

PQS Compliance Audit

Audit Report (User Choice 2010-2015)

SUPPLIER			
Registration Code:	3045		
RTO legal and trading name	William Angliss Institute of TAFE		
Address	555 La Trobe Street, Melbourne, Victoria		
PARTICIPANTS			
Lead Auditor	Suzanne Sheppard	Auditor(s)	Grant Edmonds
Auditor Phone	3328 6816		
Supplier	Karon Hepner – Manager National Training, Danielle Gatt – State Training & Administration Coordinator Queensland		
AUDIT DETAILS			
Date(s)	13 and 14 July 2015		
Location	Suite21, 120 Birkdale Road, Birkdale, Queensland		
PQS Agreement(s)	PS100081		
Type	Monitoring <input type="checkbox"/>	Re-audit	<input checked="" type="checkbox"/>
Outcome	Compliant <input type="checkbox"/>	Not Compliant	<input checked="" type="checkbox"/>
Notes	This audit was scheduled as a re-audit; following an earlier audit in May 2013. A Certificate 3 Guarantee audit was conducted in conjunction with this audit. The supplier stated approximately 35% of its annual income is derived from User Choice funding.		

Scope	Number of Students Sampled
SIT30812 Certificate III in Commercial Cookery	5
SIT30712 Certificate III in Hospitality	7
SIT30112 Certificate III in Tourism	1
FNS40611 Certificate IV in Accounting	2
SIT31312 Certificate III in Travel	2
BSB30112 Certificate III in Business	1
SIR30212 Certificate III in Retail Operations	1
BSB30412 Certificate III in Business Administration	1
SIT20213 Certificate II in Hospitality	1

ASSESSMENT		<input type="checkbox"/> Compliant	<input checked="" type="checkbox"/> Not Compliant	<input type="checkbox"/> Not Examined
N/C	N/A			
For each competency for each student the supplier has:				
<input checked="" type="checkbox"/>	<input type="checkbox"/>	implemented and retained the full range of assessment evidence <i>(PQS Agreement, Clause 9)</i>		
<input checked="" type="checkbox"/>	<input type="checkbox"/>	gathered sufficient evidence that competency has been achieved, as expressed by the relevant endorsed industry/enterprise competency standards of a Training Package or by the learning outcome of an accredited course to support the outcome of the assessment (AVETMISS Outcome identifier 20) <i>(User Choice 2010-2015 Policy, Table 3)</i>		
<input type="checkbox"/>	<input type="checkbox"/>	confirmed with the employer that the student has consistently demonstrated competent performance in workplace tasks relevant to the unit of competency/module to support the outcome of the assessment (AVETMISS Outcome identifier 20) <i>(User Choice 2010-2015 Policy, Table 3)</i>		
<input type="checkbox"/>	<input type="checkbox"/>	retained sufficient evidence to support that students have attempted all assessments and failed in at least one method (AVETMISS Outcome identifier 30) <i>(PQS Agreement, Clause 9) (User Choice 2010-2015 Policy, Clause 2.4.3)</i>		
<input type="checkbox"/>	<input type="checkbox"/>	retained sufficient evidence to support recognition of prior learning (AVETMISS Outcome identifier 51) <i>(PQS Agreement, Clause 9) (User Choice 2010-2015 Policy, Clause 2.4.3)</i>		
<input type="checkbox"/>	<input type="checkbox"/>	retained sufficient evidence to support transition of student to a superseding qualification and similar units of competency are deemed to be non-equivalent <i>(PQS Agreement, Clause 9) (User Choice 2010-2015 Policy, Clause 2.3.3) (User Choice 2010-2015 Policy, Clause 2.4.3)</i>		
<input type="checkbox"/>	<input type="checkbox"/>	not been funded for delivery of a unit of competency/module through RPL in any instance where this leads to the entire qualification being achieved through RPL <i>(User Choice 2010-2015 Policy, Table 5)</i>		
Non-compliances				
<u>AVETMISS Outcome identifier 20</u>				
Audit identified two students for whom sufficient evidence of assessment had not been retained. Both students had unanswered and unmarked questions in their assessment and yet had been deemed competent.				
<ul style="list-style-type: none"> • ██████████ (SIT31312) SITTTSL306 and • ██████████ (SIT30712) SITXFSA101. 				
Payments by the department relating to claims where there is insufficient evidence of assessment constitute 'Overpayment' as defined in Clause 8 of the Agreement and the department will seek recovery in this regard. Refer to Attachment 2 (Schedule of Overpayments) for further details.				
Rectification Required				
<u>AVETMISS Outcome identifier 20</u>				
The supplier must ensure it has collected the full range of evidence to support student competency before submitting any claim for payment. The supplier must review and improve its current records retention process relating to students' files to ensure sufficient and complete records are retained for a period of six years from the conclusion of the term of the PQS Agreement.				
Evidence submitted at audit has raised concerns regarding the sufficiency and rigour around assessment processes and the supplier's compliance with the Standards for NVR Registered Training Organisations 2012 (pre April 2015) and the Standards for Registered Training Organisations 2015 (post April 2015). Issues relevant to these standards will be referred to the Australian Skills Quality Authority (ASQA) for its information and attention.				
The supplier is required to cooperate with the department in the recovery of funds for claims made where insufficient evidence of assessment has been retained.				
The supplier will not be required to submit evidence to the department to demonstrate non-compliances have been sufficiently addressed. However, rectification action undertaken to address all identified non-compliances will be examined as part of future audit or monitoring activity.				

