



Australian Government

Skills Reform

Consultation Paper

Reforms to improve the quality of training
delivery - Draft revised Standards for
Registered Training Organisations (RTOs)

October 2022

Purpose of this consultation paper

The current *Standards for Registered Training Organisations (RTOs) 2015* (the Standards) have been in place since 2015. The Standards describe the requirements an organisation must meet to be an RTO. They ensure training delivered meets industry requirements (as set out in training packages and accredited courses), has integrity for employment or further study, and that RTOs operate ethically considering the needs of learners and industry.

All Australian governments are committed to supporting high-quality training through the vocational education and training (VET) system. While the quality of training can be affected by many variables, RTOs play a critical role in ensuring training delivery on the ground is high-quality and meets the diverse range of learner and employer needs. Developing Standards that are fit-for-purpose, lead to high-quality outcomes for learners, and enable RTOs to deliver flexibly and innovatively will have a significant impact on enhancing the quality of the VET sector.

To inform the revision process, consultation was undertaken with the sector to identify the strengths and weaknesses of the current Standards. Through this we heard that revised Standards should:

- have a focus on quality outcomes
- enable consistent understanding of the requirements across both RTOs and regulators
- enable RTOs of different sizes and focus to demonstrate compliance in different ways
- allow for sufficient flexibility to enable excellence and innovation
- better incorporate characteristics of RTO excellence
- be more streamlined and clear - removing duplicative or redundant text, reducing reliance on definitions, and reducing cross-referencing both with the Standards and across other legislative requirements.

Based on this feedback, and with close examination of relevant research and comparable standards in VET and similar sectors (both in Australia and internationally) draft revised Standards (draft Standards) have been developed with the aim of modernising and streamlining the Standards.

This consultation paper has been developed to support the release of the Standards for public consultation through:

- providing context for the proposed changes
- detailing proposed changes, and
- prompting consideration of the key issues.

HAVE YOUR SAY

We are seeking your feedback around:

- the changed structure of the draft Standards,
- the content of the draft Standards (both broad and specific to requirements),
- how the draft Standards could be applied in your setting (if you are from an RTO), and
- whether you believe the draft Standards would improve the quality of training delivery and outcomes.

Feedback can be provided online or via consultation forums, with details of all feedback opportunities, including timeframes, available at www.skillsreform.gov.au.

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PART A - Improving the quality of training delivery

The VET sector is diverse and involves a variety of RTO types delivering training in various contexts to a wide range of cohorts. To enable RTOs to deliver high-quality training and to innovate, RTOs need to be able to deliver training in a way that is tailored to their operational context. This will help to ensure learners and employers have confidence that the VET system will deliver them the skills they need.

Articulating what constitutes high-quality training delivery has been an ongoing challenge for the sector, particularly given its diversity. The draft Standards will have an integral role in setting clear expectations of what constitutes high quality-training delivery, providing learners and employers a clear understanding of what they should expect from training delivery.

In addition, to ensure all RTOs are well positioned to meet these expectations, supports are also being developed to help build RTO capability and capacity. This includes tools and resources, along with a framework for quality improvement that will help build this capability across the sector.

A VET Workforce Blueprint is also being developed which will help ensure the long-term sustainability of

Strengthening industry engagement

The Australian Government is committed to building a more collaborative skills system with tripartite engagement between employers, unions, and governments, that brings all parties to the table to find solutions to skills and workforce challenges. Operational from 1 January 2023, Industry Clusters will provide industry with a stronger, more strategic voice and greater participation in the VET sector to ensure training products are supporting career pathways and high-quality training delivery to address current and emerging workforce challenges.

Industry Clusters will be responsible for developing qualifications in line with standards, policies and procedures set by Skills Ministers to improve the quality, speed to market and responsiveness of training products. Industry Clusters will also build strong relationships with stakeholders, including working with RTOs to understand their needs, to ensure delivery and implementation issues, such as transition requirements, are considered early in training product development process.

of the VET sector by supporting and growing a quality VET workforce. The Blueprint aims to identify effective strategies to address key VET workforce issues such as attraction, retention, career development and succession planning.

Other reforms currently underway in the VET sector include those focussed on redesigning qualifications and improving industry engagement in the development of training packages. Through consultation, we heard not only about how the current Standards impact on the sector, but also the impact of the current design of training packages. Training package ‘churn’ and the prescriptiveness of some training products were identified as key issues impacting an RTO’s ability to meet the needs of learners and employers effectively.

Improvements to the design and development of training products combined with lifting the quality of training delivery will support the development of a simpler, streamlined VET system that better meets user needs.

Reforms to the National VET Regulator (the Australian Skills Quality Authority (ASQA)) are also underway. These reforms aim to ensure ASQA’s regulatory approach is fair and proportionate and to increase its focus on the education of the sector. ASQA has also been working with RTOs to support a shift towards self-assurance. Supporting RTOs to become more confident in their ability to self-assure the quality of training delivery will help better identify risks to quality across the sector.

With these reforms underway, there is an opportunity to ensure the draft Standards align with the revised approach to training packages and support ASQA’s reformed regulatory approach. For RTOs regulated by TAC WA, or VRQA, implementation will be considered in line with state-based legislation and regulations. Over the long term, this work will create a future VET system characterised by a clear understanding of expectations, and RTO delivery practices driven by best practice and quality outcomes for learners and employers across the sector.

Qualifications Reform

The Government is working with stakeholders to ensure the VET system is fit for purpose – efficient, effective, and easy to navigate. Reforms to VET qualifications and micro-credentials aim to provide learners with the transferrable and relevant skills they need to get jobs, and support upskilling and reskilling throughout their career.

Improving the training products by reducing over prescriptive and detailed requirements will enable RTOs to focus more strongly on delivering what employers need, empower RTOs to deliver innovative training practices, and provide learners with clearer employment pathways.

PART B – Revising the Standards for RTOs

1. The current Standards

The existing Standards have been in place since 2015 and comprise:

- eight standards covering training and assessment, obligations to learners and clients and RTO governance and administration
- 59 clauses across the eight standards
- a glossary to the Standards, and
- six schedules detailing requirements referred to in the body of the Standards.

Who do the current Standards apply to?

Most RTOs operating in Australia are regulated against the Standards by ASQA.

The Training Accreditation Council (TAC) Western Australia regulates against the Standards in relation to RTOs delivering to domestic students in Western Australia only (or Western Australia and Victoria).

The Victorian Registration & Qualifications Authority (VRQA) does not assess its training providers against the Standards. However, its regulatory framework encompasses some requirements which are similar in content.

Consultation with the sector on the current Standards

Over the last two years, we have consulted extensively with the VET sector to understand its concerns with the current Standards, and issues relating to the quality of training delivery. We heard from a variety of RTOs about how they deliver high-quality training that meets the needs of their learners and what they consider to be excellence in training and assessment practices.

The first phase of consultation took place between December 2020 and March 2021 and focused on issues relating to, or impacting on, the quality of

RTOs, including the quality of the VET workforce, the effectiveness of the current Standards, and learners' experiences of training. The second phase of consultation took place between August 2021 and September 2021 and explored solutions to key issues and challenges raised during the first phase around RTO practices and workforce quality.

We heard that key areas of concern with the current Standards were the prescriptiveness of some requirements, the use of unnecessarily complex language, and a general lack of clarity. Stakeholders reported that the current Standards do not necessarily focus on those things which lead to the high-quality assessment of learner outcomes, and some clauses are too process-oriented rather than outcomes-focused. Many RTOs also expressed that due to the structure of the current Standards and how they are regulated, practices tend to be driven by prescriptive requirements, administration, and fear of non-compliance, rather than good organisational practices and the ability to innovate to implement approaches that support high-quality training delivery.

The sector identified the following key areas of the current Standards as needing improvement or strengthening:

- amount of training
- assessment, including validation of assessment and recognition of prior learning
- governance and leadership
- industry currency and professional development
- industry engagement
- learner support and wellbeing
- training quality
- transition arrangements, and
- working under supervision arrangements, including greater flexibility to engage industry experts.

2. Restructuring requirements to enable a focus on outcomes

Significant changes have been made to the structure and presentation of the draft Standards to focus more on RTO quality. The current Standards contain a variety of different types of requirements. Some requirements are focused on outcomes, some on inputs, some are highly prescriptive, while others are broad. In addition, some of the requirements are more administrative in nature (such as the requirement to hold public liability insurance) and while these requirements are (and will remain) core responsibilities of an RTO, compared to other requirements in the current Standards they have less direct impact on the quality of learner outcomes.

To ensure the sector's focus is on delivering high-quality and innovative training, the Standards also need to be clearly focused on quality learner outcomes. Feedback from previous consultations was that the current focus in the Standards on administration and prescription drives a focus on 'administrivia' and administrative processes rather than giving RTOs the flexibility they need to deliver quality training to their learners. To address this and make the purpose of the Standards clearly about quality, restructuring is required such that prescription is minimised and administrative (or 'compliance-based') requirements are taken out of the Standards and relocated elsewhere.

Requirements for RTOs will be consolidated in three locations, each with a different purpose:

- The Standards for RTOs – these contain outcome-focused requirements that go to the heart of quality training delivery.
- Guidelines – these are referenced in the Standards and outline the credentialing requirements for those delivering training and assessment and identify specified training products that are subject to additional validation requirements.
- 'Compliance-based' requirements – these are important administrative requirements that must be met by RTOs to maintain registration.

Further information on each of these is provided below.

The draft Standards are structured around outcomes

Ongoing feedback from the sector has been that in the current Standards, there is often no clear link between requirements placed on RTOs and the outcome being sought for learners. This has been addressed in the draft Standards, which now provide a direct and clear link between outcomes and requirements.

The draft Standards have been structured in a way that better supports quality outcomes. They have been designed around a framework of **five quality areas**. These reflect the key areas that have an impact on the quality of training delivery and have been designed to be meaningful to the sector.

Each quality area describes the broad subject matter (for example, workforce) and is supported by a **high-level outcome statement**. These outcome statements help to provide a clear articulation of what the outcome is for an RTO and enable the underlying requirements to be more clearly linked to intended outcomes. This outcomes-focused approach is consistent with contemporary quality standards, and reflects the approach used in other sectors such as aged care and early childhood education and care.

