Australian Government

Australian Skills Quality Authority

2020 2021 ASQA CORPORATE PLAN

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Message from the Chief Executive Officer

I, Saxon Rice, as the accountable authority of the Australian Skills Quality Authority (ASQA), present our Corporate Plan 2020–2021, which covers the period 1 July 2020 to 30 June 2024, as required under section 35(1) (b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). This plan is prepared in accordance with the *Public Governance, Performance and Accountability Rule 2014.*

This plan also meets the Corporate plan requirements of sections 218(1) of the *National Vocational Education and Training Regulator Act 2011* (NVR Act).

Saxon Rice
Chief Executive Officer
30 June 2020

About us

Our role:

Australia's national vocational education and training (VET) regulator.

Our purpose:

To provide nationally consistent, risk-based regulation of VET that contributes to an informed, quality VET sector that meets Australia's needs.

What we regulate:

We are the regulator for providers that deliver VET courses to domestic students in Australia or offer Australian qualifications internationally.

We are the regulator for providers that deliver VET courses to overseas students.

We are the regulator for certain providers that deliver English Language Intensive Courses for Overseas Students (ELICOS).

We accredit VET courses that meet an established industry, legislative or community need.

Our strategic approach:

RISK-BASED REGULATION

We apply our understanding of both sector and provider risks to our regulation.

1 We **identify** the risks to the delivery of quality Australian VET and take regulatory action to address the most serious risks.

2 We **support** quality through self-assurance as part of our risk-based regulation.

3 We monitor the sector and **apply** appropriate and proportionate regulatory actions as part of our risk-based regulation.

ENGAGEMENT AND SUPPORT

We support quality, compliance and self-assurance through engagement and support

4 We **engage** with stakeholders to inform our understanding of risks.

5 We **provide** accurate information to support stakeholders' understanding of the VET sector and relevant obligations.

6 We **provide** advice on strategies to improve VET regulation and the VET sector.
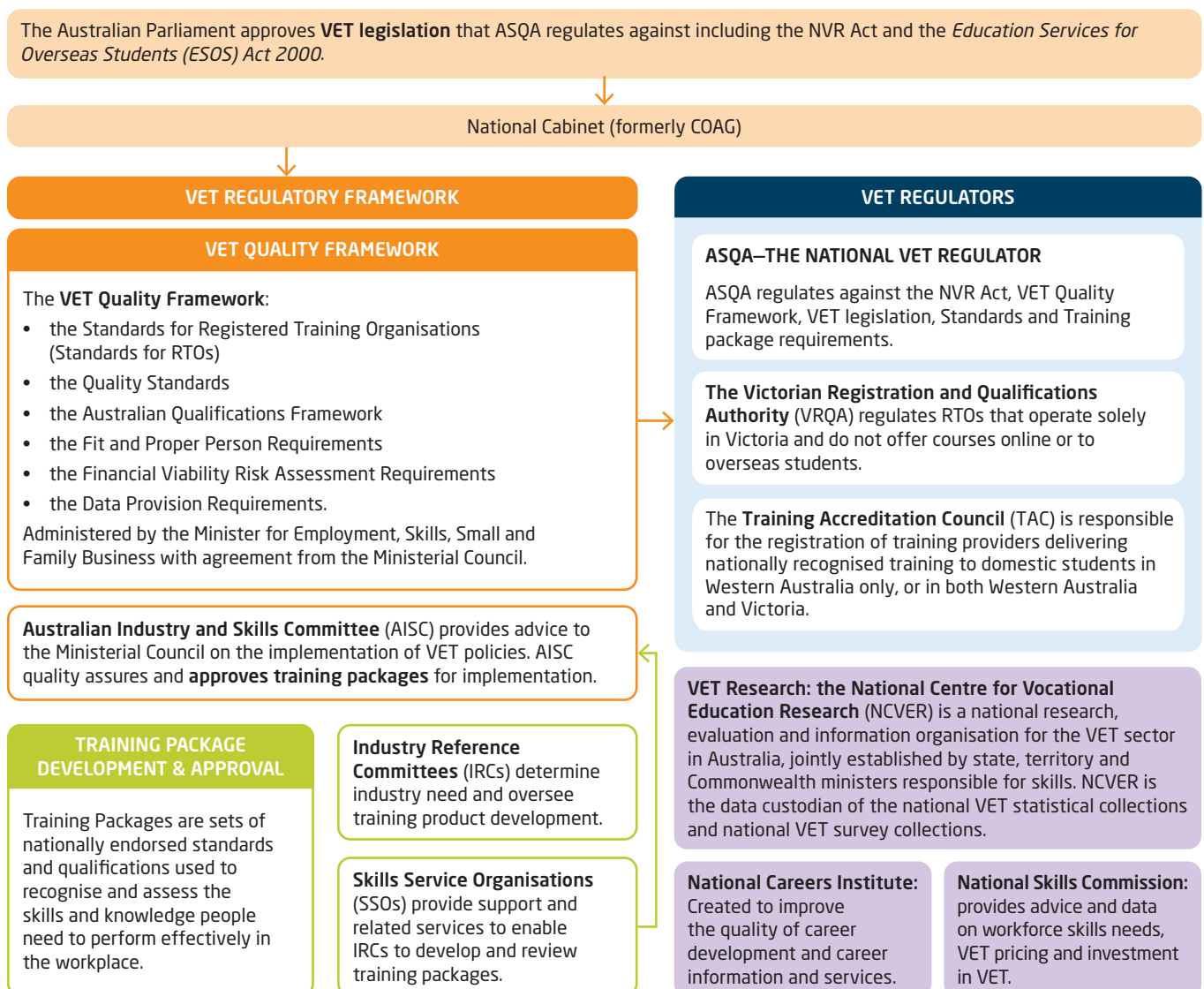
Vocational Education and Training

