



Australian Government

**Tertiary Education Quality
and Standards Agency**

TEQSA
REGULATOR
PERFORMANCE
FRAMEWORK
REPORT

2015–**2016**

TEQSA REGULATOR PERFORMANCE FRAMEWORK REPORT 2015–2016



With the exception of the Commonwealth Coat of Arms, TEQSA's logo, any material protected by a trade mark and where otherwise noted, all material presented in this document is provided under a Creative Commons Attribution 3.0 Australia licence <<http://creativecommons.org/licences/by/3.0/au/>>.

The details of the relevant licence conditions are available on the Creative Commons website (accessible using the links provided) as is the full legal code for the CC BY 3.0 AU licence <<http://creativecommons.org/licences/by/3.0/au/legalcode>>.

The document must be attributed as the *TEQSA Regulator Performance Framework Report 2015–2016*.

Contacts

More information about the Tertiary Education Quality and Standards Agency, including electronic versions of this report, is available at <<http://www.teqsa.gov.au/news-publications/>>

Comments and enquiries about this report may be directed to:

Communications Manager
Tertiary Education Quality and Standards Agency
Level 14/530 Collins Street
MELBOURNE VIC 3001

T: 1300 739 585

F: 1300 739 586

E: comms@teqsa.gov.au

CERTIFICATION BY THE TEQSA ACCOUNTABLE AUTHORITY

Senator The Hon Simon Birmingham
Minister for Education and Training
Parliament House
CANBERRA ACT 2600

10 November 2016

Dear Minister,

As the accountable authority of the Tertiary Education Quality and Standards Agency (TEQSA), we have pleasure in presenting to you the Agency's Regulator Performance Framework report for the year ended 30 June 2016.

TEQSA's report has been prepared in accordance with the Regulator Performance Framework (the Framework) released by the Commonwealth Government in October 2014. The Framework requires the accountable authority of the entity to give a report on the Framework to the entity's responsible Minister for noting.

This report describes the progress made over the course of 2015–16 to meet the performance measures in the Framework, as self-assessed by TEQSA. The report has been reviewed and externally validated by the Higher Education Standards Panel.

In addition, we, as the accountable authority of TEQSA, have certified this report as required by the Framework. In our opinion, the *TEQSA Regulator Performance Framework Report 2015–2016* accurately reflects the performance of the entity, and complies with the Framework.

Yours sincerely,



Professor Nicholas Saunders, AO
Chief Commissioner



Professor Cliff Walsh
Commissioner



Ms Linley Martin
Commissioner



THE HIGHER EDUCATION STANDARDS PANEL

Professor Nicholas Saunders AO
Chief Commissioner
Tertiary Education Quality and Standards Agency
Level 14/530 Collins St
Melbourne VIC 3001

Dear Professor Saunders

At its meeting of 19 February 2016 the Higher Education Standards Panel agreed to provide formal external validation of the Tertiary Education Quality and Standards Agency's (TEQSA) self-assessment of its 2015–2016 performance as the regulator of higher education in Australia against the Government's Regulator Performance Framework.

The Higher Education Standards Panel assessed TEQSA's *Regulator Performance Framework Report 2015–2016* at its meeting on 4 November 2016. The Panel agrees the report has been prepared in accordance with the Australian Government's 2014 Regulator Performance Framework.

The Higher Education Standards Panel is therefore happy to externally validate the report prior to it being formally certified by the accountable authority and submitted to the Minister for Education and Training for noting.

Yours sincerely

The Higher Education Standards Panel

Professor Peter Shergold AC, Chair

On behalf of:

Professor Greg Craven, Dr Krystal Evans, The Hon Phil Honeywood,
Emeritus Professor Alan Robson AO, CitWA, Ms Karen Thomas (Members)