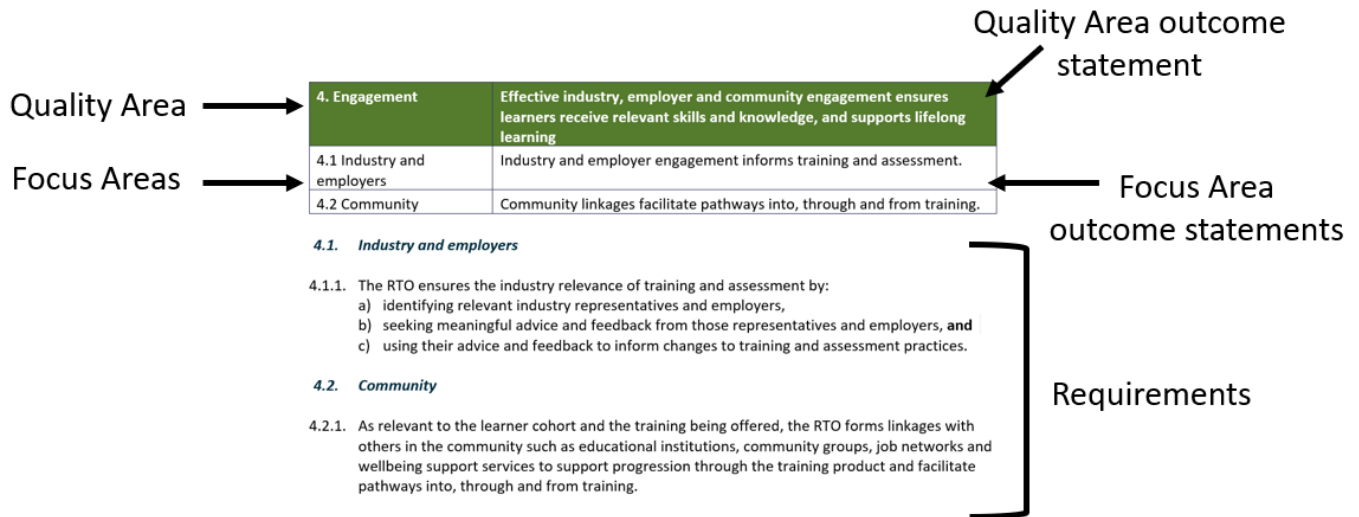
Figure 1: The five quality areas of the draft Standards

Quality Area	High – Level Outcome
1. Training and assessment	Training and assessment enables learners to gain industry-relevant skills and knowledge
2. Learner support	Learners are treated fairly and are properly informed, protected, and supported
3. Workforce	Learners are trained and assessed by people who are qualified, skilled, and committed to continuous learning and development
4. Engagement	Effective industry, employer and community engagement ensures learners receive relevant skills and knowledge, and supports lifelong learning
5. Governance	Effective governance ensures integrity of operations, commitment to quality delivery, and continuous improvement

A **small number of focus areas, each with their own outcome statement**, are located under each quality area. The focus areas reflect the key components of each quality area and are intended to communicate expectations of RTO performance and intended outcomes clearly and succinctly.

Requirements are then mapped to each of the focus areas and their outcome statements. The following diagram sets out the relationship between the key elements of the revised structure.

Figure 2: Structure of the draft Standards



A key benefit of the revised structure, along with the clear linkages to outcomes, is the ability to present all outcomes statements on one page (see Figure 3). This means the draft Standards can be presented in a way that enables all stakeholders to clearly understand the expectations on RTOs in terms of high-quality delivery. This one page is designed to be shared with learners, employers, trainers and assessors, and throughout the sector, to foster a shared understanding of what quality training delivery looks like.

Figure 3: Draft Standards for RTOs – Outcome Statements

1. Training and assessment	Training and assessment enables learners to gain industry-relevant skills and knowledge
1.1 Training	Training is consistent with the training product, reflects industry needs, and supports learners to achieve training outcomes.
1.2 Assessment	Learners' skills and knowledge are assessed in a way that is fair and appropriate, and assessment outcomes are reliable.
1.3 Facilities, equipment, and resources	Facilities, equipment, and resources are safe, fit-for-purpose, and support the delivery of training outcomes.
1.4 Recognition of prior learning and credit transfer	Learners are supported to progress through the training product where they have existing skills, knowledge, and competencies.
2. Learner support	Learners are treated fairly and are properly informed, protected, and supported
2.1 Information	Learners have access to accurate and comprehensive information to support them to make informed decisions.
2.2 Training support	The support that learners receive to undertake training is appropriate for their individual needs.
2.3 Wellbeing and equity	Learner wellbeing is supported through access to support services, and delivery of training and assessment in an inclusive, equitable, and safe environment.
2.4 Feedback, complaints, and appeals	Learners are encouraged to provide feedback and have access to avenues for making complaints and appeals, and appropriate action is taken in response.
3. Workforce	Learners are trained and assessed by people who are qualified, skilled, and committed to continuous learning and development
3.1 Workforce competencies	Trainers and assessors have current industry skills and knowledge, effectively engage learners, and competently deliver training and assessment.
3.2 Continuous learning and development	Trainers and assessors continuously build both industry-relevant skills and training and assessment skills.
4. Engagement	Effective industry, employer and community engagement ensures learners receive relevant skills and knowledge, and supports lifelong learning
4.1 Industry and employers	Industry and employer engagement informs training and assessment.
4.2 Community	Community linkages facilitate pathways into, through and from training.
5. Governance	Effective governance ensures integrity of operations, commitment to quality delivery, and continuous improvement
5.1 Leadership and accountability	Management is accountable for the effective operation of the organisation, including ensuring services delivered by and on behalf of the RTO meet the requirements of the Standards.
5.2 Continuous improvement	Ongoing monitoring and evaluation informs the continuous improvement of services.

Guidelines operate alongside the Standards

The current Standards include several schedules with detailed information about matters such as the credentials required to deliver training and assessment, and to participate in validation. This internal cross-referencing can be difficult to navigate when using the Standards. In addition, because the schedules form part of the current Standards, and the Standards are reviewed infrequently, this can also delay the updating of the detail in the schedules where training products are updated.

To address this, it is proposed that Guidelines be developed to operate alongside the Standards by setting out prescriptive matters relating to the credentials required for delivering training and assessment and particular training products which are subject to additional validation requirements. This will replace the need for detailed schedules in the current Standards.

The Guidelines will consist of two parts: Part 1 Credential Guidelines and Part 2 Specified Training Products. The Guidelines are referenced in the draft Standards in:

- requirement 1.2.6 which outlines credential requirements for those undertaking validation, and references specified training products which are those products that have additional validation requirements (i.e. delivery of products from the Training and Education Training Package), and
- requirement 3.1.2 which outlines credential requirements for those delivering training and assessment.

It is anticipated that the credential requirements in the Guidelines will mirror requirements in the current Standards. Further detail on the Guidelines and their contents is in [Part E](#) of this document.

Compliance Requirements

Given the outcome-focused nature of the draft Standards, there are some requirements in the current Standards which no longer fit this structure. These are requirements that don't have a clear link to quality outcomes for learners. Examples of these types of requirements from the current Standards include that RTOs are required to:

- hold public liability insurance that covers the scope of their operations throughout the registration period
- notify the VET regulator of certain matters within certain periods
- provide an annual declaration on compliance with the Standards, and
- use the Nationally Recognised Training Logo in accordance with the conditions set out in Schedule 4 of the Standards.

It is proposed that these compliance-based requirements be treated more like conditions of registration. This means they will be located (in a legislative instrument) separate to the Standards, however they will still be regulated against as per the current conditions of registration. The key areas from the current Standards that will be treated as compliance-based requirements are outlined in [Part F](#) of this document.

In addition, RTOs operating under the current VET Quality Framework are also required to adhere to a variety of other requirements and conditions, including, but not limited to, those outlined in:

- the National Vocational Education and Training Regulator (NVETR) Act,
- the Data Provision Requirements,
- the Fit and Proper Person Requirements,
- the Financial Viability Risk Assessment Requirements,
- the Australian Qualifications Framework.

Over the longer term we would seek to co-locate some of these requirements (especially those located in the NVETR Act and Data Provision Requirements) with the compliance-based requirements from the current Standards. This would help streamline the legislative framework and make requirements clearer and easier to navigate for RTOs and other stakeholders.

Note: As RTOs regulated by non-referring States are subject to requirements outlined in state-based legislation and guidelines, further consideration is being given to the implications for non-referring States.

3. Strengthening the Standards to improve quality

RTOs are diverse in both structure and learner cohort and should be able to operate in a way that best suits their learners. Wherever possible, requirements have been framed to accommodate the diversity of RTO types and contexts in which training is delivered. This has been achieved by writing the requirements clearly in terms of the outcome expected from an RTO rather than describing the process that RTOs must undertake to reach the outcome.

This approach will support flexibility in delivery and innovation through enabling RTOs to evidence the outcomes in a way that is tailored to their context. Ideally this should mean that regardless of an RTO's circumstances, size, and context, they should be able to meet the Standards, and demonstrate that they do, in a way that suits their organisation.

The draft Standards have been written in plain English, with minimal internal cross-referencing, and reduced reliance on technical definitions. This will make the draft Standards easier to navigate and support more consistent understanding across RTOs and regulators.

While the draft Standards cover many similar requirements to the current Standards, some requirements have been strengthened, and some new requirements have been introduced in response to stakeholder feedback, expert reviews, and research.

Key areas of change in the draft Standards

1. Training and assessment

- A stronger focus on the **quality of training**.
- Reframing of the **principles of assessment** and **rules of evidence** in plain English to support greater clarity and consistency.
- Greater clarity in relation to **validation**, with a stronger focus on the intended outcome of ensuring assessment tools and practices are fit-for-purpose. A new requirement has been introduced in relation to **pre-validation** of assessment tools, which was raised through consultation feedback as being an important practice to ensure high-quality assessment.
- Clarity around **recognition of prior learning (RPL)** requirements to reinforce that RPL is an assessment process, and that learners should be able to access RPL where they have shown relevant pre-existing skills, knowledge, and experience.

