

CONTRACT NOTIFICATION

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| CN No. | 2021-19 | Date: 20 December 2021 |
| To: | Chief Executive Officer or equivalent | |
| Purpose: | Advice on Contract requirement | |
| Scope: | All 2022 VET Funding Contracts | |
| Subject: | 2022 process for approval of subcontracting training and assessment | |

Purpose

This Contract Notification is to advise training providers about how to seek the Department of Education and Training (the Department)'s approval to subcontract their training and assessment in 2022.

Background

Subcontracting is when you engage either a business, or a person operating under a business structure, to carry out Training Services on your behalf.

Under the VET Funding Contract (the Contract), you must get the written approval of the Department before subcontracting training and/or assessment to another organisation.

Each year, the Department announces the application process for seeking approval of subcontracting arrangements. This Contract Notification announces the process for 2022.

Main Points

2021 subcontracting arrangements

The Department's previous approval of your 2021 subcontracting arrangements does not automatically extend to an approval of arrangements for 2022.

If you currently have approvals for 2021 subcontracting, we will contact you directly to discuss how these arrangements can be continued into next year. We will consider whether your subcontracting arrangements have met, and will continue to meet, your subcontracting obligations under the Contract.

How to apply for approval of subcontracting

You can now apply for the Department's approval of new or changed subcontracting arrangements for training and assessment for 2022 program commencements.

You must complete the following forms found in the Documents section of SVTS:

- Request for approval of subcontracting – 2022
- Subcontractor declaration – 2022.

Then send the completed forms to us by submitting an SVTS enquiry using the category 'Skills First VET Funding Contract – Subcontracting of Training Services'.

The outcome of your application

We will write to you via SVTS to advise of the outcome of your subcontracting application. We aim to do this within about 3 weeks from when we received your full application.

If we approve your application, we will advise you about the details of the approved subcontractor, programs and student commencements for 2022.

Read our 2022 Guide to subcontracting

You should read the '2022 Guide to subcontracting' in the Documents section of SVTS before you apply for the approval of subcontracting arrangements.

The guide provides important details about the subcontracting application process, including information about:

- how to apply, including timelines
- how we advise of outcomes
- what we consider when approving a subcontracting application
- how subcontracting must be genuine and specialised, limited, and have appropriate governance in place
- how to address the evaluation criteria questions in the application forms
- the limits on the amount of subcontracting you can do
- the limits on the individual subcontractors
- your subcontracting responsibilities
- the terms of a subcontracting agreement
- how to seek approval for changes to a subcontracting arrangement.

What is considered 'subcontracting'?

If you're unsure whether an arrangement is 'subcontracting' under the Contract, you should read our '2022 Guide to subcontracting' and contact us before entering into that arrangement. You can submit an SVTS enquiry using the Category 'Skills First VET Funding Contract – Subcontracting of Training Services'.

Resources

Refer to the Documents section of SVTS for the:

- 2022 Guide to subcontracting
- Request for approval of subcontracting – 2022 form
- Subcontractor's declaration – 2022 form.

Critical Dates

This Contract Notification is effective immediately.

Applications for the 2022 subcontracting of training and assessment are now open.

Lance Snell

Acting Executive Director
Training Market Services