4 November 2016

CONTENTS

CERTIFICATION BY THE TEQSA ACCOUNTABLE AUTHORITY	3
EXTERNAL VALIDATION BY THE HIGHER EDUCATION STANDARDS PANEL	4
INTRODUCTION	6
Background	6
Basis of self-assessment	6
Reporting period	7
Enquiries	7
SURVEY RESULTS AT A GLANCE	8
PERFORMANCE BY KPI	10
KPI 1 - Regulation by TEQSA does not unnecessarily impede the efficient operation of higher education providers	10
KPI 2 - TEQSA's communication with higher education providers is clear, targeted and effective	14
KPI 3 - Regulatory actions undertaken by TEQSA are proportionate to the risks being managed	19
KPI 4 - TEQSA's compliance and monitoring approaches are streamlined and coordinated	22
KPI 5 - TEQSA's dealings with higher education providers are open, transparent and consistent	24
KPI 6 - TEQSA's regulatory framework continues to be improved in consultation with stakeholders	26
LEARNINGS FOR TEQSA	28
Highest and lowest rated performance areas	28
Common survey themes	30
Considerations for TEQSA	31

INTRODUCTION

BACKGROUND

The Commonwealth Government released its Regulator Performance Framework (RPF or the Framework) in October 2014. The Framework was developed in consultation with a range of stakeholders, and consists of six outcomes-based key performance indicators covering:

- ▶ reducing regulatory burden
- ▶ communications
- ▶ risk-based and proportionate approaches
- ▶ efficient and coordinated monitoring
- ▶ transparency
- ▶ continuous improvement.

Commonwealth regulators that administer, monitor or enforce regulation are required to implement the Framework. The Framework applies from 1 July 2015, with the first assessment period being the 2015–16 financial year.

Under the Framework, TEQSA is required to self-assess its performance, and then obtain external validation of that self-assessment. The Higher Education Standards Panel has provided this external validation and the TEQSA accountable authority has certified the report. The report has also been provided to the Minister of Education and Training for noting.

TEQSA's RPF consists of the following six key performance indicators (KPIs):

1. Regulation by TEQSA does not unnecessarily impede the efficient operation of higher education providers
2. TEQSA's communication with higher education providers is clear, targeted and effective
3. Regulatory actions undertaken by TEQSA are proportionate to the risks being managed
4. TEQSA's compliance and monitoring approaches are streamlined and coordinated
5. TEQSA's dealings with higher education providers are open, transparent and consistent
6. TEQSA's regulatory framework continues to be improved in consultation with stakeholders.

In December 2015, TEQSA obtained approval for the evidence metrics it proposed to use to assess its performance against these KPIs. The approval was provided by the Minister responsible for the RPF in the Education and Training Portfolio (the then Minister for Vocational Education and Skills, the Hon Luke Hartsuyker MP). These evidence metrics were published on the TEQSA website. For more information, refer to *TEQSA's Regulator Performance Framework* (Version 1.0) available at <http://www.teqsa.gov.au/sites/default/files/v1.0_TEQSA_RPFFramework_2015_16.pdf>.

BASIS OF SELF-ASSESSMENT

The RPF report is based on operational qualitative and quantitative data and the results of a sector-wide survey completed in July 2016. The sector-wide survey was largely based on *TEQSA's Regulator Performance Framework* (Version 1.0) available at <http://www.teqsa.gov.au/sites/default/files/v1.0_TEQSA_RPFFramework_2015_16.pdf>.

Some of the operational data and survey results also appear in the *TEQSA Annual Report 2015–2016*.

OPERATIONAL DATA

Operational data considered for the RPF includes metrics relating to risk ratings and outcomes of decisions, decision-making timeframes, feedback from direct engagement with the sector (for example from provider briefings), and statistics on website views and document downloads for reports and support materials published by TEQSA.

ABOUT THE SURVEY

The survey was sent to 194 higher education providers (those registered as well as those who had submitted initial registration applications) and 24 relevant peak, professional and student bodies (PPSBs).

Higher education providers received two versions of the survey: a brief survey for the operational head (for example the Vice-Chancellor (VC) or Chief Executive Officer (CEO)), and a more detailed survey for the principal contact. PPSBs received a brief survey for their operational head. The response rates were:

- ▶ 68% for the provider principal contact survey (with responses from 81% of universities, 67% of the non-university higher education providers and 48% of the prospective providers)
- ▶ 59% for the operational head of providers (e.g., Vice Chancellors, and Chief Executive Officers)
- ▶ 70% for the operational head of peak/professional/student bodies.

