



**Australian Government**  
**Australian Skills Quality Authority**

# REPORT

## **Audit report: Acknowledge Education Pty Ltd**

Dates of audit: 12 – 14 February 2019

Date report created: 22 March 2019

Date report updated: 5 August 2019



## Organisation details

Organisation's legal name:	Acknowledge Education Pty Ltd
Trading name/s:	Australian Surf Industry Training School Front Cooking School Melbourne Language Centre Acknowledge Creativity Stott's College
RTO number:	4112
CRICOS number:	00197D

## Audit team

Lead auditor:	Terence Bowden
Assistant/s:	Merran Howse, Rebecca Caine, Ana Bratkovic

## Audit details

Application number/s:	RENVET0003968	
Audit number:	AUDREC0008884	
Audit reason	Application - renewal	
Address of site/s visited:	166-172 Exhibition Street, MELBOURNE 3000	
Date/s of audit:	12 – 14 February 2019	
Organisation's contact for audit:	Ben Saporta b.saporta@ae.edu.au	Operations Manager 03 9663 3399

## Original finding at time of audit

**Audit finding: Serious non-compliance**

**Report completed by:** Terence Bowden

Practice	Standards for RTOs 2015	National Code 2018	ELICOS Standards 2018	Finding
Marketing/ Recruitment	4.1	1.2, 1.3, 1.4		Compliant
Enrolment	5.2,	2.1, 3.4		Not compliant
Enrolment	5.1, 5.3, 7.3	2.2, 3.1, 3.3, 3.5, 8.5	P1.1, P1.2, P3.1	Compliant
Support and Progression	1.7			Not compliant
Support and Progression		6.1, 6.2, 6.3, 6.4, 6.5, 6.6, 6.9, 8.1, 8.3, 8.4, 8.9, 8.13, 8.14, 8.15, 8.16, 9.1, 9.2, 9.3	P6.9	Compliant
Training and Assessment	1.1, 1.2, 1.8			Not compliant
Training and Assessment	1.3, 1.13-1.18	8.18,8.19, 11.1, 11.2	P4.1, P5.1, P5.2, P5.3, P6.4, P6.7, P6.8, P7.3	Compliant
Completion	3.1			Not compliant

Regulatory Compliance / Governance	2.4, 8.2, 8.5			Not compliant
Regulatory Compliance / Governance	2.3	4.1, 4.2, 4.3, 4.4, 4.5, 4.6		Compliant

### Audit finding following analysis of additional evidence

**Audit finding following analysis of additional evidence provided on 14/06/2019 : Minor non-compliance**

**Report completed by:** Terence Bowden

Practice	Standards for RTOs 2015	National Code 2017	ELICOS Standards 2018	Finding
Enrolment	5.2	2.1, 3.4		Compliant
Support and Progression	1.7			Compliant
Training and Assessment	1.1, 1.2, 1.8			Compliant
Completion	3.1			Compliant
Regulatory Compliance /Governance	2.4, 8.2			Compliant
	8.5			Not Compliant

### Background

Summary of organisation and management structure:

- The organisation initially registered as an NVR and CRICOS provider in 1991. It's NVR registration status is current pending re-registration, and it's CRICOS registration is due to expire on 30 December 2019.
- In addition to VET and ELICOS training products, the organisation is registered by:
  - Victorian Registration and Qualifications Authority as a Year 11 and 12 secondary school provider, and
  - Tertiary Education Quality and Standards Agency as a provider of tertiary education.
- Ms Suzanne Jackson is the Chief Executive Officer (CEO) of the organisation reporting to a board of directors. The organisation has over 50 corporate staff and employs around 50-60 trainers. The organisation has academic and non-academic divisions. Senior academic staff include heads of departments, course coordinators and campus managers. The senior management group consists of the CEO, Chief Financial Officer, Chief Risk Officer and Chief Operating Officer.
- The organisation's Higher Education, VET and ELICOS courses are marketed as educational pathways under its four trading names:
  - **Stott's College** – Bachelor Degrees in business, community services, accounting; VET training products from business services, community services and health Training Packages; Senior secondary courses
  - **Front Cooking School** – Certificate III to advanced diploma level VET training products from the hospitality Training Package
  - **Acknowledge Creativity** – Diploma of Creative Enterprises (Higher education) also Diploma level training products from the creative arts Training Package.
  - **Melbourne Language Centre** – ELICOS training products.

