
Case for Endorsement

Financial Services

FNS Training Package Release 3.0

Project 1B Develop a suitable qualification and skill set to address a skills gap in payroll

Project 1D Review units of competency in accounting and bookkeeping qualifications

Project 1E Develop a 'business ethics and conduct' skill set

*PwC's Skills for
Australia*

Projects 1B 1D & 1E

November 2017

AISC submission

Executive summary

Introduction

This Case for Endorsement outlines the rationale, evidence and industry support for modifications to proposed training package components related to:

- Project FNS 1B Develop a suitable qualification and skill set to address a skills gap in payroll (Payroll)
- Project FNS 1D Review units of competency in accounting and bookkeeping qualifications (Accounting and Bookkeeping)
- Project FNS 1E Develop a 'business ethics and conduct' skill set (Business ethics and conduct).

It builds on the consultations undertaken by PwC's Skills for Australia (SFA) in the Case for Change for these projects, which was submitted to the Australian Industry and Skills Committee (AISC) in October 2016.

In particular, this Case for Endorsement demonstrates how the proposed training package components align with the COAG Industry Skills Council reforms to Training Packages, and other principles for quality that inform our training product development work.

We are satisfied that there is strong industry support for these changes and that the proposed modifications will ensure that the Financial Services Training Package meets the needs of learners and workers within the financial services industry.

Structure of the report

This report has been developed as part of our training product development work on behalf of, and directed by, the Financial Services Industry Reference Committee (FNS IRC).

We have structured this report around the required elements of the Case for Endorsement template. These key elements are:

- 1 Administrative details of the Case for Endorsement
- 2 Description of the work and request for approval
- 3 Evidence of industry support
- 4 Industry expectations about training delivery
- 5 Implementation of the new Training Packages
- 6 Quality assurance reports
- 7 Implementation of the COAG Industry Skills Council reforms to Training Packages
- 8 A copy of the full content of the proposed Training Package component(s)

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1 Administrative details

Name of allocated IRC(s)

Financial Services IRC

Name of SSO

PwC's Skills for Australia

Training Package components submitted for approval

See Table 1.

Table 1 Training package components submitted for approval

Current Training product code	New Training product code	Training product title	New / existing / deleted training product
N/A	FNS50417	Diploma of Payroll Services	New
N/A	FNS40217	Certificate IV in Accounting and Bookkeeping	New
FNS30317	FNS30317	Certificate III in Accounts Administration	Existing
FNS50217	FNS50217	Diploma of Accounting	Existing
FNS60217	FNS60217	Advanced Diploma of Accounting	Existing
N/A	FNSSS00012	Payroll Administrator Skill Set	New
N/A	FNSSS00013	Business Ethics and Conduct Skill Set	New
N/A	FNSSS00014	Accounting Principles Skill Set	New
N/A	FNSSS00015	Advanced Accounting Principles Skill Set	New
N/A	FNSPAY501	Process salary packaging arrangements and additional allowances in payroll	New
N/A	FNSPAY502	Process superannuation payments in payroll	New
N/A	FNSPAY503	Process complex employee terminations in payroll	New
N/A	FNSPAY504	Interpret and apply knowledge of industrial regulations relevant to payroll	New
N/A	FNSPAY505	Interpret and apply knowledge of taxation systems relevant to payroll	New
N/A	FNSACC304	Conduct business activities using a computerised accounting system	New
N/A	FNSINC503	Identify situations requiring complex ethical decision making	New
N/A	FNSINC504	Apply ethical frameworks and principles to make and act upon decisions	New
FNSACC301	FNSACC311	Process financial transactions and extract interim reports	Existing

