

POLICY

GROUP TRAINING ORGANISATIONS

Responsibility of:
Effective Date:
Next Review Date:

Employment and Training Division
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1 POLICY

The Northern Territory Government recognises the key role that group training organisations (GTOs) play in creating and maintaining training and employment opportunities for Territorians. GTOs collectively are the largest employer of apprentices and trainees in the Northern Territory and are vital to the further growth of the apprenticeship and traineeship system.

The NT Government, through the Department of Employment, Education and Training (DEET), is committed to supporting a high quality group training network underpinned by the [National Standards for Group Training Organisations](#) and a policy framework that encourages GTOs to provide appropriate training and support to apprentices and trainees, meet the needs of industry and grow the apprenticeship and traineeship market.

DEET recognises that the relatively limited apprenticeship and traineeship market and a range of unique geographic, demographic, socioeconomic and climatic factors significantly affects the ongoing viability of GTOs operating in the NT. DEET will work in partnership with GTOs to increase apprenticeship and traineeship opportunities, in particular for Indigenous and disadvantaged Territorians, and to assist GTOs to identify and maximise structured employment and training prospects in industry growth areas.

2 BUSINESS NEED

The NT Group Training policy has been developed to ensure a viable group training network into the future by providing a framework for the:

- (i) recognition of organisations as GTOs;
- (ii) assessment of recognised GTOs' eligibility for funding under the Joint Group Training Program (JGTP);
- (iii) ongoing assessment of all registered GTOs against the *National Standards for Group Training Organisations* and relevant legislative and policy requirements; and
- (iv) ongoing monitoring and evaluation of outcomes achieved by GTOs against established and agreed local and national benchmarks and continuing compliance with the requirements for recognition in the Northern Territory.

3 RESPONSIBILITIES

- 3.1 The responsibility for developing and maintaining this policy rests with the Director, Training Branch.
- 3.2 The Deputy Chief Executive, Employment and Training, is responsible for approving this policy.

4 DEFINITION

Group Training Organisation

A profit, or not-for-profit, entity (usually a company) established to provide a group training service to employers, apprentices and trainees.

Group Training Services

GTOs employ apprentices and trainees and are responsible for ensuring that those employees receive suitable training, on-the-job experience and appropriate support. To achieve this aim, GTOs will find a suitable 'host' employer for the apprentice or trainee to work with on a day-to-day basis. Apprentices and trainees employed by GTOs may spend their entire apprenticeship or traineeship with one host employer who can offer a well rounded training and employment experience. Alternatively, they may be rotated around a number of host employers who can each offer a specialised area of training.

Entities that are recognised as GTOs in the NT will have met the requirements of this policy and the *National Standards for Group Training Organisations*. Once recognised, GTOs are entitled to use the National Group Training logo within the NT.

Recognition of GTOs and the employment of apprentices and trainees in the NT are governed by this policy and the [Northern Territory Employment and Training Act 2004](#) respectively.

Organisations that satisfy the requirements set out within this policy will be placed on the [Group Training National Register](#).

5 RELATED POLICIES

The Group Training Organisations policy will operate in conjunction with other relevant DEET policies, in particular:

[Apprenticeships and Traineeships Policy](#)

[NT User Choice Funding Program Policy](#)

[NT School Based Apprenticeships and Traineeships Policy](#)

6 REVIEW

This policy will be reviewed annually.

7 PROCEDURES

A. Recognition of Group Training Organisations

7.1 Application for Recognition as a Group Training Organisation

To ensure GTOs in the NT provide and maintain a high quality service, the Northern Territory Government, through DEET, will recognise an organisation as a Group Training Organisation according to the process outlined below.

Organisations seeking to be recognised as GTOs are required to comply with the two-part application process:

- (i) meeting the NT requirements outlined in this policy and the Application for Registration as a Group Training Organisation in the Northern Territory; and
- (ii) demonstration of compliance with the [National Standards for Group Training Organisations](#)

An application will not be evaluated by DEET until both the application form and the evidence of compliance with the *National Standards for Group Training Organisations* have been submitted. Formal recognition of an organisation as a GTO will only occur once compliance with the *National Standards for Group Training Organisations* has been confirmed.

