



Smart and Skilled: NSW Quality Framework

Smart and Skilled • [Effective from **XX XX 2020**]

The NSW Quality Framework

What is the NSW Quality Framework?

The NSW Quality Framework promotes a shared vision for quality and quality assurance in NSW Government-subsidised vocational education and training (VET) delivered through Smart and Skilled.

The framework does the following:

- Sets out the standard of quality expected under Smart and Skilled
- Explains how the quality of Smart and Skilled providers is measured
- Signals the intent of linking performance on quality measurements to funding and other Smart and Skilled market management activities
- Details Training Services NSW's approach to quality assurance activities.

Underpinning the framework is the expectation that quality under Smart and Skilled exceeds the minimum standards required to operate as a Registered Training Organisation. Instead there is a focus on best practice. What best practice looks like is detailed in the following areas that are key to training delivery and assessment:

- Student-centred approach to the training experience
- Connection to industry so training is relevant and innovative, and students have access to placements and post-training job opportunities
- Individualised support for students, particularly disadvantaged students
- Capability building of their staff and systems
- Using external sources to validate assessment practices.

The framework sets out examples of best practice in these areas but this is not intended to be exhaustive. Providers should seek to explore their own innovative ways of improving in these areas. Providers are encouraged to also seek to develop best practice in other areas of the training experience.

The NSW Government is moving to measuring the effectiveness of services through the outcomes achieved for NSW citizens. Consistent with this is an approach to measuring the quality of training under Smart and Skilled through the outcomes for students and employers. Completion of a qualification is a positive outcome but we are also looking to measure satisfaction and post-training outcomes. These are referred to as 'student outcomes' in the framework.

There is an expectation that providers engaged in best practice will see the highest results in the student outcome measurements. So instead of seeking to observe every provider directly, student outcomes will be used to determine provider performance.

The framework will support discussion with each provider about how to reach best practice. However the Department is also committed to prioritising funding towards training that gives students and employers the best outcomes.

Smart and Skilled providers must ensure compliance with the Australian Skills Quality Authority (ASQA) *Standards for Registered Training Organisations 2015* (the ASQA Standards) and the Smart and Skilled Contract

The framework details how Training Services NSW will conduct close monitoring of training providers' compliance with the Smart and Skilled contract and give students better information and clear avenues for complaint.

What is Smart and Skilled?

Smart and Skilled is designed to give the people of NSW the skills they need to get a job or advance their career. It includes:

- An entitlement for eligible individuals to government-subsidised training up to and including Certificate III qualifications
- Government subsidies for eligible individuals for higher level training and skill sets in priority areas.

Foundation Skills courses are also delivered by TAFE NSW and approved Adult and Community Education (ACE) training providers.

For more information on Smart and Skilled go to: <https://smartandskilled.nsw.gov.au>.

Relationship Management

The Department will support providers to understand the shift towards outcomes and high performance. Smart and Skilled training providers have a single person in the Department of Education to contact for advice, their allocated Strategic Relationship Manager (SRM).

An SRM has an ongoing relationship with a training provider that allows them to understand the training provider's circumstances and provide tailored advice. The NSW Quality Framework informs discussions between SRMs and their training providers, in supporting providers to be compliant with the Smart and Skilled contract and policies, understanding providers' funding management and working towards achieving high performance and better student outcomes.

Measuring student outcomes and performance indicators

The Department has been gathering a variety of information on the outcomes that students achieve from undertaking training under Smart and Skilled.

Initiatives such as the annual Student Outcomes Survey provides the Department with data on the effects of vocational education and training. This includes information such as student satisfaction, employment benefit, personal benefit, training relevance and drop-out rates.

The Department will continue to explore additional mechanisms for measuring student outcomes to expand the measurement and application of indicators in Smart and Skilled decisions.

Provider High Performance

The Department will assess provider performance against the standard of quality highlighted in this document through student outcomes and other relevant indicators. The Department will be using outcomes such as student and employer satisfaction, employment and personal benefits, and student completion rates to measure performance.

