



Reference: 09/182346  
Action Officer: Jane Connellan  
Contact No: 3235 4091

Mr Rodney Gray  
Director  
Matters In Gray  
12 Mount Gravatt Capalaba Road  
UPPER MOUNT GRAVATT QLD 4122

Dear Mr Gray

I refer to the AQTF audit that included validation of User Choice contract funding claims of Matters In Gray conducted by this department. Following the audit site visit, audit reports outlining the outcome were forwarded for your attention and action. On 21 December 2009 and 16 February 2010, submissions outlining rectifications to areas of non-compliance was provided by your organisation.

The submission indicates that Matters In Gray has rectified identified non-compliances and is committed to compliance with the User Choice contract and the AQTF. The department accepts your undertakings and therefore this notification represents finalisation of the audit process.

However, as advised at the audit, a number of significant non-compliances in relation to the assessment processes conducted by Matters In Gray were identified indicating that assessment outcomes as reported cannot be substantiated. Subsequently, a Contract Moderation Committee has determined that recovery of funds previously paid is required and will be actioned separately from the audit finalisation.

Rectifications carried out may be examined as part of future compliance audits. In order to ensure ongoing compliance, your organisation must comply with and maintain its currency of knowledge of the AQTF and all relevant sections of, the *Vocational Education, Training and Employment Act 2000*, the User Choice contract, and departmental policies and guidelines.

I would like to take this opportunity to thank you for the cooperation your organisation has demonstrated throughout the audit process. Should you need further clarification regarding the finalisation of the audit process, please contact Jane Connellan, Training and International Quality on 3235 4091 or via email at [jane.connellan@deta.qld.gov.au](mailto:jane.connellan@deta.qld.gov.au).

Yours sincerely

DAVID GARNER  
**Manager, Audit Services**  
**Training and International Quality**  
**Department of Education and Training**

37 /03/2010



**R and P Gray Holdings Pty Ltd as Trustee for The Gray Family Trust t/a Matters In Gray – NTIS 1685**

RTO DETAILS			
NTIS number	1685	Registration expiry	31/12/2011
Principal Address	12 Mount Gravatt Capalaba Road, UPPER MOUNT GRAVATT QLD 4122		
RTO contact	Rodney Gray	Phone number	07 3349 6538
Operations	<ul style="list-style-type: none"> <li>Core clients are fee for service and funded trainees. Additionally, the RTO is registered with CRICOS to offer WRH30106 Certificate III in Hairdressing and WRH50106 Diploma of Hairdressing Management.</li> <li>Delivery occurs face to face at the RTO's premise and in the workplace.</li> <li>For the fee for service hairdressing students there is an intake once a month. For the funded students there is a rolling start.</li> <li>There is a partnership arrangement in place with Michael Hill Jewellers for the training and assessment of Certificate II and III in Retail.</li> <li>Government funding contracts include: User Choice – approved value \$708,200 and Skills First RPL – approved value \$15,000.</li> <li>Approximate number of completions in past year per qualification: SIR20207 – 29, SIR40207 – 0, WRH30106 – 57, WRH50106 – 2, BSB40807 – 0.</li> <li>Approximate number of current enrolments per qualification: SIR20207 – 104, SIR40207 – 9, WRH30106 – 299, WRH50106 – 5, BSB40807 – 2.</li> </ul>		
AUDIT TEAM			
Lead Auditor	Jane Connellan	Auditor/s	Daniel Taylor
Phone	07 3872 0185	Adviser/s	n/a
E-mail	Jane.connellan@deta.qld.gov.au	Observer/s	n/a
AUDIT DETAILS			
Reason/s for audit	Monitoring (with validation of User Choice funding claims)		
Audit date/s	4 and 5 November 2009	Audit number	168515367A
Standards audited	1.1, 1.2, 1.3, 1.4, 1.5, 2.1, 2.2, 2.3, 2.4, 3.1, 3.2		
Conditions audited	NIL		
User Choice schedule number/s and value/s	002 WRR30106 Certificate III in Hairdressing \$506,200 005 SIR20207 Certificate II in Retail \$37,000 (priority 3) 007 SIR20207 Certificate II in Retail \$10,000 (priority 2)		
User Choice clauses audited	3(h), 6(a), 7(b), 18		
Audit outcome on day of audit	Compliant <input type="checkbox"/> Significant non-compliance <input checked="" type="checkbox"/> Minor non-compliance <input type="checkbox"/> Critical non-compliance* <input type="checkbox"/> <small>[*Critical non-compliance can not be determined if no delivery has occurred]</small>		
Rectification received	21 December 2009		
Audit outcome following rectification	Compliant <input type="checkbox"/> Significant non-compliance <input type="checkbox"/> Minor non-compliance <input checked="" type="checkbox"/> Critical non-compliance <input type="checkbox"/>		
Rectification received	16 February 2010		
Audit outcome following rectification	Compliant <input checked="" type="checkbox"/> Significant non-compliance <input type="checkbox"/> Minor non-compliance <input type="checkbox"/> Critical non-compliance <input type="checkbox"/>		
Other audit notes	<ul style="list-style-type: none"> <li>A complaint was received by the Department regarding the training delivery and assessment for WRH30106 Certificate III in Hairdressing conducted by the RTO. The complaint focused on a</li> </ul>		



