

ASQA's Regulatory Assessment and Monitoring Approach



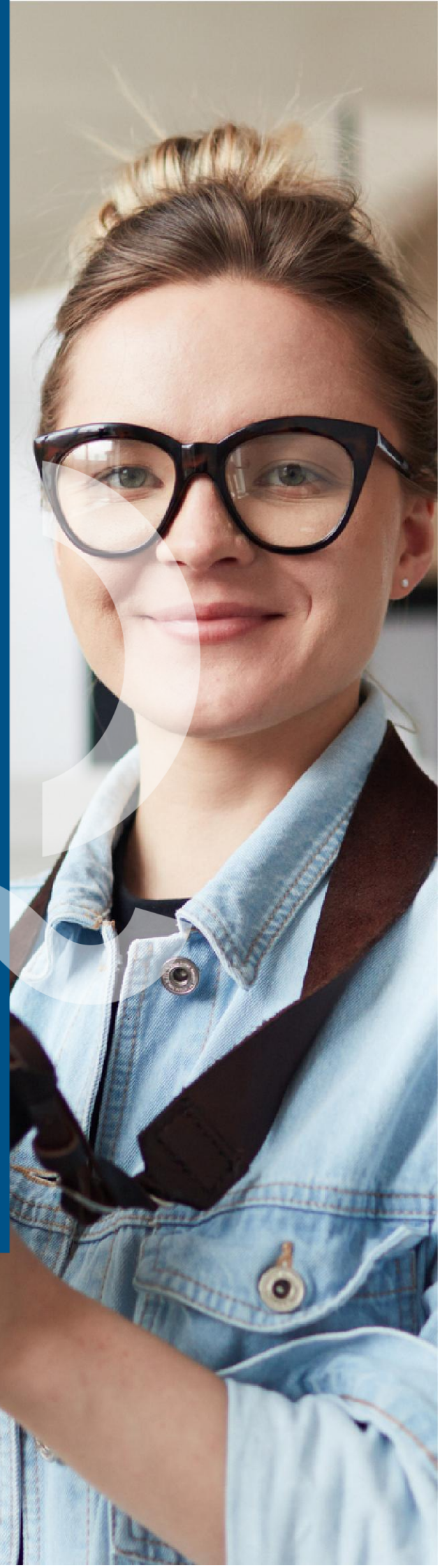
Version: 1.0

July 2026



Australian Government
Australian Skills Quality Authority

ASQA



The role of regulatory assessment and monitoring

The Australian Skills Quality Authority (ASQA) upholds the quality of Vocational Education and Training (VET) in Australia so that students, industry, governments and the community have confidence in the integrity of national qualifications issued by training providers. One of the key ways we do this is by undertaking regulatory assessments and monitoring activities to check whether training providers are meeting their obligations. This document provides an overview of ASQA's approach to these activities.

What are regulatory assessment and monitoring activities?

ASQA undertakes a wide range of regulatory assessment and monitoring activities to assess whether providers are meeting their obligations and adequately managing risks. The mix of assessment and monitoring activities we undertake is informed by a range of factors such as:

- Structural and transient risks present in the sector or a cohort of providers
- A provider's scope of registration, and the nature of the training and/or assessment being provided
- ASQA-held intelligence, including tip-offs, complaints and other information
- Patterns of non-compliance
- When ASQA last conducted an assessment or monitoring activity
- Other information that might indicate potential elevated risk

ASQA is conducting more monitoring activities to ensure a better understanding of risk across the sector. Providers can expect to hear from ASQA more often each year across these monitoring activities.

Our approach to regulatory assessment and monitoring activities

ASQA is committed to adopting a consistent, fair and proportionate approach to its assessment and monitoring activities, in line with the following principles.