TRAINING	<input checked="" type="checkbox"/> Compliant <input type="checkbox"/> Not Compliant <input type="checkbox"/> Not Examined
N/C N/A The supplier retained information and material necessary to provide a complete record of training and assessment, including:	
<input type="checkbox"/> <input type="checkbox"/> records of each student's participation in training for each unit of competency, including records of the commencement of educational content, attendance and progression. <i>(PQS Agreement, Clause 9)</i>	
The supplier has retained evidence:	
to support the student's participation in the learning activity prior to withdrawing (AVETMISS Outcome identifier 40). <i>(PQS Agreement, Clause 9) (User Choice 2010-2015 Policy, Clause 2.4.3)</i>	
This must include:	
<input type="checkbox"/> <input type="checkbox"/> - date of training, - location of training, - hours of training for that date (e.g. 2pm-5pm), - unit/s of competency – trainer's name and signature, and - student's name and signature.	
<u>Training Plans and Training Records</u>	
Where training is required to be delivered by the employer or the SRTO, the employer or the SRTO has at intervals of not more than 3 months:	
<input type="checkbox"/> <input type="checkbox"/> required the apprentice or trainee to produce the training record to have the particulars of the training completed by the apprentice or trainee during the interval entered. <i>(FET Regulations r. 4(6))</i>	
<input type="checkbox"/> <input type="checkbox"/> kept the record complete, accurate and up-to-date by entering the particulars in it. <i>(FET Regulations r. 4(6))</i>	

ADMINISTRATIVE	<input type="checkbox"/> Compliant <input checked="" type="checkbox"/> Not Compliant <input type="checkbox"/> Not Examined
N/C N/A <u>Induction information</u>	
<input type="checkbox"/> <input type="checkbox"/> rate of student contribution fees	
<input type="checkbox"/> <input type="checkbox"/> partial tuition fee exemption categories	
<input type="checkbox"/> <input type="checkbox"/> full exemption tuition fee categories	
<input type="checkbox"/> <input type="checkbox"/> full refunds for units not commenced and proportionate refunds for units commenced but not completed	
<input type="checkbox"/> <input type="checkbox"/> any additional fees to be charged to the employer/industry	
<input type="checkbox"/> <input type="checkbox"/> rate of student contribution fees <i>User Choice 2010-2015</i>	
<input type="checkbox"/> <input type="checkbox"/> partial tuition fee exemption categories	
The supplier provided, for each unit of competency:	
<u>Records</u>	
The supplier retained information and material necessary to provide a complete record of training and assessment, including:	
<input type="checkbox"/> <input type="checkbox"/> a copy of the qualification(s) and statement(s) of attainment issued to each student. <i>(PQS Agreement, Clause 9)</i>	
The supplier provided, for each unit of competency:	
<input type="checkbox"/> <input type="checkbox"/> a completed and accurate assessor's marking guide, criteria and observation checklists for the unit of competency. <i>(PQS Agreement, Clause 9)</i>	
<u>Publicity</u>	