Current Training product code	New Training product code	Training product title	New / existing / deleted training product
FNSACC302	FNSACC312	Administer subsidiary accounts and ledgers	Existing
FNSACC303	FNSACC313	Perform financial calculations	Existing
FNSACC401	FNSACC411	Process business tax requirements	Existing
FNSACC402	FNSACC412	Prepare operational budgets	Existing
FNSACC403	FNSACC413	Make decisions in a legal context	Existing
FNSACC404	FNSACC414	Prepare financial statements for non-reporting entities	Existing
FNSACC406	FNSACC416	Set up and operate a computerised accounting system	Existing
FNSACC501	FNSACC511	Provide financial and business performance information	Existing
FNSACC502	FNSACC512	Prepare tax documentation for individuals	Existing
FNSACC503	FNSACC513	Manage budgets and forecasts	Existing
FNSACC504	FNSACC514	Prepare financial reports for corporate entities	Existing
FNSACC506	FNSACC516	Implement and maintain internal control procedures	Existing
FNSACC507	FNSACC517	Provide management accounting information	Existing
FNSACC604	FNSACC624	Monitor corporate governance activities	Existing
FNSBKG401	FNSACC408	Develop and implement policies and procedures relevant to bookkeeping activities (now titled Work effectively in the accounting and bookkeeping industry)	Existing
FNSBKG404	FNSTPB401	Carry out business activity and instalment activity statement tasks	Existing
FNSBKG405	FNSTPB402	Establish and maintain a payroll system	Existing
FNSINC301	FNSINC311	Work effectively in the financial services industry	Existing
FNSFPL501	FNSFPL511	Comply with financial planning practice ethical and operational guidelines and regulations	Existing
FNSBKG402	N/A	Establish and maintain a cash accounting system	Deleted
FNSBKG403	N/A	Establish and maintain an accrual accounting system	Deleted

Table 2 Total number of proposed changes

Total proposed changes to training products	Number of training products
Units to be amended	20
Units to be deleted	2
Units to be created	8
Qualifications to be amended	3
Qualifications to be superseded	2
Qualifications to be created	2
Skill sets to be created	4

Case for Change details

A Case for Change – previously referred to as a Business Case – was submitted to the AISC on behalf of the previous FNS IRC, in October 2016 for consideration at the AISC’s November 2016 meeting. As outlined in that document, this project was established based on the initial research and consultations carried out for the Industry Skills Forecast and Proposed Schedule of Work (known previously as the FNS Four Year Work Plan).

Activity order details

Reference number: PwC/TPD/2016-17–003

Date executed: 22 December 2016

Scope of activity order: A review of 28 (13 existing; 15 new) native FNS units of competency.

2 Description of work and request for approval

2.1 Description of work being undertaken and why

PwC's Skills for Australia prepared the Case for Change on behalf of the Financial Services Industry Reference Committee (FNS IRC) and submitted it to the Australian Industry and Skills Committee (AISC) in October 2016. The AISC endorsed these projects on 17th November 2016. Since the Case for Change was approved, we have undertaken significant stakeholder consultation for Projects FNS 1B, FNS 1D and FNS 1E. The information below outlines the key industry drivers for change for each project.

The detailed findings of our consultation, which provides a rationale for the IRC recommendations for training product development presented in Section 2.2, are included in Attachment A.

Project 1B Develop a suitable qualification and skill set to address a skills gap in payroll

Payroll is one of the most important functions of a business. An efficient and effective payroll process, supported by modern technology and well-trained, dedicated staff, helps a business run smoothly and in compliance with its legislative and tax obligations.

Employers increasingly recognise the importance of their payroll function, meaning they also recognise the importance of hiring employees who have the specialised skills and knowledge required to carry out payroll tasks effectively. However, despite the importance of payroll, only limited nationally-endorsed vocational education and training is currently available.

The objective of this project was to ensure that Australia's vocational education and training system is adequately preparing learners for jobs in payroll occupations. In particular, this project considered possibilities for creating a new qualification and skill set for payroll.

Project 1D Review units of competency in accounting and bookkeeping qualifications

The accounting and bookkeeping sector is one of Australia's largest industries, employing approximately 350,000 accountants and accounting clerks in 2015. Workers provide a diverse range of services from traditional accounting and bookkeeping to payroll, auditing, processing taxes and financial reporting. Some professionals may also offer business advice.

The accounting and bookkeeping training currently available to learners through the VET sector prepares learners to enter into process-oriented roles such as bookkeeping, accounts administration, payroll or business administration services. In addition, training provides a pathway to registration with the Tax Practitioner Board to work as a BAS Agent, Tax Agent, or tax (financial) adviser.

The objective of this project was to align units of competency and qualifications relating to accounting and bookkeeping with industry skills needs.

