Statement of Compliance

Hon Sue Ellery MLC
MINISTER FOR EDUCATION AND TRAINING

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 2016 to 30 June 2017.

Debra Goostrey
PRESIDING MEMBER
TRAINING ACCREDITATION COUNCIL
14 September 2017

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Disclaimer
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Alternative formats (such as large font and translated) are available on request.
Acknowledgment: some icons designed by Freepik and Flaticon.
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<td>Figure 5</td>
<td>Accredited courses by AQF level as at 30 June 2017</td>
<td>20</td>
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<tr>
<td>Figure 6</td>
<td>Registration activity – applications endorsed</td>
<td>21</td>
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<tr>
<td>Figure 7</td>
<td>Total audits</td>
<td>23</td>
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</table>
1. EXECUTIVE SUMMARY

1.1 ABOUT THIS REPORT

This report fulfills the requirements of Section 30(1) of the Vocational Education and Training (VET) Act 1996 (the VET Act) by reporting on the operations of the Training Accreditation Council (the Council) to the Minister for Education and Training for the period 1 July 2016 to 30 June 2017.

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 VET Act and the Standards for VET Regulators 2015 and Standards for Registered Training Organisations (RTOs) 2015 (the Standards).

Where possible, data for the 2016-2017 reporting period and both the 2015-2016 and 2014-2015 reporting periods have been provided to allow a comparison of the activities and achievements of the Council.

The report comprises:

- **Executive Summary** – this includes:
  - the Chairman’s report – an overview of the operation of the Council
  - major achievements and highlights for 2016-2017
  - significant issues including current or emerging issues that impact or may impact upon the Council’s workload.

- **Introduction** – the Council at a glance – an overview of the Council’s guiding principles, functions, membership, planning and reporting framework, context in which the Council works as well as fees and charges.

- **Performance against Key Priority Areas** – an overview of the Council’s performance from 1 July 2016 to 30 June 2017. This section relates to the key areas of priority from the Council’s Business Plan 2014 to 2017 and its achievements against the areas. 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

As the Vocational Education and Training Sector strives to provide the foundation for a flexible and highly skilled workforce, it is only fitting that the sector be led by a highly skilled and quality focused workforce of VET practitioners. Two significant features that contribute to the broader success of the VET sector workforce are the calibre and credibility of the benchmark qualification for trainers and assessors and the ongoing commitment of our professionals to establishing quality training and assessment systems.

During the reporting period the Council has adopted a targeted strategy to ensure that only providers that can demonstrate the highest quality of training and assessment are endorsed to deliver the new benchmark qualification the TAE40116 Certificate IV in Training and Assessment.

The Council endorsed an audit strategy that includes more stringent requirements on RTOs seeking to deliver the new qualification. The strategy incorporates a range of measures including a site audit of all RTOs seeking to add the new Certificate IV in Training and Assessment qualification to their scope of registration. This includes a review of previous delivery and specific evidence requirements for RTOs. As the delivery of quality training and assessment is essential in maintaining the reputation of the sector, the Council has a strong commitment to continuing this increased regulatory scrutiny for all providers who apply for the qualifications from the Education and Training Package.

In conjunction with the increased scrutiny of the TAE40116, experience has shown that the provision of appropriate tools and education is an important regulatory strategy to encourage and promote compliance. A key feature of the Council’s risk approach is its commitment to an education program that builds capability and understanding of RTOs and their staff to meet their obligations in regard to the Standards. The Council has also strengthened its commitment to providing education to the Sector, not only on what the requirements of the Standards are, but also by offering a range of practical and hands on educational tools that can be considered by RTOs when designing and continuously improving their training and assessment systems. The Council’s education strategies aim to provide specialised professional development opportunities that deliver practical information to support business improvement and compliance practices.

This Council has continued to refine and strengthen its approach to risk based regulation during the reporting period. The risk indicators include consideration of the risk identified through the complaints process, the risk associated with the nature of training products and concerns raised by industry and key stakeholders. The information is used to determine the appropriate regulatory response at the RTO level and also to determine the appropriate broader regulatory strategies of the Council in regard to system wide issues, resulting in targeted and customised regulatory strategies.

This approach allows the Council to take regulatory actions that are more informed and proportionate to the issue of concern. It also significantly improves the ability to reduce regulatory burden on RTOs that consistently demonstrate compliance while targeting RTOs that are not reaching the expectations of students and employers.
Further to strengthening the impact of VET regulation, the Council continued to implement the recommendations from the review by the Office of the Auditor General (OAG). The review during the first half of 2015 assessed whether the Council could provide an assurance that RTOs deliver quality training and assessment of student skills and outlined a range of recommendations that were accepted by the Council.

During 2016-2017, Council made further significant progress in addressing the recommendations including implementation of the Council’s Risk Framework, Annual Regulatory Strategy and support to RTOs through an extensive Education Program. The Council has also reviewed and implemented changes to its regulatory processes including the sanctions process, resulting in reduced timeframes for the application of sanctions. These changes will result in quicker action being able to be taken by the Council when quality of training and assessment presents a risk to the broader community, an outcome much welcomed by students, industry and providers alike.

The Council could not undertake its work without the significant commitment of the Council’s secretariat. The Council would like to extend its appreciation to the Secretariat provided by the Department of Education for their ongoing professional conduct and dedication provided in supporting the work of the Council.

Ian C Hill
CHAIRMAN
TRAINING ACCREDITATION COUNCIL
### 2016-2017 HIGHLIGHTS AND KEY ACTIVITIES

**ENDORSED**

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<thead>
<tr>
<th>Category</th>
<th>Count</th>
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<tbody>
<tr>
<td>Initial &amp; Renewal</td>
<td>31</td>
</tr>
<tr>
<td>Applications</td>
<td></td>
</tr>
<tr>
<td>Courses for Accreditation</td>
<td>18</td>
</tr>
<tr>
<td>Amendments to Registration</td>
<td>271</td>
</tr>
</tbody>
</table>

**EDUCATION**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workshops provided to RTOs to support compliance with the Standards</td>
<td>5</td>
</tr>
<tr>
<td>- with 318 participants</td>
<td></td>
</tr>
<tr>
<td>Webinars conducted covering a range of topics including becoming an RTO</td>
<td>9</td>
</tr>
<tr>
<td>- Presentations: one at the Training Providers Forum &amp; one at the Summer Shorts program</td>
<td>2</td>
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</tbody>
</table>

**AUDITS**

<table>
<thead>
<tr>
<th>Type</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial registration</td>
<td>11</td>
</tr>
<tr>
<td>Renewal of registration</td>
<td>27</td>
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<tr>
<td>Monitoring</td>
<td>17</td>
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<tr>
<td>Amendments to registration</td>
<td>85</td>
</tr>
<tr>
<td>Complaints</td>
<td>5</td>
</tr>
<tr>
<td>Within 24 Months</td>
<td>13</td>
</tr>
<tr>
<td>Plus</td>
<td>14</td>
</tr>
<tr>
<td>Accreditation Reviews</td>
<td></td>
</tr>
</tbody>
</table>

**RISK ASSESSMENTS**

- 22% No Audit
- 78% Audit

**ENGAGEMENT ACTIVITIES**

- Compliance Recognition Program – 8 RTOs approved
- 109 formal meetings

**RISK F CUS**

- TAC Risk Framework implemented
- Targeting areas of highest risk
- Annual Regulatory Strategy 2016-2017 implemented

**Sponsored 2016**

- Trainer of the Year
- WA Training Awards

**378 Applications Processed**

- This included 318 registration related applications and 60 accreditation applications
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 2017-2018. Issues identified include:

- **Legislative review** – In line with legislative requirements the previous Minister for Training and Workforce Development announced a statutory review of the operation and effectiveness of the VET Act. The review is expected to be finalised in 2017-2018. The Council has made a submission to the review with proposed amendments to the VET Act to further align with the national regulatory system.

In addition to the State review, the Commonwealth Government in late June 2017 announced a review of the National Vocational Education and Training Regulator Act 2011 (the NVETR Act), which establishes the National VET Regulator the Australian Skills Quality Authority (ASQA). The review will assess the continued effectiveness and suitability of the NVETR Act for the VET sector and is expected to be finalised by the end of 2017.

The outcome of both reviews including any proposed changes may directly impact on the Council as the VET Regulator in WA and its ability to ensure a nationally consistent regulatory environment. In particular, a potential issue exists for the Council if proposed changes to VET legislation resulting from either the State or Commonwealth reviews were not implemented and the Council was unable to apply the same regulatory approach as the National VET Regulator for WA RTOs.

- **VET Reform agenda** – During the reporting period numerous discussions and meetings occurred with State and National VET stakeholders in progressing the national VET reform agenda. Discussion centred on the quality of assessment, changes to the national Training Package development and endorsement processes and review of future regulatory reform. Future regulatory reform discussions centred on consideration to regulatory practices that improve the VET Regulator’s ability to regulate areas of high risk within the sector. With momentum growing in this area during the latter part of the reporting period, implementation of any agreed changes to regulatory practices will take time to develop and implement, including consideration to any legislative change that may be required.

