

TAC Risk Management Policy for at Risk RTO's

Background

The majority of Western Australian Registered Training Organisations (RTOs) have made a significant commitment to establishing and maintaining their obligations against the Australian Quality Training Framework 2007. However, from time to time RTOs are identified, through the Council's established auditing processes, as presenting a significant risk due to their high level of non-compliance with the Essential Standards for Registration.

When RTOs are identified as having a high level of non compliance, students, clients and often employers may be at significant risk of receiving poor quality training and/or being disadvantaged in the event that the RTO is de-registered or their registration is not renewed.

This policy outlines the process for identification of "At Risk RTOs" and the risk management responses (risk responses) that will be implemented by the Council to minimise risks to students and VET clients in the event that significant non compliance with the AQTF 2007 Essential Standards for Registration are identified. RTOs that are in receipt of public funding from the Department of Education and Training's User Choice or Competitively Allocated Training (CAT) programs should refer to the [Joint Risk Management Policy for At Risk RTOs in Receipt of Public Funding](#).

Scope of Policy

The policy is applicable to all Registered Training Organisations registered by the Training Accreditation Council.

Definition of an At Risk RTO

For the purpose of this policy, an "**At Risk RTO**" is defined as:

A Registered Training Organisation that is registered by the Training Accreditation Council in Western Australia, that, following audit through the established Council process, has been assessed in line with the *AQTF 2007 National Guidelines for Managing Non-Compliance*, to have an overall level of compliance within one of the following categories:

- *Significant non-compliance* – The requirements of the AQTF 2007 Essential Standards for Registration have not been met based on the evidence reviewed and there are indications of a significant adverse impact on learners and /or other consumers of goods and services produced in the training environment or the current (or future) workplace; or,
- *Critical non-compliance* – The requirements of the AQTF 2007 Essential Standards for Registration have not been met based on the evidence reviewed and a critical adverse impact on learners and/or consumers of goods and services produced in the training environment or the current (or future) workplace is occurring or has occurred.



Policy Statement

The Training Accreditation Council Secretariat will identify “At Risk RTOs”, as defined in this policy. Following identification, a risk assessment process will be undertaken to determine the appropriate risk responses to be recommended to the Council to ensure that risks to students and clients are minimised.

RTOs will be required to implement risk responses as directed by the Council. Failure by an RTO to implement the risk responses may impact on the RTO’s registration with the Council.

In line with the principles of natural justice, RTOs will be provided with the opportunity to respond to audit findings and provide further evidence of compliance for consideration, prior to any risk responses being implemented by the Council.

RTOs will receive notification of the risk responses to be implemented, and the duration that they must be implemented as determined by the Council.

Risk Responses

Risk Responses are the actions that may be taken by the Council against an RTO in response to audit findings of an AQTF audit in order to minimise the risk to students. RTOs should be aware that the risk responses may be implemented prior to the final Council determination on their registration status.

The following table outlines the range of Risk Responses that may be implemented by the Council following an established Risk Assessment Process. The Council’s authority to implement the risk responses is provided by the *Ministerial Guidelines for Registered Training Organisations issued under Section 13 of the VET Act 1996*.

Risk Response

Direction by the Council to take immediate rectification action where evidence indicates there may be risk of injury or death to people in the training environment or the current (or future) workplace
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Consideration by the Council that the RTO cease further enrolments, including the registration of Apprentices and Trainees until such time as the identified non-compliances are addressed to the satisfaction of the Council.
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The RTO must provide a Statement of Attainment for all currently enrolled students to the Training Accreditation Council. The Statement of Attainment must include all units of competence achieved by the student with the RTO.
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The RTO must provide current contact details for enrolled students to the Training Accreditation Council.

The RTO must provide a student record transfer plan outlining arrangement to transfer student records to the Training Accreditation Council in the event that the RTO is de-registered or registration expires.

Risk Responses implemented by the Council must be adhered to by the RTO until such time that identified non-compliances against the *AQTF 2007 Essential Standards for Registration* are addressed to the satisfaction of the Council.

Risk Assessment Process

The risk assessment process will determine the level of risk responses to be recommended to the Council and is primarily based on the identified non-compliance category. A Standard Risk Response Schedule (Attachment 1) will form part of the risk assessment process.

The risk assessment process will include:

- Determination that the RTO is classified as an “At Risk RTO” as defined in the policy;
- Consideration of the risk responses applicable to the RTO as outlined in the Standard Risk Response Schedule; and
- Consideration of supplementary factors specific to the RTO including: the history of the RTO; Scope of Registration; the number of students enrolled; and whether the training leads to a regulatory or licensing authority outcome.

Following the risk assessment process, the recommendations will be forwarded to the Council for consideration and decision.

Where the recommended risk responses vary from those outlined in the Standard Risk Response Schedule an explanation of the information considered and reason for the decision must be provided to the RTO.

Implementation and Notification of Risk Responses

Implementation

- In the event that an RTO is identified as having a Critical level of non-compliance and in extreme situations where evidence from audit may indicate risk of injury or death to people in the training environment or the current (or future) workplace the RTO will be required to take immediate rectification action.
- All other Risk Responses outlined in this policy may only be implemented if, following the Review of Evidence, the RTO remains non-compliant with the *AQTF 2007 Essential Standards for Registration*.
- The Council may implement all other Risk Responses at any time following receipt of the Council *Evidence Review Report* by the RTO.
- RTOs should be aware that the risk responses may be implemented prior to the final Council determination on their registration status.

Notification

Notification of the requirement for an RTO to implement Risk Responses will be provided in writing from the Council to the RTO.

Supporting Documents

For a comprehensive understanding of the arrangements for the risk management of At Risk RTOs, the *Joint Risk Management Policy* should be read in conjunction with:

- *The Vocational Education & Training Act 1996 (VET Act 1996)*;
- *Ministerial Guidelines for the Registration and de-registration of training providers, accreditation of courses and recognition of skills and qualifications in Western Australia -issued under section 13 of the VET Act 1996 (Ministerial Guidelines for RTOs)*;
- *AQTF 2007 National Guidelines for Risk Management*;
- *AQTF 2007 National Guidelines for Managing Non-Compliance*; and,
- *AQTF 2007 Essential Standards for Registration*.

Attachment 1

STANDARD RISK RESPONSE SCHEDULE

The following schedule outlines the Standard Risk responses applicable to RTOs by non compliance category

Risk Response	Significant non compliance	Critical non compliance
Direction by the Council to take immediate rectification action where evidence indicates there may be risk of injury or death to people in the training environment or the current (or future) workplace		◆
Consideration by the Council that the RTO cease further enrolments, until such time as the identified non-compliances are addressed to the satisfaction of the Council.	◆	◆
The RTO must provide a Statement of Attainment for all currently enrolled students to the Training Accreditation Council. The Statement of Attainment must include all units of competence achieved by the student with the RTO.	◆	◆
The RTO must provide current contact details for enrolled students to the Training Accreditation Council.	◆	◆
The RTO must provide a student record transfer plan outlining arrangement to transfer student records to the Training Accreditation Council in the event that the RTO is de-registered or registration expires.		◆