Project 1E Develop a business ethics and conduct skill set

Ethical behaviour and conduct is extremely important for workers in the finance industry, including financial services and financial markets. Ethical conduct reduces risk – both for the

worker and their organisation – and delivers better outcomes for clients, who are able to trust that their adviser is acting in their best interests. In this sense ethical conduct matters because it impacts not just on an individual worker, but also on their organisation, their clients, and on the reputation of the finance sector more broadly. Despite the importance of ethical conduct in the finance industry however, only limited nationally-endorsed training is currently available.

The objective of this project was to ensure appropriate training in business ethics and conduct is available.

2.2 Request for approval

This submission puts forward the Case for Endorsement for the proposed components of the *FNS Financial Services Training Package Version 3.0*.

The draft components submitted to the Australian Industry and Skills Committee (AISC) for endorsement are:

- 5 qualifications consisting of:
 - 2 new qualification developed during this project
 - 3 currently endorsed qualifications that were reviewed and amended
- 28 units of competency consisting of:
 - 8 new units of competency developed during this project
 - 20 currently endorsed units that were reviewed and amended

All components submitted for endorsement have been developed and reviewed in accordance with the *Standards for Training Packages 2012*, the *Training Package Products Policy 2012* and the *Training Package Development and Endorsement Policy 2016*.

Evidence of consultation with states and territories, and evidence that the views of key stakeholders have been considered is provided in this document.

This Case for Endorsement is approved by the Financial Services IRC and is therefore submitted, through the Department of Education and Training, for AISC consideration.

Project FNS 1B: IRC recommendations for training product development

Develop new unit of competency: Process additional allowances and salary packaging arrangements in payroll

Develop new unit of competency: Process superannuation in payroll

Develop new unit of competency: Process complex employee terminations in payroll

Develop new unit of competency: Interpret and apply knowledge of industrial regulations relevant to payroll activities

Develop new unit of competency: Interpret and apply knowledge of taxation systems relevant to payroll

Develop a qualification dedicated to payroll job roles

Project FNS 1B: IRC recommendations for training product development

Supplement the qualification with a payroll skill set, made up of the following units of competency:

- FNSTBP402 Establish and maintain a payroll system
- [New unit] Process additional allowances and salary packaging arrangements in payroll
- [New unit] Process superannuation in payroll
- [New unit] Process complex employee terminations in payroll
- [New unit] Interpret and apply knowledge of industrial regulations relevant to payroll
- [New unit] Interpret and apply knowledge of taxation systems relevant to payroll

Add the units of competency in the payroll skill set to the elective units list for the qualification FNS50215 Diploma of Accounting

Add the units of competency in the payroll skill set to the elective units list for the qualification Certificate IV in Accounting and Bookkeeping

Add the units of competency in the payroll skill set to the elective units list for the qualification BSB50615 Diploma of Human Resources Management

Align the qualification with expected future Tax Practitioner Board standards

Project FNS 1D: IRC recommendations for training product development

Develop a single new qualification to supersede the qualifications FNS40215 Certificate IV in Bookkeeping and FNS40615 Certificate IV in Accounting.

Give the single new qualification the title 'Certificate IV in Accounting and Bookkeeping'.

Include within the core of the single new qualification the following units of competency:

FNSACC311

FNSACC312

FNSACC416

FNSTPB401

FNSTPB402

FNSACC408

BSBFIA401

BSBSMB412

Remove BSBWHS201 from the core units of FNS30315

Modify the packaging rules of FNS30315 to reduce the number of elective units of competency at a Certificate IV level that can be chosen.

Develop new unit of competency: Conduct business activities using a computerised accounting system

Introduce an entry requirement for the Diploma of Accounting: Completion of the Accounting Principles Skill Set

Introduce an entry requirement for the Advanced Diploma of Accounting: Completion of the Accounting Advanced Principles Skill Set

Add six units to the elective unit list of the Diploma of Accounting:

- FNSTBP402 Establish and maintain a payroll system
- [New unit] Process additional allowances and salary packaging arrangements in payroll
- [New unit] Process superannuation in payroll
- [New unit] Process complex employee terminations in payroll
- [New unit] Interpret and apply knowledge of industrial regulations relevant to payroll
- [New unit] Interpret and apply knowledge of taxation systems relevant to payroll.

