

# Smart and Skilled

SMART AND SKILLED UPDATE – NO. 257

5 June 2025

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## 1. SMART AND SKILLED 2025-26

The issuing of 2025-26 Smart and Skilled Review Notices today is an important milestone.

As the core NSW government skills program, Smart and Skilled remains focused on optimising the delivery of skills and supporting student access and outcomes.

Stabilising funding arrangements is a priority for the upcoming Activity Period, following consecutive years of challenging budget conditions as a result of NSW state budget repair and the end of temporary pandemic-era funding. With tight budget conditions expected to continue, the department has taken additional measures to prepare for the year ahead. These are aimed at providing more certainty in funding arrangements for 2025-26 and minimising further disruptions. The additional time associated with these activities has unfortunately contributed to the undesirable delay to issuing Review Notices.

In 2025-26, Smart and Skilled is expected to be able to deliver a similar level of activity to that funded in 2024-25. There is a shift to further align government funding to the six Critical Skills Areas in the NSW Skills Plan, the National Skills Agreement policy priorities, including foundation skills and Closing the Gap, whilst also maintaining coverage of thinner markets.

Financial cap settings are more conservative in 2025-26 compared to the initial allocations for 2024-25. For individual providers, there may be changes to approved programs, Financial Caps and approved qualifications due to the available funding and the shift in priorities outlined above. Previously unused caps have been reduced or removed. Please refer to the Financial Caps section of this update for more information.

NSW Fee Free waiver places will be available in both semesters of 2025-26 (places are limited), and the Fee Free Apprenticeships and Traineeships initiative which was due to end on 30 June 2025 is extended for commencements up until 31 December 2025.

Details about the Smart and Skilled Targeted Priorities Pre-vocational and Part Qualifications Program for 2025-26 will be released at a later date.

Limited changes to the Smart and Skilled Contract Terms and Conditions, Operating Guidelines and policies, the NSW Skills List and prices have been made and are summarised in this update and the Appendices. All providers should be familiar with the new versions of these documents and understand the changes before accepting a Review Notice.

During this Activity Period, as part of system reforms aligned to the NSW Skills Plan and as [announced by the Minister for Skills, TAFE and Tertiary Education on 13 February 2025](#), TAFE NSW will be removed from the Smart and Skilled contestable funding market within 12 months, during the 2025-26 Activity Period. The department and government are currently working through the details. It is not expected to have an effect on funding arrangements for independent providers.

The department will also be progressing work on regional skills planning, the Apprenticeship and Traineeship Act review and areas of funding reform in the NSW Skills Plan, including Performance-Based Contracting (PBC). While the future approach is being determined, the department's commitment to high-quality training delivery and improved student outcomes remains unchanged, as set out in the NSW Quality Framework.

The department continues to monitor Smart and Skilled providers' performance and will transition to using the Student Journey Survey results to strengthen the assessment of student outcomes. Further information and consultation with providers will take place later in 2025.

## 2. 2025-26 SMART AND SKILLED REVIEW NOTICE OFFERS

The department has now issued Smart and Skilled Contract Review Notices for the 2025-26 Activity Period. Most providers received an email notification directing them to their Review Notice which is available on the Contract Acceptance page of STS Online.

Alternatively, some providers will receive a Review Notice today via email from the Smart and Skilled Application email account, and some providers will receive other correspondence.

Providers must accept or decline as instructed **by the date shown on their Review Notice**.

To view and accept the Review Notice offer including the contract documents in STS Online, **please ensure the filter for the 2025-26 Activity Period is selected on the Contract Acceptance page**.

Please refer to the guide *How to accept your Smart and Skilled Contract, Review Notice and Variations* which is available through STS Online > Smart and Skilled Contract Management > Support Documents for further details.

### 3. CHANGES TO SMART AND SKILLED CONTRACT TERMS AND CONDITIONS, OPERATING GUIDELINES AND RELATED POLICIES FOR THE 2025-26 ACTIVITY PERIOD

There are several changes to the *Smart and Skilled Contract Terms and Conditions*, *Smart and Skilled Operating Guidelines* and some related policies for the 2025-26 Activity Period.

#### a. Summary of changes to Smart and Skilled Contract Terms and Conditions 2025-26

The main changes to the 2025-26 *Smart and Skilled Contract Terms and Conditions* are summarised in the table at Appendix 1 of this update.

#### b. Summary of changes to Smart and Skilled Operating Guidelines 2025-26

The main changes to the 2025-26 *Smart and Skilled Operating Guidelines* are summarised in the table at Appendix 1 of this update.

#### c. Review of Smart and Skilled Policies

The department has reviewed the policy documents that will apply for the 2025-26 Activity Period. Updated versions of the following policy documents have been released:

1. Smart and Skilled Consumer Protection Strategy
2. Smart and Skilled NSW Recognition Framework
3. Smart and Skilled Teaching and Leadership Policy
4. Smart and Skilled Provider Access Policy
5. Smart and Skilled Fee Administration Policy
6. Smart and Skilled School Based Apprenticeship and Traineeship Fee Administration Policy
7. Smart and Skilled Student Eligibility Policy
8. Smart and Skilled School Based Apprenticeship and Traineeship Eligibility Policy
9. Smart and Skilled NSW Quality Framework
10. Smart and Skilled Skills Delivery and Management Policy
11. Smart and Skilled Policy on Non-Apprenticeship Pathways for Trade-Related Qualifications
12. Smart and Skilled Targeted Priorities Prevocational and Part Qualifications Policy.

The updated policies are now available on the [Smart and Skilled website](#) and STS-Online.

These policies take effect from the date the provider accepts a Smart and Skilled Review Notice offer for 2025-26. Please ensure you read and understand all Smart and Skilled policies.

Further details about the changes to the policies can be found in Appendix 2 at the end of this update.

#### 4. 2025-26 FINANCIAL CAPS

Overall, the allocated Financial Caps are expected to fund similar levels of activity in 2025-26 as in 2024-25.

Although individual 2025-26 Financial Caps are predominantly set below 2024-25 levels, in many cases the allocated amount will exceed the level of cap usage achieved by late May 2025 in the current Activity Period. As the allocation approach balances multiple priorities which include making funding available across the 15 Smart and Skilled regions and coverage of qualifications that support government priorities and thin markets, there are Financial Caps that will be allocated below 2024-25 usage levels. In addition, unused caps or caps with low levels of utilisation generally can be removed or further reduced for 2025-26.

In setting each Financial Cap, the first priority is to support continuing students, which is based on the commitments and a forecast of continuing students at the end of the third quarter of 2024-25.

Most of the allocated Financial Caps can also fund new commencements in 2025-26. The component for new students was determined by the following factors:

- Provider performance classification
- Relative performance on student outcomes and non drop-out rates
- Financial Cap utilisation in 2024-25
- Financial Cap amount in 2024-25, post the Financial Cap Review conducted in August/September 2024
- Delivery of qualifications that align to Critical Skills Areas in the NSW Skills Plan or are priorities under the National Skills Agreement or address thin markets.