In making any public statement(s) in relation to the training and assessment funded under this Agreement, the supplier has:

- referenced the department as the funding source within any public statement. *(PQS Agreement, Clause 11)*
- not made any misleading public statement(s) including statements to students, employers or other organisations relating to the Agreement or the department. *(PQS Agreement, Clause 11)*

Insurance

The supplier provided evidence that for the term of its Agreement with the department it maintained:

- public liability insurance for a minimum of \$10 million arising out of any one event in respect of death, injury, loss, or damage howsoever sustained to or by any person or property; *(PQS Agreement, Clause 13)*
- professional indemnity insurance in accordance with VET Quality Framework; and *(PQS Agreement, Clause 13)*
- workers compensation insurance in relation to the supplier's employees or as otherwise required by law. *(PQS Agreement, Clause 13)*

Training Plans

- signatures of all parties (student, employer and SRTO) sighted for all training plans *FET Act s. 74(1)*
- The SRTO has taken reasonable steps to ensure each training plan is signed:
- (a) if the training plan is the initial training plan for the apprentice or trainee – within 3 months of the start of the apprenticeship or traineeship *FET Act s. 74(2)(a)*; OR
- (b) if a training plan for an apprentice or trainee ends because the SRTO registered training organisation has been replaced – within 28 days after the replacement day *(FET Act s. 74(2)(b))*; OR
- (c) if a training plan for an apprentice or trainee ends because the registered training contract has been permanently, temporarily or a statutory transfer – within 28 days after the transfer of the contract *(FET Act s. 74(2)(c))*
- The SRTO ensured a copy of the signed training plan is given to each apprentice or trainee, and the employer, within 14 days after the parties sign it *(FET Act s. 75)*

Requirements of a Training Plan for an Apprentice or Trainee

- For all training plans pre 1 July 2014 the training plan format implemented by the organisation contains the minimum requirements as outlined within Apprenticeship & Traineeship Regulatory Guideline 10
- The training plan format implemented by the organisation contains the minimum requirements as outlined within Guide to Training Plans and Training Records and the nationally approved training plan template (released 11 September 2014) *(PQS Agreement, Clause 9.1(c)) (Evidence Guide (User Choice 2010-2015) for FET Act 2014, Training Plans)*
- Individual training plans within student files have been fully developed *(PQS Agreement, Clause 9.1(c)) (Evidence Guide (User Choice 2010-2015) for FET Act 2014, Training Plans)*

Training Records

- The SRTO has provided the apprentice or trainee with the appropriate training record to be kept for the apprenticeship or traineeship within 14 days after a training plan is signed by the parties to the training plan *(FET Regulations r. 4(1))*

Issuance of Qualification or Statement of Attainment

- The SRTO ensures all parties (the employer, the apprentice or trainee and the SRTO (and if the apprentice/trainee is under 18 years, a parent)) sign an agreement (the completion agreement) acknowledging the completion of the training *(FET Act s. 45(2))*
- The SRTO has provided the department with the completion agreement within 10 days after the completion agreement has been signed by all parties *(FET Act s. 46)*

AVETMISS Reporting Requirements

The supplier has:

- retained sufficient evidence to support credit transfers (AVETMISS Outcome identifier 60) *(PQS Agreement, Clause 9) (User Choice 2010-2015 Policy, Clause 2.4.3(d))*
- retained sufficient evidence that an induction was conducted and training plan developed prior to the student's training contract being cancelled or the student changing suppliers (SRTO1 Administration