Review units of competency to ensure they are up to date and meeting industry needs. These units are:

- FNSACC313
- FNSACC411
- FNSACC412
- FNSACC413
- FNSACC414
- FNSACC416
- FNSACC514
- FNSINC311

Review units of competency to reduce duplication of content between units. These units are:

- FNSACC311
 - FNSACC312
 - FNSACC511
 - FNSACC512
 - FNSACC513
 - FNSACC516
 - FNSACC517
-

Project FNS 1D: IRC recommendations for training product development

- FNSACC624
- FNSACC408
- FNSBKG402 [May be deleted upon review]
- FNSBKG403 [May be deleted upon review]

Review units of competency as part of the TPB's review of BAS Agent registration requirements. These units are:

- FNSTPB401
 - FNSTPB402
-

Project FNS 1E: IRC recommendations for training product development

Review the unit of competency FNSFPL501 Comply with financial planning practice ethical and operational guidelines and regulations

Review the unit of competency FNSINC301 Work effectively in the financial services industry

Develop new unit of competency: Identify situations requiring ethical decision making in financial services

Develop new unit of competency: Apply ethical frameworks and principles to make and act upon decisions in financial services

Develop a 'Business ethics and conduct' skill set.

The skill set will include the following units of competency:

- [New unit] Identify situations requiring ethical decision making in financial services
- [New unit] Apply ethical frameworks and principles to make and act upon decisions in financial services

Add the units of the 'Business ethics and conduct' skill set to the elective unit list of all Diploma and Advanced Diploma qualifications within the FNS Training Package. Future reviews of these qualifications will consider the inclusion of 'business ethics and conduct' units in the core of each qualification.

Add the unit of competency BSBLDR806 Lead and influence ethical practice to the elective unit list of the following qualifications:

- FNS50815 Diploma of Integrated Risk Management
 - FNS60815 Advanced Diploma of Integrated Risk Management
-

3 *Evidence of industry support*

The Financial Services IRC supports the submission of the training package components detailed in this Case for Endorsement.

Name of Chair: Allan Jones Financial, Administrative and Professional Services Training Council (IRC Chair)

Signature of Chair:



Date: 06 November 2017

3.1 *Conduct of enquiry and evidence of consultation*

Throughout consultation, we have sought to place industry at the heart of our work. Our approach has been guided by our principles for training product development, which determine that our work should:

1. Be industry-led;
2. Encourage broad and transparent stakeholder consultation;
3. Respond quickly to industry skills needs and priorities;
4. Be efficient and cost-effective; and
5. Produce high quality and independently validated training products.

We have consulted with industry and other relevant stakeholders through the methods outlined below. A list of stakeholders consulted over the course of our project work can be found in Attachment B.

Project working groups

Following approval of the Case for change, for each project a Project Working Group (PWG) was established consisting of industry and RTO subject matter experts. The purpose of the PWG was to provide expert industry and RTO input into our training product development work and to guide our engagement with the sector.

An FNS IRC member was appointed as a dedicated project sponsor to guide the project and ensure training product development work proceeded under the direction of the FNS IRC. Refer to Attachment B for lists of PWG members for each project.

For Projects FNS 1B and FNS 1D the PWG met four times, and for FNS 1E the PWG met three times, over the period from January – September 2017. The purpose of these meetings was for PWG members to offer specialised input, to discuss key consultation feedback and to consider recommendations in response to that feedback.

In addition to these scheduled meetings, we have consulted PWG members on an ongoing basis to validate key issues and review key documents.

Open Forums

A series of open forums were held in various capital cities across Australia. The forums were open to the public and designed as a way to work interactively with participants to explore key questions relating to potential changes to the training products in scope.

The table below provides a list of the open forums and attendance numbers for the project for FNS 1B and FNS 1D.

Project 1B Open forum consultation sessions

Location	Date	Number of Participants
Brisbane	15 February 2017	3
Melbourne	22 February 2017	6
Perth	3 March 2017	2
Sydney	7 April 2017	3

Project 1D Open forum consultation sessions

Location	Date	Number of Participants
Brisbane	17 February 2017	3
Melbourne	23 February 2017	6
Perth	2 March 2017	3
Sydney	3 April 2017	2

Webinar

To cater for those unable to attend the open forums, an online webinar were held for projects FNS 1B and FNS 1D. The materials produced for the open forums were altered to have less of an interactive focus and to instead inform participants on findings to date with several polls to assess the level of agreement on findings. Chat functionality was also available for participants to provide additional input and all poll results and chat logs were documented and have been considered in our recommendations.

