



Training Accreditation Council
WESTERN AUSTRALIA

Training Accreditation Council Annual Report

2013-2014

Hon Dr Kim Hames MLA

MINISTER FOR TRAINING AND WORKFORCE DEVELOPMENT

In accordance with Section 30 of the Vocational Education and Training Act 1996 I submit, for your information and presentation to Parliament, the Annual Report of the Training Accreditation Council for the period 1 July 2013 to 30 June 2014.

A handwritten signature in black ink, appearing to read 'Ian C Hill', with several overlapping strokes.

Ian C Hill
CHAIRMAN
TRAINING ACCREDITATION COUNCIL

12 September 2014

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1. EXECUTIVE SUMMARY

1.1 ABOUT THIS REPORT

This report fulfils the requirements of Section 30(1) of the *Vocational Education and Training (VET) Act 1996* (the Act) by reporting on the operations of the Training Accreditation Council (the Council) to the Minister for Training and Workforce Development for the period 1 July 2013 to 30 June 2014.

The Annual Report aligns to the Council's Business Plan which is prepared on a financial year basis and reflects its regulatory responsibilities under the Act and the Australian Quality Training Framework (AQTF). Where possible, data for the 2013-2014 reporting period and previous reporting periods have been provided to allow a comparative assessment of the activities and achievements of the Council.

The report comprises:

- **Executive Summary** – this report includes:
 - the Chairman's report - an overview of the operation of the Council
 - major achievements and highlights for 2013-2014
 - significant issues including current/emerging issues that impact/may impact upon the Council's workload.
- **Introduction** - Council at a glance – an overview of the Council's guiding principles, functions, membership, planning and reporting framework, context in which the Council works and fees and charges.
- **Performance against Key Priority Areas** – an overview of the Council's performance from 1 July 2013 to 30 June 2014. This section of the report relates to the key areas of priority from the Council's Business Plan 2011 to 2014 and its achievements against them. The four key priority areas of the Council are identified below:
 - legislation and compliance
 - communication and evaluation
 - collaboration and engagement
 - quality processes and services.

The Council has aligned its key priority areas and guiding principles to meet the State Government's goal of **results-based service delivery: greater focus on achieving results in key service delivery areas for the benefit of all Western Australians**. In doing this, the Council demonstrates its commitment to achieving the best opportunities for current and future generations in Western Australia (WA).

1.2 CHAIRMAN'S REPORT

I am pleased to present to you the Training Accreditation Council's 2013-2014 Annual Report. During the reporting period, the Council continued to provide a range of services to manage the quality assurance of VET in WA.

In executing its functions, the Council risk assessed 347 applications and undertook 323 audits of Registered Training Organisations (RTOs), endorsed 99 initial and renewal of registration applications and accredited or re-accredited 56 courses. The Council continued to focus on delivering products and services to manage and improve the quality of VET in WA.

As the training sector enters a period of significant change, assurance to the community of the quality of training is essential. The robust risk based regulatory approach taken by the Council continues to ensure that the majority of training organisations are operating in accordance with the requirements for quality training provision and that areas identified as presenting a risk are thoroughly reviewed.

The Council has continued to work collaboratively with all VET Regulators following the establishment of the national VET regulatory arrangements, to ensure the quality of training in WA is regulated effectively. This has been strengthened and formalised through the adoption of a Memorandum of Understanding signed by the Australian Skills Quality Authority (ASQA), the Victorian Registration and Qualifications Authority (VRQA) and the Council.

In 2013-2014, work was completed on the review of WA legislation to ensure consistency across legislative frameworks and between VET regulators. The legislative amendments were introduced in early 2014 and bring the regulatory scheme for WA based providers closely into line with the national VET Regulator. The amendments included further alignment of WA fees and charges to those applied by other VET Regulators, ensuring a nationally consistent fee model was applied to all RTOs operating in WA.

During 2013-2014, Council has actively worked with the Commonwealth Government to progress a number of national priorities. A major focus for Council has been the national review of the regulation of VET including the development of draft Standards, encompassing both RTO and regulator standards. WA actively participated in the review by providing feedback, making submissions, attending national meetings, and its membership on the national taskforce.

In early 2014, the Council of Australian Government (COAG) announced new arrangements for the national VET sector, including establishing the COAG Industry and Skills Council. One of the key priorities for action was a new review of the standards for VET regulation. In June 2014, the Commonwealth government released proposed draft standards for RTOs and VET Regulators for consultation. The new standards signal a number of proposed changes, and are expected to be endorsed and implemented within the next reporting period, and will be a key focus of the Council.

In addition to the State and national reviews underway, the work of the Council has focused on the key areas of: ongoing regulation of the WA VET sector; communication with stakeholders and feedback; strengthening its relationship with industry stakeholders; and identifying risk in specific areas.

In June 2014, the Council finalised a survey of its key stakeholders including RTOs as part of its commitment to communicate effectively with stakeholders and to gather appropriate information to enhance its regulatory functions. An external organisation Australian Survey Research Pty Ltd was engaged to conduct the independent survey of stakeholders. Overall, Council was seen as an effective regulator with positive client interactions, with the case management model appreciated by stakeholders. Other identified strengths included client interactions and communication with Council and the Secretariat, and the majority of RTOs also indicated audits added value to their business.

During 2013-2014, a review of the Council's electronic communication media was completed. The review focused on the functionality, accessibility and content of the existing website. As a result, the Council in May 2014 launched a new website which provides a more user friendly platform for stakeholders to access relevant Council information.

An outcome of the work with key stakeholders has been the identification of significant areas where industry stakeholders have raised concern with the quality of VET provision. During 2013–2014, work was undertaken to progress two strategic industry audits (SIA) endorsed by the Council. The focus of the two (2) audits included delivery of VET in Schools and qualifications required for work in the Aged Care and Home and Community Care industry.

The Council would like to extend its appreciation to the Training Accreditation Council Secretariat of the Department of Education Services (DES) for their dedication, assistance and on-going professional conduct provided in supporting the work of the Council.

The new Standards for VET regulation will provide a number of challenges for the VET sector over the next 12 months. The Council is committed to working collaboratively with the Commonwealth government and VET Regulators to ensure outcomes from the review are implemented and managed effectively. The Council is confident that WA is well positioned to implement any new arrangements, while continuing to provide quality VET outcomes, and would like to acknowledge the ongoing commitment of WA RTOs in ensuring the quality of the WA training system.

Ian C Hill
CHAIRMAN
TRAINING ACCREDITATION COUNCIL

12 SEPTEMBER 2014

1.3 2013-2014 HIGHLIGHTS

Major achievements and key activities for 2013-2014

The Council:

- endorsed 99 initial and renewal of registration applications
- approved a total of 56 courses for accreditation and re-accreditation
- undertook 323 audits, comprising 36 initial and 74 renewal of registration audits; 36 accreditation reviews; 68 monitoring audits and 109 extension to scope audits
- conducted 347 risk assessments of RTO applications. Of the 347, 33% (116) did not require an audit and 67% (231) required either a desktop and/or site audit
- continued its focus on engaging and involving stakeholders and peak bodies in matters related to quality assurance and recognition arrangements
- conducted 70 information sessions related to the AQTF, with participants from across WA attending. Sessions focused on the requirements of becoming an RTO and industry requirements
- finalised the SIA of the Aged Care Industry qualifications. The SIA was conducted in two stages with the Stage 1 completed in 2013 and the final report published in September 2013. The Stage 2 report including recommendations was endorsed by Council in April 2014. Work has continued on the implementation of the recommendations from the reports
- strengthened its relationship with key industry and regulatory bodies in WA, with a focus on industry engagement, quality assurance outcomes, streamlining of audit processes, and promoting a consistent approach to regulation within the VET environment. Representatives from various regulatory authorities also participated as technical advisers in Council audits
- agreed in June 2014 to a revised Industry Engagement Framework which will result in a more cohesive approach and will operate at both a strategic and operational level
- sponsored the 2013 'Trainer of the Year Award' category of the WA Training Awards
- launched the Council's new Website in May 2014 following a review of its current electronic communication media. The review focussed on the functionality, accessibility and content of the existing Website. The new Website provides a more user friendly platform for stakeholders and access to relevant information.

1.4 SIGNIFICANT ISSUES IMPACTING ON COUNCIL

A number of significant current and emerging issues exist that could impact on the Council's ability to achieve its key priorities in 2014-2015. Issues identified include:

- **Review of regulatory framework in WA** – in June 2014, the Commonwealth Minister for Industry released new draft Standards for the Regulation of VET. The draft Standards encompass both RTO and VET Regulator standards and are expected to be endorsed within the 2014 – 2015 reporting period. The implementation of the new standards will be a key focus for the Council during that period.

During 2014-2015, the Council will also adopt a regulatory framework which will align to the outcomes of the review of VET regulation, including responding to specific VET reforms relevant to WA.
- **Working relationship with VET Regulators** - a key focus for the Council in 2014-2015 will be the continuation of the existing collaborative working relationship with ASQA, both at a state and national level, and the VRQA, ensuring that the quality of training in WA is managed and regulated effectively, with minimal impact for WA RTOs. Of particular importance will be the implementation of the new Standards for VET Regulation including communication with WA based RTOs and the consistent application of the new Standards across VET Regulators.
- **Legislative amendments** – as a result of the release of the new draft Standards for VET Regulation in late June 2014, a review of the WA legislation will be undertaken to determine if further legislative amendments are required to ensure a consistent regulatory environment for the WA VET sector.
- **Strategic Industry Audits (SIAs)** – Significant progress has been made on the SIA of VET in Schools in WA. The SIA has been a major undertaking for Council and is expected to be finalised in late 2014. The outcomes from the SIA will be a key focus for Council during the 2014-2015 reporting period. It is anticipated that further SIAs will be announced by Council as part of its planning processes in 2015.

2. INTRODUCTION - the Council at a glance

The Council delivers a client-focussed regulatory service for the vocational education and training sector in WA through quality assured registration and accreditation services.

2.1 GUIDING PRINCIPLES

The Council has developed guiding principles that communicate to the Council's stakeholders the way in which the Council intends to undertake its business. The Council's guiding principles underpin the commitment of the Council to:

- be open, accountable and transparent
- be clear on its role as a regulatory body
- embed an outcomes focus
- be fair and equitable
- maintain a culture of continuous improvement
- communicate clearly and concisely.

2.2 MEMBERSHIP

The Council has seven (7) members who are appointed by the Minister for Training and Workforce Development in accordance with the *Vocational Education and Training Act 1996*. Members are selected on the basis of their expertise, qualifications and experience relevant to the Council's functions.

