



# Third party arrangements for training and/or assessment of VET courses

## Guidance for providers

Third party arrangements are an arrangement between a provider registered under the *National Vocational Education and Training Regulator Act 2011* (NVR Act) and another entity to advertise, offer or deliver all or part of a Vocational Education and Training (VET) course.

### Requirements and responsibilities for third party arrangements

Third party arrangements generally involve a principal – agent relationship. The principal is the NVR registered provider, while the agent is another entity that acts in the name of the registered provider and under its control and direction. The principal NVR registered provider is responsible and accountable for the activities of the agent which are conducted under the third party arrangement.

Under clause 2.3 of the *Standards for Registered Training Organisations 2015* (the Standards), third party arrangements are required to be subject to a written agreement between the principal provider and the agent. Written agreements should include details of the nature, extent and duration of activities the principal provider authorises the agent to conduct on its behalf.

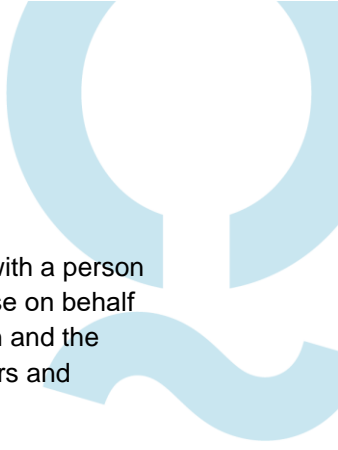
Key activities need to be in the name of the principal provider, such as the enrolment of students and issuance of testamurs and other certification. While the agent can perform these activities it has to be clear and unambiguous, for example, that the student is enrolled with the principal provider and the testamur or other certification is in the name of the principal provider. This should be acknowledged in the third party arrangement.

Providers need to provide ASQA written (email) notification of all third party arrangements, including associated written agreements. This notification is required for ASQA to perform its functions as the National VET Regulator.

### Limitations of third party arrangements

Third party arrangements should not be used as a way of extending a principal provider's scope of registration. If an agent, who is also a registered provider under the NVR Act, is being engaged to deliver all of a VET course, both the principal provider and the agent need to have the relevant course on their scope of registration. The exception to this is VET delivered in secondary school settings, where the school provides the course although it does not have the relevant course on its scope. This is because of student welfare and curriculum requirements.

The principal provider is responsible for the actions of the agent (third party) that are done in its name. ASQA expects the principal provider to ensure its agent adheres to and acts in accordance with the requirements of the *NVR Act* and the *Standards for Registered Training Organisations 2015*. ASQA will hold the principal provider responsible for any breaches or non-compliances. It is in the principal provider's best interest to clearly detail these requirements in their written agreement.



An NVR registered provider (the principal) may also enter into a third-party arrangement with a person who is not a registered provider (the agent) to provide all or part of a principal's VET course on behalf of the registered provider and in accordance with a written agreement between the person and the registered provider. For example, where the registered provider contracts individual trainers and assessors to provide its courses and so are not employees of the registered provider.

#### Links to relevant legislation

- **The *National Vocational Education and Training Regulator Act 2011***

See: Section 2A, Section 27 and Section 116

<https://www.legislation.gov.au/C2011A00012/latest/text>

- **The *Standards for Registered Training Organisations (RTOs) 2015***

See: Clause 2.3 and Clause 8.3

<https://www.legislation.gov.au/F2014L01377/latest/text>