

Skills Assure Supplier

Third Party Arrangements

Fact sheet

The purpose of this fact sheet is to outline circumstances when a Skills Assure Supplier (SAS) is able to subcontract to a third party to deliver Training and Assessment services under its SAS Agreement, the Department's policies and the *Standards for Registered Training Organisations (RTOs) 2015* (the Standards). The fact sheet also lists the requirements that must be met by the SAS.

A. Use of Subcontractors to deliver services

A **Subcontractor** means an entity that is a party to a Third Party Arrangement with the SAS.

A **Third Party Arrangement** means:

- a) a subcontract for delivery of any part of the Services under the SAS Agreement; and
- b) the arrangements described as "Third Party Arrangements" in the Standards for Registered Training Organisations 2015 and any updated or replacement guides or fact sheets published by ASQA from time to time.

Training and Assessment services means:

- a) vocational education and training provided in Queensland to a student in accordance with the VET Quality Framework;
- b) assessment provided in Queensland to a student in accordance with the VET Quality Framework and the *National Vocational Education and Training Regulator Act 2011* or;
- c) services to students, incidental to and supporting of the provision of activities in paragraphs (a) and (b).

In Queensland, SAS are not able to subcontract services from recruitment agents or brokers, or employment/job service agencies, or provide any form of payment for the recruitment of students (clauses 14.5, 14.6 and 18.7 SAS Agreement, SAS Policy Performance standard 3.B, and, Marketing and disclosure directives).

B. Agreement to be in writing

Where Training and Assessment services are provided on behalf of a SAS by a Subcontractor, provision of those services must be the subject of a written agreement and notified to the Australian Skills Quality Authority in accordance with the Standards (clause 2.3 and 8.3 of the Standards).

SAS must also provide the Department with notification that it has entered into a Third Party Arrangement within 10 business days of entering into the arrangement (clause 18.2 (b) SAS Agreement).

C. SAS remains liable

The SAS must ensure that a Subcontractor delivering Training and Assessment services on its behalf complies with the requirements of the SAS Agreement and the Department's policies.

All obligations, duties or liabilities under the SAS Agreement and Department's policies remain the responsibility of the SAS, irrespective of any arrangements or agreements it may have with Subcontractors concerning the funding program (clauses 18.2, 18.5, and 18.6 SAS Agreement, SAS Policy and Performance Standard 3.B).



The SAS must ensure the Subcontractor:

- possesses a sound knowledge of SAS obligations stipulated in the SAS Agreement and Department's policies;
- regularly reviews all relevant policies; and
- cooperates fully with SAS performance monitoring activities, including allowing the Department and any auditors acting on the Department's behalf, access to the Subcontractors premises to conduct SAS compliance audits. This means providing all necessary records, documents, information or reports to indicate proper conduct and compliance with all aspects of the program (SAS Policy Performance standard 3.A and 3.F, clauses 18.2, 19.7 and 19.9 of SAS Agreement).

The SAS must ensure that it systematically monitors the Subcontractor's Training and Assessment strategies and practices to ensure ongoing compliance with the SAS Agreement and Department's Policies (clauses 2.2 and 2.4 of the Standards).

D. Provision of information to students

Where some or all of the Training and Assessment services are to be subcontracted, the SAS must:

- notify any prospective student of the name and contact details of the Subcontractor, and the Training and Assessment services to be provided by the Subcontractor;
- distinguish where it is delivering training and assessment on behalf of another SAS or where Training and Assessment is being delivered on its behalf by a third party (clause 4 of the Standards); and
- where there are any changes to subcontracting arrangements, advise the student as soon as practicable (clauses 4.1 and 5.2 of the Standards, SAS Policy Performance standard 1.F and Marketing and disclosure directives).

E. Advertising

The SAS must not subcontract or enter into an arrangement whereby the Subcontractor promotes, markets or advertises the program or the SAS' status as a Skills Assure Supplier for the Program (clause 18.7 of SAS Agreement clause).

F. Directives

Where the Department identifies that the SAS is subcontracting services to an organisation or individual that has previously failed to meet the requirements of the SAS Agreement, Departmental policies or the Standards, the Department may issue a directive for the SAS to cease using the subcontractor (clause 18.3 SAS Agreement).

The Department may also request a copy of any Third Party Arrangement within five business days if requested (clause 18.4 SAS Agreement).