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Overview of the Credential Policy and Compliance Requirements

# To facilitate clear and outcome-focussed Standards that go to the heart of quality training delivery, the revised Standards for RTOs comprise three elements:

# the Outcome Standards

# the Compliance Requirements (including the Fit and Proper Person Requirements and NRT Logo Conditions of Use Policy), and

# the Credential Policy.

# The draft Credential Policy and Compliance Requirements largely reflect requirements drawn from the current Standards for RTOs. Where changes are proposed to existing requirements, these are outlined below.

Final agreement to the legislative instruments to enact the Outcome Standards, Credential Policy and Compliance Requirements will be sought from Skills Ministers in late 2024.

# Credential Policy

The draft Credential Policy sets out the credential requirements for people delivering training and assessment and undertaking validation of assessment. This largely reflects existing credential requirements from the current *Standards for Registered Training Organisations (RTOs) 2015* (the Standards),which were last updated on 1 March 2024. Further information on the early changes to the Standards for RTOs is available at [Early Changes to the Current Standards for RTOs - Department of Employment and Workplace Relations, Australian Government](https://www.dewr.gov.au/skills-reform/quality-reforms/early-changes-current-standards-rtos). The Credential Policy has provided an opportunity to further refine the credential requirements of persons delivering training, assessment, or validation, and to clarify areas which were unclear based on the sector’s feedback on the early changes.

All individuals delivering training and assessment will continue to be required to meet requirements in the Standards around holding relevant industry competencies, skills and experience, maintaining an understanding of current industry practices, and undertaking professional development to maintain current skills in training and assessment.

In addition to reflecting existing requirements, the following further changes are proposed in the draft Credential Policy:

* Enabling individuals who hold the 2010 version of the Certificate IV in Training and Assessment (TAE40110) to deliver training and assessment without needing to hold the two additional units of competency in addressing adult language, literacy and numeracy skills and designing and developing assessment tools.
  + While recognising that previous changes to the Standards in 2016 requiring qualification upgrades caused burden and expense to the sector, this change is designed to alleviate the sector’s concerns around mandatory upgrades and help ease workforce pressures by enabling those holding the 2010 version of the qualification to re-enter the workforce without completing additional units.
  + This would also support greater alignment with the latest version of the Certificate IV in Training and Assessment (TAE40122), given that the updated versions of the additional units are no longer core units in the qualification.
  + To ensure currency of skills and quality training for those with the older qualification, the Standards would still require all trainers and assessors to undertake professional development to ensure current skills and knowledge in training and assessment, and to hold relevant industry competencies, skills and knowledge.
* Expanding the term ‘diploma or higher-level qualification in adult education’ to ‘diploma or higher-level qualification in adult education **or vocational education and training**’, and inclusion of a definition to provide greater clarity and address existing confusion around this term identified in consultation feedback. This will help clarify that persons with vocational education and training qualifications can deliver training and assessment.

The draft Credential Policy is also designed to provide clarification in areas where consultation has shown that this is needed. This includes:

* clarifying that RTOs must ensure the credentials held by trainers and assessors are relevant to the context they are working in,
* reinforcing the requirement for trainers and assessors to have industry competencies, skills and knowledge, and
* clarifying the role of the person providing direction, including where they are providing direction to industry experts.

# Compliance Requirements

The draft Compliance Requirements set out the conditions that all RTOs must meet to obtain or maintain registration. The content of the Compliance Requirements reflects administrative and process-driven requirements drawn from the current Standards, with amendments to make requirements easier to navigate, and some changes to better support integrity. There will be two Schedules attached to the Compliance Requirements instrument to incorporate the Nationally Recognised Training (NRT) Logo Conditions of Use Policy, and the Fit and Proper Person Requirements (FPPRs). Please note these draft Schedules contain no changes to the current FPPRs, and minimal changes to streamline the NRT Logo Conditions of Use Policy as outlined below.

Key changes to administrative requirements for RTOs include:

* Broadening concepts in the current Standards into a general requirement to ensure secure maintenance of learners’ personal information, to highlight the importance of this.
* Including a requirement around retention of learner assessment items previously enshrined in guidance, and extending the retention period to at least two years following the learner’s completion of the training product to ensure evidence is available to support regulatory activities.
* Reducing the retention period for records of AQF certification documentation issued from 30 years to seven years if a student completes a training product on or after 1 January 2015,

to address concerns around data custodianship and align more closely with other sectors.

* Where a training product is superseded, replacing the set timeframe for transitioning or teaching out existing learners with a requirement that this be undertaken in a timely manner, while retaining the one-year timeframe to cease enrolment of new learners. This is designed to minimise disruption for existing learners and reduce administrative burden on RTOs while ensuring speed-to-market by retaining the time limit for enrolling new learners and reducing the number of requests for extensions to the transition period. Jobs and Skills Councils (JSCs) would retain the ability to recommend adjustments to VET regulators by exception based on stakeholder consultation, for example to recommend set end-date for delivery of a particular training product to existing learners where required to address safety risks or licensing implications.
* Simplifying requirements around the submission of the annual declaration on compliance.
* Clarifying requirements for notifying the VET Regulator of material changes, and reducing the timeframe from 90 days to 10 business days to strengthen integrity.
* Clarifying requirements around third party arrangements, by providing a more detailed definition and further detail about what must be included in written agreements with third parties, drawing on regulatory guidance and related frameworks to support greater clarity and consistency.
* Removing requirements that duplicate requirements in the *National VET Regulator Act 2011* to reduce regulatory burden.
* Streamlining prepaid fee protection requirements to support navigation and clarity.
* Streamlining requirements on the use of the Nationally Recognised Training (NRT) Logo to reflect existing requirements from the current Standards in addition to ASQA’s NRT Logo Specifications.