

Smart and Skilled

SMART AND SKILLED UPDATE – NO. 216

October 2023

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1. FINANCIAL CAPS – CURRENT BUDGETARY CONSTRAINTS

The department is managing Financial Caps carefully, in consideration of our changing budget environment. The end of JobTrainer has had a direct impact on Financial Cap allocations provided in contracts this Activity Period.

A surge and sustained increase in enrolments during the first half of 2023 increased the funding commitments for continuing students in 2023-24. The department has prioritised funding these continuing students and will be making appropriate adjustments to Financial Caps in the near future. The Department is not in a position to consider requests for additional Financial Cap to increase new enrolments at this stage. The department will be reviewing this position considering the available budget and performance against the allocated Financial Caps in the future. It is possible that there will be limited or no capacity to allocate additional Financial Caps.

Providers are reminded of the following matters regarding Financial Caps:

- your organisation must meet its obligations to continuing students within the Financial Caps allocated and accepted in Approved Qualifications Activity Schedules for the 2023-24 Activity Period, and only enrol new students for 2023-24 if there is Financial Cap available.
 - Smart and Skilled Contract 'Where a Financial Cap is for Commencing and Continuing Students, the Provider must manage its delivery of Subsidised Training to ensure that there is sufficient Financial Cap available for all Continuing Students. The Provider must only enrol new students using the available remainder of the Financial Cap.'
 - Skills Delivery and Management Policy section 5.1.3 'A Provider is obliged to manage its Financial Cap to ensure there is enough Financial Cap available for all Continuing Students first, then only enrol new students to use the available remainder of the Financial Cap.'
- there is no guarantee that any individual Financial Cap will be increased.

2. FINANCIAL CAP REVIEW #1 – CONTINUING STUDENTS

The department has finalised the outcomes of the Financial Cap Review that covered continuing students.

Adjustments to a provider's Financial Caps have been calculated considering a range of factors including the level of commitment, the existing Financial Caps and overall allocation for the program.

Process for Implementing Contract Variation Offers

Providers receiving an additional Financial Cap allocation for continuing students will receive a Contract Variation Offer via STS Online and will have fourteen (14) days to accept or decline the offer.

3. FINANCIAL CAP REVIEW #2

The department will continue to monitor Financial Cap usage in accordance with the NSW Skills Delivery and Management Policy, which includes two stages where Financial Caps may be adjusted.

The second review has been delayed due to the timing of the state's budget and is expected to commence in early to mid-October 2023. The scope of this review will be advised closer to the time and will be released in a subsequent Smart and Skilled Update.

This review is an opportunity for the department to provide an assessment of performance against each Financial Cap. Providers can use this review to return excess Financial Cap that it does not intend to or expect to utilise during the Activity Period.

Please contact Training Services NSW Customer Service & Operations at TSNSWCust.Service@det.nsw.edu.au for:

- technical support with issues such as system/information access and functionality and reporting
- further information for students or employers (Unless otherwise directed)

Please note that this update is for the information of approved Smart and Skilled Providers only.