



Australian Government
Australian Skills Quality Authority

REPORT

Audit report: XSEED Pty Ltd

Date/s of audit: 3/08/2017

Date report created: 7/08/2017

Date report updated: 18/10/2017



Organisation details

Organisation's legal name:	XSEED Pty Ltd
Trading name/s:	XSEED, Next Gear, Hair Assembly
RTO number:	21402
CRICOS number:	N/A

Audit team

Lead auditor:	Jennine Cochrane
Assistant/s:	N/A

Audit details

Application number/s:	RENVET0003150
Audit number:	AUDREC0007329
Audit reason	Application - renewal
Address of site/s visited:	Level 5, 570 St Kilda Road, Melbourne, 3000
Date/s of audit:	4/08/2017
Organisation's contact for audit:	Mr Rhett Simonds Director rsimonds@simondsfamily.com.au (03) 9624 2209.

Original finding at time of audit

Audit finding: Serious non-compliance

Report completed by: Jennine Cochrane

Practice	Standards for RTOs 2015	Finding
Marketing/Recruitment	4.1	Compliant
Enrolment	5.1, 5.2, 5.3, 7.3	Compliant
Support and Progression	1.7	Compliant
Training and Assessment	1.1, 1.2, 1.3, 1.8, 1.13-1.18, 1.20	Not compliant
Completion	3.1	Not compliant
Regulatory Compliance / Governance	2.3, 2.4, 8.2	Not audited

Audit finding following analysis of additional evidence

Audit finding following analysis of additional evidence provided on 25/09/2017 : Compliant

Report completed by: David Scott

Practice	Standards for RTOs 2015	Finding
Training and Assessment	1.1, 1.2, 1.3, 1.8, 1.13, 1.18, 1.20	Compliant
Completion	3.1	Compliant

Background

Summary of RTO organisation and management structure:

- The RTO changed its trading names in 2016 from Auto Apprentice and Australian College of Vibrational Healing to XSEED, Next Gear and Hair Assembly.
- The RTO consists of the Director, Mr Rhett Simonds, the General Manager, Mr Amar Singh (note previous Managerial Agent until October 2016), the Training Manager, Mr Clement Lu, the Compliance Manager, Ms Dianne Kelly and the Administration Manager, Ms Carlie Walka. Trainers are employed full time by the RTO.

Scope of RTOs registration:

- July 2016 the RTO decided to focus on providing Automotive and Hairdressing qualifications. The RTO has moved away from delivering health-focused qualifications (Kinesiology, Massage) due to lack of sufficient revenue for the RTO. Amar Singh entered the business with previous experience in relation to the Automotive training industry.
- The RTO has identified reskilling and upskilling is required for persons working in the automotive industry due to the closure of automotive manufacturing in Australia. As a result, the RTO reviewed its scope and changed its focus to the Automotive industry resulting in a change of scope occurring in 2016.
- The RTO intends to build their brand further by delivering to national, larger scale organisations, e.g. BF Goodrich, Lube Mobile.
- In addition, there is an agreement with Toni and Guy (Hairdressing company) with plans to increase its exposure into the Fee-For-Service market through delivery of the Hairdressing qualifications. This includes future plans to create a purpose-built salon in partnership with Toni and Guy.
- **Note:** Immediately prior to audit *HLT42812 Certificate IV in Kinesiology* was removed from the RTO's scope of registration and the audit focus. This was replaced with *AUR30812* and *AUR30816 Certificate III in Motorcycle Mechanical Technology*.

Suburb and state of all delivery sites:

Third party usage:

Core clients/target groups:

- Core clients are already employed. They consist of Apprenticeships or those wanting to up skill or cross skill.

Training Revenue

- The RTO predominantly sources revenue via funding through a Victorian State Government funding contract. There is some Fee for Service revenue about to be sourced in NSW (BF Goodrich). Future i

Total number of current enrolments in RTO as at audit date:

- As at 04/08/2017: 534.