- **Development of new electronic business tool** – Significant work has been undertaken during 2016-2017 to progress development of a new electronic client management system to replace the existing database including the RTONet system, which provides RTOs with direct access linked to their registration. The current system has been in operation for over 10 years and is a key tool in the operation of the Council and regulation of the WA VET sector. Replacement of the system has been identified as a high priority by the Council to support current regulatory requirements. Concerns surrounding the existing RTONet system have been identified as an ongoing issue by RTOs as part of the Council survey of stakeholders.

The delayed implementation of a new electronic business tool is considered a significant risk for the Council and has the potential to impact on the Council’s operation and ability to meet regulatory requirements.
2. INTRODUCTION – THE COUNCIL AT A GLANCE

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

2.1 GUIDING PRINCIPLES

The Council has developed guiding principles that communicate to stakeholders the way in which it intends to undertake its business. The Council’s guiding principles underpin its commitment 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 Education and Training in accordance with the VET Act. 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
- Miss Janelle Dawson, Sterling Business College Pty Ltd
- Dr Irene Ioannakis, Ioannakis and Associates
- Mr Iain McDougall, Hospitality Group Training (WA) Inc
- Mr Ron Dullard, Consultant
- Ms Debra Goostrey, ATEA Consulting
- Mr Neil Fernandes, Neil C Fernandes Consulting.

2.3 FUNCTIONS OF THE COUNCIL

The Council’s functions are detailed in Part 4 and 7A of the VET Act. The focus is on quality assurance, registration of training providers and the accreditation of courses in respect to VET in WA.

Under the VET 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 VET Act.
2.4 THE CONTEXT IN WHICH THE COUNCIL WORKS

The Council is an independent statutory body that assures the quality of training and assessment of RTOs registered with the Council and accreditation of courses in the VET sector in WA. The Council operates within an agreed national regulatory framework and is responsible for ensuring compliance with the relevant Standards.

During the reporting period the Council operated under the following:

- VET Act
- Standards for Registered Training Organisations (RTOs) 2015
- Australian Qualifications Framework (AQF)
- Fit and Proper Person Requirements as outlined in the Standards for RTOs
- Data Provision Requirements of the Council as the WA VET Regulator.

The Standards should be read together with the:

- Standards for Training Packages
- Australian Quality Training Framework (AQTF) Standards for Accredited Courses
- Standards for VET Regulators 2015.

2.5 VET REGULATORY ARRANGEMENTS IN WA

In WA two (2) VET Regulators, the Council and the national VET regulator, Australian Skills Quality Authority (ASQA), have responsibility for the regulation of providers. This arrangement resulted from the Council of Australian Governments (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 continued to regulate those providers who operate only in this State (the majority of providers in WA) through the Council and is committed to ensuring effective national regulation of the VET sector. To ensure a nationally consistent regulatory environment the WA Government has enacted legislation that mirrors the Commonwealth arrangements.

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 (3) year basis (from 2014–2017) 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, as required.

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 AUDITOR AND ACCREDITATION REVIEWERS

The current RTO Auditor and Accreditation Reviewer Panels were appointed through a public tender process and commenced on 1 March 2016. The panels were appointed for a one (1) year period with three (3) one (1) year extension options. The first one (1) year option to extend was enacted in February 2017.

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

Table 1: Panel of auditors and accreditation reviewers as at 30 June 2017

<table>
<thead>
<tr>
<th>PANEL</th>
<th>AUDITOR</th>
<th>ORGANISATION</th>
</tr>
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<tbody>
<tr>
<td>RTO Auditors</td>
<td>Allison Burnett</td>
<td>Specialised Training Solutions</td>
</tr>
<tr>
<td></td>
<td>Mairead Dempsey</td>
<td>Assessment Training and Research Consultancy Services</td>
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<tr>
<td></td>
<td>Russell Docking</td>
<td>Skills Resource Management Systems</td>
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<tr>
<td></td>
<td>Cherrie Hawke</td>
<td>Torque Holdings Pty Ltd</td>
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<td></td>
<td>Julie Large</td>
<td>JAL Enterprises</td>
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<td></td>
<td>Amy Lennox</td>
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<td></td>
<td>David Love</td>
<td>Workplace Skills Management Pty Ltd</td>
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<td></td>
<td>Sharon Stewart</td>
<td>LCN Training Solutions</td>
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<td></td>
<td>Michaela Tarpley</td>
<td>Aptus Solutions Pty Ltd</td>
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<tr>
<td></td>
<td>Pam Vlajsavljevich</td>
<td>Pam Vlajsavljevich</td>
</tr>
<tr>
<td></td>
<td>Claire Werner</td>
<td>The Meyvn Group</td>
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<tr>
<td>Accreditation Reviewers</td>
<td>Mairead Dempsey</td>
<td>Assessment Training and Research Consultancy Services</td>
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<td>Russell Docking</td>
<td>Skills Resource Management Systems</td>
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<tr>
<td></td>
<td>Cherrie Hawke</td>
<td>Torque Holdings Pty Ltd</td>
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</table>
DES, on behalf of the Council, implements a performance management model for the panel of external auditors and accreditation reviewers. Under this model, 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 four (4) auditor moderation forums and one (1) accreditation reviewers’ forums 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.

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) and have not been amended since 2014. This has resulted in a nationally consistent fee model being applied to all RTOs operating in WA. Registration fees for training organisations and course accreditation fees remained unchanged for the 2016-2017 period. The approved schedule of fees and charges is provided at Table 2.

Table 2: Registration and accreditation fees as at 30 June 2017

<table>
<thead>
<tr>
<th><strong>INITIAL REGISTRATION FEES</strong></th>
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<tr>
<td>Application Lodgement Fee</td>
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<td>$800</td>
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<td></td>
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<tr>
<td>Application Assessment Fee</td>
<td>Base fee</td>
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<tr>
<td></td>
<td>Plus: - each additional qualification</td>
<td>$145</td>
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<td></td>
<td></td>
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<tr>
<td></td>
<td>- each additional unit of competency</td>
<td>$50</td>
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<td></td>
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<tr>
<td></td>
<td>- each additional delivery site</td>
<td>$1,395</td>
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<table>
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<tr>
<th><strong>RENEWAL OF REGISTRATION FEES</strong></th>
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<tr>
<td>Application Lodgement Fee</td>
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<td>Application Assessment Fee</td>
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<td></td>
<td>Plus: - each additional qualification</td>
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<td></td>
<td>- each additional unit of competency</td>
<td>$50</td>
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<td></td>
<td>- each additional delivery site</td>
<td>$700</td>
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<th><strong>AMENDMENT TO REGISTRATION FEES</strong></th>
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<tr>
<td>Change of Scope Application</td>
<td>- 1 qualification</td>
<td>$920</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Plus: - Each additional qualification</td>
<td>$135</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- First 7 units of competency</td>
<td>$240 per unit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Each additional unit</td>
<td>$135 per unit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- First 7 units of competency</td>
<td>$240 per unit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Each additional unit</td>
<td>$135 per unit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## ANNUAL FEES

| Annual RTO Registration Fee (includes any number of units of competency) | - 0-4 qualifications | $1,130 |
| - 5-10 qualifications | $3,220 |
| - 11-60 qualifications | $6,975 |
| - 61 or more qualifications | $10,730 |

Note: Applications for Skill Sets will be charged per unit of competency.

## ACCREDITATION FEES

| Application for accreditation/reaccreditation of a course | includes: Courses at AQF Level 1 (Certificate I) and above. Short courses below AQF Level 1 (Course In...). | $8,070 |
| Amendment to accredited course | Per course Note: excludes where the amendment involves updates to imported units from training packages that are deemed equivalent. | $2,290 |

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:

<table>
<thead>
<tr>
<th>Outcome 1</th>
<th>The Council’s governance requirements are met.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outcome 2</td>
<td>Council regulates training providers in accordance with the Standards for Registered Training Organisations (RTO) 2015, Standards for VET Regulators 2015, Vocational Education and Training Act 1996 and Vocational Education and Training (General) Regulations 2009.</td>
</tr>
</tbody>
</table>

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

3.1 THE COUNCIL’S GOVERNANCE REQUIREMENTS

3.1.1 Council membership for 2016-2017

Membership of the Council continued to comply with the requirements of the VET Act during the reporting period. In July 2016, Miss Janelle Dawson and Ms Debra Goostrey were reappointed as members to the Council.

3.1.2 Operation of the Council

The Council is supported by the DES 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 related to VET regulation.

The Council formally met 12 times over the 12 months to 30 June 2017, which consisted of 12 full Council meetings. The Council holds full meetings on a monthly basis to consider applications from organisations and to consider key strategies to progress the work of the Council, with additional full meetings and Executive Committee meetings held as required.
Remuneration

During the 2016-2017 reporting period Council members received the following remuneration.

