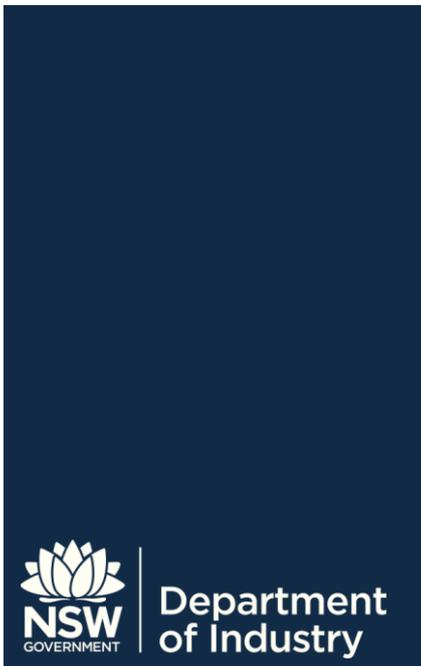


Smart and Skilled: NSW Quality Framework



What is the NSW Quality Framework?

The NSW Quality Framework promotes a shared vision for quality in government-subsidised vocational education and training (VET).

The framework:

- sets strict criteria for approving training providers seeking to deliver government-subsidised training
- ensures close monitoring of training providers' performance and outcomes
- gives students better information and clear avenues for complaint
- encourages industry involvement in training and assessment
- encourages training providers to build the capability of their staff and systems
- seeks feedback from students and employers on training outcomes.

The NSW Quality Framework was developed after consulting with training providers and industry. It is based on principles that promote excellence, transparency and innovation in VET, and underpins the NSW Government's Smart and Skilled initiative.

This document sets out these principles.

What is Smart and Skilled?

Smart and Skilled is designed to give the people of NSW the skills they need to get a job or advance their career. It includes:

- an entitlement for eligible individuals to government-subsidised training up to and including Certificate III qualifications
- government subsidies for eligible individuals for higher level training and skill sets in priority areas.

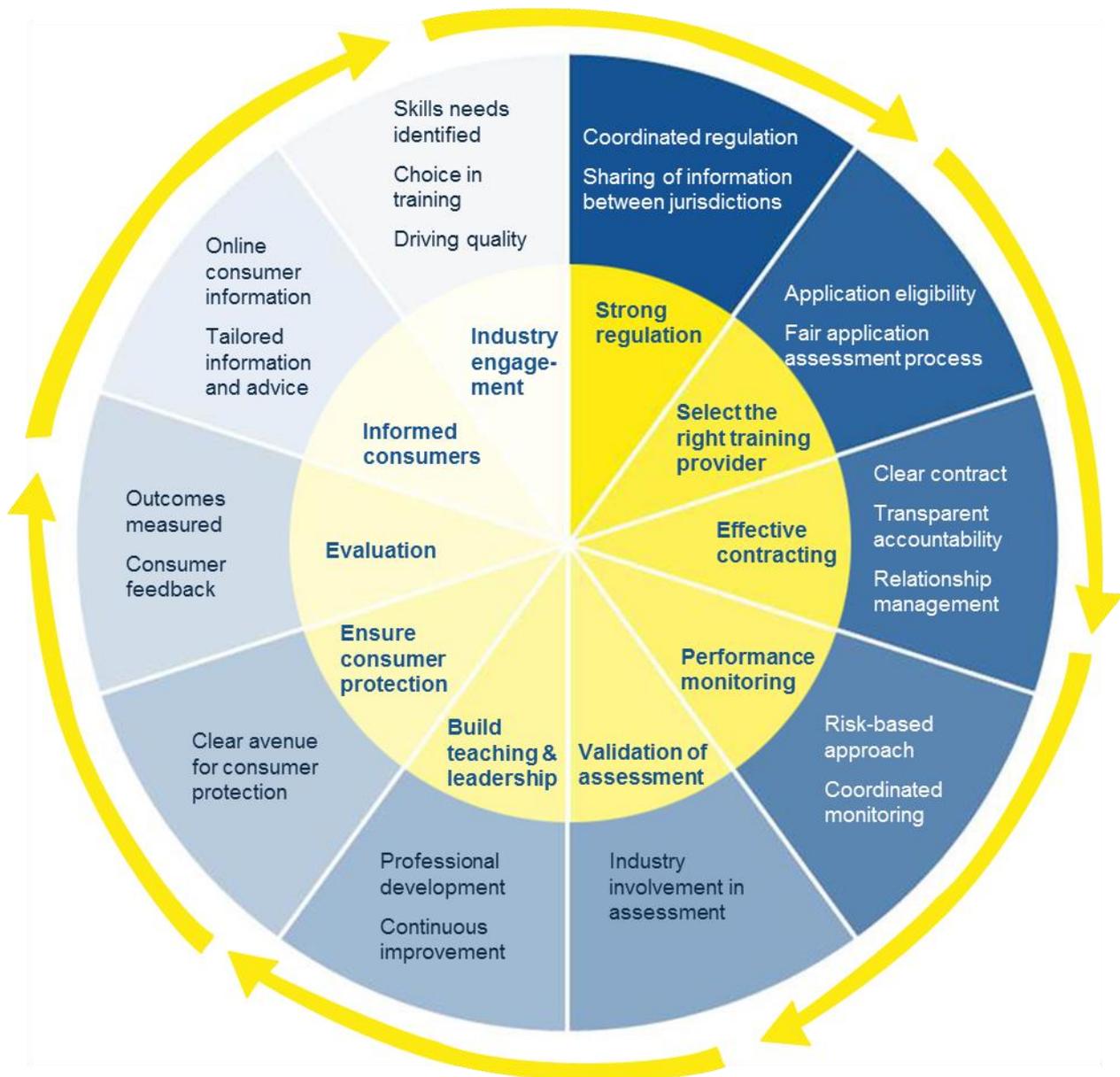
Foundation Skills courses are also delivered by TAFE NSW and approved Adult and Community Education (ACE) training providers.