##### a. Where to find Financial Caps

The Financial Caps for the Entitlement Full Qualifications (EFQ), Targeted Priorities Full Qualifications (TPFQ) and the discontinued Entitlement Foundation Skills (EFS) and Skilling for Recovery Priority Full Qualifications (SfRPFQ) programs are displayed on the Approved Qualifications Activity Schedule (AQAS) for each program.

Providers allocated Financial Caps will receive one or more AQAS.

You can view your organisation's AQAS(s) in STS Online. Refer to *How to read your Smart and Skilled Approved Qualifications Activity Schedule* (available on STS Online) for instructions on how to access and read your AQAS(s).

**Please note:**

Providers may be allocated Financial Caps for New Commencing Students only, Continuing Students only or Both New Commencing and Continuing Students. The AQAS specify the Financial Cap type and the amount of Financial Cap.

Where the AQAS indicates a New Commencing cap only, if you have continuing students

- that enrolled and commenced after mid-March 2024, OR
- who were due to complete in 2024/25 but who are now not completing until 2025-26 and the change was not reported prior to mid-March 2025

you should firstly make sure that your Financial Cap covers these continuing student commitments before enrolling a new students that will commence training in 2025-26. You should also contact your Regional Provider Support Manager and ask for the cap to be converted from Commencing only to Commencing and Continuing.

**Please note:**

Financial Caps do not apply to the Entitlement Apprenticeships and Traineeships and School Based Apprenticeships and Traineeships Programs.

**b. Management of Financial Caps in 2025-26 and related policies**

It is important for providers to manage their Financial Caps and training demand within the Financial Caps they have been allocated.

The Smart and Skilled Contract has been amended so that providers are obliged to use 95-100% of each 2025-26 Financial Cap. This is a change from 85-100% in 2024-25.

The department may possibly make **very limited** adjustments in early 2025-26 for continuing students, following a review early in the Activity Period.

**c. The Smart and Skilled Skills Delivery and Management Policy**

The *Smart and Skilled Skills Delivery and Management Policy* for the 2025-26 Activity Period outlines the provider's responsibilities and the department's approach to managing the supply of subsidised training and Financial Caps for the 2025-26 Activity Period.

There are important updates to this policy including:

- An increased focus on delivery of qualifications aligned to NSW Skills Plan Critical Skills Areas, National Skills Agreement priorities and thin markets.
- Changes to the Financial Cap Review timeframe, with only one Financial Cap Review being scheduled for July-August 2025 focused on Continuing Student Financial Caps, and no further reviews currently planned for this Activity Period due to the constrained budget.
- Only under exceptional circumstances will Financial Cap transfers be considered by the department in this Activity Period.
- Mergers of Financial Caps of \$10,000 or less may be considered if they fulfil specific criteria, this is prescribed in the policy.

The department reminds providers to:

- Operate within each Financial Cap and not to exceed each Financial Cap.
- Use a minimum of 95% of each Financial Cap and not to underspend their cap and hold onto cap that cannot be used.
- Return excess Financial Cap amounts promptly once becoming aware it will not be used.
- Track Standard Subsidy commitments and usage accurately to avoid exceeding Financial Caps.

**Providers are encouraged to read the policy document in full for further updates and information. For any questions, please contact your Regional Provider Support Manager.**

## 5. SMART AND SKILLED POLICY ON NON-APPRENTICESHIP PATHWAYS FOR TRADE-RELATED QUALIFICATIONS

Providers must apply the additional eligibility criteria for enrolments in the qualifications covered by the policy. The qualifications are shown on the NSW Skills List marked with (T) in the Additional Arrangements column C. The department has reviewed the qualifications and has corrected some inaccurate tagging of qualifications in the policy and NSW Skills List v16.0.

Other minor updates to the policy are outlined in Appendix 2 to this Update.

## 6. NSW SKILLS LIST UPDATED – VERSION 16

The NSW Skills List has been updated. This update covers changes due to:

- Updates to Training Packages.
- Updates to Vocational Training Orders (VTOs).
- Review of qualifications with Trade-related (T) tag.
- Updates to the prices of two qualifications.
- Updates to tags on Skills List for NSW Fee Free qualifications.

Version 16.0 of the NSW Skills List is now available at:

<https://www.nsw.gov.au/education-and-training/resources/nsw-skills-list>

The Smart and Skilled Qualification Prices and Fees Schedule has also been updated to cover changes to the NSW Skills List and qualifications price increases (detailed below). Version 16.0 is now available at:

<https://www.nsw.gov.au/education-and-training/resources/qualification-prices-fees>

Versions 16.0 of the NSW Skills List and Smart and Skilled Prices and Fees Schedule are effective as of 1 July 2025 and apply to training that commences on or after 1 July 2025.

### a. Updates to the NSW Skills List

The NSW Skills List has been updated due to revisions to the following Training Packages:

- Automotive Retail, Service and Repair
- Information and Communication
- Textiles, Clothing and Footwear
- Agriculture, Horticulture and Conservation and Land Management
- Electrotechnology
- Maritime
- Floristry

### b. VTO changes affecting the NSW Skills List.

Following updates to NSW VTOs, a number of superseding qualifications detailed in previous Smart and Skilled Updates can now be delivered under apprenticeship and traineeship pathways under Smart and Skilled. These qualifications are shown in **Table 1** below.

**Table 1: VTO changes affecting superseding qualifications from previous Smart and Skilled Updates.**

Qualification code	Qualification name	Available pathway
AUR32721	Certificate III in Automotive Electric Vehicle Technology	Apprenticeship
MST30519	Certificate III in Leather Production	Traineeship
ICT30524	Certificate III in Telecommunications Technology	Apprenticeship
MAR20324	Certificate II in Maritime Operations (Coxswain Grade 1 Near Coastal)	Traineeship, School-based Traineeship
MAR20424	Certificate II in Maritime Operations (Marine Engine Driver Grade 3 Near Coastal)	Traineeship
MAR30824	Certificate III in Maritime Operations (Marine Engine Driver Grade 2 Near Coastal)	Traineeship
MAR30924	Certificate III in Maritime Operations	Traineeship
MAR40224	Certificate IV in Maritime Operations (Marine Engine Driver Grade 1 Near Coastal)	Traineeship
MAR40324	Certificate IV in Maritime Operations (Master up to 45 metres Near Coastal)	Traineeship
AUR30220	Certificate III in Bicycle Workshop Operations	Traineeship
SFL30115	Certificate III in Floristry	Traineeship
UEE40920	Certificate IV in Industrial Electronics and Control	Traineeship

**c. Courses removed due to expiry**

There are 5 accredited courses outlined in **Table 2** which are due to expire on or before 30 June 2025. These courses have been removed from the NSW Skills List v16.0.

**Table 2: Accredited Courses due to expire on or before 30/6/2025**

Qualification code	Qualification title
10841NAT	Advanced Diploma of Professional Dance Performance for Aboriginal and Torres Strait Islander Peoples

10861NAT	Diploma of Aboriginal and Torres Strait Islander Legal Advocacy
22472VIC	Certificate I in General Education for Adults
22473VIC	Certificate II in General Education for Adults
22476VIC	Certificate I in General Education for Adults (Introductory)

The following 22 qualifications outlined in **Table 3** have been in transition since NSW Skills List v15.2, are set to expire by 30 June 2025 and have been removed from the NSW Skills List v16.0.

