



Australian Government
Australian Skills Quality Authority

2019 2020 ASQA Corporate Plan



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MESSAGE FROM THE CHIEF COMMISSIONER AND CHIEF EXECUTIVE OFFICER

I, Mark Paterson, as the accountable authority of the Australian Skills Quality Authority (ASQA), present our Corporate Plan 2019-20, which covers the period 1 July 2019 to 30 June 2023, 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 and Operational plan requirements of sections 218(1) and 220(1) of the *National Vocational Education and Training Regulator Act 2011* (NVR Act).

Mark Paterson AO

Chief Commissioner and Chief Executive Officer
29 March 2019

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 systemic and provider risks to regulate.

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 as part of our risk-based regulation.

3 We **apply** proportionate compliance and enforcement actions as part of our risk-based regulation.

ENGAGEMENT AND SUPPORT

We support quality and compliance through engagement and support

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

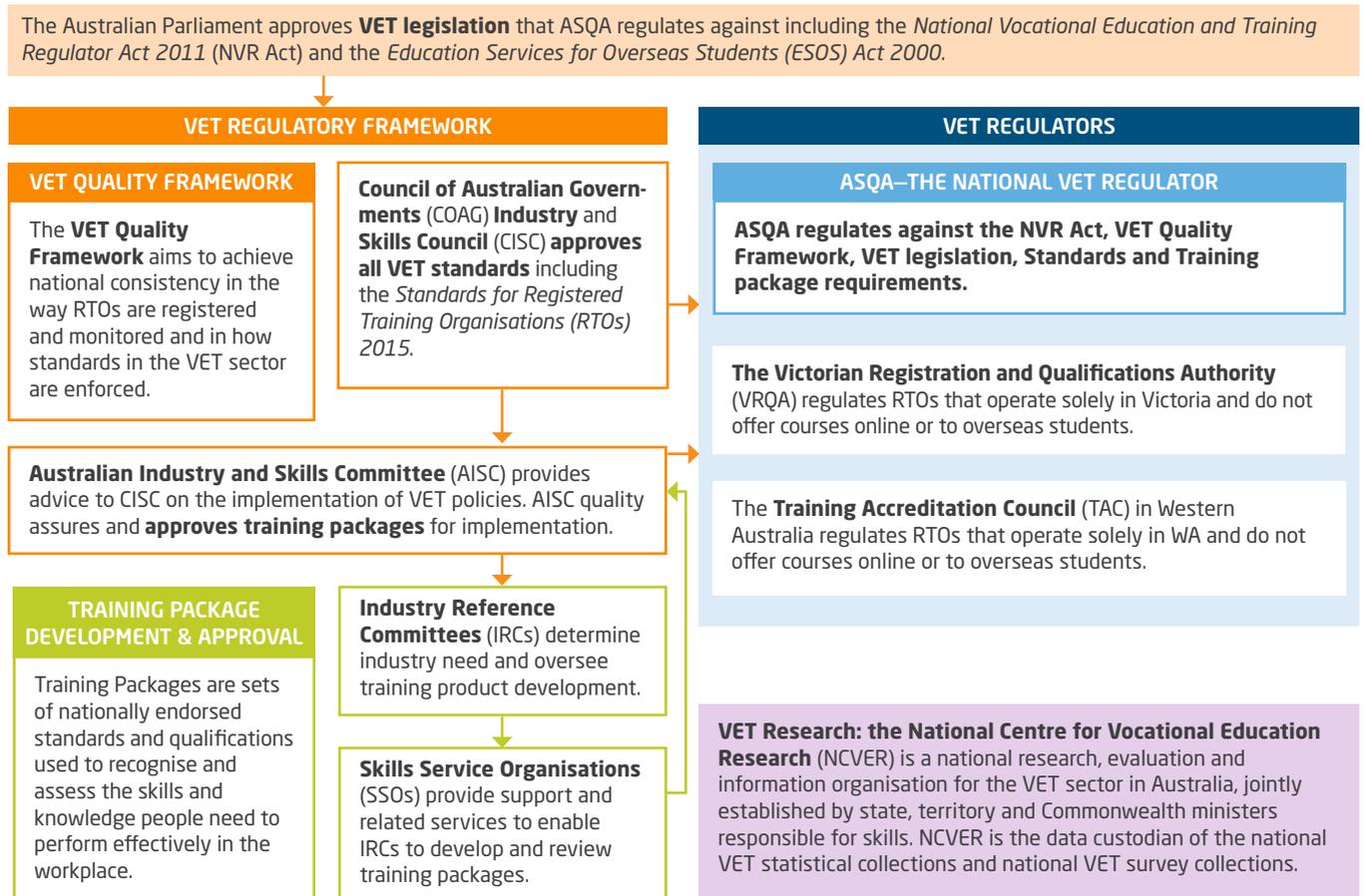
5 We **provide** accurate information to support stakeholders' understanding of VET sector compliance.

