

Contract Notification

CN No.	2020-12	Date:	24 August 2020
To:	Chief Executive Officer or equivalent		
Purpose:	For information		
Scope:	2018-19 Standard, Restricted and Non-Victorian based VET Funding Contracts (extended to 31 December 2020)		
Subject:	Release of the draft 2021 VET Funding Contracts, Guidelines and associated guides		

For all non-TAFE Training Provider staff

Purpose

- This Contract Notification is to inform training providers about the release of the draft:
 - 2021 Standard VET Funding Contract (version 1.0)
 - 2021 VET Funding Contract (Non-Victorian based training provider delivering to a National Enterprise) (version 1.0)
 - 2021 Guidelines About Eligibility
 - 2021 Guidelines About Fees
 - 2021 Guidelines About Apprenticeship/Traineeship Training Delivery
 - 2021 *Skills First* Quality Charter.
- Together with the publication of a series of guides to help training providers understand the changes:
 - Understanding changes to the 2021 VET Funding Contracts
 - Guide to content changes in the 2021 Contract and Guidelines
 - Guide to structural changes – Contract
 - Guide to structural changes – Guidelines
- All these documents are published in the Documents section of SVTS.

Background

- The current 2018-19 VET Funding Contract (extended to 31 December 2020) (the Contract) expires on 31 December 2020.
- On 17 July 2020 (CN 2020-08), the Department of Education and Training (the Department) announced that it will enter into one-year 2021 Skills First VET Funding Contracts (the 2021 Contracts).
- Given the stability and performance of the current Skills First training market, the 2021 Contracts will be offered to training providers currently holding a Contract, without the need to participate in a full expression of interest process.

Main Points

Contract improvements

- The 2021 Contract obligations remain substantively the same as under the 2018-19 VET Funding Contracts (extended to 31 December 2020).

- However, the 2021 Contracts include a range of improvements, such as clearer contractual requirements, improved readability, a better structure and simpler administration, so that training providers can more easily understand how to meet their obligations and formulate their business and compliance processes.

Restricted Contract discontinued

- The Department has discontinued the Restricted Contract type to support a more consistent approach to contracting through the adoption of a single Standard Contract.
- If you hold a Restricted Contract now, you will be offered a Standard Contract in the 2021 Contracting process and your maximum Commencement Allocation will continue to be documented in Schedule 2 – individual details and conditions.

Help understanding the changes

- Training providers are encouraged to read the guides on SVTS to help them understand the changes:
 - Understanding changes to the 2021 VET Funding Contracts
 - Guide to content changes in the 2021 Contract and Guidelines
 - Guide to structural changes – Contract
 - Guide to structural changes – Guidelines
- For questions about the 2021 Contract, please submit an enquiry on SVTS using the category '2021 Skills First Contracting'.

Critical dates

- In early September 2020, the Department will announce on SVTS the timetable for training providers who wish to take up the offer of a 2021 Contract, including the publication of key documents and instructions.
- Due to the impact of coronavirus (COVID-19), the Government has rescheduled the 2020-21 State Budget to November 2020. Accordingly, the Department will not be able to finalise 2021 Contract offers, including Funded Scope and Allocations until early December 2020.
- The 2021 Contract commences on 1 January 2021.

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