**Table 3: Qualifications in transition due to expire on or before 30/6/2025**

Qualification code	Qualification title
AHC20320	Certificate II in Production Horticulture
AHC20720	Certificate II in Nursery Operations
AHC21020	Certificate II in Conservation and Ecosystem Management
AHC21621	Certificate II in Landscaping
AHC30221	Certificate III in Dairy Production
AHC30620	Certificate III in Production Horticulture
AHC30820	Certificate III in Arboriculture
AHC31021	Certificate III in Parks and Gardens
AHC31120	Certificate III in Nursery Operations
AHC31319	Certificate III in Sports Turf Management
AHC31421	Certificate III in Conservation and Ecosystem Management
AHC31818	Certificate III in Beekeeping
AHC32422	Certificate III in Irrigation Technology
AHC40320	Certificate IV in Production Horticulture
AHC40620	Certificate IV in Nursery Operations
AHC40920	Certificate IV in Conservation and Ecosystem Management
AHC41019	Certificate IV in Agribusiness
AHC41119	Certificate IV in Irrigation Management
AHC50320	Diploma of Production Horticulture
AHC50520	Diploma of Arboriculture
AHC51519	Diploma of Viticulture

**Table 3: Qualifications in transition due to expire on or before 30/6/2025**

Qualification code	Qualification title
AHC51019	Diploma of Sports Turf Management

## 7. NON-APPRENTICESHIP PATHWAYS FOR TRADE-RELATED QUALIFICATIONS UPDATES

### a. Qualifications with T tag removed

The department reviewed non-apprenticeship pathways for trade-related (T) qualifications and removed incorrect T tags from 26 qualifications in NSW Skills List v16.0, as shown in **Table 4**.

**Table 4: Qualifications with trade related (T) removed**

Qualification code	Qualification title
AUR20220	Certificate II in Automotive Air Conditioning Technology
AUR20520	Certificate II in Automotive Servicing Technology
AUR21020	Certificate II in Motor Sport Technology
FBP31121	Certificate III in High Volume Baking
AUR20920	Certificate II in Automotive Body Repair Technology
AUR20820	Certificate II in Outdoor Power Equipment Technology
AUR20320	Certificate II in Bicycle Mechanical Technology
AUR30220	Certificate III in Bicycle Workshop Operations
AUR30116	Certificate III in Automotive Administration
AUR21120	Certificate II in Automotive Sales
AUR20420	Certificate II in Automotive Electrical Technology
AUR21220	Certificate II in Automotive Underbody Technology
SIT31021	Certificate III in Patisserie
AUR21920	Certificate II in Automotive Tyre Servicing Technology
UEE40920	Certificate IV in Industrial Electronics and Control
MEM50119	Diploma of Engineering – Advanced Trade
MEM31419	Certificate III in Engineering – Fixed and Mobile Plant Mechanic
UEE32225	Certificate III in Electrotechnology Air Conditioning and Refrigeration

**Table 4: Qualifications with trade related (T) removed**

Qualification code	Qualification title
ICP31420	Certificate III in Prepress Graphic Design Production
ICP31220	Certificate III in Printing
MEM31519	Certificate III in Engineering – Tool Making Trade
SIT40521	Certificate IV in Kitchen Management
AHC31120	Certificate III in Nursery Operations
AHC31124	Certificate III in Nursery Operations
AUR31220	Certificate III in Mobile Plant Technology
UEE40420	Certificate III in Electrical - Instrumentation

**b. Qualifications with T tag added**

The review of the Trade Related Pathways (T) qualifications identified 13 qualifications that were not T tagged where this is required; the NSW Skills List v16.0 addresses this. **Table 5** lists the affected qualifications.

**Table 5: Qualifications updated to reflect trade related (T) pathway**

Qualification code	Qualification title
AUR30520	Certificate III in Marine Mechanical Technology
AUR30620	Certificate III in Light Vehicle Mechanical Technology
AUR31020	Certificate III in Automotive Sales
AUR32721	Certificate III in Automotive Electric Vehicle Technology
ICT30524	Certificate III in Telecommunications Technology
MEM31322	Certificate III in Engineering Refrigeration and Airconditioning
MEM31622	Certificate III in Engineering – Patternmaking Trade
PMB40121	Certificate IV in Polymer Technology
RGR40221	Certificate IV in Racing (Jockey)
RII30920	Certificate III in Civil Construction
UEE32120	Certificate III in Appliance Service
MEM31322	Certificate III in Engineering – Refrigeration and Air Conditioning
MEM31622	Certificate III in Engineering – Patternmaking Trade

## 8. UPDATED TAGS ON SKILLS LIST FOR NSW FEE FREE QUALIFICATIONS

Qualifications available under the NSW Fee Free initiative for commencements from 1 July 2025 to 31 December 2025 are tagged as 'NFF Jul-Dec 2025' or 'NFF-C Jul-Dec 2025' (for NSW Fee Free Construction) on the NSW Skills List v16.0.

## 9. PRICE CHANGES FOR THE 2025-26 SMART AND SKILLED ACTIVITY PERIOD

### a. Review of prices

Training Services regularly reviews and updates qualification prices and fees. Qualification price changes are being introduced and will take effect for training that commences on or after 1 July 2025. These qualifications can be delivered under Smart and Skilled when this update occurs.

Version 16.0 of the Smart and Skilled Price and Fees Schedule reflects these changes and can be accessed at:

<https://www.nsw.gov.au/education-and-training/resources/qualification-prices-fees>

All questions relating to qualification prices and student fees can be emailed to [marketdesign.implementation@det.nsw.edu.au](mailto:marketdesign.implementation@det.nsw.edu.au).

The following 2 qualifications with price increases are outlined in **Table 6**.

Qualification code	Qualification title	Current Price (Skills List v15.2)	New Price
MEM50822	Diploma of Applied Technologies	\$13,330	\$14,970
AHC51920	Diploma of Applied Agronomy	\$8,440	\$13,280

## 10. NSW FEE FREE (NFF)

### a. NSW Fee Free arrangements - July to December 2025

The next round of NSW Fee Free places is now open. Enrolments can commence from the day after acceptance of the 2025-26 Smart and Skilled Review Notice. Training must commence from **1 July 2025 until 31 December 2025**.

The two Tranches under NSW Fee Free are:

**NSW Fee Free Tranche 2** - Fee free places are available in qualifications that support priority industries and cohorts.

**NSW Fee Free Construction** - additional fee free places in qualifications as well as pre-apprenticeship part qualification training places that support the construction industry are also available.

Details of the arrangements for commencements from 1 July 2025 to 31 December 2025 for both tranches are outlined below. The arrangements for NSW Fee Free January to June 2026 will be announced in the last quarter of 2025.

### b. Priority Qualifications – July to December 2025

The list of qualifications available under NSW Fee Free Tranche 2 and NSW Fee Free Construction for July to December 2025 are at the latest [NSW Skills List](#).