7.2 Evaluation of applications

Applications for organisations seeking to be recognised as a GTO must will be evaluated against the criteria in 1.6 below. DEET will take approximately four (4) weeks to evaluate an application depending on the nature of the application and the amount of evidence and research provided by the applicant. As part of its evaluation DEET may:

- (i) conduct its own research into the demand for the proposed services;
- (ii) contact organisations that have supplied letters of support to verify their position or to obtain further information;
- (iii) contact other State Training Authorities;
- (iv) request company searches; and
- (v) request further information from the applicant.

DEET will seek the advice of the group training peak body, Group Training Australia – Queensland and Northern Territory Inc., in relation to all applications. DEET will also seek the advice of existing Northern Territory GTOs in relation to the potential impact a new GTO may have on their operations and viability.

Where it is deemed that an organisation is required to undergo a full or partial compliance audit against the *National Standards for Group Training Organisations*, the organisation will be advised in writing and a date for conducting the audit will be negotiated. This may extend the evaluation period.

Organisations are responsible for meeting all audit costs and any costs associated with rectifying any outstanding non-compliance items identified through such an audit.

Once DEET officers have evaluated the application, a recommendation will be prepared for the Employment and Training Executive, with final approval by the Deputy Chief Executive, Employment Services.

7.3 Registration Period

Registration of organisations recognised by DEET as a Group Training Organisation is for a period of up to three (3) years. Prior to the expiration of the registration period,

GTOs will be required to undergo a full compliance audit against the *National Standards for Group Training Organisations*.

7.4 Existing Recognition Status

GTOs with existing recognition status are required to provide DEET with evidence that the requirements of the *National Standards for Group Training Organisations* have been met and complete the application form. Applications will be subject to an evaluation based on criteria (i) to (v) in 7.6 below.

7.5 Interstate Group Training Organisations

Interstate GTOs may apply for recognition as a GTO in the NT. Interstate applicants are required to demonstrate that:

- (i) the *National Standards for Group Training Organisations* have been fully implemented within the NT branch; and
- (ii) local resources are in place to function effectively as a GTO within the NT.

Interstate GTOs applying for recognition in the NT are also required to submit an application form, which will be evaluated according to the criteria in 7.6 below.

In determining compliance of interstate applicants, DEET may:

- (i) Request a copy, if not already supplied, of an audit report for any compliance audit conducted against the national standards in the organisation's head office state;
- (ii) Consult with the State Training Authority in the state in which the head office or sponsoring body is situated and request the results of any compliance audit conducted;
- (iii) Advise the applicant of the need for a partial or full compliance audit of the NT operations by a DEET approved auditor.

7.6 Scope of Recognition

Organisations seeking recognition as a GTO in the NT are required to submit a business case which addresses the criteria (i) –(v) below. An organisation's response to these criteria will be evaluated by DEET and will form the basis of the GTO's approved scope of registration.

- (i) appropriately service the industry, industry sector/s and geographical area and meet the specified targets identified in the application;
- (ii) provide for appropriate training and support to apprentices and trainees;
- (iii) assist the NT Government in growing the apprenticeship and traineeship market without adversely impacting on existing GTOs;
- (iv) comply with the requirements of the [Northern Territory Employment and Training Act 2004](#); and
- (v) remain financially viable over the long term.

7.7 Extending the Scope of Recognition

GTOs are required to apply to DEET to extend services to industries, industry sectors and/or geographical regions not included in their approved scope.

DEET may require the GTO to provide further information including but not limited to:

- (i) the current state of the industry and/or region;
- (ii) market size and trends;
- (iii) clients;
- (iv) marketing plan; and
- (v) financial management; and employment projection and mix.

DEET will evaluate the information, consider any implications for existing GTOs and notify applicants, in writing, of the decision.

7.8 Withdrawal of Recognition Status

Under this policy, DEET may withdraw recognition of an organisation as a GTO where the organisation fails to:

- (i) comply with the *National Standards for Group Training Organisations*;
- (ii) comply with all relevant Australian and Northern Territory government legislation;
- (iii) comply with all relevant NT DEET policies and guidelines;
- (iv) adhere to its obligations as a legal employer of the apprentices and trainees it employs under contracts of training;
- (v) comply with any obligations under a Joint Group Training Program performance and funding contract; or
- (vi) seeks to cancel training contracts between apprentices and trainees employed by other GTOs with the intention of employing the apprentices and trainees themselves and re-registering the training contracts.