2. Learner support

- Strengthened requirements around **learner wellbeing**.
- A stronger focus on **equitable policies and practices** that recognise learner diversity, including ensuring culturally safe training for Aboriginal and Torres Strait Islander learners, and safety for minors and other vulnerable cohorts.
- A requirement in relation to **reasonable adjustments** to align with existing requirements of RTOs under the Disability for Standards for Education 2005.
- A stronger focus on RTOs **considering learners' capabilities**, including language, literacy, numeracy, and digital proficiency, prior to enrolment in providing advice on whether training is appropriate for their needs.
- Additional requirements to ensure learners have **reasonable access to trainers and assessors** and receive **support where their personal circumstances adversely impact their progression** through training.
- A stronger focus on **supporting learners through transition** of training products, to minimise disadvantage.

3. Workforce

- Change of language from 'working under **supervision**' to 'working under the **direction** of' to better encapsulate that one-on-one supervision is not always required.
- Inclusion of the ability for people '**working towards**' the Certificate IV in Training and Assessment or a diploma from the Training and Education (TAE) training package, or a relevant higher qualification, to work under the direction of a fully qualified trainer and assessor.
- Improved capacity to engage **industry experts** to deliver training and assessment under direction.
- Changes to requirements around **workforce competencies** to provide greater certainty about what is expected of trainers and assessors in terms of industry skills and knowledge relevant to what they are delivering.
- Increased focus on **professional development** and ensuring training and assessment skills are current.

4. Engagement

- A new requirement for RTOs to form relevant **linkages with others in the community**. Depending on the learner cohort, and training being delivered, this could include linkages with educational institutions, community groups, job networks and wellbeing support services to help support learner progression and facilitate pathways into, through and from training. This is consistent with sector feedback that effective community partnerships and resulting pathways support learner success and lifelong learning.

5. Governance

- A stronger focus on good **governance, culture, and accountability**. These are key indicators of success and support excellence in training delivery. There is a clearer focus on management leading the organisation well, being accountable for compliance with the Standards and leading a culture within the organisation that reflects integrity, quality training, safety, and wellbeing. This is designed to promote learning and work environments that are supportive, inclusive, and free from discrimination and harassment.
- Strengthened requirements relating to **continuous improvement**. Quality outcomes and sustained compliance with the Standards are achieved when RTOs systematically monitor and evaluate their performance and continuously improve. This is also aligned to moving the sector towards self-assurance.

The draft Standards are at [Part C](#) of this consultation paper. [Part D](#) contains a version of the draft Standards supported by detail on the intent of each focus area and an explanation for how the draft Standards relate to the current Standards.

4. Implementation issues and next steps

What happens after the consultation process?

Following public consultation, the draft Standards will be refined to ensure they address the key concerns of the sector. A summary of feedback received through this consultation process will be made publicly available in early 2023.

Consultation feedback will also be used to identify areas where additional guidance material may need to be developed to support the implementation of the Standards. All guidance material developed will need to reflect the variety of ways that RTOs could demonstrate compliance against the Standards. A variety of best practice examples from different settings will also be developed to provide RTOs with an indication of expectations. In addition, tools, resources, and a framework for quality improvement will be developed to support the sector.

Following consultation and refinements being made to the Standards, the draft Standards will also be piloted with a small number of RTOs to ensure they can be effectively regulated against. A user guide and associated guidance will also be developed and tested with the sector. Information on outcomes from the pilot will be provided to the sector in mid-2023.

When will the revised Standards take effect?

The draft Standards require agreement from Commonwealth, State and Territory Skills Ministers prior to implementation. The Victorian and Western Australian governments may also need to consider any legislative changes that they might make with regard to RTOs which they regulate.

It is anticipated that once any legislative changes have been made, there would be a 6-12-month transition period before the Standards come into effect across the sector. This will provide time for RTOs to become familiar with, and prepare their systems to meet, the new Standards.

We anticipate the Standards being in effect in the sector around mid-2024. The sector will be informed about any transition arrangements in detail closer to the date.

We will continue to update the sector on the progress of the draft Standards through skillsreform.gov.au.

5. Prompts to support provision of feedback

To support the provision of feedback, you may wish to consider the following:

- Do you think the draft Standards clearly identify the expectations of high-quality training delivery?
- Do you think the draft Standards would improve the quality of training?
- Is the revised structure of the Standards meaningful to you?
- Does the revised structure cover the key areas of RTO quality?
- Does the revised structure strengthen the link between requirements of RTOs and quality outcomes for learners?
- Do you agree with the intent of the proposed changes to requirements?
- Do you believe how the requirements are written effectively capture the intent?
- Are there areas which are important to the quality of delivery that are not captured in the draft Standards?
- Do you feel the requirements under each Focus Area, reflect the stated outcome of the Focus Area?
- Is the glossary to the Standards comprehensive and helpful?

In addition to the above, RTOs may also wish to consider the following:

- How would the draft Standards work in your RTO?
- Are there any requirements which would be challenging for your RTO, why?
- Does removing the more administrative compliance-focused requirements improve the focus of the Standards on quality outcomes?
- What are your thoughts on the areas of proposed change in the compliance requirements?
- Do you have any concerns about the proposed content of the Guidelines?

PART C - Draft Standards for RTOs

1. Training and assessment	Training and assessment enables learners to gain industry-relevant skills and knowledge
1.1 Training	Training is consistent with the training product, reflects industry needs, and supports learners to achieve training outcomes.
1.2 Assessment	Learners' skills and knowledge are assessed in a way that is fair and appropriate, and assessment outcomes are reliable.
1.3 Facilities, equipment, and resources	Facilities, equipment, and resources are safe, fit-for-purpose and support the delivery of training outcomes.
1.4 Recognition of prior learning and credit transfer	Learners are supported to progress through the training product where they have existing skills, knowledge, and competencies.

1.1. Training

- 1.1.1 Training design and practice is consistent with the training product, relevant to the needs of industry and appropriate to enable learners to achieve training outcomes.
- 1.1.2 The amount of training and the modes of delivery are appropriate to enable learners to achieve training outcomes.

1.2. Assessment

- 1.2.1. The assessment system and practices are consistent with the training product.
- 1.2.2. Assessment is conducted in a way that is consistent with the following principles of assessment:
 - a) fair - taking into account the learner's needs, applying reasonable adjustments where appropriate and enabling reassessment if necessary,
 - b) flexible - such that it is appropriate to the context, training product and learner, and assesses competencies held by the learner no matter how or where they have been acquired,
 - c) valid - such that assessment of skills and knowledge is integrated with practical application and could enable the learner to demonstrate these skills and knowledge in similar situations, **and**
 - d) reliable - such that evidence is interpreted consistently and the outcomes of assessment are comparable irrespective of the assessor conducting the assessment.
- 1.2.3. Assessors make individual assessment judgements that are justified based on the following rules of evidence:
 - a) sufficient - to assure the assessor that the quality, quantity, and relevance of the assessment evidence enables a judgement of competency to be made,
 - b) authentic - to assure the assessor that the assessment evidence presented is the learner's own work, **and**
 - c) current - to assure the assessor that the assessment evidence reflects the current skills, knowledge, and competencies of the learner.

- 1.2.4. Pre-validation of assessment tools occurs prior to use to ensure they are fit-for-purpose.
- 1.2.5. Validation of assessment tools and practices is undertaken for each training product on scope to ensure assessment tools and practices are fit-for-purpose and consistent with the principles of assessment and rules of evidence.
- 1.2.6. The focus of validation within the training product is determined based on risk and complexity, and validation:
 - a) occurs regularly (at least every 5 years), with the frequency informed by risks to training outcomes, any changes to training products and feedback from learners, trainers, assessors, and industry,
 - b) is based on a sample of assessment judgements,
 - c) is undertaken by people who collectively have:
 - (i) qualifications, or equivalent skills and knowledge, relevant to the training product,
 - (ii) current understanding of industry practice relevant to the training product, and
 - (iii) the relevant validation credential (as described in the Guidelines), **and**
 - d) for specified training products (as described in the Guidelines):
 - (i) occurs following the first cohort of learners completing the training and assessment, **and**
 - (ii) is undertaken by people who are not employed or subcontracted by the RTO to provide training and assessment and have no other involvement or interest in its operations.
- 1.2.7. Validation outcomes are documented, used to inform revisions to the assessment system, and are not solely determined by those who have delivered or designed the training or assessment.

1.3. Facilities, equipment, and resources

- 1.3.1. Facilities, resources (including online resources) and equipment for each training product are safe, accessible, sufficient and fit-for-purpose.

1.4. Recognition of prior learning and credit transfer

- 1.4.1. Where learners identify as having prior skills, knowledge, and experience relevant to the training product, recognition of prior learning is undertaken in accordance with the assessment system.
- 1.4.2. Where learners identify as having previously completed a relevant training product which is determined by the RTO to be equivalent in content and training outcomes, credit transfer is granted (unless prevented by licensing or regulatory requirements) where this is evidenced by:
 - a) AQF certification documentation issued by another RTO or AQF authorised issuing organisation, **or**
 - b) authenticated VET transcripts issued by the Student Identifiers Registrar.

2. Learner support	Learners are treated fairly and are properly informed, protected, and supported
2.1 Information	Learners have access to accurate and comprehensive information to support them to make informed decisions.
2.2 Training support	The support that learners receive to undertake training is appropriate for their individual needs.
2.3 Wellbeing and equity	Learner wellbeing is supported through access to support services, and delivery of training and assessment in an inclusive, equitable, and safe environment.
2.4 Feedback, complaints, and appeals	Learners are encouraged to provide feedback and have access to avenues for making complaints and appeals, and appropriate action is taken in response.

2.1. Information

2.1.1 Information disseminated by the RTO or on its behalf is plainly expressed, accurate and current.

2.1.2 Each learner receives written information prior to enrolment (or the commencement of training and assessment, whichever comes first) to enable them to make informed decisions about undertaking training and assessment, accompanied by an explanation of any technical terms, that includes:

- a) **information about the training product**, including training product code and title, duration, modes of delivery, location, commencement dates, scheduling, any requirements to commence or complete the training product, whether any licencing requirements apply, and details of any third-party arrangements,
- b) **information about training support services**, including access to trainers, learning resources, and language, literacy, numeracy, and digital skills programs,
- c) **information about wellbeing support services**, including contact points, types of services available and how to access them,
- d) **information about all fees and costs**, including payment terms and conditions, refund policies, the implications of any government training entitlements and subsidy arrangements and the potential for any changes in fees,
- e) **information outlining a learner's obligations or liabilities**, including obligations relating to work placements, materials, equipment or IT, costs and processes associated with learner withdrawal and obtaining a Unique Student Identifier,
- f) **information about training and assessment policies and requirements**, including enrolment, progression, recognition of prior learning, credit transfer, and assessment, **and**
- g) **information about learners' rights**, including relevant human rights and consumer rights, complaints and appeals processes, including how to access them, and processes should the RTO close or cease delivering services.

