



Ministerial Guidelines

# **TAFE College Strategic Plans and Annual Business Plans**

# Ministerial Guidelines for TAFE College Strategic Plans and Annual Business Plans

These Guidelines are issued by the Minister for Skills and TAFE to the Western Australian TAFE colleges under section 43 and section 44A of the *Vocational Education and Training Act 1996* and must be followed by Governing Councils and colleges pursuant to section 13(4) of the VET Act.

## CITATION

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These Guidelines may be cited as the *Ministerial Guidelines for TAFE College Strategic Plans and Annual Business Plans 2026*.

## APPLICATION OF THESE GUIDELINES

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These Guidelines are mandatory and apply to the functions of TAFE colleges and their Governing Councils in relation to TAFE college strategic plans and annual business plans.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2026

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HON AMBER-JADE SANDERSON MLA  
**MINISTER FOR SKILLS AND TAFE**

# Ministerial Guidelines for TAFE College Strategic and Annual Business Plans

## 1. Background

The *Vocational Education and Training Act 1996* requires TAFE colleges to provide a draft strategic plan and draft business plan for the year that begins on the following 1 January.

Section 37(2) of the VET Act requires a college to perform its functions in accordance with its strategic plan last approved under section 43 and its business plan last approved under section 44A.

Section 43 requires a college's strategic plan to:

- (2)(a)(b) set out the college's medium to long term objectives (including economic and financial objectives) and operational targets and how those objectives and targets will be achieved; and any other matters that are prescribed.
- (3) be consistent with the State Training Plan.

Section 44A requires a college's business plan for a year to:

- (2)(a)(b)(c) set out the vocational education and training that the college plans to provide in the year; the other functions of the college that it plans to perform in the year; and any other matters that are prescribed.
- (3) be consistent with the State Training Plan, and the college's strategic plan approved under section 43 that applies to the year.

A college's draft strategic plan and draft annual business plan must be provided to the Minister before 1 September in each year, or before some other date notified to the college by the Minister in writing.

The Minister may approve:

- a draft strategic plan under section 43; and
- a draft annual business plan under section 44A

or refuse to approve it and require the college to prepare another or an amended draft.

A college may change an approved strategic plan and an approved business plan with the approval of the Minister.

## 2. Definitions

In these Guidelines, unless the contrary intention appears –

**‘college’ or ‘TAFE college’** means a college established under section 35 of the VET Act.

**‘Department’** means the Department of Training and Workforce Development.

**‘Guidelines’** means these *Ministerial Guidelines for TAFE College Strategic Plans and Annual Business Plans*.

**‘TAFE System’** means the Department of Training and Workforce Development and TAFE colleges.

**‘VET Act’** means the *Vocational Education and Training Act 1996* as amended. In these Guidelines, unless the contrary intention appears, a term that is used in the VET Act and in these Guidelines has the same meaning as is given to the term in the VET Act.

## 3. Relevant legislation or authority (as issued or updated)

- *Vocational Education and Training Act 1996*
- *VET (WA) Ministerial Instrument of Delegation (colleges)*
- *VET (WA) Ministerial Instrument of Authorisation (colleges)*
- *Minister’s Statement of Expectations for TAFE Colleges*
- *Ministerial Guidelines for Commercial Activities of TAFE Colleges*
- *Ministerial Guidelines for International Commercial Activities of TAFE Colleges*
- *Treasurer’s Instructions*
- *Department of Treasury and Finance Costing and Pricing Government Services*
- *TAFE Colleges Outcome Based Management Framework*
- *Outcome Based Management Guidelines for use in the Western Australian Public Sector*

## 4. Draft Strategic Plan

### 4.1 FREQUENCY

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A college must develop a new strategic plan at least every three years. The Minister may write to a college to request an update to the strategic plan in intervening years and/or develop a new draft strategic plan. This request may be provided in the annual *Minister’s Statement of Expectations for TAFE Colleges* or provided separately.