NSW Fee Free Tranche 2 qualifications are tagged as 'NFF Jul-Dec 2025' and NSW Fee Free Construction qualifications are tagged 'NFF-C Jul-Dec 2025' on the NSW Skills List.

**Please note:**

- If there are any changes to priority qualifications for either tranche, providers will be notified via a Smart and Skilled Update.
- Qualifications no longer on the NSW Skills List have been removed from NSW Fee Free.

### c. Core Qualifications – Tranche 2

Last semester, a list of Core Qualifications was identified to help providers plan more effectively and with greater predictability around fee-free courses available under the NSW Fee Free initiative. This set of core qualifications remains in place.

This does not mean that there are unlimited places for these courses, but it does mean that they will be on the NSW Fee Free Tranche 2 list for each semester until the end of Tranche 2, in December 2026.

### d. Limited places available

There is a very limited number of fee free full places available for the July to December 2025 period, for both NSW Fee Free Tranche 2 and NSW Fee Free Construction. This is to ensure that fee free places are available in each semester covered by the initiative.

To assist providers manage enrolments, the department will be providing regular Smart and Skilled updates indicating the percentage of places filled. Once places have been filled, the waivers (see waivers section) will be turned off at very short notice.

**It is very important that providers do not recruit or enrol students on the offer of a NSW Fee Free place. Providers can advise students that they may be eligible for a fee free place subject to availability.** This means providers should not offer a fee free place to the student until they have completed a Notification of Enrolment through STS Online and a Commitment ID is generated confirming that the student has a fee free place.

It is recommended that given the limited number of fee free places available, providers should strive for equity of access and consider a cap on the number of NSW Fee Free places an individual student can access with the provider.

**Please note:**

- The waivers for NSW Fee Free Tranche 2 and NSW Fee Free Construction may be turned off at different times because fee free places availability and budgets for the two Tranches are separate.
- TAFE NSW receives a separate allocation of fee free places to independent providers under the NSW Fee Free initiative. The timing of when waivers end will be determined by the pace of take up of waivers from TAFE NSW and independent providers.
- Once NSW Fee Free waivers are turned off, the department will not reopen the waivers, and no further NSW Fee Free enrolments will be possible for that semester.

**e. NSW Fee Free Tranche 2 and NSW Fee Free Construction - July to December 2025 Waivers**

Program	Enrolment / CID Creation	Commencement of training	Select Relevant Waiver
<b>NSW Fee Free Tranche 2</b>	The day after acceptance of the 25/26 Smart and Skilled Review Notice to 31/12/2025*	01/07/2025-31/12/2025	<b>W681</b> - NFF Jul-Dec 2025 – General  <b>W682</b> - NFF Jul-Dec 2025 - NSW Veterans  <b>W683</b> - NFF Jul-Dec 2025 - NSW Veterans - Recognised Partners
<b>NSW Fee Free Construction ONLY</b>	The day after acceptance of the 25/26 Smart and Skilled Review Notice to 31/12/2025*	01/07/2025-31/12/2025	<b>W684</b> - NFF CONSTRUCTION Jul-Dec 2025 – General  <b>W685</b> - NFF CONSTRUCTION Jul-Dec 2025 - NSW Veterans  <b>W686</b> - NFF CONSTRUCTION Jul-Dec 2025 - NSW Veterans - Recognised Partners

\*Unless otherwise advised.

**f. NSW Fee Free Waiver Checklist**

Complete the following steps when applying for an NSW Fee Free waiver:

1. Check that the qualification is tagged as NSW Fee Free Tranche 2 or NSW Fee Free - Construction on the Skills List
2. Check the waiver tables above for the relevant waiver code.
3. Select the appropriate waiver code when undertaking the Notification of Enrolment.

**Please note:**

- The Notification of Enrolment confirmation which shows the CID will indicate whether the student is fee free. Once you have this confirmation, you can advise the student they are eligible for a NSW Free Free place.
- **Training cannot start prior to 1 July 2025.**

**g. NSW Fee Free Construction Pre-apprenticeship training**

Details regarding NSW Fee Free Construction Pre-apprenticeship part qualifications will be distributed in a future Smart and Skilled Update.

**h. Further information on NSW Fee Free**

If you have any questions regarding NSW Fee Free, please contact your Regional Provider Support Manager.

**11. FEE-FREE APPRENTICESHIPS AND TRAINEESHIPS EXTENDED TO 31 DECEMBER 2025**

The department is pleased to confirm a six-month extension of fee-free apprenticeships and traineeships for students who commence their Smart and Skilled training up until 31 December 2025. Fee-free apprenticeships and traineeships remove financial barriers for students and support a strong pipeline of skilled workers to build the NSW economy.

During this period, student fees – approximately \$2000 for apprentices and \$1000 for trainees – will continue to be covered for individuals who commence their apprenticeships and traineeships training with a Smart and Skilled provider by 31 December 2025.

Apprentices and trainees who commence training in their course before the end of 2025 will be eligible for fee free training. There is no change for apprentices and trainees who commence/d in fee free courses prior to 30 June 2025.

**12. SMART AND SKILLED STUDENT JOURNEY SURVEY**

To support the shift to a new Performance-Based Contracting model, on 1 July 2025, the department will be transitioning from using the Student Outcomes Survey conducted by the National Centre for Vocational Education Research (NCVER) to the Student Journey Survey conducted by the NSW Department of Education. This change aims to better assess students' outcomes by collecting timely feedback. Student outcome results will continue to inform the department's contracting and funding decisions while encouraging providers to improve and strengthen their performance.

This decision supports enhancements to the Performance-Based Contracting model and incorporates providers' feedback by giving access to timely data. The department has been conducting the Student Journey Survey (SJS) since 2020, allowing sufficient time to refine and prepare the survey for implementation. The strategy for the student survey was first communicated in Smart and Skilled Update No. 117 (30 October 2020).

The Student Journey Survey is an ongoing short survey that collects student data at four different points of the student journey (enrolment, midpoint of their course, completion or withdrawal and four months after completion or withdrawal). This approach provides real time data to evaluate student outcomes, providers' performance, and VET market planning. As a result of the shorter and more timely nature of the survey, the department expects to see an increase in student responses and coverage of providers' data.

More information about the Student Journey Survey is available in the NSW Quality Framework. If you have further questions, please contact your Regional Provider Support Manager.

Unless otherwise directed in the information above, please refer enquiries regarding specific operational matters such as Financial Caps and programs/initiatives to your Regional Provider Support Manager.