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 XSEED Pty Ltd to ASQA.
- Existing information and records held by ASQA concerning XSEED Pty Ltd.
- Information provided to ASQA's auditors and documentation reviewed during the site audit of XSEED Pty Ltd conducted on 3 and 4/08/2017.
- Other publically available information - including but not limited to, information published on the RTO's website

Audit Sample

Code	Training products	Mode/s of delivery / assessment*	Current enrolments
AUR30316	Certificate III in Automotive Electrical Technology	Blended: Face to face; workplace, online	180

AUR30312	Certificate III in Automotive Electrical Technology	Blended: Face to face; workplace, online	0
SIH30111	Certificate III in Hairdressing	Blended: Face to face; workplace, online	1
SHB30416	Certificate III in Hairdressing	Blended: Face to face; workplace, online	40
AUR30816	Certificate III in Motorcycle Mechanical Technology	Blended: Face to face; workplace, online	3
AUR30812	Certificate III in Motorcycle Mechanical Technology	Blended: Face to face; workplace, online	0

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

Interviewees

Name	Position	Training products
Dianne Kelly	Compliance Manager	All
Carlie Walka	Administration Manager	All
Clement Lu	Training Manager, Trainer	AUR30316, AUR30816
Gemma Hollett	Trainer	SHB30416
Amar Singh	General Manager	All

About this Report

This report details findings against the *Standards for Registered Training Organisations 2015*. 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 a 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

XSEED Pty Ltd did not meet all requirements for clauses 1.1, 1.8, 1.13, 1.16, 3.1.

Remedial action is required for the following training products:

- **AUR30312 Certificate III in Automotive Electrical Technology**
- **AUR30316 Certificate III in Automotive Electrical Technology**
- *AURETR006 Solder electrical wiring and circuits*
- *AURETR025 Test, charge and replace batteries and jump-start vehicles*
- **SHB30416 Certificate III in Hairdressing**
- *SHBCUT002 Create one length or solid hair cut structures.*
- **AUR30812 Certificate III in Motorcycle Mechanical Technology**
- *AURTTB2001 Inspect and service breaking systems*
- *AURTTE2004 Inspect and service engines*
- **AUR30816 Certificate III in Motorcycle Mechanical Technology**
- *AURTTB001 Inspect and service breaking systems*
- *AURTTE004 Inspect and service engines*

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

Clause 1.8:

- Corrected its assessment system (to comply with Clause 1.8) for existing and future learners to ensure it complies with the assessment requirements of the above listed training products. In particular, ensure its assessment tools for practical assessment activities are valid, reliable and collect sufficient evidence to support a decision of competence.
- Identified all current learners who have been assessed, using the existing practical observation assessment tools, in the above qualifications and units of competency. This also includes any learners who have completed their qualification and were assessed in any of the above units within the last 3 months.
- Developed and **commenced implementation** of a plan to:
 - Contact all of the above specified learners and advise they are required to be reassessed for the practical (skills) component of the above units.
 - Reassess all identified students with assessment tools that are valid, reliable and collect sufficient evidence to support a decision of competence.

Clause 1.1

- Corrected its assessment practices for future students to ensure they meet the requirements of the AUR Automotive Retail, Service and Repair Training Package and SHB Hairdressing and Beauty Services Training Package. Refer to Clause 1.8.

Clause 1.3

- Sufficient resources to comply with Clause 1.3; in particular:
 - Sufficient trainers and assessors to deliver the training and assessment. Refer to Clauses 1.13 and 1.16.

Clauses 1.13 and 1.16

- Ensured its trainers/assessors, used by the organisation, meet the requirements of the Standards, in particular Clauses 1.13 and 1.16.

Clause 3.1

- It has an appropriate assessment system in place to ensure AQF certification documentation is only issued to a learner whom it has assessed as meeting the requirements of the below listed qualifications as specified in the AUR Automotive Retail, Service and Repair Training Package and SHB Hairdressing and Beauty Services Training Package.
 - ***AUR30316 Certificate III in Automotive Electrical Technology***
 - ***SHB30416 Certificate III in Hairdressing***
 - ***AUR30816 Certificate III in Motorcycle Mechanical Technology***

Audit finding following analysis of additional evidence

Following analysis of additional evidence provided by XSEED Pty Ltd on 25 September 2017, the RTO:

- provided sufficient evidence to demonstrate compliance with clauses: 1.1, 1.3, 1.8, 1.13, 1.16 & 3.1.

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

Areas of non-compliance

Training and Assessment

Clause 1.1

The RTO's training and assessment strategies and practices, including the amount of training they provide, are consistent with the requirements of training packages and VET accredited courses and enable each learner to meet the requirements for each unit of competency or module in which they are enrolled.

Clause 1.2

For the purposes of [Clause 1.1](#), the RTO determines the amount of training they provide to each learner with regard to:

- a) the existing skills, knowledge and the experience of the learner;
- b) the mode of delivery; and
- c) where a full qualification is not being delivered, the number of units and/or modules being delivered as a proportion of the full qualification.