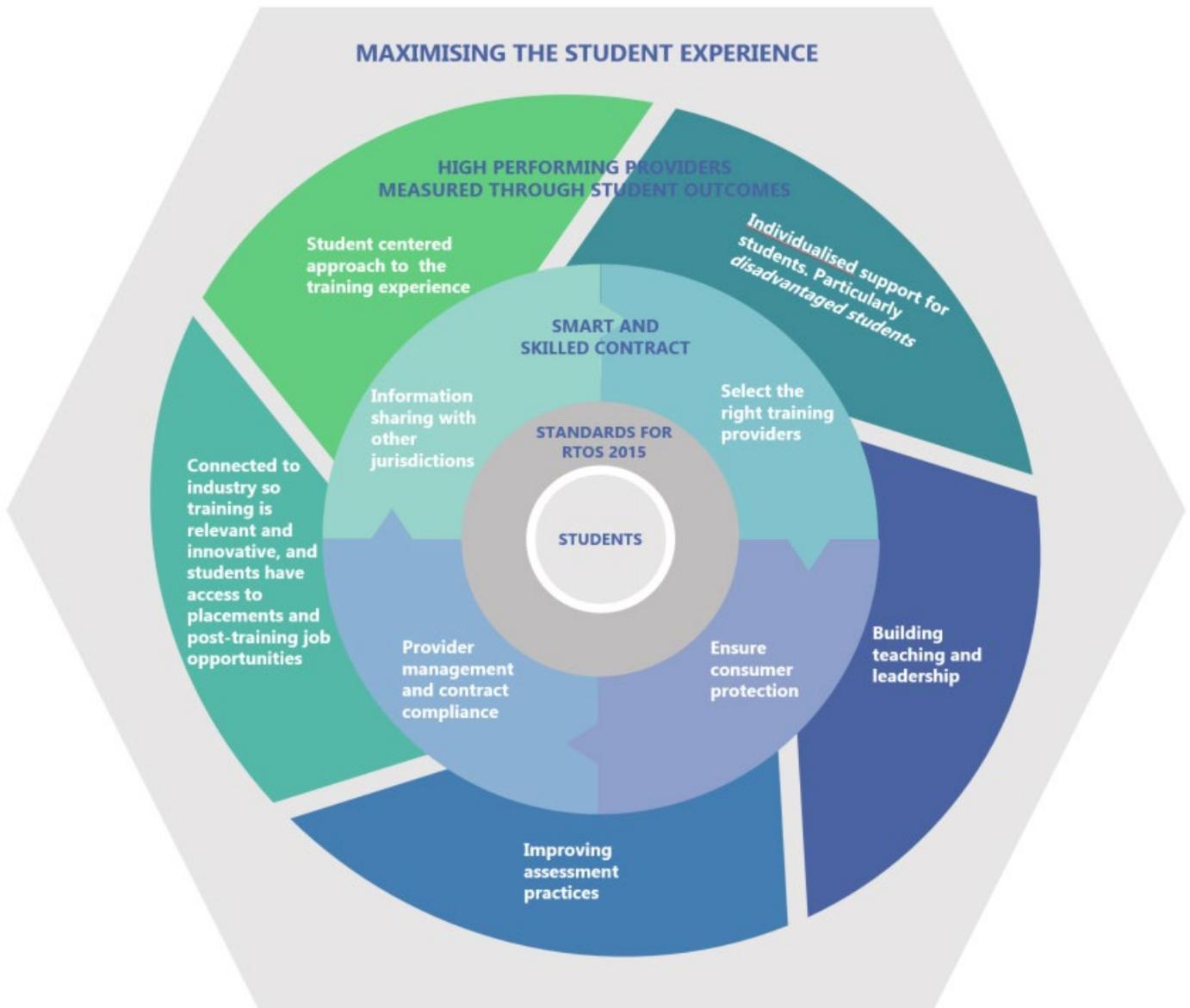
Strong results will be taken as an indication that a provider is adopting best practice. The Department will recognise high performing Smart and Skilled providers through:

- The VET Student Outcomes Snapshots, measuring and sharing the level of training provider performance, which the Department began to share in late 2019
- Using measured student outcomes to more directly inform decisions regarding providers' funding and contracts, and market management more broadly.