For the reporting period, the members were:

Mr Ian Hill, Chairman

Ms Elisabeth Harris, Challenger Institute of Technology

Miss Janelle Dawson, Sterling Business College Pty Ltd

Dr Irene Ioannakis, Ioannakis and Associates, GE Oil and Gas

Mr Iain McDougall, Hospitality Group Training (WA) Inc

Mr Ron Dullard, Consultant

Ms Debra Goostrey, Urban Development Institute of Australia (WA Division).

2.3 FUNCTIONS OF THE TRAINING ACCREDITATION COUNCIL

The Council's functions are detailed in Part 4 and 7A of the *Vocational Education and Training Act 1996*. They focus on quality assurance and recognition in respect to vocational education and training in WA.

Under the Act, the functions of the Council are to:

- register training providers
- accredit courses.

In discharging its functions, the Council may also:

- inquire into training providers and courses
- vary, suspend or cancel registration
- vary, suspend or cancel accreditation
- cancel qualifications.

Provision for appeals against Council decisions is available through the State Training Board under section 58G of the Act.

2.4 THE CONTEXT IN WHICH THE COUNCIL WORKS

The Council is an independent statutory body that provides for quality assurance and recognition processes for VET in WA. The Council operates within the National Skills Framework and is the WA Registering Body and Course Accrediting Body under the AQTF.

The AQTF is a set of nationally agreed quality assurance arrangements for training and assessment services delivered by training organisations and also comprises of Standards for the accreditation of courses.

The AQTF comprises:

- a) *AQTF Essential Conditions and Standards for Initial Registration*
- b) *AQTF Essential Conditions and Standards for Continuing Registration*
- c) *AQTF Standards for State and Territory Registering Bodies*
- d) *AQTF Standards for Accredited Courses*
- e) *AQTF Standards for State and Territory Course Accrediting Bodies.*

The Council is responsible for ensuring compliance with the relevant standards and for complying with both the AQTF Standards for State and Territory Registering and Course Accrediting Bodies.

2.5 VET REGULATORY ARRANGEMENTS IN WESTERN AUSTRALIA

In Western Australia two (2) VET Regulators, the Training Accreditation Council and the national VET regulator (ASQA) have responsibility for the regulation of providers. This arrangement resulted from the COAG decision in late 2009 to endorse the establishment of a national regulator for the VET sector through the referral of State powers to the Commonwealth.

WA has adopted an approach that differs to that of other jurisdictions. Whilst WA is committed to ensuring effective national regulation of the VET sector and has agreed to participate in the national system, it has continued to regulate those providers who operate only in this State (the majority of providers in WA) through the Council. In January 2014, the WA Government enacted legislation that mirrors the Commonwealth arrangements creating a nationally consistent regulatory environment.

The WA Government considers it important to maintain a balance between national consistency and State responsibility. The arrangement in WA allows the State to be responsive to State based priorities and risks and to receive on-going reports on the health of VET providers operating in WA. It also allows intervention in line with public expectations and within a timely manner on matters relating to sub-standard performance of providers.

2.6 PLANNING AND REPORTING FRAMEWORK

In order to carry out its functions, the Council uses an outcomes based planning and reporting framework.

The framework consists of a Business Plan for the Council that is prepared on a three year basis (from 2011–2014) and reviewed annually. The framework also consists of a corresponding operational plan for the support services provided by the DES and an Annual Report on the achievements of the Council. In addition, the Council also reports on VET regulation related outcomes at a national level each year.

This approach ensures comprehensive monitoring and reporting of the Council's achievements against the key priorities and provides a sound methodology for monitoring progress against the respective business and operational plans.

2.7 ARRANGEMENTS FOR AUDITORS AND ACCREDITATION REVIEWERS

The current RTO Auditors and Accreditation Reviewers Panels were appointed through a public tender process and commenced on 1 September 2011. The panels were appointed for a one (1) year period with three (3) one (1) year extension options available. In addition, the panel was extended in July 2012, through a further public tender process, following a review of future work requirements.

The primary role of the auditors is to undertake audits of RTOs to determine compliance with the AQTF. Accreditation Reviewers assist the Council to evaluate submissions for accreditation to ensure that they reflect the requirements of the national standards. Auditors and Accreditations Reviewers appointed to the panel are shown in Table 1.

Table 1: Panel of auditors and accreditation reviewers as at 30 June 2014

PANEL	AUDITOR	COMPANY
RTO Auditors	Allison Burnett	Specialised Training Solutions
	Mairead Dempsey	Assessment Training and Research Consultancy Services
	Russell Docking	Skills Resource Management Systems
	Cherrie Hawke	Torque Holdings Pty Ltd
	Julie Large	JAL Enterprises
	Helen McCarter	Helen McCarter Consultant
	Sharon Stewart	LCN Training Solutions
	Pam Vlajsavljevich	Pam Vlajsavljevich
	Claire Werner	The Meyvn Group
Accreditation Reviewers	Mairead Dempsey	Assessment Training and Research Consultancy Services
	Russell Docking	Skills Resource Management Systems
	Cherrie Hawke	Torque Holdings Pty Ltd
	Lourdes McCleary	Lourdes McCleary Consultant

The DES, on behalf of the Council, implements a performance management model for the panel of external auditors and accreditation reviewers. Under this model, the DES provides moderation activities to ensure consistency in the approach to RTO audits and reviews of accreditation applications. All contracted auditors and accreditation reviewers are required to attend these moderation forums.

During the reporting period three (3) auditor moderation forums and one (1) accreditation reviewers' forum were conducted. The forums provide auditors and reviewers with briefings and updates on State and national developments, moderation activities and the opportunity to network and develop an agreed approach for the conduct of audits and reviews. In addition to the scheduled forums, panel members also attended additional professional development opportunities including the Accountable and Ethical Decision Making Workshop and auditors were also invited to briefings focussing on the VET in Schools SIA.

2.8 FEES AND CHARGES

In WA fees and charges apply for the registration of training organisations and accreditation of VET courses with the Council. In line with the WA decision to mirror the Commonwealth's national VET Regulator legislation to ensure a nationally consistent regulatory environment WA fees and charges have been aligned with the national VET Regulator (ASQA). This has resulted in a nationally consistent fee model being applied to all RTOs operating in WA. As a result, registration fees for training organisations and course accreditation fees were increased during 2013-2014. The approved schedule of fees and charges is provided at Table 2.

Table 2: Registration and accreditation fees as at 30 June 2014

Type	Current fees (as at 30 June 2014)
Application Fee	\$640
Annual Fee	\$600 (up to 10 qualifications and any number of UOCs) \$50 (for each additional qualification capped at \$5,000)
Assessment Fee	\$3,300 (up to 10 qualifications and up to 20 UOCs and up to 2 delivery sites) \$100 (for each additional qualification capped at \$10,000) \$40 (for each additional UOC capped at \$4,000) \$400 (for each additional delivery site capped at \$4,000)
Amendment to Registration Fees Range of fees apply dependent on the type of application	From \$350 (1 qualification) to \$2,400 (for 9 qualifications) and plus \$100 for each additional qualification above 9 \$75 (for each additional UOC) \$140 per training package (including multiple qualifications) or accredited courses for transition to equivalent
Course Accreditation Fees	\$2,700 (from Certificate I and above) \$715 (short course)

Note: all fees exclude GST

3. KEY PRIORITY 1 – LEGISLATION AND COMPLIANCE

Outcome Indicators

The Council's success in achieving Key Priority 1 is demonstrated by the extent to which the following indicators have been achieved:

3.1	The Council's governance requirements are met.
3.2	Council regulates training providers in accordance with the AQTF, the <i>Vocational Education and Training Act 1996</i> and <i>Vocational Education and Training (General) Regulations 2009</i> .

Work undertaken by the Council to progress these priorities and to achieve Key Priority 1 is detailed as follows.

3.1 COUNCIL'S GOVERNANCE REQUIREMENTS

3.1.1 Council Membership for 2013-2014

Membership of the Council continued to comply with the requirements of the VET Act during the reporting period. Ms Debra Goostrey was appointed to the Council by the Minister commencing 1 July 2013, following the resignation of Mr Jeffrey Gunningham effective 31 May 2013.

3.1.2 Operation of the Council

The Council is supported by the Department of Education Services through the services of the Council Secretariat located in Osborne Park. One of the Council Secretariat's key roles is to process applications for registration of training organisations and accreditation of courses for consideration by the Council. The Council Secretariat also provides substantial support to the work of the Council on policy issues.

The Council formally met 13 times over the twelve months to 30 June 2014, which consisted of 12 full Council meetings and 1 Executive Committee meeting. The Council holds full meetings on a monthly basis to consider applications from organisations, with additional full meetings and Executive Committee meeting held on an as required basis.

Remuneration

During the 2013-2014 reporting period Council members received the following remuneration.

Table 3: Council remuneration

Training Accreditation Council	Position	Type of remuneration	Term of membership	Remuneration
Mr Ian Hill	Chairman	Annual	3 years	\$36,155
Dr Irene Ioannakis	Member	Annual	3 years	\$20,304
Miss Janelle Dawson	Member	Annual	3 years	\$20,304
Ms Elisabeth Harris	Member	N/A	3 years	-
Mr Iain McDougall	Member	Annual	3 years	\$20,304
Mr Ron Dullard	Member	Annual	3 years	\$20,304
Ms Debra Goostrey	Member	Annual	3 years	\$20,304
TOTAL				\$137,675

3.1.3 Amendments to Legislation

Work was finalised in late 2013 on the review of WA legislation to mirror the Commonwealth's national VET Regulator legislation. The review was undertaken to ensure consistency in regulation across Australia in the VET sector following the COAG decision to establish the national VET Regulator, and WA's decision to decline to refer regulatory powers with respect to local VET providers to the Commonwealth. On the 1 January 2014, amendments to the *Vocational Education and Training (General) Regulations 2009* came into effect.

The amendments to the legislation bring the regulatory scheme for WA-based training providers closely into line with the Commonwealth regulatory scheme introduced in 2011. In declining to refer powers, the Government of WA made a commitment to COAG that WA would mirror the national scheme. The intention is to eliminate regulatory differences for like providers operating elsewhere in Australia and for other training providers – those registered by the national VET Regulator – operating in WA.