**R and P Gray Holdings Pty Ltd as Trustee for The Gray Family Trust t/a Matters In Gray –  
NTIS 1685**

	<p>student that had been assessed by the RTO. The complainant stated the student is unable to demonstrate competence in the following areas:</p> <ul style="list-style-type: none"> <li>• communication skills</li> <li>• underpinning knowledge</li> <li>• underpinning skills.</li> </ul> <ul style="list-style-type: none"> <li>• Prior to the audit the RTO provided the complaints team with a list of students who were enrolled in WRH30106 between 01 June 2009 and 23 October 2009. At the audit a sample of two of these student files were reviewed. The RTO gave the auditor permission to take a copy of the RPL evidence relating to these two students back to the complaints team to assist in finalising the complaint.</li> <li>• The rectification evidence received on 21 December 2009 addressed the non-compliances regarding assessment for half the units of competency. The remaining units of competency had minor non-compliance. The organisation was afforded an additional two working days to submit further rectification evidence.</li> </ul>
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**FOCUS OF AUDIT**

Code	Qualification/Course/Unit title (List all qualifications in scope of audit, whether UC funded or not)	Regulated outcome	Delivery venues (list specific sites)	Govt funding (eg UC, PPP)
SIR20207	Certificate II in Retail	<input type="checkbox"/>	Workplace	UC
SIR40207	Certificate IV in Retail Management	<input type="checkbox"/>	Workplace	Nil
WRH30106	Certificate III in Hairdressing	<input type="checkbox"/>	Mount Gravatt	SF, UC
WRH50106	Diploma of Hairdressing Salon Management	<input type="checkbox"/>	Workplace	SF
BSB40807	Certificate IV in Frontline Management	<input type="checkbox"/>	Workplace	Nil

**INTERVIEWEE/S – Staff (and position); Employers; Students**

Anthony Gray, Operations Manager

Pat Gray, Director

Daryl Murray, Quality Manager

**Standard 1: The RTO provides quality training and assessment across all of its operations**

Elements	Examined at audit
1.1 The RTO collects, analyses and acts on relevant data for continuous improvement of training and assessment.	<input checked="" type="checkbox"/>
1.2 Strategies for training and assessment meet the requirements of the relevant Training Package or accredited course and are developed in consultation with industry stakeholders.	<input checked="" type="checkbox"/>
1.3 Staff, facilities, equipment and training and assessment materials used by the RTO are consistent with the requirements of the Training Package or accredited course and the RTO's own training and assessment strategies.	<input checked="" type="checkbox"/>
1.4 Training and assessment are conducted by training and assessors who: <ul style="list-style-type: none"> <li>a) have the necessary training and assessment competencies as determined by the National Quality Council or its successors</li> <li>b) have the relevant vocational competencies at least to the level being delivered or assessed, and</li> <li>c) continue developing their vocational and training and assessment competencies to support continuous improvements in delivery of the RTO's services.</li> </ul>	<input checked="" type="checkbox"/>
1.5 Assessment, including Recognition of Prior Learning (RPL): <ul style="list-style-type: none"> <li>a) meets the requirements of the relevant Training Package or accredited course</li> <li>b) is conducted in accordance with the principles of assessment and the rules of evidence</li> <li>c) meets workplace and, where relevant, regulatory requirements.</li> </ul>	<input checked="" type="checkbox"/>

**Audit findings**



**AQTF Audit Report** (including User Choice validation)

Version 2 – 9 October 2009

**R and P Gray Holdings Pty Ltd as Trustee for The Gray Family Trust t/a Matters In Gray – NTIS 1685**

<b>At time of audit:</b> <input type="checkbox"/> Compliant <input checked="" type="checkbox"/> Not Compliant	<b>Following rectification 21/12/09:</b> <input type="checkbox"/> Compliant <input checked="" type="checkbox"/> Not Compliant	<b>Following rectification 16/02/10:</b> <input checked="" type="checkbox"/> Compliant <input type="checkbox"/> Not Compliant
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Validation of User Choice funding claims was conducted for the following qualifications:

- WRH30106 Certificate III in Hairdressing
- SIR20207 Certificate II in Retail.

**Findings:**

The RTO demonstrated a continuous improvement approach to training and assessment. The RTO has commenced using the quality indicator questionnaires. Student and employer satisfaction data is entered into data summary sheets and reviewed by management. Improvements are then actioned as required.

Validation and moderation is conducted quarterly.

The RTO documents its strategies for training and assessment for all qualifications. The strategies include evidence of industry consultation, meet all the requirements of the qualifications and describe how students will receive training and assessment that meets their needs.

Access to suitable and sufficient facilities and equipment was evident.

The RTO has developed its own training and assessment resources for WRH30106 and has purchased SmallPRINT resources for the business and retail qualifications and most of the WRH50106 units of competency.

