NSSC Review of the Standards for the Regulation of Vocational Education and Training

Response from Australian Council for Private Education and Training (ACPET)

July 2012
Introduction

Established in 1992, the Australian Council for Private Education and Training (ACPET) is the national industry association for private providers of post-compulsory education and training. ACPET has 1,100 members nationally, delivering a full range of higher and vocational education and training (VET) and English language courses across all states and territories.

As the peak body for private providers, ACPET is committed to ensuring that its policies, products and services contribute to an inclusive tertiary education system.

A large proportion of ACPET members are Registered Training Organisations (RTOs) that operate within the national VET system. ACPET supports policy measures that provide for the effective and appropriate regulation of the VET system to ensure high quality outcomes for individuals, industry and the community.

ACPET is firmly of the view that the major improvement needed to VET regulation in Australia is improved auditor practices, greater auditor professionalism and consistency in auditor decision making. The establishment of ASQA makes this feasible in ways that were not when the country operated a multitude of VET regulators.

While ACPET recognises that the consultation paper is the ‘first key step’ of the review of the standards, we do not accept that the current set of standards inhibits quality training and assessment.

The consultation paper states that the ‘proposed outcome of this review will be a single national set of standards appropriate for ensuring quality outcomes, clearly documented, capable of being consistently interpreted by RTOs and regulators, and effectively implemented through nationally consistent regulation.’

The VET system already has a single national set of standards (in the SNR and AQTF), and while some standards could be clarified, they do allow for consistent interpretation by a diverse and large group of RTOs.

Greater consistency in auditing and nationally consistent regulation are key issues for ASQA, the VRQA and TAC and some greater clarity of some current standards will assist regulatory bodies in ensuring their effective implementation.

While the NSSC considers a ‘full and broad scale review’ of the standards to be timely and critical to the appropriate and effective regulation of the VET sector, ACPET suggests that such a broad review should carefully consider the need and expected benefits of any change to the standards for all stakeholders. As outlined, equal consideration should be given to investing in strengthened auditor moderation to increase consistency of interpretation where needed.

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Consultation paper questions: ACPET responses

Question 1: Overall, what is the scope of change required to meet the changing needs of the sector and preserve the reputation of the sector? Is it minimal, significant but within the key areas of the standards, or significant reform?

ACPET is unconvinced that a case has been made, or can be made, for major changes to VET regulation. Instead any changes should focus on simplifying regulation and developing a more transparent and consistent regulatory environment. Further improvements could be made to VET regulation by focussing the efforts of VET regulators on the quality of VET outcomes achieved by RTOs, rather than having VET regulations imposing additional business regulations and requirements of those that exist in other business regulatory frameworks, eg local council requirements for the use and proper fit out of business premises, and ‘truth in advertising’ requirements.

The current review provides a timely opportunity to focus on the consistency of auditing and regulatory approaches. As outlined above, ACPET believes that VET quality can be enhanced by investing in increasing the professionalism of the auditor pool rather than through major changes to the standards. Any changes that are agreed should focus on clarifying wording in the current standards, and focussing them more appropriately on VET outcomes, as opposed to introducing prescriptive or directive elements.

The VET system has undergone significant change with the establishment of ASQA, which is still in a process of transition. Many RTOs have had little or no interaction to date with the national regulator, which requires time and resources to focus on the issue of auditor consistency referred to above.

Question 2: Do the national standards (or their regulation) require an increased focus on assuring nationally consistent, high quality training and assessment services?

The current standards require that RTOs deliver training and assessment services that meet the needs of their clients and national standards. No data is provided in the paper to identify that the current standards are not fit for purpose in assuring quality training and assessment services. ACPET would argue that it is in their interpretation by auditors that any problems arise, and in the ability and willingness of the regulator to take action where providers do not meet the standards. The strengthened penalties in the legislation to establish ASQA will assist in this regard.

Ensuring national consistency of training and assessment strategies should not be the aim of VET regulation. The current standards allow RTOs to use a variety of strategies to deliver learning and assessment outcomes. ACPET considers that greater attention should be paid to the consistency of VET outcomes - but this is a separate issue from nationally consistent training and assessment services.

ACPET does not support a more prescriptive approach to training and assessment, but does encourage greater consistency between auditors as well as the development of auditors’ skills in regulating a very diverse VET system. The experience of many RTOs is that auditors are unable to come to grips with the diversity of the training market and therefore audit experiences (and auditors’ interpretations of the standards) vary greatly.
Question 3: How can the standards ensure national consistency in qualification outcomes that are recognised by industry?

While Training Package development is not part of the scope of this review, ACPET believes that greater uniformity in Training Packages and greater clarity in their requirements would assist both RTOs and VET regulators in ensuring VET learners leave the system with outcomes which are valued by industry.

Strong links between providers and local employers are another key component in ensuring industry values the outcomes providers deliver. The standards already contain requirements to this effect - the challenge is not in changing the standards or introducing greater specificity, rather it involves ensuring auditors have sufficient professional judgement to distinguish between real and superficial employer/industry involvement with RTOs.

