

UNDERSTANDING CHANGES TO THE 2021 VET FUNDING CONTRACTS

The Department of Education and Training (the Department) is committed to helping you meet your obligations under the *Skills First* VET Funding Contract (the Contract). One way we can do this is by ensuring the Contract itself is written and presented as clearly as possible, while retaining its legal intent. This guide introduces you to the changes we've made to the 2021 Contracts and Guidelines and our approach to making them easier for you to understand and follow.

CLEARER EXPECTATIONS

We expect you to be familiar with your obligations under the Contract. We've made a range of improvements to the Contracts and Guidelines that we think will help you better understand your obligations. These improvements fall broadly under two categories – a better structure and easier to read.

A better structure

The structure of the Contract and Guidelines is significantly improved. We've grouped together similar clauses, better sequenced the different sections, and used more intuitive subheadings so that the whole Contract framework is more thematically structured.

These changes make it easier for you to follow the Contract and quickly get the information you need.

Easier to read

We've used plain English principles to simplify the Contract language and improve readability. This means we've chosen more everyday words, active verbs and shorter sentences.

We've removed repeated clause requirements, unnecessary words, and redundant provisions. By decluttering the contract clauses they are more precise and easier to understand.

We've used consistent words and phrases throughout to avoid any potential ambiguity or confusion.

We've included design elements, such as tables, to help clarify Contract requirements.

These improvements have reduced the length of the Contract by about 10%.

Use our guides

Our handy guides are designed to help you understand the new changes and guide you in updating your business systems and work processes.

We suggest you read them in this order:

- Guide to content changes in the 2021 Contract and Guidelines.
- Guide to structural changes – Contract.
- Guide to structural changes – Guidelines.

These guides are published in the Documents section of SVTS.

UNDERSTANDING THE CHANGES

Your Contract obligations remain substantively the same. The changes, such as clearer requirements and simpler administration, are so you more easily understand how to meet your obligations and formulate your business processes.

You should know and understand these changes, including how some clauses have been renumbered.

To help your understanding, we recommend you read our guides.

Guide to content changes in the 2021 Contract and Guidelines

This guide gives an overview of the most significant content changes to the Contract and the reasons for them.

We recommend you read this guide first.

Guide to structural changes – Contract

This guide helps you follow each individual change, clause-by-clause, by comparing the old version of the Contract to the new version. We've used a set of visual icons to help you to quickly identify and track the type of change.

It's not intended to be read in full, but rather serve as a reference guide to help you keep track of the changes and update your compliance systems.

Guide to structural changes – Guidelines

This guide has the same design and purpose as the 'Guide to structural changes – Contract', but concerns changes to the Guidelines.

OUR REVIEW PROCESS

We recognise that you are well placed to identify how the Contract and Guidelines could be improved. So we've regularly listened to your feedback and everyday perspective – through enquiries, at workshops, and at meetings – to develop and deliver an improved Contract.

The 2021 Contract changes also reflect our annual process where we review the Contract and make adjustments to reflect operational changes or different government priorities.

The changes were tested and refined through consultations with TAFE's, select independent training providers and Learn Local organisations. There was an overwhelmingly positive response to the changes.

FURTHER RESOURCES

The following associated resources can be found on SVTS:

- draft 2021 Standard VET Funding Contract (version 1.0)
- draft 2021 VET Funding Contract (Non-Victorian based training provider delivering to a National Enterprise) (version 1.0)
- draft 2021 Guidelines About Eligibility
- draft 2021 Guidelines About Fees
- draft 2021 Guidelines About Apprenticeship/Traineeship Training Delivery
- Guide to content changes in the 2021 Contract and Guidelines
- Guide to structural changes – Contract
- Guide to structural changes – Guidelines
- CN 2020-08 – The *Skills First* contracting arrangements for 2021.

FURTHER INFORMATION

If you'd like any further information about understanding the changes to the Contract, please submit an SVTS enquiry using the category '2021 *Skills First* Contracting'