The RTO employs seven face to face trainers/assessors and seven workplace trainers/assessors. The staff files for trainers/assessors are very detailed and include a copy of all relevant qualifications and statements of attainment, two professional development logs (one for vocational competence and the other for training and assessment competence) and a resume that is updated annually. Trainers/assessors participate in regular performance reviews. It was noted that in some files a copy of a continuous improvement log was included where the staff member had raised continuous improvement ideas as part of the performance monitoring discussion.

**Non-compliances:**

The strategies for training and assessment contained unclear information regarding training and assessment methods. The strategies listed a range of methods. The master assessment tools included a set range of assessment methods that the trainer/assessor could use and the student files reviewed demonstrated inconsistencies in which tools were completed. Overall, it was noted that all assessment tools, cumulative, did not address training package requirements and by allowing the trainer/assessor to select from a range of assessment tools exposes the organisation even more to a risk of delivering invalid assessment and inconsistent competency decisions.

The RTO has purchased SmallPRINT resources for all qualifications sampled with the exception of WRH30106 Certificate III in Hairdressing, for which it has developed its own resources. SmallPRINT has not developed assessment tools for a range of the units of competency from WRH50106 Diploma of Hairdressing Salon Management that the RTO is offering. As an alternative the RTO has purchased materials for 'similar' units from the BSB07 and WRR02 Training Packages that it believed were equivalent. These resources are not in the context of managing a hairdressing salon and a review of the 'similar' units of competency demonstrated that they are not equivalent.

**WRH30106 Certificate III in Hairdressing**

The RTO has made improvements to the assessment tools for this qualification. However, the earlier versions of the assessment tools had been used for the student files that were reviewed for validation of User Choice claims.

WRHCL302A Colour and lighten hair – (old tools)

Although the student is instructed to perform a permanent colour service, a hair lightening service and a permanent colour service on a client with 50% grey hair, the practical assessment tool the assessor is required to complete consists of the elements of the unit. The relevant unit requirements have not been interpreted and broken down into the relevant work based



**R and P Gray Holdings Pty Ltd as Trustee for The Gray Family Trust t/a Matters In Gray – NTIS 1685**

tasks that the assessor can comment on a student's ability to perform and therefore the assessment tools did not validate that a assessor had made a judgement on a student's ability to perform the required skills, critical aspects of evidence and performance criteria (unit outcomes). The practical assessment is not supported by benchmark criteria relevant to performing colour services to ensure consistency in assessment decisions across a range of assessors.

The assessment tools did not address all of the required knowledge.

**WRHHC304A Apply layered haircut structures – (old tools)**

Although the student is instructed to plan and perform a layered haircut, the only practical assessment tool the assessor is required to complete consists of the elements of the unit. Refer above for further detail. As the student is only required to perform one layered haircut the assessment tools do not address the consistency in performance requirement. Again, the practical assessment is not supported by benchmark criteria relevant to conducting the hairdressing service to ensure consistency in assessment decisions across a range of assessors.

The assessment tools did not address all of the required knowledge.

**WRHCL302A Colour and lighten hair – (new tools)****WRHHC304A Apply layered haircut structures – (new tools)**

The revised assessment tools are a significant improvement from the previous version. The practical checklist in its current form states it is to be completed by a 'third party and/or assessor'. If a 'third party' (i.e. not an assessor) completed the checklist the RTO would not be ensuring a qualified assessor had made a judgement regarding a student's ability to complete the practical aspects of the unit of competency (required skills and performance criteria (outcomes)). Additionally, this tool requires clarity regarding the practical tasks the student is required to perform while the assessor completes the assessor checklist. The tool needs to be supported by stronger benchmark criteria and/or instruction to assessors to ensure the assessor uses the tool to record their judgement regarding all of the required practical aspects of the units of competency. It was noted that if these tools are used to record an assessor's judgement regarding the tasks the student was instructed to undertake in the previous section of the assessment (for example, perform a layered haircut or a colour service) then the practical aspects of the units of competency should be addressed.

**WRH50106 Diploma of Hairdressing Salon Management****WRHSM501A Manage hairdressing services and sales delivery****WRHSM502B Promote a hairdressing business****SIR20207 Certificate II in Retail****SIRXICT001A Operate retail technology****SIRXCCS001A Apply point-of-sale handling procedures****SIR40207 Certificate IV in Retail Management****SIRXMER004A Manage merchandise and store presentation****SIRXMGT003A Lead and manage people****BSB40807 Certificate IV Frontline Management****BSBMGT402A Implement operational plan****BSBMGT401A Show leadership in the workplace**

It is noted that the SmallPRINT resources that are used for assessment have the following disclaimer: 'The activities, assessment questions and projects in this manual have been mapped ... against the learning outcomes and performance criteria for the unit. They are not intended to provide, alone, a complete assessment.' Evidence the organisation has enhanced the assessment tools was provided.

The SmallPRINT resources consisted of a range of activities throughout the workbook and the following four assessment strategies:

1. current competency checklist that requires the student to align supporting evidence against the critical aspects of evidence, required knowledge and skills and the employability skills for the qualification
2. written/oral questions
3. projects
4. supervisor/third party report that is a direct reflection of the performance criteria.



