

# Contract Notification

<b>CN No.</b>	2017-01	<b>Date:</b>	15 February 2017
<b>To:</b>	Chief Executive Officer or equivalent		
<b>Purpose:</b>	For information		
<b>Scope:</b>	2017 Standard VET Funding Contract 2017 Restricted VET Funding Contract		
<b>Subject:</b>	<b>Process for Training Providers seeking a contract variation to increase the Initial Training Provider Allocation, and / or additions to Funded Scope</b>		

## For all Training Provider staff

### Purpose

- The purpose of this Contract Notification is to:
  - advise Training Providers of the framework for the Department's consideration of:
    - increases to the *Initial Training Provider Allocation* (Standard Contract holders only), and/or
    - additions to *Funded Scope* (both Standard and Restricted Contract holders); and
  - inform Training Providers of the process for lodging requests.

### Background

#### *Framework for considering requests*

- In considering a Training Provider's request for an increase to their *Initial Training Provider Allocation* and/or an addition to their *Funded Scope*, the Department will consider the following:
  - **Market need:** whether there is a demonstrable and genuine need for the expanded activity, and how the proposed new activity meets the job and training needs of Victoria, including consideration of the specific course(s), the delivery location, and the target cohort;
  - **Training Provider capacity and capability:** the Department's view of the Training Provider's capacity and capability to expand their activity levels (particularly where the request includes an increase to the *Initial Training Provider Allocation*); and
  - **Program budget:** the impact of the request on the *Skills First* program budget.
- In assessing market need, the Department will consider information submitted by the Training Provider, and the Department's view of whether a particular course is at risk of oversupply (consistent with the *Jobs and Training Needs Reports*, and using information about market wide supply and demand obtained from *Program Delivery Plans*, monthly activity reporting, and industry consultation).
- In assessing Training Provider capacity and capability, the Department will consider information submitted by the Training Provider, the magnitude of growth sought, and intelligence from a range of Departmental information sources, including but not limited to data and previous audits or reviews. In some instances, the Department may commission a formal audit or review prior to making a determination.

### Process for lodging requests

- In order for the Department to consider a request for an increase to the *Initial Training Provider Allocation* and/or additions to *Funded Scope*, the Training Provider must:
  - lodge a '2017 Contract Variation Request – Increase to Initial Training Provider Allocation and/or Addition to Funded Scope', and
  - submit a 'Program Delivery Plan' for each course relevant to the request.
- The '2017 Contract Variation Request – Increase to Initial Training Provider Allocation and/or Addition to Funded Scope' form has been published in the 'Documents' section of SVTS.
- Separately, to assist in completing 'Program Delivery Plans', a copy of the "Guide to the Program Delivery Plans" that was published with the *Skills First* Expression of Interest has been re-published in the Documents section of SVTS. Page six of this document provides specific instructions on how to access the 'Program Delivery Plans' on SVTS.
- Requests may only be lodged in relation to courses that are listed on the 'Skills First Funded Courses List' (and must be consistent with the Enrolment Types identified on the List).
- Requests may be lodged on a rolling basis from 1 March 2017. The request form must be lodged electronically via the Enquiries function of SVTS (under the category "2017 request for additional commencements/ expanded Funded Scope"). The separate 'Program Delivery Plans' must be lodged as described above.
- It is the Department's intention to respond to Training Provider requests within three weeks of receipt of all required information. Training Providers will be advised of the outcome of any request via correspondence from the Department and, if approved, in an associated updated 'Contract Offer' document.

### Note regarding superseded/superseding courses and Funded Scope

- Where a course that is currently listed on any individual Training Provider's 'Contract Offer' becomes superseded, it is generally not necessary for the Training Provider to apply to have the superseding course added to their *Funded Scope*. In these cases, except as otherwise advised by the Department, the superseding qualification will automatically be deemed added to the Training Provider's *Funded Scope* once the qualification has been added to both the Training Provider's *Scope of Registration* and the *Funded Courses Report*. The superseding qualification will retain the same Restrictions and/or Enrolment Type characteristics as the superseded qualification as indicated in the 'Contract Offer'. This includes retention to the same *Initial Qualification Allocation* (if relevant). For example, if the superseded course has an *Initial Qualification Allocation* of 100 commencements, then the superseded and superseding courses will have a combined *Initial Qualification Allocation* of 100 commencements.
- For technical reasons, the automatic addition of superseding courses will not be reflected in SVTS in most instances until mid to late March 2017. If your Training Provider would like to have a superseding qualification added to its Funded Scope in the interim, please lodge a request via an SVTS Enquiry. This is only relevant where each of the following three conditions are met: the superseded course is already included in your 'Contract Offer', the superseding course is on your Scope of Registration, and the superseding course is on the Funded Courses Report.

### Critical Dates

- Requests may be lodged starting from 1 March 2017, or as the need arises throughout the year.

### Relevant Resources

- '2017 Contract Variation Request – Increase to Initial Training Provider Allocation and/or Addition to Funded Scope' form (published in the 'Documents' Section of SVTS)
- 'Guide to the Program Delivery Plans' (published in the 'Documents' Section of SVTS)

### Greg Norton

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