



Government of Western Australia
Department of Training
and Workforce Development



Jobs and Skills WA

Quality framework for publicly funded private registered training organisations

June 2022



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.

As part of that system any provider who accesses government funding to deliver training must meet standards that address 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 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 State Government's commitment to quality assurance in training.



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 sets out the training needs of the State's industries and how those needs should be met by State Government investment in vocational education and training.
- [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 plays an important role in identifying WA's current and future, training and workforce development needs. While industry engages directly with the Department and provides annual input to the *WA Jobs, Education and Training (WAJET) Survey*, it also engages continuously with industry training councils and the State Training Board to address WA's training needs. The Department also maintains a wide array of labour market and training data to monitor the changing workforce situation.

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 skilled jobs in high demand areas of the Western Australian economy. Under Jobs and Skills WA, priority training includes priority industry qualifications and skill sets, apprenticeships, and eligible traineeships. 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/training-providers-and-schools
- dtwd.wa.gov.au/workforce-development
- www.stb.wa.gov.au

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, contractual and disclosure 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.

An RTO that meets these criteria and is subsequently contracted to a preferred provider panel for any of the program/s for a period of one year with up to two one-year extensions available. This is subject to funding, program availability, meeting required contractual and regulatory requirements and satisfactory performance.

A summary of the common and program specific criteria are outlined below. The current criteria is detailed in the 'Request' document which can be found on dtwd.wa.gov.au/vet-jswa.

Note: the Department reserves the right to vary any or all of these criteria when undertaking its procurement and contracting process. When a new tender is released, the request applicable to that tender is posted on Tender WA.

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. These documents can be found on dtwd.wa.gov.au/vet-jswa.

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

Mandatory requirements

RTOs must meet all of the following 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 with an Australian Business Number (ABN) on the Australian Business Register.
- Must give permission for the Commonwealth and State or Territory training authority, the Regulator (ASQA, TAC or VRQA) and NCVER to release data related to the RTO.
- Must provide Directors Identification number (effective of 30 November 2022)
- 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 Department's current payment table.

Note: Additional mandatory requirements may be included for the specific request. The request applicable to that tender will be posted on Tenders WA.

Summary of compliance and disclosure requirements

The following disclosure requirements are used to determine an RTO's suitability to be appointed to a provider panel.

Regulatory disclosure

- To provide details of the RTO's regulatory history including audit and evidence review history; and outcomes including any conditions, sanction or written direction applied, imposed or pending.
- To provide details of any Executive Officer of the RTO including the legally responsible officer's history where they have been employed with another RTO who has voluntarily withdrawn their registration or had their registration cancelled by the regulator.

Contractual disclosure

- To provide details of the RTO's (and/or its Executive Officers) contractual history in delivering training with the Commonwealth or other State or Territory training authorities, including any contractual compliance issues active or pending, or where contracts have been suspended, terminated or cancelled.
- To provide details on associations with the RTO (acting as an agent or trustee for another organisation or person; or acting jointly or in association with another organisation or person).
- To provide details of relevant insurances or be prepared to obtain the required insurances if awarded a contract.

Financial disclosure

To provide information in relation to the RTO and/or their Executive Officers, which includes details of the following.

- Previous legal action, prior business failure, liquidation (winding up / receivership / administration), declared bankruptcy or held the status 'undischarged bankrupts'.
- Shared ownership or operational structure with, and/or any financial interests in, other RTOs operating in or outside of WA.
- Capacity to offer or intent to apply for Commonwealth VET Student Loans.
- Any conflict or perceived conflict of interest in submitting a response.
- Any criminal conviction or adverse Australian Competition and Consumer Commission (ACCC) finding(s).
- Relationships with organisations that hold a contract with an Australian Apprenticeship Support Network (AASN) or a Commonwealth contract that funds training services.

Note: Financial disclosures are substantiated by an external agency.

Organisational disclosure

To provide information about the organisation and related RTO to include details on:

- Membership with the Independent Tertiary Education Council Australia (ITECA).
- The type of business, (Aboriginal or Torres Strait Islander owned business, registered as a not for profit organisation).
- The student management system used.
- Contracts with the Commonwealth to deliver programs that fund the same or similar training and/or support services as those offered within the WA Governments framework for subsidised training.

Summary of funded programs

The Department provides funding to RTOs to deliver vocational education and training that meets the State's priorities under the following programs.

Apprenticeships

An apprenticeship is an employment-based training program with a combination of on the job and off the job training, where the apprentice gains hands-on skills and knowledge.

Apprenticeships typically take three or four years to complete and traditionally cover skilled trade areas such as engineering and metal fabrication, automotive and mechanical, construction and building and electrical specialisations; as well as hairdressing, landscaping, hospitality and cookery.

Upon successful completion, apprentices become a qualified tradesperson.

Traineeships

A traineeship is an employment-based training program with a combination of work and structured training in non-trade related areas.

Traineeships can take between one to two years to complete and offer a broader range of vocational and occupational choices such as multimedia and information technology, sport and fitness, agriculture, music, aged care, civil engineering and business.