7.9 Closure of a Group Training Organisation

A GTO must inform DEET immediately of any matters that may materially affect its on-going operations or financial viability. DEET will liaise with the chair of the GTO's board of directors on any matter that may have the potential to impact on the financial viability and/or capability of the organisation.

In the event of a closure, or pending closure of a GTO, DEET's primary concerns will be to ensure:

- (i) the continuity of employment and training of apprentices and trainees employed by the organisation; and
- (ii) all employee-related entitlements can be met.

In the event of the closure of a GTO, all efforts will be made to negotiate and facilitate the transfer of the employment of apprentices and trainees to other group training organisations, existing host employers or new employers.

When a GTO ceases to trade, an application must be made to DEET to seek the withdrawal of the organisation's recognition as a GTO in the NT. Alternatively, DEET may declare that an organisation's recognition has been withdrawn where it becomes evident that a GTO can no longer operate and the organisation will be advised of such a decision in writing.

B. Joint Group Training Program Funding

Organisations that meet the NT and national recognition requirements are eligible to apply for funding through the Commonwealth and NT Joint Group Training Program (JGTP). Access to JGTP funding does not automatically flow from successfully meeting the recognition requirements and is subject to Australian and NT government budgetary constraints.

Organisations must specify their intent to apply for JGTP funding on the application form and once a GTO is approved for access to the JGTP, a funding contract will be negotiated based on their scope of recognition and stated employment projection and mix.

Existing GTOs not currently in receipt of JGTP funding may apply to DEET to access this program using the application form. In considering such applications DEET will take into account the GTOs:

- (i) prior achievements against employment projections;
- (ii) current financial position/viability; and
- (iii) any other reasonable evaluation, audit or inspection of the GTO.

Once an existing GTO is approved for access to JGTP, a funding contract will be negotiated with the GTO.

The JGTP funding contract will set out the obligations of the GTO and DEET and the reporting and monitoring requirements in respect of JGTP funds.

C. Monitoring and Evaluation

A key aspect of managing the on-going quality and integrity of the group training network in the NT is the process for monitoring and evaluating continued compliance for recognition in the NT. As a minimum, all recognised GTOs in the NT are required to:

- (i) submit their annual audited financial statements within thirty (30) days of the statements being tabled at the organisation's Annual General Meeting, or by 31 December, whichever comes first;
- (ii) conduct a self assessment of the organisations' compliance with the *National Standards for Group Training Organisations* and provide DEET with a self assessment report, signed by the chair of the board of directors, by 31 December each year; and
- (iii) undergo a quality compliance audit against the *National Standards for Group Training Organisations* once every three (3) years.

Failure to maintain compliance may result in the withdrawal of recognition to operate as a GTO in the NT.

In addition to the above, GTOs in receipt of JGTP funding are required to comply with the reporting and monitoring arrangements specified in the JGTP funding contract.

Recognised GTOs *not* in receipt of JGTP funding, in addition to the above, are required to comply with the following reporting and monitoring arrangements. Submission of a bi-annual report detailing:

- (i) corporate governance and financial management arrangements;
- (ii) achievements against the employment projection and mix as specified in their applications; and
- (iii) compliance with relevant NT DEET policies and guidelines and Australian and NT government legislation.

D. Non-Compliance

Where areas of non-compliance are identified through audit, a strategy to address such non-compliance will be developed and agreed between the GTO and DEET. The strategy and strategy timeframe will be dependent on the extent of the non-compliance.

All non-compliance must be rectified in accordance with the agreed strategy and timeframe and signed off by the auditor prior to a GTO being found compliant, placed on the National register and receiving funding under a JGTP contract.

Any GTO unable to comply with the *National Standards for Group Training Organisations* may lose its recognition status, be removed from the National register and, where relevant, have any JGTP contracts cancelled.

E. Training Contracts

Under DEET's Australian Apprenticeships Support Services (AASS) arrangements, [Australian Apprenticeships NT](#) (AANT) is responsible for assisting all NT employers and apprentices and trainees complete and lodge training contracts.

JOHN HASSED
DEPUTY CHIEF EXECUTIVE

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