



Government of Western Australia
Department of Training
and Workforce Development



Jobs and Skills WA

Quality framework for publicly funded private registered training organisations

August 2019



Minister's foreword

To drive the future economic development of our State we must have a responsive and high quality vocational education and training (VET) system.

Our Plan for Jobs recognises the importance of any provider who accesses government funding to deliver training that meets standards, as well as the needs of students, industry and employers. By doing this students can have confidence in the training they receive and employers, industry and the community have confidence in the VET system.



The quality framework for publicly funded private registered training organisations (RTOs) underpins the Government's commitment to a quality VET system in Western Australia. It aims to promote market-wide confidence that VET delivered by Government funded private RTOs equals quality; whether it is training delivery, assessment, or work readiness.

Within the VET system, quality is a shared responsibility between the Australian government, State and Territory governments, industry, students, employers and training providers.

The Western Australian Government sets the policy and procurement frameworks for subsidised training and, in doing so, monitors the quality of that training through a comprehensive approach involving engagement, oversight and compliance.

As Minister for Education and Training, my expectations of contracted private RTOs are clear; as recipients of Government funding I expect private RTOs to operate consistent with the following key principles.

- Deliver quality training that provides skilled and job ready people.
- Engage with students and employers to ensure that clients have confidence in your products and services and receive value for money.
- Deliver training that is consistent with the requirements of Training Packages and meets the Standards for registered training organisations.
- Implement systems and processes to ensure that Government contracting and regulatory requirements are met.
- Maintain the highest standards in teaching and professional development for staff so that the training delivered is current and meets industry needs.
- Be flexible, innovative and agile in responding to the changing needs of students, industry and government.
- Work collaboratively and engage in meaningful partnerships with all stakeholders, particularly industry.

The Government's approach to ensuring quality from contracted private RTOs is based on an integrated framework. This framework has been designed to assist stakeholders of the VET system to understand the Western Australian Government's expectations of the sector and the mutual obligations that underpin the delivery of quality VET.

I look forward to you working with Government under this framework to deliver excellence for clients of the Western Australian VET system.

Sue Ellery MLC

Minister for Education and Training

Introduction

The Western Australian Department of Training and Workforce Development (the Department) contracts and funds private registered training organisations (RTOs) to deliver accredited training across the State.

The procurement and delivery of this training takes place within an integrated funder, purchaser and provider framework, which also includes the network of WA TAFE colleges, the goal of which is to ensure a highly skilled and adaptable workforce is available to meet the State's economic and community needs.

With a focus on the procurement and contracting of private RTOs, the purpose of this document is to outline the processes and mechanisms that are in place to ensure that only high quality providers are contracted and continue to deliver Government subsidised training in WA.

The Jobs and Skills WA quality framework for publicly funded private RTOs has the following four key components that express the Government's commitment to quality assurance in training, under the *Plan for Jobs*.



Planning context

The Department works with a range of state, territory and Australian government agencies, industry associations, employers and community groups to develop strategies and actions that are used to inform a responsive training system that supports the development of a skilled and flexible workforce. The key planning documents and frameworks that help determine training and workforce development priorities include the following.

- *WA State Training Plan* – The State Training Board prepares a State Training Plan each year, which contributes to the policy and purchasing direction for the State's training system for the short to medium term.
- *Industry workforce development plans* – These plans are based on extensive research undertaken by each industry training council. They provide a targeted focus for responding to industry specific workforce issues and offer a comprehensive industry profile section with industry and employment analysis and trends, including labour and skills demand.
- *Training Together/Working Together Aboriginal workforce development strategy* – This strategy was developed in collaboration with Aboriginal communities and industry to increase the number of Aboriginal people in training for sustainable employment.
- *State priority occupation list (SPOL)* – The SPOL is produced each year by the Department in consultation with key stakeholders to inform and guide workforce planning and development for WA. It is a list of occupations rated according to their priority status for the State.

