



# Department of Education and Training

Higher Education and Skills Group

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Mr Lee Tudor  
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Training Practical Solutions Consultancy Pty Ltd  
39 Colemans Rd  
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Dear Mr Tudor

## **2018 SKILLS FIRST AUDIT AND ASSURANCE PROGRAM - BUSINESS PROCESS AUDIT OUTCOME**

I write regarding the *Skills First* Audit and Assurance Report (**the Report**) dated 19 March 2019, for the Business Process Audit (**BPA**) conducted at Training Practical Solutions Consultancy Pty Ltd (**TPSC**) by EY (**the Auditor**) on 14 February 2019.

The audit consisted of an examination of your organisation's business processes in order to assess your organisation's compliance with the 2018-19 Standard VET Funding Contract (**the Contract**).

The Report provided by the auditor identified non-compliances in relation to Pre-Training Review, Training Plan, Training Participation, Data Reporting and Internal Audit checklist.

The findings are described below.

### **Pre-Training Review (Report Ref. 2.1)**

Testing of two BPA student files, the auditor noted the following in both the cases:

- a. Pre-Training Review did not consider the individual's existing educational attainment and capabilities; and
- b. Pre-Training Review did not adequately ascertain the individual's aspirations and interests while assessing suitability of the course.

The Department acknowledges TPSC's corrective action to ensure all PTR requirements are addressed.

In addition, the Department encourages TPSC to refer to Contract Notification *CN 2018-12 Sample template for Pre-Training Reviews* that was published on SVTS on 23 March 2018. This template is an optional and customisable PTR template that provides further guidance on good PTR practice.

The Department reminds PTSC of its obligations under the Contract to:

- a. Conduct a PTR in accordance with the Contract, and retain and make available to the Department or its auditors, all records relating to Training Services, including evidence of each PTR conducted (Clauses 5.2 d) and 10.9 e) ii) of the Contract);
- b. Complete a PTR as part of enrolment, or prior to course commencement, to ascertain a suitable, and the most suitable, course for that student to enrol in (Schedule 1, Clause 5.1 and 5.4 of the Contract). Each PTR must:
  - i. Ascertain the individual's aspirations and interests with due consideration of the likely job outcome from the development of new competencies and skills;

- ii. Consider the individual's existing educational attainment and capabilities;
  - iii. Include consideration of literacy and numeracy skills;
  - iv. Identify any competencies previously acquired;
  - v. Ascertain that the proposed learning strategies and materials are appropriate for that individual;
  - vi. Identify the individual learner's digital capacity (where the proposed learning includes portions delivered online);
  - vii. Be carried out consistently with any applicable requirements in the Quality Charter; and
  - viii. Document how the Training Provider determined the course or qualification was suitable, and the most suitable, training option for that Eligible Individual to enrol in.
- c. Not enrol an Eligible Individual in a course or qualification that is at an inappropriate level for that student (Schedule 1, Clause 5.4 of the Contract).

### **Training Plan (Report Ref: 2.2)**

Within two BPA student files tested, the Auditor noted:

- a. One instance where the scheduled hours detailed on the student's Training Plan did not match the scheduled hours reported to SVTS or the hours detailed within the TAS; and
- b. One instances where the units detailed on the student's Training Plan did not match the units detailed within the TAS.

Notwithstanding TPSC's reported corrective actions, the Department reminds TPSC of its obligations under the Contract in regards to Training Plans to:

- a. Develop and document Training Plans in accordance with the Contract (Clause 5.2 f) of the Contract);
- b. Document information on training and assessment in a Training Plan to be provided for all Eligible Individuals. Where Eligible Individuals are not Apprentices or Trainees, the Training Plan may be documented either as a group of individuals, or a single individual. Apprentices and Trainees must have Training Plans documented for a single individual (Schedule 1, Clause 7.1 of the Contract);
- c. Include all information under Schedule 1, Clause 7.2 of the Contract; and
- d. Be consistent with the qualifications or competencies to be attained and customised (as required), including the needs identified in the Pre-Training Review (Schedule 1, Clause 7.3 of the Contract).