Entitlement funds follow the student to their chosen approved Smart and Skilled training provider.

Smart and Skilled started on 1 January 2015.

For more information on Smart and Skilled go to: <https://smartandskilled.nsw.gov.au>.

NSW Quality Framework – the principles



Strong regulation

The Department works with the Australian Skills Quality Authority (ASQA) and other governments and agencies to ensure quality in government-subsidised VET in NSW.

Working with ASQA

The Department of Industry (the Department) shares an interest with the national regulator, ASQA, in:

- maintaining quality
- managing risk
- protecting students.

ASQA focuses on compliance with national standards for training providers. The Department focuses on training provider compliance and performance under the Smart and Skilled contract (available on www.training.nsw.gov.au).

We have a memorandum of understanding (MOU) with ASQA to foster cooperation and information sharing in relation to audit and monitoring arrangements. We are interested in the performance of training providers including their financial viability.

We meet with ASQA on a regular basis.

Our MOU ensures appropriate, timely action by ASQA and us so student needs are met.

Working with other governments and agencies

The Department works with other governments and agencies to share information on the performance of training providers that deliver government-subsidised training.

We share an interest with other governments and agencies, including the Australian Department of Education and Training and NSW Fair Trading in:

- safeguarding the rights of consumers
- creating a fair and equitable VET market
- protecting students.

Select the right training providers

A training provider applying to deliver training under Smart and Skilled must meet stringent quality and performance criteria.

The Department assesses eligible training providers on their capacity, capability and performance as a registered training organisation (RTO) and in delivering training required for Smart and Skilled.

Selecting the right training provider



Eligibility criteria

A training provider may be eligible to apply for a Smart and Skilled contract if it can show that it meets the eligibility criteria, which include but are not limited to the following.

The training provider^{*} :

- is a National VET Regulator (NVR) registered training organisation (RTO)
- has a scope of registration that includes qualifications on the current NSW Skills List (i.e. the list of government-subsidised accredited courses and qualifications)
- has not had a previous NSW Approved Providers List or Smart and Skilled contract terminated in the last three years
- has not had NVR registration cancelled, refused or revoked in the last three years
- has no sanction(s) and/or condition(s) and/or suspension(s) imposed relating to the general operations of the training provider
- is based in NSW (see below)
- has a recognition policy and process consistent with the NSW Recognition Framework
- has the ability to report government-funded NSW VET activity to AVETMISS standard
- has ASQA approved fee protection mechanisms.

