

Regulation of Training Organisations

Report 11: June 2015

Objective and Overview

This report assessed whether the Training Accreditation Council can provide assurance that Registered Training Organisations (RTO) deliver quality training and assessment of student skills.

Vocational education and training delivers skills in a diverse range of trades and professions from building and construction to aged care and financial services.

There are about 500, mostly private, RTOs based in WA, of which 328 are regulated by WA's Training Accreditation Council (Council).

In 2009, WA agreed to follow the national approach to regulating RTOs. The approach aims to ensure that RTOs deliver consistent quality training and skill assessment that meet the needs of industry. The national approach is prescriptive in how the Council must regulate RTOs. However, changes in January 2015 allow the Council to better focus its regulatory effort. These changes did not apply during the audit period but were considered in our recommendations.

Audit Conclusion

The Council follows the national approach in how it regulates RTOs. This includes deciding which RTOs to register, checking their compliance with standards, and determining when and what sanctions to impose if they do not comply.

The Council's activities restrict registration to eligible RTOs and offers some assurance that non-compliance will be identified and fixed. In 2013-14 more than half of the Council's checks found non-compliance with the national standards. As a result of the Council's work, most non-compliance was fixed.

The high rates of non-compliance raises concern that students may not get the training they need and industry expects. The Council is working on ways to reduce the risks.



Office of the Auditor General Western Australia

Key Findings

- In 2013-14, the Council did 323 checks of RTOs and found 35 per cent were either significantly or critically non-compliant with the national standards. Examples of non-compliance included lack of evidence of student assessment, unqualified trainers, no assessment of the practical application of skills, and an RTO passing students despite their written assessments showing incorrect or incomplete answers.
- It was generally not evident that the Council considered the risks from an RTO's non-compliance or the need to notify students or industry, even in cases of critical non-compliance.
- In our sample of 18 checks the Council did not:
 - use industry advisers to plan and conduct the eight post-registration mandatory checks
 - routinely consider whether to speak with students
 - carry out random checks without notice of RTO training and assessment.
- During 2013-14 the Council applied sanctions to nine RTOs. In all nine instances, proper processes were followed and the sanction appeared consistent with the problems identified.

Recommendations

The Training Accreditation Council should:

- Within 12 months, fully implement its revised approach to regulating RTOs
- Consider legislative or policy change to enable it to check RTO compliance without prior notice
- Consider and document the risk to students and industry of training provided by non-compliant RTOs and find ways to reduce timeframes before sanctioning an RTO.



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