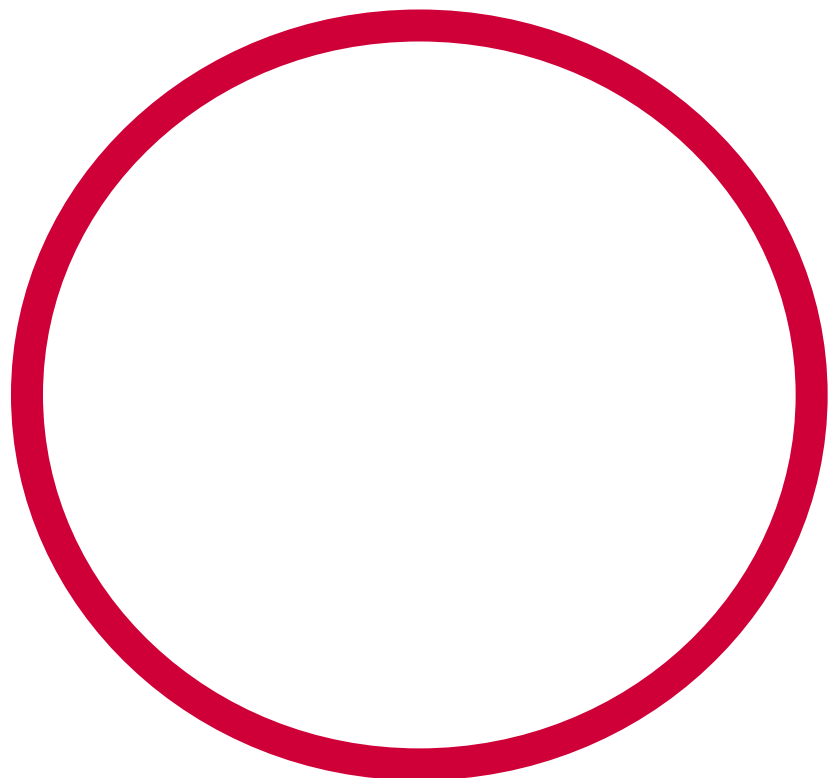
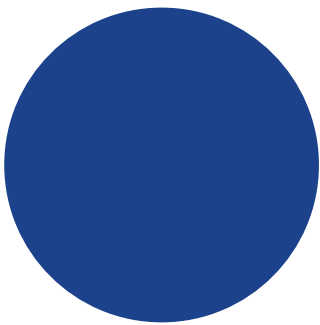


# Smart and Skilled Policy for Market Management in the 2023-24 Activity Period – Part B for Applications for a Smart and Skilled Contract

**Version 1.2**

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# Sourcing quality training providers to supply in-demand skills

This policy document outlines the provider eligibility and assessment criteria for applications for a Smart and Skilled Contract for 2023-24.

This policy applies to the Smart and Skilled Provider Application that opens in November 2022. Applications for a 2023-24 Smart and Skilled Contract can only be made through the Smart and Skilled Provider application process.

## Eligibility Criteria

A registered training organisation (RTO) may be eligible to apply for a Smart and Skilled Contract if it meets the eligibility criteria listed below, as determined by the Department. The eligibility criteria apply to all existing Smart and Skilled Providers and new RTOs that are seeking to become Smart and Skilled Providers.

RTOs may be asked to provide evidence to support their application.

### For RTOs to be eligible, they must meet eligibility criteria, including but not limited to the following:

- be registered with the Australian Skills Quality Authority (ASQA)
- the scope of the RTO's registration with ASQA must currently contain qualifications or accredited courses for delivery in NSW that are included on the NSW Skills List
- must not have:
  - its registration refused, cancelled, or revoked under the National Vocational Education and Training Regulator Act 2011 (Cth), or relevant equivalent legislation or had any written direction(s), suspension(s), sanction(s), direction(s) and/or condition(s) imposed on, or applied to, its registration in the last 5 years, or
  - its Smart and Skilled Contract or other Commonwealth or State Government funding contract or agreement terminated for non-compliance and/or unsatisfactory performance in the last 5 years
- must not have engaged, employed, contracted or utilised the services of any organisation, or any individual:
  - that had a government vocational education and training related contract terminated in the last 5 years, or
  - that had registration under the National Vocational Education and Training Regulator Act 2011 Act (Cth) or previous legislation cancelled, revoked, suspended or refused in the last 5 years
- must not have had a government vocational education and training related contract terminated in the last 5 years
- be financially viable.

### The RTO must agree to:

- execute and comply with the Smart and Skilled Contract
- adhere to all Smart and Skilled policies, RTO Standards, laws, and legislation, including but not limited to the Standards for Registered Training Organisations 2015
- allow the Department to share and exchange information with other Government agencies
- provide insurance certificates for insurance required to be held under the Smart and Skilled Contract
- have a compliant student management system for reporting (AVETMISS) compliant data
- have a student management system to report the validated Unique Student Identifier for each enrolled student
- provide permission for the Department to review statistical data held by NCVET since 1 January 2014.