Please contact Training Services Customer Service & Operations at [TSCust.Service@det.nsw.edu.au](mailto:TSCust.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.*

### 13. APPENDIX 1: SUMMARY OF CHANGES TO SMART AND SKILLED CONTRACT TERMS AND CONDITIONS AND OPERATING GUIDELINES

#### a. Summary of changes to Smart and Skilled Contract Terms and Conditions 2025-26

The main changes to the 2025-26 *Smart and Skilled Contract Terms and Conditions* are summarised in the table below:

Smart and Skilled Contract Terms and Conditions 2025-26		
Clause	Heading	Change
1	Parties	New reference to Training Services
2	Purpose and objectives	Removed reference to High Performing Provider (Schedule 4)
2(d)	Purpose and objectives	Replaced Provider 'score' with 'classification'
3	Training covered by this contract	Added a reference to 'Smart and Skilled Foundation Skills Part Qualifications (Financial Caps)'
3.5	Smart and Skilled Targeted Priorities Prevocational and Part Qualifications	Removal of 'Approved Qualifications'
3.9	Smart and Skilled Foundation Skills Part Qualifications (Financial Caps)	Added new clause
4.1(h)	Smart and Skilled Foundation Skills Part Qualifications (Financial Caps)	Added new clause
5	Term	Updated reference to 30 June 2026
6(b)	Review of the contract	Updated reference to 30 June 2026
7(c)	Provider general obligations	Provided additional context for '(maintenance of approval as an ACE Provider)'
10.3	Apprentices and Trainees	Additional wording added to the last sentence
13.1(c)	Records	Changed requirements for record keeping
14.2(a)(ii)	Frequency of reporting	Wording change
14.2(b)	Frequency of reporting	Wording change
14.2(c)	Frequency of reporting	Wording change
14.3	Training Activity Data UoC Outcome Codes	<p>Various additions to the table including references to the UoC outcome achievements column (for 'Withdrawn') and additions/comments regarding UoC Outcome codes 60, 61 and 85.</p> <p>Additional requirement added regarding an internal policy associated with the Withdrawn Outcome (UoC 40)</p>

## Smart and Skilled Contract Terms and Conditions 2025-26

Clause	Heading	Change
14.4	Enrolled Students who discontinue or defer Subsidised Training after commencement	Reference to 'values' included
17.3(a)	Payment of Subsidy and Loading by instalments	New reference to Clause 10 included, related to the planning and delivery of Subsidised Training
17.3	Payment of Subsidy and Loading by instalments	Addition of 'School Based Traineeships' and 'School Based Apprenticeships' to the table
17.4(d)(iii)	Validation, invoice and payment process	New reference to Clause 13.1
17.4(b)(ii)	Validation, invoice and payment process	New reference to clause 21.2(c)
18.1(e)(ii)	What are the Provider's obligations regarding Financial Caps?	Changed 85% to 95%
21.2(c)	Termination, suspension, variation or remediation for default	Wording changes at (ii), (v), (vi) and (vii)
21.2(f)	Termination, suspension, variation or remediation for default	Wording changes at (ii) and (iii)B
21.3	Variation of the contract	New section at (b)(ii) and wording change at (b)(iii)
22	Repayment	Additional wording to the first paragraph
23.2	Extension of time	Small grammatical change
24 (final paragraph)	Warranties	Small grammatical change
28(d)	Conflict of interest	Small grammatical change
31(a)	Third Party Arrangements	Additional wording
32	Communications to the Provider	Includes additional communication methods
35.2(b)(i) and (ii)	Addresses for notices	Updated addresses included
Schedule 1	Dictionary	New definition for ACE Program
Schedule 1	Dictionary	Changed definition of ACE Program and ACE Provider
Schedule 1	Dictionary	Changes to the definition of Contract
Schedule 1	Dictionary	New definition of Finalised Commitment ID

**Smart and Skilled Contract Terms and Conditions 2025-26**

Clause	Heading	Change
Schedule 1	Dictionary	Removed references to High Performing Provider and HPP Schedule 4
Schedule 1	Dictionary	Changed definition of Long-term Unemployed
Schedule 1	Dictionary	Changed definition to Operating Guidelines and Policies
Schedule 1	Dictionary	Changed definition of RTO Standards
Schedule 1	Dictionary	New definition of Training Contract ID or TCID
Schedule 2 (b)	Loadings	Inclusion of a reference to the Fee Administration Policy and reference to loadings for long term unemployed not being applicable for the Smart and Skilled Entitlement Apprenticeships and Traineeships Program

**b. Summary of changes to Smart and Skilled Operating Guidelines 2025-26**

The main changes to the 2025-26 *Smart and Skilled Operating Guidelines* are summarised in the table below:

**Smart and Skilled Operating Guidelines 2024-25**

Paragraph	Heading	Change
1.1	Marketing of Smart and Skilled	Smart and Skilled website changed to Smart and Skilled websites
1.4	Provider website	Smart and Skilled website changed to Smart and Skilled websites
1.5(a)	Requirements to maintain data	Inclusion of some additional wording
1.5(b), (d) and (e)	Requirements to maintain data	Smart and Skilled website changed to Smart and Skilled websites
2.3	Disadvantaged students	Some rephrasing to reference the NSW Quality Framework
5.1	Unique Student Identifier (USI)	Reference to the mandatory use of the USI
6.1	Notification of Enrolment Process	Punctuation changes to the final paragraph
7.1	Credit Transfer	Inclusion of 'National Recognition' included in relation to UoC Outcome Code 60
7.2	Recognition of Prior Learning	Inclusion of 'granted' in relation to UoC Outcome Code 51
8	Deferring students	Inclusion of 'value' to replace 'code'
9	Discontinuing students	Inclusion of 'value' to replace 'code'

<b>Smart and Skilled Operating Guidelines 2024-25</b>		
<b>Paragraph</b>	<b>Heading</b>	<b>Change</b>
9(g)	Discontinuing students	Changed notification requirements
10.1	Transfer Out Process	Wording change to the third paragraph
10.1(b)(i)	Transfer Out Process	Inclusion of 'websites'
11.1	NSW Quality Framework	Reference to 'RTO Standards' in the first paragraph, minor punctuation change to the second paragraph and the addition of a third paragraph
11.2	Vocational Training Order Requirements	Changes regarding accessibility and web locations of VTOs
12	Industry Engagement Requirements	Change to last paragraph referencing Standard 1.2
13.2	Apprentices and Trainees	Minor word changes to the third paragraph
17.2(o)	Record Keeping Requirements	Addition of new paragraph
17.2	Record Keeping Requirements	Wording changes to the last two paragraphs
17.7(d)	Required length of time	New paragraph referencing the finalisation of a Commitment ID
18	Reporting Training Activity Data	Minor word change to the second paragraph
18.2	Training Contract ID	Addition of 'Training Contract ID' in the first paragraph
18.2(a)	Training Contract ID	Changed wording to reference schools
18.2(c)	Training Contract ID	Minor word changes and new reference to 'Apprentice Connect Australia Provider'
18.2(d)	Training Contract ID	Minor word changes
18.2(e)	Training Contract ID	Inclusion of new/revised paragraph
18.6	Checklist for Reporting Training Activity Data	Revised first paragraph and a revised final paragraph
18.7	Finalised Commitment ID by the Department	Inclusion of new section
19.1	Purpose of Performance Monitoring	New reference to the NSW Quality Framework at (d)
19.6(a)	Internal review	Additional reference made to 'Self-Assessment Tool'
21	Third Party Arrangements	Minor word changes
21.1	For Brokering Arrangements the Provider must apply for approval from the Department	Minor word changes