Scope of registration:

- *BSB40515 Certificate IV in Business Administration*
- *BSB50215 Diploma of Business*
- *BSB51415 Diploma of Project Management*
- *BSB60215 Advanced Diploma of Business*
- *CHC33015 Certificate III in Individual Support*
- *CHC52015 Diploma of Community Services*
- *CUA51115 Diploma of Visual Arts*
- *FNS60215 Advanced Diploma of Accounting*
- *HLT54115 Diploma of Nursing*
- *SIT30816 Certificate III in Commercial Cookery*
- *SIT31016 Certificate III in Patisserie*
- *SIT40516 Certificate IV in Commercial Cookery*
- *SIT40716 Certificate IV in Patisserie*
- *SIT50416 Diploma of Hospitality Management*
- *SIT60316 Advanced Diploma of Hospitality Management*
- *080623F Cambridge Advanced Certificate Exam Preparation Course*
- *080624E Cambridge First Certificate Exam Preparation Course – Higher Intermediate*
- *080625D English for Academic Purposes (1-52 weeks)*
- *080626C English for Health Professionals (Elementary to Upper Intermediate) (1-52 weeks)*
- *080627B English for Secondary Schools*
- *080628A General English (1-52 weeks)*
- *080629M IELTS Preparation (Upper Intermediate to Advanced).*

Suburb and state of all delivery locations (CRICOS capacity included in brackets):

- 166-172 Exhibition Street, MELBOURNE 3000 (2,936)
- 107 Brunswick Road, BRUNSWICK 3056 (480)
- 242 Lygon Street, CARLTON 3053 (240)
- 252 Lygon Street, CARLTON 3053 (1,527)
- 60 Hickson Road, SYDNEY 2000 (300)
- 693 Station Street, BOX HILL 3128 (175)
- 1/647 Wellington Street, PERTH 6000 (700).

Third party usage:

- The RTO uses Education Agents to assist it recruit and enrol suitable prospective overseas students.

Core clients/target groups:

- The RTO primarily targets overseas students.
- The RTO also targets prospective learners aligned to government funding contracts it acquires.

Training Revenue (Funded or fee for service):

- All overseas students are enrolled on a fee for service basis.
- The RTO has a 2018-2019 Skills First funding contract with the Department of Education and Training (Victoria).

Total number of current enrolments as at audit date:

- At the time of audit there were:
  - 1,307 overseas student enrolments in 9 VET training products and 97 students enrolled in 4 ELICOS courses
  - 735 overseas student enrolments in higher education courses.

In preparing the audit report, consideration has been given and reference made, where relevant, to:

- Information provided by students as part of a student survey or interview.
- Information provided directly by Acknowledge Education Pty Ltd to ASQA
- Existing information and records held by ASQA concerning Acknowledge Education Pty Ltd
- Information provided to ASQA by Acknowledge Education Pty Ltd on 2 November 2018 in response to s26 Notice
- Information provided to ASQA's auditors and documentation reviewed during the site audit of Acknowledge Education Pty Ltd conducted on 12 – 14 February, 2019.

- Other publically available information - including but not limited to, information published on the organisation's and third party websites.

## Audit Sample

Code	Training products	Mode/s of delivery / assessment*	Current enrolments
BSB40515	Certificate IV in Business Administration	Face to face	0
BSB60215	Advanced Diploma of Business	Face to face	253
CHC52015	Diploma of Community Services	Face to face	300
HLT54115	Diploma of Nursing	Face to face	0
SIT30816	Certificate III in Commercial Cookery	Face to face	306
SIT40516	Certificate IV in Commercial Cookery	Face to face	179
SIT50416	Diploma of Hospitality Management	Face to face	148
080625D	English for Academic Purposes	Face to face	8
080627B	English for Secondary Schools	Face to face	60
080626C	English for Health Professionals (Elementary to Upper Intermediate)	Face to face	10
080628A	General English	Face to face	17