Risk-based and proportionate	<ul style="list-style-type: none">ASQA's level of regulatory scrutiny is proportionate to the level of risk, with a particular focus on where risks to students, the community and sector quality and integrity are highest.We focus our regulatory assessment on the essential foundations that underpin student outcomes and quality training, rather than focusing on minor deficiencies that may have limited impact on quality.
Fair and consistent	<ul style="list-style-type: none">AQSA adopts a fair and consistent approach to regulatory activities, ensuring all activities are undertaken in accordance with the principles of good administrative decision making and procedural fairness.
Transparent and open	<ul style="list-style-type: none">ASQA is transparent about its approach through publication of guidance and resources.We engage openly with applicants regarding any identified risks or non-compliance and the steps required to address these.
Evidence-based and outcome-focused	<ul style="list-style-type: none">ASQA's regulatory assessment processes ensure decisions are based on evidence and clear decision-making criteria.ASQA recognises that different providers achieve outcomes and demonstrate compliance in different ways, as relevant and proportionate to their context and student cohort/s.
Promoting a culture of self-assurance and continuous improvement	<ul style="list-style-type: none">ASQA supports a self-assurance approach where providers take responsibility for maintaining their compliance and demonstrating commitment and capability.Our regulatory assessment processes focus on ensuring providers have the governance, systems and processes in place to monitor, review and continuously improve their performance.

Types of regulatory assessment and monitoring activities

ASQA's regulatory assessment and monitoring activities are made up of three main types:

Application-related assessments

Examples include applications from entities seeking to become a provider, renewal of registration and changes to registration scope.

Each application type includes a specified set of information that must be submitted, such as Fit and Proper Person Declarations for governing persons. ASQA may also seek additional information from providers when conducting these assessments.

The outcome of an application-related assessment is a regulatory decision.

Performance Assessments (audits)

These are an assessment of performance against applicable legislation and standards such as the 2025 Standards for RTOs, the National Code or the English Language Intensive Courses for Overseas Students (ELICOS) Standards.

The scope of a Performance Assessment is set by ASQA and is based on risk (e.g. sector risks, provider-specific risks). ASQA will advise on what is in scope for the Performance Assessment when liaising with the provider. Performance Assessments may include a site visit and/or student interviews.

The outcome of a Performance Assessment is a report which will include findings. These findings will indicate whether the provider is compliant the legislation or standards. Where non-compliance is identified this may result in the provider moving into the Compliance Resolution Pathway.

Monitoring activities

These are checks on providers that are usually faster and simpler than assessments. There are a broad range of tools that ASQA uses to conduct monitoring activities. Examples include:

- Requiring a provider to conduct a self-assessment and submit it to ASQA
- Requiring a provider to complete a survey
- Conducting a phone interview and collecting insights
- Conducting a site visit which is not part of a Performance Assessment
- Requiring a provider to submit specific information to ASQA, such as bank statements.

A monitoring activity may not result in a finding of 'meeting' or 'not-meeting' the legislation or standards. If ASQA is concerned about a provider's ability to meet requirements at the conclusion of a monitoring activity, a Performance Assessment may be initiated.

Performance Assessments

ASQA uses a scaled approach to Performance Assessments to reflect differing levels of assessment effort and complexity. There are four categories, ranging from Category 1 micro assessments (short, targeted checks) to Category 4 (large-scale) Performance Assessments.



Various factors are considered by ASQA when scoping a Performance Assessment for a particular provider, such as:

- the number and nature of risks to be examined
- the training products to be sampled
- any delivery locations to be included
- the number of students to be interviewed
- the nature of any complaints, tip-offs or other concerns.

Providers are notified of their initial category and the associated cost at the commencement of a Performance Assessment. If the scope expands during an assessment, the provider will be notified that their Performance Assessment has moved up the scale and the cost will be adjusted accordingly. Where non-compliance is found, a provider may move into a Compliance Resolution Pathway.

Where a 20-day rectification period is offered by ASQA when non-compliance findings are initially reported (e.g. as an outcome of a Performance Assessment) and the provider satisfies ASQA that it has returned to full compliance within that 20-day period, the Compliance Pathway model will not be used.

If a Performance Assessment is conducted outside Australia in whole or in part, any reasonable expenses incurred by ASQA will be added to the Performance Assessment cost.

Key steps in undertaking Performance Assessments

Performance Assessments involve 4 key steps, as outlined below.

Trigger

Performance assessments can be triggered by:

- **responding to risk** (at the provider level, industry level or sector wide) which may stem from data, referrals, tip-offs, complaints or other risk indicators
- ASQA's **regulatory campaigns**

Plan

ASQA plans its approach to the assessment, including:

- what the **scope of the assessment** will be (e.g. which risks, which standards/legislation, which training products),
- **how the assessment will be undertaken** (e.g. onsite, via phone, written request, virtually)
- **timing** - with this being influenced by the trigger or purpose of the assessment, the provider's context and risk.