VET Reform

ASQA operates in a complex VET environment that is currently undergoing considerable change, with the redesign of almost every aspect of the VET sector through a comprehensive program of reform being implemented by the Australia Government and various state and territory governments. In August 2019, the then Council of Australian Governments (COAG) agreed to a shared vision for VET to position the sector as responsive, dynamic and trusted. To deliver on this vision, COAG tasked the Skills Council with developing a VET Reform Roadmap.

A draft roadmap was developed and published for consultation, with feedback currently under consideration. It is anticipated that the reforms detailed in the draft roadmap will deliver a better VET system that provides workforce skills and relevant, up-to-date qualifications that match the changing needs of Australia's modern economy and jobs market.

The diagram below depicts the key aspects of the regulatory architecture in which we operate.

The Australian Parliament approves **VET legislation** that ASQA regulates against including the NVR Act and the *Education Services for Overseas Students (ESOS) Act 2000.*

National Cabinet (formerly COAG)

VET REGULATORY FRAMEWORK

VET QUALITY FRAMEWORK

The **VET Quality Framework**:
- the Standards for Registered Training Organisations (Standards for RTOs)
- the Quality Standards
- the Australian Qualifications Framework
- the Fit and Proper Person Requirements
- the Financial Viability Risk Assessment Requirements
- the Data Provision Requirements.

Administered by the Minister for Employment, Skills, Small and Family Business with agreement from the Ministerial Council.

Australian Industry and Skills Committee (AISC) provides advice to the Ministerial Council on the implementation of VET policies. AISC quality assures and **approves training packages** for implementation.

TRAINING PACKAGE DEVELOPMENT & APPROVAL

Training Packages are sets of nationally endorsed standards and qualifications used to recognise and assess the skills and knowledge people need to perform effectively in the workplace.

Industry Reference Committees (IRCs) determine industry need and oversee training product development.

Skills Service Organisations (SSOs) provide support and related services to enable IRCs to develop and review training packages.

VET REGULATORS

ASQA—THE NATIONAL VET REGULATOR

ASQA regulates against the NVR Act, VET Quality Framework, VET legislation, Standards and Training package requirements.

The Victorian Registration and Qualifications Authority (VRQA) regulates RTOs that operate solely in Victoria and do not offer courses online or to overseas students.

The **Training Accreditation Council** (TAC) is responsible for the registration of training providers delivering nationally recognised training to domestic students in Western Australia only, or in both Western Australia and Victoria.

VET Research: the National Centre for Vocational Education Research (NCVER) is a national research, evaluation and information organisation for the VET sector in Australia, jointly established by state, territory and Commonwealth ministers responsible for skills. NCVER is the data custodian of the national VET statistical collections and national VET survey collections.

National Careers Institute: Created to improve the quality of career development and career information and services.

National Skills Commission: provides advice and data on workforce skills needs, VET pricing and investment in VET.

OUR ENVIRONMENT

Broader reforms impacting the VET sector will influence and change the regulatory architecture within which ASQA operates.

A new portfolio department, the **Department of Education, Skills and Employment** (DESE) was formed on 1 February 2020.

In May 2020, the **National Cabinet** agreed to the formation of the National Federation Reform Council (NFRC) and the cessation of the COAG model. The NFRC is comprised of the National Cabinet, the Council of Federal Financial Relations, and the Australian Local Government Association. The implications of these changes for the work being progressed through the former COAG Skills Council is yet to be determined.

An interim **National Skills Commissioner** was appointed in October 2019 and the bill to establish the new statutory position is being considered by Parliament. The National Skills Commission will function to provide advice and collect, analyse, share and publish data on Australia's workforce skills needs, efficient prices for VET courses, the public and private return on government investment in VET and other matters relating to the VET system.

The **National Careers Institute** was established on 1 July 2019 to improve the quality of career development and resolve a significant amount of fragmented and difficult to use career information and services available to all Australians.

Broad reviews of VET have been undertaken recently over successive years:

- *Strengthening skills: expert review of Australia's vocational education and training system* (March 2019)
- *All eyes on quality: review of the National Vocational Education and Training Regulator Act 2011 report* (June 2018).

Recommendations from these reviews have impacted and continue to impact both on the VET environment and on ASQA itself. Complementing these broad reviews has been the ASQA Rapid Review (the rapid review) (April 2020).

ASQA worked closely with the independent review team on the rapid review, and stakeholder feedback helped shape a series of recommendations for specific changes in line with best practice governance, regulation and engagement.

The recommendations from the rapid review confirm ASQA's focus to:

- strengthen its engagement and education programs
- clarify its role and regulatory approach
- build a common understanding of self-assurance and excellence in training outcomes
- align its practices and governance accordingly
- provide more considered and meaningful reporting on provider performance
- undertake appropriate and proportionate regulatory action as required.

ASQA is implementing a new internal structure from July 2020 to facilitate the implementation of the rapid review recommendations and strengthen strategic oversight and management capacity. The Australian Parliament is also considering a bill to change ASQA's governance and establish a '**National Vocational Education and Training Regulator Advisory Council**' to provide ASQA with access to expert advice regarding its functions.