The training provider is not a TAFE training provider outside NSW.

The training provider has not engaged or utilised the services of an organisation(s) or individual(s):

- that had a government VET-related contract terminated
- that had registration under the NVR Act or previous legislation cancelled, revoked, suspended or refused.

The training provider agrees to:

- comply with Smart and Skilled teaching and leadership obligations
- report the validated Unique Student Identifier for enrolled students
- purchase and maintain all appropriate insurances to address possible risk/liabilities incurred in its day-to-day operations and in activities associated with Smart and Skilled
- the exchange of information on its current or past performance with other governments and agencies.

* Eligible non-government enterprise-based RTOs (ERTO) may only apply to deliver traineeships and apprenticeships; and, only TAFE NSW institutes and approved NSW ACE training providers may apply to deliver Foundation Skills training.

NSW-based eligibility

A training provider must have its principal business address in NSW (as defined by ASIC).

If a training provider does not meet this criterion, then it must demonstrate:

- that it held a NSW Approved Providers List contract in 2014 or a current Smart and Skilled contract, and
- an existing agreement for training delivery covering the current calendar year with at least one national enterprise having at least 50 employees in NSW and at least 50 employees in at least one other jurisdiction, and
- evidence of capacity to deliver quality training in NSW.

Or, if a training provider is a non-government enterprise-based RTO (ERTO) then it must demonstrate:

- at least 50 employees working in NSW, and
- evidence of its capacity to deliver quality training in NSW.

Capacity to deliver quality training in NSW means the extent of the training provider's operations in NSW through evidence of the following:

- student engagement and employer satisfaction survey data for the most recent reporting period set by ASQA
- the number of student commencements in NSW (for both government-subsidised and fee-for-service students)
- demonstration of the following where relevant:
 - an office and/or staffing structure in NSW
 - the number of trainers and/or assessors deployed in NSW
 - details of the training provider's administration support services available to students in NSW
 - details of the modes of delivery the training provider offers in NSW (for example, classroom, work based, online)
 - the extent of the training provider's arrangements to support work-based delivery in NSW

- availability of support for online delivery via use of skills centres (training provider facilitated on-site delivery) to provide classroom based components in NSW.

Although interstate TAFEs are not eligible to apply for Smart and Skilled, the Department considers cross-border arrangements with interstate TAFEs on a government-to-government basis.

Enterprise-based registered training organisations

Non-government ERTOS may only apply to deliver apprenticeship and traineeship training.

Government ERTOS are eligible to apply to undertake a wider range of government-funded training (see table below).

Entitlement	Targeted Priorities
<ul style="list-style-type: none"> • Full Qualifications (Certificate II & III) • Apprenticeships and Traineeships 	<ul style="list-style-type: none"> • Full Qualifications (Certificate IV & above) • Part Qualifications • Prevocational training

Assessment criteria

The assessment criteria include but are not limited to the following.

Area	Criteria
Organisation	<ul style="list-style-type: none"> • Type of legal entity • Staff profile of officers/senior management • Relationships with other entities include: <ul style="list-style-type: none"> – shared ownership/operational structure with other Australian entities – use of subcontractor and broker services – shared personnel with other RTOs or Smart and Skilled training providers • Approval to provide VET FEE-HELP • Past contractual performance and compliance • Pending investigations against the training provider • Any regulatory conditions associated with the delivery of qualifications on the training provider's scope • Student support provides: <ul style="list-style-type: none"> – administration support services – career advice services • Trainers and assessors: <ul style="list-style-type: none"> – possess relevant VET qualifications – participate in development activities • Training and assessment: <ul style="list-style-type: none"> – is contextualised to address the needs of the student and/or workplace – includes the availability of specialised training and assessment – includes the validation of assessment activities • Record of professional development for all staff

Assessment of applicants

The Department assesses applicants to determine which training providers become Smart and Skilled providers.

Our assessment processes build on ASQA's regulatory requirements for training providers.

A training provider submits information about its organisational profile, training capacity, experience and capabilities in NSW.