Amendments to the legislation included:

- creating two new forms of inquiry to be conducted by the Council as and when appropriate: the compliance monitoring audit and the complaint investigation and set out the charges applicable to each of the new forms of inquiry
- restricting a cancelled training provider from re-applying for registration within two years (or such shorter period approved by the Council)
- enabling a student affected by a provider's closure to obtain information on his or her progress from the Council at a minimal cost
- making explicit that the Council may vary a provider's registration at any time.
- providing that the Council can audit a registered training provider at any time
- enabling the Council to vary the accreditation of a course, either on its own initiative or on the application of the course owner.

The legislative amendments also included further alignment of Council's fees and charges to those applied by ASQA and in Victoria, ensuring that a nationally consistent fee model was applied to all RTOs operating in WA.

3.1.4 Compliance with the AQTF Standards for Registering and Course Accrediting Bodies

The AQTF Standards for State and Territory Registering Bodies and the AQTF Standards for State and Territory Course Accrediting Bodies both require that each registering body and course accrediting body report annually to the national body (formerly the NSSC). As part of these arrangements the Council reports on its performance using national agreed qualitative and quantitative data. These reports inform the national VET sector on quality issues and the management of risks to sustainable quality outcomes.

During 2013, the NSSC agreed to continue the interim reporting arrangements for regulators to report on their 2012-2013 operations. The decision from NSSC reflected the impact of the national review of the Standards for VET Regulation.

The Council reported to the NSSC in October 2013 on the operation of the AQTF in WA which included activity data and outcomes for the July 2012 to June 2013 reporting period.

The Council, as both a registering and course accrediting body, is also subject to ongoing monitoring and periodic independent audit of its performance against both sets of AQTF standards as determined by the NSSC. The NSSC decided that given the work associated with the review of the standards for VET regulation that an independent audit was not a priority for the 2013-2014 reporting period.

In early 2014, COAG announced new arrangements for the national VET sector, including abolishing the NSSC and in April 2014, established the Ministerial Council for Industry and Skills. The COAG Council agreed to six objectives for VET reform and three key priorities for action. The first key priority for action included a new review of the standards for RTOs and regulators. As a result the former NSSC advice concerning external monitoring remained unchanged.

The Council, independent of national monitoring requirements, agreed to an internal review and audit of the Council's quality system to assess compliance with State and national requirements including the AQTF Standards. The internal review and audit was undertaken in 2013. The audit focussed on a broad range of regulatory obligations including the AQTF Standards and legislative requirements, and the quality system's effectiveness in supporting Council's compliance, and its approach to continuous improvement.

The internal review and audit was completed in late 2013, with the final report including the audit findings and recommendations endorsed by Council in June 2014. The report identified a number of non-compliances during the audit process, with the majority generally related to the lack of benchmarking with the other VET regulators and the need to strengthen the continuous improvement arrangements. Work has commenced on the implementation of the recommendations from the report, and will be an ongoing focus for the Council.

3.2 OVERVIEW OF THE REGULATORY MARKET

3.2.1 Registration of Training Organisations

As at 30 June 2014 there were 328 registered training organisations (RTOs) registered with the Council. This represents a very minimal decrease from the 346 RTOs registered as at 30 June 2013.

Of the 328 WA RTOs registered with the Council:

- 12 WA RTOs were also delivering vocational education and training qualifications under the AQTF in countries other than Australia
- 12 were registered to deliver only in WA and Victoria.

During the 2013-2014 year:

- 27 WA RTOs voluntarily relinquished registration
- 21 WA RTOs did not renew registration when it expired
- 10 WA RTOs had sanctions imposed on their registration (including: two (2) RTOs had their registration cancelled, two (2) RTOs registrations were suspended, and six (6) RTOs had conditions placed on their registrations).

Council endorsed the following applications:

- 30 initial registrations
- 69 renewal of registrations
- 500 amendments to registration
- 56 courses for accreditation and rec-accreditation.

3.2.2 Demographics of RTOs

The following provides an overview of the WA VET market for the 2013-2014 reporting period.

3.2.2.1 WA RTOs by type of business

239 (73%) of the 328 WA RTOs registered with the Council at 30 June 2014 were private RTOs. The other 89 RTOs included a range of business types, including state training providers, government and non-government enterprise RTOs, independent, Catholic and government school RTOs and community based adult education RTOs.

Table 4: WA RTOs by type of business

Type of Business	30 June 2014	30 June 2013
State Training Providers	11	11
Professional Association	1	2
Industry Association	9	13
School Government	19	20
School Independent	2	1
School Catholic	1	1
Enterprise Non-Government	23	23
Enterprise Government	12	13
Community Based Adult Education	11	16
Private RTO	239	236
Other not elsewhere classified	0	10

3.2.2.2 WA RTOs by location

The definition of locations associated with WA RTOs is based on the location of the RTO's head office rather than its delivery location(s).

Of the 328 WA RTOs registered with the Council 74% (244) were located in the Perth region; 30 (9%) were located in the South-West region and the remaining RTOs spread across WA. As illustrated in the table below, the distribution of RTOs by location has remained fairly stable between 30 June 2013 and 30 June 2014.

Table 5: WA RTOs by location

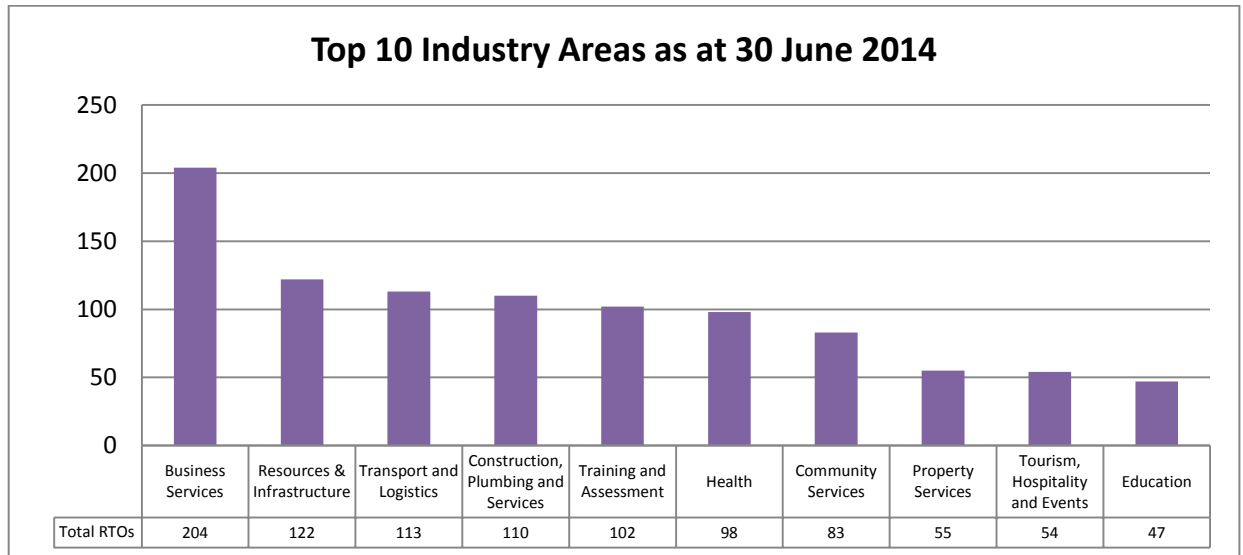
Location	30 June 2014	30 June 2013
Perth	244	265
Peel	11	12
South West	30	29
Great Southern	5	5
Goldfields/Esperance	8	6
Mid-West	7	7
Wheatbelt	5	4
Pilbara	8	7
Kimberley	5	8
Interstate	5	3

3.2.2.3 Top 10 industry areas

At 30 June 2014, Business Services was the industry with the highest level of training delivery by RTOs registered with the Council. 204 (62%) of the 328 WA RTOs registered with the Council on 30 June 2014 had Business Services on their scope of registration, followed by 122 (37%) in Resources and Infrastructure and 113 (34%) in Transport and Logistics.

Graph 1 identifies the top 10 industry areas of training delivery, based on the number of industry training packages delivered by WA registered RTOs as at 30 June 2014.

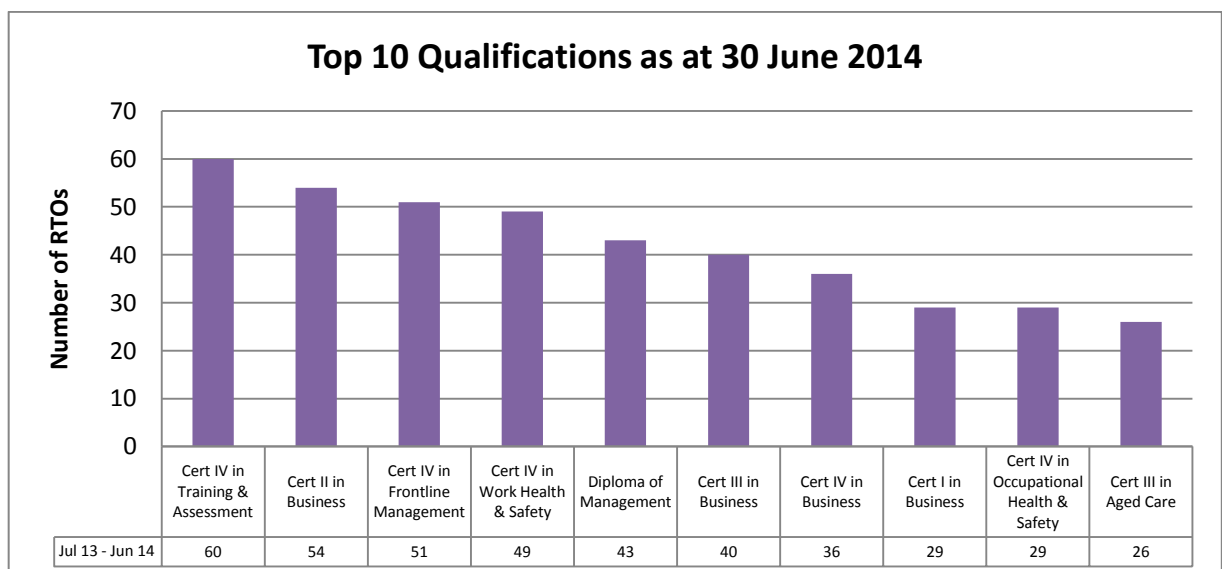
Graph 1: Top 10 Industry Areas as at 30 June 2014



3.2.2.4 Top 10 Qualifications

The following graph provides a profile of the WA regulatory market based on the highest number of qualifications for WA RTOs registered with the Council as at 30 June 2014. Of the 328 WA RTOs registered at the end of June 2014, 18% (60) had Certificate IV in Training and Assessment on their scope of registration, 16% (54) had Certificate II in Business and 16% (51) had Certificate IV in Frontline Management on their scope of registration.