## 4.2 REQUIREMENTS

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Section 43(2) requires that a college's draft strategic plan must set out:

- the college's medium to long term objectives (including economic and financial objectives; and
- operational targets and how those objectives and targets will be achieved; and
- any other matters that are prescribed.

A college's draft strategic plan must be sufficiently broad to provide an overarching framework for the draft annual business plan and be consistent with:

1. State Government priorities;
2. the *Minister's Statement of Expectations for TAFE Colleges*;
3. the State Training Plan; and
4. any other matters advised in writing by the Minister.

A college's draft strategic plan must be approved by the college's Governing Council and accompanied by a covering letter to the Minister co-signed by the Governing Council Chair and the Managing Director.

If a college is not required to provide a new draft strategic plan for the following year, the letter should indicate whether there have been any amendments to the strategic plan and the consultative process to develop the amended plan. An amended strategic plan must retain its original timeframe and must be submitted in accordance with the process outlined at section 4.5 of these Guidelines.

## 4.3 FORMAT

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A college's draft strategic plan must include the following components:

- operating environment analysis;
- the college's vision, mission and values; and
- strategic priorities and key actions required for their achievement.

A college's draft strategic plan must demonstrate:

1. alignment with State Government priorities and strategies, and the *Minister's Statement of Expectations for TAFE Colleges*;
2. collaboration with and accountability to TAFE colleges and the TAFE System to support performance and continuous improvement, and deliver system-wide outcomes and public value;
3. TAFE as a trusted brand and a contemporary future focused system;
4. positive social impacts for the community and local communities;
5. high quality training and a seamless experience for students and employers across the TAFE network to deliver a future-focused skilled workforce that meets the State's economic and community needs;
6. innovative and responsive training solutions developed and delivered in partnership with industry and TAFE colleges;

7. Governing Council, college senior management and stakeholders were engaged in the strategic planning process; and
8. consistency with relevant legislation and authority.

A college must include a signed declaration at the end of the draft strategic plan as a separate page. A template is provided at **Attachment A**.

#### **4.4 APPROVED STRATEGIC PLAN**

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A college's strategic plan must be made available to the public on a college's website following the Minister's approval.

#### **4.5 AMENDING AN APPROVED STRATEGIC PLAN**

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A college may submit a draft amended strategic plan for the Minister's approval. A draft amended strategic plan must be submitted in accordance with the process outlined at section 6 of these Guidelines.

## **5. Draft Annual Business Plan**

### **5.1 REQUIREMENTS**

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Section 44A (2) requires that a college's draft business plan for a year must set out:

- the vocational education and training that the college plans to provide in the year;
- the other functions of the college that it plans to perform in the year; and
- any other matters that are prescribed.

A TAFE college must provide assurance in the draft annual business plan that:

1. planned operations are prepared in accordance with State Government priorities and strategies, the *Minister's Statement of Expectations for TAFE Colleges* and provide value for money to State Government;
2. planned operations are prepared in accordance with the approved college strategic plan and the relevant legislation or authority;
3. planned operations will deliver a future-focused skilled workforce that meets the State's economic and community needs;
4. planned operations will deliver high quality training and a seamless experience for students and employers across the TAFE network;
5. planned operations will deliver innovative and responsive training solutions developed and delivered in partnership with industry and TAFE colleges;
6. strategies are in place for the successful operation of Jobs and Skills Centres;
7. Governing Council, college senior management and stakeholders were engaged in the annual business planning process; and
8. Governing Council and the college have appropriate governance and financial management systems in place and will operate within approved delegations, authorisations and financial parameters.

A college's draft annual business plan must be approved by the college's Governing Council and accompanied by a covering letter to the Minister co-signed by the Governing Council Chair and the Managing Director.

## **5.2 TAFE COLLEGES OUTCOME BASED MANAGEMENT (OBM) FRAMEWORK**

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The TAFE Colleges Outcome Based (OBM) Framework and associated key performance indicators (KPIs) are approved by the Under Treasurer.