Project	Date	Number of attendees
1b Develop a suitable qualification and skill set to address a skills gap in payroll	24 February 2017	9
1d Review units of competency in accounting and bookkeeping qualifications	20 March 2017	9

Surveys

To capture additional feedback, we published two surveys via PwC's Skills for Australia's website. The first survey was built into the registration process for open forums, webinars and videoconferences in order to get an idea of what issues were important to open forum attendees. The second survey, the Training Product Improvement survey, was developed and open to the public to complement the subject matter discussed and workshopped in the open forums. All responses have been considered in our recommendations.

Project	Respondents to registration survey	Respondents to Training Product Improvement survey
1b Develop a suitable qualification and skill set to address a skills gap in payroll	32	16
1d Review units of competency in accounting and bookkeeping qualifications	32	21
1e Develop a 'business ethics and conduct' skill set	24	12

Videoconference

We held a videoconference on the 31st of March for Project FNS 1E to discuss training in business ethics and conduct. The videoconference was open to the public and designed as a way to work interactively with participants to explore key questions relating to potential changes to the training products in scope. Three stakeholders attended the videoconference.

Targeted consultation

Throughout the project we have held targeted consultations with key stakeholders who were identified by FNS IRC members, Project Working Group members, or through PwC's network of contacts. Consultations were generally held in the form of one-on-one phone or face-to-face interviews. Stakeholders who were consulted through targeted consultations are listed below. Refer to Attachment B for evidence of target consultations held for each project.

Engagement with State and Territory Training Authorities

State and Territory Training Authorities (STAs) have been engaged on several occasions throughout the review process, as well as providing feedback and advice on an ongoing basis. All STAs were consulted, and many provided feedback during, the following stages of our training product development work:

- Case for Change consultations
- Open forums and other industry engagement methods
- The draft training products published on our website in September 2017
- The draft training package components, including this Case for Endorsement and accompanying materials, provided to the STAs in October 2017.

Draft training product review

We published draft training products on the Skills for Australia website from September 4 – 25. The purpose of publishing the training products on our website was to ensure stakeholders could review and comment on the ways in which the feedback we received during consultation had been reflected in proposed changes to training products. During the consultation period, our Financial Services webpage received 437 page views, including 340 unique page views.

We also sent emails alerting stakeholders that the draft training products were available for review on our website. These emails were distributed to and by IRC members, STA networks and our website subscribers. These emails successfully reached a minimum of 392 unique stakeholders, leading to a minimum of:

- 46 downloads of the training products for FNS 1B (payroll)
- 54 downloads of the training products for FNS 1D (accounting and bookkeeping)
- 43 downloads of the training products for FNS 1E (business ethics and conduct).

Dissenting views expressed during consultation

Project FNS 1B Payroll

While all stakeholders agreed that there was a gap in appropriate nationally-endorsed training in payroll skills, there were differences of opinion about whether that gap should be addressed by the creation of a qualification or of a skill set. While the majority opinion expressed in consultation supported developing a full qualification, a minority of stakeholders noted that a payroll qualification may be surplus to the needs of some payroll job roles, and that a skill set would be sufficient. The IRC recommended developing both a qualification and a skill set, allowing for the various training needs of different payroll job roles to be accommodated.

Project FNS 1D Accounting and Bookkeeping

All stakeholders agreed that significant duplication was present between the structure and occupational outcomes of the FNS40215 Certificate IV in Bookkeeping and FNS40615 Certificate IV in Accounting, however there were differences of opinion on whether that duplication should be addressed by creating a single Certificate IV qualification that would meet all industry needs, or by differentiating the qualifications. Stakeholders who supported retaining two Certificate IV qualifications and differentiating them noted that:

- Producing a single qualification has the potential to marginalise bookkeepers if the qualification is not structured appropriately
- The single qualification would need to meet the needs of bookkeepers by providing them with small business skills
- A single qualification would need to retain a reference to 'bookkeeping' in its title.