2.1.3 Learners are informed as soon as practicable about changes to the services that may affect them.

2.2. Training support

- 2.2.1. Prior to enrolment (or the commencement of training and assessment, whichever comes first), the RTO reviews the existing skills and competencies of the learner, including their language, literacy, numeracy, and digital proficiency, and provides advice about the appropriateness of the training product to meet their needs.
- 2.2.2. The learner’s training support needs are identified, and learners are provided with access to the necessary training support services to undertake the training product.
- 2.2.3. Where a training product is superseded, deleted, or expired, learners are:
 - a) informed as soon as practicable, including prior to enrolment for superseded training products, so they are not disadvantaged,
 - b) not enrolled in a training product that has been removed or deleted from the National Register, **and**
 - c) supported to complete the training product, transition to its replacement, or transfer to another training product.
- 2.2.4. Learners have reasonable access to trainers and assessors, and receive timely responses to queries, so they are supported to progress through the training product.
- 2.2.5. Reasonable adjustments are made to support learners with disability to access and participate in training and assessment on an equal basis.
- 2.2.6. Where reasonable and appropriate, the RTO’s processes or practices are adapted, or assistance is provided, where a learner’s personal circumstances may have an adverse effect on their progression.

2.3 Wellbeing and equity

- 2.3.1. Learners have access to wellbeing support services, with the services promoted or offered being informed by the needs of the learner cohort.
- 2.3.2. Policies and practices, including in relation to enrolment, training, and assessment, create equitable opportunity for achievement of training outcomes by all individuals, and:
 - a) are inclusive and recognise the diversity of learners,
 - b) ensure the safety of children and young people, and other vulnerable cohorts, **and**
 - c) support the delivery of culturally safe training and assessment for Aboriginal and Torres Strait Islander peoples, giving specific consideration to their recruitment, participation and completion.

2.4 Feedback, complaints, and appeals

- 2.4.1. Learners are encouraged to provide feedback about their experience with the RTO, and avenues for providing feedback and making complaints are publicly available and easy to access.
- 2.4.2. Learners have access to avenues for seeking an appeal to review decisions made by the RTO, including where third parties are acting on the RTO’s behalf.

2.4.3. Complaints and appeals policies and practices:

- a) ensure complaints and appeals, and their outcomes, are recorded,
- b) deliver timely resolution of complaints and appeals,
- c) ensure procedural fairness is afforded,
- d) are applied consistently, fairly and without reprisal,
- e) provide for confidentiality, **and**
- f) for learner-initiated complaints and appeals, provide for review by an appropriate independent party without charge or at reasonable cost to the learner if internal processes fail to resolve a complaint or appeal.

2.4.4. Timely and appropriate action is taken in response to complaints and appeals, and communicated to the complainant or appellant.

3. Workforce	Learners are trained and assessed by people who are qualified, skilled, and committed to continuous learning and development
3.1 Workforce competencies	Trainers and assessors have current industry skills and knowledge, effectively engage learners, and competently deliver training and assessment.
3.2 Continuous learning and development	Trainers and assessors continuously build both industry-relevant skills and training and assessment skills.

3.1. Workforce competencies

3.1.1. Each person delivering, or providing direction to a person delivering, training and/or assessment, has:

- a) qualification(s), and/or skills and knowledge, appropriate in content and level for what they are delivering and/or assessing, **and**
- b) an understanding of current industry practices relevant to the training product.

3.1.2. Each person delivering training and/or assessment either:

- a) has the relevant training and/or assessment credential (as described in the Guidelines), **or**
- b) works under the direction of a person with the relevant credential (as described in the Guidelines), does not make assessment judgements, **and**:
 - (i) is actively working towards the relevant training and assessment credential (as described in the Guidelines), **or**
 - (ii) has another credential relevant to the training and/or assessment they are delivering (as described in the Guidelines), **or**
 - (iii) is an industry expert who, despite not having a training and assessment credential, has specialist expertise which is relevant to what they are delivering and/or assessing and is of direct benefit to learners.

3.2. *Continuous learning and development*

3.2.1. Trainers and assessors:

- a) undertake professional development, including through structured learning, to ensure current skills and knowledge in training and assessment, including engaging and supporting learners, **and**
- b) continuously build industry-relevant skills to inform their approach to training and assessment.

4. Engagement	Effective industry, employer and community engagement ensures learners receive relevant skills and knowledge, and supports lifelong learning
4.1 Industry and employers	Industry and employer engagement informs training and assessment.
4.2 Community	Community linkages facilitate pathways into, through and from training.

4.1. *Industry and employers*

4.1.1. The RTO ensures the industry relevance of training and assessment by:

- a) identifying relevant industry representatives and employers,
- b) seeking meaningful advice and feedback from those representatives and employers, **and**
- c) using their advice and feedback to inform changes to training and assessment practices.

4.2. *Community*

4.2.1. As relevant to the learner cohort and the training being offered, the RTO forms linkages with others in the community such as educational institutions, community groups, job networks and wellbeing support services to support progression through the training product and facilitate pathways into, through and from training.

5. Governance	Effective governance ensures integrity of operations, commitment to quality delivery, and continuous improvement
5.1 Leadership and accountability	Management is accountable for the effective operation of the organisation, including ensuring services delivered by and on behalf of the RTO meet the requirements of the Standards.
5.2 Continuous improvement	Ongoing monitoring and evaluation informs the continuous improvement of services.

5.1. *Leadership and accountability*

5.1.1. Management is accountable for leading a culture:

- a) of quality training and assessment and continuous improvement,
- b) of integrity, transparency, and fairness,
- c) of inclusion, safety and wellbeing for staff and learners, **and**
- d) free from discrimination and harassment.

- 5.1.2. Management is accountable for the RTO meeting the requirements of these Standards, including to ensure:
- a) where training, assessment or other services are delivered by a third party on the RTO's behalf, the services meet the requirements of these Standards,
 - b) the number of staff (including trainers and assessors) is appropriate to support the delivery of services, **and**
 - c) risks to the achievement of the outcomes described in these Standards are identified and managed.
- 5.1.3. Staff and third parties are informed about relevant changes to legislative and regulatory requirements.
- 5.1.4. Financial viability is maintained to:
- a) ensure adequate resourcing, staff, and facilities to support the delivery of training and assessment, **and**
 - b) refund any pre-paid fees where the RTO is unable to deliver the training and/or assessment for which the learner has paid fees.
- 5.1.5. Systems are in place for ensuring high managerial agents and executive officers are fit and proper persons to oversee the operations of the RTO.

5.2. Continuous improvement

- 5.2.1 Systematic monitoring and evaluation:
- a) is informed by feedback from stakeholders including trainers, assessors, learners, industry, and employers,
 - b) enables the RTO to measure its performance against the Standards and continuously improve, **and**
 - c) enables the RTO to identify and manage risks to the achievement of the outcomes described in the Standards.

Glossary

Amount of training means the quantity of learning activities provided to a learner, including classes, lectures, or tutorials as well as trainer-directed learning and practice, and workplace learning.

Australian Qualifications Framework (AQF) has the same meaning as in the *National Vocational Education and Training Regulator Act 2011*.

AQF certification documentation is the set of official documents that confirms that an AQF qualification or statement of attainment has been issued to an individual.

Assessment judgement means a determination of whether competency has been achieved by a learner consistent with the training product and clause 1.2.3 of these Standards.

Assessment system means a coordinated set of documented policies and procedures (including assessment materials and tools) designed to ensure that assessment, including recognition of prior learning, meets the requirements of these Standards.

Assessment tools contain multiple assessment instruments designed for the purpose of gathering evidence of knowledge and skills, and include:

- the context and conditions of assessment,
- the tasks to be administered to the learner, and
- an outline of the evidence to be gathered from the candidate and evidence criteria used to judge the quality of performance (i.e. the assessment decision-making rules).

Authenticated VET transcript has the meaning given in the *Student Identifiers Act 2014*.

Credit transfer is a process that provides learners with credit outcomes for training products based on identified equivalence in content and learning outcomes.

Direction means oversight, guidance and quality assurance provided in respect of an individual who does not have the full training and/or assessment credential to ensure the quality of training and/or assessment delivered by that person. The RTO is responsible for determining the nature and extent of direction required and any necessary restrictions, and ensuring the quality of training and assessment is consistent with the Standards.

Executive officer has the same meaning as in the *National Vocational Education and Training Regulator Act 2011*.

Guidelines means the *Standards for RTOs – Guidelines* made by the Ministerial Council which consist of two parts: Credential Guidelines and Specified Training Products.

High managerial agent has the same meaning as in the *National Vocational Education and Training Regulator Act 2011*.

Management means the person(s) and/or body(ies) responsible for overseeing, directing and administering the operations of the RTO, and includes high managerial agents and executive officers.

Mode of delivery means the method adopted to deliver training and/or assessment, including face-to-face, online, distance, or blended methods.

Pre-validation is the review of the assessment tools prior to use to ensure that the assessment system meets the requirements of the training product and the requirements of these Standards. It does not include validation of assessment practices and judgements.

Reasonable adjustments are adjustments made by an RTO in alignment with Part 3 of the *Disability Standards for Education 2005*, including a reasonable measure or action that has the effect of assisting a learner with disability to enrol, commence or complete a training product with the RTO in line with the requirements of that training product, and use facilities or services provided by or on behalf of the RTO, on the same basis as a learner without disability.

Recognition of prior learning (RPL) is an assessment process that involves assessment of an individual's relevant prior learning and experience (including skills and knowledge obtained through formal and informal learning) to determine the extent to which they meet the requirements specified in the training product.

Scope means scope of registration as defined in the *National Vocational Education and Training Regulator Act 2011*.

Services means training and/or assessment, training support services, wellbeing support services where the RTO offers them, and any activities related to the recruitment of learners, including where these services are delivered through a third-party arrangement.

Student Identifiers Registrar has the meaning given in the *Student Identifiers Act 2014*.

Unique Student Identifier has the same meaning as the term 'Student Identifier' as in the *Student Identifiers Act 2014*.

Third party means any party that provides services on behalf of the RTO but does not include a contract of employment between an RTO and its employee.

