

Third party arrangements

ASQA webinar

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Australian Government

Australian Skills Quality Authority



Why has advice been issued?

- Providers have indicated they are unclear about the extent to which third party arrangements are permitted
- ASQA is concerned that marketing on behalf of RTOs is not in line with legislation
- ASQA has identified a risk relating to delivery of TAE by third parties.

What is the legislation?

National Vocational Education and Training Regulator Act 2011

- ‘primary legislation’
- describes what is permitted (or not permitted)
- authorises the Standards for RTOs

Standards for Registered Training Organisations 2015

- ‘secondary legislation’ (legislative instrument)
- describes how what is permitted must be implemented.

NVR Act

as it relates to NVR RTOs

The NVR Act does not explicitly permit third party arrangements, but does define behavior that is not permitted:

- s93 - an RTO commits an offence if:
 - it provides all or part of a VET course
 - the VET course, or part of the VET course, is not within its scope of registration.

NVR Act

as it relates to non-RTOs

The NVR Act does not explicitly permit third party arrangements, but does define behavior that is not permitted:

- s116 - a person commits an offence if:
 - the person provides, or offers to provide, all or part of a VET course
 - the person is not an RTO.

What does this mean? for RTOs

An RTO may only enter into a third party arrangement with another RTO (the third party RTO) to provide all or part of a VET course if the third party RTO has the VET course on its scope of registration.

What does this mean?

for non-RTOs

- An RTO may engage a non-RTO (the third party) to provide all or part of a VET course on behalf of the RTO. The non-RTO may be either a natural or a corporate person (for example, a sole director/share holder company) but cannot be another RTO
- In this case, the non-RTO is acting as an agent (on behalf of) of the RTO.

Excluded from 'third party'

Examples include:

- Engagement of trainers and assessors as contractors
- Workplace supervisors who contribute to evidence collection as part of the assessment process
- Arrangements for access to facilities such as a gym or kitchen
- Arrangements that are a 'purchasing' or 'procurement' activity

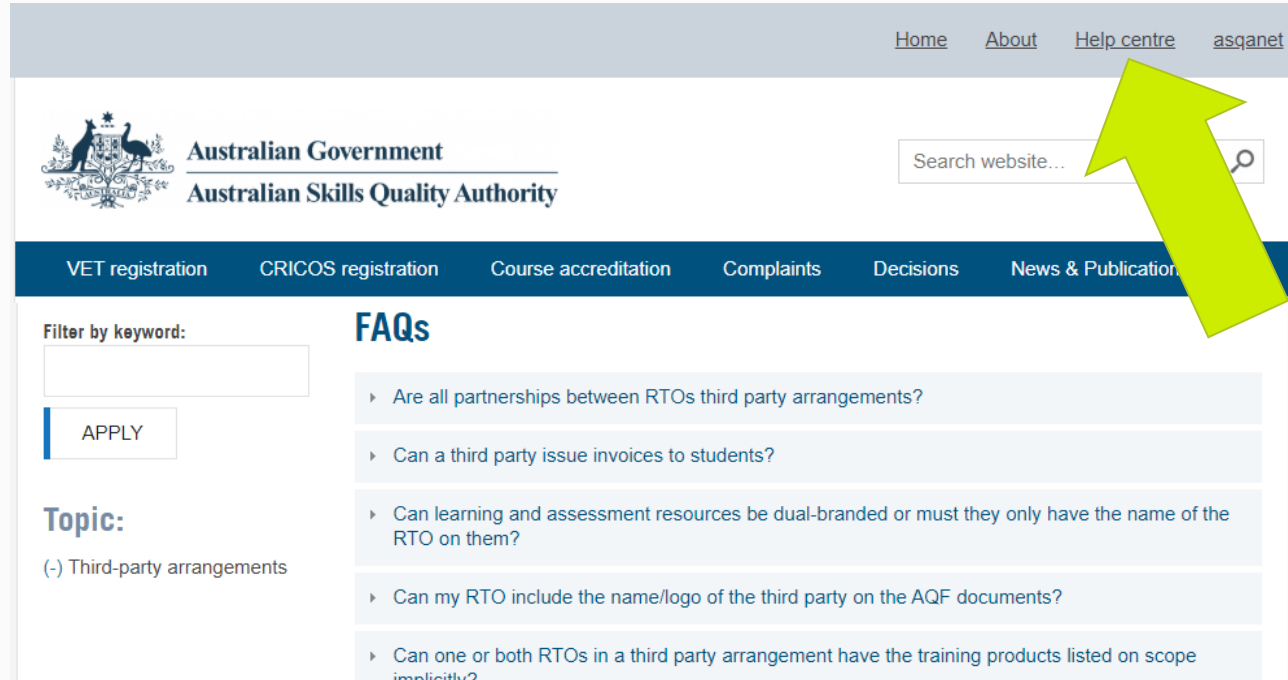
Marketing by third parties

- Any marketing by a non-RTO must be in the name of the RTO that will issue the certification
- Clause 5.2 of the Standards for RTOs - RTO must provide details of any third party

Implementation


- ASQA is not targeting third party arrangements
- A reasonable approach will be taken, understanding that some arrangements may take time to bring into line with the legal requirements
- Implementation deadline for existing arrangements extended to 1 January 2020


Further advice provided



The screenshot shows the top navigation bar of the Australian Skills Quality Authority website. The 'Help centre' link is highlighted with a yellow arrow. Below the navigation bar, the Australian Government logo and the text 'Australian Skills Quality Authority' are visible. A search bar is present with the placeholder text 'Search website...'. Below the search bar, a dark blue navigation bar contains links for 'VET registration', 'CRICOS registration', 'Course accreditation', 'Complaints', 'Decisions', and 'News & Publications'. The main content area features a 'Filter by keyword:' section with an input field and an 'APPLY' button. Below this is a 'Topic:' section with a list of topics, including '(-) Third-party arrangements'. The 'FAQs' section is also visible, listing several questions related to RTO third-party arrangements.

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Search website... 

VET registration CRICOS registration Course accreditation Complaints Decisions News & Publications

Filter by keyword:

APPLY

Topic:
(-) Third-party arrangements

FAQs

- ▶ Are all partnerships between RTOs third party arrangements?
- ▶ Can a third party issue invoices to students?
- ▶ Can learning and assessment resources be dual-branded or must they only have the name of the RTO on them?
- ▶ Can my RTO include the name/logo of the third party on the AQF documents?
- ▶ Can one or both RTOs in a third party arrangement have the training products listed on scope implicitly?

Questions?



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