Graph 2: Top 10 overall Qualifications as at 30 June 2014

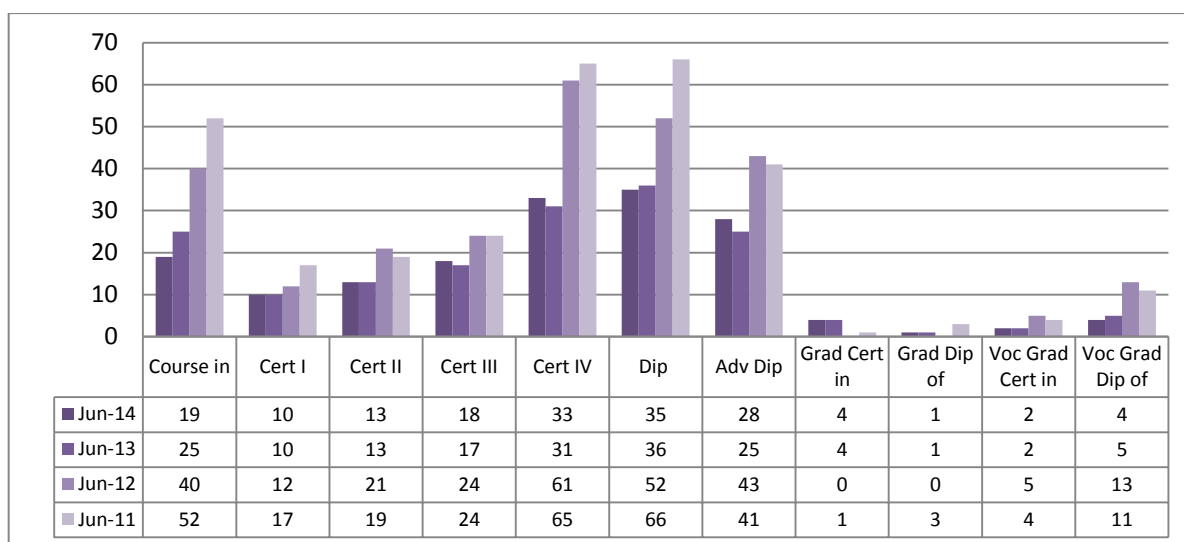


3.2.2.5 Accredited Courses

In its capacity as the WA Course Accrediting Body the Council accredits courses in line with the requirements of the AQTF to meet training needs not addressed in training packages.

At 30 June 2014 the Council had accredited 167 courses. The table below shows courses accredited by the Council by Australian Qualification Framework (AQF) level.

Graph 3: Accredited courses by AQF level



Diploma (AQF level 5) courses made up the highest proportion of accredited courses, at about 21% of the total. Certificate IV (AQF level 4) courses were 20% of the total. Courses at Advanced Diploma (AQF level 6) were 17%. Courses below AQF level 1 constituted about 11% of the total. Certificate I (AQF level 1) courses were the least represented, at 6% of the total of accredited courses.

3.2.2.6 RTOs registered to operate in WA by other VET Regulators

In addition to the training organisations registered by the Council as at 30 June 2014, there were 2520 RTOs which operate, or plan to operate, within WA who were registered by other VET Regulators.

The 2520 RTOs consisted of:

- 2511 RTOs were registered by the national VET regulator (ASQA)
- Of the 2511 ASQA RTOS only 192 were WA based RTOs delivering multi-jurisdictional (*Source: ASQA Report - Regulatory Activity & Key Issues: 1 July 2011-30 June 2014, National & WA*)
- 9 RTOs were registered with the VRQA.

The number of organisations registered by other VET Regulators to deliver in WA does not reflect actual delivery by RTOs in WA. Many organisations register their intent to deliver with their primary Registering Body; however, for a variety of reasons do not proceed to actual delivery.

3.2.3 Regulatory Activity

During the reporting period the Council continued to regulate the WA VET sector in accordance with the requirements of the Act and the AQTF. In line with its regulatory requirements the Council continued to apply a rigorous approach to training provider compliance and the assessment of courses for accreditation.

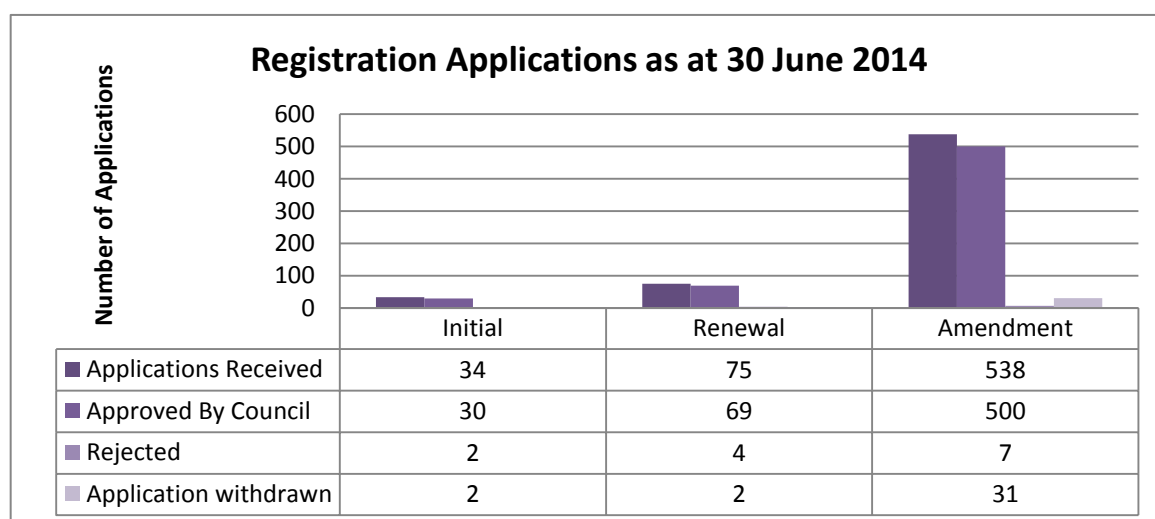
The following section provides an overview of the Council’s regulatory activity for the reporting period 1 July 2013–30 June 2014.

3.2.3.1 Registration Activity

During the 2013-2014 year the Council received a total of 647 new registration applications from training organisations. 538 were amendment applications and 109 were initial and renewal applications.

The Graph below provides a summary of registration applications received during the reporting period.

Graph 4: Registration applications for July 2013 – June 2014



While the majority of applications received during the reporting period were approved by Council, several registration applications were withdrawn by the applicant. A range of reasons exist for applications being withdrawn including for example applications withdrawn at audit, and/or no additional evidence provided by the applicant.

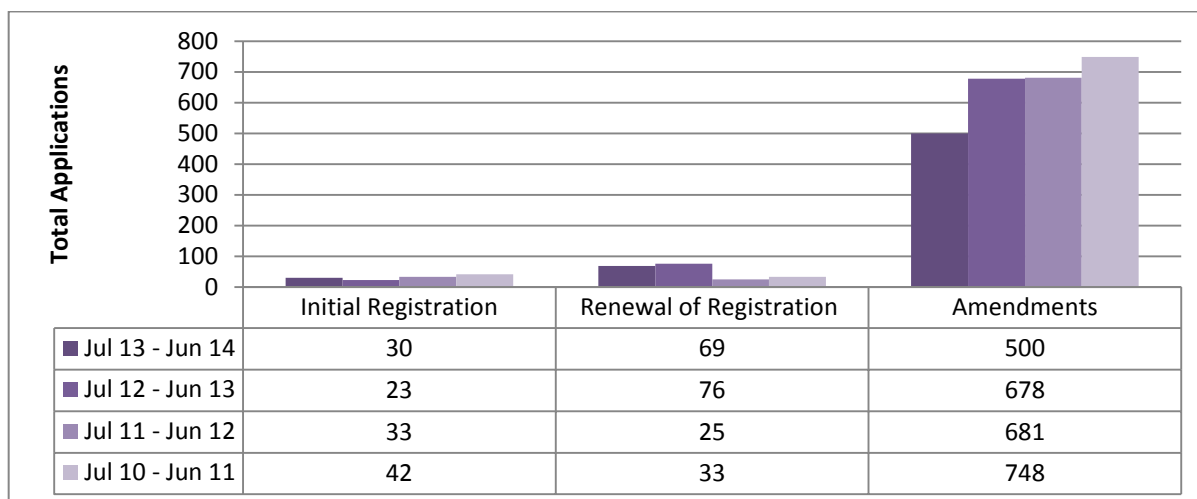
Applications endorsed

During 2013-2014, the Council endorsed the following applications:

- 30 initial registrations – a slight increase from 23 in 2012-2013
- 69 renewal of registrations – a slight decrease from 76 in 2012-2013
- 500 amendments to registration – a 178 (26%) decrease from 2012-2013.

The graph below provides an overview of the applications endorsed by Council for the July 2013 to June 2014 period and the three previous reporting periods.

Graph 5: Registration Activity – applications endorsed



The significant decrease in the number of applications for amendment to registration could be attributed the cyclic nature of the registration process and the high number of renewal of registrations applications endorsed over the last two (2) reporting periods.

3.2.3.2 Risk Management of Applications

The Council is responsible for undertaking audits of training organisations and accreditation reviews against the requirements of the AQTF.

The Council, in line with the National Guideline for Risk Management, has implemented a risk managed approach to audits with risk assessments undertaken for all applications. An RTO’s risk assessment outcome, may result in an RTO not requiring an audit.

During the 2013-2014 reporting period, a total of 347 RTO risk assessments were undertaken by the Council. This represents a slight decrease overall when compared with the 2012-2013 reporting period total of 366. The decrease in RTO risk assessments could be linked to the significant number of RTOs undergoing

renewal of registration during the reporting period and training organisations reassessing their business requirements.

Of the 347 risk assessments undertaken 116 applications (33%) did not require an audit, while a desk and/or site audit was required for the remaining 231 applications (67%). This represents a 11% decrease in the number of applications requiring an audit, compared to the 2012-2013 reporting period.

3.2.4 Audit Activity

3.2.4.1 Audit strategy

The Council, as part of its on-going improvement process, implements a continuous audit strategy. This complements the national approach to risk management and enables monitoring on an on-going basis. The audit strategy includes regulatory audits such as registration audits, monitoring audits, audits in response to complaints, strategic industry audits, and identified risk audits. Wherever possible, audits are integrated to help minimise disruption to RTOs.