The NSW Quality Framework

Moving from the centre outward to the first circle in the diagram below, Smart and Skilled providers must comply with the ASQA Standards for RTOs and their obligations under the Smart and Skilled contract. The Department also expects Smart and Skilled providers to expand their focus from the centre ring toward achieving better student outcomes by actively seeking to become high

performing in the market. Areas of the training experience identified by the Department as linked to high performance are shown in the outer ring in the diagram below, and are detailed from the next page of this document. By focusing on best practice behaviours, providers will be focusing on the student and working toward maximising their outcomes and overall experience in their vocational education and training journey.



High quality under Smart and Skilled

Student centred approach to the training experience

Students and their interests should be at the heart of the training experience. Providers should be looking to understand and respond to the goals and needs of their students and employers. Student centred approaches inform the best practice activities listed below but there are overarching practices that providers can put in place:

- Focus on the student journey so that training is designed to meet the training requirements and circumstances of each student from enrolment through to post-training outcome.
- Seek regular feedback from students and employers on the training experience through surveys or other tools.
- Validate changes to training delivery with students and employers to see if it meets their needs.

Connection to industry so training is relevant and innovative, and students have access to placements and post-training job opportunities

Industry plays an important and ongoing role in identifying the current and future skills needs of NSW through their input into the NSW Skills List and engagement with training providers. Industry and employers help drive the quality of training so that training continues to meet their needs.

The Department is encouraging training providers to actively engage with industry to demonstrate excellence in their training delivery that meets the needs of the student.

The Department is encouraging providers to be engaged with industry at a level that demonstrates excellence and high performance, for example:

- Providing training that reflects an understanding of market delivery gaps and who will be needed to fill those gaps, for example identifying and working to address skills shortages in local industries
- The use of pre-vocational training that suits industry
- Following and supporting students into appropriate employment

- Responding to the Department's directions on priority industries and areas of focus, at the local, regional and state level (for example, which qualifications are a priority)
- Rewarding provider innovation in training delivery and business practice
- Supporting industry to innovate and contribute to the prosperity of NSW.

Individualised support for students

The provision of supports for students is key to high performance, especially in terms of student completion rates. NSW Student Outcomes Survey data show that students that receive additional support are more likely to successfully complete their qualification. For students who needed additional support but did not receive it, their completion rate is substantially below the overall average.

Support for students can take many forms, including (but not limited to):

- Counselling
- Mentoring
- Assistance with managing the training alongside other commitments (for example, childcare and work)
- Support with reading/writing and maths
- Assistance with English (for those from a non-English speaking background)
- Reasonable adjustments and extra support for students with disability or special needs (for example, sign language interpreting, screen magnifiers for computers, modified assessment conditions).

The Department is encouraging training providers to adopt a person-centred approach to education that understands the strengths and interests of the individual. This means engaging with each student to understand their training needs and aspirations and tailoring training and supports accordingly.

Support for students is particularly important regarding:

- Appropriate course selection for the individual
- Reasonable adjustment to training and/or assessment practices, for example, to accommodate the needs of a student with disability
- Work experience and exposure to the workplace
- Assistance to enter employment, for example by connecting students to employers, and assistance with job search and interview preparation.

The Department is encouraging training providers to apply a principle of generalised access to support. Accessing supports as needed should be normalised and encouraged for all students. Disclosure of a particular status should not be a barrier to accessing support (for example diagnosis of a specific disability or condition). Training providers should also recognise that an individual may experience multiple forms of disadvantage that require support.

Nonetheless, training providers should pay particular attention to the needs of specific groups of students that tend to experience barriers and challenges that disadvantage them in training, including:

- Aboriginal and Torres Strait Islander people
- People with disability
- People who are/have been long-term unemployed
- People living outside of metropolitan areas, especially people in remote areas
- People eligible for a Smart and Skilled fee exemption, concession or fee-free scholarship
- People from culturally and linguistically diverse backgrounds
- Refugees and asylum seekers
- People experiencing poverty.

Examples of best practices include:

- Collaboration with schools and employers to ensure students experience smooth transitions into further education and into employment. Collaboration with other service providers, for example National Disability Insurance Scheme (NDIS) providers or Jobactive employment services, to ensure integrated support of students throughout their training. Collaboration is especially important in regional and remote areas.
- Use of individual education-to-employment plans, including any accommodating reasonable adjustments to the training and/or assessment practices and any additional supports provided to the student (including supports delivered collaboratively by external service providers). This is especially valuable for students with disability.
- Identification of any additional learning needs to complete the training, such as development of foundation skills, and assistance to access this.
- Personalised course selection support when requested by students.