Industry in particular plays an important role in identifying the current and future training and workforce development needs in WA through their input to the SPOL and their participation and engagement with the industry training councils and State Training Board.

Jobs and Skills WA is the way the State Government, through the Department, prioritises its investment in training to focus on courses that equip people to take up jobs that are, or will be, in high demand. It provides a guaranteed, subsidised training place for eligible students enrolled in courses that are deemed State priority qualifications, where a training place is available. Under Jobs and Skills WA, priority training includes apprenticeships, eligible traineeships and priority industry qualifications. Many other important industry qualifications are also subsidised, including general industry training courses and foundation skills and equity courses.

Further information

- dtwd.wa.gov.au/jswa
- dtwd.wa.gov.au/workforce-development

RTO eligibility and selection

RTOs seeking to be contracted under Jobs and Skills WA to deliver Government subsidised training are required to meet a number of entry requirements, including common and program specific requirements to determine their suitability to be placed on a panel of preferred training providers.

The common criteria include mandatory, regulatory/contractual and organisational capacity requirements and these must be satisfactorily addressed before an RTO can be considered for inclusion on a program panel. In addition, the RTO must address a number of program specific criteria relevant to the particular program(s) that they are interested in delivering.

The full set of current common and program specific criteria are outlined below.

Note: the Department reserves the right to vary any or all of these criteria when undertaking its procurement and contracting process.

RTOs must meet all of the following mandatory compliance requirements.

Mandatory requirements

- Registered to deliver training in Western Australia by the Australian Skills Quality Authority (ASQA), WA's Training Accreditation Council (TAC) or the Victorian Registration Qualifications Authority (VRQA).
- Registered for the Goods and Services Tax (GST).
- Registered with an Australian Business Number (ABN) on the Australian Business Register.
- Must have submitted a Total VET Activity (TVA) report to NCVER for the previous one and/or two calendar years.
- Must give permission for the state or territory training authority, the regulator (ASQA, TAC or VRQA) and NCVER to release data related to the RTO.
- The service provider must have current scope with the relevant regulator (ASQA, TAC or VRQA) for the delivery of the qualifications requested through the request.
- The requested qualification(s) must be listed on the Corporation's current payment table.

The following criteria are used to determine an RTO's suitability to be appointed to a provider panel. The criteria cover an RTO's regulatory, contractual and financial performance and organisational capacity.

Regulatory and contractual requirements

Record of regulatory compliance

- Provide the date of your last regulator audit.
- Are there any conditions currently imposed on the RTO by the regulator (TAC, ASQA or VRQA)? If yes, provide details.
- Have any sanctions been applied to the RTO by the regulator in the past three years? If yes, provide details.
- Has any audit in the past three years found the RTO to be significantly or critically non-compliant prior to any rectification period? If yes, provide details.
- Has the Executive Officer of the RTO including the legally responsible officer been employed with another RTO in the past five years, where that RTO has voluntarily withdrawn their registration or had their registration cancelled by the regulator? If yes, provide details.

Record of contractual compliance

- In the past three years has the RTO held a contract to deliver training with the Commonwealth or other state or territory training authorities? If yes, provide details.
- Does the RTO (and/or its Executive Officers) have any contractual compliance issues pending with the Commonwealth or other state or territory training authorities? If yes, provide details.
- In the past three years has the RTO (and/or its Executive Officers) had any contracts for the provision of training held with Commonwealth/state/territory training authorities suspended, terminated or cancelled? If yes, provide details.
- Is the RTO acting as an agent or trustee for another organisation or person? If yes, provide details.
- Is the RTO acting jointly or in association with another organisation or person? If yes, provide details.

