

BANYULE / NILLUMBIK LOCAL LEARNING & EMPLOYMENT NETWORK

Board Meeting

Wednesday, November 12th

7:15 am – 8:45am

Diamond Valley Learning Centre

1. WELCOME

- a) **Attendance:** Gerry Fogarty (Chair), Kate Rhodes (Executive Officer), Marie McNeil, Diana Murphy, Julie Johnson, Lindsay Round, Jackie Doyle, Darrel Caulley, Trevor Jenkins, and Ian Roberts
- b) **Apologies:** Ian Harrop, Stephen Smith, Jacinta Feeley, Cheryle Michael, Chris Spindler, Sue Lees, and Stephen Fiyalko

2. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

- a) **Declaration of conflict of interest - Nil**
- b) **Minutes of previous meeting – Wednesday, October 8th confirmed**

Moved: Ian Roberts
Second: Marie McNeil

3. CORRESPONDENCE

Kate noted, in correspondence out, that the signed three year Strategic Plan with the 2009 Implementation plan had been sent to the DEECD. Gerry said he felt the final version read well and captured the input from the Board.

Gerry also noted that he had attended the 2008 Berry Street Annual Celebration at the MCG. It was an impressive event. Berry Street will be moving their main offices to Heidelberg.

Moved: Trevor Jenkins
Second: Darrel Caulley

4. BUSINESS ARISING

a) **Hot topics – Youth mental health**

The Mental Health discussion has been postponed until the December meeting to allow sufficient time to discuss the Skills for Victoria paper. This will allow the School Nurse at Bundoora SC to speak at the meeting in December.

b) **Skills for Victoria – “Securing Jobs for Your Future”**

Demand funding

Previously ACE's their main funding body was ACFE and they were funded on a set number of hours per year so they knew in advance how much money they would get and when. Skills for Victoria will change to a demand driven model. This model will create new training places and will eventually put ACE on the same pay rate as the private providers but there will no longer be a guaranteed number of places or a guaranteed base funding. As a result next year Diamond Valley Learning Centre will receive only half of their previous base rate meaning a loss of \$10,000. After next year under the new system they will be competing for students and at present they have no idea of the funding mechanism or of how much funding they will receive.

TAFE will still be protected to a certain extent but the State Government is moving away from subsidising training. Previously the Government allocated a set amount of funds for TAFE and a set hourly rate that included the additional support costs. The new model will mean for NMIT two and a half million less funding next year. A positive is that providers will no longer be capped but as they are now competing with private providers this also means they need to put more resources into marketing and this will take away from delivery.

In 2006 the Government introduced high and low priority areas. Under the new structure there are no priority areas and again this has created a competitive culture within faculties at the TAFE as well as with other providers

Ian noted that Victoria provides less Government support to TAFE than any other state meaning it is the cheapest vocational trainer nationally; yet the Victorian TAFEs are considered the best providers in Australia. The Victoria Government is saying they can still do it better but if they were willing to fund the TAFEs at the same rate as NSW for example there would be no issues.

Private RTOs

Another issue is the number of private providers that are money driven not quality driven. In the past a lot of money was wasted federally through RTOs that were running short programs to get people in the door. There are some good private providers but many of the smaller ones just deliver training that is not necessary. They offer short courses where the student can get a Certificate quickly but the provider is not offering any support systems or numeracy or literacy as part of the course. Also providers get the students half way through the program so they can get the funding and they don't worry about completion. This undermines the whole training system resulting in employers losing confidence in the training.

There is a concern that the government is not able to adequately police the private providers to ensure they demonstrate quality outcomes. History has shown that Government is not capable of monitoring though they claim they will. They may be able to trace a paper trail but they don't actually speak to the students to see if there are any job outcomes resulting from the training.

Training needs an effective system that determines the demand and Government needs to be sure that providers demonstrate the demand in terms of employment outcomes. For the RTOs their only obligation is to show that they have enrolled the students but there is no follow up to the training. The TAFEs have a whole infrastructure, auditing, career advice, demonstrable outcomes etc.

The main issue is that the private providers are profit driven and there is a concern that the auditing processes won't be effective because the government is mainly interested in the numbers being trained not the quality of the training.

Students and fees

Another problem is once a student uses the government funding to access a place they can't receive government funding again. Hence if a student accesses a place with a private provider and then learns that the training was insufficient if the student chooses to redo the training with an ACE or a TAFE provider there is no government subsidy available. Also if a student already has done a Certificate II at one level they are not allowed to do that level again. They acknowledged that there is an issue about 'professional students' but there is also a need to look at each student case by case.

The TAFEs feel that in order to offer the quality training under the new system they will need to increase their fees or move away from high cost programs even if they may be critical to industry but there is a low demand. Ian said that NMIT is looking at how to deliver the training and minimize the costs so that there are no significant increases. They will also show that their programs deliver employment outcomes. The importance of networking and keeping vocational training relevant with local partners was stressed but the cost of this is not funded.