**R and P Gray Holdings Pty Ltd as Trustee for The Gray Family Trust t/a Matters In Gray – NTIS 1685**

The written/oral questions and projects are supported by minimal benchmark criteria. Some responses state 'dependent on participant's experience' and do not have a minimum level requirement for the assessor to be guided by to ensure consistency in assessment judgements. Evidence on student files suggests that the benchmark criteria are not always followed.

The supervisor/third party report is a direct reflection of the performance criteria and has not been interpreted into observable workplace tasks/behaviours that the supervisor/third party could comment on a student's ability to satisfactorily perform. It is the responsibility of the RTO to interpret the requirements of units of competency into workplace language that a supervisor/third party can reasonably be expected to provide valid feedback about.

The assessment tools provided for all units of competency do not address all competency requirements; including the elements and performance criteria, required knowledge and skills, range statement, critical aspects of evidence and context and consistency in performance. There is no evidence a qualified assessor has observed the student completing the range of practical tasks or skills as required in the units of competency.

For specific issues identified for each qualification refer below.

**WRH50106 Diploma of Hairdressing Salon Management****WRHSM501A Manage hairdressing services and sales delivery**

The RTO provided a SmallPRINT assessment resource for *WRRO2B Manage sales and service delivery*. This retail unit of competency is not equivalent to the hairdressing unit. Additionally, the assessment tools do not address the practical aspects of the unit of competency.

**WRHSM502B Promote a hairdressing business**

The RTO provided a SmallPRINT assessment resource for *BSBSBM403A Promote business*. This business unit of competency is not equivalent to the hairdressing unit. Additionally, the assessment tools do not address the practical aspects of the unit of competency.

Neither unit reviewed was at a level of conceptual depth as appropriate for a diploma outcome. Examples of questions include: 'list two benefits and two costs of the following distribution channels franchisee website' and 'list three factors that you consider will affect customers' needs and preferences'.

**SIR20207 Certificate II in Retail****SIRXICT001A Operate retail technology**

Overall, the assessment tools do not address all of the performance criteria (outcomes), skills and knowledge required to operate a variety of retail equipment. The tools do not require the student to identify the correct equipment for a given task, maintain retail equipment, apply keyboard skills or operate data entry equipment.

**SIRXCCS001A Apply point-of-sale handling procedures**

Although project one requires the student to undertake a practical assessment involving a range of point-of-sale handling tasks, there is no recording tool for the assessor to record judgements regarding how the student performed. The practical aspects of the unit that must be covered, but are not addressed, include operating point-of-sale equipment, performing point-of-sale transactions, completing sales and wrapping and packing goods.

**SIR40207 Certificate IV in Retail Management****SIRXMERO04A Manage merchandise and store presentation**

The project requires the student to develop a planagram and create a display plan and submit a photograph of the display to the trainer/assessor. The assessment tools do not require the student to:

- collaboratively plan layout and presentation of merchandise according to store policies and procedures
- assess effectiveness of layout and presentation according to sales targets or predetermined objectives
- collaboratively plan, coordinate and implement advertising and promotions activities
- assess and report on effectiveness of advertising and promotions to staff and management
- collaboratively plan, coordinate and implement pricing and housekeeping activities according to store policies and procedures and OHS legislation, regulations and codes of practice.



**R and P Gray Holdings Pty Ltd as Trustee for The Gray Family Trust t/a Matters In Gray – NTIS 1685**

Examples of gaps regarding the required skills include negotiating arrangements with suppliers and preparing rosters.

**SIRMXGT003A Lead and manage people**

The project requires the student to read a scenario and develop an action plan and an outline or an explanation of the procedures they would use to develop a competent retail team. The assessment tools do not address the requirement for students to develop and communicate team objectives, develop and improve teams, delegate responsibility or consult and actively support team members to achieve goals and store plans and targets.

Additionally, many of the assessment items for both units of competency are not at a level of conceptual depth as appropriate for a certificate IV outcome. For example, one question asks 'What motivates you?' to which one student has responded 'Not being yelled at by the owner'. Another example, 'Do you always check to ensure you have understood as intended?' to which one student responded 'Yes'.

**BSB40807 Certificate IV in Frontline Management****BSBMGT402A Implement operational plan**

Both projects involve written responses to theory questions. The student is not assessed on their ability to monitor and adjust operational performance, produce short-term plans, plan and acquire resources or report on performance. Additionally, coaching and mentoring skills to provide support to colleagues, and planning and organising skills to monitor performance and to sequence work of self and others to achieve planned outcomes are not addressed.

**BSBMGT401A Show leadership in the workplace**

The project requires the student to write an essay on leadership. The student is not assessed on their ability to model high standards of management performance and behaviour, enhance the organisation's image, articulate organisational values and expectations of behaviour or demonstrate leadership and decision making that have led to a positive change in the workplace.

**Implications for training/assessment quality:**

The requirements of the AQTF Essential Standards have not been met based on the evidence reviewed. Evidence indicates that training and assessment systems are not sufficiently focused on quality training and assessment outcomes which may have a significant adverse impact on learners and/or other consumers of goods and services in the training environment or the current (or future) workplace.

