Review of quality assurance in Victoria’s VET system — Terms of Reference

The Government is fully committed to making Victoria The Education State, and to growing jobs and investment across the State through its Back to Work program.

In a changing economy, vocational education and training (VET) can create real value by providing the skills we need for jobs and growth. VET providers must be trusted to offer world-class learning. Students must have choices that meet their needs, sustain their goals and create a pathway to employment or study. Industry and businesses need faith that training results in high quality skills required in an increasingly competitive environment.

Over recent years there have been growing industry and student concerns with the quality of training in Victoria, including abuse of competency-based funding and attainment.

The Victorian Government made a commitment before the 2014 Victorian election to crack down on low quality VET providers and introduce a new, risk-based, outcomes-focused quality assurance system for government funded training.

The Government is commissioning an external review of quality assurance in Victoria’s VET system (the Review). The objective of the Review is to help restore public confidence in the quality and value of VET in Victoria. The Review will contribute to the broader review of VET funding being led by Mr Bruce Mackenzie PSM.

Background

Australia has a national system of VET quality standards that both training providers and courses must meet. However, the Victorian Government has a particular interest in safeguarding quality training within the state. Victoria is responsible both for funding eligible individuals to undertake VET (approximately $1.2 billion each year) and for ensuring that the entire Victorian training system—comprising government-funded, fee-for-service, international student and Commonwealth-supported VET—is meeting its objectives.

A range of factors can have an impact on the quality of VET, including program design and delivery, the skills and capability of trainers and teachers, the volume of learning undertaken by students and the design and application of assessment tools.

Responsibility for assuring VET quality in Victoria is currently shared. Commonwealth and State regulators both have a role in registering and auditing providers against national standards. The Victorian Department of Education and Training (the Department) has a public obligation to ensure that contracted training providers have used government funding to provide quality training that both meets the needs of industry and leads to employment. Finally, the Commonwealth and Victorian Governments both have a role in offering consumer protections and remedies to students who are unsatisfied with their training experience.

The VET landscape is also changing: nationally, a new set of national standards for VET providers will come into effect in April 2015. In Victoria, the Government is considering referring its regulatory powers to the Commonwealth, has announced a review into the VET funding system, and is determined to ensure that training providers achieve high quality outcomes.

In light of these changes and the Government’s election commitment, it is timely to review the Government’s approach to managing and resourcing quality assurance in VET.
Scope

The Review will:

1. evaluate the effectiveness of:
   a. Victoria’s existing quality assurance measures including the compliance audit program; and
   b. measures to assure students are genuinely attaining appropriate skills within a competency-based system;

2. recommend a new, risk-based, best-practice framework to provide assurance that VET credentials issued support high quality outcomes, meet the skills needs of students and employers and guarantee those skills have been attained (noting the Mackenzie Review may recommend changes to funding settings), including:
   a. quality assurance of government funded VET delivered by registered training organisations, including by third parties; and
   b. opportunities to promote high quality fee-for-service VET, including international education;

3. recommend a functional and resourcing strategy for the new framework, having regard to Victoria’s VET regulatory, contracting and monitoring functions;

4. assess the adequacy of consumer protections available to VET students, including those accessing VET FEE HELP; and

5. make recommendations and identify quality drivers relevant to the Mackenzie Review and Australia’s VET funding architecture.

Timing

The Review’s final report should be provided to government by April 2015 to meet the timeframes of the Mackenzie Review.

Evidence and consultation

The Review will undertake targeted consultation with relevant government agencies, trade unions, employer groups, industry bodies and VET provider peak organisations.

The Review will receive information and other in-kind support from the Department to undertake its work.