### Due Diligence on applications

The Department will also undertake due diligence, including but not limited to:

- any non-compliance with the law or vocational education and training contracts by the RTO
- the RTO's record of administering funding provided by any Australian Government, including but not limited to the NSW Government
- any acts of fraud or dishonesty by the RTO or its employees, as determined in a court proceeding or by any ongoing investigation by a Government Agency
- performance on student outcomes
- risks associated with financial viability or ability to use funding allocations.

## What is an Established NSW RTO

An RTO is considered to be an Established NSW RTO if it satisfies the criteria set out below:

1. The RTO holds a current Smart and Skilled Contract (and is not an interstate TAFE), or
2. The RTO's Principal Place of Business is in NSW (as registered by ASIC or NSW Fair Trading), or
3. The RTO's Principal Place of Business is not in NSW (as registered by ASIC or NSW Fair Trading) (and is not an interstate TAFE) and
  - a) The RTO's yearly enrolments of NSW students is 40 or more, or
  - b) The RTO's yearly enrolments of NSW students is 50% or more of the providers total yearly enrolments.

Aboriginal controlled RTOs will also be considered to be an Established NSW RTO.

## What is an Interstate RTO

An Interstate RTO does not satisfy the criteria above or is an Interstate TAFE. Interstate RTOs will only be eligible to apply to deliver training published by the Department in the [NSW Market Assessment](#).

Cross border apprenticeships arrangements with interstate TAFE providers are considered government to government arrangements and will not be affected if an interstate TAFE provider enters into a Smart and Skilled Contract.

## Enterprise-based registered training organisations (ERTOs)

Non-government ERTOs may only apply to deliver apprenticeship and traineeship training.

Government ERTOs are eligible to apply to undertake a wider range of government-funded training (see table below).

Entitlement	Targeted Priorities
<ul style="list-style-type: none"><li>• Full Qualifications (Certificate II &amp; III)</li><li>• Apprenticeships and Traineeships</li></ul>	<ul style="list-style-type: none"><li>• Full Qualifications (Certificate IV &amp; above)</li><li>• Part Qualifications</li><li>• Prevocational training</li></ul>

## Assessment of RTOs

Where RTOs are eligible to make applications, the Department then assesses those applicants to determine which RTOs will become Smart and Skilled Providers. The Department's assessment processes build on ASQA's regulatory requirements for RTOs. As part of the application process, an RTO will be required to submit information about its organisational profile, training capacity, experience and capabilities in NSW.

We want to work with RTOs that have a proven track record in delivering high quality training in NSW. So we look at an RTO's experience and performance in delivering in the regions and the qualifications requested. This covers its capacity in NSW to train target groups, tailor training to industry needs, practitioner capability, learning resources and assessment practices, and any past performance under a Smart and Skilled Contract and past regulatory compliance.

## Assessment criteria

The Department will undertake a rigorous assessment process. The RTO will be assessed on its capability, capacity and quality of delivery of training and assessment to NSW students.

The RTO will be assessed against the following criteria, including but not limited to:

Area	Criteria
Organisation	<p>The RTO demonstrates:</p> <ul style="list-style-type: none"> <li>• capacity to deliver training and assessment with Trainers and Assessors holding relevant VET qualifications and ongoing professional development</li> <li>• student support services that meet the needs of the student cohorts they are delivering to, including specialised training and support services</li> <li>• organisational strategies to support strong outcomes for Aboriginal and Torres Strait Islander students, including incorporating culturally sensitive training and assessment</li> <li>• ability to deliver to the following student cohorts: <ul style="list-style-type: none"> <li>○ Young people aged 15-24</li> <li>○ People with disability</li> <li>○ Aboriginal and/or Torres Strait Islander people</li> </ul> </li> <li>• industry network and partnerships to promote student education and employment outcomes</li> <li>• validation of assessment activities in the last 18 months.</li> </ul>
Region	<p>For each region applied for, the RTO demonstrates:</p> <ul style="list-style-type: none"> <li>• training and assessment and/or administration facilities in the region</li> <li>• partnerships with specialist organisation or industry</li> <li>• support services offered in the region</li> <li>• the number of student commencements</li> <li>• the presence and details of teaching and administration facilities</li> <li>• any partnerships with specialist organisations.</li> </ul> <p>The RTO will need to identify a primary region or all regions if it operates across NSW.</p>
Qualification	<p>For each qualification applied for the RTO will need to provide the following information:</p> <ul style="list-style-type: none"> <li>• advise if any regulatory conditions are associated with the delivery of the qualification</li> <li>• identify the delivery mode for program, region and qualification</li> <li>• state the existing number of student commencements in the qualification or similar qualifications</li> <li>• the training and assessment strategy</li> <li>• the validation of training and assessment resources.</li> </ul>

*Please note: this policy may be varied from time to time and all decisions in relation to it remain at the Department's absolute discretion.*

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