While the rapid review provides a long-term vision for reform to evolve ASQA as a more modern and responsive regulator, work is already underway to support ASQA moving beyond 'compliance' to a greater focus on quality assurance.

The long term vision for ASQA, as outlined in the rapid review, will require changes that are beyond the remit of ASQA and involve joint responsibility with other stakeholders, particularly in developing a shared understanding of 'quality' and 'outcomes' and how these should be reflected in outcomes focused standards and performance assessed by ASQA. A vital part of this change will be the planned **review** of the **Standards for Registered Training Organisations (RTOs) 2015** (Standards for RTOs).

There are other reports, currently being prepared, that may also have relevance for ASQA during the life of this plan including the Royal Commission into Aged Care Quality and Safety Report and the Productivity Commission Review of the National Agreement for Skills and Workforce Development.

In addition, we will prepare to deliver on a significant government policy during the life of this plan; the move to full cost recovery for all activities from 2021–22 onwards. This is subject to consultation with, and agreement from, the Ministerial Council.

Current VET Issues

During 2019-20, the VET sector was impacted first by the devastating Australian bushfire season and then the public health and economic crises triggered by the **COVID-19 pandemic**. The long term impacts of these crises, and the impact on the sector of efforts to stimulate the economy—including increasing participation in training and changes to funding models—will be monitored closely.

We have acknowledged the variety of challenges facing training providers as a result of both the bushfires and the COVID-19 pandemic, and progressed a number of initiatives designed to support providers and reduce regulatory burden wherever possible. We have noted the particular impact on providers delivering to overseas students.

We continue to consider the potential impacts of the COVID-19 pandemic and the subsequent market changes on provider behaviour and potential risk in the sector, and intend to adjust our regulatory posture accordingly. ASQA has developed a COVID-19 risk monitoring strategy that aims to provide targeted information to help providers manage the key risks associated with delivering courses in industry areas or through online methodologies where they may not have operated previously. ASQA is making this information available to all providers via its website and through targeted communications directly with providers, and will continue to monitor current and post-COVID-19 related risks.

The VET sector is also subject to broader changes in the employment and funding environment which will drive demand for training in health, childcare, mining, digital skills and automation.

Cooperation

Engagement and cooperation with a broad range of stakeholders is critical to ASQA's ongoing operations and the upcoming program of reform. Through effective stakeholder engagement we seek to understand risk, assist providers to self-assure and comply with the Standards, and better inform the sector as a whole. Stakeholder engagement, and working and cooperating with others is vital to ASQA being an effective and efficient regulator.

We have mechanisms in place to ensure relevant information about VET is shared and understood in a timely manner. ASQA works closely with Commonwealth, state and territory government agencies as well as peak provider bodies, industry, and Australian regulators with an interest in VET delivery to overseas students and English language sectors.'

OUR STAKEHOLDERS

VET regulation

Training Accreditation Council Western Australia (TAC)

Victorian Registration and Qualifications Authority (VRQA)

VET regulatory framework

Parliament of Australia

Ministerial Council

Skills Senior Officials Network

Department of Education, Skills and Employment

Australian Industry and Skills Committee (AISC)

Industry Reference Committees (IRCs)

Skills Service Organisations (SSOs)

VET policies and programs, funding, and research

Department of Education, Skills and Employment

National Skills Commission

National Centre for Vocational Education and Research (NCVER)

State and territory training authorities (STAs)

VET provision

RTO peak bodies

RTOs/providers

Third-party agencies

Apprenticeship network providers

Industry and employees

Peak business/employer groups

State/territory industry regulators

National industry regulators

Industry associations and unions

Students and consumer protection

Austrade

Tuition Protection Service

National Training Complaints Hotline

Commonwealth Ombudsman

Australian consumer law regulators

As part of the Skills Package announced in April 2019, the Australian Government supported reform of ASQA, in particular its engagement with the sector and its educative approach. To this end ASQA commenced a program of enhanced educative activities including increased use of webinars and videos in educating providers. A key initiative to improve ASQA's ability to engage with the sector more effectively is the **ASQA Stakeholder Liaison Group** (SLG). In April 2020, ASQA called for expressions of interest for membership, and SLG members were announced in July 2020. The purpose of the SLG is to engage and consult with providers and other key stakeholders on ASQA's approach to engagement and education, and to identify and respond to key issues facing providers. The SLG complements ASQA's engagement activities by fostering a stronger connection with providers across the VET sector.

OUR PLANNED PERFORMANCE

The planned performance section details how we intend to achieve our purpose during 2020–2021 and over the following three years.

Our planned activities for 2020–2024, and key strategies for 2020–2021, relate directly to the six elements of our strategic approach. This approach is also reflected in our performance criteria, which we apply across this work to assess our success in achieving our purpose.

Due to the significant reform program underway, we have also detailed the planned short-term and longer-term reform initiatives that are designed to improve our ability to achieve our purpose.

Risk-based regulation

We apply our understanding of both systemic and provider risks to regulation.

> We identify the risks to the delivery of quality Australian VET and take regulatory action to reduce the most serious risks.

We monitor risks to the Australian VET sector as a whole and we mitigate the most serious risks through targeted and effective regulatory actions. We encourage providers to regularly review their operations and identify areas for improvement, to prevent and manage risks to the delivery of quality VET for students.