Financial compliance and disclosure requirements

Financial disclosure

- Has legal action been taken against the RTO (and/or its Executive Officers) (whether successful or not) within the last three years? If yes, provide details.
- Has the RTO (and/or its Executive Officers) experienced any prior business failure, liquidation (winding up/receivership/administration)? If yes, provide details.
- Are any of the RTO's Executive Officers or the legally responsible officer undischarged bankrupts under the *Bankruptcy Act 1996* (Commonwealth)? If yes, provide details.
- Does the RTO currently have a shared ownership or operational structure with, and/or any financial interests in, other RTOs operating in or outside of WA? If yes, provide the RTO's legal name and national RTO code from training.gov.au.
- Does the RTO currently have capacity to offer the Commonwealth VET Student Loans? If no, does the RTO intend to apply for the capacity to offer the Commonwealth VET Student Loans?
- Does the RTO or any of its Executive Officers have any conflict of interest or perceived conflict of interest in submitting a response to this request? If yes, please provide details.
- Has any Executive Officer of the RTO including Directors and the legally responsible officer ever had any criminal conviction or training related adverse ACCC finding? If yes, please provide details.
- Is the RTO part of an organisation that also holds an Australian Apprenticeship Support Network (AASN) provider contract or a Commonwealth contract that funds training services? If yes, provide details.

Financial compliance

- Does the RTO have all insurances specified in the request?
 - If the answer is 'yes', supply copies of all required insurance policies as attachments.
 - If the answer is 'no', outline the reasons why and whether you will be prepared to obtain the required insurances if awarded a contract.

Organisational capacity requirements

- Are you a member of the Independent Tertiary Education Council Australia (ITECA)?
- Are you an Aboriginal or Torres Strait Islander owned business?
- Are you registered as a not for profit organisation through the Australian Charities and Not for profit Commission?
- State the name of the student management system you use (for non-commercial systems, state in-house)
- Are you or a related RTO currently contracted by the Commonwealth to deliver any of the following programs? Transitions to Work; Parents Next; Community Development Program; Youth Jobs PaTH; Career Transition Assistance; Other (please list)

An RTO that meets these criteria and is subsequently contracted to a program/s will be deemed prequalified for up to three years, subject to satisfactory performance. This means that further contracting processes may be streamlined for those RTOs and, in some cases, restricted to them.

Program specific criteria

In addition to the entry or pre-qualification requirements listed previously, RTOs must meet a set of program specific criteria. These are used to assess understanding of and capacity to deliver training in keeping with the requirements of the training program they are seeking to deliver (apprenticeships, traineeships, priority industry training or participation (work readiness or equity programs).

Apprenticeships

Training and delivery arrangements

- Provide a brief description of the proposed training program including how it will be developed, implemented and managed over the course of the apprenticeship.
- Detail the mode(s) of delivery (i.e. face-to-face, self-paced, work placement, online via skype/video conference, self-study etc) that will be used in delivering the apprenticeship indicating the actual hours (not nominal) you plan to deliver or expect to be undertaken via each mode listed.
- Indicate the number of times each year you will visit each apprentice's workplace including; who will undertake the visit; the estimated time of each visit; and what would be undertaken at the visit specific to the employer and the apprentice?
- Detail the arrangements that you will put into place to keep the employer informed of the apprentice's progress during their training contract.
- For the region in which the RTO is delivering the training, list the:
 - training facilities that you have or can access within WA, indicating whether they are available during and/or outside of work hours;
 - training resources that you have or can access within WA, indicating whether they are available during and/or outside of work hours; and
 - support services that you have or can make available to apprentices, indicating whether they are available during and/or outside of work hours.

Understanding the market

- Describe the relationship the RTO have and/or will put into place with key bodies/associations to establish and maintain an understanding of industry's training needs in the region for the apprenticeship requested.
- Outline key strategies the RTO will use to engage with employers and encourage them to employ apprentices in this region.

Traineeships

Training and delivery arrangements

As per apprenticeships (see previous page).

Understanding the market

- Describe the relationship the RTO has and/or will put into place with key bodies/associations to establish and maintain an understanding of industry's training needs in the region for the apprenticeship requested.
- Outline key strategies the RTO will use to engage with employers and encourage them to employ trainees in this region.

