



Australian Government
Australian Skills Quality Authority

Fact Sheet—change of ownership

Anyone involved in changing ownership of registered training organisations (RTOs) and Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS) providers must meet certain obligations.

RTOs and CRICOS providers are not permitted to transfer their registration from one legal entity to another. However, where a change of company shareholdings occurs, but the ABN/ACN of the entity registered with ASQA does not change, then the provider may continue as long as they notify ASQA of the change of ownership.

ASQA has produced a [Guide to change of ownership](#), which outlines the process and mandatory evidence required when notifying ASQA of a change of provider ownership.

This fact sheet provides information on what you should consider when buying a training provider through the purchase of shareholdings.

1. Registration requirements

If you are considering purchasing a training provider, you should be aware of your obligations under the [Vocational Education and Training \(VET\) Quality Framework](#), and to ASQA, as the national regulator.

The VET Quality Framework is comprised of the:

- [Standards for Registered Training Organisations \(RTOs\) 2015](#) (the Standards)
- [Fit and Proper Person Requirements 2011](#)
- [Financial Viability Risk Assessment Requirements 2011](#)
- [Data Provision Requirements 2012](#)
- [Australian Qualifications Framework](#)

Along with meeting your legislative requirements under the VET Quality Framework, you must also:

- cooperate with ASQA's [General Directions](#) and [compliance monitoring activities](#)
- pay all [required fees and charges](#) associated with your registration
- comply with any [additional licensing requirements](#) imposed on particular VET courses.

In addition, if providing training to overseas students, you will also be subject to the requirements of the [Education Services for Overseas Students \(ESOS\) Quality Framework](#). The ESOS Framework is comprised of the:

- [Education Services for Overseas Students Act 2000 \(ESOS Act\)](#)
- [National Code of Practice for Providers of Education and Training to Overseas Students 2018 \(the National Code\)](#)
- [Education Services for Overseas Students Regulations 2019](#)
- [English Language Intensive Courses for Overseas Students \(ELICOS\) Standards 2018](#) (if applicable)

2. Notification of material change—change of ownership requirements

You must provide ASQA with a Notification of material change when transferring the ownership of a provider. This notification is made via ASQA's online portal system, [asqanet](#).

You must understand your notification requirements to ASQA, as outlined in the [Guide to change of ownership](#):

- **Mandatory evidentiary requirements:** New owners, or owners with significantly increased ownership, must demonstrate that they meet the [Fit and Proper Person](#) and [Financial Viability Risk Requirements](#). You will need to complete a self-assessment tool that will assess your compliance with the clauses and standards relevant to your registration:
 - > [Self-assessment tool for change of ownership](#)
 - > [Self-assessment tool for change of ownership \(ELICOS providers\)](#).
- **Notification requirements:**
 - > If your provider is a VET-only training provider, you may notify ASQA of the change after it occurs. Notification is your responsibility, as the new owner.
 - > If your training provider is CRICOS registered, you will need to inform ASQA of the change in shareholdings **before it occurs**. You must also make sure the current owner has also notified ASQA of the impending change of ownership.

3. Other considerations when purchasing a provider

If you purchase a provider's shareholdings and take control of their registration, you need to be aware of, and consider, the following issues.

Compliance history of the provider

As the new owner of a training provider, you will be responsible for any current and outstanding non-compliances, and rectification actions required. You will also be responsible for any possible regulatory action ASQA is considering to take, or is taking, against the organisation.

Questions to ask about a provider's compliance history before agreeing to purchase:

- What is the current registration period of the training provider?
- When was the last ASQA audit conducted?
- Is there any current regulatory activity in progress?
- Has the training provider had a history of non-compliance?
- Are there any sanctions or conditions that have been imposed on the registration of the training provider?

Non-compliances affect a training provider's compliance history. This influences how ASQA approaches its risk assessment of a training provider and can result in increased regulatory scrutiny.

Scope of registration

Training providers must be fully resourced to deliver and assess all training products on their scope of registration, regardless of whether students are enrolled in the product at the time.

You will need to consider if you are able to ensure that all necessary training and assessment resources are in place, and will remain so, for entirety the scope of registration. This includes resources such as staff, equipment and facilities.

ASQA assesses applications to add to the scope of a provider's registration through a risk assessment process. While many requests are approved shortly after application, some applications are considered to be higher risk—do not assume you will be able to quickly change scope of registration upon purchase. Higher risk applications will be referred for regulatory activity, with consideration given to a provider's past and current behaviour.

Questions to ask about a provider's scope of registration:

- Can the training provider demonstrate that it has all the resources required to deliver and assess the training products on its current scope of registration
- Are there any training products on the scope of registration that are not being delivered, and should be removed from the scope?

Students (including those under 18 years)

You are required to honour any enrolments at the time of purchase of a provider. Training and assessment must continue for students, as per the terms of their existing enrolment agreements.

In addition to training and assessment requirements, you must also ensure student have access to age and culturally appropriate support services. These services may be delivered by your provider or through external agencies.

If your provider is CRICOS-registered, you are also subject to additional welfare requirements under Standard 5—Younger overseas students of the [National Code of Practice for Providers of Education and Training to Overseas Students 2018](#).

Questions to ask about a provider's student arrangements:

- How many students will be enrolled at the intended date of ownership changes, and how many future enrolments are also in place?
- What training products and locations are the students enrolled in, and what is the duration of these enrolments?
- What systems does the training provider have in place for the support and welfare of students?
- What information have students been given about the continuation of their enrolment in the event of a change of ownership, if any?

Student records

Training providers are required to maintain registers of all qualifications and statements of attainment issued, and retain records of all AQF certification documentation issued, for a period of 30 years. Before buying a provider, you should investigate their student record processes.

Questions to ask about a provider's student record processes:

- If the training provider has current and past students, can the location and full access to complete student records (enrolment and assessment records) be made available to you?
- If the training provider has issued AQF certification documentation (qualifications and/or statements of attainment), can you get access to any issuance registers?

Contact ASQA

Contact the ASQA Info Line on 1300 701 801 between Monday and Friday, 9.00 am to 7.00 pm AEST or email enquiries@asqa.gov.au.