Trainers and assessors are people delivering training and/or assessment as described in clause 3.1.2 with the exclusion of industry experts who are working under supervision.

Training product means:

- AQF qualification, being an AQF qualification type endorsed in a training package or accredited in a VET accredited course,
- skill set, being a single unit of competency or a combination of units of competency from a training package which link to a licensing or regulatory requirement or a defined industry need,
- unit of competency, being the specification of the standards of performance required in the workplace as defined in a training package, and
- accredited short course, being a course that leads to a statement of attainment accredited by the VET Regulator in accordance with the Standards for VET Accredited Courses made under subsection 188(1) of the *National Vocational Education and Training Regulator Act 2011* (or the equivalent requirements adopted by a non-referring State).

Training support services means services and resources designed to support learners to meet training product requirements and complete the training product in which they are enrolled.

Wellbeing support services means personal support services and resources to assist with learners' physical, mental, and emotional wellbeing, which may include mental health resources, counselling, health services, crisis support providers and emergency services, and legal, advocacy, accommodation and welfare services.

Validation is the review of assessment systems designed to ensure that the assessment tools are consistent with the training product and the requirements of these Standards, and ensure consistent outcomes are achieved through assessment practices and judgements.

PART D – Draft Standards – Intent and Explanation

1 Training and assessment

Training and assessment	Training and assessment enables learners to gain industry-relevant skills and knowledge
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1.1 Training - Training is consistent with the training product, reflects industry needs, and supports learners to achieve training outcomes.

Intent

The intent of this focus area is to explain the critical requirements relevant to quality training. The concepts of training and assessment have been separated into distinct focus areas to reflect consultation feedback that while there are lots of requirements in the current Standards relating to the quality of assessment, greater emphasis could be placed on the quality of training.

The intent of the requirements is for RTOs to:

- design and deliver training in a way that is consistent with the requirements of the training product and reflects identified industry needs, and
- ensure that the design and delivery of training, the modes of delivery, and the amount of training provided enable learners to effectively participate in the training and meet the requirements of the training product, or otherwise achieve their training goals.

The requirements within this focus area may not apply to all RTOs (e.g. where RTOs may be assessment only).

1.1.1 Training design and practice is consistent with the training product, relevant to the needs of industry and appropriate to enable learners to achieve training outcomes. **Good**

1.1.2 The amount of training and the modes of delivery are appropriate to enable learners to achieve training outcomes. **Good** **1. Need definition on training**

Explanation

The requirements largely maintain the intent of clauses 1.1, 1.2 and 1.4 of the current Standards, noting the requirements reflect streamlining and sorting of the current clauses to remove duplication and clearly step out the elements directly relevant to training.

A definition of 'amount of training' has been added to the glossary to provide greater clarity around new requirement 1.1.2, given feedback identified this concept as challenging and often misunderstood.

1.2 Assessment - Learners' skills and knowledge are assessed in a way that is fair and appropriate, and assessment outcomes are reliable.

Intent

The intent of this focus area is to ensure learners' skills and knowledge are assessed in a way that is fair and appropriate, and assessment outcomes are reliable. It aims to:

- clearly outline how assessment should be conducted, addressing feedback that current requirements are subjective and duplicative
- require assessment tools to be validated before they are used, which was identified through feedback as a high-quality practice currently undertaken by many RTOs
- ensure assessment tools and practices are effectively validated by appropriate people, and that the frequency, sequencing and focus of validation activities are informed by risk, stakeholder feedback, training product updates and complexity
- ensure that specific training products listed in Guidelines (such as those from the TAE Training Package) are validated proactively following their initial use, and by people who are independent of the RTO.

1.2.1 The assessment system and practices are consistent with the training product.

1.2.2 Assessment is conducted in a way that is consistent with the following principles of assessment:

- a) fair - taking into account the learner's needs, applying reasonable adjustments where appropriate and enabling reassessment if necessary, **2. Need to refer to instructions**
- b) flexible - such that it is appropriate to the context, training product and learner, and assesses competencies held by the learner no matter how or where they have been acquired,
- c) valid - such that assessment of skills and knowledge is integrated with practical application and could enable the learner to demonstrate these skills and knowledge in similar situations, **and 3. Need to address the requirements of the training product**
- d) reliable - such that evidence is interpreted consistently and the outcomes of assessment are comparable irrespective of the assessor conducting the assessment.

1.2.3 Assessors make individual assessment judgements that are justified based on the following rules of evidence:

- a) sufficient - to assure the assessor that the quality, quantity, and relevance of the assessment evidence enables a judgement of competency to be made,
- b) authentic - to assure the assessor that the assessment evidence presented is the learner's own work, **and**
- c) current - to assure the assessor that the assessment evidence reflects the current skills, knowledge, and competencies of the learner.

1.2.4 Pre-validation of assessment tools occurs prior to use to ensure they are fit-for-purpose.

1.2.5 Validation of assessment tools and practices is undertaken for each training product on scope to ensure assessment tools and practices are fit-for-purpose and consistent with the principles of assessment and rules of evidence.

- 1.2.6. The focus of validation within the training product is determined based on risk and complexity, and validation:
- a) occurs regularly (at least every 5 years), with the frequency informed by risks to training outcomes, any changes to training products and feedback from learners, trainers, assessors, and industry,
 - b) is based on a sample of assessment judgements,
 - c) is undertaken by people who collectively have:
 - (i) qualifications, or equivalent skills and knowledge, relevant to the training product,
 - (ii) current understanding of industry practice relevant to the training product, and
 - (iii) the relevant validation credential (as described in the Guidelines), **and**
 - d) for specified training products (as described in the Guidelines):
 - (i) occurs following the first cohort of learners completing the training and assessment, **and**
 - (ii) is undertaken by people who are not employed or subcontracted by the RTO to provide training and assessment and have no other involvement or interest in its operations.
- 1.2.7. Validation outcomes are documented, used to inform revisions to the assessment system, and are not solely determined by those who have delivered or designed the training or assessment.

Explanation

Requirement 1.2.1 reflects existing clause 1.1.

The Principles of Assessment and Rules of Evidence under clause 1.8 have been streamlined and simplified in requirements 1.2.2 and 1.2.3 to better support consistent interpretation and address feedback that they are ambiguous, subjective, and duplicative. The principles and rules have been reframed using plainer language to describe each concept more clearly, and to distinguish between requirements for conducting assessment and requirements for making assessment judgements. The concept of 'validity' in relation to evidence is reflected in the requirement that assessors make individual assessment judgements that are 'justified' based on evidence. This is designed to address feedback from the sector that having two separate concepts of validity is confusing, with a preference for using different terms.

Greater clarity is provided around validation, with a focus on the outcomes to be achieved by undertaking validation (rather than prescriptive processes) and use of plainer language. This addresses feedback that validation is an area of confusion in the current Standards. Clauses 1.2.5 – 1.2.7 reflect concepts in clauses 1.9 – 1.11 and the glossary of the current Standards.

Requirement 1.2.4 is new, requiring RTOs to undertake pre-validation of assessment tools prior to use. This was raised in consultation feedback as an important practice to ensure high-quality assessment and is currently undertaken by many RTOs.

New requirement 1.2.5 outlines the outcomes sought from validation activity. New requirement 1.2.6 describes how often and by whom validation should be undertaken, and what factors should inform the focus of validation activity (for example, which units of competency should be the focus in validating a qualification). This requirement covers concepts in current clauses 1.10 and 1.11 and aims to strike a balance between setting a validation cycle and allowing flexibility for RTOs to self-determine validation frequency and sequencing that is informed by risk, feedback, and changes to training products, consistent with consultation findings.

Requirement 1.2.7 outlines requirements for documenting outcomes of validation activities and using these to inform changes to assessment systems, picking up concepts in existing clause 1.9. The requirement aims to clarify that trainers and assessors involved in delivering a particular training product can still participate in validation of that training product provided they are not solely responsible for determining the outcomes of the validation activity.

1.3 Facilities, equipment, and resources - Facilities, equipment, and resources are safe, fit-for-purpose, and support the delivery of training outcomes.

Intent

The intent of this focus area is to ensure that facilities, resources, and equipment are fit-for-purpose and safe to use, and that resourcing is sufficient and appropriate to ensure learners can effectively complete their training. This is designed to shift away from a narrow focus on facilities, resources and equipment being sufficient only, as there are broader factors which contribute to quality training delivery and assessment.

1.3.1. Facilities, resources (including online resources) and equipment for each training product are safe, accessible, sufficient and fit-for-purpose.

Explanation

The requirements in this focus area are broadly consistent with the current clauses 1.3(c) and 1.3(d), however have been updated to reflect the need for facilities to be safe. The new requirements also clarify that resources and equipment must be appropriate to the training outcomes and accessible to learners. This includes online and virtual resources.

1.4 Recognition of prior learning and credit transfer - Learners are supported to progress through the training product where they have existing skills, knowledge, and competencies.

Intent

The intent of this focus area centres on the intended outcome of learners being supported to efficiently progress through the training product where they have relevant existing skills, knowledge, and competencies. This expedited progress can be achieved through:

- recognition of prior learning, which is an assessment process to determine the extent to which an individual meets training product requirements, that must comply with other assessment-related requirements in the Standards, or
- credit transfer, which is an administrative process for granting credit towards a training product based on previous completion of another training product that is equivalent in content and training outcomes.

These requirements have been co-located as they relate to a similar outcome, and to address existing confusion in the sector about the differences between the two processes by outlining side-by-side what they involve and their appropriate usage.

- 1.4.1 Where learners identify as having prior skills, knowledge, and experience relevant to the training product, recognition of prior learning is undertaken in accordance with the assessment system.
- 1.4.2 Where learners identify as having previously completed a relevant training product which is determined by the RTO to be equivalent in content and training outcomes, credit transfer is granted (unless prevented by licensing or regulatory requirements) where this is evidenced by:
- a) AQF certification documentation issued by another RTO or AQF authorised issuing organisation, **or**
 - b) authenticated VET transcripts issued by the Student Identifiers Registrar.

Explanation

Requirement 1.4.1 replaces existing clause 1.12 in relation to recognition of prior learning (RPL). The framing has been refined to reinforce that RPL is an assessment process, and that learners should be able to access RPL where they have shown that they have relevant pre-existing skills, knowledge, and experience

Requirement 1.4.2 replaces current clause 3.5 in relation to credit transfer, with some tweaks to better capture where credit transfer is an appropriate pathway.