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

OUR ENVIRONMENT

VOCATIONAL EDUCATION AND TRAINING

ASQA operates in a complex VET environment. The diagram below depicts the regulatory architecture in which we operate.

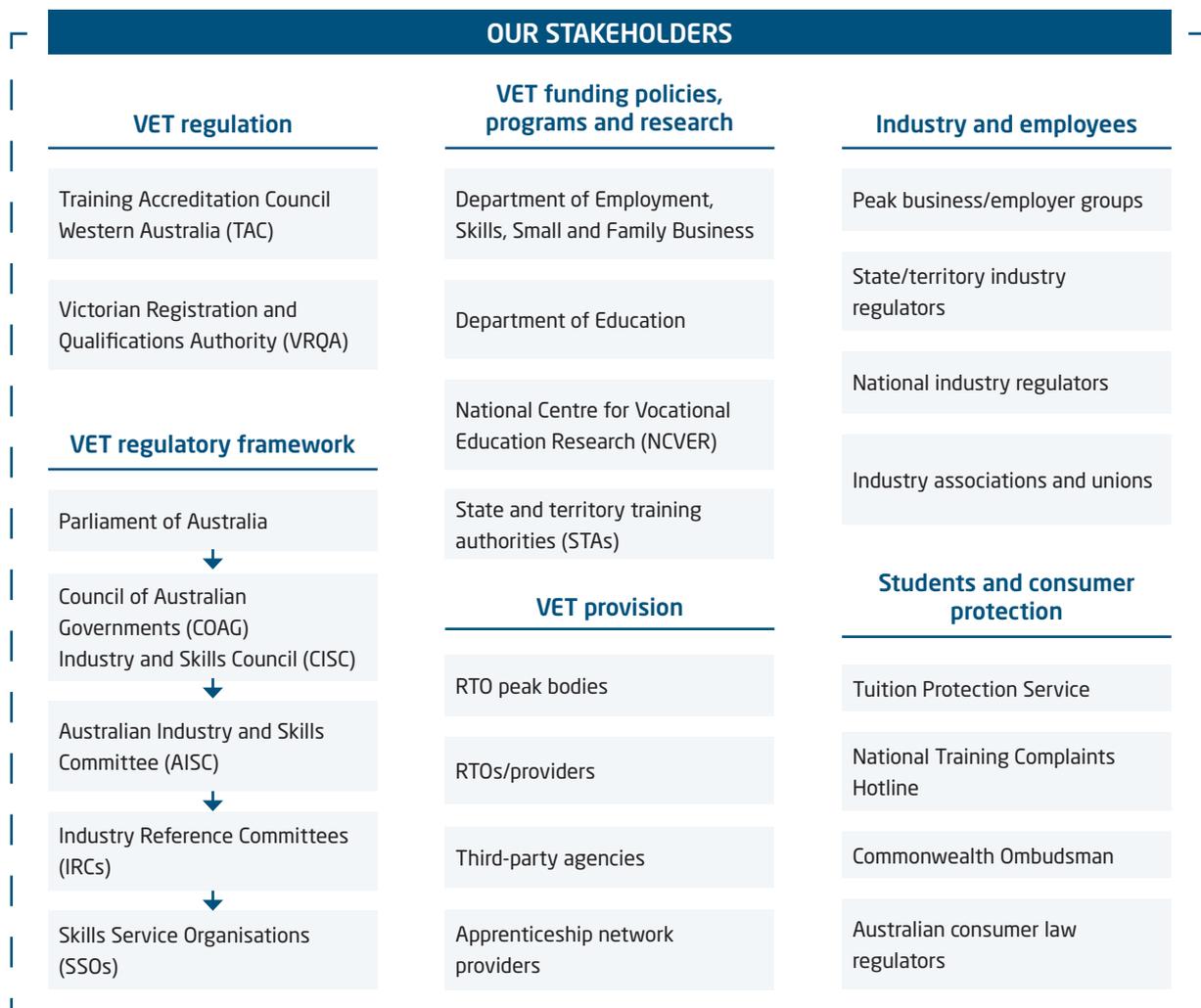


OUR ENVIRONMENT

STAKEHOLDERS

ASQA engages with a broad range of stakeholders. Through effective stakeholder engagement we seek to understand risk, assist providers to comply with the standards, and better inform the sector as a whole. Stakeholder engagement 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 and state and territory government agencies as well as peak provider bodies, industry and Australian regulators with an interest in the VET and English language sectors.



OUR ENVIRONMENT

GOVERNANCE

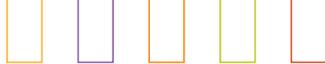
ASQA is responsible for responding to, and delivering on, government policy priorities. These priorities may change over the four-year life of this plan.

There are several government-commissioned reviews, both in progress and completed, that will have implications for ASQA, including:

- the impact of the recommendations of the March 2019 report to the Government, *Strengthening skills: expert review of Australia's vocational education and training system*
- the implementation of recommendations emanating from *All eyes on quality: review of the National Vocational Education and Training Regulator Act 2011 report* (NVR Act review)
- the review of the Australian Qualifications Framework (AQF), the national policy for regulated qualifications in Australian education and training, which is due to be completed by September 2019.

We will continue to cooperate with and contribute to such reviews to ensure the continuous improvement of VET.

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 ASQA's activities from 2020-21 onwards. This is subject to consultation with, and agreement from, the COAG Industry and Skills Council.



OUR PLANNED PERFORMANCE

RISK-BASED REGULATION

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

The following section summarises how we intend to achieve our purpose during 2019-20 and over the following three years.

Our planned activities for 2019-23, and key strategies for 2019-20, 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.

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

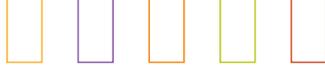
ASQA monitors risks to the Australian VET sector as a whole and we mitigate the most serious risks through targeted and effective regulatory actions.