Audits conducted by the Council were in accordance with the AQTF Standards for State and Territory Registering Bodies and the Audit Handbook (a reference guide for conducting audits of organisations against the AQTF). Non-compliances identified at audit were processed in accordance with the National Guideline for Managing Non-Compliance.

Applications to the Council from training organisations are risk assessed in line with the National Guideline for Risk Management. Risk indicators determine the type, scale and scope of an audit, similarly, a risk assessment may determine that no audit is required.

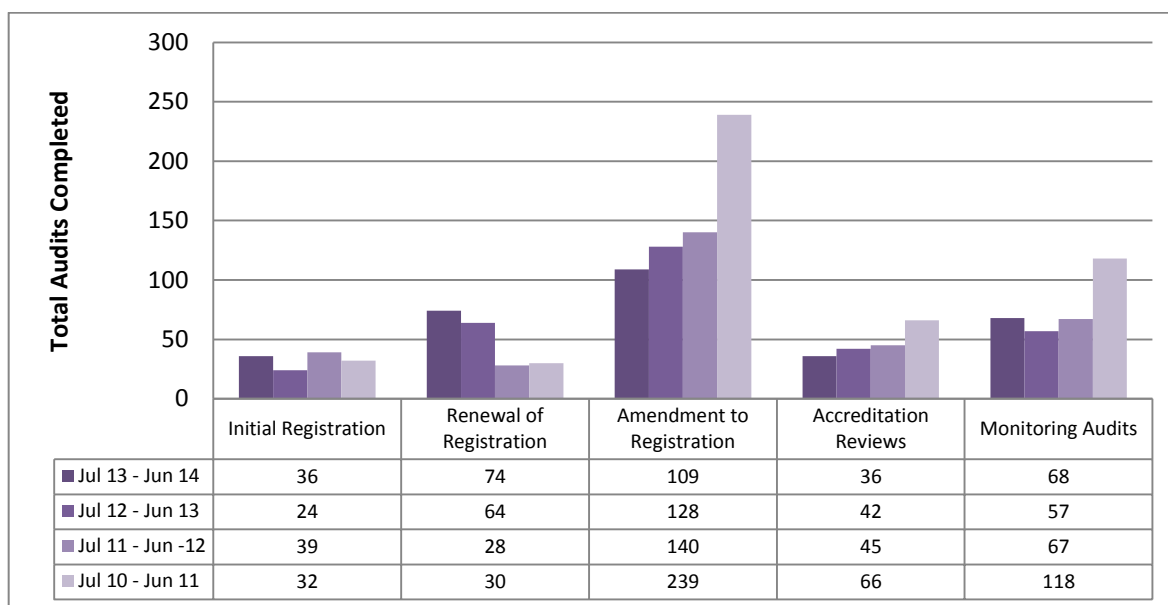
3.2.4.2 Overview of Audits for 2013-2014

During the reporting period the Council conducted a total of 323 audits of training organisations. Audits were undertaken in accordance with the AQTF Standards for State and Territory Registering Bodies, the Audit Handbook and the guidelines for risk management.

Of the 323 audits conducted 255 (79%) were client initiated, comprising 110 initial and renewal audits, 109 amendment to registration audits and 36 course accreditation reviews.

There were 68 regulator initiated audits covering a range of audit types. These consisted of 27 Strategic Industry Audits, 4 Complaint audits, 3 Contract Audits, 13 Post Initials and 21 Follow-up (monitoring) audits.

Graph 6 provides information on the type and number of audits conducted in the reporting period.

Graph 6: Total audits July 2013 – June 2014


During the reporting period increases in the number of audits were noted in initial registration, renewal of registration, and monitoring audits, while slight decreases were noted in amendment to registration audits and accreditation reviews. The decreases were not considered significant and could be linked to the cyclic nature of the registration and accreditation periods. The increase in monitoring audits can be directly attributed to the SIA audits undertaken during 2013-2014.

3.2.4.3 Audits by method

The Council, in line with its approach to risk assessment utilises the outcomes of the risk process to determine the method of audit to be applied. The outcome of this process could result in either a desk audit and/or site audit being conducted. Of the 323 audits undertaken as at 30 June 2014, 226 (70%) were site audits and 97 (30%) were desk audits.

The following table provides a comparison of the audit method between the current and the previous reporting periods. The number of desktop audits decreased by 7, while the number of site audits increased by 15 when compared to the previous reporting period.

Table 6: Total number of audits as at 30 June 2014 by method

Type	30 June 2014	30 June 2013	30 June 2012
Desk audit	97	104	84
Site audit	226	211	190
Total	323	315	274

3.2.4.4 Audit outcomes

Of the 323 audits conducted as at 30 June 2014, 40% (129) of RTOs were compliant at audit, and 194 (60%) had at least one non-compliance. The non-compliances consisted of 71 (37%) audits with an overall level of minor non-compliance, 80 (41%) audits with an overall level of significant non-compliance, and 32 (16%) audits with an overall level of critical non-compliance. In addition, 11 accreditation reviews were reported as non-compliant at the initial review.

The Council considered non-compliance outcomes identified at audit in accordance with the National Guideline for Managing Non-Compliance. In line with the guidelines following the 20 day rectification period, over 80% of RTOs were able to demonstrate compliance and the remaining RTOs had at least one non-compliance outstanding at the completion of the rectification period.

The following table provides a breakdown of the outcomes of audits conducted during the July 2013 to June 2014 period (based on overall level of non-compliance identified at the main audit).

Table 7: Overall level of non-compliance at audit

Outcome	30 June 2014 Main Audit	30 June 2013 Main Audit
Compliant	129	136
Minor	71	68
Significant	80	88
Critical	32	23
Accreditation non-compliance	11	-
TOTAL	323	315

3.2.4.5 Strategic Industry Audits

During the reporting period work was undertaken to progress two (2) SIAs endorsed by the Council. The SIAs included the qualifications required for work in the Aged Care and Home and Community Care industry and the delivery of Vocational Education and Training in Schools.

Aged Care and Home and Community Care SIA

An SIA of Aged Care and Home and Community Care qualification was endorsed by Council in February 2013, following concerns raised in the Australian Government's Productivity Commission Inquiry Report "Caring for Older Australians", released in August 2011. The report proposed an independent review of the outcomes of aged care training to ensure that appropriate minimum standards are applied and that students demonstrate appropriate competencies.

The SIA was conducted in two stages. In Stage 1, 19 Council registered RTOs were audited to determine compliance with the AQTF Standards in the following qualifications:

- CHC30208/CHC30212 Certificate III in Aged Care
- CHC40108 Certificate IV in Aged Care
- CHC30308/CHC30312 Certificate III in Home and Community Care
- CHC40208/CHC40212 Certificate IV in Home and Community Care.

The Stage 1 SIA report was published in September 2013. The audit found that RTOs delivering in the Aged Care and Home and Community Care Sector could be broadly split into two categories: those that demonstrated a high level of compliance with the AQTF standards and were found to have a range of good practices in place; and those that were operating in significant non-compliance with the AQTF Standards.

The outcomes of the Stage 1 audits pointed to systemic issues with assessment within the Aged and Community Care training sector. A significant number of RTOs audited did not have the assessment tools or strategies to demonstrate that competencies were assessed reliably, consistently or in accordance with the qualification requirements.

A significant number of RTOs were not able to demonstrate the vocational competence of nominated trainers and assessors, resulting in a significant risk that learners were not actually achieving the competencies as specified in the qualifications.

The audit also highlighted that while significant or critical levels of non-compliance were not exclusively attributable to short duration of training, it was a contributory factor. The employer survey confirmed widely held views that shorter training timeframes made adequate training and assessment more difficult and reduced quality outcomes in training.

Key findings of the audit reflected industry and the Productivity Commission's concerns about the quality of training and assessment. Increased pressure by industry to deliver in reduced timeframes and cut costs to make training attractive to students were contributory factors in RTOs being non-compliant with the AQTF Standards.

The Stage 1 SIA report provided six recommendations, the main one being monitoring audits focussing on assessment and implementation of rectification actions for all RTOs found to have significant or critical non-compliances at audit.

Stage 2 of the SIA comprised monitoring audits to confirm deployment and maintenance of rectification actions put in place by RTOs found non-compliant during the Stage 1 audits. These audits enabled collection of additional information about deficiencies and systemic issues reported during the Stage 1 audits. They also enabled a deeper analysis of assessment practices and their relationship to language, literacy, numeracy and employability skills.

Seven RTOs were audited during the Stage 2 SIA audits conducted between July and September 2013. The Stage 2 monitoring audits found a high level of non-compliance with the AQTF Essential Conditions and Standards for Continuing Registration, suggesting that a number of the rectification actions RTOs had put in place to address the original non-compliances were not effectively implemented. The Stage 2 Report of the Aged Care and Home and Community Care SIA was endorsed by the Council in April 2014 and the recommendations from the report will be implemented in 2014-15.

Vocational Education and Training in Schools SIA

In February 2013 the Council endorsed an SIA into Vocational Education and Training in Schools, with commencement in the 2013-2014 period. The focus of the SIA was to evaluate compliance with delivery and assessment, including workplace assessment, and partnership and auspicing arrangements. The SIA was in response to industry concerns about the expansion of VET in Schools programs in WA, the appropriateness of the qualifications being undertaken and the quality of training and assessment being delivered within partnership arrangements.

The objectives of the VET in Schools SIA were:

- to determine the level of compliance with the AQTF Essential Conditions and Standard for Continuing Registration by:
 - the overall level of RTO compliance
 - level of compliance by specific qualification
 - level of compliance by industry area
 - level of compliance and trends by delivery arrangement
 - examining aspects of VET in Schools partnership arrangements and their contribution to an RTOs level of compliance with the AQTF Essential Conditions and Standards for Continuing Registration.

The SIA was managed by the Council Secretariat on behalf of Council with the guidance of strategic and operational reference groups, which provided invaluable input and guidance to supplement the audit processes, particularly in regards to school visits and the auditing of auspice arrangements.

During the reporting period all preliminary scoping work for the SIA was completed. 31 RTOs and 23 qualifications ranging from Certificate II to IV were selected as the audit sample. The selection was based on factors including enrolments, risk profile, qualification characteristics and delivery arrangements.

