



## Smart and Skilled Policy for Market Management in the 2020-21 Activity Period – Part B for Applications for a Smart and Skilled Contract

Smart and Skilled • Version 1.1

## Sourcing quality training providers to supply in-demand skills

This policy document outlines:

- The provider eligibility and assessment criteria for Smart and Skilled
- The Departments priorities for applications for a Smart and Skilled contract for the 2020-21 activity period.

### Selecting the right providers to deliver government subsidised training in NSW

In order to be considered for Smart and Skilled, training providers must meet the following, as detailed below:

- Eligibility
- Organisation capacity and capability assessment
- Past contractual compliance and performance
- Performance in qualifications and regions.

#### Eligibility criteria

A training provider may be eligible to apply for a Smart and Skilled contract if it can show that it meets the eligibility criteria, which include but are not limited to the following.



The training provider\*:

- is a National VET Regulator (NVR) registered training organisation (RTO)
- has a scope of registration that includes qualifications on the current NSW Skills List (i.e. the list of government-subsidised accredited courses and qualifications)
- has not had a previous NSW Approved Providers List or Smart and Skilled contract terminated in the last three years
- has not had NVR registration cancelled, refused or revoked in the last three years
- has no sanction(s) and/or condition(s) and/or suspension(s) imposed relating to the general operations of the training provider
- is based in NSW (see below)
- has a recognition policy and process consistent with the NSW Recognition Framework
- has the ability to report government-funded NSW VET activity to AVETMISS standard
- has ASQA approved fee protection mechanisms.

The training provider has not engaged or utilised the services of an organisation(s) or individual(s):

- that had a government VET-related contract terminated
- that had registration under the NVR Act or previous legislation cancelled, revoked, suspended or refused.

The training provider agrees to:

- comply with Smart and Skilled teaching and leadership obligations
- report the validated Unique Student Identifier for enrolled students
- purchase and maintain all appropriate insurances to address possible risk/liabilities incurred in its day-to-day operations and in activities associated with Smart and Skilled
- the exchange of information on its current or past performance with other governments and agencies.

- \* Eligible non-government enterprise-based RTOs (ERTO) may only apply to deliver traineeships and apprenticeships; and, only TAFE NSW institutes and approved NSW ACE training providers may apply to deliver Foundation Skills training.

### NSW-based eligibility

A training provider must have its principal business address in NSW (as defined by ASIC).

If a training provider does not meet this criterion, then the Department may in its absolute discretion also consider whether the training provider will make an important contribution to the NSW training market as demonstrated by:

- the training the training provider is proposing to deliver meets one or more of the identified priority areas (see page 6 of this policy), and
- quantifiable student and/or industry demand for the proposed training; and
- the proposed training will be delivered to specification(s) demanded by industry and/or students and no other Smart and Skilled Provider can deliver training to the required specifications; and
- evidence of capacity to deliver quality training in NSW.

Capacity to deliver quality training in NSW means the extent of the training provider's operations in NSW through evidence of the following:

- student engagement and employer satisfaction survey data for the most recent reporting period set by ASQA
- the number of student commencements in NSW (for both government-subsidised and fee-for-service students)
- demonstration of the following where relevant:
  - an office and/or staffing structure in NSW
  - the number of trainers and/or assessors deployed in NSW
  - details of the training provider's administration support services available to students in NSW
  - details of the modes of delivery the training provider offers in NSW (for example, classroom, work based, online)
  - the extent of the training provider's arrangements to support work-based delivery in NSW
  - availability of support for online delivery via use of skills centres (training provider

facilitated on-site delivery) to provide classroom based components in NSW.

Cross border apprenticeships arrangements with interstate TAFE providers are considered government to government arrangements and will not be affected if an interstate TAFE provider enters into a Smart and Skilled Contract.

### Enterprise-based registered training organisations

Non-government ERTOS may only apply to deliver apprenticeship and traineeship training.

Government ERTOS are eligible to apply to undertake a wider range of government-funded training (see table below).

Entitlement	Targeted Priorities
<ul style="list-style-type: none"> <li>• Full Qualifications (Certificate II &amp; III)</li> <li>• Apprenticeships and Traineeships</li> </ul>	<ul style="list-style-type: none"> <li>• Full Qualifications (Certificate IV &amp; above)</li> <li>• Part Qualifications</li> <li>• Prevocational training</li> </ul>

### Assessment of applicants

The Department assesses applicants to determine which training providers become Smart and Skilled providers. Our assessment processes build on ASQA's regulatory requirements for training providers. A training provider submits information about its organisational profile, training capacity, experience and capabilities in NSW.

We want to work with training providers that have a proven track record in delivering high quality training in NSW. So we look at training provider's experience and performance in delivering in the regions and the qualification(s) requested. This covers its capacity in NSW to train target groups, tailor training to industry needs, practitioner capability, learning resources and assessment practices, and any past performance under a Smart and Skilled contract and past regulatory compliance.