We have incorporated these issues into our recommendations for the FNS40217 Certificate IV in Accounting and Bookkeeping, and we are satisfied that consensus now exists around the development of a single Certificate IV qualification to meet the needs of accountants and bookkeepers.

Project FNS 1E Business ethics and conduct

There is strong industry support for the development of new training in business ethics and conduct, and as such no dissenting views were expressed during consultation.

Deletion of two units of competency from the National Register

Based on industry consultation, we propose to delete two units from the National Register. These units are listed below.

FNSBKG402	Establish and maintain a cash accounting system	Deleted
FNSBKG403	Establish and maintain an accrual accounting system	Deleted

These units are proposed for deletion due to their duplication with two existing units, FNSACC311 Process financial transactions and extract interim reports, and FNSACC312 Administer subsidiary accounts and ledgers.

Stakeholder support for the deletion of these two units of competency from the National Register is strong and has been consistently expressed throughout consultations. We have been made aware of no negative implications, including downstream impacts, of deleting these units. These two units are only included as listed elective units in two qualifications (FNS30315 Certificate III in Accounts Administration and FNS40215 Certificate IV in Bookkeeping) and are not core units in any qualifications. As such, we are aware of no impacts on funding arrangements from their deletion.

The optimal time to delete these units will be following the AISC's endorsement of this Case for Endorsement and the subsequent publication of Release 3.0 of the FNS Training Package on the National Register.

4 Industry expectations about training delivery

4.1 Industry advice on training delivery

A single Certificate IV qualification in accounting and bookkeeping would reduce duplication and confusion in industry, and would better suit individuals working in accounting and bookkeeping job roles.

Industry expressed a strong desire to ensure that learners entering into the Diploma of Accounting and the Advanced Diploma of Accounting had acquired the skills and knowledge in accounting necessary to successfully complete those qualifications and be job-ready upon completion. As such, industry strongly recommended the introduction of entry requirements for those qualifications.

Training in business ethics and conduct is sufficiently important as to be included in all Diploma and Advanced-Diploma level qualifications in the FNS Training Package. There is some appetite for additional training in business ethics and conduct to be developed for qualifications at other AQF levels, particularly at Certificate III and Certificate IV.

Additional advice about industry's expectations of training delivery, including duration of training, delivery modes and pathways, work-based learning strategies, assessment and learner characteristics is included in the FNS Companion Volume Implementation Guide.

4.2 Industry advice on traineeships and apprenticeships

The existing qualifications FNS40215 Certificate IV in Bookkeeping and FNS40615 Certificate IV in Accounting may be offered as traineeships in all states and territories of Australia.

Industry, including members of the Financial Services IRC, inform us that the training product development work proposed in this Case for Endorsement is not expected to have an impact on the use of traineeships and/or apprenticeships, as the proposed new qualification FNS40217 Certificate IV in Accounting and Bookkeeping may also be suitable for delivery as a traineeship. Transition arrangements will apply for learners who are currently enrolled as trainees in existing qualifications.

5 *Implementation of the new Training Package*

Implementation management strategy

The communication of these changes to the FNS Training Package will require RTOs to potentially respond with modifications to qualification offerings and scope. We have developed a strategy for the communication of these changes in the event of AISC approval. This includes:

- Communications to all RTOs which have a qualification or skill set on scope which will be affected by changes made within this project.
- Updates on the PwC's Skills for Australia website; including a news post on our FNS Industry page and pop-up notification for all users viewing the website.
- Email sent directly to all Skills for Australia FNS subscribers to inform them of the changes.
- Email communications with all organisations and individuals previously engaged throughout this consultation process, including State and Territory Training Authorities, employers, RTOs and peak bodies.
- Development of a summary document providing an explanation of the changes. This document will be shared with all networks and broader distribution will be encouraged.
- PwC's Skills for Australia team to be present at relevant industry conferences and events to communicate the changes and encourage industry-wide awareness.

Licensing requirements

The proposed new qualification FNS40217 Certificate IV in Accounting and Bookkeeping supersedes two existing qualifications that form part of the Tax Practitioners Board's (TPB) education pathways for registration as a BAS Agent. The TPB has been closely involved in the development of the proposed new qualification, including via membership on our Project Working Group for Project FNS 1D. The TPB is aware that the two existing qualifications will be superseded pending AISC endorsement of the training product development work that has been carried out for Project FNS 1D, and support the use of FNS40217 Certificate IV in Accounting and Bookkeeping as an education pathway for registration as a BAS Agent.