The primary risk we manage is a provider certifying that a person has competencies that do not actually reflect their skills, knowledge and attitudes. This has the potential to cause damage to the individual, employers and the wider community.

We are also responsible for managing other risks, beyond those posed by individual providers. For example:

- training products that might present a higher risk (at a particular point in time)
- specific standards or legislative provisions that have high levels of non-compliance, likely to affect training quality
- particular delivery modes or methods that industry considers to present greater risk to the quality of training and assessment outcomes.

We acknowledge our part in the sector's shared responsibility for addressing types of risks that can affect the reputation of Australian VET, within our jurisdictional authority. It is important to maintain the quality and reputation of Australia's VET system and ELICOS through effective national regulation, to ensure both workforce productivity and the sustainability of VET as an export industry.

We will also test provider compliance for a sample of providers not flagged through our risk-based identification process to validate our risk-based approach and to gain greater insight into the performance of the entire sector.

OUR PLANNED PERFORMANCE

Risk-based regulation

We will:

- publish and maintain our Regulatory Framework
- use regular environmental scanning to identify sector-wide risks
- conduct ongoing monitoring of the sector to identify new and emerging risks that occur outside the scope of the environmental scanning process
- produce or update our Regulatory Strategy that communicates to the sector the priority risks we will seek to better understand and address in the forward years
- undertake targeted strategic reviews of priority risk areas, based on our Regulatory Strategy.

REFORM INITIATIVES FOR 2020-2024

We will:

- develop and implement a broader range of monitoring activities, including the use of data and analytics, that can be used based on identified risk, and the purpose for monitoring better aligns regulatory effort to risk.

KEY STRATEGIES FOR 2020-2021

We will:

- focus on the delivery of training products of concern: Certificate IV in Training and Assessment, Certificate III in Individual Support, Certificate III and IV in Commercial Cookery and Prepare to work safely in the Construction Industry
- publish the 2020-22 ASQA Regulatory Strategy and prepare for the 2021-23 update
- continue our strategy of identifying risks arising from the COVID-19 pandemic's impact on the sector
- undertake regular environmental activities to identify new and emerging risks.

REFORM INITIATIVES FOR 2020-2021

We will:

- revise our Regulatory Framework to incorporate o.ur new approach to performance assessment and routine and risk-based monitoring
- commence a strategic review of online learning in the VET sector
- continue the scoping study into regulatory risks associated with VET delivered in secondary schools.

OUR PLANNED PERFORMANCE

Risk-based regulation

> We support quality through self-assurance as part of our risk-based regulation.

We encourage providers to regularly and critically self-examine their compliance with the Standards, and outcomes provided to students. Where improvement can be made, we expect providers to implement plans to address deficiencies and manage risks to the provision of quality VET for students, employers and the community.

Using a risk-based methodology, we assess applications and notifications. We identify those we can approve or process without additional regulatory scrutiny and those that need closer examination (including through performance assessments, which were previously called audits). We seek to minimise the regulatory burden on high-quality providers with a demonstrated history of compliance.

PLANNED ACTIVITIES FOR 2020–2024

We will:

- support the sector to move toward self-assurance, so that providers routinely assure that their governance and systems are working to provide quality training outcomes
- assess applications and grant registration to training providers suitable to enter the VET and/or overseas student education markets (initial registration application)
- renew registrations, enabling providers to stay in the VET and/or overseas student education markets (renewal of registration application)
- allow providers to extend or alter the courses offered (change of scope application)
- manage the risk of material changes to the ownership or management of registered providers' business operations (material change notification)
- accredit, renew or amend VET accredited courses (initial/renewal course accreditation/ amendment application)
- assess courses for delivery as ELICOS.

REFORM INITIATIVES FOR 2020–2024

We will:

- support sector focus on self-assurance
- build capability in effective provider self-assurance with the sector, including redevelopment of self-assurance tools to align with current and revised standards.

2

KEY STRATEGIES FOR 2020-2021

We will:

- continue to apply greater scrutiny to providers entering market sectors of greater risk
- continue to focus on the risks to quality posed by material changes to providers (such as change of ownership or senior management).

REFORM INITIATIVES FOR 2020-2021

We will:

- consult with the sector to revise the annual declaration on compliance, to better support providers to critically reflect and continuously improve their compliance with the Standards
- engage with the sector to develop a shared understanding of effective self-assurance to enable co-design of a staged approach to building sector self-assurance capability
- review registration application assessment processes to ensure alignment with our revised approach to risk-based and routine monitoring.

OUR PLANNED PERFORMANCE

Risk-based regulation

> We monitor the sector and apply appropriate and proportionate regulatory actions as part of our risk-based regulation.

Providers are responsible for ensuring they are compliant with the Standards at all times through self-assurance. We monitor this compliance with the Standards using a risk-based approach so that regulatory scrutiny is applied when risks are identified.

The regulatory response to any identified non-compliance through this scrutiny is proportionate to the nature, severity, extent and risk of the non-compliance that needs to be addressed. We use a suite of tools ranging from encouraging compliance through communication and advice, to applying sanctions or enforcement actions where there are serious risks or where breaches of the relevant Standards persist.