- Clear communication (especially online) of the requirements and expectations of training including week-by-week learning outcomes and the scope for students to progress at their own pace. It is also helpful to identify the inherent requirements of training and opportunities to modify learning experiences to meet individual student needs.
- Foster a culture that normalises support and accommodation of student needs in training and actively counters stigma associated with disclosure of student characteristics, such as disability.
- Staff undertake regular professional development around delivering training and communicating effectively with specific groups, for example Aboriginal cultural competence and disability awareness.
- ‘Champions’ within training providers who increase the visibility and understanding of disadvantaged student groups, such as Aboriginal and Torres Strait Islander people and people with disability. This helps to break down the stigma and discrimination that these groups of students may experience.
- Sharing of learnings and expertise with other training providers and not ‘reinventing the wheel’ in developing good practices.

Improving assessment practices

The Department is encouraging providers to consider the effectiveness of their assessment practices and systems to ensure they reach beyond the assessment requirements of the relevant training package.

This includes:

- The development of assessment materials that capture all requirements from units/modules to best capture what competence looks like
- Reasonable adjustment to assessment practices, taking each student’s individual circumstances into consideration when planning how they will be assessed and providing additional support where required
- Setting appropriate benchmarks that measure students using ‘observable behaviours’, to show each individual student has actually undertaken the required tasks and this has been contextualised appropriately
- Use of external evidence to validate the assessment process (see next section).

Using external sources to validate assessment

The integrity of competency based training relies on students who have been assessed as competent being able to demonstrate the relevant skills once employed in the relevant industry.

Best practice providers will look for ways to ensure their assessment practices result in good workplace outcomes. The use of external evidence is a good way to gain confidence in assessment process and can be used to highlight to students and employers the effectiveness of the training experience.

Examples of using external sources to validate include: external review of assessment processes, independent assessment of students (either for all students or a sample), surveys of employers to ask if graduate students had the skills expected, monitoring post-training outcomes for students.

The ASQA Standards require that training providers must undergo independent validation of assessment practices in regard to the Training and Education (TAE) Training Package. Independent validation of assessment beyond TAE qualifications is one way to aim for best practice under Smart and Skilled.

There is also the option to show best practice by organising independent assessment of students by a third party assessing body. This can be a voluntary exercise that gives the student an additional demonstration of fulfilling competency requirements. Alternatively, assessment can be designed to include a final independent assessment through a capstone exam.

Building teaching and leadership

Building capability in teaching and leadership is critical to quality training and improved student outcomes.

To build up the capabilities of trainers, assessors and administrators, the *Smart and Skilled Training and Leadership Policy* (available on www.training.nsw.gov.au) gives training providers direction on:

- Developing and implementing a Continuing Professional Development Policy
- Ensuring opportunities for improvement identified in performance reviews are seized
- Providing feedback on professional development needs.

The Department is encouraging providers to use their *Continuing Professional Development Policy* to

demonstrate professional development and continuous improvement above and beyond the requirements of the *Smart and Skilled Training and Leadership Policy*. This will help to ensure high performance in the market and quality training for students.

The Department is encouraging the adoption of best practice in the areas listed in this section to ensure that the student experience and outcomes are maximised, and they receive the best supports and quality training from their selected provider.

Through the NSW Quality Framework, the Department continues to also ensure that providers are complying with their obligations as a Registered Training Organisation (RTO) and as a Smart and Skilled provider.

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Training Services NSW's approach to quality assurance

It is integral that training providers maintain compliance with the ASQA's Standards for RTOs and their obligations under the Smart and Skilled contract. The following sections highlight the areas of compliance that contribute to quality.

Information sharing with other jurisdictions

Working with ASQA

The Department shares an interest with the national regulator, ASQA, in:

- maintaining quality
- managing risk
- protecting students.

ASQA focuses on compliance with national standards for training providers. The Department focuses on training provider compliance and performance under the Smart and Skilled contract.

The Department has an information sharing protocol with ASQA to foster cooperation and information sharing in relation to audit and monitoring arrangements. The Department is interested in the performance of training providers including their financial viability. This ensures appropriate, timely action by ASQA and the Department so student needs are met.

