Skills SA

Department of
State Development

Skill Shortage Solutions

Guidelines 2024-25

Introduction

The South Australian Government invests in the state's vocational education and training (VET) system to skill South Australia's workforce for today and the future.

South Australia faces a range of skills challenges that need to be addressed. The 2024 Occupation Shortage List shows 307 occupations are in shortage in South Australia. South Australia's Jobs and Skills Outlook 2024 shows that, over the next five years, 78,000 VET qualifications will need to be delivered to meet the skills demand of the state's industries.

Skill Shortage Solutions supports collaboratively developed and delivered solutions to current and future skill shortages at industry and/or regional levels. Solutions will be evidence-based, industry informed, and high impact, translating to the delivery of the skills and/or training products employers need to meet sector-wide workforce needs.

Skill Shortage Solutions align to the Government of South Australia's 2022-23 State Budget measure which provides $8.8m over four years. Up to $2.2m will be invested each year for solutions that are delivered by industry bodies, professional associations and unions, regional and community organisations, employers and training organisations. Partnerships that collaboratively address shortages on a sustainable basis will be a core feature of projects supported by Skill Shortage Solutions.

To date Skill Shortage Solution grants have supported 17 projects to pilot solutions for shortages in commercial cookery, bricklaying, concreting, electrician, air-conditioning and refrigeration mechanic and mechanical engineering occupations, as well as supporting women in trades.

In 2024-25, eligible organisations are invited to submit an Expression of Interest (EOI) as the first step of an application.

2024-25 priority areas

In 2024-25, eligible organisations are invited to apply for a Skill Shortage Solutions grant to address skill shortages[1] in trades and occupations, with moderate or strong jobs growth. See Appendix 1 for occupations in scope.

Applications targeting increased workforce diversity, improving participation of communities underrepresented in trade occupations i.e. First Nations people, women, LGBTIQA+ community, people with disability will be considered favourably in assessment.

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[1] Occupation Shortage List | Jobs and Skills Australia

1.   Who can apply

Applications are invited from organisations that:

1. have a current Australian Business Number (ABN), AND

2. are not-for-profit,[2] AND

3. are leading formal partnerships or a consortium[3] to deliver the proposed solutions

4. TAFE SA is eligible to apply as a lead partner and partner in projects led by other organisations.

South Australian and Australian Government agencies are not eligible to apply but may participate as project partners.

The applicant is the authorised signatory to the funding agreement, and responsible for delivering agreed outcomes in collaboration with partners.

Partners

Every Skill Shortage Solutions project must have partners.

Partners must be core to, and demonstrably involved in, the design and development of the proposed solution. Partners may include:

*   industry and/or sector peak bodies (unions, industry and professional associations, industry coalitions)

*   regional representative bodies and/or associations and local governments

*   registered training organisations (RTOs), including TAFE SA[4]

*   Adult Community Education (ACE) providers

*   universities and other organisations with education and training as a key focus of their business

*   group training organisations (GTOs)

*   South Australian and Australian Government agencies.

At a minimum, applications must include 1 industry sector partner.

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[2] Incorporated under the *Associations Incorporation Act 1985* (SA), on the Australian Charities and Not-for-profits Commission register or holds a comparable legal status.

[3] A consortium allows two or more businesses to combine their capabilities when developing and delivering a tender. The primary driver of a consortium approach is that it allows for greater economies of scale, efficiency and effectiveness. A consortium can be made up of delivery partners from different industry sectors or occupations who partner to share relevant skills, experience and expertise that complement each other and shares roles and responsibilities to deliver a joint project.

[4] Applicants partnering with TAFE SA must ensure the authorised TAFE SA executive or delegate has endorsed the application.

2.   How to apply

There are 3 stages:

1.   Expression of Interest
2.   Co-design with a Skills SA officer
3.   Application.

Stage 1. Expression of Interest (EOI)

The EOI provides applicants with the opportunity to provide a <u>summary of the project</u> and its scope, test concepts and receive feedback from Skills SA before progressing to a full application which will be competitively assessed.

EOIs open on Monday **17 March 2025** at <u>education.smartygrants.com.au/ssseoi</u> and close **Friday 30 May 2025, 5:00pm Australian Central Standard Time (ACST)** or earlier if budget is exhausted.