A college must provide targets for KPIs and provide strategies to achieve these targets in the draft annual business plan.

**Government Goal: Delivering strong financial and economic management - diversifying our economy and making more things in WA.**

### **OBM KEY PERFORMANCE INDICATORS**

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**Outcome 1: The provision of vocational education and training services to meet community and industry training needs**

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**Key Effectiveness Indicator 1.1:** Overall student satisfaction – rating based on student responses to the Student Satisfaction Survey conducted by the Department of Training and Workforce Development (DTWD).

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**Key Effectiveness Indicator 1.2:** Graduate achievement rate – the extent to which graduates have fully or partially achieved their main reason for undertaking training, based on data collected by the National Centre for Vocational Education and Research (NCVER).

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**Key Effectiveness Indicator 1.3:** Graduate destination rate – the proportion of graduates in employment, based on data collected by the NCVER.

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**Key Effectiveness Indicator 1.4:** Achievement of profile delivery – the percentage of Student Curriculum Hours (SCH) achieved for activities as contracted with the DTWD for training delivery through the Delivery and Performance Agreement (DPA).

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**Service 1: Delivery of training**

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**Key Efficiency Indicator 1.1:** Overall cost per SCH - total cost of services per actual SCH achieved.

KPIs must be reported in the Agency Performance section of a TAFE college's annual report in accordance with the *Treasurer's Instructions*.

### **5.3 FORMAT**

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A college must include a signed declaration at the end of the draft annual business plan as a separate page. A template is provided at **Attachment B**.

Areas to be addressed in a college's draft annual business plan are at **Attachment C**.

### **5.4 AMENDING AN APPROVED ANNUAL BUSINESS PLAN**

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A college may submit a draft amended annual business plan during the year for the Minister's approval. A draft amended annual business plan must be submitted in accordance with the process outlined at section 6 of these Guidelines.

### **5.5 NEW COMMERCIAL ACTIVITY DURING A YEAR**

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In accordance with the *Ministerial Guidelines for Commercial Activities of TAFE Colleges*, for proposed commercial activities that arise after an annual business plan has been approved, a college must:

- gain Governing Council approval and the Minister's approval if the contract value is over \$1 million over the life of a contract; and
- include all new contracts and business arrangements in the draft annual business plan for the following year.

New and existing commercial contracts and other activities must be provided in excel format using the approved spreadsheet.

All new contracts, regardless of contract value, must be included in the next draft annual business plan. Additional information is provided at section 3.1 of Attachment C.

### **5.6 NEW INTERNATIONAL COMMERCIAL ACTIVITY DURING A YEAR**

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In accordance with the *Ministerial Guidelines for International Commercial Activities of TAFE Colleges*, a business case for all proposed new contracts and arrangements with an overseas organisation must be submitted for the Minister's approval.

New and existing international contracts and arrangements must be provided in excel format using the approved spreadsheet.

All new contracts and arrangements, regardless of contract value or type of arrangement, must be included in the next annual business plan. Additional information is provided at section 3.2 of Attachment C.

## **6. Submission of draft Strategic Plans and draft Annual Business Plans**

A college must submit its draft strategic plan, draft annual business plan and any draft amended strategic plan or annual business plan (where applicable) to the Department in PDF format by email to [tafegoverningcouncils@dtwd.wa.gov.au](mailto:tafegoverningcouncils@dtwd.wa.gov.au).

Where applicable, a college must include the commercial activities spreadsheets, in excel format.

## **7. Role of the Department of Training and Workforce Development**

The Department assists the Minister to administer the VET Act and subsidiary legislation and is the System Manager for the TAFE sector.

On receipt of a college's draft strategic plan or draft annual business plan the Department will:

- review a college's draft strategic plan or draft annual business plan;
- advise the Minister as to whether a college's draft strategic plan or draft annual business plan meets the requirements set out in these Guidelines and any other requirements.