\*Apprenticeship, Traineeship, Face to face, Distance, Online, Workplace, Mixed, Other (specify)

## Interviewees

Name	Position	Training products
Suzanne Jackson	Chief Executive Officer	All
Ben Saporta	Chief Risk Officer	All
Chien Vu	Chief Operating Officer	N/A
Dawn France	Campus Manager – Perth	BSB Business Services
Katherine Soriano	Course Coordinator – Community Services	CHC Community Services
Glenn Evans	Course Coordinator – Hospitality	SIT Tourism, Travel and Hospitality
Jacqueline Laver	Course Coordinator - Nursing	HLT Health Training
George Thomas	Director of Marketing	N/A

## About this Report

This report details findings against the *Standards for Registered Training Organisations 2015* (Standards for RTOs 2015) and/or the *National Code of Practice for Providers of Education and Training to Overseas Students 2018* (National Code) and/or the *ELICOS Standards 2018*. If non-compliance has been identified, this report describes evidence of the non-compliance.

Where non-compliance has been identified, the Registered Training Organisation is accountable for identifying and correcting non-compliant practices and behaviours, particularly those that have had a negative impact on learners.

Correcting non-compliance may require:

- correcting a process or system that has led to the non-compliance, and implementing a revised process or system
- identifying the impact on learners and carrying out remedial action for current and past learners.

### Original Action required by RTO

Acknowledge Education Pty Ltd did not meet all requirements for:

- Standards for *Registered Training Organisations 2015* (Standards for RTOs) - Clauses 1.1, 1.2, 1.7, 1.8, 2.4, 3.1, 5.2, 8.2, 8.5.
- *National Code of Practice for Providers of Education and Training to Overseas Students 2018* (National Code) - Standards 2.1, 3.4

Remedial action is required for the following training products:

- *BSB40515 Certificate IV in Business Administration*
- *BSB60215 Advanced Diploma of Business*
- *CHC52015 Diploma of Community Services*
- *HLT54115 Diploma of Nursing*
- *SIT30816 Certificate III in Commercial Cookery*
- *SIT40516 Certificate IV in Commercial Cookery*
- *SIT50416 Diploma of Hospitality Management*

*The RTO is required to provide evidence that demonstrates:*

#### **Student Enrolment**

Standards for RTOs Clause 5.2, National Code Standards 2.1, 3.4.

- The RTO has carried out remedial actions to ensure that prospective learners are provided with sufficient accurate information to enable them to make an informed decision about undertaking training with the RTO.
- The RTO has amended documents that contain information about its refund policy to ensure they reflect actual practice in regards to not including fees paid to third party representatives in refunds to students.
- The RTO has implemented processes that will for future student enrolments; provide confirmation of what information enrolled students have received from the RTO and its education agents.

#### **Training Delivery**

Clause 1.1, 1.2

- The RTO has amended its documented training and assessment strategies for the training products listed above, where non-compliance was identified at audit, to ensure that they are accurate and align with the RTO's actual practices for delivery of the training product.
- The RTO carried out remedial action to identify and address the impact the non-compliant training and assessment practices that did not meet the requirements training products, may have caused to current and former students. Remedial action needs to cover current students that were trained and assessed during the past 6 months.

#### **Assessment System**

Clause 1.8

- For the three qualifications; *BSB40515 Certificate IV in Business Administration*, *BSB60215 Advanced Diploma of Business* *CHC52015 Advanced Diploma of Community Services*, where non-compliance with Clause 1.8 was identified at audit, the RTO has corrected its assessment system for future students and has systems in place to ensure it is this system that is applied.
- In regards to students enrolled in these three, that were assessed in a manner that did not meet the requirements of Clause 1.8, the RTO has carried out remedial action to identify and address the

impact the non-compliance may have caused. Remedial action needs to cover current and former students assessed during the past 6 months.