2 Learner Support

Learner support

Learners are treated fairly and are properly informed, protected, and supported

2.1 Information - Learners have access to accurate and comprehensive information to support them to make informed decisions.

Intent

The intent of this focus area is to ensure information provided to learners is up to date, accurate, and clear and easy to understand, and that learners receive relevant and timely information that equips them to make informed decisions. This includes providing information prior to enrolment, including information about the training product, support services available, fees and costs, learner rights and obligations, and policies and requirements. Learners must also be informed where there are any service changes that may affect them.

- 2.1.1 Information disseminated by the RTO or on its behalf is plainly expressed, accurate and current.
- 2.1.2 Each learner receives written information prior to enrolment (or the commencement of training and assessment, whichever comes first) to enable them to make informed decisions about undertaking training and assessment, accompanied by an explanation of any technical terms, that includes:
- a) **information about the training product**, including training product code and title, duration, modes of delivery, location, commencement dates, scheduling, any requirements to commence or complete the training product, whether any licencing requirements apply, and details of any third-party arrangements,

- b) **information about training support services**, including access to trainers, learning resources, and language, literacy, numeracy, and digital skills programs,
- c) **information about wellbeing support services**, including contact points, types of services available and how to access them,
- d) **information about all fees and costs**, including payment terms and conditions, refund policies, the implications of any government training entitlements and subsidy arrangements and the potential for any changes in fees,
- e) **information outlining a learner’s obligations or liabilities**, including obligations relating to work placements, materials, equipment or IT, costs and processes associated with learner withdrawal and obtaining a Unique Student Identifier,
- f) **information about training and assessment policies and requirements**, including enrolment, progression, recognition of prior learning, credit transfer, and assessment, **and**
- g) **information about learners’ rights**, including relevant human rights and consumer rights, complaints and appeals processes, including how to access them, and processes should the RTO close or cease delivering services.

2.1.3 Learners are informed as soon as practicable about changes to the services that may affect them.

Explanation

This focus area maintains existing concepts around prospective and current learners receiving accurate and current information in clauses 4.1 and 5.2, with additional emphasis on learners’ rights, plain expression, and transparency.

Requirement 2.1.2 consolidates the prescriptive detail under clauses 5.2 and 5.3, and aspects of 3.6, in the current Standards with a higher-level description of the types of information that learners must receive. Consistent with the Higher Education Threshold Standards, proposed requirement 2.1.2 introduces a new concept that the information given to learners must be accompanied by an explanation of technical terms to improve protections for learners.

RTOs will continue to need to ensure (as per current clause 5.4) that learners are informed of any changes to services which may affect them.

2.2 Training support - The support that learners receive to undertake training is appropriate for their individual needs.

Intent

The intent of this focus area is to ensure the support that learners receive to undertake training is appropriate to their individual needs, through identification of learners’ abilities and support needs, and provision of relevant training support. This support should include:

- considering learners’ existing skills and competencies and advising them about the appropriateness of the training product prior to enrolment, so learners are enrolled in training products that best reflect their needs or capacity
- identifying learners’ needs and providing them with access to support services to enable them to meet the requirements of, and complete, the training product
- supporting learners through transition of training products, including proactively informing them of any changes, to minimise disruption and disadvantage
- ensuring trainers and assessors are available, within reason, for learners to access and seek support from, and that learners receive timely responses to communications to maintain engagement.

This focus on support also includes affirmative measures in line with individual learner needs, including:

- providing reasonable adjustments to learners with disability, to signal and align with training provider obligations under the *Disability Standards for Education 2005*, and
- where a learner’s personal circumstances negatively impact their progression, adapting practices or providing assistance to address this, where reasonable and appropriate, recognising the importance of flexibility to best support learners.

- 2.2.1 Prior to enrolment (or the commencement of training and assessment, whichever comes first), the RTO reviews the existing skills and competencies of the learner, including their language, literacy, numeracy, and digital proficiency, and provides advice about the appropriateness of the training product to meet their needs.
- 2.2.2 The learner’s training support needs are identified, and learners are provided with access to the necessary training support services to undertake the training product.
- 2.2.3 Where a training product is superseded, deleted, or expired, learners are:
- a) informed as soon as practicable, including prior to enrolment for superseded training products, so they are not disadvantaged,
 - b) not enrolled in a training product that has been removed or deleted from the National Register, and
 - c) supported to complete the training product, transition to its replacement, or transfer to another training product.
- 2.2.4 Learners have reasonable access to trainers and assessors, and receive timely responses to queries, so they are supported to progress through the training product.
- 2.2.5 Reasonable adjustments are made to support learners with disability to access and participate in training and assessment on an equal basis.
- 2.2.6 Where reasonable and appropriate, the RTO’s processes or practices are adapted, or assistance is provided, where a learner’s personal circumstances may have an adverse effect on their progression.

Explanation

Requirement 2.2.1 strengthens the need for RTOs to review a prospective learner’s skills prior to enrolment, including to ensure they have the necessary language, literacy, numeracy, and digital proficiency to undertake the intended training, and provide advice to learners (building on current clause 5.1). This requirement aligns with many state funding contracts and reflects consistent stakeholder feedback (and regulators’ experience) about the challenges faced by learners who do not have the necessary foundation skills to successfully complete the training.

Requirement 2.2.2 reflects existing clause 1.7.

New requirement 2.2.3 strengthens RTOs’ obligations to support learners through transition where training products are superseded, deleted, or expired, including proactively informing learners where they are likely to be impacted by transition. The requirements are aimed at ensuring learners are not adversely impacted by transition arrangements. As detailed in [Part F](#) of the consultation paper, the prescriptive detail about when transition should occur is proposed to be relocated outside the Standards.

New requirement 2.2.4 reflects an expectation that access to trainers and assessors will be made available within reason and that learner queries are responded to efficiently. This reflects feedback from learners that lack of access to trainers and assessors negatively impacts their engagement with training.

New requirement 2.2.5 expands on existing requirements to explicitly align with the requirement to make reasonable adjustments for learners with disability under the Disability Standards for Education, noting that the Disability Standards provide greater details about what this involves.

Similarly, new requirement 2.2.6 is designed to address situations where a learner's personal circumstances have an adverse effect on their progression by enabling RTOs to adapt their practices or otherwise provide assistance to address this, where reasonable and appropriate.

2.3 Wellbeing and equity - Learner wellbeing is supported through access to support services, and delivery of training and assessment in an inclusive, equitable, and safe environment.

Intent

This intent of this focus area is to ensure learner wellbeing is supported through learners having access to wellbeing support services. Recognising that not all RTOs may have the resources to deliver wellbeing support services, the intent is to ensure that learners have access to these services, which RTOs could achieve through providing information about, or referring learners to, external support services and resources, or directly offering wellbeing support services.

The intent of this focus area is also to facilitate equitable access to and participation in training and assessment, including through supporting safe and inclusive learning environments where learner diversity is valued and accommodated. This includes a particular focus on ensuring all training and assessment is culturally safe for First Nations peoples, and that Aboriginal and Torres Strait Islander learners are supported to engage with VET and achieve positive outcomes. It is also designed to ensure that RTO policies and practices ensure the safety of minors and other vulnerable cohorts. This reflects stakeholder feedback and expert research regarding the importance of supporting learner wellbeing, mental health and safety, and opportunities to strengthen this in a VET context.

- 2.3.1. Learners have access to wellbeing support services, with the services promoted or offered being informed by the needs of the learner cohort.
- 2.3.2. Policies and practices, including in relation to enrolment, training, and assessment, create equitable opportunity for achievement of training outcomes by all individuals, and:
 - a) are inclusive and recognise the diversity of learners,
 - b) ensure the safety of children and young people, and other vulnerable cohorts, **and**
 - c) support the delivery of culturally safe training and assessment for Aboriginal and Torres Strait Islander peoples, giving specific consideration to their recruitment, participation and completion.

Explanation

The strengthened focus on wellbeing in requirement 2.3.1, building on current clause 1.7, draws on feedback from the sector and findings from expert reviews about the importance of supporting learner wellbeing.

New requirement 2.3.2 is designed to support equitable access and participation in training and assessment, including through supporting inclusive learning environments where learner diversity is

valued and accommodated. This reflects concepts in the existing Standards around access and equity and draws on concepts in the Higher Education Threshold Standards.

2.4 Feedback, complaints and appeals - Learners are encouraged to provide feedback and have access to avenues for making complaints and appeals, and appropriate action is taken in response.

Intent

The intent of this focus area is to ensure RTOs can demonstrate that learners and other stakeholders have opportunities to provide feedback, make complaints and appeal decisions made by the RTO, and that complaints and appeals policies and processes deliver desired outcomes such as timely resolution, procedural fairness, and confidentiality. While the requirements are largely learner-focused, the intent is that avenues for providing feedback and making complaints are available to the public and easy to access for other stakeholders.

- 2.4.1. Learners are encouraged to provide feedback about their experience with the RTO, and avenues for providing feedback and making complaints are publicly available and easy to access.
- 2.4.2. Learners have access to avenues for seeking an appeal to review decisions made by the RTO, including where third parties are acting on the RTO's behalf.
- 2.4.3. Complaints and appeals policies and practices:
 - a) ensure complaints and appeals, and their outcomes, are recorded,
 - b) deliver timely resolution of complaints and appeals,
 - c) ensure procedural fairness is afforded,
 - d) are applied consistently, fairly and without reprisal,
 - e) provide for confidentiality, **and**
 - f) for learner-initiated complaints and appeals, provide for review by an appropriate independent party without charge or at reasonable cost to the learner if internal processes fail to resolve a complaint or appeal.
- 2.4.4. Timely and appropriate action is taken in response to complaints and appeals, and communicated to the complainant or appellant.

Explanation

These requirements are drawn from current clauses 6.1-6.5, however are designed to be less prescriptive and more outcome focused. The requirements under 2.4 have been drafted to be broad enough to encompass all RTOs, removing the need for a specific clause like current clause 6.6 to address their operational context.

The new 2.4.3 retains the requirement in current clause 6.3(e) that RTOs must provide for review by an independent party if complaints or appeals are not resolved internally. It also adds that engagement of an independent party must be without charge or at reasonable cost to the learner (referencing the Higher Education Threshold Standards). This is intended to better protect learners by ensuring the costs of pursuing a complaint are not prohibitive and provide greater clarity of expectations.