**Rectification required:**

The RTO is required to provide evidence:

- that the methods of assessment in its strategies for training and assessment align to the assessment tools that it will use and provide clear instruction regarding which assessment tools must be used
- of assessment tools, for each unit of competency reviewed at audit (refer above), that address the entire unit of competency requirements. Note: for guidance regarding current gaps refer to the notes above.

All assessment tools are required to be supported by benchmark criteria and clear instructions to assessors regarding how the tools are to be implemented.

Where third party reports are gathered to supplement the assessment process they are not to be in the form of performance criteria checklists. The RTO is required to interpret the relevant unit of competency requirements into observable work based tasks, in language appropriate to the workplace, which the third party can understand and use to provide comment on a student's ability in the workplace.

**Analysis of rectification received 21 December 2009:**

The training and assessment strategies provided clear instruction regarding the assessment tools to be used and the methods of assessment aligned to the assessment tools.

For each unit of competency below the organisation provided a:

- 'Workbook and assessment' booklet that included short answer questions, a practical assessment with observation



**R and P Gray Holdings Pty Ltd as Trustee for The Gray Family Trust t/a Matters In Gray – NTIS 1685**

checklist and a third party report

- 'Marking guide' booklet that included benchmark criteria.

The third party reports were not in the form of performance criteria checklists. The RTO has interpreted the relevant unit of competency requirements into observable work based tasks, in language appropriate to the workplace, which a third party could use to provide comment on a student's ability to perform in the workplace.

**WRH30106 Certificate III in Hairdressing**WRHCL302A Colour and lighten hairWRHHC304A Apply layered haircut structures

The assessment tools clearly identify which items are completed by a third party and an assessor. The assessment tools clarify the practical tasks the student is required to perform while the assessor completes the assessor checklists.

The assessment tools now address the units of competency requirements.

**WRH50106 Diploma of Hairdressing Salon Management**

The assessment questions for both units were not at a level of conceptual depth appropriate for a diploma outcome. A range of the written questions require the student to list items and complete a range of tables. The written questions lead the student through the assessment. A range of the questions are more suited to learning activities.

WRHSM501A Manage hairdressing services and sales delivery

The assessment includes the development of a range of policies and procedures and asks questions regarding how a student would do a range of tasks rather than completing the tasks. The practical assessment requires the student to 'Conduct a staff meeting outlining and explaining to staff the future direction of the business'. Additionally, the student is required to submit 'a 100 word report for your assessor on the process use to conduct the meeting.' The assessment items combined do not gather evidence to support a student has demonstrated their ability to:

- consistently maintain, monitor and evaluate service and sales delivery
- negotiate and arrange the supply of professional and retail products and goods according to workplace policy
- use systems for maintaining, monitoring and evaluating the supply of stock
- maintain systems for monitoring and organising staff training and development
- consistently communicate service and sales targets/plans along with the provision of feedback on performance and outcomes to team members and/or individual staff (it was noted this was touched on in the practical activity)
- proactively implement strategies to improve services and sales delivery and outcomes
- maintain regular and accurate records and interpret data on service and sales delivery

as required in the critical aspects.

Additionally, the assessment tools did not address the elements relating to manage contingencies and provide a harmonious and productive working environment.

Refer to outstanding non compliances below.

WRHSM502B Promote a hairdressing business

The assessment focused on how a student would complete a range of tasks rather than the student actually completing the tasks. The practical assessment requires the student 'to do a presentation to your assessor on a promotional activity you have conducted in your salon'. The assessment items combined do not gather sufficient evidence to support a student has the ability to:

- develop a marketing strategy
- implement and monitor the marketing strategy/plan to optimise the chances of business success

as required in the critical aspects. It was noted that should the observation checklist include greater detail (and/or benchmark criteria) and be supported by evidence of developing, implementing and monitoring a marketing strategy/plan the assessment would gather sufficient evidence.

Refer to outstanding non compliances below.



**R and P Gray Holdings Pty Ltd as Trustee for The Gray Family Trust t/a Matters In Gray – NTIS 1685**

**SIR20207 Certificate II in Retail**

It was noted the assessment booklets were supported by additional theory questions that were an extract from SmallPRINT resources.

**SIRXICT001A Operate retail technology**

The assessment tools meet the training package requirements at a minimum.

**SIRXCCS001A Apply point-of-sale handling procedures**

The practical assessment included limited information for students and no benchmark criteria. The practical checklist consisted of three broad statements. For example, 'Operate price marking equipment'. As the checklist was supported by limited information regarding the instructions to the student and no benchmark criteria the practical assessment did not demonstrate evidence would be captured regarding a student's ability to meet the critical aspects for assessment.

Refer to outstanding non compliances below.

**SIR40207 Certificate IV in Retail Management**

**SIRXMER004A Manage merchandise and store presentation**

The required knowledge is covered at a minimum.

The practical demonstration required the student to 'Develop a visual merchandising plan for an upcoming promotion in your business. Complete a presentation of this plan as a training session to a group of your team members. Your assessor from Matters In Gray will be present at this meeting'.