### **Completion – Issuing AQF Certification**

#### Clause 3.1

- The RTO has rectified the non-compliance identified in respect of Clause 1.1, 1.2 of the Standards for RTOs for *BSB40515 Certificate IV in Business Administration* to ensure that, AQF certification documentation is only issued to future learners that fully meet the requirements of the qualification as specified in the relevant training package.
- The RTO has carried out remedial action to identify and address the impact of the non-compliance may have caused to former learners issued AQF certification for *BSB40515 Certificate IV in Business Administration*, within the past 6 months.

### **Regulatory Compliance / Governance – Third Parties**

#### Clauses 2.4, 8.2

- The RTO now has an appropriate strategy to systematically monitor third party agreements to ensure services comply with the Standards for RTOs.
- All of the RTO's current agreements with third parties delivering services on its behalf include the requirement for cooperation with the VET Regulator, as specified in Clause 8.2 (a) and (b) of the Standards for RTOs.

### **Compliance with the ESOS Act – PRISMS Reporting**

#### Clause 8.5

- The RTO has reviewed the ESOS breaches outlined in the report and provided a response to ASQA outlining how its systems allowed these breaches to occur.
- The provider has put system improvements in place to ensure breaches of this nature do not occur into the future.

## **Audit finding following analysis of additional evidence**

Following analysis of additional evidence provided by Acknowledge Education Pty Ltd on 14 June 2019 the RTO:

- provided sufficient evidence to demonstrate compliance with Clauses 1.1, 1.2, 1.7, 1.8, 2.4, 3.1, 5.2, 8.2, and Standards 2.1, 3.4
- did not demonstrate compliance with Clause 8.5.

Refer to analysis of additional evidence detailed under each clause in this report for further information.

## Enrolment

### Standards for RTOs Clause 5.2

*Original Finding: Not compliant*

*Finding following additional evidence: Compliant*

Prior to enrolment or the commencement of training and assessment, whichever comes first, the RTO provides, in print or through referral to an electronic copy, current and accurate information that enables the learner to make informed decisions about undertaking training with the RTO and at a minimum includes the following content:

- a) the code, title and currency of the training product to which the learner is to be enrolled, as published on the National Register;
- b) the training and assessment, and related educational and support services the RTO will provide to the learner including the:
  - i) estimated duration;
  - ii) expected locations at which it will be provided;
  - iii) expected modes of delivery;
  - iv) name and contact details of any third party that will provide training and/or assessment, and related educational and support services to the learner on the RTO's behalf; and
  - v) any work placement arrangements.
- c) the RTO's obligations to the learner, including that the RTO is responsible for the quality of the training and assessment in compliance with these Standards, and for the issuance of the AQF certification documentation.
- d) the learner's rights, including:
  - i) details of the RTO's complaints and appeals process required by Standard 6; and
  - ii) if the RTO, or a third party delivering training and assessment on its behalf, closes or ceases to deliver any part of the training product that the learner is enrolled in;
- e) the learner's obligations:
  - i) in relation to the repayment of any debt to be incurred under the VET FEE-HELP scheme arising from the provision of services;
  - ii) any requirements the RTO requires the learner to meet to enter and successfully complete their chosen training product; and
  - iii) any materials and equipment that the learner must provide; and
- f) information on the implications for the learner of government training entitlements and subsidy arrangements in relation to the delivery of the services.

### National Code Standard 2.1

*Original Finding: Not compliant*

*Finding following additional evidence: Compliant*

Prior to accepting an overseas student or intending overseas student for enrolment in a course, the registered provider must make comprehensive, current and plain English information available to the overseas student or intending overseas student on:

- 2.1.1 the requirements for an overseas student's acceptance into a course, including the minimum level of English language proficiency, educational qualifications or work experience required, and course credit if applicable
- 2.1.2 the CRICOS course code, course content, modes of study for the course including compulsory online and/or work-based training, placements, other community-based learning and collaborative research training arrangements, and assessment methods
- 2.1.3 course duration and holiday breaks
- 2.1.4 the course qualification, award or other outcomes
- 2.1.5 campus locations and facilities, equipment and learning resources available to students
- 2.1.6 the details of any arrangements with another provider, person or business who will provide the course or part of the course