Priority Institutional Training (PIT)

Demonstrated understanding of the target group

- Describe the relationship the RTO has and/or will put into place with key bodies/associations to establish and maintain an understanding of industry's training needs in the region(s) for the qualification requested.
- Provide a brief outline of the strategies the RTO will use to engage with job seekers and encourage them to undertake training to improve their opportunities for employment (jobseekers or to engage with employers and encourage them to up skill their existing employees (existing workers)).

Demonstrated capacity to deliver the training

- For the target group requested, list the:
 - training facilities the RTO has or can access within WA, indicating whether they are available during and/or outside of work hours;
 - training resources the RTO has or can access within WA, indicating whether they are available during and/or outside of work hours; and
 - the support services the RTO has or can make available to students, indicating whether they are available during and/or outside of work hours.

Demonstrated training and delivery arrangements

- Describe how the students' training program will be developed, implemented and managed.
- Outline the RTO's strategies for monitoring and supporting a students' progression over the course of the qualification.
- Detail the RTO's standard training program format for the qualification requested including anticipated actual (not nominal) hours of training delivered to a student.
- For the actual hours of delivery the anticipated hours for each mode of delivery listed; face to face (includes Skype and video conferencing), correspondence, and self-paced.
- List the expected number of days of training per week.
- List the expected duration of the training program in weeks.
- List staff/student ratio.

Participation – Work Readiness Program

Demonstrated understanding of the target group

- Describe the RTO's experience over the past two (2) years in providing training to jobseekers.
- Describe the relationship the RTO has or will put into place with key bodies/associations to establish and maintain an understanding of the jobseeker's training needs in the region(s) the RTO intends to deliver?

Demonstrated capacity to deliver the training

For the target group, list the:

- training facilities the RTO has or can access within WA, indicating whether they are available during and/or outside of work hours;
- training resources the RTO has or can access within WA, indicating whether they are available during and/or outside of work hours.
- support services the RTO has or can make available to students, indicating whether they are available during and/or outside of work hours.

Demonstrated training and delivery arrangements

- Outline the RTO's strategies for monitoring and supporting a students' progression over the course of the qualification and specific strategies for those students experiencing difficulties.
- Detail the RTO's standard training program format for the qualification requested including anticipated actual (not nominal) hours of training delivered to a student; and
- For the actual hours of delivery the anticipated hours for each mode of delivery listed; face to face (includes Skype and video conferencing), correspondence, and self-paced.
- List the expected number of days of training per week.
- List the expected duration of the training program in weeks.
- List staff/student ratio.



Participation – Equity Program

- Demonstrated understanding of the target group
- Describe the RTO's experience over the past two (2) years in providing training to the equity target group(s).
- Describe the relationship the RTO has or will put into place with key bodies/associations to establish and maintain an understanding of the target group's training needs in the region(s) the RTO intends to deliver?

Demonstrated capacity to deliver the training

For the target group, list the:

- training facilities the RTO has or can access within WA, indicating whether they are available during and/or outside of work hours;
- training resources the RTO has or can access within WA, indicating whether they are available during and/or outside of work hours.
- support services the RTO has or can make available to students, indicating whether they are available during and/or outside of work hours.

Demonstrated training and delivery arrangements

- Outline the RTO's strategies for monitoring and supporting a students' progression over the course of the qualification and specific strategies for those students experiencing difficulties.
- Detail the RTO's standard training program format for the qualification requested including anticipated actual (not nominal) hours of training delivered to a student; and
- For the actual hours of delivery the anticipated hours for each mode of delivery listed; face to face (includes Skype and video conferencing), correspondence, and self-paced.
- List the expected number of days of training per week.
- List the expected duration of the training program in weeks.
- List staff/student ratio.

RTOs, are contracted to a preferred provider panel for each program for a period of one (1) year with up to two (2) one (1) year extensions available subject to funding, program availability and meeting required contractual and regulatory requirements.

By lodging a response, an RTO is deemed to have agreed to comply with the terms and conditions in the contract documents including, without limitation, the request document, the general provisions, business rules and the process terms and conditions.