Table 3: Council remuneration

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Type of remuneration</th>
<th>Period of membership</th>
<th>Gross/actual remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chairman</td>
<td>Mr Ian Hill</td>
<td>Annual</td>
<td>12 months</td>
<td>$39,442</td>
</tr>
<tr>
<td>Member</td>
<td>Dr Irene Ioannakis</td>
<td>Annual</td>
<td>12 months</td>
<td>$23,996</td>
</tr>
<tr>
<td>Member</td>
<td>Miss Janelle Dawson</td>
<td>Annual</td>
<td>12 months</td>
<td>$23,996</td>
</tr>
<tr>
<td>Member</td>
<td>Mr Neil Fernandes</td>
<td>Annual</td>
<td>12 months</td>
<td>$27,205*</td>
</tr>
<tr>
<td>Member</td>
<td>Mr Iain McDougall</td>
<td>Annual</td>
<td>12 months</td>
<td>$23,996</td>
</tr>
<tr>
<td>Member</td>
<td>Mr Ron Dullard</td>
<td>Annual</td>
<td>12 months</td>
<td>$23,996</td>
</tr>
<tr>
<td>Member</td>
<td>Ms Debra Goostrey</td>
<td>Annual</td>
<td>12 months</td>
<td>$23,996</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$186,627</strong></td>
</tr>
</tbody>
</table>

Note: * part of the 2015-2016 sitting fees were paid in the 2016-2017 financial year

3.1.3 Compliance with the Standards for VET Regulators

The Council in its capacity as the VET Regulator is required under the Standards for VET Regulators 2015 to report to the COAG Industry and Skills Council, as required, on the operation and its compliance with the Standards.

A key focus for VET Regulators during the 2015-2016 and 2016-2017 reporting periods has been the implementation of the Standards for Registered Training Organisations (RTOs) 2015 and Standards for VET Regulators 2015, with annual reporting requirements for VET regulators still to be finalised. It is anticipated that performance reporting by regulators should commence in the next reporting period.

During this reporting period, the Council progressed a range of initiatives to address the requirements of the Standards for VET Regulators 2015. This includes the development and implementation of a broad range of regulatory initiatives to ensure compliance with the Standards including:

- Implementation of Council’s Education Program including the continued development of an extensive range of initiatives focusing on information and guidance materials to support RTOs compliance and the development of the VET Sector
- Implementation and operationalisation of the Council’s Risk Framework including development of a risk analysis business tools to support implementation
- Implementation of the Council’s Annual Regulatory Strategy 2016-2017, which informs stakeholders about regulatory priorities during the reporting period
- Obtaining feedback from RTOs as part of the Council’s audit process
Training Accreditation Council Annual Report 2016-2017

- continued implementation of a regulatory strategy to ensure compliance with the requirements related to RTOs delivering the Certificate IV in Training and Assessment qualification in WA.

A major focus for the Council during this period has been the implementation of the Council’s Risk Framework, Annual Regulatory Strategy and the expansion of the Council’s Education Program. During 2016-2017, considerable changes were also implemented to the quality system, which is designed to support the Council’s functions as the VET Regulator and ensure compliance with a range of State and national requirements. The changes made to the quality system aligned with Council’s risk approach to regulation including a review of all operational processes, decision making and delegation arrangements.

3.2 OVERVIEW OF THE REGULATORY MARKET

3.2.1 Registration of Training Organisations

As at 30 June 2017 there were 244 RTOs registered with the Council.

The 244 WA RTOs registered with the Council deliver VET qualifications in the following locations:

- 226 in WA only
- 12 in countries other than Australia
- 6 in both WA & VIC

<table>
<thead>
<tr>
<th>COUNCIL ENDORSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 Initial registrations</td>
</tr>
<tr>
<td>20 Renewal of registrations</td>
</tr>
<tr>
<td>271 Amendments to registration</td>
</tr>
<tr>
<td>18 Accreditation and re-accreditation of courses</td>
</tr>
</tbody>
</table>

During the 2016-2017 year:

- 21 WA RTOs voluntarily relinquished registration
- 14 WA RTOs did not renew registration when it expired
- 2 WA RTOs had conditions placed on their registration
- 1 WA RTO had a sanction of suspension imposed on their registration
3.2.2 Demographics of RTOs

The following provides an overview of the WA VET market for the 2016-2017 reporting period.

Figure 1: WA RTOs by location

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 244 WA RTOs registered with the Council, 75% (182) were located in the Perth region; 22 (9%) were located in the South-West region and the remaining RTOs spread across WA. As illustrated in the figure, the distribution of RTOs by location has remained fairly stable during the reporting period.

Figure 2: WA RTOs by type of business

WA RTOs by type of business

180 (74%) of the 244 WA RTOs registered with the Council at 30 June 2017 were private RTOs. The other 64 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.
Top 10 overall qualifications

Figure 3 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 2017. Of the 244 WA RTOs registered at the end of June 2017, 13% (31) had Certificate II in Business on their scope of registration, 10% (24) had Certificate IV in Work Health and Safety, 9% (23) Diploma of Leadership and Management and 9% (21) Certificate IV in Training and Assessment on their scope of registration.

Figure 3: Top 10 overall qualifications

<table>
<thead>
<tr>
<th>Qualification</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate II in Business</td>
<td>31</td>
</tr>
<tr>
<td>Diploma of Leadership and Management</td>
<td>23</td>
</tr>
<tr>
<td>Certificate IV in Work Health and Safety</td>
<td>24</td>
</tr>
<tr>
<td>Certificate IV in Training and Assessment</td>
<td>21</td>
</tr>
<tr>
<td>Certificate III in Individual Support</td>
<td>19</td>
</tr>
<tr>
<td>Certificate III in Business</td>
<td>19</td>
</tr>
<tr>
<td>Certificate IV in Business</td>
<td>17</td>
</tr>
<tr>
<td>Certificate III in Business</td>
<td>16</td>
</tr>
<tr>
<td>Certificate III in Childhood Education and Care</td>
<td>15</td>
</tr>
</tbody>
</table>

Figure 4: Top 10 industry areas of training delivery based on the number of industry training packages delivered by WA registered RTOs as at 30 June 2017.

Top 10 industry areas

At 30 June 2017, Business Services was the industry with the highest level of training delivery by RTOs registered with the Council. Of the 244 WA RTOs registered with the Council on 30 June 2017 87 (36%) had Business Services on their scope of registration, followed by 68 (28%) in Health, 66 (27%) in Resources and Infrastructure and 61 (25%) in Transport and Logistics.

<table>
<thead>
<tr>
<th>Industry Area</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Services</td>
<td>87</td>
</tr>
<tr>
<td>Health</td>
<td>68</td>
</tr>
<tr>
<td>Resources &amp; Infrastructure</td>
<td>66</td>
</tr>
<tr>
<td>Transport &amp; Logistics</td>
<td>61</td>
</tr>
<tr>
<td>Construction, Plumbing &amp; Services</td>
<td>59</td>
</tr>
<tr>
<td>Community</td>
<td>41</td>
</tr>
<tr>
<td>Property Services</td>
<td>37</td>
</tr>
<tr>
<td>Training &amp; Assessment</td>
<td>36</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>34</td>
</tr>
<tr>
<td>Metals &amp; Engineering</td>
<td>27</td>
</tr>
</tbody>
</table>
Accredited Courses

In its capacity as the VET Regulator the Council accredits courses in line with the requirements of the Standards to meet training needs not addressed in training packages.

At 30 June 2017 the Council had accredited 107 courses. The figure below shows courses accredited by the Council by Australian Qualification Framework (AQF) level.

Figure 5: Accredited courses by AQF level as at 30 June 2017

Advanced Diploma (AQF level 6) courses made up the highest proportion of accredited courses – approximately 26% (28) of the total. Diploma (AQF level 5) courses were 16% (17) and Certificate IV (AQF level 4) courses were 14% (15) of the total. Courses below AQF level 1 constituted about 8% (9) of the total. Certificate I (AQF level 1) courses were the least represented at 6% (6) of the total of accredited courses.

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 VET Act and the Standards. 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 2016–30 June 2017.

Registration activity

During the 2016-2017 year the Council received a total of 318 new registration applications from training organisations of which 281 were amendment to registration applications and 37 were initial and renewal of registration applications.

The amendment applications includes those processed through the replacement of equivalent training package products process.

The table below provides a summary of registration applications received during the reporting period.
Table 4: Registration activity July 2016 – June 2017

<table>
<thead>
<tr>
<th>Activity</th>
<th>Initial</th>
<th>Renewal</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Received by Council</td>
<td>13</td>
<td>24</td>
<td>281</td>
</tr>
<tr>
<td>Approved by Council</td>
<td>11</td>
<td>20</td>
<td>271*</td>
</tr>
<tr>
<td>Rejected by Council</td>
<td>2</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Withdrawn by applicant</td>
<td>0</td>
<td>2</td>
<td>6</td>
</tr>
</tbody>
</table>

*Note: Includes 146 amendments processed via the replacement of equivalent training package products.