Overall, the assessment tools did not gather evidence of the student successfully completing the following (as required in the critical aspects):

- assessing effectiveness of layout and presentation according to sales targets or predetermined objectives
- coordinating and implementing advertising and promotions activities according to store policies and procedures
- assessing and reporting on effectiveness of advertising and promotions to staff and management according to store policies and procedures
- collaboratively coordinating and implementing pricing activities according to store policies and procedures
- and collaboratively planning, coordinating and implementing housekeeping activities according to store policies and procedures and OHS legislation, regulations and codes of practice.

Refer to outstanding non compliances below.

**SIRXMGT003A Lead and manage people**

The assessment tools meet the unit requirements at a minimum. Refer to opportunities for improvement below.

**BSB40807 Certificate IV Frontline Management**

For both units of competency it was noted that the 50-100 word answer requirement may not allow the student to provide enough detail for a range of the questions.

**BSBMGT402A Implement operational plan**

The practical observation requires the student to conduct a meeting with the colleagues who will be involved in the plan's implementation. 'Assessment tool 1' states 'you are required to identify and implement an operation plan to provide a specific product or service that is required by your organisation'; however, the assessor is not capturing evidence or making a judgement on the student actually implementing an operational plan. Following the above statement is a range of written questions regarding how the student *would* or the *approach they would take* in a range of implementation and monitoring tasks.

Overall, the assessment tools combined do not capture evidence regarding a student's ability to implement resource acquisition, monitor and adjust operational performance, provide reports on performance and coach and mentor colleagues.



**R and P Gray Holdings Pty Ltd as Trustee for The Gray Family Trust t/a Matters In Gray – NTIS 1685**

Refer to outstanding non compliances below.

**BSBMGT401A Show leadership in the workplace**

It was noted that the 'assessment book' incorrectly identified the unit code as **BSBMGT412A**.

The assessment tools appear to meet the unit requirements at a minimum. Refer to opportunities for improvement below.

**Outstanding non-compliances:**

**WRH50106 Diploma of Hairdressing Salon Management**

**WRHSM501A Manage hairdressing services and sales delivery**

Significant gaps remain regarding the critical aspects, range statement (must include items) and the practical aspects of the elements and performance criteria.

**WRHSM502B Promote a hairdressing business**

Gaps remain regarding the critical aspects and the practical aspects of the elements and performance criteria.

**SIR20207 Certificate II in Retail**

**SIRXCCS001A Apply point-of-sale handling procedures**

Gaps remain regarding the critical aspects for assessment. It is noted that this is due to the lack of detail in the practical assessment checklist.

**SIR40207 Certificate IV in Retail Management**

**SIRXMER004A Manage merchandise and store presentation**

Significant gaps remain regarding the critical aspects.

**BSB40807 Certificate IV Frontline Management**

**BSBMGT402A Implement operational plan**

Gaps remain regarding the critical aspects, required skills and the practical aspects of some of the elements and performance criteria.

**Further rectification required:**

**WRH50106 Diploma of Hairdressing Salon Management**

**WRHSM501A Manage hairdressing services and sales delivery**

**WRHSM502B Promote a hairdressing business**

**SIR20207 Certificate II in Retail**

**SIRXCCS001A Apply point-of-sale handling procedures**

**SIR40207 Certificate IV in Retail Management**

**SIRXMER004A Manage merchandise and store presentation**

**BSB40807 Certificate IV Frontline Management**

**BSBMGT402A Implement operational plan**

The RTO is required to provide evidence of assessment tools (and supporting benchmark criteria), for each unit of competency above, that address the entire unit of competency requirements. Note: for guidance regarding current gaps refer to analysis of rectification above.

Additionally, the assessment questions for the diploma units are required to be at a level of conceptual depth appropriate for a diploma outcome.

**Analysis of rectification received 16 February 2010:**

**WRH50106 Diploma of Hairdressing Salon Management**

**WRHSM501A Manage hairdressing services and sales delivery**

**WRHSM502B Promote a hairdressing business**

**SIR20207 Certificate II in Retail**

**SIRXCCS001A Apply point-of-sale handling procedures**

**SIR40207 Certificate IV in Retail Management**



# R and P Gray Holdings Pty Ltd as Trustee for The Gray Family Trust t/a Matters In Gray – NTIS 1685

## SIRXMER004A Manage merchandise and store presentation

### BSB40807 Certificate IV Frontline Management

#### BSBMGT402A Implement operational plan

For each unit of competency above the organisation provided an amended:

- 'Workbook and assessment' booklet that included short answer questions, a practical assessment with observation checklist and a third party report
- 'Marking guide' booklet that included benchmark criteria.

The assessment activities and benchmark criteria had been strengthened and meet the unit of competency requirements.

#### Strengths

- Nil identified.