The primary risk we manage is of an RTO 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 responsibility for addressing these types of risks that can affect the reputation of Australian VET, to the extent of 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.



OUR PLANNED PERFORMANCE

RISK-BASED REGULATION

PLANNED ACTIVITIES FOR 2019-23

We will:

- use annual environmental scanning to identify systemic risks
- conduct ongoing monitoring of the sector to identify new and emerging systemic 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 address in the forward years
- undertake targeted strategic reviews of priority systemic risk areas, based on our Regulatory Strategy
- publish and maintain our Regulatory Risk Framework
- undertake other regulatory initiatives, based on our Regulatory Strategy.

KEY STRATEGIES FOR 2019-20

We will:

- focus on providers delivering training products of concern— aspects of trainer and assessor capability and products relating to aged care, early childhood education and care, and the disability sector
- review and publish an update of the ASQA Regulatory Strategy 2018-20
- complete the International Education Strategic Review and work with stakeholders to implement the recommendations
- continue to scan the environment for new and emerging risks and start our next targeted strategic review.

OUR PLANNED PERFORMANCE

RISK-BASED REGULATION

We support quality as part of our risk-based regulation

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 audits). We seek to minimise the regulatory burden on high-quality providers with a history of compliance.

PLANNED ACTIVITIES FOR 2019-23

We will:

- 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 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.

OUR PLANNED PERFORMANCE

RISK-BASED REGULATION

KEY STRATEGIES FOR 2019-20

We will:

- streamline the process for course accreditation applications (VET course concept)
- strengthen registration requirements by increasing 'fit and proper person' scrutiny
- apply greater scrutiny to providers with a poor compliance history, particularly those entering market sectors of greater risk as identified in our Regulatory Strategy
- review our approach to assessing risks presented by applications to renew or change registration
- focus on the risks to quality posed by material changes to providers (such as change of ownership or senior management)
- implement relevant recommendations from the NVR Act Review related to recognising and supporting quality.