### **7.1 DELIVERY AND PERFORMANCE AGREEMENTS**

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The Department will work in partnership with each college to allocate resources through the Delivery and Performance Agreement (DPA) in alignment with the college's approved strategic plan and annual business plan. Each college's DPA will have regard to State Government priorities, the *Minister's Statement of Expectations for TAFE Colleges*, the aggregate of training proposed across all TAFE colleges and approved budget parameters.

## Draft Strategic Plan Declaration

A college must include the signed declaration at the end of the draft strategic plan as a separate page using this template.

<Insert college name> is pleased to submit its <20## - 20##> strategic plan or revised strategic plan <20## - 20##> for approval by the Minister for Skills and TAFE.

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<Insert name of Governing Council Chair>  
GOVERNING COUNCIL CHAIR

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Date

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<Insert name of Managing Director>  
MANAGING DIRECTOR

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Date

The strategic plan is:

approved     not approved

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HON AMBER-JADE SANDERSON MLA  
**MINISTER FOR SKILLS AND TAFE**

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Date

## Draft Annual Business Plan Declaration

The college must include the signed declaration at the end of the draft annual business plan as a separate page using this template.

<Insert college name> is pleased to submit its <20##> annual business plan to the Minister for Skills and TAFE.

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<Insert name of Governing Council Chair>  
GOVERNING COUNCIL CHAIR

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Date

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<Insert name of Managing Director>  
MANAGING DIRECTOR

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Date

The <20##> annual business plan is:

approved     not approved

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HON AMBER-JADE SANDERSON MLA  
MINISTER FOR SKILLS AND TAFE

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Date

# Draft Annual Business Plan

## Section 1: General operations

### 1.1 OVERVIEW

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A short overview of the region's needs and challenges and the positioning of the college.

### 1.2 STATE PROFILE DELIVERY

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In this section, provide details of planned key projects/initiatives that will allow the college to achieve the delivery targets set in the Profile Matrix.

### 1.3 TRAINING IN PRIORITY AREAS

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An outline of the strategies, consistent with identified priorities the college plans to implement to achieve benchmarks for training.

## Section 2: Response to the Ministerial Statement of Expectations

In this section outline strategies, not already covered, that directly respond to the Ministerial Statement of Expectations.

## Section 3: Commercial activities

Colleges with no existing commercial contracts or activities planned for carry over, and no commercial activities or international commercial activities proposed for the year that begins on the following 1 January should provide a statement to this effect and move onto Sections 4, 5 and 6.

Ministerial approval of the annual business plan authorises a TAFE college to enter into contracts and arrangements included in the business plan. This enables the college to meet the needs of clients in a timely manner during the business plan implementation year.

The college should provide an overall statement of intent regarding existing and planned commercial activities and international commercial activities for the following year and complete Table 1 and/or Table 2 as appropriate.

Section 37(1)(f) of the *VET Act* allows a TAFE college to participate in a business arrangement relating to the provision of vocational education and training with the approval of the Minister and on terms and conditions approved by the Treasurer.

Commercial activities such as joint ventures and business arrangements must be approved by the Treasurer and the Minister through a separate process outlined in the *Ministerial Guidelines for Commercial Activities of TAFE Colleges*.

Section 9(2)(i) of the VET Act provides the Minister with the power to enter into contracts and arrangements with overseas organisations for the provision of vocational education and training related services. The Minister has retained this power. All international commercial activities and arrangements must be approved by the Minister.

A college's Governing Council must ensure the TAFE college conducts commercial activities which are:

- approved by the Minister in accordance with these Guidelines;
- progressed in compliance with the *VET (WA) Ministerial Corporation Instrument of Delegation (Colleges)* and *VET (WA) Ministerial Corporation Instrument of Authorisation (Colleges)*;
- progressed in compliance with the *Ministerial Guidelines for Commercial Activities of TAFE Colleges* and the *Ministerial Guidelines for International Commercial Activities of TAFE Colleges*;
- approved by the Minister before entering into a business arrangement as defined in s9(4) of the VET Act;
- supported by legal and other advice when deciding to undertake commercial contracts and arrangements as and where necessary;
- consistent with risk management practices as set out in the *Treasurer's Instructions* and any other requirements of public sector entities;
- consistent with Department of Treasury and Finance *Costing and Pricing Government Services*; and
- considerate of impacts on other businesses, including but not limited to the private RTO fee for service market.