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

Applications endorsed

During 2016-2017, the Council endorsed the following applications:
- 11 initial registrations
- 20 renewal of registrations
- 271 amendments to registration – of the 271 amendments endorsed 146 were processed in line with the Council’s policy on Transition to Equivalent Training Package Qualifications and Units of Competency.

The figure below provides an overview of the applications endorsed by Council for the 2016-2017 period and the two previous reporting periods.

Figure 6: Registration activity – applications endorsed

The decrease in the number of applications for renewal of registration could be attributed to the cyclic nature of the registration process, RTOs reviewing their business requirements and changes to fees and charges. During 2016-2017, a decrease in amendment to registration endorsements was noted compared with the previous reporting period. Amendments to registration are client initiated and while the decrease is considered high it could be attributed to the maturing of RTOs business requirements and delivery focus, and a decrease in changes to training package products.
Risk Management of Applications

The Council is responsible for undertaking audits of training organisations and accreditation reviews against the Standards for VET Regulation.

The Council 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 2016-2017 reporting period, a total of 166 RTO risk assessments were undertaken by the Council.

The numbers remained consistent when compared with the 2015-2016 reporting period total of 162.

Of the 166 risk assessments undertaken, 36 applications (22%) did not require an audit while a desk and/or site audit was required for the remaining 130 applications (78%). This represents an increase of 21% in the number of applications requiring an audit compared to the 2015-2016 reporting period. The increase could be attributed to more targeted audits occurring in line with the Council’s Annual Regulatory Strategy 2016-2017.

Annual Declaration on Compliance

It is a requirement of registration with the Council that RTOs comply with mandatory reporting requirements. This includes a requirement for RTOs to provide the Council with an annual declaration on compliance. The first Annual Declaration was required to be submitted during the reporting period. Information collected is reviewed, with appropriate and proportionate regulatory responses considered by the Council where applicable.

The declaration is in relation to whether the RTO:

1. currently meets the requirements of the Standards for RTOs across all its scope of registration and if not, action taken or planned to address the non-compliance, and
2. has met the requirements of the Standards for RTOs for all Australian Qualifications Framework (AQF) certification documentation issued in the last financial year.

By submitting the annual declaration the RTO’s legally responsible person is confirming that the RTO systematically monitors and evaluates training and assessment strategies and practices, and uses the outcomes of monitoring and evaluation to inform improvements in business and educational practice.

The annual declaration covers the RTO’s entire scope of operations, including all services provided on its behalf by other organisations under third party arrangements, and for all locations where the RTO operates in WA, Victoria or overseas.
3.2.4 Audit Activity

Overview of Audits

During the reporting period the Council conducted a total of 158 audits. Audits were undertaken in accordance with the Standards, the AQTF Audit Handbook and the guidelines for risk management.

Of the 158 audits conducted 123 (78%) were client initiated, comprising 38 initial and renewal audits and 85 amendment to registration audits.

There were 35 regulator initiated audits covering a range of audit types. These consisted of 13 Within 24 Months audits, 17 Monitoring audits and five (5) Complaint audits.

Figure 7 provides information on the type and number of audits conducted in the reporting period.

Figure 7: Total audits

The decrease in amendment to registration audits although high is not considered significant as amendments are client initiated and the decline could be related to RTOs having a more settled scope of delivery during the reporting period. The lower number of regulator initiated audits is not considered significant and is reflective of Council’s regulatory approach and its focus on RTOs that pose the highest risk.

Audits by Method

The Council, in line with its approach to risk assessment, utilises the outcomes of the risk process to determine the appropriate regulatory response to be applied. The outcome of this process could result in no audit or either a desk audit and/or site audit being conducted. Of the 158 audits undertaken as at 30 June 2017, 118 (75%) were site audits and 40 (25%) were desk audits.

The following table provides a comparison of the audit method between the current and the previous reporting periods.
Table 5: Total number of audits as at 30 June 2017 by method

<table>
<thead>
<tr>
<th>Type</th>
<th>30 June 2015</th>
<th>30 June 2016</th>
<th>30 June 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Desk audit</td>
<td>79</td>
<td>58</td>
<td>40</td>
</tr>
<tr>
<td>Site audit</td>
<td>156</td>
<td>144</td>
<td>118</td>
</tr>
<tr>
<td>Total</td>
<td>235</td>
<td>202</td>
<td>158</td>
</tr>
</tbody>
</table>

Audit outcomes

While the Council conducted a total of 158 audits, it should be noted that the number of audits undertaken by the Council does not align to the number of training organisations, only total audits conducted. Audits may include multiple audit types for individual training organisations during the reporting period.

This is illustrated by the following example. During a 12 month period a training organisation may have initiated audits related to its registration (initial or renewal) and/or several amendment to scope audits related to proposed new delivery and the Council may have also initiated an audit in its capacity as the VET Regulator.

The following table provides a breakdown of the outcomes of audits conducted during the 2016-2017 period (based on overall level of non-compliance identified at the main audit).

Table 6: Overall level of non-compliance at main audit

<table>
<thead>
<tr>
<th>Outcome</th>
<th>30 June 2015</th>
<th>30 June 2016</th>
<th>30 June 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compliant</td>
<td>82</td>
<td>72</td>
<td>54</td>
</tr>
<tr>
<td>Minor</td>
<td>48</td>
<td>59</td>
<td>38</td>
</tr>
<tr>
<td>Significant</td>
<td>87</td>
<td>57</td>
<td>54</td>
</tr>
<tr>
<td>Critical</td>
<td>18</td>
<td>14</td>
<td>12</td>
</tr>
<tr>
<td>TOTAL</td>
<td>235</td>
<td>202</td>
<td>158</td>
</tr>
</tbody>
</table>

The 158 audits for delivery of training and assessment conducted by Council during 2016-2017 consisted of:

- **Market entry audits** - 96 (61%) of the audits conducted were audits related to market entry by training organisations. Market entry audits include new training organisations seeking registration with the Council or existing RTOs applying to amend their scope of delivery to add new training products. Training organisations can only commence delivery if full compliance has been achieved against the Standards and subsequently endorsed by the Council. Note: These types of audits have no impact on students, industry or the quality of training as delivery has not been undertaken prior to Council endorsement.
Due to the high risk nature of these audits organisations cannot operate within the WA VET market until compliance has been demonstrated and endorsed by the Council.

- **Audits of existing RTOs** – 40 (25%) were audits related to existing RTOs and include:
  - renewal of registration audits (27) - RTOs applying to renew their registration with the Council must demonstrate compliance against the Standards in order to be re-registered and enable delivery to continue
  - within 24 months audits (13) – these audits are initiated by the Council and are undertaken within 24 months of the registration of a new RTO to confirm that the RTO satisfies the requirements of the Standards.

  Of the 40 audits conducted:
  - 28% were compliant at main audit
  - 79% were compliant following the 20 day rectification period.

- **Identified risk audits of existing RTOs** – 22 (14%) were audits initiated by the Council related to identified risks of existing RTOs and include:
  - monitoring audits (17) and complaint (5) audits and may have minimal disruption to the RTOs operation unless the outcomes of the audits warrant further regulator actions. For example Council may impose sanctions on the RTOs registration including varying registration, placing conditions on the registration, suspension or cancellation of the registration.

  Of the 22 audits conducted:
  - 36% were compliant at main audit
  - 64% were compliant following the 20 day rectification period.

Non-compliances identified at audit were considered by the Council in line with its established processes and RTOs must demonstrate compliance with the Standards in order to continue to operate within the WA VET market.
3.2.5 Strategic Industry Audits

Strategic Industry Audits (SIAs) provide an in-depth analysis of systemic issues pertaining to a specific industry area or other systemic VET issue. The consideration of risk at the local level allows WA to respond to locally identified quality issues and intervene in a timely manner in line with public expectations. Specifically, SIAs are undertaken to confirm that RTOs delivering training and assessment services within a specific industry or systemic VET area are meeting the requirements of:

- the Standards for RTOs
- the nationally recognised training products (qualifications and units of competency within Training Packages)
- industry regulator or VET areas including any licensing or other industry or VET based requirements.

The outcomes of SIAs provide an overview of activity and quality of delivery and assessment for key stakeholders and other interested parties. Other issues of concern may also be reported on, however the focus is on the Standards for RTOs and the training products in the specific industry area, or VET area requiring review.

SIAs are managed by the Council Secretariat on behalf of the Council with the guidance of operational reference groups including industry representatives, which provide invaluable input and guidance to supplement audit processes.

When finalised and endorsed by the Council, SIA final reports are published and available on the Council’s website www.tac.wa.gov.au.

During the reporting period follow up regulatory activity was undertaken in relation to the SIA on the delivery of units of competency that lead to the issuance of High Risk Work Licences (HRWLS) in WA. This included undertaking monitoring audits and activities to progress recommendations contained within the final report.

3.2.5 Risk Framework

Following their adoption through legislation, the Council is required to operate in accordance with the Standards for VET Regulators 2015. The risk approach described in the Standards enables VET Regulators to recognise the different level of risk posed by different providers, enabling regulators to deal more effectively with poor quality in the sector and to improve confidence of VET outcomes.