We want to work with training providers that have a proven track record in delivering high quality training in NSW. So we look at training provider's experience and performance in delivering in the regions and the qualification(s) requested. This covers its capacity in NSW to train target groups, tailor training to industry needs, practitioner capability, learning resources and assessment practices, and any past performance under a Smart and Skilled contract and past regulatory compliance.

Area	Criteria
Region	<ul style="list-style-type: none"> • Priority of each region for the RTO For each region applied for: <ul style="list-style-type: none"> • the number of student commencements • the presence and details of teaching and administration facilities • any partnerships with specialist organisations • any other justifications, such as: <ul style="list-style-type: none"> – creating jobs – upskilling workers – meeting skill demands – supporting special needs groups – developing relationships with employers
Qualification	For each qualification applied for: <ul style="list-style-type: none"> • any regulatory conditions associated with the delivery of the qualification • delivery by: <ul style="list-style-type: none"> – mode – region – program • the number of student commencements in the qualification or similar qualifications • the training and assessment strategy • the validation of training and assessment resources

Supporting information

A training provider may supply the following to support its application.

The training provider's assessment practices, such as:

- any exposure to workplace conditions
- the practicality of the assessment
- the resources it uses in the assessment.

Any benefits the training provider would provide, such as:

- can deliver in priority markets
- has a unique delivery model
- uses an innovative practice, process or initiative.

Effective contracting

The Smart and Skilled contract states the Department's objectives and expectations for delivering training under Smart and Skilled.

Through the contract, we work with Smart and Skilled training providers to build capability and to proactively encourage good practice.

The contract has:

- clear requirements
- performance standards
- processes for performance management and dealing with quality issues.

Where it is not possible for issues to be resolved, we have a range of sanctions which can be imposed when unresolved issues are considered an Event of Default.

These measures include:

- suspend all or part of the training provider's rights under the contract
- withhold in whole or in part any subsidies payable to the training provider
- place any further conditions in relation to government-subsidised training
- varying the contract
- exercise other rights under the contract or terminate the contract.

We apply a risk-based approach to monitoring performance and viability, including the financial viability of training providers under contract.

Smart and Skilled training providers will have the opportunity to respond to any performance issues.

Relationship management

To ensure a Smart and Skilled training provider has a single person in the Department to contact for advice, for example, on contracts and performance, we allocate a strategic relationship manager to a training provider.

A strategic relationship manager has an ongoing relationship with a training provider that allows them to understand the training provider's circumstances and provide tailored advice.

Subcontracting and broker services

A training provider may subcontract (to an individual or organisation) any part of their responsibilities under their Smart and Skilled contract and in accordance with the Smart and Skilled Operating Guidelines (available on www.training.nsw.gov.au) if they first make an application and obtain approval from the Department.

In its application to subcontract, a training provider must nominate the responsibilities it wants to subcontract to a specific subcontractor, the reason for the subcontracting and how the subcontracting will contribute to quality training.

The training provider remains responsible for ensuring that an approved subcontractor performs its responsibilities to the required standard.

Performance monitoring

The Department monitors and reviews the performance of Smart and Skilled training providers to maintain and enhance quality training.

Our performance monitoring strategy is flexible so it can respond to varying risks and training provider performance issues.

The objectives of performance monitoring are to:

- confirm delivery of the intended government-subsidised training
- confirm ongoing contractual compliance
- ensure maintenance of standards
- inform provider risk assessment.

Risk and performance indicators

Measurable risk and performance indicators guide the Department's performance monitoring priorities.

The risk and performance indicators assigned to a Smart and Skilled training provider will inform the nature and level of monitoring activities the Department will undertake with the training provider.

Risk indicators include:

- industry factors or qualifications where there are identified risks
- level of funded activity.

Performance indicators are based on:

- obligations under the Smart and Skilled contract
- outcomes reported by students and employers
- timeliness and accuracy of data lodgement
- training completion rates
- complaints lodged.

Methods

Performance monitoring methods include:

- self-assessment
- surveys
- interviews
- desktop monitoring
- site visits
- investigations.

We also rely on information provided from ASQA, NSW Fair Trading, Smart and Skilled consumers and other jurisdictions to alert the need for performance monitoring of a Smart and Skilled provider.

Validation of assessment

To ensure quality training outcomes, training must be assessed fairly by all training providers. Independent validation of assessment is a way to raise the quality, rigour, fairness and consistency of assessment outcomes.