Survey response rates



- 81% of universities
- 67% non-university higher education providers
- 48% of the prospective providers

68% for the provider principal contact survey



59% for the operational head of providers



70% for the operational head of peak/professional/student bodies

Most of the statistical analysis in this report focuses on the principal contact results since people in these roles work most closely with TEQSA on a regular basis.

The objective of the survey was to obtain feedback to increase TEQSA's accountability, better understand its impact on higher education providers, and improve its performance. The use of the survey results in the publicly reported TEQSA RPF is part of TEQSA's approach to increase its transparency and accountability. Consistent with this approach, a summary of the results of the 2015–16 stakeholder survey will be published in conjunction with the publication of the TEQSA RPF Report 2015–2016, on the TEQSA website <<http://www.teqsa.gov.au/>>.

REPORTING PERIOD

This report is for the 2015–16 financial year

ENQUIRIES

For enquiries relating to this report, contact comms@teqsa.gov.au

SURVEY RESULTS AT A GLANCE

The stakeholder survey results were analysed to produce the top 2 scores (the proportion of respondents selecting the two most positive rating points – *excellent* and *good*). *Don't know/not applicable* and *no answer* responses have been excluded from all top 2 score calculations.

1. Overall assessment of TEQSA's performance as a regulator over the last 12 months based on top 2 scores (*good* or *excellent*)

RESPONSE TO THE OVERALL ASSESSMENT QUESTION	% OF SCORES AS GOOD OR EXCELLENT		
	PRINCIPAL CONTACT	VC/CEO	PEAK/PROF STUDENT/BODY
TEQSA's performance over the last 12 months as the regulator assuring the quality of Australian higher education	82.3	81.1	100.0

* Excludes don't know/not applicable/no answer responses

Overall assessment of TEQSA's performance

% of scores as good or excellent



2. Summary of top 2 scores for the 6 KPIs

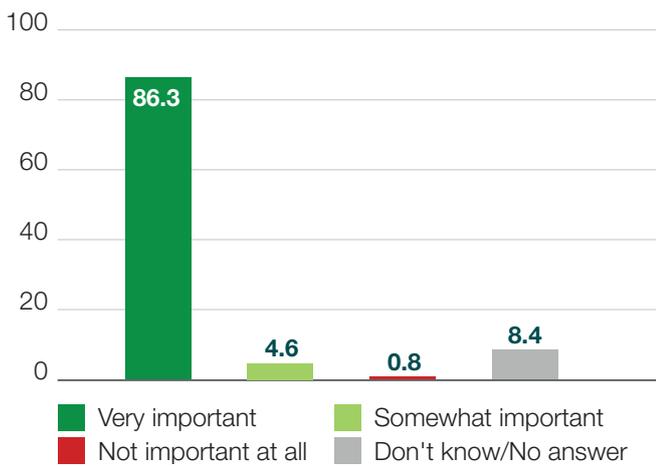
SUMMARY OF TOP 2 SCORES BY KPI	% OF SCORES AS GOOD OR EXCELLENT		
	PRINCIPAL CONTACT (1)	VC/CEO	PEAK/PROF STUDENT/BODY
KPI 1 - Regulation by TEQSA does not unnecessarily impede the efficient operation of higher education providers	74.2	70.0	93.3
KPI 2 - TEQSA's communication with higher education providers is clear, targeted and effective	80.8	78.2	73.3
KPI 3 - Regulatory actions undertaken by TEQSA are proportionate to the risks being managed	60.8	71.2	84.6
KPI 4 - TEQSA's compliance and monitoring approaches are streamlined and coordinated	73.1	76.9	71.4
KPI 5 - TEQSA's dealings with higher education providers are open, transparent and consistent	72.5	81.7	87.5
KPI 6 - TEQSA's regulatory framework continues to be improved in consultation with stakeholders	72.5	73.1	100.0

* Excludes don't know/not applicable/no answer response

(1) the principal contact score is based on the average of the top 2 scores per question for each KPI

3. Importance of the case management approach from the principal contact survey

Response to the question of 'how important is TEQSA's case management approach to your organisation?'