In April 2015, the Council endorsed a risk approach that directs its resources to areas that pose the greatest risk to the quality of VET outcomes. During the reporting period, the Council’s risk approach was fully operational and well established.

Risk indicators include consideration of the risk presented by complaints, the risk associated with the nature of training products and concerns raised by industry and key stakeholders. The information is used to determine the appropriate regulatory response at the RTO level and also to determine the appropriate broader regulatory strategies of the Council in regard to system wide issues, resulting in targeted and customised regulatory strategies.
Regulatory actions are more informed and proportionate to the issue being considered and the approach significantly improves the ability to reduce regulatory burden on RTOs that consistently demonstrate compliance.

The Risk Framework outlines a number of regulatory tools available to the Council. The range and escalation of responses varies according to the nature and severity of the potential consequences of the risk. In addition to high impact responses such as desktop, site or strategic industry audits, a number of low impact responses provide the Council with strategies to encourage and promote compliance, including the provision of educational support, communication and information strategies.

Experience has shown that the provision of appropriate tools and education is an important regulatory strategy to encourage and promote compliance. A key feature of the Council’s risk approach is its commitment to an education program that builds capability and understanding of RTOs and their staff to meet their obligations in regard to the Standards. The Council’s education strategies aim to provide specialised professional development opportunities that deliver practical information to support business improvement and compliance practices. The Council’s Education Program is well established with a variety of vehicles for presentation of information, including a series of webinar presentations, workshop programs and an expansion of Fact Sheets available to stakeholders.

During the reporting period, the Council endorsed its Annual Regulatory Strategy which informs stakeholders about the priorities the Council has agreed to focus its regulatory efforts on during 2016-2017.

3.2.5 Annual Regulatory Strategy

The Council’s Annual Regulatory Strategy is prepared in line with the Council’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 the Council’s audit activity. The collection, analysis and evaluation of data provides an indication of provider specific risk (through the risk profiling of individual RTOs) and systemic risks influenced by trends relating to non-compliance with specific Standards for RTOs, training products, or emerging issues across industry sectors.

Areas of actual and potential risk are analysed and appropriate risk responses are formulated. While there are many risk areas, the Council publishes those areas posing the highest risk to the VET sector via its Annual Regulatory Strategy.

The purpose of the Annual Regulatory Strategy is to inform stakeholders about the priorities the Council has agreed to focus its regulatory efforts on during the period. 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.

Although publication occurs annually, risks are identified and appropriate regulatory responses are considered and actioned by the Council on an ongoing basis, and may be in addition to those risks published within the Annual Regulatory Strategy. In these cases, regulatory response
strategies impacting on a broad sample of RTOs in response to systemic risk are announced to stakeholders via the Council’s established communication strategies, e.g. TAC Special Bulletin.

As outlined in the Council’s Risk Framework, a number of regulatory response tools are available to the Council. The range and escalation of responses varies according to the nature and severity of the potential consequences of the risk. In addition to high impact responses such as desktop, site or strategic industry audits, a number of low impact responses provide the Council with strategies to encourage and promote compliance.

During 2016-2017 the Annual Regulatory Strategy outlined risks and regulatory responses across provider and systemic risk issues. This included customised audit strategies related to RTOs delivering units of competency linked to units of competency leading to the issuance of HRWLs in WA, the Certificate IV in Training and Assessment and Certificate III in Individual Support qualifications, RTOs outsourcing services to third parties and RTO marketing practices. The Council also monitored risks linked to the Standards for RTOs with a focus during audits on training and assessment, amount of training, third party arrangements and RTO marketing practices.

The Annual Regulatory Strategy also outlines the Council’s commitment to an Education Program that delivers specialised and customised professional development opportunities and the provision of guidance material to support RTOs and their staff to meet their obligations in regard to the Standards for RTOs. Provider and system wide issues inform the provision of education support and communication strategies. Strategies implemented include:

- **RTOs delivering the Certificate IV in Training and Assessment qualification**

  In June 2016, the Council endorsed an audit strategy for RTOs delivering the Certificate IV in Training and Assessment qualification in response to the approval of the new Training and Education (TAE) Training Package by the Australian Industry and Skills Committee. As the Certificate IV qualification is considered to be the foundation for the effective delivery and assessment of all VET qualifications, the changes to the qualification and RTOs seeking to amend their scope of registration to include the new qualification were identified as a risk to the VET sector.

  The Council endorsed an audit strategy that includes more stringent requirements on RTOs seeking to deliver the new qualification. The strategy incorporates a range of measures including a site audit of all RTOs seeking to add the new Certificate IV in Training and Assessment qualification to their scope of registration, including a review of previous delivery and specific evidence requirements for RTOs. As the delivery of quality training and assessment is essential in maintaining the reputation of the sector, this additional regulatory scrutiny continued during the reporting period. The Council also included the qualification on the list of exempt qualifications for the Compliance Recognition Program.

- **RTOs delivering in the Aged Care, Home and Community Care and Disability sector**

  In October 2015, based on concerns identified as part of the outcomes of the SIA of the delivery of Aged Care and Home & Community Care undertaken in 2012-2013 and significant changes to the Community Services Training Package updated in August 2015, the Council endorsed an audit strategy for RTOs delivering training in this industry area. The changes to the Training Package resulted in the creation of the Certificate III in Individual Support
qualification. The new qualification collapses aged care, home and community care and disability into one qualification, and was not considered equivalent to the superseded qualification. Based on industry concerns and the significant changes to the Training Package, the Council endorsed a strategy that included a site audit being undertaken for all RTOs seeking to add the new Certificate III in Individual Support qualification to their scope of registration. Regulatory data and continued industry concern resulted in the continuation of this regulatory strategy during 2016-2017. The Council also included the qualification on the list of exempt qualifications for the Compliance Recognition Program.

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

  During 2016, the Council conducted an SIA into units of competency that lead to the issuance of High Risk Work Licences (HRWL) in WA. The review found that 70% of RTOs audited were non-compliant. Since the review, stakeholder concerns in relation to training and assessment practices and course duration continued. Based on these ongoing concerns and regulatory data, RTOs seeking to add units of competency linked to the issuance of HRWLs required a site audit during the reporting period.

- **Monitoring of systemic issues linked to the Standards for RTOs – training and assessment, amount of training, marketing practices and third party arrangements**

  Complaints data, monitoring of RTO websites and regulatory data continued to indicate issues aligned to the Standards for RTOs, including training and assessment, amount of training, marketing practices and third party arrangements, with continued monitoring occurring during audits.

  RTOs outsourcing services to third parties is a significant risk to the sector. Audit outcomes have shown when services are outsourced to another party, the quality assurance and consistency of those services becomes inherently more challenging to manage. Marketing practices and third party arrangements were subject to regulatory scrutiny during 2016-2017.

  Education Program activities included guidance to support compliance requirements against the Standards for RTOs via Fact Sheets, webinars and targeted workshops.

### 3.2.6 Course Accreditation

Accredited courses are intended to fill gaps in national training packages. The Council does not accredit a course if a training package product exists that can be customised to meet the same vocational outcome.

At 30 June 2017 there were 107 accredited courses in WA. This is a fall from the total of 137 courses during 2015-2016.

During the reporting period the Council considered and approved a total of 60 accreditation applications. These included eight (8) applications for accreditation of new courses, 10 applications for reaccreditation of existing courses, and 42 applications for extension of accreditation. Of the 50 courses that expired during 2016-2017 9 (18%) were reaccredited.
The decrease in accredited courses and accreditation activity could be attributed to recent Training Package developments with changes better reflecting industry requirements and reducing the need for accredited courses, organisations reassessing their business requirements and changes to fees.

Table 7 summarises accreditation activity undertaken in the reporting period.

**Table 7: Accreditation activity**

<table>
<thead>
<tr>
<th>Activity</th>
<th>30 June 2015</th>
<th>30 June 2016</th>
<th>30 June 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accreditation reviews undertaken</td>
<td>39</td>
<td>18</td>
<td>14</td>
</tr>
<tr>
<td>Courses accredited</td>
<td>10</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>Courses re-accredited</td>
<td>34</td>
<td>29</td>
<td>10</td>
</tr>
<tr>
<td>Courses extended</td>
<td>13</td>
<td>13</td>
<td>42</td>
</tr>
<tr>
<td>Courses amended</td>
<td>6</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Courses expired</td>
<td>44</td>
<td>44</td>
<td>50</td>
</tr>
</tbody>
</table>

The table below sets out the outcome of each accreditation review undertaken against the AQTF Standards for Accredited Courses during the reporting period.

