

CONTRACT NOTIFICATION

CN No.	2021-12	Date: 10 August 2021
To:	Chief Executive Officer or equivalent	
Purpose:	General Information	
Scope:	All 2021 VET Funding Contracts (version 3.0)	
Subject:	Skills First contracting arrangements for 2022	

Purpose

This Contract Notification is to inform training providers about the Department of Education and Training (the Department's) *Skills First* contracting arrangements for 2022.

Background

The 2021 Skills First VET Funding Contracts expire on 31 December 2021.

This Contract Notification advises training providers about the arrangements and indicative timeframes for the 2022 contracting process.

Main points

Contract duration

The Department will offer a one-year Skills First VET Funding Contracts for 2022 (the 2022 Contract).

The Department has opted for a one-year contract to account for the changing and dynamic VET environment. Reforms are still in progress at both the state and national level and we are aiming to maintain stability in contract settings into 2022 while these reforms progress.

Currently contracted training providers

We are confident in the quality and performance of currently contracted training providers and their proven ability to deliver *Skills First* training. Therefore, if you hold a 2021 Contract, you will be offered a 2022 Contract without the need to participate in a full expression of interest process.

Independent financial assessment

2022 Contract offers will be conditional upon the Department being satisfied with the results of an independent financial assessment.

To participate in this process, you will be required to submit information about your corporate structure and your latest audited financial statements, for the latest annual reporting period. These statements must be audited by an Australian Securities and Investments Commission (ASIC) registered auditor. These documents will need to be submitted to our independent financial assessor by mid-October 2021.

Learn Local Organisations will be required to provide audited financial statements, but the statements will not need to be audited by an ASIC registered auditor.

You won't have to provide audited financial statements at all if you are a:

- TAFE institute
- Dual Sector university
- Victorian Government senior secondary provider
- legal entity that is a Victorian Government department or other Victorian Government-owned entity (including those owned by local councils).

Program Delivery Plans

Like previous years, all training providers will be required to submit Program Delivery Plans (PDPs) that detail your organisation's proposed training delivery for 2022.

Non-contracted training providers

At the same time as the process for currently contracted training providers, the Department will be running a limited expression of interest process (EOI) for new training providers to deliver *Skills First* training for specific accredited programs.

These will be programs that are needed to meet Government priorities and Victoria's skills and jobs needs and limited to programs where the Department has determined demand is not met by existing contracted training providers. We will only take expressions of interest from training providers who can deliver these specific programs.

In the coming weeks, the Department will publish the list of programs, together with instructions about the EOI. We will require interested and eligible training providers to submit a range of documentation so we can assess whether they can deliver the specified programs to the Department's satisfaction.

After we close the EOI, the Department will re-evaluate Victoria's projected training needs against the VET market supply to determine the final amount and type of additional training provision that may be required.

Critical dates

In late August 2021, we will announce further details on SVTS about the 2022 contracting process and the timetable for training providers to take up the offer of a 2022 Contract.

We will also publish on SVTS:

- Draft 2022 Contracts and associated Guidelines
- Guidance to explain any changes from the 2021 Contract
- Funded Course List 2022 (timing is subject to the negotiations on the national JobTrainer initiative)
- Free TAFE Course List 2022
- Instructions for submitting financial statements
- Instructions for submitting PDPs
- Instructions for non-contracted training providers about the EOI for a 2022 Contract for specific programs
- Guidance on jobs and training needs for 2022.

If you have any questions about the 2022 contracting arrangements, you can submit an SVTS enquiry using the category '2022 Skills First Contracting'.

Ryan Collins
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