For some graphs and figures, the totals may not always equal 100.0%. This is due to rounding and is not an error.

4. Rating of TEQSA's performance on aspects of its case management approach

Those principal contacts who had interacted with a TEQSA case manager in the last 12 months were asked about different aspects of TEQSA's case management approach. All three aspects received a good or excellent score from 70% or more of respondents. The highest scoring item was *responsiveness*, with 78% rating this as *good* or *excellent*.

CASE MANAGEMENT APPROACH	% OF SCORES AS GOOD OR EXCELLENT*
Responsiveness to the needs of your organisation	78.3
Knowledge of your organisation's specific needs/issues/environment	71.1
Consideration of your organisation's specific needs/issues/environment for tailoring the application process	70.9

* Includes only respondents who interacted with case managers in the last 12 months. Excludes don't know/not applicable/no answer responses

Case Management Approach

% of scores as good or excellent*



Responsiveness



Knowledge of your organisation



Consideration of your needs

PERFORMANCE BY KPI

KPI 1 - REGULATION BY TEQSA DOES NOT UNNECESSARILY IMPEDE THE EFFICIENT OPERATION OF HIGHER EDUCATION PROVIDERS

TEQSA consults regularly with higher education providers, peak industry bodies and government on streamlining regulatory processes and reducing the administrative burden on providers to comply with TEQSA's requirements. In 2015–16, TEQSA reduced the evidence requirements for low risk providers, by extending the risk differentiated Core+ model from re-registration to course accreditation and re-accreditation (as described under indicator 3 for KPI 3). Case managers also continued to work closely with providers to tailor the information/evidence required based on a variety of risk and other factors.

▶ WHAT DID OUR STAKEHOLDERS SAY?

For KPI 1, 74.2% of principal contacts in total (and more than 80% from low risk providers) and 70% of VC/CEOs rated TEQSA's performance as good or excellent.

PERFORMANCE INDICATORS FOR KPI 1

For KPI 1, TEQSA has assessed its performance against the following four indicators using both internal metrics and feedback from the stakeholder survey.

1. EVIDENCE OF REGULAR, CONSTRUCTIVE CONSULTATION WITH THE SECTOR

TEQSA collaborates with a range of stakeholders including Commonwealth and state governments, peak bodies and international quality assurance agencies.

Key activities (as listed in the *TEQSA Annual Report 2015–2016*) included:

- ▶ a registration workshop in September 2015 for prospective providers to provide information on TEQSA's role, the application process and available resources. More than 45 prospective providers attended. TEQSA published session information online and maintained a dedicated mailbox to respond to and monitor new registration enquiries.
- ▶ roundtable discussions in August and September 2015 with a strong representation of higher education providers to discuss risks across the sector, the forthcoming implementation of the 2015 HE Standards Framework and the introduction of the RPF. TEQSA also advised on a series of sector projects and initiatives including the scoping of an attrition research project and the publication of data arising from further analysis of sector risks.
- ▶ signing of three Memorandums of Understanding (MOUs) with peak domestic bodies, as listed in Table 1.

▶ WHAT DID OUR STAKEHOLDERS SAY?

More than 93% of principal contacts rated TEQSA's roundtables and briefings as good or excellent in terms of relevance of content, timeliness and opportunity to interact.

Table 1: Memorandums of Understanding signed with peak domestic bodies in 2015–16

ORGANISATION	MOU ESTABLISHED
Australian Institute for Teaching and School Leadership	October 2015
English Australia	March 2016
Engineers Australia	June 2016

2 A SERIES OF REDUCTIONS IN ADMINISTRATIVE BURDEN ALREADY ACHIEVED, WITH FURTHER PROGRESS PLANNED

In 2015–16, TEQSA reduced the evidence requirements for providers assessed as low risk by TEQSA, by extending the Core+ model from re-registration to course accreditation and re-accreditation. This approach was piloted in late 2014–15, and fully deployed in September 2015. In 2015–16 the benefits of the Core+ model were extended to the beta application guides developed for the *Higher Education Standards Framework (Threshold Standards) 2015* (2015 HE Standards Framework).