**Table 8: Outcome of accreditation reviews**

<table>
<thead>
<tr>
<th>Type</th>
<th>30 June 2015</th>
<th>30 June 2016</th>
<th>30 June 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compliant</td>
<td>31</td>
<td>15</td>
<td>14</td>
</tr>
<tr>
<td>Non-compliant</td>
<td>8</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>39</strong></td>
<td><strong>18</strong></td>
<td><strong>14</strong></td>
</tr>
</tbody>
</table>

Accreditation reviews are undertaken when a course owner submits an application for course accreditation, course re-accreditation or, in some cases, course amendment. Depending on the nature of the application, a single accreditation review may include more than one (1) accredited course. In line with the Council processes and national guidelines, if the outcome of the initial review is non-compliance, the applicant is given a further opportunity to provide evidence during a rectification period of 20 working days.

All accreditation reviews undertaken during the reporting period demonstrated compliance at review.
3.2.7 Complaint Management

A requirement under the VET Act and the Standards for VET Regulators 2015 is that the Council implements a policy to manage and respond to stakeholder complaints. The Council can only investigate complaints if they relate to the on-going compliance by RTOs with the Standards for RTOs and the VET Act.

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.

During 2016-2017, the Council’s complaints activity included the following:

- 29 complaints were formalised
- 21 complaints were investigated and resolved
- 3 complaints were not yet finalised at 30 June 2017
- 7 additional complaints carried over from the previous reporting period as further investigation was required

Eight (8) of the complaints that were formalised required a complaint audit of the RTOs concerned. Two of these audits combined complaints which resulted in six (6) complaint audits being undertaken. Non-compliances were identified at five (5) of the audits which resulted in the complaint being substantiated. Six (6) of the eight (8) 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: Complaint activity as at 30 June 2017**

<table>
<thead>
<tr>
<th>Complaints</th>
<th>June 2015</th>
<th>June 2016</th>
<th>June 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complaints about RTOs</td>
<td>27</td>
<td>42</td>
<td>29</td>
</tr>
<tr>
<td>Complaints against TAC processes and services or against individual officers</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

The highest number of complaints received and formalised related to Standard 1 with 15 complaints raising concerns in relation to training and assessment strategies and practices being responsive to industry and learner needs and meeting the requirements of Training Packages. The second highest was 13 complaints relating to Standard 4 in relation to learners not being appropriately informed and protected.
Table 10 provides an overview of complaints received during the reporting period by Standards.

**Table 10: Complaints formalised by Standards**

<table>
<thead>
<tr>
<th>Standard (Standards for RTOs 2015)</th>
<th>No. of complaints formalised</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Standard 1</strong> – training and assessment strategies and practices are responsive to industry and learner needs and meet training package and accredited course requirements</td>
<td>15</td>
</tr>
<tr>
<td><strong>Standard 2</strong> – RTO operations are quality assured</td>
<td>1</td>
</tr>
<tr>
<td><strong>Standard 3</strong> – AQF certification is issued, maintained and accepted and learners have access to records</td>
<td>3</td>
</tr>
<tr>
<td><strong>Standard 4</strong> – RTOs information is accurate and accessible with its services and performance available to inform learners and clients</td>
<td>13</td>
</tr>
<tr>
<td><strong>Standard 5</strong> – each learner is properly informed and protected</td>
<td>10</td>
</tr>
<tr>
<td><strong>Standard 6</strong> – complaints and appeals are recorded, acknowledged and dealt with fairly, efficiently and effectively</td>
<td>3</td>
</tr>
<tr>
<td><strong>Standard 7</strong> – there are effective governance and administration arrangements in place</td>
<td>1</td>
</tr>
<tr>
<td><strong>Standard 8</strong> – RTO cooperates with the VET regulator and is legally compliant at all times</td>
<td>3</td>
</tr>
</tbody>
</table>

_Vocational Education and Training Act 1996_ – section 58A – 1

Note: A complaint may include several issues that cut across more than one Standard.

Complaints covered a wide range of industry areas with Business Services and Construction, Plumbing and Services industry areas common areas of concern across the reporting period. The Business Services industry area is among the industry areas with the highest volume of students, which may correlate with the highest number of complaints received in this industry area.

Areas of concern were identified in relation to poor quality training and assessment, marketing and certification. In addition to monitoring via audits, the Council has undertaken professional development opportunities to address these areas of concern, with the Council’s Education Program being expanded to include additional professional development opportunities with the aim to deliver practical information to support business improvement and compliance practices.

Complaints management is an integral component of the Council’s Risk Framework and the data collected from complaints helps to inform consideration to areas of highest risk and appropriate regulatory responses on an ongoing basis.
3.3 REDUCING REGULATORY REQUIREMENTS

The Council is committed to ensuring a risk centred approach to regulation that minimises risk to the training sector while actively working to reduce regulatory burden for RTOs. During the 2016-2017 reporting period the Council progressed several initiatives to help reduce regulatory requirements for RTOs.

3.3.1 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. The Council’s Compliance Recognition Program (CR Program) was introduced in May 2015 and is designed to provide RTOs that consistently demonstrate compliance a degree of flexibility by removing the requirement for RTOs to submit applications or fees to the Council for amendment activity to their scope of registration.

The CR Program is premised on the basis that the RTO has undertaken an internal verification process to determine that training products meet compliance with the Standards, Australian Qualifications Framework (AQF) and requirements of registration as an RTO under the VET Act. The Council retains the overall authority to approve the amendment.

The granting of participation in the CR Program by the Council does not indicate or imply that the RTO is of a higher standard or of a lower risk than other RTOs.

During the 2016-2017 period a number of RTOs have been invited to participate in the initiative via an expression of interest process, with three (3) RTOs approved to enter the program. As at 30 June 2017 there were eight (8) RTOs in the program.

The Council has commenced a review into the program which is focusing on the effectiveness and impact of the program and assess opportunities to further refine and improve the program.

3.3.2 Replacement of equivalent training package products

The Council in collaboration with other VET Regulators implements as part of its commitment to reduce regulatory burden and minimise risk to the VET sector that equivalent training package products (qualifications and/or units of competency) are automatically added to an RTOs scope of registration without requiring an application or a fee.

The process applied to all of the Council regulated RTOs with a training package product listed on their scope that an Industry Skills Council had superseded with a new training product that it has deemed equivalent and would apply to all future training package updates.

During the 2016-2017 period 146 amendments were processed by the Council through the replacement of equivalent training package products.
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:

<table>
<thead>
<tr>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Council effectively communicates and provides an educative service on its functions to stakeholders and gathers appropriate information to enhance its regulatory functions.</td>
</tr>
</tbody>
</table>

Work undertaken by the Council to progress this priority and to achieve Key Priority 2 is detailed as follows.

4.1 EDUCATION PROGRAM AND DEVELOPMENT OPPORTUNITIES

Education strategies are an integral component of the Council’s regulatory approach as an appropriate and valid regulatory response to identified risk areas. During the reporting period significant work continued to develop and publish guidance material, and the provision of professional development opportunities through general information sessions and the delivery of specific topics via webinars and workshops. The Council’s Education Program aims to support RTOs and their staff to meet their obligations in regard to the Standards for RTOs.

The expansion of the Council’s Education Program in 2016-2017 included offering a variety of mediums for the presentation of information including the delivery of online information sessions via webinars allowing State-wide participation and minimising costs for participants. Expansion of professional development opportunities via practical workshops proved highly successful. Sessions provide practical information to support RTO business improvement and compliance practices.

A broad range of initiatives was undertaken during the reporting period with a focus on information and guidance to the sector in regard to implementation and compliance requirements of the Standards for RTOs. In line with the Council’s Risk Framework, provider and system wide issues inform the provision of education support and communication strategies.
Education Program initiatives undertaken during the reporting period include:

<table>
<thead>
<tr>
<th>Number</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Five (5) workshops providing RTOs with practical information to support compliance practices against the <em>Standards for RTOs</em>. Target areas included amount of training, assessment, assessment validation and vocational competence and industry currency for trainers and assessors. A total of 318 participants attended the education workshops. Participants attended in person, or via webinar, and all workshops were recorded and made publicly available on the TAC website.</td>
</tr>
<tr>
<td>9</td>
<td>Nine (9) webinars were conducted covering topics such as <em>The Accreditation Process</em>, <em>The Audit Experience</em> and information about <em>Becoming an RTO</em>. In addition to participants attending the webinar sessions live, all webinars were recorded and made publicly available on the TAC website.</td>
</tr>
<tr>
<td></td>
<td>The Council website is updated on an ongoing basis to include all relevant and up to date information related to the <em>Standards for RTOs</em> including support and guidance material, resources and relevant web links.</td>
</tr>
<tr>
<td>4</td>
<td>Four of the Council’s published Fact Sheets were updated to reflect current requirements. Fact Sheets provide training providers with guidance about the <em>Standards for RTOs</em>.</td>
</tr>
<tr>
<td></td>
<td>The Council regularly publishes information to RTOs about the <em>Standards for RTOs</em> and the Council’s regulatory approach via electronic newsletters. Newsletter publications include the TAC Update and TAC Special Bulletins. During 2016-2017, the Council published and distributed three (3) TAC Updates and six (6) TAC Special Bulletins.</td>
</tr>
<tr>
<td>1</td>
<td>One (1) presentation was undertaken at DTWD’s Training Provider’s Forum held in May 2017. The session focused on the TAC Risk Framework and provided information about the Council’s risk based approach to managing and responding to risks in the VET sector.</td>
</tr>
<tr>
<td></td>
<td>A presentation titled <em>The TAC Audit Experience</em> was delivered at DTWD’s Summer Shorts professional development program held in December 2016.</td>
</tr>
</tbody>
</table>

The Council’s Education Program will continue to be a key focus during 2017-2018 with the provision of appropriate professional development opportunities and resources to stakeholders that provide practical information to support RTO business improvement and compliance practices.
4.2 COMMUNICATIONS WITH CLIENTS AND STAKEHOLDERS

4.2.1 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 VET Act and the Standards.

