

For all Training Provider staff

Contract Notification

CN No.	2018-18	Date:	19 July 2018
To:	Chief Executive Officer or equivalent		
Purpose:	Advice on Contract requirement		
Scope:	<ul style="list-style-type: none"> • 2018-19 Standard VET Funding Contract • 2018-19 Restricted VET Funding Contract • 2018-19 VET Funding Contract (Non-Victorian based Training Provider delivering to a National Enterprise) 		
Subject:	Market Parameters for Skills First 2019 - Process to determine Allocations and additions to Funded Scope for 2019, and determination on single year contract opportunities for 2019		

Purpose

- This Contract Notification is to advise:
 - non-TAFE Training Providers who hold a Skills First 2018-2019 VET Funding Contract, of the opening of a process to inform Allocation requirements (both Commencement and Qualification) and additions to Funded Scope for 2019, and
 - Training Providers without a 2018-2019 VET Funding Contract of the determination on a Skills First provider selection process for 2019.

Background

- In order for the Department to determine a Training Provider's Allocations (both Commencement and Qualification) for the 2019 calendar year, the Training Provider is required to participate in a process determined by the Department, and taking into consideration issues such as labour market needs (Clauses 5.6 and 5.7 of all 2018-19 VET Funding Contracts).

Main Points

Allocations and changes to Funded Scope for 2019

- Further to recent communications, all non-TAFE Training Providers with a 2018-2019 VET Funding Contract will shortly be required to participate in a process to inform Allocations for commencements in the 2019 calendar year. This process will include the submission of *Program Delivery Plans (PDP)*, to advise the Department of proposed 2019 training delivery.
- The Department has listened to feedback from Training Providers about the need to provide certainty and to support early planning. The Department is preparing to run the PDP process from late August to the second half of September 2018, with the intention of reviewing the proposed activity and advising Training Providers of their 2019 Allocations by 5 October 2018.

- The PDP process will include applications for additions to Funded Scope for 2019 commencements. Note that this is a wholly separate process to the current invitation to request increases to Allocations and/or additions to Funded Scope for 2018.
- To clarify, the 2018 Qualification Allocations do not automatically carry over into the 2019 calendar year, and no assumption has been made that they will continue. For 2019, these six qualifications will be considered in the same manner as all other qualifications, to determine if there is any risk of oversupply and whether any restrictions on delivery need to be made in the new calendar year.
- Further information on the 2019 PDP process for currently contracted Training Providers will be forthcoming.

Planning for government subsidised training in 2019

- Analysis of 2018 training delivery to date indicates that the current market of contracted Training Providers has the capacity to meet training needs across Victoria.
- Noting that two year contracts are now in place until the end of 2019 for 321 non-TAFE organisations, in order to give currently contracted providers the opportunity to consolidate their delivery, the Department will focus its investment in the existing market and consolidation of the 'quality floor' across 2019.
- The Department will not run a further Provider Selection Process for a single-year 2019 VET Funding Contract.

Resources

- NA

Critical Dates

- Please continue to monitor SVTS for a further announcement on the opening of the 2019 PDP process.

Greg Norton

Executive Director
Training Market Services