OUR PLANNED PERFORMANCE

RISK-BASED REGULATION

We apply proportionate compliance and enforcement actions as part of our risk-based regulation.

We use a suite of tools to respond proportionately to non-compliance ranging from encouraging compliance through communication and advice to applying sanctions or enforcement actions for more serious cases or where breaches of the relevant standards persist.

PLANNED ACTIVITIES FOR 2019-23

We will:

- apply regulatory scrutiny (including audits) to 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
- apply our student-centered audit model to continue targeting concerning behaviours and practices
- use formal investigations and warrants, where necessary, to collect evidence to make a determination about provider 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, where necessary, to respond to non-compliance, including by issuing infringement notices or commencing legal proceedings for contraventions of civil penalty and criminal offence provisions
- ensure Administrative Appeals Tribunal reviews of our decisions are informed by all relevant information.

OUR PLANNED PERFORMANCE

RISK-BASED REGULATION

KEY STRATEGIES FOR 2019-20**We will:**

- review the ongoing monitoring and reporting requirements for ASQA accredited courses
- improve information management to strengthen scrutiny of 'fit and proper person' assessment of providers and applicants
- continue our focus on CRICOS providers of interest in response to ongoing concern about systemic risks and student welfare
- scrutinise providers that have not been the subject of recent regulatory attention, and that are delivering or seeking to deliver in key growth areas—early childhood education and care, aged care, disability services or to overseas students—by increasing the number of compliance audits on these providers¹
- focus on providers that have not delivered training since being granted registration
- focus on providers delivering Australian VET offshore.

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

OUR PLANNED PERFORMANCE

ENGAGEMENT AND SUPPORT

We support quality and compliance through engagement and support.

We engage with stakeholders to inform our understanding of risk.

We identify systemic risks through environmental scanning and formal consultation with stakeholders. We identify provider risks through complaints (or reports) about provider non-compliance and information provided by internal and external stakeholders.

PLANNED ACTIVITIES FOR 2019-23

We will:

- conduct an annual environmental scan to identify systemic risks in the VET sector
- identify provider risk by considering complaints or reports by students or other stakeholders that allege non-compliance by training providers
- regularly consult with industry, government, community and overseas stakeholders to gain insights into systemic and provider risks.

KEY STRATEGIES FOR 2019-20

We will:

- engage with stakeholders in priority areas identified in our Regulatory Strategy 2018-20
- increase the use of information from stakeholders to improve our profiles of providers and to better target regulation towards providers where we have received credible reports of poor behaviour and practice
- continue to improve our treatment of complaints and referrals to ensure we appropriately assess and use all relevant information to inform regulatory action
- renew communication protocol agreements between ASQA and state and territory governments, which provide specifications for sharing relevant VET information.

OUR PLANNED PERFORMANCE

ENGAGEMENT AND SUPPORT

We provide accurate information to support stakeholders' understanding of VET sector compliance.

We provide information to stakeholders to support their understanding of VET sector compliance and non-compliance. We support providers to meet their compliance obligations through our ongoing 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. This information also gives industry, government and the public accurate information on our regulatory activity.

PLANNED ACTIVITIES FOR 2019-23**We will:**

- run training provider briefing sessions in each state and territory and online 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
- send notices to RTOs and registered providers through multiple channels to remind them about upcoming regulatory deadlines (such as renewal application submission, data and/or report provision, and annual registration charges).

OUR PLANNED PERFORMANCE

ENGAGEMENT AND SUPPORT

KEY STRATEGIES FOR 2019-20

We will:

- launch an updated ASQA website with improved information accessibility
- 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
- implement relevant recommendations from the NVR Act Review.

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 2019-23**We will:**

- provide insights gained from our targeted strategic reviews to relevant stakeholders, including 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.

KEY STRATEGIES FOR 2019-20**We will:**

- contribute to the review of the Australian Qualifications Framework (AQF)
- contribute to government consideration of the expert review of Australia's vocational education and training system
- 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
- implement relevant recommendations from the review of the NVR Act
- implement actions from the International Education Strategic Review.