The report is forwarded to key stakeholders and clients including the Minister for Education and Training, government departments, and circulated more broadly via the Council’s website to RTOs and Industry Training Councils.

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

- **TAC Website**
  The website is the Council’s major communication portal and the most frequently accessed information and communication tool. The website contains all Council policy and key documentation in relation to the Standards for RTOs, course accreditation and other key information relevant to the sector and its stakeholders including VET in Schools.
  
  The Council’s website includes registration application forms, complaints handling information and forms, published newsletters and a vast selection of information and guidance material including details about professional development opportunities offered through the Council’s Education Program to support compliance requirements against the Standards for RTOs.

- **TAC Newsletters**
  The Council continues to produce regular newsletters, the TAC Update and Special Bulletins, as required. These two communication tools outline key information to RTOs and other stakeholders including State and national VET policy direction, VET regulatory process matters and on-going reminders to key stakeholders about mandatory reporting requirements. The newsletters are emailed to subscribers and 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 VET 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 that 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 whereby 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.

Significant work has been undertaken during 2016-2017 to progress development of a new electronic client management system to replace the existing database including the RTONet system. The development of the new system has been a key focus for the DES. RTOs will continue to access information linked to their RTO and interact with the Council Secretariat via the new electronic business tool.

• Presentations

The Council features regularly at various VET events in WA and nationally. During the period, presentations were delivered across a range of topics aligned to the Standards for RTOs and information about the Council’s risk approach. A sample of stakeholders hosting events during the reporting period include:

• ACPET (WA)
• DTWD’s Training Providers Forum
• Industry Associations
• International delegation (Kenyan Technical and Vocational Training and Education Authority)
• Industry Training Council (ITC) CEO meeting and ITC RTO Forums
• RTO professional development days
• Enterprise Registered Training Organisation Association (ERTOA)
• Training and Development Association (TADA)
• VELG National VET Conference

4.3 FEEDBACK FROM STAKEHOLDERS

A key priority of the Council’s 2014-2017 Business Plan requires that Council effectively communicates and provides an educative service on its functions to 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.

A key strategy for Council to achieve this outcome has been the undertaking of the TAC RTO and Stakeholder Survey annually, to gather appropriate information to enhance its regulatory functions. In August 2016, the Council following the third consecutive survey of RTOs and stakeholders agreed to conduct the survey on a biennial rather than annual basis, with the next survey to be undertaken in 2018. In agreeing to this change Council recognised the frequency of surveys and reports that RTOs were required to complete each year.
The outcomes from the surveys help focus priorities over the short to medium period and support Council’s ongoing commitment to continually improve its systems and practices.

**Feedback from RTOs following audit**

In addition to the Council’s external 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 site audits during the initial and renewal of registration process. The data collected during the 2016-2017 reporting period highlighted that 89% of respondents found that the audit process added value to their business, an increase when compared with the 2015-2016 reporting period figure of 84%. In addition, 89% of respondents indicated that the information provided pre-audit and during the audit by the Council met their needs and 91% indicated that they were satisfied, to very satisfied, with the overall audit process.
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:

<table>
<thead>
<tr>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Council collaborates with stakeholders in the provision of vocational education and training regulatory and educative services to ensure confidence in the quality of training and assessment and consistency of quality assurance outcomes.</td>
</tr>
</tbody>
</table>

Work undertaken by the Council to progress and achieve Key Priority 3 is detailed as follows.

5.1 ENGAGEMENT WITH STAKEHOLDERS, INCLUDING INDUSTRY REGULATORS AND TRAINING COUNCILS

A key function of the Council is to ensure that training providers operate within the national quality assurance arrangements to meet employer and industry expectations. Stakeholder consultation and engagement is a key component of the Council’s regulatory process to ensure the exchange of appropriate and relevant information, and informs the Council of potential problems within the VET sector. Engagement activities are an integral component of the Council’s Risk Framework and the intelligence gathered and analysed helps to inform consideration to appropriate regulatory responses.

The Council’s Industry Engagement Framework requires quarterly reporting on the outcomes of engagement activities including issues that may have arisen from the meetings that impact on regulatory requirements.

In WA, engagement with Industry Regulators and Industry Training Councils is an essential component of the Framework. Discussions and collaboration with Industry Regulators and Industry Training Councils during the current reporting period assisted with work to finalise the Council’s Annual Regulatory Strategy.

The Council utilises Technical Advisors to provide advice on current industry, regulatory or workplace requirements. Technical Advisors are consulted when the Council needs expert industry advice to ensure that RTO strategies for training and assessment meet industry requirements. Technical Advisors may attend Council audits, or be available to provide advice to auditors and Secretariat staff as and when required.

In progressing the final report and recommendations of the Strategic Industry Audit (SIA) into units of competency that lead to the issuance of High Risk Work Licences (HRWLs) numerous meetings and presentation opportunities occurred with the relevant Industry Regulators and Industry Training Councils to support implementation of the recommendations.
The Council continued to collaborate with stakeholders to develop and strengthen information sharing opportunities, in particular with Industry Regulators and VET Regulators. The majority of work included engagement activities and strategies to inform the Annual Regulatory Strategy. The Council has a number of established Memoranda of Understanding (MOU) with key stakeholders including with VET Regulators, Industry Regulators and the State Training Authority (DTWD). The MOU provides a mechanism to formalise information sharing protocols with key stakeholders.

During the reporting period, approximately 109 formal meetings were undertaken with various stakeholders including Industry Training Councils, Skills Service Organisations, Industry Regulators, State and Commonwealth government agencies, the Australian Council for Private Education and Training (ACPET), National Centre for Vocational Education Research (NCVER) and RTOs. Examples include presentations during DTWD’s Training Provider’s Forum in May 2017 and professional development opportunities as part of DTWD’s ‘Summer Shorts’ program in December 2016, numerous Industry Regulator meetings to confer on regulatory matters in relation to training and assessment and licencing requirements and engagement with various government agencies to progress strategic VET policy matters such as the national VET Data Policy review. Discussions and formal meetings with Skills Service Organisations occurred to discuss a range of matters including Training Package reviews, implementation issues and transition arrangements where issues impact on VET regulation.

5.2 STANDARDS FOR VET REGULATION

During 2016-2017, the Council undertook significant consultation with VET Regulators to ensure consistency in the implementation of the Standards and regulatory approaches in areas such as registration, accreditation, and risk management.

To support the implementation of the Standards and the ongoing development of the sector, the Council has a strong commitment to an Education Program providing a broad range of professional development opportunities including resource materials to support improvement and compliance of RTOs. During the reporting period the Council continued to improve and develop the suite of information and guidance materials to assist RTOs and prospective RTOs in their understanding of the Standards and VET regulatory requirements.

Resources are published on the Council’s website to guide RTOs, which complement existing support materials such as Fact Sheets. Webinars cover a range of topics including ‘Becoming an RTO’, ‘The Audit Experience’ and ‘The Accreditation Process’. Webinars are recorded and made publicly available on the Council’s website. Workshops also provide VET compliance staff and practitioners with opportunities to workshop practical activities in targeted areas to support compliance practices against the Standards for RTOs. Workshops are available for participants to attend in person, or participate live via webinar. As with all webinars, sessions are recorded and published on the Council’s website for ongoing access. The Council’s Education Program activities allow State-wide participation and minimises costs for participants, with workshops available free of charge.
PARTICIPATION AT A STATE AND NATIONAL LEVEL

During 2016-2017, the Council continued to work collaboratively with the State and Commonwealth governments, VET Regulators and national stakeholders in the regulation and development of the VET sector, including tri-partisan meetings between VET Regulators and the WA State Training Authority to progress strategic discussions in relation to effective national VET regulation and administration.

- **Working with other VET Regulators** - A key mandate for VET Regulators is to ensure consistency in regulatory approaches and during 2016-2017 the Council continued to collaborate and share information with ASQA and the Victorian Registration and Qualifications Authority (VRQA). During the reporting period VET Regulators continued to collaborate and work cooperatively to ensure consistent implementation of regulatory requirements.

  VET Regulators meet regularly to discuss regulatory strategies, including scheduled quarterly meetings. During the reporting period an auditor workshop hosted by ASQA included attendance and participation by the Council and VRQA representatives.