Independent validation of assessment is a process that ensures the assessment practices of a training provider are:

- appropriate to the outcomes of training
- applied consistently
- meet standards for assessment
- aligned with industry and training package requirements.

A party independent from the training provider (for example, an expert in training and assessment or an industry representative) does the validation assessment taking into account of the nature of the industry and the types of risks associated with assessment.

A training provider has various options for carrying out an independent validation of assessment, as the *Smart and Skilled Operating Guidelines* outlines (available on www.training.nsw.gov.au).

Performance monitoring under Smart and Skilled requires evidence that independent validation of assessment takes place.

Build teaching and leadership

Building capability in teaching and leadership is critical to quality training.

To build up the capabilities of trainers, assessors and administrators, the *Smart and Skilled Teaching and Leadership Policy* (available on www.training.nsw.gov.au) gives training providers direction on:

- developing and implementing a Continuing Professional Development Policy
- ensuring opportunities for improvement identified in performance reviews are seized
- providing feedback on professional development needs.

Ensure consumer protection

Students must have a clear avenue for complaint.

A Smart and Skilled training provider must have complaints handling procedures in place to ensure students are aware of their consumer rights and know how to make a complaint.

If a consumer – an apprentice, trainee, student, employer or other interested party – needs to seek assistance or advice about a training provider, or to give feedback about one, Training Services NSW (part of the Department) can help. We can assist a consumer with a complaint about a training provider or refer them to the appropriate agency, as the *Smart and Skilled Consumer Protection Strategy* (available on www.training.nsw.gov.au) explains.

Training Services NSW complements other help available to consumers of VET:

- National Training Complaints Hotline
- Fair Trading NSW
- ASQA
- Australian Competition and Consumer Commission (ACCC).

Managing consumer protection

The Smart and Skilled contract protects the rights of consumers by requiring training providers to:

- have established, documented and accessible consumer feedback and complaints handling policies and procedures
- identify a dedicated consumer protection officer and make their contact details readily available
- provide students with details of an organisation's processes and pathways for resolving or escalating complaints
- obtain a signed declaration from each student to confirm receipt of consumer protection information.

Evaluation

Evaluation framework

The Department will design an evaluation framework to promote the systematic and consistent collection of data which training providers can use to enhance their service delivery.

We will also survey students and employers about their training experience and outcomes and use this feedback to enhance quality and inform our performance monitoring.

Informed consumers

To help consumers make informed decisions about training, they can access up-to-date information from a dedicated Smart and Skilled website as well as receive phone and face-to-face support.

Online consumer information

The Smart and Skilled website (smartandskilled.nsw.gov.au) has information on subsidised training opportunities and which Smart and Skilled training providers offer them.

Its search engine (Find a Course) and information help consumers to identify:

- local subsidised training opportunities
- student fees, including exemptions and concessions
- qualifications linked to occupations
- relevant information about a subsidised accredited course or qualification on the MySkills website.

The website also provides information on:

- the types of skills to be gained from training
- possible career options and pathways to further education and training
- student scholarships
- the benefits and opportunities from having a vocational qualification.

Job guides are also available – to see what a job involves, what it pays, what training it requires and its prospects.

Supplementary services

Consumers have access to phone and face-to-face advice through Training Services NSW's Regional Offices.

Industry engagement

Identifying priority skill needs

Industry plays an important and ongoing role in identifying the current and future skills needs of NSW through their input into the NSW Skills List.

The *NSW Skills List* (available on www.training.nsw.gov.au) defines the qualifications that the NSW Government subsidises under Smart and Skilled. The Department updates the list after consulting with industry representative bodies, training providers and government agencies to ensure the list reflects skills in demand and industry needs in NSW.

We are also continuing to develop better systems for collecting data on labour market trends, priority skills and regional needs so that subsidised training is available where it's needed most.

Choice in training

Industry and employers are able to exercise greater choice over the training they need for their staff, who provides it and when it is delivered.

Students and employers can choose TAFE NSW or an approved private or ACE training provider to deliver training.

Driving quality of training

Industry and employers help drive the quality of training so that training continues to meet their needs. The Department seeks feedback from employers on their training experience and outcomes.

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