Before commencing an EOI, you should read and understand these <u>guidelines</u>. If you have any questions, submit these <u>here</u>.

To submit an EOI, you will need to set up an account in *SmartyGrants* or log in to an existing account.

Before submitting your EOI, make sure it is accurate and complete.

When the EOI is submitted, the nominated contact person will receive an automated email confirming receipt and a copy of their submission.

Skills SA will review EOIs against Skill Shortage Solutions guidelines and provide feedback to applicants within 10 business days. Successful EOI applications will then be invited to commence co-design, with Skills SA, of their full application.

Skills SA may elect to initiate an EOI through direct approaches to organisations where a potential project aligns to strategic skills objectives and priorities, or complementary skills initiatives to amplify scope and/or impact.

Stage 2. Co-design

Once your EOI has been accepted, you will be assigned a Skills SA officer (at a minimum) to assist you with the co-design of your project. Other staff may also become involved in the co-design, depending on scope and anticipated impact.

The Skills SA officer will work with you to address the feedback from the EOI process and further expand on your project ideas to progress to the application stage. Co-design is undertaken with an intent to support without prejudice discussions where intent, approach, opportunity, and impact are covered on an upfront and frank basis.

Co-design will commence upon receipt of feedback of your accepted EOI and until your final application is submitted to Skills SA.

Entering into co-design does not guarantee approval of funding.

Skills SA representatives will not be able to assist you with writing your full application but can provide guidance and feedback.

Applications will close on **Friday 1 August 2025, 5:00pm Australian Central Standard Time (ACST)** or earlier if budget is exhausted.

Stage 3. Application

Following the EOI and during co-design, eligible applicants will receive a link to the online application form in *SmartyGrants* to complete a full application.

Before submitting your application, make sure it is accurate and complete. You will also need to complete a budget template and attach this to your application.

Skills SA representatives will not assist you with writing the full application but will be able to guide you and answer questions during the co-design process.

Keep your responses to the questions clear and concise and ensure the most critical information is in a prominent position. As your application will be assessed independent of the co-design process, it is important to assume the reader is not familiar with your context.

Section 4 details how applications will be assessed by Skills SA.

When the application is submitted, the nominated contact person will receive an automated email confirming receipt and a copy of their submission.

Applications must be submitted by **Friday 1 August 2025, 5:00pm Australian Central Standard Time (ACST).** You will not be able to submit an application after this time.

3.   What can you apply for

Examples of what funding can be used for:

- professionally-led workforce planning and development
- implementing integrated attraction, retention, and skilling strategies to grow total workforce aligned to target occupations
- developing and trialling new skills and training products, pathways and delivery models at post trade technician occupational levels to address skill shortages for immediate and long-term impact
- purchasing infrastructure and technology accessible to a sector (on a co-contributory basis)
- delivering accredited[5] and non-accredited[6] training

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[5] Accredited training refers to any course or skill set on the national register of VET and identified on the South Australian Subsidised Training List (STL). Short-form training including multiple units of competency versus a complete course will be examined by Skill SA in the context of best outcomes for students. Accredited training must be delivered by an RTO with a current Funded Activities Agreement (FAA) with Skills SA, or TAFE SA.

[6] Non-accredited training refers to endorsed micro credentials that include non-accredited components, industry-specific and/or foundation skills training, particularly where there is clear alignment or mapping to accredited VET learning outcomes or an identified skill gap in an industry or sector workforce development plan. Funding for non-accredited training will be informed by benchmarking against the South Australian Vocational Education and Training Fee Framework and budgets of similar funded projects.

- industry exposure and hardening activities[7]
- peer supports and networks, formal industry mentorship initiatives, workplace coaching
- project and partner coordination and governance
- professional project management and/or evaluation
- project administration and reporting.

Significant investment propositions involving multiple and integrated strategies to solve complex and cross-sectorial issues can be supported.

Projects must conclude by 31 May 2026. Projects with a long-term focus should be phased and may be supported by Skills SA on that understanding, over several grant rounds.