Assess

ASQA undertakes the assessment

- To gather evidence, ASQA may require information or data, conduct interviews and/or undertake site visits.
- We **analyse the evidence** to assess compliance with the relevant standards and/or legislative requirements.

Complete

ASQA **makes findings** and prepares a report on the outcomes

- The report will detail the standards that have been met or not met and/or legislative obligations that have been breached, and include review rights (if applicable)
- If non-compliance is found, we will expect you to take action and respond to us within a set timeframe. You may also move into the Compliance Pathway.

Examples of Performance Assessment Categories

Performance Assessment - Category 1	Performance Assessment – Category 2	Performance Assessment – Category 3	Performance Assessment – Category 4
<p>A provider CEO fails to submit the Annual Declaration on Compliance (ADC) by the required date.</p> <p>ASQA notifies the provider that it is conducting a Performance Assessment (Category 1) focused on the Compliance Requirements, specifically the requirement to submit an ADC.</p> <p>Given that ASQA already has adequate evidence that no ADC has been submitted through its systems, a regulatory decision is able to be made. ASQA notifies the provider of a finding that it has not met the Compliance Requirement to submit the ADC on time. This prompts the provider to then submit its ADC.</p> <p>The provider is invoiced the fee for a Performance Assessment (Category 1) and the activity is closed.</p>	<p>As part of ASQA's activities under this year's Regulatory Risk Priorities, providers delivering high volumes of Early Childhood Education and Care (ECEC) qualifications are selected for targeted Performance Assessments, with a particular focus on student work placements.</p> <p>ASQA notifies a chosen provider that it will be conducting a Performance Assessment (Category 2) which involves a confined scope targeting ECEC student work placements.</p> <p>The Performance Assessment, which also encompasses the provider's third parties, identifies that the provider is meeting its requirements under the 2025 Standards.</p> <p>The provider is invoiced the fee for a Performance Assessment (Category 2) and the activity is closed.</p>	<p>A provider in its fifth year of a 7-year registration period is identified for a Performance Assessment (Category 3) to test its performance across a selection of risks - governance, student wellbeing and training and assessment for targeted industries. ASQA notifies the provider that it is conducting a Performance Assessment (Category 3) activity, which will include a site visit and student interviews.</p> <p>The Performance Assessment findings include a number of minor non-compliances. The provider responds within a 20-day rectification period and ASQA is satisfied that the provider has returned to compliance.</p> <p>The provider is invoiced the fee for a Performance Assessment (Category 3) and the activity is closed.</p>	<p>ASQA receives multiple tip-offs and intelligence from partner agencies about a provider that is delivering to both domestic and international students, triggering a wide-scope Performance Assessment.</p> <p>ASQA notifies the provider that it will be conducting a Performance Assessment (Category 4) covering Quality Areas 1 and 4 of the 2025 Standards, and multiple requirements under the National Code. The activity also includes a specialised Financial Viability Assessment Audit.</p> <p>The Performance Assessment findings include serious non-compliances. The Financial Viability Assessment findings are satisfactory.</p> <p>The provider enters Compliance Pathway 1. An invoice for a Performance Assessment (Category 4) and Financial Viability Assessment Audit is issued.</p>

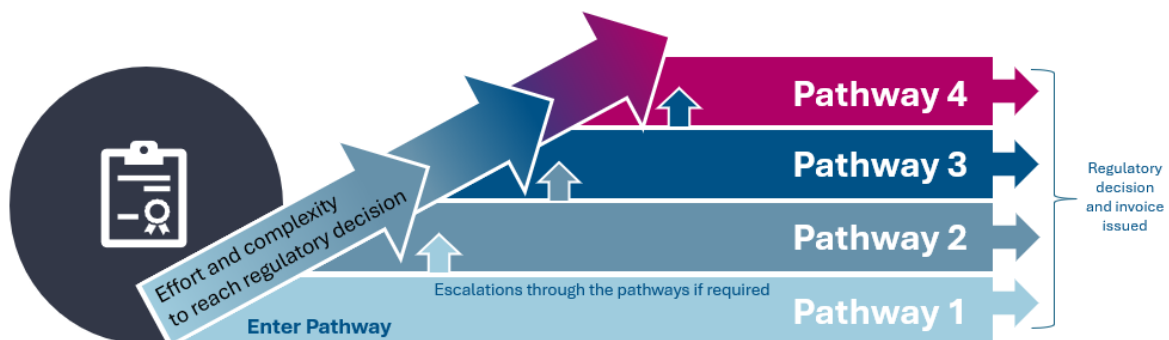
Compliance Resolution

Where non-compliance is identified, ASQA responds in a proportionate way and works directly with the provider toward a return to compliance. The four-tier Compliance Pathway model encourages providers to rectify issues in an effective and sustainable way. The tiers reflect the effort involved for ASQA in working with a provider to achieve a compliance resolution, not the size of a provider or the severity of the non-compliance.