Assessment criteria

The assessment criteria include but are not limited to the following:

Area	Criteria
Organisation	<ul style="list-style-type: none"> <li>• Type of legal entity</li> <li>• Staff profile of officers/senior management</li> <li>• Relationships with other entities include:                             <ul style="list-style-type: none"> <li>- shared ownership/operational structure with other Australian entities</li> <li>- use of subcontractor and broker services</li> <li>- shared personnel with other RTOs or Smart and Skilled training providers</li> </ul> </li> <li>• Approval to deliver under VET Student Loans</li> <li>• Past contractual performance and compliance</li> <li>• Pending investigations against the training provider</li> <li>• Any regulatory conditions associated with the delivery of qualifications on the training provider’s scope</li> <li>• Student support provides:                             <ul style="list-style-type: none"> <li>- administration support services</li> <li>- career advice services</li> </ul> </li> <li>• Trainers and assessors:                             <ul style="list-style-type: none"> <li>- possess relevant VET qualifications</li> <li>- participate in development activities</li> </ul> </li> <li>• Training and assessment:                             <ul style="list-style-type: none"> <li>- is contextualised to address the needs of the student and/or workplace</li> <li>- includes the availability of specialised training and assessment</li> <li>- includes the validation of assessment activities</li> </ul> </li> <li>• Record of professional development for all staff</li> </ul>
Region	<ul style="list-style-type: none"> <li>• Priority of each region for the RTO</li> </ul> <p>For each region applied for:</p> <ul style="list-style-type: none"> <li>• the number of student commencements</li> <li>• the presence and details of teaching and administration facilities</li> <li>• any partnerships with specialist organisations</li> <li>• any other justifications, such as:                             <ul style="list-style-type: none"> <li>- creating jobs</li> <li>- upskilling workers</li> <li>- meeting skill demands</li> <li>- supporting special needs groups</li> <li>- developing relationships with employers</li> </ul> </li> </ul>
Qualification	<p>For each qualification applied for:</p> <ul style="list-style-type: none"> <li>• any regulatory conditions associated with the delivery of the qualification</li> <li>• delivery by:                             <ul style="list-style-type: none"> <li>- mode</li> <li>- region</li> <li>- program</li> </ul> </li> <li>• the number of student commencements in the qualification or similar qualifications</li> <li>• the training and assessment strategy</li> <li>• the validation of training and assessment resources</li> </ul>

### Supporting information

A training provider may supply the following to support its application.

- The training provider's assessment practices, such as:
- any exposure to workplace conditions
- the practicality of the assessment
- the resources it uses in the assessment.

Any benefits the training provider would provide, such as:

- can deliver in priority markets
- has a unique delivery model
- uses an innovative practice, process or initiative.

## Applications for a Smart and Skilled Contract for the 2020-21 Activity Period

The Department is not conducting an open application process for providers. **However, providers may be invited by the Department (through Training Market Operations) to apply for a Smart and Skilled Contract to deliver training that aligns to the priorities below.** Please note: this policy may be varied from time to time and all decisions in relation to it remain at the Department's absolute discretion.

Priorities for inviting new providers to apply for a Smart and Skilled Contract	NSW based training provider	Interstate TAFE provider	Interstate non-TAFE provider
<b>(a) Apprenticeship qualification(s)</b> delivered via the EAT and/or SBAT programs and provide evidence of effective support arrangements/strategies designed to optimise outcomes and maximise completions.	Yes	Yes, only for a thin market, or a market gap in a region. ^ see note below  Note: cross-border apprenticeship contracts will continue for apprenticeship training delivered to students in cross-border communities	Yes only for a thin market, or a market gap in a region. ^ see note below
<b>(b) Traineeship qualification(s)</b> delivered via the EAT and/or SBAT programs and provide evidence of effective support arrangements/strategies designed to optimise outcomes and maximise completions.	Yes	Yes, in the following circumstances only: (i) For a thin market, or a market gap in a region. (ii) Traineeship training for eligible students living and/or working in cross border communities  ^ see note below	Yes only for a thin market, or a market gap in a region. ^ see note below
<b>(c) Full Qualifications</b> that address a thin market or market gap in a region. <b>Important:</b> Applications to deliver Full Qualifications (i.e. EFS, EFQ and TPFQ programs) will only be considered if funds are available to allocate Financial Cap(s).	Yes	Yes	Yes
<b>(d) Full Qualifications</b> for eligible students living and/or working in cross border communities. <b>Important:</b> Applications to deliver Full Qualifications (i.e. EFS, EFQ and TPFQ programs) will only be considered if funds are available to allocate Financial Cap(s).	Yes	Yes	No
<b>(e) Part qualifications</b> that address a thin market or market gap in a region and no other Provider can address the skills need.	Yes	Yes	Yes
<b>(f) Part qualifications</b> for eligible students living and/or working in cross border communities.	Yes	Yes	No

**Note:** ^ If approved, conditions will be placed on providers' Approved Qualifications Activity Schedule(s) to limit delivery to specific region(s).

**Additional Requirements to be considered before inviting a provider to apply for a Smart and Skilled Contract**

The Provider must provide evidence of the student/industry need for the training and the expected benefits and outcomes for students, employers and communities from the training.

The Department is under no obligation to invite any organisation or individual to apply for a Smart and Skilled Contract. All decisions in this regard and in relation to any other aspect of this policy are at the Department's absolute discretion.

**Application process**

The Department may invite providers to apply for a Smart and Skilled Contract on a case by case basis.

**Impact of COVID-19 on Applications for a Smart and Skilled Contract**

The Department is currently reviewing the management of Financial Caps for 2020-21 in light of the impacts of COVID-19.

© State of New South Wales through Department of Education 2020. You may copy, distribute and otherwise freely deal with this publication for any purpose, provided that you attribute the Department of Education as the owner.

The information contained in this publication is based on knowledge and understanding at the time of writing (October 2020) and may not be accurate, current or complete. The State of New South Wales (including the NSW Department of Education), the author and the publisher take no responsibility, and will accept no liability, for the accuracy, currency, reliability or correctness of any information included in the document (including material provided by third parties). Readers should make their own inquiries and rely on their own advice when making decisions related to material contained in this publication.

### For more information

 [smartandskilled.application@det.nsw.edu.au](mailto:smartandskilled.application@det.nsw.edu.au)

 1300 772 104

 [smartandskilled.nsw.gov.au](https://smartandskilled.nsw.gov.au)