What cannot be funded

Funding will not be provided for:

- repeat projects or activities funded in 2022-23 and 2023-24[8]
- enterprise or employer specific projects
- wage subsidises, student course fee waivers[9] and pre-employment activities such as security clearances, medicals and personal protective equipment[10]
- activities targeting school-enrolled students
- purchase of land or property
- institutional training in lieu of trade training contracts
- recurrent costs and business as usual activities
- duplication or substitution of funding received via other grant programs or activities already supported or funded by Skills SA (for example, Learner Support Services). Proposed Skill Shortage Solutions funding that duplicates existing funding from other sources but amplifies scope and/or impact may be considered by Skills SA
- project activities that commence prior to both parties executing the Funded Activities Agreement (FAA) and/or Project Annexure
- accredited training delivered by TAFE SA[11] or an RTO that does not have an FAA with Skills SA. RTOs who do not have a current FAA can apply at: www.providers.skills.sa.gov.au/apply .

Skills SA may elect to support activity from 'what cannot be funded' on an exceptional basis where it aligns to strategic skills objectives and priorities, or complementary skills initiatives to amplify scope and/or impact.

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[7] Projects that target work-based experiences for institutionally qualified graduates in trade occupations to address gaps, develop and apply their competencies in industrial settings to industry (pace) standards to address trade skill shortage areas where skills recognition processes are supported by the South Australian Training and Skills Act.

[8] Projects that build incrementally on planned solutions that were supported in previous grant rounds as part of a medium to long-term approach are not considered repeat projects.

[9] Except skills recognition and skill gap training under the Act and SASC fee waiver policy.

[10] Except unemployed students on pre-vocational pathways facing complex disadvantage not supported by a Workforce Australia provider.

[11] Delivery of accredited training already on TAFE SA's scope will be funded through TAFE SA's existing funding arrangements and will not result in additional funds.

4.   How applications will be assessed

The assessment criteria are:

1. partnership governance and co-contribution (including financial)
2. rationale and evidence for the solution
3. project design
4. project outcomes, impact and sustainability
5. evaluation approach
6. past performance
7. value for money.

Each of the selection criteria must be addressed in applications.

Full applications will be assessed via a panel process. Information and evidence provided for each assessment criterion will be merit ranked by an assessment panel.

4.1   Partnership governance and co-contribution

Strong partnership (and/or consortia) arrangements are a core feature of successful applications and should reflect a range of relevant organisational partners.

Applicants should clearly identify:

- who the partners are and what their roles and responsibilities are in developing, designing and implementing the project, including financial and in-kind support
- proposed governance framework arrangements
- evidence of partnership commitments
- how project outcomes will be maintained and used by project partners, and who will own and manage any assets or liabilities.

Applications that actively build ongoing collaboration and commitment between partners beyond the life of the grant will be highly regarded.

4.2   Rationale and evidence for the solution

Applicants must provide a clear rationale and evidence for the approach and its impact on addressing the shortage, the immediate-, short-, medium- and long-term impacts of the proposed solutions and its relationship to meeting occupational skill need at a systemic level.

Applicants should clearly identify:

- occupational skill shortage being targeted
- issues and factors contributing to the shortage, including any workforce, or training related considerations impacting the occupation
- how it will impact the shortage, including the size of the project and predicted outcomes
- the proposed solution/s, including the specific skill needs being addressed or method for identifying requirements
- how the proposed solution responds to the issues and how it is additional to existing

solutions

- existing research and/or clear linkages to related regional, sector, industry or workforce planning, and evidence of consultation undertaken with key stakeholders.

Applications targeting groups and communities traditionally under-represented in trade and technical occupations (such as First Nations people, women, LBGTIQA+ community, people with disability) must include consultation and testing of solutions with appropriate relevant stakeholders.

4.3   Project design

Applications must demonstrate that the applicant and project partners are capable and have capacity to deliver the proposed solution through sound project design.

Applicants should clearly identify:

- scope, key project activities and timeframes that are reasonable, realistic and will support the delivery of the funded solution and realisation of benefits following implementation
- how much funding is being requested, for what and how the cost has been calculated
- what the risks are, and what steps will be taken to mitigate them
- engagement and consultation with relevant stakeholders in development and delivery of the project and how they will be involved in ensuring sustainability when the project ends.

4.4   Project outcomes

Assessment will consider the outcomes the project will achieve, with a focus on the intent and impact of the solution in addressing the shortage, as well as the governance and supports in place to support success. This includes consideration of the project management, partner roles, and engagement mechanisms in place to support the sustainability of delivery of solutions and ongoing impact on addressing the occupational shortage.

