Vocational Education and Training Reforms from 2015

- Smart and Skilled commenced 1 January 2015
- Goals: improve student choice, higher quality training, regional access, competitive TAFE NSW, budget
- Key reform achievements: Skills list, quality framework, pricing and fees
- Adult and Community Education (ACE) Community Service Obligation (CSO) program introduced
- Cautious approach: Approximately 335 providers, financial caps, Certificate III
Smart and Skilled Adjustments

- The NSW training market is adapting to the changed policy setting from 2015, including changes to Commonwealth employer incentives and the VET sector funding reforms.

- Changes are being implemented for Smart and Skilled, based on ongoing consultation with training providers, industry and students. The changes will improve flexibility and capacity for providers and increase student and employer choice.

- 35 ACE providers funded to deliver CSO program to support disadvantaged students in thin markets.
Smart and Skilled Adjustments

- On 4 June 2015, Minister Barilaro announced changes to Smart and Skilled contract arrangements for training providers.

- We have approved providers to deliver apprenticeships and traineeships in all regions where they have told us they have demand.

- Over 50 new providers with a demonstrated regional track record or capacity to meet specific industry needs have been contracted for the delivery of apprenticeships and traineeships under Smart and Skilled.
Smart and Skilled Adjustments

- These changes mean employers can choose the provider they want to deliver training for apprentices and trainees wherever they need it.

- With these changes the Government forecasts supporting over 47,000 training places for apprentices and trainees in 2015-16.
Smart and Skilled Adjustments

- From September 2015 we have approved training providers to deliver prevocational and part qualifications under the Smart and Skilled Targeted Priorities program.

- Students will not pay a fee for prevocational and part qualifications.

- Only ACE providers and TAFE NSW are able to deliver foundation skills in recognition of the training of disadvantaged students.
ACE CSO in 2015

- For the first time approved ACE providers were offered an 18 month contract.

- $8 million allocated from January 2015 to June 2015.

- $16.4 million allocated from July 2015 to June 2016.

- ACE CSO Quality Assurance Strategy implemented to ensure contractual and program compliance.
ACE CSO in 2015

- Additional monitoring will take place for the ACE CSO Program and other targeted programs.

- ACE has implemented quarterly data reporting to monitor compliance and check targets are on track.
ACE CSO Program delivery

ACE CSO Program data reported for period
1 January 2015 to 30 June 2015

- Number of unit of competency enrolments 11,535
- Number of accredited module enrolments 2,180
- Number of non-accredited module enrolments 1,512
- Total number of enrolments for the period January to June 2015 15,227
SUCCESS TO DATE

- Approximately 80% of target has been achieved for this period.

- However……. one third of providers have under delivered as at June 2015.

- Need to be aware of the impact that under-delivery may potentially have for future allocation of funds.
New changes effective October 2015

- ACE CSO will continue to be modified to align with Smart and Skilled.

- Part qualifications delivered under Smart and Skilled ACE CSO Program are fee free for all students.
New changes effective October 2015

- Subsidy will be increased to $420 for disadvantaged student enrolments and $320 for regional and remote student enrolments.

- A student declaration will now be accepted as proof of eligibility to participate in the ACE CSO Program. Rights will be reserved to seek additional evidence of eligibility where required.
Smart and Skilled changes 2016

- Students with a Certificate IV or higher qualification will be able to access subsidised training at the Foundation Skills and Certificates II and III levels, provided the qualifications are on the NSW Skills List.

- Students with a Certificate IV or higher qualification will be able to access subsidised ACE CSO training up to Certificate III.

- This means more people will be able to access high quality, affordable training and it is set to benefit over 30,000 students who want to reskill.
Smart and Skilled changes 2016

- Traineeship fees will be capped at $1,000 for the whole qualification to minimise the costs to students and employers.
  - Over 85 per cent of traineeship qualifications on the NSW Skills List will be cheaper for students in 2016 (average saving of $1,128)

- All students with a disability and eligible students who are dependents of people on a Disability Support Pension will be eligible for free VET courses under Smart and Skilled and the CSO Program, regardless of whether it is a first or subsequent qualification.
Scholarship Programs

- Introduced on 1 July 2015 the NSW Government is providing 200,000 fee-free training places over the next four years for concession eligible students, with priority for people in social housing or on the wait list.

- More information will shortly be provided to you on how this will apply to the CSO Program.

- There have already been over 7,180 enrolments in the Fee-Free Scholarship program.
Scholarship Programs

- The Jobs of Tomorrow Scholarship Program will start on 1 January 2016 with $25 million in funding distributed over four years.

- Eligible students will receive a $1,000 scholarship to encourage more enrolments in and completion of qualifications in science, technology, engineering and mathematics (STEM).
ACE CSO contract extension

- It is proposed to extend ACE CSO contracts be extended for a further 12 months from 1 July 2016 to 30 June 2017.

- Contracts will only be extended for ACE providers who meet the 2015-2016 contract requirements.

- This means there will not be a separate application process.
ACE CSO contract rollover

- Funding levels will be dependent on available funds, ACE provider performance and consideration of maintaining access across a wide range of locations across NSW.

- It is anticipated that the sector will continue to open up to include other approved ACE providers where there are available funds and there is a gap in provision.
2016 ACE Initiatives Program

- Successful ACE Teaching and Leadership Projects for January to June 2016 will be announced shortly.

- The NSW Government has committed to supporting the Tech Savvy Seniors Program for the next 3 years as part of the NSW Ageing Strategy.

- Community Colleges will continue to receive funds in 2016 to support this initiative.
Smart and Skilled Contracts 2016

- Contract review and roll-over
- Caps take account of 2015 performance
- No caps for apprenticeships and traineeships
- Focus on ACE foundation skills
- More investment in Targeted Priorities
- TAFE NSW