



12 February 2015

Senator Sue Lines
Chair
Senate Education and Employment References Committee

By email: eec.sen@aph.gov.au

Dear Senator Lines

Re: Senate Inquiry into the operation, regulation and funding of private vocational education and training (VET) providers in Australia

This submission to your Committee's inquiry draws on my experience in my current role as the CEO of Ivy Institute Pty Ltd, trading as Ivy College (Ivy College), as well as my extensive history in the VET sector. During my 13 years in the sector I have set-up and run two Registered Training Organisations, as well as working in senior executive roles at some of Australia's largest private providers, Kaplan and Study Group Australia. In addition, I have worked as a part-time TAFE teacher for a Youth at Risk program.

In that time, I have seen some examples of excellent practice in the private sector and some examples of poor practice in other parts of the sector. As the owner of a private VET provider committed to quality and to delivering the best for my students, I am supportive of your inquiry into quality, but believe it would have been more appropriate to focus on VET providers more broadly rather than singling out one group of providers based on their ownership.

Ivy College was registered in September 2013. In addition to the courses available via our own scope of registration, we offer 12 courses via a partnership with Study Group Australia. We enrolled our first students in April 2014. As a new and growing provider we are also a SME offering important employment opportunities to a growing number of VET professionals, as our student numbers continue their strong growth. We currently employ more than 70 staff and have in excess of 3000 students studying with us.

At Ivy we pride ourselves on our flexibility, student support and employment outcomes as key differentiators from our competitors. We exist for the sole purpose of meeting the unique needs of adult learners and are primarily focused on students looking to change or advance in their careers.

We offer our students a high quality, blended learning approach allowing them to study in their own time, at their own pace and to combine the flexibility of online learning with the practical benefits of workplace and face-to-face training. Our focus on quality is also evinced by our course length - we do not offer short over-priced courses. Our minimum course length is six months for a diploma level qualification and on average our courses are 12 to 24 months. We have invested heavily in our staff

and systems to deliver a superior learning experience. As a new provider, our students are still progressing through their courses and we do not have course completion data to provide to the Committee. However, we are confident that the education we are offering is making a difference and our Net Promoter Score of 42 (putting us in the same league as leading companies such as Apple) is evidence of the high regard in which our students hold the service and support we deliver.

The reasons for these excellent results include the personalised nature of what we offer our students. This means:

- our students can enrol and start their course on any day they choose, they do not have to wait for a pre-determined course start date
- once a student enrolls they gain access to all course material and can then choose which subjects they start with and how long they spend on each subject. This learner-centric approach puts the student in charge of what they learn, and when, rather than the college dictating when each subject is required to start and end
- all students are contacted personally within one day of enrolling to ensure they have everything they need to begin their course and are completely aware of all of the details of their enrolment, including the details of VET FEE-HELP
- all students are contacted by their trainer within two days of enrolment to discuss the course and answer any course related questions they may have
- a study coach then calls each student each week of their enrolment
- we promise our students that they will have the same trainer for the duration of their course
- we have a complimentary career coaching and job readiness program which includes one-on-one career coaching sessions, personal career plan development, professional resume building, and LinkedIn profile update
- we offer all of our students assistance with work placements (whether it's a mandatory part of their course or not)
- to supplement their online learning, we also offer all of our students weekend workshops in multiple locations around Australia
- we are open when students are studying – 7 days a week (8am to 8pm Monday to Friday and 9am to 5pm on Saturday and Sunday).

Given our focus on Diploma level study and the newness of our operations this submission focuses solely on the fourth of the Committee's terms of reference: *The operation of VET-FEE-HELP*. The first and most obvious point for the Committee to consider is the unfairness of the 20% administration fee charged to all VET FEE-HELP students. The inequity of this arrangement is apparent when you consider that currently no university undergraduate students are charged any administration fee for using the HECS-HELP loan to pay for their studies.

Ivy College's in-house marketing and student administration teams work alongside the select group of student recruitment brokers we employ. While the practices of some brokers are bringing the sector into disrepute through their unethical practices, we have done considerable due diligence on the brokers we work with and we are confident that we are only enrolling genuine students into courses they want to study. With the student's permission we record all calls and undertake an enrolment screening process before any enrolments are confirmed. This screening process allows us

to check that the student is aware of all of the key elements of their enrolment, including VET FEE-HELP and how the system works. While we support greater scrutiny on and action against brokers that operate unethically, it must also be accepted that there is a legitimate role for third parties to work with providers. While the focus of an educational provider must be on the education they offer, it no longer holds true that the education provider must also manage in-house all aspects of the 'supply chain'. Managed well, there is a legitimate role for providers to work with other specialists who can value-add to their business, and thus to the student experience.

Ivy College works hard to ensure our students do not pass the census date for their studies without being actively engaged in the course. This allows us to avoid the distressing practice prevalent in a small segment of the industry whereby students are commencing in courses without being serious about their study and not realising that if they do not withdraw prior to the census date they will incur a significant debt for their tuition fees. To prevent this practice, Ivy College:

1. offers additional disclosures at the time of enrolment and during a standard "provisional enrolment" period about the operation of VET FEE-HELP. For example, it is not possible to enrol in any Ivy College course without first having acknowledged the fees and census dates for the course and then signing to confirm the acknowledgement. Following enrolment, it is not possible for a student to access any Ivy College course materials without seeing a further disclosure regarding census dates and final date for course withdrawals without penalty.
2. applies advanced learner analytics to identify, at the beginning of the enrolment period, any students who are deemed "at risk" of failing to academically progress. Students identified as at risk are provided with additional contact and support
3. actively cancels enrolments of students, prior to census, where the student has failed to engage or progress academically. This ensures that only students who have made some attempt to progress and engage with course material or academic staff remain enrolled at census.

To ensure fair practices relating to students incurring VET FEE-HELP debts we would suggest providers be required to conduct a pre-census check, as Ivy College already does, to validate that students identified as "at risk" remain willing to pass the census date imminently and knowingly incur the related debt. This could be encapsulated in a requirement for providers to demonstrate a duty of care with regards to students passing census dates. Alternative approaches that do not allow for flexibility would have the unintended consequence of preventing more innovative providers from offering students flexibility in how and when they progress through their course.

I would welcome the opportunity to discuss these ideas for improving VET FEE-HELP with your Committee.

Yours sincerely

Peter Mobbs
Chief Executive Officer
Ivy College