## 14. APPENDIX 2: SUMMARY OF CHANGES TO SMART AND SKILLED RELATED POLICIES

### a. Summary of changes to the Smart and Skilled Consumer Protection Strategy

<b>Smart and Skilled Consumer Protection Strategy</b>	
<b>Section</b>	<b>Description of Changes</b>
<b>Frontmatter</b>	Updated version number, year and table of contents.
<b>Distributed updates</b>	Replaced outdated website URLs with updated NSW Government site links
<b>4.2 The complaints process</b>	Updated references to contact methods for making complaints (email, webform, phone, in-person)

### b. Summary of changes to the Smart and Skilled NSW Recognition Framework

<b>Smart and Skilled NSW Recognition Framework</b>	
<b>Section</b>	<b>Description of Change</b>
<b>Frontmatter</b>	Updated version number, year and table of contents
<b>Section 2: Standards to adhere to</b>	Updated alignment from TAEASS504 to TAEASS514 Develop and implement plans for recognition of prior learning, reflecting changes in the revised TAE Training and Education Training Package
<b>2.3 Align to TAEASS514</b>	Expanded qualification references to include TAE40122 Certificate IV in Training and Assessment and TAE50122 Diploma of Vocational Education and Training
<b>Distributed updates</b>	Updated references to the revised Standards for RTOs (2025)
<b>Distributed updates</b>	Refreshed formatting and improved consistency in section headings and lists

### c. Summary of changes to the Smart and Skilled Teaching and Leadership Policy

<b>Smart and Skilled Teaching and Leadership Policy</b>	
<b>Section</b>	<b>Description of Change</b>
<b>Frontmatter</b>	Updated version number, year and table of contents
<b>2.2 What professional development activities must staff undertake?</b>	Updated reference for professional development domain from the outdated IBSA VET Practitioner Capability Framework with the revised RTO Standards (effective 1 July 2025).
<b>Distributed updates</b>	Replaced outdated website URLs with updated NSW Government site links.

### d. Summary of changes to the Smart and Skilled Provider Access Policy

The main changes to the *Smart and Skilled Provider Access Policy* are:

- Approach to Smart and Skilled Provider Application (SSPA)
- Clarification of Pre-qualified List Use and Smart and Skilled Contract Requirements
- Introduction of Comprehensive SSPA Assessment Criteria
- Additional Indicators for Established NSW RTO Status

<b>Smart and Skilled Provider Access Policy</b>	
<b>Section</b>	<b>Description of Change</b>
<b>Frontmatter</b>	Updated version number and year
<b>Distributed updates</b>	<b>Alignment with Revised Standards:</b> Updated references throughout the document to reflect the Standards for RTOs 2025 (effective from 1 July 2025).
<b>1. Sourcing quality Providers to meet in-demand skills</b>	<b>Approach to Smart and Skilled Provider Application (SSPA)</b> <ul style="list-style-type: none"> <li>Reaffirmed that there will be no open SSPA for 2025–26</li> <li>RTOs will be invited only where training gaps are identified by the Department.</li> <li>Greater emphasis on budget constraints and in-demand skills-based selection.</li> </ul>
<b>1.1 Smart and Skilled Pre-qualified List</b>	<b>Clarification of Pre-qualified List Use and Smart and Skilled Contract Requirements</b> <ul style="list-style-type: none"> <li>Pre-qualified RTOs must submit a current Financial Viability Assessment (FVA).</li> <li>Must also provide a declaration confirming the accuracy of their original application prior to being considered for a Smart and Skilled Contract.</li> </ul>
<b>Section 3: Eligible RTOs applying for Smart and Skilled Application and Assessment Criteria</b>	<b>Introduction of Comprehensive SSPA Assessment Criteria</b> <ul style="list-style-type: none"> <li>New section outlines enhanced assessment processes focusing on quality, risk, and relevance to NSW.</li> <li>Includes evaluation of organisational capacity, evidence of quality delivery in NSW (especially for priority cohorts), training and assessment standards, past performance, and regulatory compliance.</li> <li>Risk-based due diligence applied; RTOs with significant risk factors may be excluded.</li> </ul>
<b>5. What is an Established NSW RTO</b>	<b>Additional Indicators for Established NSW RTO Status</b> <ul style="list-style-type: none"> <li>RTO operates training facilities or delivery systems within NSW, including online delivery that supports local learners with suitable infrastructure.</li> <li>RTO demonstrates partnerships with industry or community organisations to improve outcomes for NSW students.</li> </ul>
<b>Distributed updates</b>	<b>Formatting and Accessibility Improvements</b> <ul style="list-style-type: none"> <li>Policy flow refined to align better with the application and assessment lifecycle.</li> <li>Consistent terminology applied.</li> <li>Updated layout, structure, and bulleting for better readability</li> <li>Minor grammatical edits and improved document flow.</li> </ul>

#### e. Summary of changes to the Smart and Skilled Fee Administration Policy

The main changes to the *Smart and Skilled Fee Administration Policy* are:

- A hierarchy of fee exemptions, concessions, scholarships and waivers.
- Updated acceptable evidence for veterans.
- Clarified the evidence required for a student who has experienced a domestic and/or family violence.
- Updated the end date for Fee Free A&T.

<b>Smart and Skilled Fee Administration Policy</b>	
<b>Section</b>	<b>Description of changes</b>
<b>Title</b>	Updated version number
<b>Introduction</b>	Updating the title of the Schedule of Prices and Fees to remove reference to subsidises. Updated name of S&S Eligibility Policy to S&S Student Eligibility Policy.
<b>Evidence of eligibility</b>	Language updated to clarify that a provider should request (not maintain) acceptable evidence to confirm eligibility.
<b>Standard student fees</b>	Updated reference to expired Draft National Foundation Skills Framework to National Foundation Skills Strategy.
<b>Additional Fees</b>	Updated to clarify costs a provider cannot pass on to students as additional fees.
<b>Hierarchy of fee exemptions, concessions, scholarships and waivers</b>	New section added outlines a hierarchy when fee exemptions, concessions, scholarships and waivers are applied.
<b>Appendix 1: Acceptable evidence for fee categories and loadings</b>	Clarifying the documentation that a veteran may provide to confirm concession fee eligibility. This is based on advice from the NSW Office of Veterans Affairs and is modelled on the approach from Transport for NSW.
<b>Appendix 1: Acceptable evidence for fee categories and loadings</b>	Clarifying the documentation a dependent may provide to confirm concession fee.
<b>Appendix 1: Acceptable evidence for fee categories and loadings</b>	Clarifying that documentary evidence is required for a student who has experienced a domestic and/or family violence incident to confirm concession fee eligibility and confirming that only one document is required from the options listed. This is based on advice from the Department of Communities and Justice.
<b>Appendix 1: Acceptable evidence for fee categories and loadings</b>	Expanding the scope of support services or registered professionals that may provide a letter / declaration to confirm that a student has experienced a domestic and / or family violence incident.
<b>Appendix 1: Acceptable evidence for fee categories and loadings</b>	Removal of NSW Fee Free items from the Appendix.
<b>Appendix 1: Acceptable evidence for fee categories and loadings</b>	Changed wording of evidence being sighted & recorded rather than having provider maintain physical evidence.
<b>Appendix 3: Eligibility for Smart and Skilled Fee-Free Scholarships</b>	Clarifying that evidence of eligibility because of a domestic or family violence experience can be done by supplying one of a range of documents.
<b>Appendix 4: Fee-free Apprenticeships and Appendix 5: Fee-free Traineeships (and throughout policy)</b>	End date for NSW Fee-free Apprenticeship and Traineeship initiative updated to 31 December 2025.