Question 4: What is the role of external validation or independent moderation of assessment outcomes in the standards?

ACPET supports the principles of external validation and independent moderation as quality checks within the VET system. While requirements that RTOs validate and moderate assessment outcomes are already key aspects of the standards, ACPET accepts that some RTOs are more adept at demonstrating compliance with these requirements than others. ACPET does not have a strong view on whether or not the requirement for external validation and independent moderation are included in the standards, but does support these requirements as a mechanism for assuring greater consistency of assessment between RTOs.

ACPET has been active in modelling external validation for RTOs in a range of areas, with ‘communities of practice’ in place for South Australian and Victorian RTO members. ACPET has also reached an agreement with the Queensland Government to develop an external validation framework for providers in that state in line with the priorities agreed to by COAG in Skills for all Australians.

Question 5: What other mechanisms might be used, other than external validation of assessment, to improve consistency in outcomes?

Industry needs to be involved in the validation process. Close RTO-industry partnerships should drive this involvement.

External validation of assessment should be the key driver of consistency of outcomes, with industry expertise and input being critical to ensuring that RTO assessments are producing VET graduates with job-ready skills.

Question 6: Should ‘outcomes-focused’ remain a key feature of the standards?

Australia’s VET system is an outcomes-focused system, in that Training Packages prescribe skills outcomes but not the way that skills are to be taught or acquired. The VET system does not lend itself to an ‘inputs-focused’ model, and the focus of past versions of the standards which had a greater emphasis on inputs and processes at the expense of outcomes did not result in higher quality outcomes.
ACPET firmly believes that the standards should continue to focus on outcomes, supported by effective models of external validation, independent moderation and auditor consistency.

**Question 7: How user-friendly are the standards in terms of interpretation and implementation and where and how could they be improved?**

ACPET considers that while the standards overall are sound and comprehensible, they could be more user friendly. The language of the standards should be simplified and should include definitions of some terms within individual standards.

Examples to illustrate some of the generic terms would be useful. An updated version of the AQTF Users' Handbook would be welcomed by RTOs.

**Question 8: How could the standards framework be improved to make them more streamlined?**

See above comments. As discussed, ACPET considers that improvements to VET quality will best be achieved by improvements in auditing practices and auditor professionalism, rather than fundamental changes to the standards. Further the focus of the standards should be on the quality of training delivered and the outcomes achieved, not on replicating or adding to the plethora of existing 'business' regulations which govern all businesses.

**Question 9: Is the purpose of the national standards for the regulation of VET most directly concerned with RTOs, or with the training and assessment services they provide, or with the outcomes that they achieve?**

The current focus of the standards is with RTOs, how they run their businesses and to a lesser extent with the outcomes they and their learners achieve. ACPET is of the opinion that a shift in emphasis to focus VET regulation on the VET being delivered and the student outcomes being achieved is required.

**Question 10: How should the purpose of the national standards be expressed?**

The national standards should clarify that their purpose is to ensure VET students achieve outcomes which meet industry needs and contribute to Australia's stock of human capital.

**Question 11: What are the key characteristics of an effective regulatory model for the VET standards?**

See above comments.

**Question 12: Is there a place for self-assessment and/or self-regulation in VET and what role would the regulator, as the responsible registrar, have in such an arrangement?**

ACPET strongly supports greater self-assessment and/or self regulation for providers with a proven track record. Reducing the regulatory burden on good providers is the critical next step in Australia's maturing approach to regulation. It will also allow the regulators to focus their efforts on new providers who are yet to establish a proven record and those with quality problems.
Question 13: How can the standards support the availability of easily accessible, appropriate and high quality information that gives learners and employers greater confidence that the choices they make are the right ones for them?

ACPET believes consumer choice of provider can be enhanced by the provision of nationally comparable data, in line with the current ‘quality indicator’ data.

Prospective students and employers looking for providers to train their staff should be able to see:

1. Qualifications offered and in which locations
2. Competency completion rate data
3. Student satisfaction
4. Employer satisfaction
5. Audit history

Question 14: How can the standards support the achievement of current national goals and policy objectives?

ACPET believes that ensuring the quality of VET outcomes (including specifically their relevance to industry) is the core purpose of VET regulation. If this is not aligned to current national policy objectives then ACPET would consider that the policy objectives be reviewed.

Question 15: What, if any, is the appropriate level of student protection that the standards should provide in addition to the protection provided by consumer protection law?

Until the corporate regulator ASIC has the funding and resources to effectively intervene on consumer protection matters relating to VET students then it is appropriate for VET regulators to ensure that student fees are adequately protected. By contrast RTO marketing and advertising to students could be better managed by existing regulations relating to ‘truth in advertising’.

Question 16: How can the standards support industry being appropriately engaged to ensure high quality outcomes are achieved?

Industry involvement in VET planning, delivery and assessment is also central to the standards. More effective auditing would ensure greater consistency in determining that all providers are actively engaged with industry.

Further, a more explicit focus on external assessment validation with direct enterprise and industry expertise will require some RTOs to strengthen their direct links with industry and ensure greater industry confidence in VET outcomes.