Payment) (User Choice 2010-2015 Policy, Clause 2.4.7)

ASQA audit results

The supplier has:

- published a summary of its latest ASQA VET Quality Framework or AQTF audit results on its website (RTO User Choice PQS Policy 2010-2015, Pre-qualified Supplier Responsibilities)
- The supplier's published audit summary contains:
 - audit date
 - qualifications audited
 - audit outcomes (RTO User Choice PQS Policy 2010-2015, Pre-qualified Supplier Responsibilities)

Non-compliances

Training Plans

None of the files sighted had evidence of a copy of the signed training plan being issued to all parties within required timeframes. This non-compliance was identified at the previous audit and it is clear sufficient processes have not been put into place to rectify this ongoing matter.

Students scoped for this audit comprised a mixture of those who commenced prior to July 2014, (under the Vocational Education Training and Employment Act 2000 – VETE Act) and others who commenced post July 2014, (under the Further Education and Training Act 2014 FET Act). The new (FET) Act requires different timeframes for processes around training plans. For [redacted] (VETE Act) and [redacted] (VETE Act and FET Act) neither student had training plans signed within the correct timeframes. Also, [redacted] first training plan was not signed at all.

In addition, minimum requirements for training plans include the recording of start and end dates for each unit of competency. This section had not been completed for several units for the following students:

- [redacted] only four units had dates entered and
- [redacted] no date entered for any elective unit.

Rectification Required

The supplier must review its current processes and implement a procedure to ensure minimum requirements for training plans are being met. The supplier is also required to use an appropriate training plan template that aligns with national training plan template requirements and to ensure the training plan details are complete and accurate. The supplier is also required to ensure that a training plan is signed off by all parties and retained for each trainee prior to the commencement of the traineeship. The supplier must also retain evidence a copy of the signed training plan has been provided to all parties to the training contract within regulated timeframes. The supplier should note non-compliances identified at this audit will be examined again at future audit. Continued failure by the supplier to adequately rectify non-compliances, particularly those relating to compliance with VET legislation, may result in the application of recovery of funds paid or of heavier sanction.

The supplier will not be required to submit evidence to the department to demonstrate non-compliances have been sufficiently addressed. However, rectification action undertaken to address all identified non-compliances will be examined as part of future audit or monitoring activity.

EMPLOYER RESOURCE ASSESSMENT

- Compliant Not Compliant Not Examined

N/C N/A

The supplier provided evidence it:

- Assessed employment arrangements of each student to ensure the employer provides adequate facilities, range of work supervision and the on-the-job training required by the Act. (User Choice 2010-2015 Policy, Clause 1.2)
- sourced or developed an employer resource assessment document which addresses the employment and training arrangements required under the Act for traineeships and apprenticeships (PQS Agreement, Clause

9.1(c)) (Evidence Guide (User Choice 2010-2015) for FET Act 2014, Facilities and Resources)

has taken appropriate action when the employment arrangements do not meet the requirements of the Act, the Agreement and/or the qualification (User Choice 2010-2015 Policy, Clause 1.2)

Non-compliances

At audit it was identified the supplier had not sufficiently assessed employment arrangements of each student to ensure the employer provided adequate facilities, range of work, supervision and on-the-job training. Audit also revealed the supplier failed to adequately assess the qualifications and experience of workplace supervisors and take appropriate action when employment arrangements did not meet requirements of the Act for a total of nine students as detailed below:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

For three of these students ([REDACTED]) the incorrect employer resource assessment template had been used resulting in no information on supervisor to student ratios, or details of supervisor's experience being retained.

Non-compliance relating to insufficient or incomplete employer resource assessments constitutes "Overpayments" as defined in Clause 8.1 of the Pre-qualified Supplier Agreement. Further details are provided within Attachment 2 (Schedule of Overpayments). The department will seek recovery of these Overpayments via departmental invoice.

Rectification Required

The supplier is required to cooperate with the department in the recovery of funds for claims made where there is insufficient evidence the employer has the required facilities, range of work, supervision and training.