Findings: Non-compliant

The following evidence was reviewed in relation to the organisation's training and assessment strategies:

AUR30312 Certificate III in Automotive Electrical Technology

AUR30316 Certificate III in Automotive Electrical Technology

SIH30111 Certificate III in Hairdressing

SHB30416 Certificate III in Hairdressing

AUR30812 Certificate III in Motorcycle Mechanical Technology

AUR30816 Certificate III in Motorcycle Mechanical Technology

- Training and Assessment Strategy documents
- Training and assessment resources. Refer to evidence specified for Clause 1.8.

The RTO's practices and behaviours are not compliant with Clauses 1.1 of the *Standards for RTOs 2015*: Assessment resources were found to be invalid resulting in unreliable assessment practice and collection of insufficient evidence to support a decision of competence in accordance with the requirements of their respective training products (listed above). Refer to Clause 1.8 for detail.

Analysis of rectification evidence:

- The RTO's assessment resources, assessment practice and collection of sufficient evidence are reliable and support the decision process. The RTO has addressed the non-compliance referred to in Clause 1.8.
- The evidence provided has addressed the non-compliance and the RTO is compliant with this clause.

Clause 1.3

The RTO has, for all of its scope of registration, and consistent with its training and assessment strategies, sufficient:

- a) trainers and assessors to deliver the training and assessment;
- b) educational and support services to meet the needs of the learner cohort/s undertaking the training and assessment;
- c) learning resources to enable learners to meet the requirements for each unit of competency, and which are accessible to the learner regardless of location or mode of delivery; and
- d) facilities, whether physical or virtual, and equipment to accommodate and support the number of learners undertaking the training and assessment.

Findings: Not compliant

The following evidence was reviewed in relation to the organisation's sufficiency of resources to ensure consistency with its training and assessment strategies and its intended scope of registration:

AUR30816 Certificate III in Motorcycle Mechanical Technology

AUR30316 Certificate III in Automotive Electrical Technology

SHB30416 Certificate III in Hairdressing

- Training and assessment strategies for the above qualifications.
- Trainer Files for above qualifications.

The RTO's practices and behaviours are not compliant with Clause 1.3 of the *Standards for RTOs 2015*:

The organisation did not have, for all of its scope of registration and consistent with the training and assessment strategy, sufficient:

- Trainer/Assessors; they had not demonstrated industry currency or provided evidence of professional development activities for both skills and knowledge. Refer to Clauses 1.13 and 1.16.

Analysis of rectification evidence:

Evidence Provided:

- Unit Resource Development Plan for all units of competency relating to the aforementioned qualifications.
- The RTO's Trainers/Assessors have demonstrated they have industry currency and provided evidence of professional development activities for both skills and knowledge as per clauses: 1.13 & 1.16.
- The evidence provided has addressed the non-compliance and the RTO is compliant with this clause.

Clause 1.8

The RTO implements an assessment system that ensures that assessment (including recognition of prior learning):

- a) complies with the assessment requirements of the relevant training package or VET accredited course; and
- b) is conducted in accordance with the Principles of Assessment contained in Table 1.8-1 and the Rules of Evidence contained in Table 1.8-2.

Findings: Non-compliant

The following evidence was reviewed in relation to the organisation's assessment system, including its resources and proposed practice of conducting assessment:

- Assessment tools for the following qualifications and units of competency:
 - **AUR30816 Certificate III in Motorcycle Mechanical Technology**
 - *AURTTB2001/ AURTTB001 Inspect and service breaking systems*
 - *AURTTE2004/ AURTTE004 Inspect and service engines.*
 - AURTTB001 Inspect and service breaking systems
 - AURTTE004 Inspect and service engines.
 - **AUR30316 Certificate III in Automotive Electrical Technology**
 - *AURETR025 Test, charge and replace batteries and jump-start vehicles*
 - *AURETR006 Solder electrical wiring and circuits*
 - **SHB30416 Certificate III in Hairdressing**
 - *SHBCUT001 Design haircut structures*
 - *SHBCUT002 Create one length or solid hair cut structures.*
 - **SIH30111 Certificate III in Hairdressing**
 - *SIHHBAS201A Perform shampoo and basin services*
 - *SHHBAS001 Provide shampoo and basin services*

The RTOs practices and behaviours are not compliant with Clause 1.8 of the *Standards for RTOs 2015*:

AUR30816 Certificate III in Motorcycle Mechanical Technology

AUR30316 Certificate III in Automotive Electrical Technology

SHB30416 Certificate III in Hairdressing

SHBCUT002 Create one length or solid hair cut structures.

