

NSW Skills List Management Policy

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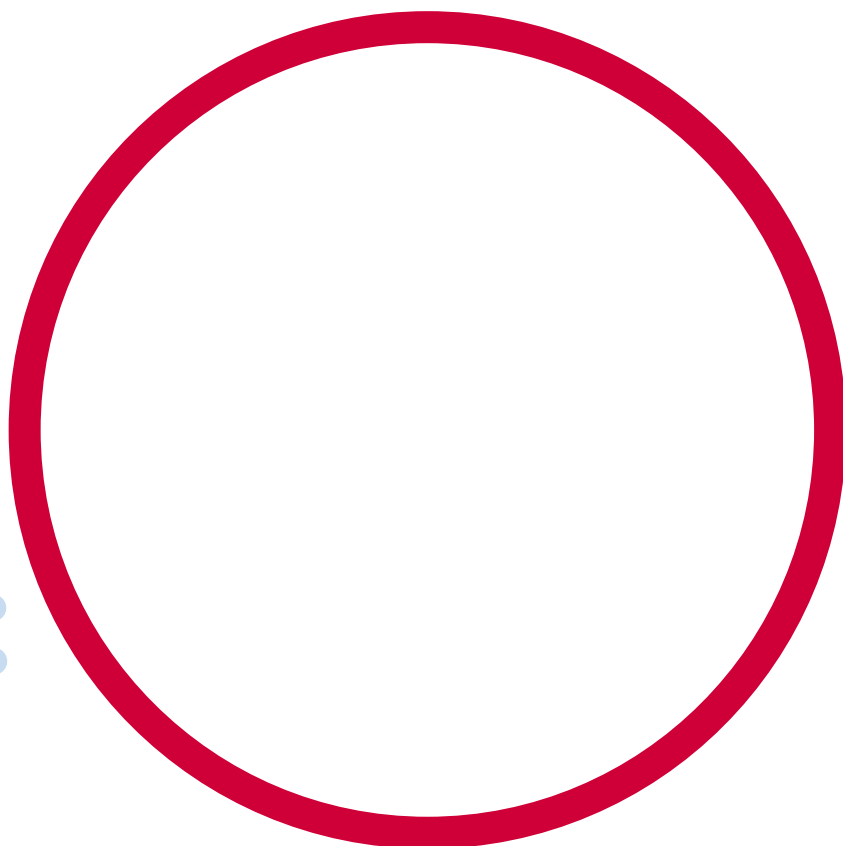
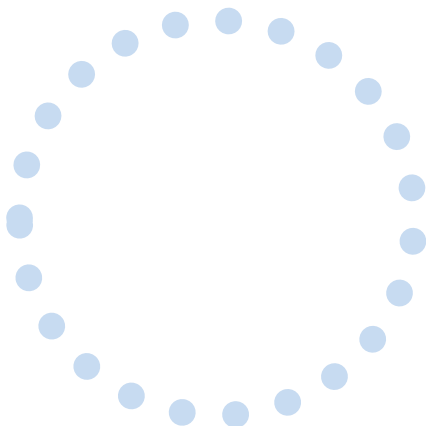
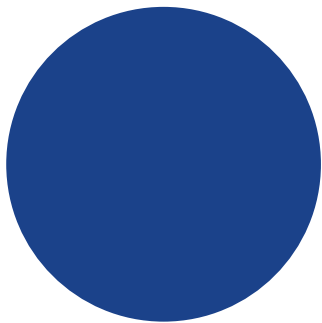


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Introduction

The NSW Skills List identifies the qualifications eligible for a government subsidy under Smart and Skilled, as well as the programs they fall under. This policy sets out the management of qualifications on the Skills List.

The NSW Skills List has been developed through extensive labour market analysis and consultation with industry and the community. It is reviewed regularly to ensure it meets the changing skills needs of industry. The Skills List is also updated as needed during the year to reflect changes to Training Packages and Vocational Training Orders (VTOs) for apprenticeships and traineeships

Qualifications on the Skills List

The qualifications on the Skills List support the diverse needs of industry and the NSW economy. These are qualifications that give people the skills they need for good job prospects, career paths and further learning opportunities.

The Skills List covers:

- Certificate I to Advanced Diploma qualifications
- Selected Foundation Skills courses
- Funded apprenticeships and traineeships

It should be noted that only funded apprenticeship and traineeship qualifications appear on the NSW Skills List. A list of all the qualifications that can be delivered as an apprenticeship and traineeship in NSW can be seen at

<https://online.training.nsw.gov.au/vtu/vto/vtoEnquiry.do?command=goToVTOSearch>

Processes to manage the Skills List

This policy sets out the processes to manage qualifications on the NSW Skills List, including the

- Skills List Additions,
- Skills List Review, and
- Skills List Update.