Where a 20-day rectification period is offered by ASQA when non-compliance findings are initially reported (e.g. as an outcome of a Performance Assessment) and the provider satisfies ASQA that it has returned to full compliance within that 20-day period, the Compliance Pathway model will not be used.

Where providers are subject to the Compliance Pathway, they will typically start at Pathway 1. If a return to compliance is achieved to ASQA's satisfaction within the Pathway 1 period, the activity will be closed out. If, however, a return to compliance is not achieved within the Pathway 1 period, and a continued level of regulatory effort is required by ASQA to work with the provider towards full resolution, the provider will progress to the Pathway 2, and so on (Pathway 3, then Pathway 4). However, a regulatory decision can be made following any pathway if ASQA has concerns and considers a decision is needed.

Submitting clear, relevant evidence and showing a genuine commitment to compliance will support efficient resolution and help avoid higher costs. Where large packages of irrelevant materials are provided to ASQA this extends the resolution process. Providers should ensure that they understand the non-compliance issues, work productively to resolve them and provide appropriate evidence to show that they have been rectified in a sustainable way.



Example of a Compliance Pathway

As part of a regulatory campaign into risks associated with commercial cookery, ASQA is conducting targeted Performance Assessments focussed on training, assessment and facilities. ASQA notifies a provider that they will be conducting a Performance Assessment (Category 2) which involves a confined scope targeting these specific risks.

The Performance Assessment identifies significant issues with the provider's facilities, resulting in findings of non-compliance against multiple 2025 Standards. These issues are not satisfactorily resolved within the 20-day rectification period.

The matter then moves into Compliance Resolution Pathway 1, and ASQA negotiates an Agreement to Rectify (ATR). During the ATR period the provider fails to meet the stated milestones. Upon conclusion of the ATR period, the provider has submitted insufficient evidence to demonstrate that the non-compliance with their facilities have been fully rectified.

The matter moves up to Pathway 2, as the ASQA assessor is required to request further evidence on the training facilities that are then required to be validated.

Following review and validation of the additional evidence provided, the assessor confirms the provider has resolved the non-compliance issues and the Compliance Resolution is closed. An invoice for Compliance Resolution (Pathway 2) is then issued.

Monitoring activities

ASQA's monitoring activities include a range of shorter interactions with providers that are proportionate to the identified risks. Some commonly used examples are provided below.

Targeted activities

Providers selected as part of a targeted activity may be asked to complete a self-assessment, participate in an ASQA-initiated phone interview or submit a survey.

Complaints and tip-offs

Where a complaint or tip-off is received, ASQA conducts an initial assessment of its validity and determines what action should be taken.

Tip-offs are reviewed alongside other information ASQA knows about a provider, to determine a level of risk and what regulatory scrutiny may be required. Where ASQA has concerns about information received via a tip-off, or where tip-offs identify a trend or pattern of potentially concerning behaviour, ASQA will conduct a monitoring activity to review the provider's practice in line with identified risks.

Onsite Compliance Visit

ASQA may initiate an in-person visit to a provider's site to review a specific provider risk. This can be a standalone activity or as part of a Performance Assessment, including consideration ASQA is giving to provider-initiated Performance Assessments and/or site visits.

Financial Viability Assessment

ASQA may require submission of a Financial Viability Risk Assessment Tool as part of application-based assessment processes such as a renewal of registration.

For complex financial matters or risks, ASQA may initiate an independent specialist assessment of a provider's financial viability.

Student Assessment Validation

ASQA may initiate targeted validations of individual student assessments to test a provider's processes for making assessment judgements. Multiple students may be selected by ASQA as part of a validation exercise. Student Assessment Validations may be conducted within a Performance Assessment or as a separate activity.