The SIA audit sample was endorsed by the operational reference group in April 2014. SIA audits commenced in late May 2014, and it is anticipated that they will be completed by end-August 2014. The findings from the SIA will be presented for consideration by Council and the outcomes reported in the 2014-2015 period.

3.2.5 Course Accreditation

Accredited courses meet training needs that are not addressed in Training Packages. The Council does not accredit a course if a Training Package qualification exists that can meet the same training outcome through customisation.

At 30 June 2014 there were 167 accredited courses in WA. Compared to 169 accredited courses in 2012-2013, this is an indication of stability in accreditation activity for the Council.

In the period to June 2014, 52 Course Concept Proposals were received by the Council. Of these, one proposal was not accepted due to insufficient evidence of industry, enterprise, educational or community need. 45 of 64 (70%) of the courses that were due to expire during 2013-2014, courses were reaccredited.

During the reporting period the Council considered a total of 78 accreditation applications. These included 12 new accreditation applications, all of which were approved. 46 applications for the reaccreditation of existing courses were considered and all but 2 were approved. 12 applications for amendment to accredited courses were considered and approved. 8 applications for course extension of accreditation were considered and 5 were approved for courses which would otherwise have expired.

Table 8 summarises accreditation activity undertaken in the reporting period.

Table 8: Accreditation activity

Activity	30 June 2014	30 June 2013
Accreditation Reviews Undertaken	36	112
Course Concept Proposals Submitted	52	35
Courses accredited	12	13
Courses re-accredited	44	51
Courses extended	5	34
Courses amended	12	14
Courses Expired	26	90

3.2.6 Complaints Management

A key function provided by the Council Secretariat on behalf of the Council is the investigation of complaints made by sector stakeholders. Complaints can only be investigated if they relate to the on-going compliance by RTOs with the AQTF Standards for RTOs and the *Vocational Education and Training Act 1996*.

Complaints are handled in accordance with the Council's established policy, which is published and available on the Council's website www.tac.wa.gov.au and the *National Guideline for Responding to Complaints about Vocational Education and Training Quality*.

A total of 90 complaint enquiries were received during 2013-2014. Of these, 35 complaints were formalised as potential AQTF issues that required further investigation. 32 of these were investigated and resolved and three complaints were not yet finalised at 30 June 2014.

Four of the complaints that were formalised required a complaints audit of the RTOs concerned. Non-compliances were identified at all four audits, which substantiated the complaints. All audited complaints were resolved and finalised during the reporting period.

The table below provides a breakdown of complaints formalised by type of complaint.

Table 9: Complaints activity as at 30 June 2014

Complaints	June 2014	June 2013	June 2012
Complaints about RTOs	35	9	8
Complaints against TAC processes and services or against individual officers	0	3	2

In August 2013 the complaints handling process was reviewed and improvements were implemented that have enabled formalisation of a complaint at an earlier stage of the complaints process. As a result, the Council has a more accurate record of the complaints formalised as a result of complaints enquiries received.

The change in processes has resulted in a significant increase in the figures reported for 2013-2014 (35 complaints formalised) compared to the nine complaints reported for 2012-2013.

The highest number of complaints received and formalised related to AQTF Standard 1 and AQTF Standard 2. 15 complaints related to AQTF Standard 1, and more specifically to the quality of RTO assessment practices and the qualifications of delivery and assessment staff. The 11 complaints received relating to AQTF Standard 2 concerned provision of information about training and support services to be provided and the engagement of employers and other parties in development, delivery and monitoring of training and assessment.

Table 10 provides an overview of complaints received during the reporting period by AQTF Standards.

Table 10: Complaints Formalised by AQTF Standards

AQTF Condition and Standards	No. of complaints formalised
Condition 1 - Governance	3
Condition 3 – Compliance with legislation	1
Condition 5 - Financial management	1
Condition 6 - Certificate and issuing qualifications and statements of attainment	8
Condition 7 – Recognition of Qualifications issued by other RTOs	1
Condition 8 - Accuracy and integrity of marketing	8
Condition 9 – Transition to training packages/expiry of accredited courses	1
Standard 1 – the RTO provides quality training and assessment across all of its operations	15
Standard 2 – the RTO adheres to the principles of access and equity and maximises outcomes for its clients	11
Standard 3 – management systems are responsive to the needs of clients, staff and stakeholders and the environment in which it operates	3

Note: a complaint may include several issues that cut across more than one AQTF Standard or Condition.

4. KEY PRIORITY 2 – COMMUNICATION AND EVALUATION

Outcome Indicators

The Council's success in achieving Key Priority 2 is demonstrated by the extent to which the following indicator has been achieved:

Outcome	The Council effectively communicates with its stakeholders and gathers appropriate information to enhance its regulatory functions.
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Work undertaken by the Council to progress this priority and to achieve Key Priority 2 is detailed as follows.

4.1 COMMUNICATION WITH CLIENTS AND STAKEHOLDERS

4.1.1 Report on Council Activities

The Snapshot of Activities report is produced by the Council every six (6) months, reporting on the previous six (6) months activity and highlights the Council's regulatory activities in accordance with its functions under the Act. The report also documents the Council's activities as the WA registering and course accrediting body under the AQTF.

The report is forwarded to key stakeholders and clients including the Minister for Training and Workforce Development, government departments, Training Councils and RTOs. The report is also circulated electronically to RTOs via email and included in the Council's Website.

4.1.2 Provision of Consumer Information

The Council actively provides information to its clients and stakeholders, including material to promote and support the delivery of quality services in the sector.

TAC Website

During 2013-2014, a review of the Council's electronic communication media was undertaken including the Council's Website. The review focussed on the functionality, accessibility and content of the existing Website. As a result, the Council in May 2014 launched a new Website, which provides a more user friendly platform for stakeholders and access to relevant information. The Website is the Council's major communication portal and the most frequently accessed communication tool. The Website houses all Council Policy, AQTF documentation and other key information that is relevant to the sector.

TAC Newsletters

The Council Secretariat continues to provide the regular newsletter, the TAC Update and Special Bulletins, as required. The Updates highlight key information, policy direction, changes and on-going reminders to key stakeholders. It is emailed to key stakeholders and interested parties and is also available electronically on the Council's website.

WA Training Awards

The Council continues to support the WA Training Awards through its sponsorship of the 'Trainer of the Year Award'. Given the Council's functions under the Act, sponsorship of this award reinforces the Council's on-going commitment to recognising quality training and assessment in the VET sector.

RTONet

RTONet is a web based database managed by the DES, which provides RTOs with direct access to information linked to their registration.

RTOs can view their registration details with the Council including their contact details and scope of delivery. RTOs can submit applications for registration via RTONet and track the progress of their application. RTOs also use this system to apply for tenders as well as accessing information about traineeships and apprenticeships to which they are party.

RTONet is the mechanism through which the RTOs register Statements of Attainment and qualifications they have issued to their students (Client Qualifications Register) as well as the system where the Quality Indicator data for each organisation is recorded.

During 2013-2014, DES has progressed the development of a new electronic business tool which will replace the existing RTONet system. The development of the new system has been a significant focus for the DES and it is anticipated that the new tool will be implemented in the 2014-2015 reporting period. RTOs will continue to access information linked to their RTO and interact with the Council Secretariat via the new electronic business tool.

Support Material

A range of material is provided by the DES to assist training organisations that may be seeking registration or amending an existing registration, including guides and application forms. This information is provided electronically via the Council website.

4.2 INFORMATION SESSIONS, PRESENTATIONS, AND DEVELOPMENT OPPORTUNITIES

Information Sessions

The Council Secretariat provides information sessions to those training organisations seeking registration within the national skills framework. Information provided covers national and state policies and guidelines, as well as accreditation and registration processes.

Registration Information Sessions

During the 2013-2014 reporting period a total of 70 information sessions were held with Council Secretariat staff. Sessions are designed to be interactive, with participants meeting with staff on a 'one to one' basis.

Key areas that were discussed include:

- National Skills Framework and the new national regulatory arrangements
- rights and responsibilities of RTOs
- alternatives to registration
- the registration process
 - application processes
 - audit processes
- course accreditation (where relevant).

Feedback from the participants has indicated that these sessions are a positive contribution to the information provision of the Council.

Course Accreditation Information Sessions

The Council Secretariat continued its program of course accreditation workshops for current and prospective course owners. Three workshops were conducted for the general public; one customised workshop was conducted for a state training provider and several other one-on-one information sessions were held for individuals considering course accreditation.

Workshops on vocational competency and industry currency

An analysis of audits data throughout reporting period highlighted ongoing compliance issues regarding the ability of RTOs to demonstrate the vocational competencies of their nominated trainers and assessors. Vocational competence in a particular industry is defined as broad industry knowledge and experience,

combined with a relevant industry qualification. A person who has vocational competence is expected to be familiar with the content of the vocation and have relevant current experience in the industry.

In an educative response to this trend the Council Secretariat, during the reporting period, conducted six workshops on vocational competence and industry currency. Three of the workshops were for the school sector (Department of Education) and included coordinators of VET in Schools programs. The other three workshops were conducted for RTOs, with two conducted in regional WA as part of the RTOs' annual professional activities. The third workshop was conducted as part of WA's annual Training Providers Forum held in May 2014, and covered the regulator's approach to vocational competence and industry currency.

Other RTO Information Sessions

The Council Secretariat on behalf of the Council regularly attends meetings with peak industry bodies to provide information and answer questions from participants. The Secretariat has engaged with RTOs and other stakeholders primarily through attendance at formal and informal forums, including meetings with Training Councils and industry regulators.

Other Professional Development Opportunities for Training Organisations

To assist the Council, the Department of Training and Workforce Development also provides professional development opportunities for training organisations and practitioners. These sessions provide information about the VET Sector, as well as workshops for practitioners around key concepts, such as Recognition of Prior Learning (RPL) and self-assessment against the AQTF.

Presentations

During 2013 and 2014, the Council Secretariat on behalf of the Council was invited to make a presentation at the 2014 Training Providers Forum held on the 19 and 20 May 2014. The Council's Executive Officer conducted a workshop titled '*Vocational competence and currency*' which focused on the issues related to addressing the AQTF requirements and the criteria applied by the regulator, when assessing the standard for compliance.

The Council Secretariat was also invited to present at the Training and Development Association meeting held on 25 June 2014. The presentation focused on regulation of the VET sector in WA and included discussion on issues impacting the quality of training delivery and assessment in the sector.