The student fees are based on the ability of people to earn a certain amount of income once they qualify but this does not necessarily work because the higher incomes are not necessarily based on the cost of the program. There are a lot of inaccuracies in terms of how the Government has gotten their data.

Paper and the consultation process

The feeling was that the document was a glossy, more like a PR publication; and that the consultation process was flawed. When the questions were sent out to stakeholders regarding the paper they were skewed and did not look at the fundamentals of the paper. Also there was a very short time line to respond. Initially the Government said that all the responses to the paper would be in the public domain but once they got the responses they changed this and decided that the responses would not be made public. However NMIT has put their response on their website and Ian will see if he can send out the response to the Board.

There is a sense that there is not enough forward planning and that the Government needed to consult more with the providers to ensure that there is a post training component and that there is a demand for that training in the region. They are guaranteeing places without knowing if the training is possible.

It was also felt that any response to the government by the training providers would have less influence than a response from industry. Industry sees TAFE and ACE as central to the training and they are concerned that the new model won't deliver quality. Industry will be a main voice because they need to have confidence in the training.

The Board discussed how the LLEN might play a role in considering all the concerns. It was felt that we need to encourage students to be very discerning about their training. Students need to be aware of the issues and the possibility of being attracted by a quick private course. Also the TAFEs and ACE have to build on their networks with employers and schools to ensure that the students are provided with career advice and employment opportunities.

5. REPORTS

a) Finance Report

In Stephen's absence Gerry tabled the Finance Report. It was noted that the Board needed to have access to the Finance Reports prior to the meeting.

ACTION:

In future to send the Finance Report out to the Board electronically prior to the meeting.

b) Staff Report

Tabled. Kate noted the VET Awards scheduled for November 18th. Two students from Diamond Valley Learning Centre have been nominated for awards this year.

Reports accepted:

Moved: Darrel Caulley

Second: Julie Johnston

c) Risk Management Standing Committee

Gerry reported verbally on the meeting. The Committee focused on the staffing profile in terms of planning for the budgeting for the next three years. This has involved increasing the hours of a project officer and looking at the salary range for the new Administration Officer. It was agreed that the time fraction for the Finance Officer be reduced and that long term we look at incorporating some of that role into the role of the Administration Officer. The aim has been to reduce the percentage of the funding used for salaries to between 80% - 82% for next year.

6. OTHER BUSINESS

a) Northern VET Cluster

Presently the Northern VET Cluster is only schools who offer places to students in schools. It has been managed by the other LCP in the Region, Career Connections and the principals who decided on a fee structure for 2009. This fee structure has increased considerably from \$600 to \$1300. This has meant the fees are prohibitive for non school providers like ACE that don't receive the infrastructure funding of schools and deal with far smaller numbers of students.

Julie spoke about the concerns of the Diamond Valley Learning Centre and how she had approached the Cluster Coordinator at Career Connections without success regarding ACE being considered as a special case in terms of fees. The Cluster is presently developing a model for operating whereby an Advisory Group is formed that will provide advice to the Principals who will make the final decisions regarding the management of the .Cluster. The BNLLLEN will be represented on this Advisory Group as both a LLEN and a LCP.

The Board recommended that the BNLLLEN lobby with this Group for a fee structure that allowed ACE to be part of the Cluster in future. They also agreed that the Cluster needed to be expanded to not only include ACE but other non school providers including TAFE. Ian indicated that NMIT is also happy to be involved with the Cluster. It is important that the students in the Cluster have access to as wide a range of VET options as possible.

The Board also discussed briefly the new VET funding model and how it might affect future VETIS enrolments. It was agreed that we need to explore this further.

ACTION: That the BNLLLEN write a letter to the Northern VET Cluster Advisory Group regarding their concerns with the present fee structure.

b) LLEN Chairs Forum

Gerry tabled a summary of the discussion at the Chairs' meeting on October 17th and spoke to his summary.

LLENs are now seen by the State Government as playing a major role in terms of the overall DEECD direction. Minister Pike has attended both Chair Meetings since she has become Minister. Christine Nixon also spoke at the Chairs' dinner.

DEECD wants to support LLENs in their engagement with industry and advocating professional development for EOs. This will be the responsibility for the Board though DEECD is looking at supporting the broad generic skills.

Other issues summarised by Gerry were two pilot programs working with young offenders and the issues around the implementation of the Wannik Strategy. The "Skills for Victoria" paper was also discussed at the Forum and many of the same concerns were expressed.

Gerry noted that the DEECD has developed a statewide website for LLENs and that they are looking for individual good news stories. The Statewide website can link with individual LLENs websites.

Meeting closed: 9:10 am

Next meeting: Monday, December 8th
3.00 to 4.00 – Reception Room, Nillumbik Shire

Diane the school nurse at Bundoora SC (tbc) to speak about youth mental health