3. Workforce

Workforce	Learners are trained and assessed by people who are qualified, skilled, and committed to continuous learning and development
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3.1 Workforce competencies - Trainers and assessors have current industry skills and knowledge, effectively engage learners, and competently deliver training and assessment.

Intent

The intent of this focus area is to clearly outline the expectations around the skills and knowledge required for people delivering training and assessment. It aims to improve flexibility for RTOs to engage industry experts or people working towards relevant credentials to deliver training and conduct assessment, in response to stakeholder feedback about the need for this flexibility. To support this focus, the intent of the requirements is for:

- All people delivering training and/or assessment to have industry skills and knowledge to an appropriate level, whether obtained through a qualification or other means, and understanding of current industry practices relevant to what they are delivering
- Training and assessment to be delivered by people with a relevant credential, or, subject to direction from such a person, by people working towards relevant training and assessment credentials, people with another relevant credential, or industry experts with specialist expertise relevant to the training product they are delivering. People working under direction may deliver training and assist in the assessment process, such as gathering evidence, but only a fully qualified trainer and/or assessor is able to make assessment judgements.

3.1.1 Each person delivering, or providing direction to a person delivering, training and/or assessment, has:

- a) qualification(s), and/or skills and knowledge, appropriate in content and level for what they are delivering and/or assessing, **and**
- b) an understanding of current industry practices relevant to the training product.

3.1.2 Each person delivering training and/or assessment either:

- a) has the relevant training and/or assessment credential (as described in the Guidelines), **or**
- b) works under the direction of a person with the relevant credential (as described in the Guidelines), does not make assessment judgements, **and**:
 - (i) is actively working towards the relevant training and assessment credential (as described in the Guidelines), **or**
 - (ii) has another credential relevant to the training and/or assessment they are delivering (as described in the Guidelines), **or**
 - (iii) is an industry expert who, despite not having a training and assessment credential, has specialist expertise which is relevant to what they are delivering and/or assessing and is of direct benefit to learners.

Explanation

The section streamlines current clauses (1.13 – 1.15, 1.17-1.18 and 1.2.2-1.2.4) into new requirements which describe the qualifications, skills, and knowledge a person must possess to deliver training and assessment.

New requirement 3.1.1 outlines the skills and knowledge required of all people delivering training and/or assessment, or providing direction to someone delivering training and/or assessment, using plainer language to clarify concepts in the current Standards such as vocational competency and industry currency.

New requirement 3.1.2(a) requires trainers and assessors to have the relevant training and/or assessment credential (which will be outlined in the Guidelines). New requirement 3.1.2(b) then creates an exception whereby anyone who doesn't have the required training and/or assessment credential can work under the direction of a person with the relevant credential and cannot make assessment judgements. This may be an individual working towards the relevant training and assessment credential (new), an individual who has another relevant credential such as an enterprise trainer skill set (as per the current Standards), or an industry expert who is determined by the RTO to have specialist expertise which is relevant to the training product and of direct benefit to learners.

Providing this flexibility while ensuring that such people are subject to direction through appropriate arrangements will better support the VET workforce while maintaining the quality of training and acknowledging the unique contribution of trainers and assessors with the full training and assessment credential.

3.2 Continuous learning and development - Trainers and assessors continuously build both industry-relevant skills and training and assessment skills.

Intent

The intent of this focus area is to ensure that trainers and assessors continuously build upon both their industry-relevant skills and training and assessment skills to ensure learners are trained and assessed by appropriately skilled people. The requirement emphasises the importance of professional development to ensure that trainers and assessors have current skills and knowledge to inform their training and assessment delivery, with the intent that this can be achieved through a broad range of activities and opportunities, such as work placements and upskilling courses.

3.2.1 Trainers and assessors:

- a) undertake professional development, including through structured learning, to ensure current skills and knowledge in training and assessment, including engaging and supporting learners, **and**
- b) continuously build industry-relevant skills to inform their approach to training and assessment.

Explanation

This expands on the current professional development clause (clause 1.16). The frequency of professional development activity will depend on the circumstances and will be influenced by the type of training and assessment.

4. Engagement

Engagement	Effective industry, employer and community engagement ensures learners receive relevant skills and knowledge, and supports lifelong learning
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5.1 Industry and employers - Industry and employer engagement informs training and assessment.

Intent

The intent of this focus area is to ensure that RTO training and assessment practices are informed by industry and employer engagement and feedback to ensure they are relevant to current industry needs. The underlying requirement seeks to achieve this by requiring RTOs to identify and meaningfully engage with relevant industries and employers and use their feedback to inform changes to training and assessment practices.

- 4.1.1 The RTO ensures the industry relevance of training and assessment by:
- a) identifying relevant industry representatives and employers,
 - b) seeking meaningful advice and feedback from those representatives and employers, **and**
 - c) using their advice and feedback to inform changes to training and assessment practices.

Explanation

New requirement 4.1.1 removes duplication between current clauses 1.5 and 1.6 and strengthens the current requirements by stepping out three key expectations around engagement with industry and employers, with additional emphasis on ensuring industry feedback and advice is meaningful. Who should be engaged, and the way that they are engaged, will depend on the RTO, its learners and the outcomes sought.

4.2 Community - Community linkages facilitate pathways into, through and from training.

Intent

The intent of this focus area is to facilitate an emphasis on lifelong learning and connection from schools to VET, VET to community, and VET to employers. Sector feedback highlighted that strong links and partnerships can ensure learner success and indicate RTO excellence.

To capture this, it is intended that RTOs develop linkages and partnerships with other organisations in the community to support learners progress through the training product and facilitate pathways into, through, and from, training.

- 4.2.1 As relevant to the learner cohort and the training being offered, the RTO forms linkages with others in the community such as educational institutions, community groups, job networks and wellbeing support services to support progression through the training product and facilitate pathways into, through and from training.

Explanation

Requirement 4.2.1 reflects the importance of linkages and partnerships between RTOs and other organisations, consistent with sector feedback.

5. Governance

Governance	Effective governance ensures integrity of operations, commitment to quality delivery, and continuous improvement
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5.1 Leadership and accountability - Management is accountable for the effective operation of the organisation, including ensuring services delivered by and on behalf of the RTO meet the requirements of the Standards.

Intent

The intent of this focus area is to support effective governance and integrity in RTO operations through positive leadership and accountability.

The requirements in this focus area centre on RTO management leading the organisation well, with emphasis on accountability to ensure the RTO meets the Standards. The intent is for this to be achieved through:

- leadership to instill a positive culture that supports integrity, quality training, safety and wellbeing, and freedom from discrimination and harassment.
- accountability of senior management for ensuring that RTO operations, including those delivered by third parties, meet the Standards, are properly staffed, and effectively mitigate risks.
- effective communication between staff about relevant changes that affect RTO operations.
- proper cash flows and financial reserves in place to maintain effective operations and refund prepaid fees for training that is not able to be delivered.
- systems to ensure that upper management have been properly vetted as fit and proper persons, and continue to be suitable, to lead the organisation.

5.1.1 Management is accountable for leading a culture:

- a) of quality training and assessment and continuous improvement,
- b) of integrity, transparency, and fairness,
- c) of inclusion, safety and wellbeing for staff and learners, **and**
- d) free from discrimination and harassment.

5.1.2 Management is accountable for the RTO meeting the requirements of these Standards, including to ensure:

- a) where training, assessment or other services are delivered by a third party on the RTO's behalf, the services meet the requirements of these Standards,
- b) the number of staff (including trainers and assessors) is appropriate to support the delivery of services, **and**
- c) risks to the achievement of the outcomes described in these Standards are identified and managed.

5.1.3 Staff and third parties are informed about relevant changes to legislative and regulatory requirements.

5.1.4 Financial viability is maintained to:

- a) ensure adequate resourcing, staff, and facilities to support the delivery of training and assessment, **and**
- b) refund any pre-paid fees where the RTO is unable to deliver the training and/or assessment for which the learner has paid fees.

5.1.5 Systems are in place for ensuring high managerial agents and executive officers are fit and proper persons to oversee the operations of the RTO.

Explanation

Whereas governance requirements in the current Standards largely focus on legislative compliance and regulatory cooperation, the draft Standards introduce a strengthened focus on effective governance. The new focus area has been expressed more broadly and is intended to be clearer about why governance is important and what the expectations of RTOs are. This aligns with the stronger emphasis on organisational governance and ethical operations in state and territory government requirements of funded RTOs.

New requirement 5.1.1 is an additional requirement focused on leadership to instill a positive culture. The focus on management accountability and promotion of a culture of quality and inclusion also supports a top-down approach to ensuring an RTO operates with integrity and supports the interests of learners, staff, and other interested parties, which complements earlier provisions in the draft Standards.

Requirement 5.1.2 reflects existing clauses 2.1, 2.4 and 1.3(a), with a strengthened focus on appropriate staff resourcing and risk management.

Requirement 5.1.3 reflects existing clause 8.6, with the inclusion of third parties.

Requirement 5.1.4 links the maintenance of financial viability to outcomes for learners, picking up on concepts in existing clauses 7.3 and 1.3 (noting that further work is being undertaken in relation to fee protection, as detailed in [Part F](#) of the consultation paper).

Requirement 5.1.5 requires the RTO to have systems in place to ensure that its executive staff are fit and proper persons, reflecting the intent of existing clause 7.1.

5.2 Continuous improvement - Ongoing monitoring and evaluation informs the continuous improvement of services.

Intent

The intent of this focus area is to promote systematic monitoring and evaluation to support continuous improvement of the organisation's performance and service delivery. The intent of the requirement is for RTOs to:

- use feedback received from relevant stakeholders, including staff, learners, and industry
- effectively measure their performance against the Standards and identify areas for growth to continuously improve in their operations.
- identify risks that may hinder them from achieving outcomes described in the Standards.

5.2.1 Systematic monitoring and evaluation:

- d) is informed by feedback from stakeholders including trainers, assessors, learners, industry, and employers,
- e) enables the RTO to measure its performance against the Standards and continuously improve, **and**
- f) enables the RTO to identify and manage risks to the achievement of the outcomes described in the Standards.

Explanation

This requirement expands on current clause 2.2 to provide greater clarity about what should be involved in systematic monitoring and evaluation as part of quality assurance and continuous improvement across the organisation. This dovetails with the work ASQA is undertaking around self-assurance. This requirement also includes an enhanced focus on effective identification and management of risk.

