

Senate Committee: Education and Employment

QUESTION ON NOTICE

Supplementary Budget Estimates 2015 - 2016

Outcome: Agency: ASQA

Department of Education and Training Question No. SQ15-000681

Senator Simms, Robert asked on 21 October 2015, Proof Hansard page 94

ASQA - Senate Inquiry into VET providers

Question

Senator SIMMS: The recent Senate inquiry looked at this issue of the RTOs subcontracting out to unregistered third parties. Is that something your organisation has oversight for, and how do you keep—

....

Senator SIMMS: So you have data on how many?

Mr Robinson: It can be a high-risk area, as you are alluding to.

Senator SIMMS: Are you able to give me a sense of how widespread that practice is?

Mr Robinson: We will take that on notice, but we can tell you how many of those arrangements exist.

Senator SIMMS: That would be good. I would also be keen to know how many incidences have come to light in that capacity.

Answer

- The full commencement of the Standards for Registered Training Organisations 2015 (the Standards) on 1 April 2015 introduced explicit requirements that:
 - The RTO ensures that where services are provided on its behalf by a third party the provision of those services is the subject of a written agreement; and that
 - The RTO notifies the regulator of any written agreement entered into ... for the delivery of services on its behalf ...
- Relevantly, 'services' in this context means training, assessment, related educational and support services and/or any activities related to the recruitment of prospective learners.
- Each RTO is required to have strategies and resources to systematically monitor any services delivered on its behalf, and to use these to ensure that the services delivered comply with the Standards at all times.
- ASQA commenced receiving RTOs' third party arrangement reports through its online registration management system on 22 April 2015.
- As at 5 November 2015, ASQA has received notification of 4023 third party arrangements through its online system, submitted by 398 different RTOs. This amounts to receipt of about 28 reported arrangement notifications each working day.

- Of these:
 - 1020 are arrangements whereby the specific services to be delivered by the third party agent have not been identified by the RTO
 - 3003 are arrangements for services that cover one or more of the following types of service provision (noting that in many cases, the arrangement includes the provision of services from more than one category below)
 - Recruitment of potential learners = identified in 2371 arrangements
 - Enrolment of learners = identified in 465 arrangements
 - Provision of learner support services = identified in 447 arrangements
 - Delivery of training and/or assessment = identified in 1051 arrangements
 - Issuance of qualifications and/or statements of attainment to competent persons = identified in 66 arrangements.
- Access to this information assists ASQA to identify the potential risks that each RTO presents to ensuring quality service delivery and enables ASQA to effectively scope and target its regulatory effort.
- As yet it is too early for ASQA to ascertain whether the significant use of third party organisations is a reliable indicator of substandard service provision or other quality risks. ASQA will continue to analyse data from varied sources to test this issue.