#### f. Summary of changes to the Smart and Skilled School Based Apprenticeship and Traineeship Fee Administration Policy

The main changes to the *Smart and Skilled School Based Apprenticeship and Traineeship Fee Administration Policy* are:

- Added fee free training for refugees and asylum seekers.
- Updated acceptable evidence for veterans.

<b>Smart and Skilled School Based Apprenticeship and Traineeship Fee Administration Policy</b>	
<b>Section</b>	<b>Description of changes</b>
<b>Evidence of eligibility</b>	Added evidence to be verified by provider.
<b>Apprenticeship fees</b>	Updated name of S&S Eligibility Policy to S&S Student Eligibility Policy.
<b>Exemptions and fee free training for eligible student cohorts</b>	Added in section on fee free training for refugees and asylum seekers.
<b>Appendix 1: Acceptable evidence for fee categories and loadings</b>	Added relevant evidence required by refugees and asylum seekers.
<b>Appendix 1: Acceptable evidence for fee categories and loadings</b>	Clarifying the documentation that a veteran may provide to confirm concession fee eligibility. This is based on advice from the NSW Office of Veterans Affairs and is modelled on the approach from Transport for NSW.
<b>Appendix 1: Acceptable evidence for fee categories and loadings</b>	Changed wording of evidence being sighted & recorded rather than having provider maintain physical evidence.
<b>Appendix 3</b>	New section added.

#### g. Summary of changes to the Smart and Skilled Student Eligibility Policy

The main changes to the *Smart and Skilled Student Eligibility Policy* are:

- Added clarification that providing a valid USI is an eligibility requirement
- Amended the name of the relevant registration authority to reflect that from 6 May 2025 Home School students will need to be registered with the department

<b>Smart and Skilled Student Eligibility Policy</b>	
<b>Section</b>	<b>Description of changes</b>
<b>Frontmatter</b>	Updated effective date
<b>2.1 (f) Eligibility</b>	Added a subclause to clarify that providing a valid USI is an eligibility requirement
<b>2.1 Note (3)</b>	Added Note 3 containing a link to the USI Registrar website to support providers assisting students with non-verifiable form of identification
<b>2.1 No longer in secondary school</b>	Moved the 2 <sup>nd</sup> paragraph of this section to 2.2 Note 2 for relevance of context
<b>2.1 No longer in secondary school</b>	Deleted the section on Secondary School including the Note to align eligibility policy
<b>2.1 Home School Students</b>	Updated the name of the authority for registration and relevant dates

<b>3.2 7 Evidence Requirements: USI</b>	Added a requirement to confirm an USI validity by conducting an USI registry verification
<b>Students who are inmates with NSW Corrective Services</b>	Added the USI Registrar web link for Providers to access more information

#### **h. Summary of changes to the Smart and Skilled School Based Apprenticeship and Traineeship Eligibility Policy**

The main changes to the *School Based Apprenticeship and Traineeship Eligibility Policy* are:

- Added clarification that students must be enrolled in an accredited school in NSW
- Alignment with Smart and Skilled eligibility policy inserting a requirement to provide a valid USI at enrolment
- Added clarification that SBAT arrangements are approved under *Apprenticeship and Traineeship Act 2001 NSW*

<b>Smart and Skilled School Based Apprenticeship and Traineeship Eligibility Policy</b>	
<b>Section</b>	<b>Description of changes</b>
<b>Frontmatter</b>	Updated effective date
<b>Section 1.1</b>	Updated program description and benefits to note that on completion of an SBAT students received an industry recognised national qualifications and credits towards their HSC
<b>Section 1.1</b>	Added clarification that SBAT arrangements are approved under Apprenticeship and Traineeship Act 2001 NSW No 80 and Amendment Act 2017 No 42 (The Act).
<b>Section 2 subsections (a) to e</b>	Updated eligibility requirements a, c and d and insert new item e.
<b>Section 3</b>	Deleted 2 <sup>nd</sup> paragraph accepting a student declaration
<b>Section 3</b>	Replaced the example on record's description when evidence is sighted but not kept
<b>Section 3</b>	Updated the example of sensitive information not needed to be captured in a record when sighting a document
<b>Evidence table 1 item 1</b>	Specified that evidence of identity needs to be provide at the time of enrolling a student in SBAT
<b>Evidence table item 3</b>	Insert a new item 3 to indicate that evidence of a valid USI is an eligibility requirement

#### **i. Summary of changes to the NSW Quality Framework**

The main changes to the *NSW Quality Framework* are:

- Reinforced the connection between the NSW Quality Framework, the NSW Skills Plan and the new National Vocational Education and Training Regulator (Outcome Standards for Registered Training Organisations) Instrument 2025 ("new RTO standards").
- Outlined that data collected via Student Journey Survey and training data is used to determine student's outcomes and providers classification and connecting Performance-Based Contracting with the NSW Skills Plan.

- Listed all student outcomes indicators and training data used to assess student performance.

<b>NSW Quality Framework</b>	
<b>Section</b>	<b>Description of changes</b>
<b>Frontmatter</b>	Updated release date
<b>1.1 What is the NSW Quality Framework?</b>	Added a reference to connect the NSW Quality Framework with the NSW Skills Plan.  Highlighted the role of the NSW Quality Framework as adding value by outlining best practice above and beyond the new RTO standards.  Added a reference to the VET Quality Framework including the new RTO standards.
<b>1.3 Relationship Management</b>	Updated the name and description of the role of Regional Provider Support Manager (RPSM).
<b>1.4 Measuring student outcomes and performance indicators</b>	Outlined how data is used and collected (via Student Journey Survey and training data) to assess providers classification.  Connected performance-based contracting with NSW Skills Plan.  Listed the student's outcomes indicators and training data used to assess student performance.
<b>1.5 Provider Top Performance</b>	Inserted a reference to the Smart and Skilled Skills Delivery and Management policy to outline other relevant indicators used to assess providers performance.
<b>1.6 The NSW Quality Framework</b>	Updated the language to highlight the overarching aim of the NSW Quality framework to placing students at the centre of training.
<b>2.1 Striving for improvement through a student-centred approach to the training experience</b>	Inserted a reference to student's wellbeing.
<b>2.3 Providing high level individualised support for students, particularly disadvantaged students</b>	Expanded the requirements from providers only to include that trainers and assessors need to be aware of requirements related to students with disability.  Added an explanation on the benefits of providing personalised course selection.
<b>3. Training Service's approach to quality assurance</b>	Added reference to the VET Quality Framework to improve clarity.
<b>3.1 Information sharing with other jurisdictions</b>	Minor change to reinforce ASQA's role as VET regulator.  Updated the new name of the Department of Employment and Workplace Relations.
<b>3.2 Selecting the right training providers</b>	Edited this section for readability, clarity and accuracy in relation to the Smart and Skilled Provider Access Policy.
<b>3.3 Provider management and contract compliance</b>	Minor change to include intelligence and complaints received as performance indicators.