#### Opportunities for Improvement

- It is recommended that the RTO assists its trainers/assessors of the certificate IV and diploma level qualifications to strengthen the capture of **salon management, retail and frontline management professional development activities** to ensure they continue to maintain their vocational currency in this area.
- The RTO is reminded of the requirement to supplement training and assessment materials that are produced for a national market with Queensland specific legislation and requirements.
- For **SIRXMGT003A Lead and manage people** the assessment tools for this unit should be enhanced to clearly capture **evidence the student can delegate appropriate responsibility and authority to team members. The assessment tools provided for rectification focus on how a student will do this.**
- For **BSBMGT401A Show leadership in the workplace** the assessment tools could be strengthened by capturing further evidence of a student's knowledge of leadership styles and concepts.

## Standard 2: The RTO adheres to principles of access and equity and maximises outcomes for its clients

Elements	Examined at audit
2.1 The RTO continuously improves client services by collecting, analysing and acting on relevant data.	<input checked="" type="checkbox"/>
2.2 Before clients enrol or enter into a contract, the RTO informs them about the training, assessment and support services to be provided, and about their rights and obligations.	<input checked="" type="checkbox"/>
2.3 Employers and other parties who contribute to each learner's training and assessment are engaged in the development, delivery and monitoring of training and assessment.	<input checked="" type="checkbox"/>
2.4 Learners receive training, assessment and support services that meet their individual needs.	<input checked="" type="checkbox"/>
2.5 Learners have timely access to current and accurate records of their participation and progress.	<input type="checkbox"/>
2.6 Complaints and appeals are addressed efficiently and effectively.	<input type="checkbox"/>

#### Audit findings

At time of audit:

- ☐ Compliant  
☒ Not Compliant

Following rectification 21/12/09:

- ☒ Compliant  
☐ Not Compliant

#### Findings:

The RTO has commenced using the student quality indicator questionnaires for collecting student feedback. Once collected this information feeds into the RTO's continuous improvement cycle.

The enrolment form is used for capturing information regarding student needs. Students are provided with the refund policy before they are required to pay fees in advance.

Prior to enrolment the RTO supplies flyers and course guides. Upon enrolment a language, literacy and numeracy assessment is undertaken; students are provided with a comprehensive student handbook and participate in an induction.

Both the international flyer and the student handbook includes additional information to guide and support international students including contact details for the CRICOS unit.



# R and P Gray Holdings Pty Ltd as Trustee for The Gray Family Trust t/a Matters In Gray – NTIS 1685

## Non-compliances:

Although the RTO has attempted to engage students' employers in the monitoring of assessment, the third party report used does not follow the *Requirements for competency-based assessment by supervising registered training organisations*. Refer to comments in Standard 1 regarding third party reports being in the form of performance criteria checklists.

Some of the information provided to students before they enrol and within the student handbook is not accurate and could mislead. In these documents the RTO refers to the Department as 'DETA', 'Department of Employment and Training', 'Department of Training and the Arts' and 'Department of Education, Training and the Arts'. The Department should be referred to as the Department of Education and Training.

## Rectification required:

The RTO is required to demonstrate that the information it provides to students regarding the Department is accurate and not misleading.

Refer also to Standard 1.

## Analysis of rectification received 21 December 2009:

The student handbook included accurate information regarding the Department.

Refer also to Standard 1 for rectification regarding third party reports.

## Strengths

- Nil identified.

## Opportunities for Improvement

- Nil identified.

## Standard 3: Management systems are responsive to the needs of clients, staff and stakeholders, and the environment in which the RTO operates

Elements	Examined at audit
3.1 The RTO uses a systematic and continuous improvement approach to the management of operations.	<input checked="" type="checkbox"/>
3.2 The RTO monitors training and/or assessment services provided on its behalf to ensure that they comply with all aspects of the <i>AQTF 2007 Essential Standards for Registration</i> .	<input checked="" type="checkbox"/>
3.3 The RTO manages records to ensure their accuracy and integrity.	<input type="checkbox"/>

## Audit findings

At time of audit:

- ☒ Compliant  
☐ Not Compliant

## Findings:

The RTO uses the WorkSmart System to document its management system. Staff are informed of their responsibilities for implementing the system at an induction with updates occurring at staff meetings. Operations are systematically monitored and improved through half yearly management reviews and quarterly one on one meetings with staff. Additionally, staff are encouraged to submit continuous improvement opportunity forms whenever they have improvement suggestions.

The RTO has a partnership arrangement in place with Michael Hill Jewellers for the training and assessment of Certificate II and III in Retail. The RTO has documented the agreement which outlines the responsibilities of both parties. Michael Hill Jewellers conducts all training and assessment and sign ups, and has developed its own training and assessment resources. The resources are quite extensive and have been validated by the RTO. The RTO monitors the implementation of the agreement and conducts its own paperwork check before issuing the qualification or statement of attainment. Evidence of improvement is demonstrated by the agreement being reviewed and updated to reflect the AQTF Essential Standards for Registration.

## Strengths



# R and P Gray Holdings Pty Ltd as Trustee for The Gray Family Trust t/a Matters In Gray – NTIS 1685

• Nil identified.
<b>Opportunities for Improvement</b>
• Nil identified.