This policy should be read in conjunction with the NSW Skills List, which can be found at <https://www.nsw.gov.au/education-and-training/vocational/funding/nsw-skills-list>

Skills List Additions

The Skills List additions process is conducted twice a year to ensure the list meets the changing skills needs of industry. As part of the process, stakeholders are invited to submit proposals to add qualifications to the list. Stakeholders primarily comprise industry representatives, training providers and government agencies. The additions process is covered further below.

Skills List Review

From 2020, the Department has introduced a new process to review qualifications on the Skills List based on activity and outcomes. It involves extensive data analysis and consultation with key stakeholders, such as industry representatives, peak bodies and registered training organisations (RTOs). As a result of the review process, the Department may:

- remove qualifications that have no training activity or poor outcomes,
- place qualifications onto a secondary, pre-qualified list where there is a temporary drop in demand, with the capacity to reintroduce these qualifications to the skills list if there is demand
- implement conditions to better target select qualifications to achieve stronger outcomes, or
- keep them on the Skills List.

The review process is covered further below.

Skills List Update

The Skills List is also updated regularly during the year to reflect updates to Training Packages and the development of new VTOs for apprenticeships and traineeships. This is covered further below.

Adding qualifications to the Skills List

This section outlines the process in which qualifications are added to the NSW Skills List.

The Department runs the additions process to ensure the Skills List meets the changing skill needs of industry. Twice a year, various stakeholders are invited to apply to add qualifications to the list through an online application. These include Industry Training Advisory Bodies (ITABs), RTOs, industry and RTO peak bodies and NSW government agencies.

The first round of the additions process typically begins in April/May and the second round in October/November.

Process to add a qualification

The process to add a qualification is as follows:



All recommended changes to the Skills List will be provided to the Minister for Skills and Training who may also approve or reject the recommendations.

The process to add a qualification to the Skills List takes around 3-4 months end to end.

Online application form

The process to add a qualification starts when the online application form opens. This application form is accessed through a survey link.

Stakeholders are also asked to attach supporting data or information from reliable and verifiable sources to the application.

The online application form is open for 4-6 weeks. Applications to add a qualification to the Skills List in any other format will not be accepted.

Emails are sent out to various stakeholders when the online application opens, including ITABs, RTOs, industry and RTO peak bodies and NSW government agencies.

If you would like to be notified when the application opens, please send an email to: marketdesign.implementation@det.nsw.edu.au.

Assessment of applications

Criteria used to assess applications

When the Department reviews requests to add qualifications to the Skills List, it assesses them against a range of criteria. The Department expects applications to make a strong case against the following criteria:

Criteria for addition	Description
Industry demand or key qualification	Strong evidence of continuing and future industry need for the qualification (e.g. quantifiable evidence of industry need, confirmed occupational/sector employment growth and job opportunities, shortages due to a lack of trained workers).
Job or career outcomes	Strong, quantitative evidence of employment outcomes for people completing the qualification. Strong evidence demonstrating how the qualification improves career prospects (e.g. wage differential, wider range or better, more secure jobs).
Pathway to further study	The qualification: <ul style="list-style-type: none"> – provides the necessary foundation skills for undertaking a vocational qualification on the Skills List – is part of a NSW VTO Pathway giving advanced standing into a higher level VET qualification – is a pre-requisite for a higher level VET qualification (as prescribed in the training package) has a pathway (articulation) into higher education
Entry level qualification	Industry demonstrates why the full qualification is required to gain entry level employment in an occupation or industry.
Regional economic development and communities	Strong evidence how the qualification supports business development, jobs growth or enhances community wellbeing in a specific NSW region/town (e.g. actual jobs growth in the occupation/sector, new businesses, actual employment opportunities, improves quality of life in communities)
Support for small business	Strong evidence how the qualification supports setting up and/or sustaining a small business
Support disadvantaged or equity groups	Strong evidence of the benefits (market-based or social) to particular groups/communities of holding the qualification
Key Government strategy	Strong evidence of how the qualification is central to successfully implement a specific government strategy, policy or program

The Department also assesses applications against the following criteria to determine if a qualification should not be added.