The Department meets with ASQA on a regular basis.

Working with other governments and agencies

The Department works with other governments and agencies to share information on the performance of training providers that deliver government-subsidised training.

We share an interest with other governments and agencies, including the Australian Department of Education, Skills and Employment and NSW Fair Trading in:

- safeguarding the rights of consumers
- creating a fair and equitable VET market
- protecting students.

Training Services NSW signed a memorandum of understanding with NSW Fair Trading to this effect in April 2016.

Selecting the right training providers

A training provider applying to deliver training under Smart and Skilled must meet stringent quality and performance criteria.

The Department assesses eligible training providers on their capacity, capability and performance as an RTO and in delivering training required for Smart and Skilled. This includes consideration of the learning environment provided by the RTO.

The eligibility criteria and assessment criteria for providers wishing to apply for Smart and Skilled are included in the *Smart and Skilled Policy for Market Management 2020-21 (Application for a Smart and Skilled Contract)* available on the Training Services NSW website.

Provider management and contract compliance

Effective contracting

The Smart and Skilled Contract states the Department's objectives and expectations for delivering training under Smart and Skilled.

Through the Contract, the Department works with Smart and Skilled training providers to both ensure compliance with requirements, and build capability and proactively encourage good practice.

The Department applies a risk-based approach to monitoring performance and viability, including the financial viability of training providers under contract (see Performance Monitoring below). Smart and Skilled training providers will have the opportunity to respond to any performance issues.

Where it is not possible for issues to be resolved, the Department has a range of sanctions which can be imposed when unresolved issues are considered an Event of Default.

These measures include:

- suspending all or part of the training provider's rights under the contract
- withholding in whole or in part any subsidies payable to the training provider
- placing any further conditions in relation to government-subsidised training
- varying the contract
- exercising other rights under the contract or terminate the contract.

Performance monitoring

The Department monitors and reviews the performance of Smart and Skilled training providers to maintain and enhance quality training.

Our performance monitoring strategy is flexible so it can respond to varying risks and training provider performance issues.

The objectives of performance monitoring are to:

- Confirm delivery of the intended government-subsidised training
- Confirm ongoing contractual compliance
- Ensure maintenance of standards
- Inform provider risk assessment.

Risk and Performance Indicators

Measurable risk and performance indicators guide the Department's performance monitoring priorities.

The risk and performance indicators assigned to a Smart and Skilled training provider will inform the nature and level of monitoring activities the Department will undertake with the training provider.

Risk indicators include:

- Industry factors or qualifications where there are identified risks
- Level of funded activity
- Reported subcontracting and brokering arrangements.

Performance indicators are based on:

- Obligations under the Smart and Skilled Contract
- Timeliness and accuracy of data lodgement
- Training completion rates
- Complaints lodged.

Methods

- Performance monitoring methods include:
- Self-assessment
- Surveys
- Interviews
- Desktop monitoring
- Site visits
- Investigations.

The Department also relies on information provided from ASQA, NSW Fair Trading, Smart and Skilled consumers and other jurisdictions to alert the need for performance monitoring of a Smart and Skilled provider.

Ensure consumer protection

Students must have a clear avenue of complaint.

A Smart and Skilled training provider must have complaints handling procedures in place to ensure students are aware of their consumer rights and know how to make a complaint.

If a student, employer or other interested party can seek assistance or advice about a training provider, or give feedback about one. The Department can assist a consumer with a complaint about a training provider or refer them to the appropriate agency, as the *Smart and Skilled Consumer Protection Strategy* (available on www.training.nsw.gov.au) explains.

The Department complements other help available to consumers of VET:

- National Training Complaints Hotline
- Fair Trading NSW
- ASQA
- Australian Competition and Consumer Commission (ACCC).

Measuring consumer protection

The Smart and Skilled Contract protects the rights of consumers by requiring training providers to:

- Have established, documented and accessible consumer feedback and complaints handling policies and procedures
- Identify a dedicated consumer protection officer and make their contact details readily available
- Provide students with details of an organisation's processes and pathways for resolving or escalating complaints
- Obtain a signed declaration from each student to confirm receipt of consumer protection information.

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