



Training Accreditation Council

Annual Regulatory Strategy

2017-2018

RISK MANAGEMENT

Quality vocational education and training (VET) outcomes are fundamental to the development of a skilled workforce. As a VET regulator, the Training Accreditation Council's (TAC) primary role is to assure the quality of training services delivered in the VET sector in Western Australia through the effective regulation of providers and accredited courses.

TAC's risk management approach applies appropriate and proportionate regulatory responses achieved through the management of risk at two levels – provider risk and systemic risk - enabling a focus on RTOs or sectors deemed to pose the highest risk to quality outcomes.

Provider Risk - data informing provider risk is collected from a number of sources, specifically audit outcomes, complaints, information sharing and collaboration with key stakeholders such as the State Training Authority, other VET Regulators and Industry Regulators. RTOs demonstrating patterns of poor compliance present a high risk to quality training and assessment outcomes and continues to be an area of concern and key focus for TAC.

Systemic Risk - systemic risks are those risks that impact the sector as a whole, or trends in data highlight an issue impacting on a group of providers, or particular training products, or specific industry areas. Outcomes from complaints, industry engagement activities, collaboration and information sharing with a range of stakeholders provides data to inform TAC's regulatory responses to identified systemic risk.

PURPOSE OF THE ANNUAL REGULATORY STRATEGY

The purpose of the Annual Regulatory Strategy is to inform stakeholders about the priorities TAC has agreed to focus its regulatory efforts on during 2017-2018. The focus includes increased transparency to motivate RTOs to improve compliance levels and foster a culture of good practice whereby students, employers, industry and the wider community will have confidence in VET outcomes.

The Annual Regulatory Strategy has been prepared in line with TAC's [Risk Framework](#) and informed by a range of sources, including outcomes of complaints, engagement with industry (including industry regulators), cooperation with other VET regulators and State and National education and training agencies, and the outcomes of TAC's audit activity. Specific areas of actual and potential risk are analysed and appropriate risk responses are formulated. While there are many risk areas, TAC has identified those areas posing the highest risk to the VET sector.

This document provides stakeholders with information about a range of focus areas. Although publication occurs annually, risks are identified and appropriate regulatory responses are considered and actioned by TAC on an ongoing basis, and may be in addition to those risks published within this document. In these cases, regulatory response strategies impacting on a broad sample of RTOs in response to systemic risk will be announced via TAC's established communication strategies, eg TAC Special Bulletin.

AREAS OF FOCUS

During 2017-2018, TAC will focus on timely identification and management of provider and systemic risk issues deemed to pose the highest risk to quality training outcomes. Areas of focus for 2017-2018 include:

Training Products

- **Community Services**

Audit data has identified high levels of non-compliance across the community services industry area. Coupled with recent changes to legislation in early childhood education and care and significant changes to Training Package requirements across aged, home and community care there will be a focus on applications across these industry areas.

All applications to add the qualifications *CHC50113 Diploma of Early Childhood Education and Care*, *CHC30113 Certificate III in Early Childhood Education and Care*, and *CHC33015 Certificate III in Individual Support* (or their successors) will require a site audit.

- **Construction**

Changes to assessment requirements together with industry concerns about the quality of training and assessment practices linked to the unit of competency *CPCCWHS1001 Prepare to work safely in the construction industry* (linked to the issuance of the 'White Card') has been identified as a risk area. A review of training and assessment practices and additional regulatory scrutiny will be undertaken against this unit of competency during this period.

- **Security Operations**

Industry concerns has identified *CPP20212 Certificate II in Security Operations* as an area of high risk. In partnership with industry, an analysis of the issues linked to the qualification will be undertaken during this period, which may result in a targeted regulatory response strategy.

- **Training and Education**

The Training and Education Training Package sets the foundation for the effective and efficient delivery and assessment of all VET qualifications and without a robust and relevant training and assessment qualification, all VET training and assessment is at risk. TAC will continue to apply regulatory scrutiny on qualifications from the Training and Education Training Package. Specific regulatory requirements are set out in the [Standards for VET Regulators 2015](#), the [Standards for Registered Training Organisations \(RTOs\) 2015](#) and published on the [TAC website](#).