Financial viability assessments are undertaken on all new and existing RTOs prior to appointment to the preferred provider panel for their nominated program/s.

Contract management and compliance

Private RTOs contracted by the Department and appointed to one or more program panels, are subject to an integrated contract management and compliance regime. The contractual relationship is established and maintained within the context of the quality framework and is designed to ensure that once engaged the contracted RTOs are supported and monitored to meet the requirements of the contract.

Contract management and compliance includes the following key components.

Contract management

Private RTOs contracted by the Department are efficiently managed through an assigned contract manager who is responsible for working with the RTO to assist and ensure that they meet the contractual requirements. This includes undertaking the administration of the contract, monitoring activity levels, ensuring that milestones are achieved and risks are appropriately identified and managed.

Education, advice and support are integral to the contract manager's role to help manage and improve the contractual relationship, encourage good practice and promote an RTO's understanding of the business rules and contract conditions.

Audit and compliance

Contracted private RTOs are systematically reviewed via the Audit and Compliance program to ensure that they are meeting contractual obligations. The Annual audit plan and Audit handbook outlines the approach taken to assess RTOs to determine their level of compliance with the conditions of contract and associated policies and business rules and is a key tool to ensure that the overall objectives of the quality framework are achieved.

Contracted private RTOs are assessed against key risk indicators and assigned a score according to their level of risk. The risk indicators include:

- amount of funding in current/previous calendar year;
- student growth levels in current/previous calendar year;
- compliance with contract including regulatory performance, timeliness and accuracy of data lodgement and training completion rates;
- contractual arrangements (ie new providers, providers on action plans and providers delivering under sub-contracting arrangements represent higher risk);
- audit findings in current/previous calendar year including student, employer and other client feedback;
- training packages and qualifications with identified risk; and
- complaints.

The combined score is used to classify the risk profile (low, moderate or high) of each RTO to determine the recommended type and priority of the audit to be conducted.

The type of audit an RTO receives is largely dependent on the assigned risk profile. Audit types include desk top, site, spot (unannounced site) and strategic audits.

Desktop audits

For desktop audits, the RTO is required to provide the Department with information on a requested sample of students within five working days. Upon receipt of the information, Departmental staff conduct a desktop review of the evidence. If required, the RTO is given a further five working days to submit requested supplementary evidence. This type of audit is most commonly conducted for RTOs with moderate to low risk profiles.

If an RTO is rated a high risk, is based interstate or regionally and their records are maintained interstate or regionally, the audit type may be adjusted to a desktop audit.

Site audits

Site audits take place on the RTOs premises and the RTO is given 10 working days' notice of the audit. The samples are provide at the audit and the RTO is given the opportunity to make comments on the audit report. This type of audit is most commonly undertaken for RTOs with a high risk profile.

Site audits are usually conducted over two days and involve at least two Departmental staff.

Spot audits

RTOs may be nominated for a spot audit when significant contractual issues are brought to the attention of the Department, including information or complaints received from external parties or as a result of the identification of serious issues or reporting anomalies identified by staff.

A spot audit takes place at the RTOs premises. In most circumstances, RTOs are provided with 24 hours' notice of a spot audit taking place. Generally, the audit is undertaken over three days and involves at least three Departmental staff.

Strategic audits

Strategic audits are undertaken to review the performance of multiple RTOs against an identified issue of wide concern or an issue warranting general assessment of training effectiveness.

Audit scope

The audit scope and criteria is based on the contractual requirements. RTOs recommended for a site audit will be subject to an audit of greater scope than those recommended for a desktop audit.

Frequency of audits

Contracted private RTOs can expect to be audited via either a desktop, site or selected to participate in a strategic audit at least once every two years or more frequently for RTOs rated as high risk. This means that most RTOs will receive at least one desktop and one site audit over a four year period.

Managing performance

The conditions of contract and associated policies and business rules provide guidance to RTOs on the expected standards of performance and also outline the processes for dealing with performance issues and disputes.