4.3 FEEDBACK FROM STAKEHOLDERS

A key priority of the Council's 2011-2014 Business Plan requires that Council effectively communicates with its stakeholders and gathers appropriate information to enhance its regulatory functions. One of the identified strategies is that the Council gathers reliable data to measure its performance and adds value to its planning, policies and services.

Council Client and Stakeholder Survey

In November 2013 the Council Secretariat completed a comprehensive review of its systems and operations as part of an internal audit. The audit focussed on the systems' effectiveness in supporting Council's compliance with the AQTF Standards, VET legislation, and issues identified at a previous audit.

The review included an analysis of the Council's communications with stakeholders, and found the need for collection of feedback from internal and external to improve Council's regulatory services.

Australian Survey Research Pty Ltd was engaged to develop and conduct a survey of Council's clients and stakeholders, including:

- registered Training Organisations
- industry organisations including Industry Training Councils
- other Regulatory Bodies
- occupational licensing bodies and regulatory authorities
- other Government Councils, Departments and Committees.

The survey was completed by respondents during May and June 2014. Overall, the survey results were positive for the Council, with RTOs indicating they perceived the Council as an effective regulator that is improving the quality of VET outcomes in Western Australia.

The highest scoring items from RTOs indicated that communication by the Council Secretariat is consistently done well. The lowest scoring items indicated that there were concerns with the ease and use of RTONet and the Council's Website. One area that was consistently raised by industry stakeholders was the need for greater two-way communication with the Council.

Respondents were asked to comment on Council communications, audits, VET sector improvements and overall performance. A summary of the responses is provided below.

Communication

Overall, the Council's communication with RTOs through the updates, application processing, general email service, phone service, information sessions and presentations was rated highly. Timeliness of response and availability of follow up assistance were also identified as strengths.

The Council's website and RTONet were the two areas consistently mentioned as requiring improvement. These issues will be mitigated by the launch of the new Council website on 21 May 2014 and an RTO portal being developed as part of the Council's new client management system.

Audits

Most respondents indicated that while audits could be time consuming and/or burdensome, the purpose of the audits and the manner in which they were conducted was appreciated.

Approximately 85% of respondents indicated that audits added value to their business. The most common benefits of the audit were identified as the audit provided the ability to demonstrate compliance and aided continuous improvement.

An overwhelming majority of RTOs indicated a positive response in relation to auditors and Council Secretariat staff. In particular it was identified that audit staff were organised and provided information regarding scope, purpose and the audit process that assisted RTOs in the preparation of audits.

VET Sector Improvements

Respondents were asked to indicate which areas RTOs generally do NOT do well in order to focus the Council's future regulatory support services. With a wide range of issues identified, continuous improvement and appropriate length of courses were most commonly chosen.

The Council's Overall Performance

88% of respondents rated the Council at the good or excellent level as a regulator. The highest levels of performance were indicated as; provides timely and quality advice to my organisation on its regulatory activities, is transparent in its regulatory decisions and activities and overall as a regulator.

When asked to offer suggestions about what the Council does well and should continue doing, respondents most commonly indicated that they were happy with the case manager and state based approach. Specific examples of what the Council does well includes feedback and support given to RTOs especially about compliance; communication; good auditors/audit process and staff being helpful and available.

Feedback collected from the survey will inform Council's review and continuous improvement processes, and benchmarking with other regulators. It also supports Council's ongoing commitment to remaining transparent and facilitating communication, with internal and external stakeholders to improve the VET system.

Feedback from RTOs following audit

In addition to the Council's external client and stakeholder survey, further feedback is collected from a number of sources. This includes feedback from RTOs via audit surveys, direct contact with key stakeholders, the Council's complaints handling process and auditor feedback. This feedback is incorporated into the Council's continuous improvement processes and is reported on a biannual basis.

The Council collects feedback from RTOs following completion of audits during the initial and renewal of registration process. The data collected during the 2013-2014 reporting period, supported the outcomes and findings of the Council's external client and stakeholder survey. The results highlighted that 94% of respondents found that the audit process added value to their business. This figure is slightly decreased from the 2012-2013 (98%) reporting period. In addition, 97% of respondents indicated that the pre-audit information provided by the registering body met their needs and that they were satisfied, to very satisfied, with the overall audit process.

Processes for gaining feedback will be reviewed by the Council Secretariat to ensure relevance and appropriateness for the Council's purpose and functions.

5. KEY PRIORITY 3 – COLLABORATION AND ENGAGEMENT

Outcome Indicators

The Council's success in achieving Key Priority 3 is demonstrated by the extent to which the following indicator has been achieved:

Outcome	Council collaborates with stakeholders to ensure confidence in the quality of training and consistency of quality assurance outcomes.
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Work undertaken by the Council to progress these priorities and to achieve Key Priority 3 is detailed as follows.

5.1 CONSULTATION WITH STAKEHOLDERS

During 2013-2014, the Council continued to actively consult with a range of stakeholders including government departments, Training Councils, RTOs, provider associations and industry bodies. Discussions focused on various training related issues and ensuring stakeholders are aware of the Council's requirements and priorities with respect to the quality assurance and recognition of VET in WA.

The Council continues to engage and consult with the Department of Training and Workforce Development on local policy issues and Commonwealth government on national issues.

In June 2014, following a review of its current industry engagement model and procedures, Council agreed to a revised Industry Engagement Framework. The revised framework will result in a more cohesive approach to industry engagement by Council, which will operate at both a strategic and operational level.

5.2 ENGAGEMENT WITH INDUSTRY REGULATORS

The engagement between industry regulators and registering bodies is a key component of the AQTF. Collaboration with industry regulators is aimed at ensuring any training and assessment leading to a licensed outcome meets the industry's licensing and regulatory requirements.

A Key focus of engagement activities with regulatory bodies has included:

- establishment of communication arrangement between the Building Commission and TAC Secretariat
- discussion to revise communication arrangements with WA Police
- exchange of information regarding audit outcomes with EnergySafety and Department of Mines and Petroleum.

During 2013 and 2014, a number of representatives from different regulatory authorities have participated as technical advisers in Council audits, supporting TAC regulatory requirements and maintaining a positive working relationship between the regulatory bodies.

The Council Secretariat on behalf of Council delivered information sessions and workshops on the AQTF, audit processes and training packages to a number of industry regulators to assist them to better understand the VET environment and the operations of the Council.

Meetings with industry regulators during 2013–2014 were facilitated by the Council's Secretariat. Engagement has focused mainly on developing communication arrangements between the Council and industry regulatory bodies to improve information sharing between the parties, particularly in relation to sharing of information about RTO audit outcomes.

5.3 ENGAGEMENT WITH TRAINING COUNCILS

During 2013 - 2014, the Council Secretariat on behalf of the Council engaged with WA Training Councils to exchange information on current trends and training issues within their sectors, with a focus on the major training issues currently impacting Training Councils.

Work undertaken with Training Councils included:

- provision of feedback to the Electrical, Utilities and Public Administration (EUPA) Training Council on a draft workplace assessment tool and the use of percentages for the knowledge-based components of formative assessment
- attendance at planning workshop organised by the Construction Training Council
- updates from the Logistics Training Council on industry and licensing issues.

The work undertaken promoted information sharing between Training Councils, industry regulators and the Council to support an informed and consistent approach to regulation within the WA VET environment.

5.4 ENGAGEMENT WITH INDUSTRY TRAINING COUNCILS

Throughout 2013-2014 the Council Secretariat has been actively involved in meetings facilitated by Industry Skills Councils to provide updates on issues and potential implications relating to licensing and assessment requirements, as training packages are revised to align with the National Standards for Training Packages.

Industry Skills Councils participating in the provision of information and advice included Innovation and Business Skills Australia, Community Services and Health, Transport and Logistics, Automotive Skills Australia, Manufacturing Skills Australia, and E-Oz Energy Skills.

5.5 MEETING WITH NATIONAL SKILLS STANDARDS COUNCIL

During the reporting period WA participated in one meeting with the NSSC. The meeting was attended by the Chairman, Training Accreditation Council and the Director, Education and Training Regulation, DES. The meeting was held in Melbourne on 9 October 2013.

Items discussed included:

- July 2012 – June 2013 National Skills Standards Council Reporting Requirements – WA
- review of the standards for regulation of VET
- State specific issues, and recurring, new or emerging risks or trends arising from the application of the Standards for the regulation of VET.

5.6 REVIEW OF VET REGULATORY STANDARDS

A significant focus for Council during 2013-2014 has been the national review of the Standards for Regulation of VET including the development of draft Standards, encompassing both RTO and VET Regulator standards. WA actively participated in the review by providing feedback, making submissions, attending national meetings, and its membership on the national taskforce.

The national review of the Regulation of VET was initially announced and progressed by the former NSSC, with a joint national taskforce established in June 2013 to draft new standards. The taskforce met on numerous occasions between July and December 2013, with a draft set of standards for the regulation of RTOs and VET Regulators provided to the NSSC.

The initial draft Standards for Regulation consisted of ten (10) Standards with a large number of sub elements to each standard. The Standards had a high level of prescription which was intended to assist with clarity and to remove ambiguity from the Standards. The proposed draft standards incorporated a range of new requirements including the introduction of an Accountable Education Officer, higher set of requirements for provision of the minimum qualification to be held by trainers, teachers and assessors; and new requirements for external validation of assessment. The draft Standards also included an increase in the transparency of sub-contractor arrangements; requirement for all providers to be incorporated bodies; and the potential introduction of a cooling off period applicable to learner agreements.

The draft standards raised concerns for Regulators, RTOs and Industry regarding the high level of prescription and increased costs associated with implementation. In December 2013, the draft standards were presented to the Commonwealth Minister for Industry for consideration by the NSSC.

Under the new COAG arrangements the NSSC was abolished and in April 2014, the newly formed Ministerial Council for Industry and Skills agreed to six objectives for VET reform and three key priorities for action. The first key priority for action included a new review of the standards for RTOs and regulators to ensure they better recognised the different level of risk proposed by different providers, enabling regulators to deal more effectively with poor quality in the sector and to improve confidence, and meet the Commonwealth government's deregulation objectives.

Following consultation with Council, the Commonwealth Minister for Industry released the proposed draft standards for RTOs and VET Regulators on 25 June 2014 for consultation. The new standards are expected to be endorsed and implemented within the next reporting period, and will be a key focus for the Council during that period.

5.7 PARTICIPATION AT A NATIONAL LEVEL

During 2012-2013, the Council continued to work collaboratively with the Commonwealth government, VET Regulators and national stakeholders in the regulation and development of the VET sector.