Applicants should clearly identify:

- what parts of the occupational workforce the project is targeting, its relationship to workforce and industrial demand, how the focus will address need now and over time
- if and where the solution supports existing and proposed workforce specific interventions to address the industry, sector, and/or regional occupational shortage
- what the anticipated project outcomes are
- how project outcomes will benefit the existing occupational workforce and/or new entrants, the relationship to meeting sector, employer, industry, regional or economic need in the immediate, short, medium and long term
- the extent to which the skill shortage will be addressed
- proposed mechanisms to embed and sustain solutions with partners, industry, sectors and/or regions.

4.5   Evaluation approach

A commitment to sharing findings that contribute to the body of knowledge about responding to industry need and addressing occupational shortages is a key feature of Skill Shortage Solutions.

Applicants should clearly identify:

- the proposed evaluation methodology and approach; this should be identified in the project design and management and involve key stakeholders and project partners
- key performance indicators and measures, and the continuous improvement approach
- how evaluation findings will be shared with partners and stakeholders.

4.6   Past performance

Past performance of applicants will be considered where the applicant has received funding from Skills SA in the past 3 years. This will include contract compliance and the achievement of contracted outcomes.

For applicants with no performance history, Skills SA will take a managed risk approach, which may involve supporting a smaller scale project in the first instance.

For projects that include RTOs delivering training, outcomes including completions will be considered.

4.7   Value for money

Skills SA will consider the value for money for each application based on project complexity, achievable outcomes and regional delivery.

Factors such as public value, use of professional services, demand, industry and partner contributions and fee for service market activity will also be considered.

Skills SA will assess whether the project creates dependency on ongoing government investment beyond the life of the project.

Proposed project costs will be benchmarked against similarly funded projects to support the value for money assessment.

5.   How grants will be paid

Successful applicants will be offered a Funded Activities Agreement project annexure, which will include the funding value, payment structure and reporting milestones.

If accredited training is part of a successful application, Skills SA will contract the RTO directly via their Funded Activities Agreement.

Payment will be made against agreed key milestones negotiated during contract development. Where contract milestones are not achieved, Skills SA may utilise claw-back arrangements.

Applicants that receive a grant will be assigned a Skills SA project manager, and receive detailed information on reporting requirements, claim templates and marketing supports.

6. Timeframes

Expressions of Interest (EOI) open	Monday 17 March 2025 Skills SA will provide feedback on eligible EOI applications within 10 business days.
EOI closes	Friday 30 May 2025, 5:00pm Australian Central Standard Time (ACST) or earlier if budget is exhausted. No EOIs will be accepted after this time. They *may* be held over to the next funding round, at Skills SA's discretion.
Applications close	Friday 1 August 2025, 5:00pm Australian Central Standard Time (ACST) or earlier if budget is exhausted. No applications will be accepted after this time.
Grants completed	Grant activities and reporting must be completed by 31 May 2026.

Appendix 1: Occupations in scope for Skill Shortage Solutions applications

The following occupations have been assessed in shortage[12] and having strong or moderate jobs growth.

ANZCO code	Occupational Group
3122	Civil Engineering Draftspersons and Technicians
3125	Mechanical Engineering Draftspersons and Technicians
3212	Motor Mechanics
3222	Sheetmetal Trades Workers
3223	Structural Steel and Welding Trades Workers
3231	Aircraft Maintenance Engineers
3232	Metal Fitters and Machinists
3311	Bricklayers and Stonemasons
3312	Carpenters and Joiners
3321	Floor Finishers
3322	Painting Trades Workers
3331	Glaziers
3332	Plasterers and Renderers
3333	Roof Tilers
3334	Wall and Floor Tilers
3341	Plumbers
3411	Electricians
3421	Airconditioning and Refrigeration Mechanics
3424	Telecommunications Trades Workers
3511	Bakers and Pastrycooks
3513	Chefs
3613	Veterinary Nurses
3627	Landscape Gardeners and Irrigation Technicians
3624	Nurserypersons
3911	Hairdressers
3941	Cabinet and Furniture Makers
3991	Boat Builders and Shipwrights
4211	Child Carers
4115	Indigenous Health Workers
4231	Aged and Disabled Carers
4114	Enrolled and Mothercraft Nurses (regional only)
7212	Earth Moving Plant Operators

DOCUMENT ENDS

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[12] Occupation Shortage List | Jobs and Skills Australia