Funds are required to be expended in timeframes specified in the funding agreement. In some cases, funds may be payable over more than one financial year. For this to be permissible:

- the contract must be for a period of 36 months or less;
- the total value of the contract must be less than \$2 million; and
- the Department must gain approval from the Government to expend funds from a forward budget.

A.11 Restrictions on the use of funding

Workforce Innovation Program funding is provided for costs solely as specified in the approved project budget. Workforce Innovation Program funding recipients must not spend funds on activities not approved in the project budget. If in doubt, Workforce Innovation Program funding recipients should seek advice from the Department on what might constitute approved activities.

Workforce Innovation Program funding cannot be used for recurrent funding of activities. Workforce Innovation Program funding is provided to support projects of a developmental, pilot or innovative nature and are not provided for indefinite or ongoing support.

Workforce Innovation Program funding must not be used for purchasing or creating assets, apart from any assets detailed in the contract, without written approval from the Department.

A.12 Payment schedule

Payments to Workforce Innovation Program funding recipients will be negotiated in accordance with departmental financial management requirements and the needs of Workforce Innovation Program contracts.

The payment schedule will form part of the contract.

A.13 Advance payments

Payments to Workforce Innovation Program funding recipients are made on acceptance by the Department of deliverables specified in the funding agreement. An advance payment will only be made if approved by the Department. This approval needs to be sought prior to the development of a funding agreement and as part of the process of submission for funding. At the time of approval of the project the submission for funding should detail the rationale for making the advance payment. The rationale needs to be in accordance with the requirements set out in the Chief Executive Instructions of the Department. A copy of the Chief Executive Instructions is available on request from the Department.

A.14 Payment processing

Payments will only be made where the Program Delegate, or an officer delegated this responsibility, is satisfied that:

- the contractual requirements relating to the payment have been met;
- a correctly rendered invoice has been supplied; and
- all other requirements up to the date the payment is due stipulated in the contract have been met.

A.15 Payment date

Payments will be made as set out in the contract no later than 30 days after contract requirements for that payment have been met.

A.16 Financial management of Workforce Innovation Program funds

Funds must be held in an account in the Workforce Innovation Program funding recipient's name with an Australian bank or credit union, established solely to account for the funding. Project financial records must enable all income and expenditure regarding the project to be identified. Funds must not be used for security for any loan, or for litigation.

All accounts and supporting documentation must be clear, up to date and available for the Department as necessary.

Departmental officers will have full access to all financial and other records relevant to the Workforce Innovation Program that are held by the Workforce Innovation Program funding recipients, including records held by banking or other institutions. This includes access by the Department investigation officers, program management and audit staff.

A.17 Final acquittal of funds

Final acquittal of funds will be required in line with the contract requirements.

The Department will withhold any payments under the Workforce Innovation Program contract where the funding recipient has an outstanding acquittal for a contract under any program administered by the Department. Further failure to adequately acquit Workforce Innovation Program project funding may impede future contracts being established.

At the completion of the funding period, all funding not expended for the purpose of the project or not acquitted to the satisfaction of the Department, is to be returned to the Department together with the final acquittal. Overpayments must also be returned, or dealt with as directed by the Department.

Where the funds to be returned are not received within the period stated in the contract, the Department may take recovery action.

Project monitoring and risk management

A.18 Monitoring of Workforce Innovation Program projects

The recipient of Workforce Innovation Program funding is responsible to the Australian Government for managing the performance of the project.

The Department will undertake monitoring of Workforce Innovation Program projects to:

- measure the performance of each contractor against the contractual obligations;
- assist in determining if outcomes are achieved; and
- assist in determining if expenditure of funds has been appropriate.

A.19 Monitoring mechanisms

The Department will monitor Workforce Innovation Program funding recipients' performance through a variety of mechanisms including by:

- maintaining regular contact;
- attending reference/steering committee meetings and/or project sites;
- reviewing information provided in Project reports; and
- examining financial summaries and acquittals.

A.20 Record Keeping

Workforce Innovation Program funding recipients are required, as specified in the funding agreement, to maintain accurate records of the execution of the project

The Workforce Innovation Program funding recipient must comply with reasonable requests for information and monitoring requirements by the Program Delegate. The Workforce Innovation Program funding recipient is contractually required to give to the Program Delegate, an officer of the Department's Investigations Branch, or any person authorised in writing by the Department's Secretary reasonable access to its records, premises and employees upon provision of reasonable notice.

A.21 Risk Management

Workforce Innovation Program funding recipients should undertake appropriate risk management processes and have an up-to-date risk management plan and fraud control plan, that accord with Australian standards.

Legislative requirements

A.22 Discrimination legislation

Workforce Innovation Program funding recipients are subject to Acts which prohibit discriminatory practices, for example:

- *Racial Discrimination Act 1975*;
- *Sex Discrimination Act 1984*;
- *Disability Discrimination Act 1992*, and
- *Human Rights and Equal Opportunity Commission Act 1986*.

A.23 Privacy Act

The Department is bound, in administering the Workforce Innovation Program, by the provisions of the *Privacy Act 1988* (the Privacy Act). Section 14 of the Privacy Act contains the Information Privacy Principles (IPPs) which prescribe the rules for handling personal information.

Persons, bodies and organisations involved in the Workforce Innovation Program must abide by the IPPs and the Privacy Act when handling personal information collected for the purposes of that program. In brief, persons, bodies and organisations must ensure that:

- personal information is collected in accordance with IPPs 1-3;
- suitable storage arrangements, including appropriate filing procedures are in place;
- suitable security arrangements exist for all records containing personal information;
- access to a person's own personal information held by the organisation is made available to the person at no charge;
- records are accurate, up-to-date, complete and not misleading;
- where a record is found to be inaccurate, the correction is made;
- where a person requests that a record be amended because it is inaccurate but the record is found to be accurate, the details of the request for amendment are noted on the record;
- the personal information is only to be used for the purposes for which it was collected, or for other purposes where expressly allowed by IPP 10; and
- personal information is only disclosed in accordance with IPP 11.

Complaints about breaches of privacy should be referred to the Administrative Law Branch, Legal Investigation and Procurement Group in DEEWR's National Office at this address:

Mail: Privacy Contact Officer
Administrative Law Branch
Legal, Investigations and Procurement Group
DEEWR
C148CW2 – FOI
GPO Box 9880
CANBERRA ACT 2601

Privacy complaints can be made directly to the Federal Privacy Commissioner, however the Federal Privacy Commissioner prefers that the Department be given an opportunity to deal with the complaint in the first instance.

A.24 Freedom of information (FOI)

All documents created or held by the Department, including those with regard to the Workforce Innovation Program are subject to the *Freedom of Information Act 1982* ("FOI Act").

Unless a document falls under an exemption provision in the FOI Act, it will be made available to the general public if a relevant request is made under the FOI Act. Decisions regarding requests for access will be made by the Department's authorised FOI decision-maker in accordance with the requirements of the FOI Act.

All FOI requests are to be referred to the Administrative Law Branch, Legal Investigation and Procurement Group, in DEEWR's National Office at:

Mail: FOI Coordinator

Administrative Law Branch

Legal, Investigations and Procurement Group

DEEWR

C148CW2 – FOI

GPO Box 9880

CANBERRA ACT 2601

Email: foi@deewr.gov.au