- **Working relationship with other VET Regulators** – During the reporting period VET Regulators have continued to work co-operatively to ensure consistent implementation of regulatory requirements. This included joint meetings to discuss major initiative including the development of new VET Regulatory Standards, and regulator reporting requirements. The Council's Executive Officer attended a joint meeting of VET Regulators held in Melbourne on 8 August 2013.

- **Participation in SIAs and Strategic Reviews** – Council has continued to work co-operatively with other VET Regulators aimed at achieving consistency in regulation, sharing of information, including participation of ASQA in the WA based SIA into aged care and the VET in Schools SIA by the exchange of information and membership of the reference group. The Council Secretariat on behalf of Council also participated as members of steering groups for two SIAs conducted by the ASQA. The first SIA was for Early Childhood Learning and Childcare and the second related to Security Training.
- **Student Identifier** – the *Student Identifiers Bill 2014* was passed by the Commonwealth government on 19 June 2014 and will be introduced from 1 January 2015. The Bill establishes a framework for the introduction of a student identifier (SI) for individuals undertaking nationally recognised VET. The purpose of the SI is to (a) manage an individual's training information, including AVETMISS compliant data; (b) manage student entitlement/funding programs; and (c) inform VET sector policy development and research.

During 2014 -2015, the Council will collaborate with the Commonwealth Department of Industry and the WA Department of Training and Workforce Development on the implementation of SI including the development of a communication strategy to WA registered RTOs.

- **National Skills Summit** – On 25 June 2014 the Council's Chairman attended the National Skills Summit held by the Australian Council for Private Education and Training and Australian Chamber of Commerce and Industry. The Summit focussed on proposed reforms which will shape the VET sector and affect all stakeholders including RTOs and employers. The keynote address was delivered by the Commonwealth Minister for Industry and included the release of the draft revised Standards for VET Regulation and the Standards for VET Regulators.

6. KEY PRIORITY 4 – QUALITY PROCESSES AND SERVICES

Outcome Indicator

The Council's success in achieving Key Priority 4 is demonstrated by the extent to which the following indicator has been achieved:

Outcome	The Council delivers consistent and transparent quality processes and services.
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Work undertaken by the Council to achieve Key Priority 4 is detailed as follows.

6.1 REVIEW OF COUNCIL OPERATIONS AND PROCESSES

The Council Secretariat on behalf of the Council has an established quality system which supports the Council's compliance with a range of State and national requirements, and provides an effective business system for the Council.

As part of its commitment to continuous improvement, periodic internal audits are conducted by the Council Secretariat to monitor the extent to which Council's quality system complies with both State and national requirements including the *Vocational Education and Training Act 1996*, *Vocational Education and Training Regulations (General) 2009* and the AQTF Standards.

In January 2013 the Council Secretariat commenced an internal audit of its policies, processes and procedures as part of a review of its quality systems commenced in 2011. The internal review and audit focussed on the systems effectiveness in supporting Council's compliance with its legislative requirements, AQTF Standards for Registering and Course Accrediting Bodies, and its approach to continuous improvement. The review also included any other areas identified as part of the external audit of the quality system conducted in 2011.

Audit Findings

The audit found high levels of compliance with both sets of the AQTF Standards, the *Vocational Education and Training Act 1996*, and *Vocational Education and Training Regulations (General) 2009* demonstrating the Council's quality system was achieving its goals.

The final report made a number of recommendations to address non-compliances identified during the audit process. The majority of non-compliances generally related to the lack of benchmarking with the other VET regulators, the need to strengthen the continuous improvement arrangements and a gap in documented policies relating to *Change of Legal Entity* and *Fit and Proper Person* requirements.

The audit findings and final report was endorsed by the Council in June 2014. As an outcome of the internal audit the Council has implemented a number of changes to its continuous improvement system to address the non-compliances as well as implementing other strategies including updating and communication information on the Council's website in relation to improvements made to key Council Secretariat's functions. Implementation of the outcomes from the audit will be an ongoing focus during 2014–2015.

6.2 APPEALS AGAINST COUNCIL DECISIONS

During the 2013-2014 reporting period the rigour of the Council's policies and procedures were tested through the lodgement of appeals by RTOs impacted by Council decisions.

Under the requirements of the *Vocational Education and Training Act 1996* (Section 58G), RTOs can appeal against Council decisions. Appeals must be lodged with the State Training Board (STB) in line with established processes. During the reporting period, the Council in line with the national Standards and the VET legislation cancelled the registration of two (2) RTOs. In addition, two (2) RTOs had the sanction of suspension placed on their registration, and six (6) had conditions placed on their registration.

As a result of the cancellations and sanctions, one (1) appeal was lodged with the STB against the decision of the Council. The STB disallowed the appeal on the basis that it could not find any grounds for appeal or evidence that the Council had erred in its application of, or failed to apply criteria or procedures in, guidelines it was required to apply under the VET legislation.

7. APPENDIX 1 - Glossary of Terms

Accredited course means a structured sequence of vocational education and training that has been accredited by a state and territory course accrediting body that leads to an Australian Qualifications Framework qualification or Statement of Attainment.

Apprenticeship/traineeship means a structured training arrangement for a person employed under an apprenticeship/traineeship training contract. It usually involves the person receiving training and being assessed both on and off the job.

Assessment means a process of collecting evidence and making judgments on whether competency has been achieved, to confirm that an individual can perform to the standard expected in the workplace, as expressed in the relevant endorsed industry/enterprise competency standards of a Training Package or by the learning outcomes of an accredited course.

Audit means a planned, systematic and documented process used to assess an RTO's compliance with the AQTF. Registering bodies conduct audits as a condition of registration. RTOs can conduct internal audits to assess their compliance with the standards and their own policies and procedures as part of their continuous improvement process.

Auditor means an independent person recognised by the Training Accreditation Council to ensure that the AQTF standards for registration/accreditation have been adequately addressed by an RTO.

Australian Qualifications Framework (AQF) means the policy framework that defines all qualifications recognised nationally in post-compulsory education and training in Australia. The AQF comprises titles and guidelines that define each qualification, as well as the principles and protocols covering cross-sectoral qualification links and the issuing of qualifications and statements of attainment.

Australian Quality Training Framework (AQTF) means a set of nationally agreed quality assurance arrangements for training and assessment services delivered by training organisations.

COAG Industry and Skills Council - held its inaugural meeting on 3 April 2014 and has been established to provide industry with a formal role in relation to policy directions and decision making in the national training system. The previous NSSC has been dissolved, with its ongoing functions delegated to industry representatives and selected senior officials through the Industry and Skills Council Advisory Committee.

Complaint is an expression of dissatisfaction with an action product or service of an education and training provider (or of the registering body) made to the registering body.

Complaints process means a process by which a client of an RTO, or other interested parties, may raise a concern about the RTO's policies, procedures, services or products with a view to having them changed and improved.

Course accrediting body means the authority responsible, under the VET legislation and decision-making framework for accrediting courses for delivery both inside and outside Australia.

Internal audit means audits conducted by, or on behalf of, the organisation itself for internal purposes.

National Skills Standards Council (NSSC) means a committee of the Standing Council on Tertiary Education, Skills and Employment (SCOTESE) and was established on the 1 July 2011. NSSC is one of several Standing Councils that report to the Council of Australian Governments (COAG), SCOTESE is the successor of the Ministerial Council for Tertiary Education and Employment (MCTEE). This change in structure reflects COAG's goal to strengthen Australia's vocational education and training sector. Note: the NSSC

The NSSC provides advice to SCOTESE on national standards for regulation of vocational education and training.

Note: the NSSC was formally dissolved in early 2014.

National recognition means the recognition by an RTO of the AQF qualifications and statements of attainment issued by all other RTOs, thereby enabling national recognition of the qualifications and statements of attainment issued to any person.

Recognition by each state and territory's registering body of the training organisations registered by any other state or territory's registering body and of its registration decisions.

Recognition by all state and territory course accrediting bodies and registering bodies of each other's accredited courses and accreditation decisions.

National Skills Framework (NSF) means the system of VET that sets out the system's requirements for quality and national consistency in terms of qualifications and the delivery of training. The NSF applies nationally, and has been endorsed by the Ministerial Council for Tertiary Education and Employment.

Recognition of Prior Learning (RPL) means an assessment process that assesses an individual's non-formal and informal learning to determine the extent to which that individual has achieved the required learning outcomes, competency outcomes, or standards for entry to, and/or partial or total completion of, a qualification.

Registering body means the authority responsible, under the VET legislation and decision-making framework, and in accordance with the AQTF Standards for State and Territory Registering Bodies, for registering training organisations, including all the processes relating to registration and the imposition of sanctions on RTOs.

Registration means the formal recognition by a State or Territory registering body, in accordance with the AQTF Standards for State and Territory Registering Bodies, that a training organisation meets the requirements of the AQTF Essential Standards for Registration. A training organisation must be registered in order to deliver and assess nationally recognised training and issue nationally recognised qualifications.

Registered Training Organisation (RTO) means a training organisation registered by a jurisdiction registering body in accordance with the AQTF within a defined scope of registration. See also Scope of registration.

Scope of registration means the particular services and products an RTO is registered to provide. The RTO's scope defines the specific AQF qualifications, units of competency and accredited courses it is registered to provide, and whether it is registered to provide:

- both training delivery and assessment services, and to issue the relevant AQF qualifications and statements of attainment, or
- only assessment services, and to issue AQF qualifications and statements of attainment.

Statement of Attainment is issued by an RTO when an individual has completed one or more units of competency/modules from nationally recognised qualification(s)/course(s).

Strategic Industry Audit means where a specific area of risk has been identified, a strategic industry audit is conducted to confirm that a RTO's training and assessment services are meeting the requirements of a particular industry or licensing authority.

Training.gov.au (TGA) means the national database on VET in Australia. TGA is the official national register of information on Training Packages, Qualifications, Courses, Units of Competency and RTOs.

Training Package means a nationally endorsed, integrated set of competency standards, assessment guidelines and AQF qualifications for a specific industry, industry sector or enterprise.

Training products means Training Packages qualifications and accredited courses.

8. APPENDIX 2 – Acronyms

AQF	Australian Qualifications Framework
AQTF	Australian Quality Training Framework
ASQA	Australian Skills Quality Authority
COAG	Council of Australian Government
NSSC	National Skills Standards Council
NSF	National Skills Framework
RTO	Registered Training Organisation
SIA	Strategic Industry Audit
TAC	Training Accreditation Council
VET	Vocational Education and Training