WHAT DID OUR STAKEHOLDERS SAY?

77% of principal contacts rated the opportunity to give feedback on proposed changes to TEQSA's practices (including streamlining initiatives) as good or excellent. This rating increased to more than 80% for low risk providers, who are the principal beneficiaries of the change to the Core+ approach.

3 ENGAGEMENT WITH INTERNATIONAL AGENCIES TO CONTRIBUTE TO DEVELOPMENT OF TRANSNATIONAL POLICY

TEQSA plays an important role in protecting, enhancing and promoting the quality and integrity of Australia's higher education sector in the international sphere. TEQSA is a member of the following international networks:

- ▶ International Network for Quality Assurance Agencies in Higher Education
- ▶ Asia-Pacific Quality Network
- ▶ Council for Higher Education Accreditation International Quality Group
- ▶ Quality Beyond Boundaries (QBB) group, a network of international quality assurance agencies from the major sending and receiving countries of cross-border education. The group addresses common challenges by creating a platform to collaborate, share information and best practices and work together to improve quality assurance systems for cross-border higher education.

In 2015–16, TEQSA continued to strengthen links with international quality assurance agencies through these networks, with ongoing discussion on Australian providers, quality assurance and regulation.

TEQSA signed four MOUs with international bodies during the year, as listed in Table 2.

Table 2: Memorandums of Understanding signed with international bodies in 2015–16

ORGANISATION	MOU ESTABLISHED
New Zealand Qualifications Authority	August 2015
Hong Kong Council for Accreditation of Academic and Vocational Qualifications, Hong Kong Special Administrative Region, China	April 2016
Higher Education Evaluation Centre of the Ministry of Education P.R. China (Letter of Intent)	June 2016
Quality Assurance Agency for Higher Education, United Kingdom	June 2016

TEQSA benefited from welcoming several delegations from regions including North America, the United Kingdom and Asia, and staff visits and exchange opportunities to the following quality assurance agencies:

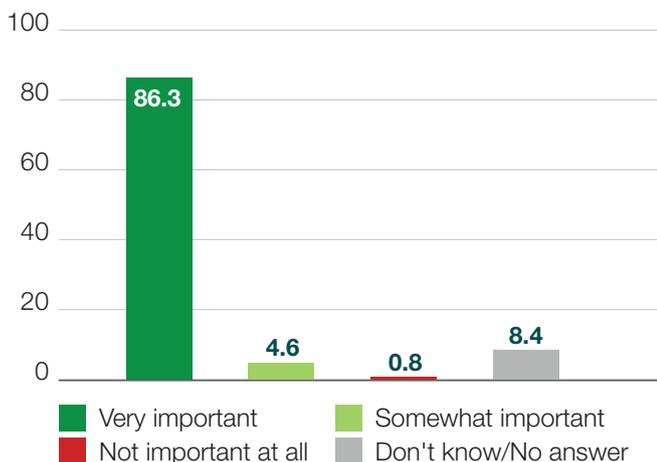
- ▶ National Institution for Academic Degrees and University Evaluation, Japan
- ▶ Norwegian Agency for Quality Assurance in Education
- ▶ Ministry of National Education, Columbia
- ▶ Council for the Evaluation, Accreditation and Assessment of the Quality of Higher Education, Ecuador
- ▶ Ministry of Education, Peru
- ▶ Council of Private Education, Singapore
- ▶ Quality Assurance Agency, United Kingdom.

TEQSA continued to participate in the Quality Assurance of Cross-border Higher Education (QACHE) project. The project ran from 1 October 2013 to 31 March 2016, and was coordinated by the European Association for Quality Assurance in Higher Education and co-funded by the Erasmus Mundus Programme of the European Union. QACHE developed a toolkit to provide practical guidance on the quality assurance of cross-border higher education that was published in late 2015.