Criteria for not adding	Description
No/low industry demand	No/weak evidence of industry demand (e.g. supply driven). Limited industry sources indicate demand
Poor student outcomes	Data indicates poor student outcomes for the qualification, no/weak evidence from industry of good employment outcomes
No/very low take-up	Zero, very low or declining take-up of the qualification (excludes qualifications for niche occupations critical to industry/NSW, as indicated by a persistent skill shortage or well evidenced industry demand)
Similar qualification	A similar qualification for the occupation is on the Skills List. There is not enough evidence to differentiate the qualification.

The Department informs stakeholders of these criteria when it seeks proposals to include qualifications to the NSW Skills List.

The Department may also consider other factors outside the criteria based on current circumstances. For example, the impact of COVID-19 was considered during the first additions process conducted in 2020. Any additional factors that may influence the assessment process will be noted in the online application form.

Issues to note when applying to add a qualification

It is not necessary for a qualification to meet all the criteria for addition. The criteria for addition that have the highest weighting are industry demand and job outcomes. For most qualifications, if an application does not demonstrate these, it is unlikely to be recommended for addition.

Statements in an application that are backed up by facts or quantitative data will increase the chances of a successful application.

The evidence provided can be publicly available information (e.g. an occupational forecast or research report) or information specific to the application (e.g. letters of support). Any evidence must be specific to the qualification and the occupation that it is linked to.

If there are similar qualifications on the Skills List already, then it needs to be shown what value that the qualification applied for provides over and above what exists on the Skills List.

Should an application be unsuccessful, feedback will be provided to the applicant. In order to increase the chances of a successful application, any future applications for the same qualification should attempt to address any stated issues.

Approvals process

Applications received by the Department are assessed by an experienced panel of subject matter experts from the Department.

The assessment panel will provide recommendations to the Minister for Skills and Training for approval.

Feedback to applicants

Once the Minister for Skills and Training has approved any additions to the Skills List, the Department will inform applicants of the outcome. This includes the reasons why the qualification was approved or not approved for addition to the Skills List.

Adding qualification to the list

The Skills List will generally be updated within a week after informing applicants. This update will be communicated to all Smart and Skilled providers through a Smart and Skilled Update. Following the addition of the qualification, a Smart and Skilled provider who has the qualification on their Scope of Registration in NSW can apply to deliver it under Smart and Skilled under their existing Financial Caps, or under an uncapped apprenticeship or traineeship program where applicable. More information on how to request additional qualifications can be found in STS online > Smart and Skilled Contract Management – Support Documents> AQAS Adjustment Request Form.

Qualifications without a Smart and Skilled Provider

Any qualification being applied for should preferably have a Smart and Skilled provider who is willing and able to deliver the qualification.

If there is no Smart and Skilled provider, however, it will still be assessed and may be recommended to go onto the Skills List. To reduce confusion by ensuring that the Skills List does not contain qualifications that are not offered by providers, the qualification will not be added to the Skills List until a Smart and Skilled Provider includes it on their NSW Scope of Registration (“Scope”).

If there is a Smart and Skilled provider who adds the qualification to their Scope after approval of the qualification, the applicant(s) should notify the Department of this to allow the Department to add the qualification to the Skills List. If there is no available Smart and Skilled provider within 12 months of approval, the approval will no longer apply, and a new application will need to be submitted in order to add it to the Skills List

Apprenticeships and traineeships

All apprenticeship qualifications are automatically funded on the NSW Skills List. No application is required for apprenticeship funding in NSW.

If a traineeship qualification has historically been funded on the Skills List, this funding is continuous. This does not apply to new or traineeship qualifications that have not previously been funded. Therefore, any qualification that is not on the Skills List and is available as a traineeship in NSW must go through the application process to add a qualification to the Skills List.

Review process to assess whether qualifications can be removed or placed onto the pre-qualified list

This section outlines the process in which qualifications may be removed from the NSW Skills List.

From 2020, the Department has introduced a new process to review qualifications on the Skills List based on activity and outcomes.

The review process aims to:

- simplify student choice and improve the effectiveness of Smart and Skilled,
- target the list towards qualifications with good outcomes, and
- better understand why some qualifications do not have any training activity.

The review process will be conducted annually. It will involve extensive data analysis and close consultation with key stakeholders, such as industry representatives, peak bodies and RTOs. As a result of the review process, the Department may:

- remove qualifications from the Skills List that have no training activity or poor outcomes,
- place qualifications with no activity onto a secondary, pre-qualified list, where there is expected future demand or
- keep them on the Skills List

As part of the process, the Department has introduced a secondary, pre-qualified list for qualifications currently on the Skills List that have been identified as having no training activity but otherwise relevant and expected to have increased demand in the future. Qualifications will be placed on the pre-qualified list based on feedback received as a part of consultations with external stakeholders.