Also, the supplier must ensure it uses the correct employer resource assessment template to guide its collection and retention of evidence. In addition, the supplier must, prior to negotiating the training plan for each apprentice or trainee, capture and retain evidence it has assessed the employer's ability to provide the apprentice or trainee the facilities, range of work, supervision and training required by the FET Act.

The supplier is required to document its analysis of employment arrangements for each apprentice, detailing the adequacy of workplace facilities and equipment, the range of work available, the qualifications and experience of workplace supervisors, supervisor/apprentice ratios and, where necessary, justify its support for supervisor to student ratios exceeding 1:1.

The supplier will not be required to submit evidence to the department to demonstrate non-compliances have been sufficiently addressed. However, rectification action undertaken to address all identified non-compliances will be examined as part of future audit or monitoring activity.

FEES Compliant Not Compliant Not Examined

N/C N/A

The supplier has:

retained sufficient evidence that additional charges to the employer have been negotiated

- charged student contribution fees for all students (excluding school-based apprentices and trainees (SATs) and appropriately approved exemptions) *(User Choice Policy, Clause 2.6)*
- calculated student contribution fees at the correct rate *(User Choice Policy, Clause 2.6)*
- calculated student contribution fees based on the correct number of nominal hours *(User Choice Policy, Clause 2.6)*
- retained sufficient evidence to support the granting of student contribution fee exemptions *(User Choice Policy, Clause 2.6)*
- calculated partial student contribution fee exemptions at the correct rate *(User Choice Policy, Clause 2.6)*
- not charge a student contribution fee for any SAT *(User Choice Policy, Clause 2.6)*
- not charged Queensland Year 12 graduates who have commenced a High Priority qualification within 12 months of completing Year 12 *(User Choice Policy, Clause 2.6)*
- not charged student contribution fees for units of competency/modules granted through credit transfer/national recognition *(User Choice Policy, Clause 2.6)*
- not charged student contribution fees for units of competency/modules when the student has transferred to a superseding qualification and the unit of competency/module is deemed to be non-equivalent *(User Choice Policy, Clause 2.6)*

Refunds

The supplier has:

- provision for full refunds to students for Student Contribution Fees charged for training delivery that had not commenced at the time of cancellation of the enrolment. *(User Choice Policy 2010-2015, 2.6.6)*
- provision for proportionate refunds where the student has withdrawn from a Unit of Competency/Module. *(User Choice Policy 2010-2015, 2.6.6)*
- provision for refunds for employers/industry for additional charges paid beyond the student and government contributions. *(User Choice Policy 2010-2015, 2.6.6)*

ON THE JOB VERIFICATION

Compliant Not Compliant Not Examined

N/C N/A

The supplier retained information and material necessary to provide a complete record of training and assessment:

- including evidence that the supplier has a process in place to capture the employer's verification regarding the on-the-job training component *(PQS Agreement, Clause 9.1(c)) (Evidence Guide (User Choice 2010-2015) for FET Act 2014, Facilities and Resources)*
- including evidence that the supplier has consistently retained evidence to support that the on-the-job training component has been achieved for each unit of competency for each student prior to submission of claims for payment *(PQS Agreement, Clause 9.1(c)) (Evidence Guide (User Choice 2010-2015) for FET Act 2014, Facilities and Resources)*
- with accurate AVETMISS activity start and activity end dates for each student for each unit of competency *(PQS Agreement, Clause 9.1)*

Non-compliances

For two files the supplier's AVETMISS end dates pre-dated the employer sign off to confirm the on-the-job verification of the student's competence. This non-compliance relates to:

- [REDACTED] (SIT30813) SITHCCC101, SITHKOP101, SITXFSA201, and SITXINV202 and
- [REDACTED] (SIT30712) SITXWHS101.

Rectification Required

The supplier must review its administrative and reporting systems and implement processes to ensure the accuracy of AVETMISS data provided to the department.