SIH30111 Certificate III in Hairdressing

The Practical Observation Checklist used by the assessor did not provide for gathering evidence to support a decision of competence. For example (**but not limited to**): Observation Criteria 3: *'demonstrate technical knowledge and skills when pre-brushing clients hair and visually inspect the hair and scalp noting hair conditions and enhancements on client sheet and seeking directions from supervising hairdresser on unusual scalp condition selecting appropriate shampoo according to product instructions and client hair and scalp condition'*. This had been ticked as demonstrated however there was no evidence of identified hair conditions and unusual scalp condition identified by the candidate or any detail any of the instructions/ information conveyed to client.

Analysis of rectification evidence:

Evidence Provided:

- **AUR30316 Certificate III in Automotive Electrical Technology**
- *AURETR006 Solder electrical wiring and circuits*
 - Student assessment guide contains a written assessment and six observations and one third party report
 - Assessor marking guide contains a written assessment and six observations and one third party report
 - Mapping Document

- *AURETR025 Test, charge and replace batteries and jump-start vehicles*
 - Student assessment guide contains a written assessment and two observations and one third party report
 - Assessor marking guide contains a written assessment and two observations and one third party report
 - Mapping Document
- *AURETR025 Test, charge and replace batteries and jump-start vehicles*
 - Version 2 - Student assessment guide contains a written assessment and two observations and one third party report
 - Version 2 - Assessor marking guide contains a written assessment and two observations and one third party report
 - Version 2 - Mapping Document
- **SHB30416 Certificate III in Hairdressing**
- *SHBCUT002 Create one length or solid hair cut structures*
 - Student assessment guide contains a written assessment and four observations and one third party report
 - Assessor marking guide contains a written assessment and two observations and one third party report
 - Mapping Document
- **AUR30816 Certificate III in Motorcycle Mechanical Technology**
- *AURTTB2001 Inspect and service braking systems*
 - Version 1.3 - Student assessment guide contains a written assessment and two observations and one third party report
 - Version 1.3 - Assessor marking guide contains a written assessment and two observations and one third party report
 - Version 1.3 - Mapping Document
- *AURTTB001 Inspect and service braking systems*
 - Version 2 - Student assessment guide contains a written assessment and two observations and one third party report
 - Version 2 - Assessor marking guide contains a written assessment and two observations and one third party report
 - Version 2 - Mapping Document
- *AURTTE2004 Inspect and service engines.*
 - Version 1.3 - Student assessment guide contains a written assessment and two observations and one third party report
 - Version 1.3 - Assessor marking guide contains a written assessment and two observations and one third party report
 - Version 1.3 - Mapping Document
- *AURTTE004 Inspect and service engines.*
 - Version 1.3 - Student assessment guide contains a written assessment and two observations and one third party report
 - Version 1.3 - Assessor marking guide contains a written assessment and two observations and one third party report
 - Version 1.3 - Mapping Document
- Completed reassessments tasks for learner (initials: L.O.) for the unit of competency; *AURETR006 Solder electrical wiring and circuits*
- Completed reassessments tasks for the following learners (initials: B.W, H.A, K.S, N.P, S.M, S.G, Z.M & J.A.) for the unit of competency; *AURETR025 Test, charge and replace batteries and jump-start vehicles*

- Completed reassessments tasks for the following learners (initials: C.M & H.B.) for the unit of competency; SHBHCUT002 *Create one length or solid hair cut structures*
- Completed Client consults and service records for the following Learners (initials: J.B, B.W, H.B, & I.N.)
- Completed reassessments tasks for the following learner (initials: S.A.) for the unit of competency; AURTTB2001 *Inspect and service breaking systems*
- Completed reassessments tasks for the following learners (initials: S.A, A.M, C.S,S.M & S.G.) for the unit of competency; Completed reassessments for AURTTE004 *Inspect and service engines*
- The evidence provided has addressed the non-compliance and the RTO is compliant with this clause.

Clause 1.13

In addition to the requirements specified in [Clause 1.14](#) and [Clause 1.15](#), the RTO's training and assessment is delivered only by persons who have:

- a) vocational competencies at least to the level being delivered and assessed;
- b) current industry skills directly relevant to the training and assessment being provided; and
- c) current knowledge and skills in vocational training and learning that informs their training and assessment.

Industry experts may also be involved in the assessment judgement, working alongside the trainer and/or assessor to conduct the assessment.

Clause 1.14

The RTO's training and assessment is delivered only by persons who have:

- a) ~~prior to 1 January 2016, the training and assessment qualification specified in Item 1 or Item 2 of Schedule 1, or demonstrated equivalence of competencies; and~~
- b) from 1 January 2016, the training and assessment qualification specified in Item 1 or Item 2 of Schedule 1.

