

Smart and Skilled

SMART AND SKILLED UPDATE – NO. 279

15 April 2026

Contents

1. Performance-Based Contracting Model.....	1
a. Playback of insights to inform the PBC transitional model	2
b. Follow-up survey to support a PBC transitional model.....	2
c. PBC transitional model implementation	2
d. Further information	2
2. 2026 Early Childhood Education and Care (ECEC) Scholarship Program – Applications open 20 April 2026	3

1. PERFORMANCE-BASED CONTRACTING MODEL

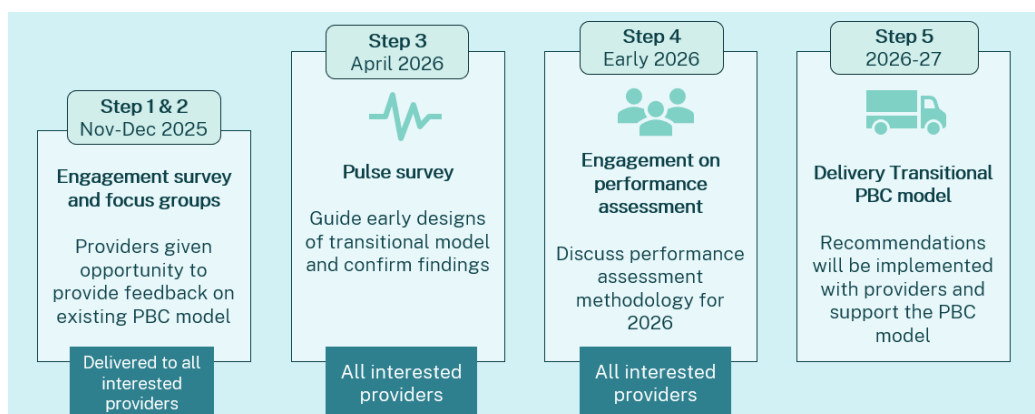
Smart & Skilled Update No. 266 (12 November 2025) outlined the review of the Performance-Based Contracting (PBC) model and the phased approach the department is taking as part of the Skills Plan commitment to develop a new PBC model.

Following this update, we conducted a survey with all Smart and Skilled providers and held a series of focus groups. Providers were enthusiastic to participate, offering valuable insights into what has worked well and what they would like to see in the future. These engagements are supporting the development of a reformed PBC model informed by provider feedback.

We have developed a **playback document**, presenting key insights from these engagements, including reflections on how providers utilise the PBC model and priority areas for NSW VET reforms, funding certainty, capacity-building and innovation.

We would like to sincerely thank all participating providers, the Independent Tertiary Education Council Australia (ITECA) and Community Education Australia (CEA), for their valuable time and insights. Your feedback will play an important role in informing the development of the future transitional PBC model.

We are currently delivering step 3 of 5 within our transitional phase of the PBC model. Please see the infographic below.



Training Services is seeking your continued support through a further short survey to expand upon and refine some of the feedback shared to date. We invite providers to share their insights; where we will cross-reference findings from the focus groups and this will input into the new model.

Please see below for further information.

a. Playback of insights to inform the PBC transitional model

The attached document, *Provider feedback on Smart and Skilled performance-based contracting model*, presents the key insights from the engagements conducted with providers in November and December 2025, including:

- Providers' views and experience of the previous PBC model
- What long-term incentives providers see as important
- Understanding of the performance assessment methodology and how results are interpreted
- Enablers to support high performance
- Importance of capacity building and innovation for providers and the wider industry.

Please refer to the document for a more detailed explanation of each of these findings.

b. Follow-up survey to support a PBC transitional model

i. Please participate in the follow up survey to support the design of the transitional PBC model

We invite you to provide input on the transitional PBC model by completing a short 10-minute survey. Providers who have previously expressed interest in further engagement from the department will be sent a unique link to this survey on 15 April 2026.

If you would like to participate, and either did not express your interest previously or are unsure, please [register your interest by clicking this link](#) by 17 April 2026.

The survey will be open from Wednesday 15 April 2026 to Friday, 24 April 2026. Late submissions will not be accepted.

This survey reflects on the existing suite of resources, events and tools that providers have access to. Your responses will support us to identify gaps and design the transitional PBC model.

c. PBC transitional model implementation

In the upcoming financial year 2026-27, the department will begin a gradual implementation of the Smart and Skilled PBC transitional model to establish a strong foundational structure. Key pillars of the existing model, including the NSW Quality Framework and the performance assessment process, will continue to be maintained throughout this transition. The transitional phase will not impact the 2026-27 Smart and Skilled contract review process.

d. Further information

If your organisation does not receive an email to request completion of a survey by Friday 17 April 2026 or if you have further questions regarding the survey or playback document, please contact your Regional Provider Support Manager.

2. 2026 EARLY CHILDHOOD EDUCATION AND CARE (ECEC) SCHOLARSHIP PROGRAM – APPLICATIONS OPEN 20 APRIL 2026

The NSW Government has committed up to \$27 million to help grow a highly qualified and sustainable ECEC workforce by reducing the cost of study through the 2026 ECEC Scholarship Program.

Applications for the second intake of scholarships will open 20 April and close on 29 May 2026. Scholarships will award up to \$6,000 to successful applicants in eligible ECEC vocational education and training (VET) qualifications.

To be eligible for the 2026 ECEC Scholarship Program, VET applicants must be enrolled in a course and have started studying after 1 January 2026.

Additional financial support is available for Aboriginal and Torres Strait Islander applicants, and applicants from priority locations across NSW. Retention incentive payments will be available for those that are new to the sector.

More information about program eligibility criteria and supporting documentation requirements can be found in the program guidelines on the department's website.

Learn more and apply at the [department's website](#).

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 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.