

# Subcontracting under a Funded Activities Agreement

This factsheet is for Registered Training Organisations (RTOs) who hold a current Funded Activities Agreement (FAA) and wish to apply for permission to subcontract with a third party to deliver subsidised accredited training. The specific contractual obligations relating to subcontracting arrangements are detailed in Clause 30 of the FAA's Skills Agreement. The reference to "subcontracting" in the FAA holds the same meaning as "third-party agreement" as defined by ASQA. You may wish to review [ASQA's third-party requirements](#) before submitting an application.

Please be aware:

- Funded activities cannot be subcontracted without prior written permission from Skills SA (the Minister's delegate).
- Skills SA will only pay a subsidy to your RTO and not to your approved subcontractor/s.
- A subsidy will not be paid for any funded activities delivered by your subcontractor/s prior to approval of the subcontracting arrangement.
- Subcontracting agreements will only be approved by Skills SA for a maximum of 12 months. To extend an existing agreement, please submit a formal request to Skills SA.
- As an FAA holder, your RTO would be responsible for:
  - enrolment of eligible students into courses;
  - issuance of qualifications and Statements of Attainment;
  - reporting AVETMISS data for units of competency delivered by the approved subcontractor; and
  - always remaining compliant with the Standards for RTOs.

To seek permission for a subcontracting arrangement, submit your application to:	Your application must include:
Director, Skills Policy and Quality, Skills SA Department of State Development  By email: <a href="mailto:SkillsContracts@sa.gov.au">SkillsContracts@sa.gov.au</a>	<ul style="list-style-type: none"> <li>• to whom the services will be subcontracted;</li> <li>• which course/s or units will be delivered by the subcontractor;</li> <li>• why subcontracting is considered necessary;</li> <li>• summary of subcontractor's qualifications and experience;</li> <li>• proposed start and end date of subcontracting agreement (maximum 12 month term);</li> <li>• quality assurance arrangements within the agreement;</li> <li>• assurance from the FAA holder that financial viability and public liability insurance of the subcontractor are appropriate;</li> <li>• a copy of the written agreement between the FAA holder and the subcontractor; and</li> <li>• a declaration that you have complied with all ASQA requirements for third-party arrangements.</li> </ul>

Once all requested information has been received, your application should take approximately two weeks to assess. Unclear or incomplete information may delay the assessment decision.

For any queries or assistance, please contact Skills SA by email to: [SkillsContracts@sa.gov.au](mailto:SkillsContracts@sa.gov.au).