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 5). 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. 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. 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 criteria 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 and stakeholder survey results are part of the suite of measures we use to assess our performance against each criteria.

ASQA PERFORMANCE FRAMEWORK

Our approach	Performance criteria	Evidence of performance/measures
<p>1 Risk-based approach</p>	<p>Identify and develop understanding of the risks to VET and take regulatory action to address the most serious identified risks.</p>	<ul style="list-style-type: none"> • 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 risk framework.
<p>2 Risk-based regulation—supporting quality</p>	<p>Effectively manage risk-based registration of quality RTOs and accreditation of courses that meet Australia’s vocational education needs.</p>	<ul style="list-style-type: none"> • Qualitative information on use of risk-based approach to assessing applications. • Quantitative information on regulatory management of: <ul style="list-style-type: none"> ◊ initial registration applications ◊ renewal of registration applications ◊ change of scope applications ◊ course accreditation and amendment applications. • Qualitative information on other initiatives we undertake to support quality in VET. <p>Service standards:</p> <ul style="list-style-type: none"> • 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.
<p>3 Risk-based regulation—compliance and enforcement</p>	<p>Deliver standards-based auditing based on risk and apply appropriate and proportionate regulatory decisions.</p>	<ul style="list-style-type: none"> • Qualitative information about adjustments made to our regulatory approach based on our understanding of risks. • Quantitative information on our risk-based audit activities (trends over time) and levels of compliance detected, with qualitative information on the risk context. • Quantitative and qualitative information on regulatory processes², 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). <p>Service standards:</p> <ul style="list-style-type: none"> • Audit reports provided within 20 working days of last day of audit. • When we have accepted additional evidence from a provider after an audit we will provide the decision within 30 working days. • Reconsideration applications finalised within 65 working days (three months).

² 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
<p>4</p> <p>Stakeholder engagement about risks</p>	<p>Effectively seek information to inform our understanding of risks in the VET sector.</p>	<ul style="list-style-type: none"> • Qualitative information on our engagement with stakeholders to gather information on regulatory risks. • Quantitative information on complaints/reports that allege provider non-compliance.
<p>Service standards:</p> <ul style="list-style-type: none"> • Complaints about training providers are finalised/referred for regulatory activity within 85 working days (four months). 		
<p>5</p> <p>Engagement supporting stakeholders' understanding of VET sector compliance.</p>	<p>Provide clear, targeted and effective information and support to stakeholders about the VET sector and compliance with standards.</p>	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ◊ our engagement activities ◊ provider briefing sessions ◊ ASQA web usability ◊ Info Line assistance
<p>Service standards:</p> <ul style="list-style-type: none"> • 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. 		
<p>6</p> <p>Engagement to strengthen regulation and VET.</p>	<p>Provide input and advice on strategies to improve VET regulation and the VET sector.</p>	<ul style="list-style-type: none"> • Qualitative instances of providing input and advice to initiatives/reviews to strengthen VET regulation and improve the VET sector. • Stakeholder survey results about our performance in this area (more than 70 per cent satisfaction).

CAPABILITY

We have a workforce comprising an average staffing level of 199 staff, located in offices in all capital cities. We can also call on our panel auditors and course accreditation assessors to supplement our regulatory operations and course accreditation workforce.

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

Regulatory capabilities	Capability building strategy
1. Capability to directly support the achievement of our purpose, including improvements to assist with timely regulatory processes.	Review and upgrade tools available to assess risk and schedule, manage and undertake audits.
Enabling capabilities	Capability building strategy
2. Workforce	Develop Workforce Plan 2019-21 to identify current and future workforce needs. Develop and maintain Learning and Development Strategy to continue to build capability and skill across all areas of ASQA. Review current performance development framework. Commence 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 2020-21 including a Cost Recovery Implementation Statement (CRIS).

CAPABILITY

4. Information and Communication Technology (ICT)

Our ICT strategies for 2018-22:

- improve public-facing services
- improve timeliness and consistency
- maintain a productive, contemporary ICT workforce
- ensure robust, responsive and supportive technology
- increase analytics and insights.

