

# **MINISTERIAL STATEMENT OF EXPECTATIONS NATIONAL VOCATIONAL EDUCATION AND TRAINING REGULATOR**

## **Introduction**

The National Vocational Education and Training Regulator (National VET Regulator) holds an important responsibility to protect and enhance the quality of training provision and to ensure consistency in the regulation of the VET sector.

To support the commencement of the National VET Regulator from 1 January 2021, this Statement of Expectations provides clarity about Australian Government policies and objectives relevant to the role, including the policies and priorities expected to be observed in conducting regulatory operations.

The Government seeks that all regulators are models of best practice regulator performance, capability and culture. Regulators should be committed to ensuring Commonwealth regulation is implemented and administered with the least regulatory burden while maintaining essential safeguards.

These two goals are complementary in providing for balanced, fair and proportionate regulatory outcomes. Regulatory responses to the COVID-19 crisis have highlighted the importance of the actions of regulators, demonstrating what can be achieved when regulators are pragmatic and responsive, solving problems without compromising safeguards.

This Statement of Expectations is a valuable tool for increasing transparency of the Government's expectations of the National VET Regulator, while recognising the independence of its regulatory decisions. This document is not a Ministerial Direction, a term or condition of office and is designed to complement the *National Vocational Education and Training Regulator Act 2011* (NVETR Act) which sets out the primary functions, duties and powers of the National VET Regulator and also the obligations as set out in the *Public Governance, Performance and Accountability Act 2011* (PGPA Act).

In the interest of public accountability, this Statement of Expectations should be published on the website of the National VET Regulator.

## **The role of the new Chief Executive Officer (CEO) of the Australian Skills Quality Authority (ASQA)**

Under subsection 155(2) of the NVETR Act, the National VET Regulator may also be known as the CEO of ASQA (the CEO). The National VET Regulator is an agency head for the purposes of the *Public Service Act 1999*, and is expected to lead long and short-term strategy and make top-level management decisions that determine the objectives, resources and policies of ASQA. This reflects a shift towards revised delegation of regulatory decision-making.

As per the legislative functions listed within the NVETR Act, the CEO will maintain responsibility for the management and performance of the functions of ASQA, including responsibilities conferred upon the CEO as the accountable authority under the PGPA Act. The CEO is also to have regard to advice provided by the Advisory Council, once established.

The CEO will have a particular responsibility for leadership of ASQA and driving organisational and cultural change to fully embed and implement the reforms agreed in the *Rapid Review of ASQA's Regulatory Practices and Processes* (the Rapid Review). The CEO will:

- be responsible for the oversight of significant organisational change within ASQA, including establishing new lines of authority and accountability as a result of the broader governance reforms
- work with the Advisory Council, once established
- be responsible for effectively leading ASQA through the reform process while providing for ASQA's continued operation and maintaining stakeholder relationships and the organisation's reputation
- manage ASQA's transition to full cost recovery in line with decisions of Government.

### **The regulatory role of the Australian Skills Quality Authority**

The Government expects robust and proportionate regulation of the VET sector in accordance with the NVETR Act and its subordinate legislation. The Government requests that ASQA as an agency continues to enhance its regulatory role by prioritising the following initiatives:

- *implementing the regulatory reforms recommended by the Rapid Review* including:
  - shifting ASQA's regulatory approach to a broader focus on self-assurance and excellence in training outcomes
  - enhancing its educative approach and engagement with the sector
- *meeting the Standards for VET Regulators* to provide accountability and transparency of ASQA's regulatory activities
- *responding to the COVID-19 pandemic* by continually interacting with registered training organisations (RTOs), their staff and students with a proportionate and flexible regulatory approach
- *supporting wider reforms* as outlined in the *Heads of Agreement for Skills Reform* published in August 2020. This Agreement between the Australian Government and all states and territories acknowledges the importance of VET to Australia's future growth and prosperity, and the role the sector will play in the nation's economic recovery in the wake of the COVID-19 pandemic. In addition to ASQA's current reform work, ASQA will need to support the policy intent as set out in the Agreement, including supporting reforms to strengthen quality standards and building training provider capacity and capability for continuous improvement
- *supporting the National Training Complaints Hotline* by acting on referrals, where appropriate, and responding to requests from the Department of Education, Skills and Employment (the department) in relation to the operation of the Hotline and maintaining an accurate record of the outcomes of individual complaints.

In the conduct of its business, ASQA will ensure that:

- it promotes a culture of self-assurance and continuous quality improvement
- regulation is integrated, risk-based and proportionate, underpinned by good decision making
- regulation is transparent and accountable
- it engages and partners with stakeholders constructively and with mutual respect
- its understanding of sector performance and promotion of self-assurance contributes to quality VET and informed consumers
- its actions and communications are consistent, contemporary, appropriate and prioritised to ASQA's purpose and objective.

### **Collaboration with other bodies**

Recent amendments to the NVETR Act emphasise the importance of sharing data with the department and the National Centre for Vocational Education Research (NCVER) to support policy development and good governance of the VET sector.

ASQA's continued effort in establishing effective and collaborative working relationships with other Commonwealth and state and territory agencies will remain essential for effective regulation of the VET sector. The CEO of ASQA will continue to build strong partnerships with VET regulators in non-referring states, the Tertiary Education Quality Standards Agency, and enforcement agencies such as the Australian Competition and Consumer Commission, the Australian Securities and Investments Commission and the VET Student Loans Ombudsman.

### **Relationship with the responsible Minister**

To ensure effective decision-making and transparent performance the NVETR Act also confers, among other functions, the following governance and reporting functions on the CEO of ASQA:

- if requested to do so by the Minister, or on the CEO of ASQA's own initiative, to advise and make recommendations on matters relating to vocational education and training (paragraph 157(1)(e) of the NVETR Act); and
- to develop key performance indicators, to be agreed by the Minister through the corporate plan, against which the CEO of ASQA's performance can be assessed each financial year (paragraph 157(1)(n) of the NVETR Act).

In addition to these formal legal requirements, and in the interest of strengthened accountability and transparency, the CEO of ASQA is expected to appropriately notify the Minister responsible for VET, or the department, of any specific risks arising that may affect the integrity of the VET system.

The CEO of ASQA will keep the responsible Minister informed in a timely and accurate manner, of significant issues relating to the financial health, culture and work of ASQA.