PLANNED ACTIVITIES FOR 2020–2024

We will:

- apply regulatory monitoring (including performance assessments, previously called audits) for providers when we:
  - receive registration applications we decide require additional regulatory scrutiny
  - identify other provider activities, risk factors or events we decide require additional regulatory scrutiny
  - need a greater insight into sector performance to validate our risk-based approach
- continue to apply our student-centered audit approach to target concerning behaviours and practices, until we transition to our new approach
- when non-compliance is identified, provide reasonable opportunity for the provider to return to, and sustain, compliance
- address identified risk with a range of escalating regulatory actions proportionate to the potential harm that may result, in order to:
  - encourage providers to meet their obligations
  - direct providers to take corrective or preventative action to address non-compliance
  - remove providers from the market where they fail to demonstrate their suitability to remain registered
  - take enforcement action for contraventions of civil penalty and criminal offence provisions
- when our regulatory decisions are reviewed either internally or by the Administrative Appeals Tribunal (AAT), seek to resolve the disputes as early as possible.

3

REFORM INITIATIVES FOR 2020–2024

We will:

- following revision of the Standards for RTOs, adjust ASQA's approach to performance monitoring to align with the revised Standards, and a focus on provider self-assurance.
- undertake regulatory reviews of some providers not identified through risk-based processes and review their compliance with the Standards and the outcomes delivered for students.
- strengthen our practice in relation to internal review of decisions and dispute resolution.

KEY STRATEGIES FOR 2020–2021

We will:

- focus on providers that have not delivered training since being granted registration
- monitor and respond to risks arising from COVID-19 impacts on the sector
- apply continued scrutiny of providers that deliver or apply to deliver Training and Assessment products
- continue scrutiny of providers that have not been the subject of recent regulatory attention, and that are delivering in key growth areas—early childhood education and care, aged care, disability services or to overseas students.[1]

REFORM INITIATIVES FOR 2020–2021

We will:

- update our assessment/audit approach in line with the recommendations of the rapid review including alignment with our self-assurance approach
- implement structural and process changes to distinguish the functions of monitoring provider performance and determining the most appropriate regulatory response when non-compliance is identified
- implement changes to current processes to make available to providers the opportunity to rectify any identified non-compliance, or in accordance with an undertaking to remedy prior to a decision regarding regulatory compliance
- develop processes to enhance opportunities to undertake early dispute resolution with providers
- revise the report given to providers following performance assessment (previously called audit) to comprehensively describe any significant non-compliance.

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[1] This activity is part of the implementation of the ASQA Full Cost Recovery Budget Measure.

4

Engagement and support

We support quality, compliance and self-assurance through engagement and support.

We engage with stakeholders to inform our understanding of risks.

We identify systemic risks through environmental scanning and formal consultation with stakeholders.

We assess complaints (or reports) about provider non-compliance from students, government agencies and other stakeholders to identify and enable us to respond to persistent or repetitive provider non-compliance.

PLANNED ACTIVITIES FOR 2020-2024

We will:

- conduct regular environmental scanning to identify systemic risks in the VET sector
- identify provider risk by considering complaints or reports from students or other stakeholders that allege non-compliance by providers
- regularly engage with industry, government, community and overseas stakeholders to gain insights into systemic and provider risks
- consult with the ASQA Advisory Council[2] and the SLG on key risks and ASQA's approach to regulating the sector.

REFORM INITIATIVES FOR 2020-2024

We will:

- following revision of the Standards for RTOs, develop resources to support providers in meeting the revised Standards, including self-assessment tools to encourage continuous improvement.

KEY STRATEGIES FOR 2020-2021

We will:

- engage with stakeholders in priority areas identified in our Regulatory Strategy 2020–22
- increase the use of information from stakeholders to better target regulation towards providers where we have received credible reports of poor performance
- continue to improve our treatment of complaints and referrals to ensure we appropriately assess and use all relevant information to inform regulatory action.

[2] Subject to legislation.

REFORM INITIATIVES FOR 2020-2021

We will:

- support the building of a common understanding across the sector of ASQA's role and regulatory approach, including what stakeholders can and cannot expect of ASQA and areas of shared responsibility.
- support the commencement of the ASQA Advisory Council[3] and utilise the available high-level ongoing expert advice in relation to ASQA's strategic objectives and approach to regulation.
- commence a program of engagement with the newly formed ASQA SLG.

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[3] Subject to legislation.

OUR PLANNED PERFORMANCE

Engagement and support

We provide accurate information to support stakeholders' understanding of the VET sector and relevant obligations.

We provide information to stakeholders to support their understanding of what is expected in relation to VET sector compliance, and to support self-assurance and continuous improvement. We support providers to understand their compliance obligations through our expanding program of education and communication activities.

Where providers fail to meet their obligations, we provide information about regulatory decisions to support students and potential students to make informed decisions about choosing a training provider. As part of our reforms, we plan in the longer-term to provide overall provider performance information that will also inform these decisions. This information will also give industry, government and the public accurate information on provider performance.

PLANNED ACTIVITIES FOR 2020-2024

We will:

- provide information and guidance to support providers to understand their regulatory obligations, including information about the regulatory requirements, ASQA's expectations and common areas of non-compliance
- deliver provider information and education sessions in each state and territory to:
  - help providers and/or course owners understand and meet their regulatory obligations
  - inform providers and/or course owners about issues and trends in the VET regulatory environment and sector
- provide a quality Info Line service to respond to calls and emails from students, providers and other stakeholders
- provide an informative website (asqa.gov.au) as one of our primary communication tools including:
  - General Directions about how to comply with conditions of registration
  - users' guides and fact sheets on regulatory requirements
  - monthly 'ASQA Update' newsletters
  - relevant regulatory decisions
- collect and manage electronic student records from closing providers, using our capability to ensure student records are available through the Unique Student Identifier (USI) transcription service
- send notices to RTOs, course owners and registered providers through multiple channels to remind them of upcoming regulatory deadlines (such as renewal application submission, data and/or report provision, and annual registration charge payment).