<b>User Choice Contract</b>		
	<b>Clause</b>	<b>Examined at audit</b>
3h	The supplier must comply with the User Choice fees and charges requirements set out in Appendix 3.	<input checked="" type="checkbox"/>
6a	The Supplier must fully and correctly provide to the Department the reports set out in Item 1 of Appendix 5 in accordance with the timeframes set out in Item 2 of Appendix 5.	<input checked="" type="checkbox"/>
7b	Unless otherwise specified or approved in writing by the Department, the Department will not pay, without limitation, the Supplier for the provision of the Services set out in Item 5 of Appendix 6.	<input checked="" type="checkbox"/>
18	The Supplier must collect and retain documents, records and information in accordance with Item 3 of Appendix 2.	<input checked="" type="checkbox"/>

<b>Audit findings</b>	
At time of audit:	Following rectification 21/12/09:
<input type="checkbox"/> Compliant	<input checked="" type="checkbox"/> Compliant
<input checked="" type="checkbox"/> Not Compliant	<input type="checkbox"/> Not Compliant

## Findings:

The organisation uses TED to report its AVETMISS data to the Department in accordance with User Choice contractual requirements. MYOB is used to manage student fees.

The organisation undertakes 'training quality checks' to review student files for completeness.

## Non-compliances:

Due to insufficient assessment processes/tools (refer to comments in Standard 1) the organisation has not been able to provide evidence to support its claims for Outcome Identifier Code 20 (competency achieved).

Several of the student files reviewed for SIR20207 Certificate II in Retail and one student for WRH30106 Certificate III in Hairdressing, indicate that the RTO has not implemented and retained the full range of assessment evidence as per the assessment master versions.

## Financial implications regarding validation of User Choice funding claims:

On 1 December 2009, a post-audit meeting was held with departmental senior management to discuss the significance of the non-compliances identified at audit regarding assessment tools and processes. The outcome of this meeting was that the Department will seek the recovery of funds paid for which claims could not be validated. This matter has now been referred to Stakeholder Performance. The RTO is requested to address enquiries regarding this matter to its contract manager.

## Rectification required:

**[Note: Rectification requirements relate to future operations and will have no affect on the financial implications about any decision to recover funds paid for past claims]**

The RTO is required to provide evidence of the process it will follow to ensure that the full range of assessment tools are implemented and retained in the future.

## Analysis of rectification received 21 December 2009:

The organisation provided an extract from its 'AQTF 2007 Requirements Report – 1.5a and 1.5b' regarding the assessment process. The organisation now mandates what assessment tools must be used and has enhanced its 'validation process to improve the review of completed assessments to ensure tools are completed in line with strategies and benchmarks and that assessment tools are sufficient and consistently applied'.

<b>Strengths</b>
• Nil identified.
<b>Opportunities for improvement</b>



# R and P Gray Holdings Pty Ltd as Trustee for The Gray Family Trust t/a Matters In Gray – NTIS 1685

- Nil identified.

## Conditions of Registration

Conditions	Examined at audit
1 Governance	<input type="checkbox"/>
2 Interactions with the registering body	<input type="checkbox"/>
3 Compliance with legislation	<input type="checkbox"/>
4 Insurance	<input type="checkbox"/>
5 Financial management	<input type="checkbox"/>
6 Certificate and issuing of qualifications and Statements of Attainment	<input type="checkbox"/>
7 Recognition of qualifications issued by other RTOs	<input type="checkbox"/>
8 Accuracy and integrity of marketing	<input checked="" type="checkbox"/>
9 Transition to Training Packages / expiry of accredited courses	<input type="checkbox"/>

## Audit findings

### At time of audit:

- ☐ Compliant  
☒ Not Compliant

### Following rectification 21/12/09:

- ☐ Compliant  
☒ Not Compliant

### Following rectification 16/02/10:

- ☒ Compliant  
☐ Not Compliant

The condition of registration listed above was reviewed for this audit as:

- the auditor reviewed evidence that included the inappropriate use of the NRT logo.

### Findings:

When reviewing the evidence provided the auditor noticed several instances where the NRT logo has been used incorrectly.

### Non-compliances:

The NRT logo is displayed on a range of the RTO's documents including: assessment materials, language, literacy and numeracy skills indicator, completion agreement, learner record book, strategy documents and the initial induction file checklist. Usage of this nature does not comply with the 'Nationally Recognised Training Logo Specifications'.

### Rectification required:

The organisation is required to demonstrate how it will ensure that it only uses the NRT logo in accordance with the NRT logo specifications.

### Analysis of rectification received 21 December 2009:

The organisation provided an extract from its 'AQTF 2007 Conditions Report - Condition 8' regarding the use of the NRT logo. The document states all marketing and advertising material will be submitted to the Operations Manager for review, who will check the correct usage of the NRT logo, before the material is printed and distributed.

It was noted that the NRT logo was on the front of Matters In Gray's display folders and student handbook.

### Outstanding non-compliance:

The NRT logo was on the front of Matters In Gray's display folders and student handbook which does not comply with the NRT logo specifications.

### Further rectification required:

The organisation is required to demonstrate that it has removed the NRT logo from the front of Matters In Gray's display folders and student handbook.

### Analysis of rectification received 16 February 2010:

The organisation provided evidence it had removed the NRT logo from its display folder and student handbook.