In accordance with the *Ministerial Guidelines for Commercial Activities of TAFE Colleges*, a business case for all new commercial activity with a contract value above \$1 million must be submitted for the Minister's approval.

In accordance with the *Ministerial Guidelines for International Commercial Activities of TAFE Colleges*, a business case is required for all new contracts and arrangements with overseas organisations.

All new commercial activities and international commercial activities must be included in the next annual business plan.

### 3.1 NEW AND EXISTING COMMERCIAL ACTIVITIES

Colleges must complete Table 1 for new and existing commercial contracts and other activities that are planned to start or continue in the following year.

**Table 1:** *New and existing commercial contracts and other activities (use the electronic excel spread sheet and submit this in excel format with your annual business plan).*

Domestic Commercial Activity Note the drop down box options within the spreadsheet. Please complete this spreadsheet and return it in Excel format which your annual business plan

Domestic Commercial Activity Project Name	Status	Overall Gross Value	Total Value of Contract X to X	Term of Contract X to X	Number of Contracts	Deliver Location	Contract Type	Other Contract/ Activity (please describe and number contract)	Activity Type	2026 Revenue (est. \$)	2026 Cost (est. \$)	2026 Profit (est. \$)	Risk Level	Anticipated Outcome(s) overview (Max 150 words)	Separate Business Case	Business Case endorsed by Governing Council

#### Table 1 Instructions

- A college must complete all sections of Table 1 for new and existing commercial contracts.
- Single subscriber commercial activities can be consolidated under one amount.
- For approval purposes, some commercial activities or contracts may be grouped under a common heading, such as ‘Fee for service short courses’ or ‘auspicing’, where the risks are similar. The total number and value of these contracts must be provided.
- Activities considered high risk and/or contentious must be drawn to the Minister’s attention.
- A business case for all new commercial activity with a contract value above \$1 million must be submitted for the Minister’s approval. This is separate to the annual business plan but may be submitted at the same time.
- If firm costs of proposed commercial activities are not available, a college will need to provide the basis for indicative costs, which may involve previous experience and/or market research.

### 3.2 NEW AND EXISTING INTERNATIONAL COMMERCIAL ACTIVITIES

A college must complete Table 2 for new and existing commercial contracts and arrangements with overseas organisations that are planned to start or continue in the following year.

**Table 2:** *New and existing overseas commercial contracts and arrangements as below (use the electronic excel spread sheet and submit this in excel format with your annual business plan).*

International Commercial Activity Note the drop down box options within the spreadsheet. Please complete this spreadsheet and return it in Excel format which your annual business plan

International Commercial Activity Project Name	Status	Total Value of Contract	Term of Contract X to X	Location (list country/region)	International Type	Contract/Activity Type	2026 Revenue (est. \$)	2026 Cost (est. \$)	2026 Profit (est. \$)	Risk Level	Separate Business Case	Anticipated Outcome(s) brief overview (150 words or less)	Business Case endorsed by Governing Council	Project risk assessment has been undertaken	For Overseas activities, approval has been received from the Minister

## **Table 2 Instructions**

- A college must complete all sections of Table 2 for new and existing overseas commercial contracts and arrangements.
- Single subscriber commercial activities can be consolidated under one amount.
- Corporate clients can be consolidated up to \$250,000. Colleges must divide corporate clients where the consolidated amounts are greater than \$250,000.
- All new overseas contracts and arrangements must have a business case approved by the Minister as specified in the *Ministerial Guidelines for International Commercial Activities of TAFE Colleges*.
- New business cases for overseas contracts or arrangements can be submitted with the college annual business plan for approval. These business cases are considered separately from the annual business plan.