Pending AISC endorsement of the training product development work that has been carried out for Project FNS 1B, the TPB is considering including the proposed new qualification FNS50417 Diploma of Payroll Services as an education pathway for registration as a BAS Agent. The proposed new qualification will provide learners with an additional pathway into BAS Agent registration, with a particular focus on the provision of payroll services relevant to BAS Agent activities.

Funding implications of deleting units of competency

As discussed in Section 3, the two units proposed for deletion from the National Register are only included as listed elective units in two qualifications (FNS30315 Certificate III in Accounts Administration and FNS40215 Certificate IV in Bookkeeping) and are not core units in any qualifications. As such, we are aware of no impacts on funding arrangements from their deletion.

6 *Quality assurance reports*

6.1 *Independent Quality Reports*

Independent Quality Reports, including an Editorial Report, an Equity Report and a Quality Report have been developed and included as part of this Case for Endorsement.

6.2 *Declaration of alignment with standards*

Throughout consultation, we have sought to place the needs of industry at the heart of our review. We have also ensured that the proposed training package components we have developed as a result of our consultation with industry meet the requirements of:

- The Standards for Training Packages 2012
- Training Package Products Policy
- Training Package Development and Endorsement Process Policy.

6.3 *Companion Volume Implementation Guide*

A quality-assured Companion Volume Implementation has been prepared, and will be available on VETNET following publication of Release 3.0 of the FNS Training Package on the National Register.

6.4 *Training Package Quality Principles*

The table below provides a statement of evidence that the draft training package components meet the Training Package Quality Principles.

Principle	Evidence
1. Reflect identified workforce outcomes	<ul style="list-style-type: none"> • The conduct of our enquiry, as outlined in Section 3.1 of this report, has ensured that industry needs have been at the heart of our training product development work. • Existing training package components have been amended to ensure currency with current technology and processes. • New training package components have been created to meet the needs of current job roles, including workers in payroll job roles. • Training package components have been developed with reference to the key trends identified in the FNS Industry Skills Forecast and Proposed Schedule of Work, including the increasing need for skills in business ethics and conduct.

Principle

Evidence

2. Support portability of skills and competencies including reflecting licensing and regulatory requirements

- Training package components have been developed to be industry agnostic where appropriate.
- Qualifications' packaging rules are sufficiently flexible as to allow the importation of units of competency from other training packages, or units of competency from other qualifications within the FNS Training Package.
- Where possible we have developed Skill Sets in order to support the transferability and portability of skills.
- We have closely involved relevant regulatory and registration bodies in our training product development work, including the Tax Practitioners Board, the Association of Accounting Technicians, the Institute of Professional Accountants, the Institute of Certified Bookkeepers, and the Australian Financial Markets Association.
- The proposed new qualification FNS40217 Certificate IV in Accounting and Bookkeeping has been developed to ensure it meets the registration requirements of the Tax Practitioners Board for registration as a BAS Agent.
- No other licencing or regulatory requirements have been impacted by the proposed modifications to training package components listed in this Case for Endorsement.

3. Reflect national agreement about the core transferable skills and core job-specific skills required for job roles as identified by industry

- Our consultations have included stakeholders from national and multi-national employers, peak bodies, national RTOs and other subject matter experts, ensuring that the national and international portability of skills has been inherent in our proposed modifications to training package components.

4. Be flexible to meet the diversity of individual and employer needs, including the capacity to adapt to changing job roles and workplaces

- Qualifications have been developed / amended to ensure appropriate and varied listed elective unit choices are available. Packaging rules allow for units of competency to be imported from other training packages to enable application of training in different contexts.

5. Facilitate recognition of an individual's skills and knowledge and support movement between the school, vocational education and higher education sectors

- The suite of accounting and bookkeeping qualifications have been designed to provide learners with a pathway from school into VET, between VET qualifications, into higher education, and into job roles in the accounting sector, with 'exit points' into jobs existing for each qualification (Certificate III in Accounts Administration, Certificate IV in Accounting and Bookkeeping, Diploma of Accounting, Advanced Diploma of Accounting).