5

REFORM INITIATIVES FOR 2020–2024

We will:

- engage with the sector regarding the publishing of more information on provider performance to support students and employers to differentiate between providers following the revision of the Standards for RTOs, and the subsequent adjustment in ASQA approach to performance monitoring to align with the revised Standards.
- strengthen our engagement with the sector and provide guidance to build provider capability for self-assurance
- build on the current publication of regulatory decisions to include the main reason for the decision and, in the long term, publish a summary of the findings regarding the provider's performance against the Standards for RTOs.

KEY STRATEGIES FOR 2020–2021

We will:

- enhance the publication of regulatory decisions on the national registers
- actively contribute to projects to enhance performance information for VET, coordinated by the Australian Government in collaboration with states and territories.

REFORM INITIATIVES FOR 2020–2021

We will:

- publish videos and website content and host webinars to support providers in understanding their regulatory obligations, informed by engagement with stakeholders
- provide opportunities for the sector to engage in ASQA reform initiatives
- communicate to build a common understanding of ASQA's role and regulatory approach, what stakeholders can and cannot expect of ASQA and areas of shared stakeholder responsibility.

6

OUR PLANNED PERFORMANCE
Engagement and support

> We provide advice on strategies to improve VET regulation and the VET sector.

As the national VET regulator, we are well positioned to provide input and advice on strategies to improve quality in the VET and English language sectors, and we continually work to identify opportunities to further strengthen the effectiveness of our regulation.

PLANNED ACTIVITIES FOR 2020–2024

We will:

- provide insights gained from regular environmental scanning and our targeted strategic reviews to relevant stakeholders, including making recommendations
- provide input to government frameworks, senior official and Ministerial Council meetings
- contribute to relevant government and industry reviews regarding VET
- proactively engage with other VET regulators
- collaborate with other regulators to provide a consistent approach to the regulation of VET delivery to domestic and overseas students and providers of certain English language courses
- form strategic partnerships with industry and licensing bodies and Commonwealth, state and territory funding bodies.

REFORM INITIATIVES FOR 2020–2024

We will:

- contribute to sector discussions on developing a shared understanding of 'quality' and 'outcomes' and how these should be reflected in the revised Standards for RTOs
- contribute, as appropriate, to initiatives as part of the VET Reform Roadmap, including the development of new Standards for RTOs
- participate in the establishment of a feedback loop with SSON, IRCs and SSOs regarding broader VET reform, training packages, their intent, and their implementation by providers.

KEY STRATEGIES FOR 2020-2021

We will:

- chair bilateral meetings and roundtables with Australian Government and state and territory government agencies, state-based VET regulators, and peak provider and industry groups and, where relevant, provide insights gained to relevant stakeholders
- support the AISC Emergency Response Sub-committee responses to COVID-19 impacts on the VET sector.

REFORM INITIATIVES FOR 2020-2021

We will:

- proactively engage with and understand broader VET reform to inform how ASQA can best provide support across the VET architecture. This will include engagement with the National Skills Commission, SSON, IRCs and SSOs.

How we measure our performance

We have a responsibility to contribute to a quality VET sector that meets Australia's social and economic needs. We share this responsibility with other Australian, state and territory government agencies, other regulators and licensing bodies, industry and employers (as shown in the diagram on page 4). Overall achievement of this outcome is not always within our direct control or influence and we have specific responsibilities and functions that contribute to this shared effort.

The Australian community and industry benefits from our activities, as our efforts (collectively with our stakeholders across the VET sector) lead to improved VET outcomes, which in turn results in a more highly skilled and productive workforce. It is not possible to have a definitive measure of the quality of VET overall. However, our agency performance criteria identify the intended results of our contribution to, and impact on, this shared effort.

Our performance criteria align with our purpose and strategic approach. We apply our performance criteria across all our activities to determine our achievements in delivering our purpose and, due to the interrelated nature of our activities, they can achieve multiple performance outcomes.

Some of our strategies are short-term and some are long-term. This means to provide a true picture of our performance in any reporting period, we must report on the progress of our longer-term activities that may not yet have resulted in a tangible response or outcome.

Each performance criterion has several measures for efficiency and effectiveness (incorporating, where appropriate, a mix of quantitative and qualitative information). In addition to PGPA Act requirements, the NVR Act requires us to develop key performance indicators and service standards. We have incorporated these as an integrated part of our Performance Framework.

We benchmark quantitative measures against previous performance, with accompanying analysis to provide a basis for assessment. Qualitative measures provide evidence demonstrating our effectiveness against the intended result.

Our stakeholders' views, particularly those of the provider community, are important to understanding the effectiveness of some aspects of our performance. Our provider survey results are part of the suite of measures we use to assess our performance against each criteria.

We anticipate that during the coming year of intensive reform, we may be challenged in meeting some of our performance criteria and service standards. During this time, we will also be reviewing the adjustments to our performance framework necessary to take account of our new regulatory approach and activities, in order to ensure that our performance framework remains relevant and effective.