### **Training Participation (Report Ref. 2.3)**

Testing of 11 subjects across two BPA samples, the auditor noted two instances where no valid second point of Evidence of Participation was sighted within the last month of the Activity End Date where a unit of competency is greater than one month in duration.

Notwithstanding TPSC's Management Comments, the Department reminds your organisation of its obligation under the Contract to:

- a. Retain and make available to the Department or its auditors, all records relating to Training Services, including Evidence of Participation (Clause 10.9 e) i) of the Contract);
- b. Support all Training Services with Evidence of Participation in accordance with Schedule 1, Clause 11 of the Contract, for each unit of competency/module delivered for each Eligible Individual (Schedule 1, Clause 11.1 of the Contract);

- c. Retain and provide at audit one point of Evidence of Participation per unit of competency/module if the period between the Activity Start Date and Activity End Date (inclusive) for the unit of competency/module is one month or less (Schedule 1, Clause 11.3 a) of the Contract); and
- d. Retain and provide at audit two points of Evidence of Participation per unit of competency/module if the period between the Activity Start Date and Activity End Date for the unit of competency/module is greater than one month, including one point within the first month and one point within the last month of training delivery and/or assessment as identified by the reported Activity End Date. Two different forms of Evidence of Participation must be used (Schedule 1, Clause 11.3 b) of the Contract);

### **Internal Audit Checklist (IAC)**

The Auditor reviewed TPSC most recent Internal Audit Checklist, which was reported conformance with all requirements, however, the scale of exceptions identified in the BPA indicated major control weaknesses.

The Department reminds TPSC of its obligations under the Contract to conduct an internal audit of its compliance with the Contract, ensuring it is signed off by the CEO, and for any non-compliances identified to develop and action a rectification plan within a reasonable timeframe (Clauses 11.4 and 11.5 of the Contract).

### **Publishing of ASQA Audit Results (Report Ref. 1.3)**

As reported by the auditor, your organisation was most recently audited by ASQA in June 2018 but the audit results were not published on your website.

The Department reminds TPSC of its obligations under the Contract to publish a summary of its latest registration audit information in a prominent position on its website. The minimum registration audit information to be published by the Training Provider is as follows:

- a. audit date;
- b. qualifications audited (list all qualifications audited on the above audit date); and
- c. audit outcomes as follows:
  - i. audit non-compliance identified: Yes / No;
  - ii. a summary of significant and/or critical non-compliances and actions taken to rectify; and
  - iii. non-compliances rectified: Yes / No / Not Applicable.

### **Management Action Plan (MAP)**

In accordance with Clause 11.3(b) (iii) of the Contract, TPSC is required within six months of the date of final BPA Report, to advise the Department in writing of the steps taken to comply with and implement the MAP. The Department notes your MAP, which lists the persons responsible for each item and the target completion dates.

### **Review of Findings**

The findings in the BPA Report constitute Material Breaches as defined in Clause 1.1 of the Contract. The Department reserves all of its rights under the Contract, including those described in Clause 17.2 such as the right to suspend part or all of the provision of Training Services under the Contract, withhold or suspend payment of any funds, require the refund of funds already paid, or require the payment of a monetary penalty.

Upon review of the findings, the Department has determined that no further audit activity will be undertaken at TPSC at this time. However, the Department will continue to monitor your organisation's compliance with the Contract.

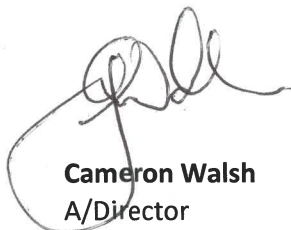
**Next Steps**

TPSC is requested to update the Department when their recent ASQA audit results will be published on their website. The response can be provided within 10 business days from the date of this correspondence.

You have been sent a message via the SVTS containing a link to the Skills First Contract Compliance Audit Program Satisfaction Survey, which you are encouraged to complete. This will enable us to improve the quality of the Audit Services.

Lastly, I thank you for your organisation's co-operation throughout the conduct of the audit to date, including the assistance provided by your staff throughout the process.

Yours sincerely



**Cameron Walsh**

A/Director

Funding and Assurance Services

Dated: 10 April 2019