Principle

6. Support interpretation by training providers and others through the use of simple, concise language and clear articulation of assessment requirements

Evidence

- The content of units of competency has been developed in consultation with industry and trainers and assessors, ensuring that language used is relevant to workplaces and is easily understood in a training context.
 - A Companion Volume Implementation Guide will accompany Release 3.0 of the FNS Training Package, helping to support implementation of training across a range of settings.
 - Assessment requirements in units of competency have been written to ensure consistency. Where industry requires assessment to occur in a particular way (for instance through case studies) this has been clearly articulated.
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7 Implementation of the COAG Industry Skills Council reforms to Training Packages

7.1 Alignment with the COAG ISC reforms to Training Packages

The table below demonstrates the alignment of the draft training package components with the COAG Industry Skills Council reforms to Training Packages.

Principle	Evidence
1. Ensure obsolete and superfluous qualifications are removed from the system	<ul style="list-style-type: none"> Significant duplication existed between the structure and occupational outcomes of the qualifications FNS40215 Certificate IV in Bookkeeping and FNS40615 Certificate IV in Accounting. Industry told us that it was superfluous to have two qualifications at the Certificate IV level. We have superseded these two qualifications with the single proposed new qualification FNS40217 Certificate IV in Accounting and Bookkeeping.
2. 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	<ul style="list-style-type: none"> A Companion Volume Implementation Guide will accompany Release 3.0 of the FNS Training Package, helping to support implementation of training across a range of settings. Assessment requirements in units of competency have been written to ensure consistency. Where industry requires assessment to occur in a particular way (for instance through case studies) this has been clearly articulated. Training products have been clearly titled, with titles linked to job roles and/or to specific skills, enabling consumers without an in depth understanding of the VET system to make more informed course choices.
3. Ensure that the training system better supports individuals to move easily from one related occupation to another	<ul style="list-style-type: none"> Entry requirements are proposed for the Diploma of Accounting and Advanced Diploma of Accounting, in response to industry expectations of the understanding of key accounting principles that learners have when entering these qualifications. These entry requirements have been minimised as much as possible, with multiple pathways existing and with new Skill Sets being created to act as clear pathways into the qualifications. Entry requirements have not been applied to the new qualifications that have been developed, nor have prerequisite units been added. The structure of the proposed new qualification FNS50417 Diploma of Payroll Services allows for learners to gain credit transfer into other qualifications into the FNS Training Package, including the Diploma of Accounting.

Principle	Evidence
4. Improve the efficiency of the training system by creating units that can be owned and used by multiple industry sectors	<ul style="list-style-type: none"> • Training package components have been developed so they are applicable across job roles and across industries wherever possible. For example, new training package components in 'business ethics and conduct' have been developed so they can be applied in multiple industry sectors and in a large variety of professional settings.
5. Foster greater recognition of skill sets	<ul style="list-style-type: none"> • Based on feedback collected during industry consultation, four new Skill Sets have been developed. These Skill Sets are: <ul style="list-style-type: none"> ○ FNSSS00012 Payroll Administrator Skill Set ○ FNSSS00013 Business Ethics and Conduct Skill Set ○ FNSSS00014 Accounting Principles Skill Set ○ FNSSS00015 Accounting Advanced Principles Skill Set. • Advice on the implementation of these Skill Sets is included in the Companion Volume Implementation Guide.

7.2 Alignment of training package development work with work assigned by AISC in Case for Change

The Activity Order for this Case for Change was for a review of 28 (13 existing; 15 new) native FNS units of competency.

Since the Activity Order was executed on 22 December 2016, we have undertaken significant additional stakeholder consultation to align our training package development work with the needs of industry. During that consultation we were able to refine the initial recommendations we presented in the Case for Change, and in particular we have been able to find ways of amending existing units of competency to meet industry needs, rather than creating new units of competency and adding to the size and complexity of the FNS Training Package.

The final result of our training package development work was a review of 30 (20 existing, 8 new, 2 deleted) native FNS units of competency.

7.3 Evidence that training package components are prepared for publication

All draft training package components are included in this Case for Endorsement. Subject to the AISC's endorsement of the training package components, they are ready for publication on the National Register.

We expect Release 3.0 of the FNS Training Package to be published on the National Register in January 2018.

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