ASQA performance framework

Our approach	Performance criteria	Evidence of performance/measures
1 Risk-based approach	**Identify** and **develop understanding** of the risks to VET and **take regulatory action** to address the most serious identified risks.	• Qualitative information on the strategies/strategic reviews undertaken, with supporting statistics on the related regulatory outcomes achieved. • Production of regulatory strategy to address key risks. • Publication of regulatory framework.

2
 	
Risk-based regulation—supporting self-assurance and quality
	Provide support to the sector to build a shared understanding of self-assurance, and improve capability.
	
	Effectively manage risk-based **registration** of quality providers and **accreditation** of courses that meet Australia's vocational education needs.
		• Qualitative information on our efforts to support and build sector self-assurance capability.
		• Qualitative information on other initiatives we undertake to support quality in VET.
		• Qualitative information on our use of a risk-based approach to assessing applications.
		• Quantitative information on regulatory management of:
		  – initial registration applications
		  – renewal of registration applications
		  – change of scope applications
		  – course accreditation and amendment applications.

	Service standards: • Initial registration applications finalised within 130 working days (six months). • Renewal of registration applications finalised prior to expiry date. • Change of scope applications finalised within 130 working days (six months). • Course accreditation applications finalised within 130 working days (six months). • Course amendment applications finalised within 20 working days.	
3 Risk-based regulation—monitor and enforce	Deliver sector monitoring and standards-based performance assessment/auditing based on risk, and apply appropriate and proportionate **regulatory decisions**.	• Qualitative information on our sector monitoring activities. • Qualitative information about adjustments made to our regulatory approach based on our understanding of risks. • Quantitative information on our risk-based performance assessment/audit activities (trends over time) and levels of compliance detected, with qualitative information on the risk context. • Quantitative and qualitative information on regulatory processes[4], sanctions, enforcement activities, conditions applied and outcomes of contested sanctions. • Provider survey results on our proportionate application of sanctions (more than 70 per cent satisfaction).
	Service standards: • Performance assessment/audit reports provided within 20 working days of last day of the process concluding. • When we have accepted additional evidence from a provider after an assessment we will provide the decision within 30 working days. • Reconsideration applications finalised within 65 working days (three months).	

[4] Regulatory processes include 'Notices of Intent' to apply sanctions and 'Reconsideration' processes that may result in rectification with the provider becoming compliant and avoiding sanction.

Our approach	Performance criteria	Evidence of performance/measures
4 Stakeholder engagement about risks	Effectively seek information to inform our **understanding of risks** in the VET sector.	• Qualitative information on our engagement with stakeholders to gather information on regulatory risks. • Quantitative information on complaints/reports that allege provider non-compliance.

5
 	
Engagement supporting stakeholders' understanding of the VET sector and relevant obligations
	Provide clear, targeted and effective **information and support** to stakeholders about the VET sector and compliance with standards.	• Qualitative and quantitative information on our efforts to provide clear and accurate information about VET sector compliance to stakeholders.
		• Qualitative and quantitative information about the support provided to the regulated community to improve compliance with standards and quality VET provision.
		• Quantitative information about the support provided to the sector to collect and manage student records when RTOs close down.
		• Provider survey results (more than 70 per cent satisfaction) with:
		  – our engagement activities
		  – provider briefing sessions
		  – ASQA web usability
		  – Info Line assistance.

	Service standards: • Simple, procedural email queries responded to within two working days. • Complex telephone queries escalated within two working days (with likely resolution time, if applicable). • Complex email queries responded to within 10 working days.	
6 Engagement to strengthen regulation and VET	Provide input and **advice** on strategies to improve VET regulation and the VET sector.	• Qualitative instances of providing input and advice to initiatives/reviews to strengthen VET regulation and improve the VET sector. • Provider survey results about our performance in this area (more than 70 per cent satisfaction).

Current and future capabilities

We have a workforce comprising an average staffing level of 199 staff, located in offices in all capital cities.

In addition to our specialist regulatory operations staff, we have staff who undertake functions to either support our regulatory capability or ensure ASQA's effective operations. These staff provide a range of services including: intelligence and data analysis; investigations; legal; communications and engagement; service delivery (Info Line); governance; policy; information and communication technology; people management; and finance and facilities.

STRATEGIES TO BUILD FUTURE CAPABILITY	
Strategic capabilities	**Capability building strategy**
1. Strengthen strategic oversight and managerial capacity to support the implementation of critical reforms	Continuing function of, and support to, the internal Reform Implementation Steering Committee. Strengthen internal systems and quality control. Implement a program of internal quality assurance including: • moderation • internal review of performance assessment/audit reports and compliance outcomes. Ensure the effective implementation of the new 1 July 2020 organisational structure and develop and implement second phase changes that will separate quality assessment and compliance functions early in 2021.
Enabling capabilities	**Capability building strategy**
2. Workforce	Implement our Workforce Plan 20–21 and adjust as required to emerging reform priorities. Further develop and maintain our Learning and Development Strategy to continue to build capability and skill across all areas of ASQA, including reform activity to strengthen induction and a formal program of continuing professional development for auditors/assessors and decision-makers. Review current performance development framework. Commence and progress enterprise agreement negotiations as current enterprise agreement ends in November 2020.