Clause 1.15

Where a person conducts assessment only, the RTO ensures that the person has:

- a) ~~prior to 1 January 2016, the training and assessment qualification specified in Item 1 or Item 2 or Item 3 of Schedule 1, or demonstrated equivalence of competencies; and~~
- b) from 1 January 2016, Item 1 or Item 2 or Item 3 of Schedule 1.

Clause 1.16

The RTO ensures that all trainers and assessors undertake professional development in the fields of the knowledge and practice of vocational training, learning and assessment including competency based training and assessment.

Findings: Non-compliant

The following evidence was reviewed in relation to the organisation's ability to ensure it has qualified trainers to deliver and assess its proposed scope of registration:

- Trainer files for:
 - Gemma Hollett
 - Katherine Taliana
 - Clement Lu
 - Gale de Kauwe

The RTO's practices and behaviours are non-compliant with Clauses 1.13 and 1.16 of the Standards for RTOs 2015.

Clause 1.13

The RTO did not demonstrate that its training and assessment was delivered only by persons who have current industry skills (1.13(b)), Clement Lu and Gale de Kauwe.

Clause 1.16

The RTO has not ensured that all trainers and assessors undertake professional development in the fields and knowledge and practice of vocational training, learning and assessment including competency-based training and assessment. This applies to all trainers reviewed at audit: Gemma Hollett, Katherine Taliana, Clement Lu and Gale de Kauwe.

Analysis of rectification evidence:

Evidence Provided:

- Trainer file: Gale de Kauwe
 - Trainer Professional Development Plan
 - Personnel Competency matrix including Professional Development
 - Resume
 - Certificate of Attendance Professional Development Workshop – Assessment Validation
 - Certificate of Course Completion Microsoft Excel 2007
 - Certificate for first aid
 - Certificate from Mazda transmission training
 - Certificate from Mazda Automatic transmission training
 - Certificate from Mazda Electronic Stability program
 - Certificate – AUR30612 Certificate III in Automotive
 - Certificate – AUR20705 Certificate II on Automotive Mechanical
 - Certificate – AUR40212 Certificate IV in Automotive
 - Certificate – TAE40110 Certificate IV in Training and Assessment
 - Certificate – TAELLN401A Address adult language, literacy and numeracy skills
 - Certificate of completion MG3/MG6

- Trainer file: Clement Lu
 - Trainer Professional Development Plan
 - Personnel Competency matrix including Professional Development
 - Holden Technicians Guild recognition of achievement
 - Resume
 - Certificate of Completion – AB171 Diagnosis on CAN Bus System Technical Training
 - Certificate of Completion – BT170 Part A Fundamentals Vehicle Electrics technical Training
 - Certificate of Completion – BT170 Part B Fundamentals Vehicle Electrics technical Training
 - Certificate – AUR20212 Certificate II in Automotive Air Conditioning Technology
 - Certificate – AUR30405 Certificate III in Automotive Mechanical Technology – Light Vehicle
 - Certificate – AUR20505 certificate II in automotive Vehicle Servicing
 - Certificate – LVT Administration and Examiner – Light vehicle
 - Certificate – 21633VIC Certificate II in Applied Design in Industry
 - Certificate from Institute of Automotive Mechanical Engineers Competency Light Vehicle mechanical Technology Division
 - Certificate – TAE40110 Certificate IV in Training and Assessment
 - Personnel Competency Matrix

- Trainer Performance Indicator record including Professional Development Plan for the following trainers:
 - Gale de Kauwe
 - Clement Lu
 - Gemma Hollett
 - Katherine Taliana

- Sign-in sheet for Webinar VET Development Centre
- Minutes from Trainer meeting

- The evidence provided has addressed the non-compliance and the RTO is compliant with clauses 1.13 & 1.16.

Completion

Clause 3.1

The RTO issues AQF certification documentation only to a learner whom it has assessed as meeting the requirements of the training product as specified in the relevant training package or VET accredited course.

Findings: Non-compliant

The following evidence was reviewed in relation to the organisation's ability to issue AQF certification documentation only to a learner whom it has assessed as meeting the requirements of the training product:

- Refer to evidence listed at Clause 1.8.

The RTO's practices and behaviours are not compliant with Clause 3.1 of the *Standards for RTOs 2015*. The organisation did not have assessment resources that allow it to assess learners as meeting the requirements of the BSB Business Services Training Package. Refer to Clause 1.8 for more detail

Analysis of rectification evidence:

Evidence Provided:

- Individual Email sent to learners
- Student reassessment schedule

- The evidence provided has addressed the non-compliance and the RTO is compliant with this clause.