PART E – Guidelines - proposed content

The Guidelines are referenced in requirements 1.2.6 and 3.1.2 of the draft Standards. The Guidelines will be agreed by Commonwealth, State and Territory Skills Ministers. Given the Guidelines provide detail on VET workforce credentials, the content of the Guidelines may also be informed through relevant outcomes from the VET Workforce Blueprint.

The Guidelines will consist of two parts: Part 1 Credential Requirements and Part 2 Specified Training Products. The below provides some detail on what is expected to be captured in each part.

Part 1: Credential Requirements

This part of the Guidelines would outline the credentials required for those delivering training and assessment, those working under direction, those providing direction, and those undertaking validation of assessment (referenced in requirements 1.2.6 and 3.1.2 of the draft Standards).

It is anticipated that the credential requirements would reflect the content of Schedule 1 to the current Standards.

For example, for requirement 3.1.2(a) ‘Each person delivering training and/or assessment [...] has the relevant training and/or assessment credential (as described in the Guidelines)’, the relevant credential requirements specified in the Guidelines would be:

- *TAE40116 Certificate IV in Training and Assessment or its successor, or*
- *TAE40110 Certificate IV in Training and Assessment, and one of the following:*
 - *TAE LLN411 Address adult language, literacy and numeracy skills or its successor or*
 - *TAE LLN401A Address adult language, literacy and numeracy skills, and one of the following:*
 - *TAE ASS502 Design and develop assessment tools or its successor or*
 - *TAE ASS502A Design and develop assessment tools or*
 - *TAE ASS502B Design and develop assessment tools or*
- *A diploma or higher-level qualification in adult education.*

New provisions in the Standards

The draft Standards include a new provision which allows for people to work under the direction of a fully qualified trainer and assessor and be ‘working towards’ the relevant training and assessment credential (3.1.2(b)(i)).

- Working towards: This would be working towards the Certificate IV in Training and Assessment or a diploma from the TAE training package, or a relevant higher qualification

The draft Standards also maintain the provision in the current Standards for people who have a training and assessment credential relevant to the aspect of training and/or assessment they are delivering to work under the direction of a fully qualified trainer and assessor (3.1.2(b)(ii)).

- Has another credential relevant to the training and/or assessment they are delivering: this would refer to a skill set from the TAE training package relevant to their role in training and/or assessing.

Part 2: Specified Training Products

It is proposed that this part of the Guidelines would outline the specified training products referenced in requirement 1.2.6 of the draft Standards. Requirement 1.2.6(d) outlines requirements for the validation of training products specified in the Guidelines including:

- undertaking validation following the completion of training and assessment for the first cohort of learners, and
- ensuring that validation is undertaken by people who are independent of the RTO delivering the training product.

In the current Standards, independent validation is required for delivery of any AQF qualification or assessor skill set from the TAE Training Package. There are no changes proposed to the current training products outlined in the Standards for RTOs 2015.

As an example, the requirements could be set out in the Guidelines as follows:

- *The following training products constitute specified training products for the purposes of clause 1.2.6(d) of the Standards for RTOs:*
 - *Any qualification from the TAE Training Package; and*
 - *Any assessor skill set from the TAE Training Package.*

PART F – Compliance requirements - proposed content

The following are the key areas from the current Standards that will be reflected in the compliance requirements. Where substantial changes are expected, these are noted. Relevant ASQA General Directions are also referenced in this section, as they form part of the conditions of registration. RTOs regulated by the National VET Regulator are currently required to meet. The Victorian and Western Australian governments may need to consider any changes they might make to corresponding requirements for RTOs registered with state-based regulators.

Transition of training products

Currently transition requirements where training products are superseded, deleted, removed, or expired are dealt with in clauses 1.26 and 1.27 of the current Standards and an ASQA General Direction around learner transition. In addition to consolidating these requirements for ease of reference, consideration is being given to broader mechanisms to address the underlying drivers of transition issues for the sector. Further detail is included in areas of proposed change below.

Certification documentation and learner records

Requirements relating to the issuing of AQF certification documentation are found in clauses 3.1 – 3.4, Schedule 5 and sub-clauses 3.6(b) and (c) of the current Standards. It is proposed that these be combined with other requirements around learner records, including those in ASQA’s General Direction on retention requirements for completed learner assessments. A new requirement may also be included, building on concepts in clauses 3.6(d) and 6.5(a) of the current Standards, to ensure RTOs securely maintain learners’ personal information.

Information and documentation

Prescriptive requirements around marketing information and use of the Nationally Recognised Training (NRT) logo set out in clauses 4.1 and Schedule 4 of the current Standards, and in specifications outlined on VET regulators’ websites, are intended to be captured alongside potential new requirements to ensure RTOs do not:

- advertise deleted training products
- offer inducements to learners to enrol with a particular RTO, or
- provide information that is misleading or deceptive.

It is proposed that RTOs will be required to comply with conditions of use for the NRT logo set out in an agreed policy document on usage, consistent with the approach used for the AQF logo. This requirement will remain a legislative compliance obligation.

Governance

Currently clause 7.1 of the Standards details requirements relating to RTOs ensuring their executive officers and high managerial agents are fit and proper persons, with cross-references to the Fit and Proper Person Requirements set out in Schedule 3. It is proposed that these requirements be refined to ensure they are fit-for-purpose and consistent with broader practice for fit and proper tests. Other governance-related conditions such as the requirement to hold public liability insurance (currently under clause 7.4 of the Standards) would be co-located. Additional requirements are also being considered around public disclosure of RTO ownership and governance to enhance transparency – further detail is included in areas of proposed change below.

Regulatory interactions

Currently the legislative framework includes various conditions describing how RTOs are to cooperate with VET regulators and the data and information that RTOs are required to provide to VET regulators (including an annual declaration of compliance). These requirements are set out in clauses 7.5, 8.1 and 8.4 of the Standards, sections 25, 26 and 27 of the NVETR Act, the Data Provision Requirements and an ASQA General Direction on quality indicators. These would be consolidated to remove duplication.

Third party arrangements

Conditions relating to third party agreements are currently spread across the Standards (in clauses 2.3, 2.4, 8.2 and 8.3) and ASQA's General Direction on third party arrangements for training and/or assessment of VET courses. Consolidating these prescriptive requirements (such as the requirement for written agreements, the detailed matters that must be addressed in a written agreement and the requirement for pre-approval of certain third-party arrangements) would provide greater clarity for stakeholders. Greater detail could also be provided about what should be included in third party agreements to better support the sector.

Fee protection

Requirements for protecting tuition fees prepaid by learners are set out in clause 7.3 and Schedule 6 of the current Standards. Consideration is being given to changes to fee protection arrangements to minimise burden for RTOs and better protect learners. Further detail is included in areas of proposed change below.

Areas of Proposed Change

While minimal changes are anticipated to many requirements listed above, changes are being explored to requirements around transition arrangements, fee protection measures and disclosure of governance arrangements based on feedback from the sector. The rationale for change and is outlined below.

Transition of training products

Consultation feedback indicated that the current transition arrangements where training products are superseded or deleted are administratively burdensome due to the frequency of change in training packages, and that this is exacerbated where there are non-substantive and/or multiple successive changes to training products. Some RTOs reported that the standard 12-month transition period for superseded training products is not always appropriate for either the RTO or the learner, depending on the extent of change and the timing of release. Stakeholders also reported that upfront engagement with RTOs on training product updates is limited, with some RTOs feeling that transition is imposed on them, and that greater visibility and engagement on training product updates and transition requirements would be beneficial. There has also been some feedback that RTOs should be able to teach out existing learners when products are superseded.

The issues faced by the sector in terms of transition cut across issues relating to the Standards for RTOs as well as those of training package design and development. As such, a nuanced response is required.

Proposed changes

Through reforms to the training package development process, training product developers will be responsible for consulting with all affected RTOs upfront on potential implementation issues. This will include consultation on the transition times for each training product update. This will provide greater transparency to RTOs when training products are being updated.

Training product developers will then recommend based on this consultation where a timeframe for transition is likely to require an extension. The VET regulator is then able to extend this transition period

at the time the training product is placed on the National Register (training.gov.au). This reflects the fact that a one-size-fits-all approach is not the most suitable and will give RTOs more voice in the determination of transition times.

Where extensions to the transition time are sought post-implementation, ASQA will have a clear and transparent process for determining the appropriate transition time. This will address feedback from RTOs that there is not enough visibility around the extension process.

In addition, reforms to industry engagement and qualification design should decrease the ‘churn’ of training products in the sector, decreasing the number of training products in transition at any one time, which is a significant concern to the sector.

Consideration is being given to whether the set default time of 12 months for transition of superseded training products should remain, or whether there should be an extension to the time in which learners are required to be issued their certification documentation, to enable more flexibility for learners to be taught out in some circumstances. Feedback on these issues is being sought through this consultation process. Further information will be provided to the sector in early-mid 2023.

Disclosure of governance arrangements

RTOs are currently required to provide ASQA with contact details of key staff which includes a general enquiry contact for learners to contact, a registration enquiry contact for ASQA, and key executive officers. These details are made public on the National Register. However, stakeholder feedback has indicated that there is a lack of transparency around RTO governance arrangements – particularly RTO ownership, organisational structures and senior leadership (e.g. who board members are and what relevant qualifications or experience they have).

This lack of information can inhibit learners’ and employers’ capacity to make informed and values-based decisions about what organisation they engage with for training.

Proposed changes

Moving towards this type of disclosure has also been raised in other sectors. Ownership structures can be complex, and further work is being undertaken to develop an appropriate approach to address this issue. This will be tested with the sector in early-mid 2023.

Fee protection

The current Standards require RTOs to have a fee protection measure in place where they require learners to prepay fees of more than \$1,500. For RTOs other than universities or government-administered RTOs, this could be a bank guarantee, membership of an approved tuition assurance scheme, or another measure approved by the regulator. Concerns have been raised about these fee protection measures, particularly bank guarantees, on the basis that:

- they are administratively and financially burdensome for RTOs, and
- there is limited evidence regarding their effectiveness in protecting learners if an RTO ceases to operate.

Proposed changes

It is important that any changes to this requirement balance the need to protect the learner, especially in case of provider closure, with the potential burden and impact on the RTO. Further consideration is required on this issue. This consultation process aims to identify the issues more clearly, with possible approaches tested with the sector in early-mid 2023.