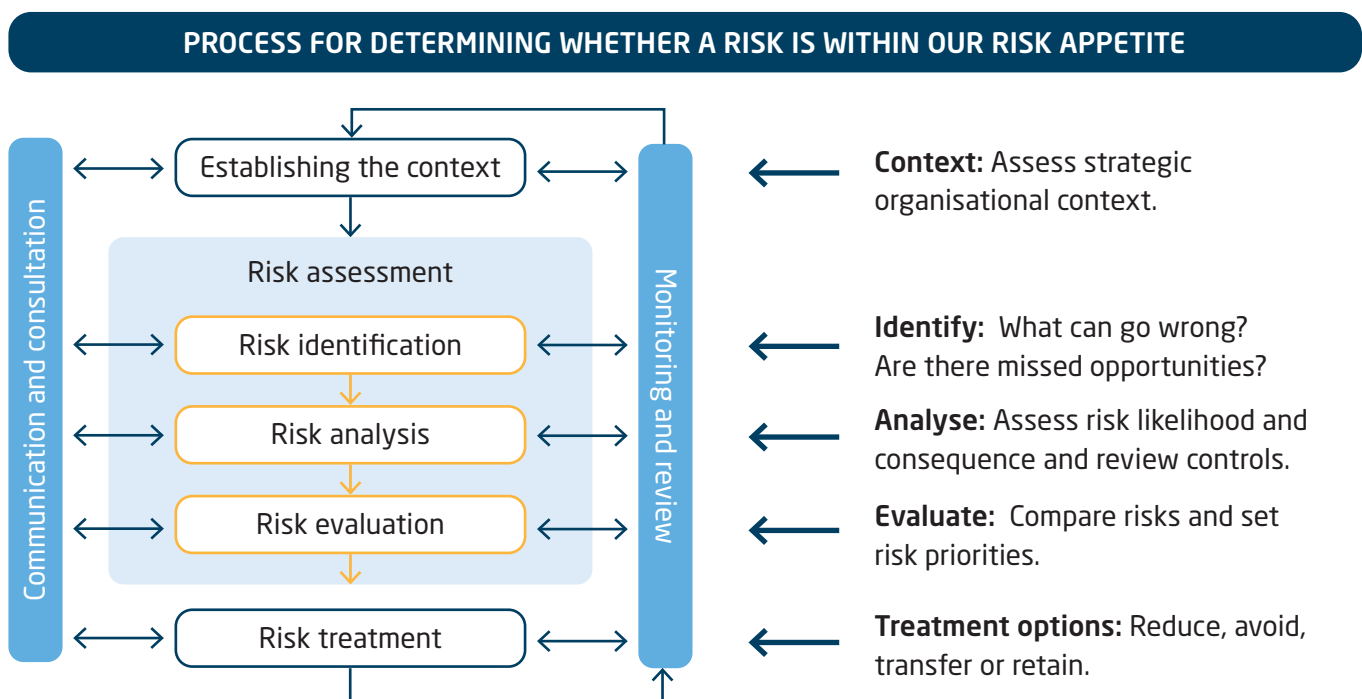|	
3. Financial management	Develop cost model and consultation on planning for full cost recovery by 2021–22, including a Cost Recovery Implementation Statement (CRIS).
	Commence realignment of ASQA's cost recovery arrangements, to reflect initial changes to approach to performance monitoring, and plan for longer term changes (post revision of Standards for RTOs).
4. Information and Communication Technology (ICT)	Our ICT strategies for 2020–21: • enhance public-facing and internal-use asqanet, asqaconnect and related systems and services to align with and support ASQA's response to the rapid review • enhance and implement integration services with existing and new ASQA and national VET and CRICOS systems, registers and data sources • progress migration of ASQA's core systems and services to the Cloud, to make use of the best available software.
5. Data management	Strengthen data governance and capability to increase access and use of data across the organisation.
6. Internal communications	Support reform projects to enhance ASQA-wide engagement to improve work connections.
7. Change management	Develop enhanced processes to increase our internal change and project management capability.

Organisational risk oversight and management

Our risk approach

ASQA is a risk-based regulator and our approach is designed to counter risks in the VET sector (our planned performance related to risk-based regulation and engagement and support on pages 8-19 provides further information on this aspect of our risk management).

Risk management

Effective risk management is integral to good corporate governance and management practice, and ensures understanding of which risks are acceptable and which are not.

ASQA's accountable authority uses the process described in the following diagram to determine whether a given risk is within our risk appetite. By determining the likelihood and consequences of the risk, we can determine the risk's severity and acceptability.

PROCESS FOR DETERMINING WHETHER A RISK IS WITHIN OUR RISK APPETITE

Context: Assess strategic organisational context.

Identify: What can go wrong? Are there missed opportunities?

Analyse: Assess risk likelihood and consequence and review controls.

Evaluate: Compare risks and set risk priorities.

Treatment options: Reduce, avoid, transfer or retain.

Identifying and managing strategic risk is an integral part of our corporate planning cycle. Our Strategic Risk Register (SRR) is discussed by senior managers, used as a tool to help communicate our strategic priorities within the organisation, and updated as required.

Activity related to the SRR is reported quarterly to ASQA's Audit Committee and our Senior Executive Committee.

ASQA also develops detailed operational risks related to our strategic risks and key corporate risk areas and these, and relevant mitigation strategies are incorporated in agency team business plans.

We conduct strategic risk assessments annually or more frequently where significant change has occurred. The primary purpose of a risk assessment is to identify risks to achieving our purpose and to plan and monitor their mitigations strategies.

2020-21
ASQA Corporate Plan

Australian Government
Australian Skills Quality Authority