Specific strategies for 2019-20:

- continue to enhance public-facing and internal-use asqanet and related systems and services³
- improve integration with existing ASQA, VET and CRICOS systems, registers and data and integrate new systems
- progress migration of our core systems and services to the Cloud, to make use of the best available software.

5. Data management

Strengthen data governance and capability to facilitate enhanced data analytics.

6. Internal communications

Introduce a strategy to enhance ASQA-wide engagement to improve work connections.

7. Project management

Develop enhanced processes to increase our internal project and program management capability and maturity levels.

³ This activity is part of the implementation of the ASQA Full Cost Recovery Budget Measure.

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 8-17 provides further information on this aspect of our risk management).

Risk management

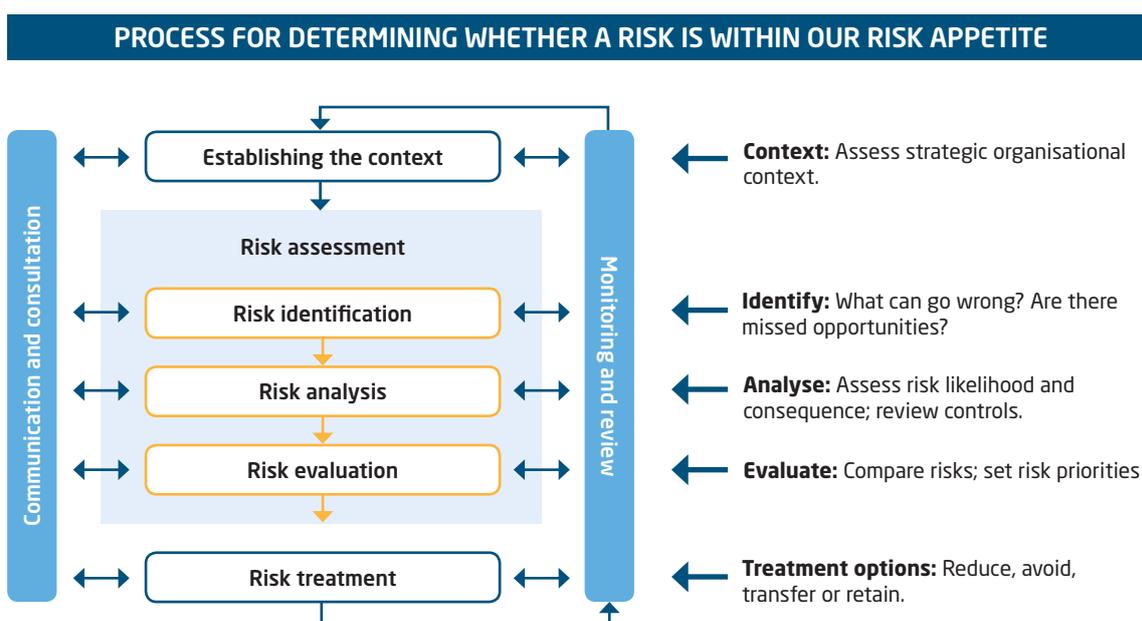
Effective risk management is integral to good corporate governance and management practice, and ensures understanding of which risks are acceptable and which are not.

Risk appetite and tolerance

We must engage with and manage risk to achieve our purpose. Engaging with risk means that some risks will be acceptable and some will not. The accountable authority (ASQA's Chief Commissioner) is responsible for determining how much risk we are prepared to accept—this is referred to as our **risk appetite**.

Our **risk tolerance** is the level of risk-taking that is acceptable in order to manage a category of risk. Risk tolerance defines the limits that support our risk appetite.

The 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.



RISK HIERARCHY AND STRATEGIC RISKS

Our structured approach to managing risk is based on the broad hierarchy of plans and activities outlined in the diagram below.



Of most relevance to this plan is the ASQA Strategic Risk Register, through which we manage the risks most directly related to achieving our purpose.

Identifying and managing strategic risk is an integral part of our corporate planning cycle. Our Strategic Risk Register 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 Strategic Risk Register is reported quarterly to ASQA's Audit Committee and our Senior Management Group.

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. We provide the outcome of risk assessments to the ASQA Audit Committee for review.

2019-2020 ASQA Corporate Plan



Australian Government
Australian Skills Quality Authority