- **Units of competency leading to the issuance of High Risk Work Licenses (HRWL)**

In response to industry and stakeholder concerns and outcomes from TAC [Strategic Industry Audit](#) initiatives, all applications to add units of competency linked to the issuance of HRWLs will require a site audit.

Standards for RTOs

- **Marketing and governance**

A number of reviews at both the State and National level have identified that the marketing practices of RTOs and the ongoing governance arrangements within an RTO play a significant role in ensuring that the organisation is providing a quality product within the training sector. Non-compliance with the *Standards for RTOs* that relate to these areas have contributed to the disadvantage of students and industry when they have enrolled in courses that have not met expectations due to poor management or through practice not reflecting the course marketing and promotional material. TAC also receives a high volume of complaints relating to RTO marketing practices. In response to these identified risks an audit of the governance structure and marketing practices of RTOs will be undertaken.

- **Amount of training**

Complaints data, concern raised by stakeholders and national reviews raise concern about RTOs providing a sufficient amount of training to learners to achieve unit of competency requirements. TAC will continue to apply a focus on amount of training (Clause 1.1, 1.2) during audits, including a continuation of education strategies in this area.

- **Assessment practices**
Adequate and appropriate training and assessment to determine learner competence is essential to a quality VET system. Intelligence gained from industry consultation and audit data indicates continuing concern around assessment practices, particularly where assessment is conducted in the workplace, online or via a Recognition of Prior Learning process. TAC will continue to apply a focus on assessment (Clause 1.8) during audits, including a continuation of education strategies in this area.
- **Trainer and assessor vocational competence and industry currency**
Stakeholder concerns and audit data has informed a focus on trainer and assessor vocational competence and industry currency requirements. This focus will include the continuation of education strategies in this area, with an emphasis on Clauses 1.13 and 1.14 during audits.

Other

- **VET in Schools (VETiS)**
A TAC [Strategic Industry Audit](#) conducted in 2014 and a recent review by the [WA Auditor General in 2016](#) reported a number of issues in relation to VETiS. Outcomes of industry consultations continue to support concerns raised in both reviews. In partnership with relevant stakeholders, a further analysis of the issues linked to VETiS arrangements and compliance against the *Standards for RTOs* will be undertaken during this period.

EDUCATION PROGRAM

Education is an important regulatory strategy to encourage and promote compliance. TAC will continue to deliver an education program that builds capability and understanding of RTOs and their staff to meet their obligations in regard to the *Standards for RTOs*.

A range of relevant and practical information to support RTO business improvement and compliance practices is provided through professional development opportunities and the provision of guidance material. In particular, this includes:

- professional development opportunities via the delivery of targeted workshops on topics linked to the *Standards for RTOs*;
- extending and updating the suite of TAC Fact Sheets;
- presentations at State and National VET forums, conferences and other relevant events as and when opportunities occur; and
- continuing to publish up-to-date and relevant information and guidance materials on the TAC website to support RTOs in their understanding of requirements set out in the *Standards for RTOs* and TAC's regulatory approach.

COMPLIANCE RECOGNITION PROGRAM

The Council has a strong commitment to reducing the regulatory burden for providers that consistently demonstrate compliance with the requirements for RTOs in WA. This program is designed to reduce the regulatory burden for providers that consistently demonstrate compliance with the requirements for RTOs in WA and provides a degree of flexibility by removing the requirement for RTOs to submit applications or fees to the Council for amendment activity. For further information and eligibility details, visit www.tac.wa.gov.au.

TAC is committed to responding to State based priorities and risks in a timely manner. Provider and systemic risk is variable and influenced by a range of risk factors. Accordingly, the nature and scope of TAC's regulatory responses will vary according to the nature and severity of the potential consequences should the risk be left untreated. Further information about TAC's risk approach is contained within the [TAC Risk Framework](#).