  Examples of strategic priority issues during the reporting period included areas of potential risk focus areas to inform the Annual Regulatory Strategy process and bi-lateral discussions to strengthen relationships between agencies, with a focus on the exchange of information in areas such as key regulatory trends, patterns of provider behaviour and provider activity levels. Implementation of more rigorous regulatory requirements for the new Certificate IV in Training and Assessment and a range of major initiatives including risk management approaches and national reviews were also the subject of key discussions and meetings.

  Activities during the reporting period has included Secretariat representation on the ASQA Course Duration Reference Committee.

- **Government agency interactions** - Engagement with State and Commonwealth agencies is critical to the development and progression of VET policy issues. As a key VET stakeholder, the Council continues to collaborate with government agencies, including providing input to strategic policy matters impacting on the VET sector.

  Activities during the reporting period have included discussions to progress VET regulatory reform including input into the review of the *Vocational Education and Training Act (1996)*, stakeholder consultation in response to the Commonwealth’s National VET Data Policy Review, input into the changes and implementation of the revised VET Student Loans arrangements, feedback on COAG Industry Skills Council regulatory decisions, discussions on the recovery of student records as a result of RTO closures including support mechanisms available for affected students, and WA training sectors reforms including changes to the TAFE sector in WA.
A range of meetings also occurred in relation to Unique Student Identifier (USI) compliance matters, and with agencies such as the National Centre for Vocational Education Research (NCVER) concerning the 2016 Total VET Activity data, and DTWD. Discussions were also undertaken with other State government agencies such as WA Police, Department of Education and Department of Commerce (WorkSafe and EnergySafety) in progressing industry related matters affecting the delivery and assessment of VET training products.

The Council’s working relationship with DTWD is pivotal to matters affecting WA’s public VET policy including public funding, information sharing in relation to areas of risk to the sector, Training Package implementation and professional development opportunities for the sector.

While the process for review and development of training products is managed by the Commonwealth Department of Education and Training, advice is often sought from VET Regulators on policy direction, in particular when decisions intersect or impact on VET regulatory activities and requirements of the Standards for RTOs. The Council also participated in the national review of the alignment between the Standards for VET Accredited Courses and the Standards for Training Packages.

- **Input into other strategic government initiatives** – The Council will, from time to time, be invited to provide input or make submissions in response to various government initiatives. For example, during the reporting period this has included the Office of the Auditor General’s report on VET for Year 11 and 12 Students in Public Schools. In response to changes to the Training and Education Training Package the Commonwealth Department of Education and Training invited comment on amendments to the Standards for RTOs to reflect the qualification changes. As part of a review of appeal processes, the State Training Board invited comment from the Council.
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. |

Work undertaken by the Council to achieve Key Priority 4 is detailed as follows.

6.1 REVIEW OF COUNCIL OPERATIONS AND PROCESSES

As part of its role in supporting the business of the Council, the Council’s Secretariat maintains a quality system that underpins the day-to-day operations and processes of the Council. The quality system is designed to support the Council’s functions as a VET Regulator and ensure compliance with a range of State and national requirements.

During the reporting period, considerable changes were made to the quality system to align with the Council’s risk approach to regulation including a review of all operational processes, decision making and delegation arrangements.

The review resulted in the majority of documents updated to reflect regulatory changes and for continuous improvement purposes. The most common changes were in relation to operational processes aligned to the Council’s Risk Framework and changes to regulatory practice that aim to streamline regulatory processes and reduce the period of time within which a non-compliant provider can be sanctioned.

The full implementation of the Council’s Risk Framework, coupled with the establishment of a new organisational structure for the Council’s Secretariat during the reporting period, also prompted a ‘health check’ of the Secretariat’s operational governance. The aim of the organisational development project was to define the Secretariat’s organisational governance framework in the context of the new operational environment. A key focus for the project was to review operational governance requirements to ensure a common direction and mechanisms to clearly define a team culture and operational processes that effectively carry out the functions of the Council in the new environment.

The Council monitors the implementation of operational processes and procedures on an ongoing basis with refinements made as and when required.
6.2 OAG REVIEW

During the reporting period Council continued to implement the recommendations from the review by the Office of the Auditor General (OAG). The review during the first half of 2015 assessed whether the Council could provide an assurance that RTOs deliver quality training and assessment of student skills.

The OAG concluded that Council followed the national approach to the regulation of RTOs, its activities restricted registration to eligible RTOs, and offered some assurance that non-compliance would be identified and fixed.

The review outcomes included five (5) recommendations which were accepted by the Council. The agreed recommendations were:

The Training Accreditation Council should:

- within 12 months, fully implement its revised approach to regulating RTOs. This should focus on high risk RTOs and ways to increase compliance in the sector
- seek industry input when it plans and conducts its mandatory checks of RTOs. This would better focus checks on industry concerns
- develop clear requirements for when its contract auditors should talk with students to verify the quality of training and assessments
- consider the need for legislative or policy change to allow the Council to check RTO compliance without prior notice. The threat of unannounced checks might help ensure RTOs stay compliant with the standards
- explicitly consider and document the risk to students and industry of training provided by non-compliant RTOs and any decisions made. In addition, find ways to reduce timeframes before sanctioning an RTO to reduce the risk that students receive inadequate training.

During 2016-2017, Council made further significant progress in addressing the recommendations including implementation of the Council’s Risk Framework, Annual Regulatory Strategy and support to RTOs though an extensive Education Program. The Council has also reviewed and implemented changes to its regulatory processes including the sanctions process, resulting in reduced timeframes for the application of sanctions.

In October 2016, Council submitted a response to the Public Accounts Committee, Legislative Assembly outlining actions taken by the Council to implement the OAG recommendations on Regulation of Training Providers.

The Council will continue to review its regulatory approach.
6.3 APPEALS AGAINST COUNCIL DECISIONS

During the 2016-2017 reporting period there were no appeals lodged 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 Standards and the VET legislation, made a range of decisions concerning RTO registration including the suspension of one (1) RTO, placed conditions on the registration of two (2) RTOs, rejection of three (3) applications for renewal of registration, rejection of two (2) applications for initial registration, and the rejection of two (2) applications for amendment to registration.

At the time of reporting the 2015-2016 period activity, two (2) appeals lodged with the STB against decisions of the Council had not been finalised. The appeals were in relation to the rejection of one (1) application for initial registration and one (1) application for renewal of registration.

The STB disallowed both appeals 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 VET Regulator that leads to an Australian Qualifications Framework qualification or Statement of Attainment.

**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 Training Package or VET accredited course.

**Audit** means a planned, systematic and documented process used to assess an RTO’s compliance with the Standards. VET Regulators 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 Standards 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.

**COAG Industry and Skills Council** means the Commonwealth, State and Territory ministerial council established by the Council of Australian Governments (COAG), or its successor.

**Competency** means the consistent application of knowledge and skill to the standard of performance required in the workplace. It embodies the ability to transfer and apply skills and knowledge to new situations and environments.

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

**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.

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

**Recognition of Prior Learning (RPL)** means an assessment process that assesses the competency/s of an individual that may have been acquired through formal, non-formal and informal learning to determine the extent to which that individual meets the requirements specified in the training package or VET accredited courses.

**Registration** means the registration by a VET Regulator, in accordance with the Standards, that a training organisation meets the requirements of the Standards.
Registered Training Organisation (RTO) means a training organisation registered by a VET Regulator in accordance with the Standards within a defined scope of registration.

Scope of registration means the training products for which an RTO is registered to issue AQF certification documentation. It allows the RTO to:
- both provide training delivery and assessment resulting in the issuance of AQF certification documentation by the RTO; or
- provide assessment resulting in the issuance of AQF certification documentation by the RTO.

Statement of Attainment means a statement issued to a person confirming that the person has satisfied the requirements of the unit/s of competency or accredited short course specified in the statement.

Strategic Industry Audit (SIA) 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 is the process used by an RTO or a third party delivering services on its behalf, to facilitate learning and the acquisition of competencies in relation to the training product on the RTO's scope of registration.

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 AQF qualification, skill set, unit of competency, accredited short course and module.

VET Regulator means the Training Accreditation Council in WA or National VET Regulator.

In WA, the Council is the authority responsible for both registration and course accreditation under the VET legislation. The Council operates within an agreed national regulatory framework and is responsible for ensuring compliance with the Standards for VET Regulators 2015 and the Standards for Registered Training Organisations (RTOs) 2015.
8. APPENDIX 2 – Acronyms

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<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>AQF</td>
<td>Australian Qualifications Framework</td>
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<tr>
<td>ASQA</td>
<td>Australian Skills Quality Authority</td>
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<td>COAG</td>
<td>Council of Australian Governments</td>
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<td>DES</td>
<td>Department of Education Services</td>
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<td>DTWD</td>
<td>Department of Training and Workforce Development</td>
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<td>RTO</td>
<td>Registered Training Organisation</td>
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<td>SIA</td>
<td>Strategic Industry Audit</td>
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<td>TAC</td>
<td>Training Accreditation Council</td>
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<td>VET</td>
<td>Vocational Education and Training</td>
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