Upon successful completion, a trainee will receive a nationally recognised qualification in their chosen vocational area.

Priority industry training

This institution-based training program focuses on existing workers and makes available a range of qualifications that address priority industry needs of the State through a non-employment-based training pathway. The qualifications offered may be delivered in any region throughout WA.

Participation

This institution-based training program focuses on the delivery of training for those sections of the population that are under-represented in the workforce and face barriers to mainstream training arrangements.

The program is divided into two sub-programs.

Participation–Work Readiness

This sub-program aims to assist unemployed people who are job ready, seeking the relevant skills and experiences to access meaningful work so they can participate fully in the workforce.

Participation–Equity

This sub-program aims to assist unemployed people who have barriers accessing mainstream training to become job ready, so they can participate fully in the workforce. The eligible target groups under this program are; Aboriginal and Torres Strait Islanders; culturally and linguistically diverse (CaLD); people with disabilities, and youth at risk.

The program has a targeted approach to recruiting students from the eligible target groups via referrals from an approved referral agent. These referral agents are organisations that offer support services to individuals including the Disability Services Commission, selected Job Active providers, Jobs and Skills Centres, and community-based organisations.

Program-specific criteria

In addition to entry or pre-qualification requirements summarised previously, RTOs must meet a set of program specific criteria. The criteria are used to assess the RTOs' understanding and capacity to deliver training in the program (refer above) they are applying for.

A summary of the program specific criteria are outlined below. The current criteria is detailed in the 'Request' document which can be found on dtwd.wa.gov.au/vet-jswa.

Demonstrated understanding of the target group and market

- To provide details of the relationship the RTO has in place with key bodies/associations to establish and maintain an understanding of industry and target groups training needs in the region and qualification the RTO intends to deliver.
- For the apprenticeship and traineeship programs, to describe the key strategies the RTO will use to engage with employers and encourage them to employ apprentices / trainees in the selected region.
- For participation programs, to describe the RTO's experience over the past two years in providing training to jobseekers and/or equity target group(s).
- For priority industry training programs, to describe the engagement and retention strategies the RTO will use to meet the training need of the target group.

Demonstrated capacity to deliver the training

- To provide details of the training facilities, resources and support services the RTO has or can access and make available within WA in the region where the training is to be delivered.

Demonstrated training and delivery arrangements

- Provide details of the proposed training program including how it will be developed, implemented and managed.
- For the apprenticeship and traineeship programs, to provide details of workplace visits and the arrangements the RTO will put in place to keep the employer informed of the students' progress during the training contract.
- For the participation and priority industry training programs, to provide details of:
 - strategies for monitoring and supporting student progression over the course of the qualification and specific strategies for those students experiencing difficulties; and
 - the standard training program for the qualification requested. To include the anticipated actual hours of training, mode of delivery, expected number of days of training per week, duration of the training program and staff to student ratio.

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 private RTOs are supported and monitored to meet the requirements of the contract.

Contract management and compliance includes the following key components.

Contract management

Contracted private RTOs 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:

- funding levels in current/previous calendar year;
- funded 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 (i.e. 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 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 provided 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 unanticipated risk or suspected unacceptable behaviour on the part of the RTO. The audit predominately focuses on the identified issues that require further investigation.

A spot audit takes place at the RTOs' premises and the RTOs are provided limited notice. 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 three-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 an RTO is found to be in contravention of the contract, responses are formulated proportionate to the level and severity of the contravention. The response is informed by the following factors.

The attitude and accountability of the RTO

- Willingness to comply and work with the Department to resolve issues and concerns.
- Ability to identify and implement changes to minimise the risk of reoccurrence.

Previous history

- Past history and performance including Regulatory compliance and patterns of any non-compliance.
- The likelihood of the non-compliance continuing or reoccurring.
- Level of support and guidance provided by the Department.

Impact, Risk or Harm

- Whether the non-compliance was isolated, systemic or intentional.
- The advantage as a result of the non-compliance (Financial gain, benefit, competitive advantage).
- Whether the RTO is delivering 'high risk' training products.
- Whether the RTO is delivering to cohorts identified as having barriers to training.
- The impact or risk to the student.

The Department's response to identified contract performance or compliance issues range from providing education and support; reminders notices; breach and default notices to placing the RTO on an action plan.

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:

- restrict or change the number of student places allocated to the RTO;
- reduce, recover or withhold funding;
- 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.

Contracted RTOs may request a meeting with the Department to discuss sanctions imposed and outline their case against the decision or to seek additional information or explanation as to why the decision to impose the sanction was made.

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. Benchmarks have been identified and are used to determine the RTO's performance against each program.

Surveys

Surveys are used to collect feedback from students and/or employers and other stakeholders to establish levels of satisfaction, quality of training and the contractual performance of the RTO.

Information monitoring and exchange

The Department works closely, and has a Memorandum of Understanding (MoU) in place, with the WA Training Accreditation Council (TAC) and Australian Skills Quality Authority (ASQA) for the exchange of information on the performance of contracted private RTOs.

In addition, the Department exchanges information 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. Contracted private RTOs 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 TAMS RTO portal 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 available.

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