Qualifications on the pre-qualified list will be able to return to the Skills List through an expedited additions process that allows a request to be made at any time should demand for the qualification increase.

Review process

The review process is as follows:



Data analysis

The Department has access to a range of data on qualifications, such as their:

- Amount of training activity under Smart and Skilled
- Student outcomes
- Support for disadvantaged students
- Similarity to other qualifications

This data is used to identify a list of qualifications that may have issues with training activity or student outcomes.

External consultation

The Department will consult widely with its external stakeholders to better understand why qualification has poor outcomes. Stakeholders consulted can include:

- Industry Training Advisory Bodies (ITABs)
- Industry and RTO peak bodies
- Smart and Skilled providers
- Employers

The information gathered from the external consultation process can result in a qualification being:

- **Removed from the Skills List**, if it is supported through the consultations
- **Removed from the Skills List and placed onto the pre-qualified list**, if the consultations show that there is a temporary drop in demand, but it is expected to have demand in the future
- **Retained on the Skills List with delivery conditions**, if the consultations provide relevant reasons for how qualification outcomes can be improved
- **Retained on the Skills List**, if the consultations provide relevant reasons why a qualification should be retained on the list

Approval of changes

All recommended changes to the Skills List will be provided to the Minister for Skills and Training for approval.

Removal from the Skills List

Once the Minister for Skills and Training has approved changes to the Skills List, the Department will inform stakeholders involved in the external consultation process and all Smart and Skilled providers.

The Skills List will generally be updated within two weeks after informing stakeholders of the changes. Qualifications will be removed as part of this process and the pre-qualified list will be updated.

Placement onto the pre-qualified list

Through the consultation process, qualifications may be identified as having no training activity but otherwise are relevant and expected to have increased demand in the future.

In such cases, the Department will remove these qualifications from the Skills List and place these qualifications on the pre-qualified list.

Qualifications on the pre-qualified list will be able to return to the Skills List through a streamlined additions process that allows a request to be made at any time when demand for the qualification increases.

Qualifications that are placed on the pre-qualified list will not be eligible for subsidised training under Smart and Skilled until it is re-added to the Skills List.

The list of qualifications that are currently on the pre-qualified list are available at <https://www.nsw.gov.au/education-and-training/vocational/funding/nsw-skills-list>

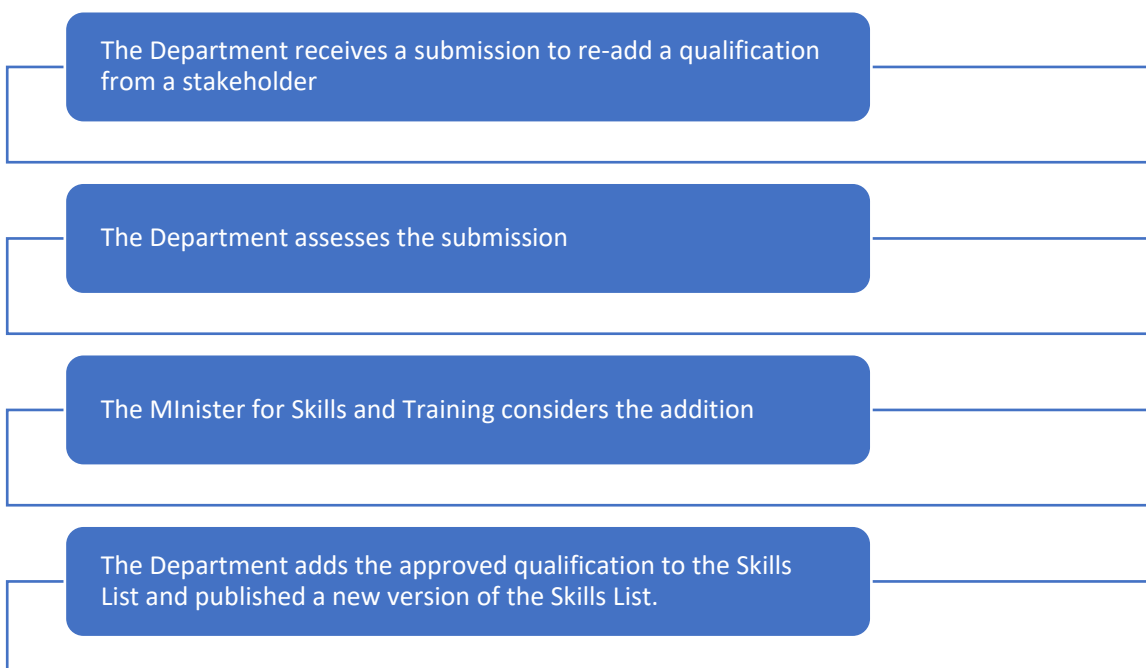
Qualifications will stay on the pre-qualified list for a period of three years. If there have been no requests to re-add the qualification to the Skills List in that time, the qualification will be removed from the pre-qualified list.