<b>NSW Quality Framework</b>	
<b>Section</b>	<b>Description of changes</b>
<b>3.6 Methods</b>	Reordered performance monitoring methods to align with methods listed in the Operating Guidelines.
<b>3.7 Ensure consumer protection</b>	Replaced first paragraph to make provider obligations clearer.

**j. Summary of changes to the Smart and Skilled Skills Delivery and Management Policy**

<b>Smart and Skilled Skills Delivery and Management Policy</b>	
<b>Section</b>	<b>Description of Change</b>
<b>Title</b>	Updated version number and year.
<b>1. Purpose of policy</b>	Revised section for clarity.
<b>2. Skills Delivery and Management Overview</b>	Created new section from existing paragraph. Edited for clarity. Reminder that all Providers must operate within their allocations. Added more specific considerations for this activity period.
<b>2. What this policy covers</b>	Removed section.
<b>3. Smart and Skilled priorities</b>	Revised section to reflect the current context.
<b>3.1 NSW Skills Plan</b>	New section added.
<b>3.2 NSW Skills Assessment</b>	Section has minor revisions.
<b>3.3 Student Cohorts</b>	Replaced 'AQAS' with 'approved qualifications or financial caps'. Updated to current year.
<b>4. Provider Performance and Quality</b>	Edited for clarity.
<b>4.1 Provider Performance Assessment and Classification</b>	Modified title and edited for clarity. Edited for clarity. Added 'usage' to additional criteria that the department may use to support any decisions relating to requests.
<b>5.1.2 Use all reasonable endeavours to maximise the use of each Financial Cap and achieve 85-100% cap usage in the Activity Period</b>	85% changed to 95% to reflect change to contract. Added reminder to submit training data every 28 days.
<b>5.1.4 Return a Financial Cap or request a reduction in a Financial Cap</b>	Modified title and included additional information for clarity. 85% changed to 95% to reflect change to contract

<b>Smart and Skilled Skills Delivery and Management Policy</b>	
<b>Section</b>	<b>Description of Change</b>
<b>5.1.5 Manage enrolments and commitments for next period</b>	Section revised for clarity.
<b>5.2.2 Exceeding Financial Caps</b>	Section revised for clarity.
<b>5.3. Financial Cap Monitoring and Financial Cap Reviews conducted by the Department</b>	Section revised for clarity. Added further outcomes for exceeding a Financial Cap to reflect the Contract.
<b>5.3.1 Financial Cap Benchmarks</b>	New section added to separate out Financial Cap. Benchmarks separated into its own section. Add end of activity period benchmark as per Contract.
<b>5.3.2 Reviewing Financial Cap Allocations: Timeframe and Scope</b>	Modified title for clarity. Section has been merged with “Scope of Financial Cap Reviews” and updated for current Activity Period context.
<b>5.4 Variations to Financial Caps</b>	Section has been rewritten for clarity. Updated section for variations that will be considered in the 25-26 Activity Period.
<b>5.4.1 Department Variations to Financial Caps</b>	New subheading added to 5.4 to bring attention to the department’s ability to vary Financial Caps under the contract.
<b>6.2 Removing Approved Qualifications</b>	Removed reference to Appendix C (HPPs). Section has been revised for clarity. Added two additional points for why the department may remove an approved qualification from AQAS in line with the Contract.
<b>7. Adding the EAT and/or the SBAT program</b>	Modified to include the mention of the NSW Skills Plan and National Skills Agreement priorities.
<b>Appendix A: Process for Providers requesting a variation</b>	Edits for clarity. Strategic Relationship Manager (SRM) has been replaced with RPSM. Reference to Trade Related Policy now links to where the policy can be found.
<b>Appendix B: Variation Type</b>	Removed reference to performance classifications as section now applies to all Providers. Updated Variations table to reflect available variation types, criteria for variation and timeframe for requests for the 2025-26 Activity Period.
<b>Appendix C: High Performing Providers (HPP)</b>	Appendix removed.

### k. Summary of changes to the Smart and Skilled Policy on Non-Apprenticeship Pathways for Trade-Related Qualifications

The *Smart and Skilled Policy on Non-Apprenticeship Pathways for Trade-Related Qualifications* (Trade-Related Policy) has been updated for clarity and links.

Providers offering full qualifications covered by the Trade-Related Policy are reminded to ensure that all students meet the eligibility criteria outlined in the policy, including:

- Students must provide evidence that they meet the work experience requirements (a minimum of 2 years is required).
- Students must qualify for Recognition of Prior Learning (RPL).
- RPL must be reported in accordance with the policy requirements.
- Students must be currently working in the relevant industry – or have worked within the industry in the past 5 years - that relates to the trade qualification they will be undertaking.

Please note that the eligibility criteria apply to all students, including those eligible for NSW Fee Free and/or who meet any other Smart and Skilled fee-free categories.

<b>Smart and Skilled Policy on Non-Apprenticeship Pathways for Trade-Related Qualifications</b>	
<b>Section</b>	<b>Description of Change</b>
<b>Title</b>	Updated version number and year.
<b>Section 1: Scope of the Policy</b>	Removed TPEW reference from section.
<b>1.1 Introduction</b>	
<b>1.2 Target Group</b>	Section revised for clarity.
<b>1.3 Approved trade-related full qualifications</b>	Section revised for clarity. Updated link to NSW Skills List. Updated link to MEM decision. Noted the current Training Package has been updated to Release 4.0.
<b>1.4 Exclusions</b>	Minor changes to improve clarity.
<b>1.5 Financial Caps</b>	New section added.
<b>1.6 Provider Obligations</b>	New section added.
<b>2.1 Student Eligibility</b>	Edited for clarity. Added reference to Section 1.6 Provider Obligations.
<b>2.2 Recognition of Prior Learning</b>	“ASQA” replaced with “RTO Standards” and definition for RTO Standards included.
<b>2.3 Student fees</b>	Section revised for clarity. Removed example qualification as it is outdated. Added pointer to the Smart and Skilled Fee Administration Policy for further details.

<b>Smart and Skilled Policy on Non-Apprenticeship Pathways for Trade-Related Qualifications</b>	
<b>Section</b>	<b>Description of Change</b>
<b>3.1 Providers must request approval to deliver these qualifications</b>	Created headings to differentiate between New approval requests and Existing Approvals. Added information for Existing Approvals.
<b>3.2 Process for requesting approval to deliver these qualifications</b>	Strategic Relationship Manager (SRM) has been replaced with RPSM.
<b>4.4 Trade Recognition</b>	Where a Certificate of Proficiency is required has been updated. Edits to Support for Trade Recognition process to improve clarity.
<b>4.5 Licensing</b>	Updated link.
<b>5 Further Information</b>	SRM has been replaced with RPSM