The supplier will not be required to submit evidence to the department to demonstrate non-compliances have been sufficiently addressed. However, rectification action undertaken to address all identified non-compliances

will be examined as part of future audit or monitoring activity.

AVETMISS DATA

Compliant Not Compliant Not Examined

N/C N/A

The supplier has:

- reported the Delivery mode identifier specified in AVETMISS for the relevant delivery mode. (User Choice 2010-2015 Policy, Clause 2.4.3)
- submitted AVETMISS postcodes that accurately reflect the location in which the majority of training has been undertaken (User Choice 2010-2015 Policy, Clause 2.4.3)
- not submitted claims for payment for units in excess of the competency count for the qualification (User Choice 2010-2015 Policy, Table 5)
- not submitted claims for payment for units of competency previously assessed as competent (User Choice 2010-2015 Policy, Table 5)

Non-compliances

Claims made for units of competency previously assessed as competent

██████████ (SIT30812) had been granted RPL for six units which had insufficient evidence of RPL. These units had been previously completed at Southbank Institute of TAFE and should have been identified as credit transfers by the supplier. The units of competency concerned were *SITHCCC103*, *SITHCCC201*, *SITHCCC202*, *SITXFSA101*, *SITXFSA201*, and *SITXWHS101*.

In addition, the supplier had claimed a further three units for ██████████ (*BSBWOR203B*, *SITHKOP101* and *SITHCCC101*) under AVETMISS Outcome identifier 20. These three units should have been recognised as credit transfers as the student had previously completed the units at Southbank Institute of TAFE.

Recognition of credit transfer relates to the supplier's obligations as a registered training organisation and this matter will also be referred to ASQA for its consideration and action.

AVETMISS postcodes

AVETMISS postcodes were not correctly reported for ██████████. Evidence sighted indicated delivery occurring at the location of postcode '4000'. The postcode location recorded was '4551'.

Rectification Required

The supplier must put in place process to ensure the submission of accurate AVETMISS data.

The supplier will not be required to submit evidence to the department to demonstrate non-compliances have been sufficiently addressed. However, rectification action undertaken to address all identified non-compliances will be examined as part of future audit or monitoring activity.

GOOD FAITH

Compliant Not Compliant

N/C N/A

The supplier provided the department with:

- access to its premises to inspect and copy information and material related to the Agreement or kept by the supplier under Clause 9.1. (PQS Agreement, Clause 10)
- access to its premises to monitor the provision of training and assessment and other VET Services and performance of the supplier's obligations under the Agreement. (PQS Agreement, Clause 10)

Employees and contractors of the supplier:

- provided full and accurate answers to questions asked by the department in connection with training and assessment, other VET Services and supplier obligations under the Agreement. (PQS Agreement, Clause 10)

The supplier provided evidence it:

- immediately gave notice to the department of any conflict or risk of conflict of interest which arose. *(PQS Agreement, Clause 12)*

In performing its obligations under the Agreement and seeking to become entitled to public funding under the Agreement, the supplier has:

- acted in good faith in all matters pertaining to the Agreement. *(PQS Agreement, Clause 26)*
- acted consistently with the spirit of the Agreement and the funding Program. *(PQS Agreement, Clause 26)*
- acted in a way that best achieves the objectives of the funding Program. *(PQS Agreement, Clause 26)*

Non-compliances

Repeat non compliance

Repeat non-compliance was found in the following areas

- no record of signed training plans being distributed within the required timeframes and
- insufficient evidence of assessment.

Employer resource assessments

At this audit the supplier was unable to demonstrate it had adequately evaluated employment arrangements for nearly 50% of the student files sampled – raising questions as to the integrity of workplace and training arrangements applying to each of these students. The conduct of effective and detailed employer resource assessments is core to the User Choice funding program. The number and nature of non-compliances in this key area are of major concern.

Repeat non-compliances and the conduct of non-compliant employer resource assessments often lead to termination of the PQS Agreement.

A further re-audit will be conducted in approximately 12 months and continued failure to fully comply with the requirements of this PQS agreement will place its survival at serious risk.