Where it is not possible to resolve a dispute or where an RTO continues to operate in contravention of the contract there are a range of sanctions available that can be applied at the discretion of the Department.

These include:

- withhold paying the service payment to the RTO;
- place the RTO on an action plan;
- restrict or change the number of student places allocated to the RTO;
- amend or remove the RTO's eligible delivery from designated preferred provider panels;
- suspend variations in all or some programs;
- not offer a contract extension; and
- terminate the contract of the RTO.

RTOs that have had their contract terminated may not re-apply in the next contracting round.

Appeals

RTOs may request a meeting with the Department at any time to discuss sanctions imposed. In circumstances where a contract is not extended or terminated, RTOs can appeal the Department's decision using the following process.

- Contacting the nominated Department representative identified in the Department's advice to the RTO to seek further guidance on lodging an appeal.
- Participate in a "show cause" meeting that allows the RTO to outline their case against the decision not to extend or terminate the contract. The appellant must be able to provide evidence that demonstrates:
 - that the reasons listed are incorrect, and/or
 - have been made on an incorrect interpretation of the information provided.
- If after the show cause meeting the Department upholds the original decision, the RTO has an opportunity to lodge an appeal if it is of the view that the Department has not followed due process in reaching this decision.
- The Department's appeal template is made available to the RTO following the "show cause" meeting as part of the notification letter. Appeals must be lodged within 14 days of the issue date of the post show cause notification letter.

Outcome measures

A focus on outcomes is an important part of the quality framework. This is achieved in two principal ways.

Completion rates

Student unit and course completion rates are reviewed as part of the process to monitor the ongoing performance of an RTO. Unit and course completion (rates) benchmarks have been identified for each program and are used to rank risk where the RTO's rates are either too high or too low against a program.

Surveys

Used to collect feedback from students and or employers and other stakeholders to validate audit findings and establish levels of satisfaction with private RTO performance. Feedback may include seeking information on the quality and quantity of training delivery, and to identify any concerns that students, employers and other stakeholders have regarding the performance and conduct of an RTO.

Information monitoring and exchange

The Department works closely, and has an MoU in place, with the WA Training Accreditation Council and ASQA for the exchange of information on the performance of contracted private RTOs.

In addition, the Department exchanges information and meets regularly with a range of other sector stakeholders including industry training councils, AASN providers, the Independent Tertiary Education Council Australia, the Commonwealth Department of Employment and other State and Territory Training Agencies to more effectively monitor the performance of contracted private RTOs.

Consumer information and support

Students must be supported and have the confidence to raise grievances or complaints about their training provider. Private RTOs contracted by the Department must have a student complaints management process in place.

Feedback can also be made directly to the Department via our website at dtwd.wa.gov.au/about-us#contact-us or by telephoning: 08 6551 5000.

Other agencies available to help students and other stakeholders include the following.

- National Training Complaints Hotline
- Western Australian Ombudsman
- Australian Skills Quality Authority
- Western Australian Training Accreditation Council
- Australian Competition and Consumer Commission

The Department also offers a wide range of other support for students, employers and other stakeholders to make informed decisions about study options and training providers that best meet their needs. For further information go to jobsandskills.wa.gov.au/training.

Contracted private RTOs can also access RTONET for the Department's communications and announcements and information sessions for RTOs are also held annually.

Jobs and Skills Centres

Western Australia's TAFE Jobs and Skills Centres are one-stop shops for careers, training and employment advice and assistance. Services are free, and accessible to all members of the community.

The centres are located on TAFE campuses, with additional outreach locations for regional areas.

Each of the centres is staffed by people who can provide free professional and practical advice on training and employment opportunities including careers advice, apprenticeship and training information.

Support services for employers and business, as well as specialist services for Aboriginal people, ex-offenders and people from a culturally or linguistically diverse background are also available.

For further information go to jobsandskills.wa.gov.au/jobs-and-skills-centres.