It should be noted that qualifications will only be placed on the pre-qualified list as a result of the review process from the Skills List. Qualifications that are not on the Skills List cannot be placed onto the pre-qualified list.

Process to re-add a qualification to the Skills List

If demand for the qualification increases, a stakeholder can submit a request to reinstate a qualification to the Skills List by emailing marketdesign.implementation@det.nsw.edu.au

The process to re-add a qualification is as follows:



For a qualification to be re-added to the Skills List, applicants must present strong evidence of industry demand. This can include:

- quantifiable evidence of industry need,
- confirmed occupational/sector employment growth and job opportunities, or
- significant skills shortages due to a lack of trained workers.

The evidence considered may be publicly available information (e.g. an occupational forecast or research report) or information specific to the application (e.g. letters of support). Any evidence must be specific to the qualification and the occupation that it is linked to.

The Department's subject matter experts assess the application and evidence received. The Department then sends its recommendations to the Minister for Skills and Training for approval. Once the Minister has approved the addition to the Skills List, the Department will update the list and inform the applicant.

The process to re-add a qualification is expected to take 1.5 - 2 months.

Updating qualification on the Skills List

This section outlines the process in which qualifications are updated on the Skills List.

Throughout a year there are changes to nationally accredited Training Packages, nationally Accredited Courses and VTOs in NSW. These changes are reflected on the Skills List soon after they occur.

Updates to Training Packages and accredited courses

Training Package updates are determined by the Australian Industry and Skills Committee (AISC).

A schedule of their meetings can be seen at www.aisc.net.au/content/aisc-meetings.

Following endorsement of a Training Package by Skills Ministers, it will be updated on the National Register of Vocational Education and Training in Australia, training.gov.au. An update to a Training Package can introduce qualifications that supersede qualifications currently on the Skills List. They can also remove qualifications currently on the Skills List.

Providers can enrol students or deliver training in superseded qualification(s) until the transition period end date, which is typically 12 months after the introduction of the superseding qualification. After the transition period end date, if a student has not

completed their training in the superseded version of a qualification, they will need to switch to the superseding version of that qualification.

Equivalent qualifications

Equivalent superseding qualifications in training.gov.au are updated automatically (24 hours after appearing on training.gov.au) in the Skills List when the Training Package is updated. These qualifications will also be added to provider's Approved Qualifications Activity Schedules automatically and can be delivered by providers under Smart and Skilled once this occurs. Although the updates to equivalent qualifications are updated on the Skills List immediately it will take longer to publish an updated version of the Skills List that reflects these changes. This will typically be no longer than three months after a qualification is updated

Non-equivalent qualifications

Non-equivalent qualifications in training.gov.au are not automatically updated on the Skills List when the Training Package is updated, and there may be some time lag before non-equivalent qualifications are updated on the Skills List. These changes will take effect when a new version of the Skills List document on the Training Services NSW website is published.

If a provider has the non-equivalent qualification on their Scope when the Skills List is updated, they will be able to deliver the qualification.

Replacement accredited courses are treated in the same manner as non-equivalent qualifications.

VTO Updates

VTOs are legal instruments that establish apprenticeships and traineeships in NSW. They specify the qualification, length of an apprenticeship or traineeship and the probationary period. More information on VTOs can be seen at <https://www.nsw.gov.au/education-and-training/resources/cibs-bulletins>.

When a qualification that has an apprenticeship or traineeship pathway is updated in a Training Package:

- Superseding qualifications are 'equivalent' to the superseded qualification will be available as an apprenticeship or traineeship under the existing VTO. A new VTO will also be established later.
- Superseding qualifications that are 'not equivalent' to the superseded qualification will only be available as an apprenticeship or traineeship pathway subject to the establishment of a new VTO.

While a new VTO is being developed, Smart and Skilled students may continue to train and enrol in the superseded version as an apprentice or trainee.

Once a VTO has been updated, it will be updated on the Skills List immediately. As with updated qualifications, it will take longer to publish an updated version of the Skills List that reflects these VTO changes. This will typically be no longer than three months after a VTO is updated.

For more information

Marketdesign.implementation@det.nsw.edu.au

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<https://education.nsw.gov.au/skills-nsw>