4 THE USE OF A CASE MANAGEMENT MODEL FOR REGULATORY PROCESSES ALLOWING TAILORING OF PROCESSES ACCORDING TO CIRCUMSTANCES OF INDIVIDUAL PROVIDERS

The majority of respondents (86.3%) indicated that TEQSA's case management approach was very important to their organisation, as shown in Figure 1. The 8% or so of providers who did not have a view on this question may have had no direct personal and/or recent interaction with a TEQSA case manager.

Figure 1: Principal contacts rating of the importance of TEQSA's case management approach



For some graphs and figures, the totals may not always equal 100.0%. This is due to rounding and is not an error.

An analysis of survey comments from principal contacts suggests that the relationship between provider and case manager/s strongly influences a provider's view of TEQSA. Many providers appear to want a strong relationship and frequent contact with their case manager, including more provider site visits so that TEQSA can better understand a provider's context and individual characteristics.

Principal contacts made a range of observations across many of the survey questions about the case management approach and the quality of TEQSA case managers. Common themes are summarised here, rather than across the KPIs. Many comments were very positive, commenting on the professionalism and competence of case managers by name.

A number of other providers (in both principal contact and VC/CEO responses) raised concerns over various aspects of the case management approach, including workload for individual case managers, lack of consistency of information provided, turnover of case managers dealing with their organisation/s, and in some cases, concerns about capability and understanding of the provider's business.

Providers that had interacted with a TEQSA case manager in the last 12 months were asked about different aspects of TEQSA's case management approach, as shown in Table 3. The highest scoring item was *responsiveness*, with 78.3% rating this as *good* or *excellent*. Note that this rating varied greatly when assessed by TEQSA market grouping, with 58.6% of for profit providers rating TEQSA as good or excellent in this regard, while 75% of faith based and 91.4% of university based principal contacts rated TEQSA's performance as good or excellent in this regard.

Table 3: Percentage of principal contacts rating TEQSA's case management approach as good or excellent

CASE MANAGEMENT APPROACH – SPECIFIC PERFORMANCE QUESTIONS	% OF SCORES AS GOOD OR EXCELLENT *
Responsiveness to the needs of your organisation (Responsiveness)	78.3
Knowledge of your organisation's specific needs/issues/environment (Knowledge of your organisation)	71.1
Consideration of your organisation's specific needs/issues/environment for tailoring the application process (Consideration of your needs)	70.9

* Includes only respondents who interacted with case managers in the last 12 months. Excludes don't know/not applicable/no answer responses.

STAKEHOLDER SURVEY RESULTS

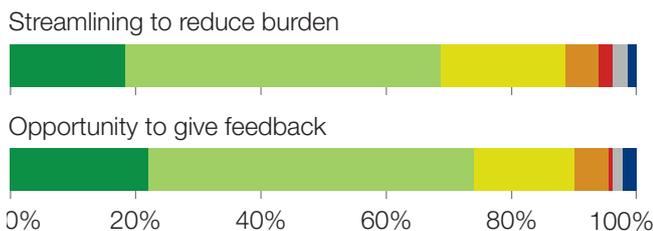
Over 70% of principal contacts rated TEQSA's performance as either *good* or *excellent* for the two key questions relating to this KPI, as shown in Table 4. Figure 2 provides a breakdown of all responses from principal contacts.

Table 4: Percentage of principal contacts rating TEQSA's performance as good or excellent for KPI 1

KPI 1 – SPECIFIC PERFORMANCE QUESTIONS	% OF SCORES AS GOOD OR EXCELLENT*
Providing your organisation with the opportunity to give feedback on proposed changes to TEQSA's practices (including streamlining initiatives) (Opportunity to give feedback)	77.0
Streamlining its regulatory processes and practices to reduce (or positively affect) administrative burden for your organisation (Streamlining to reduce burden)	71.4

* Excludes don't know/not applicable/no answer responses

Figure 2: Breakdown of responses from principal contacts for KPI 1



	Streamlining to reduce burden (%)	Opportunity to give feedback (%)
Excellent	18.3	22.1
Good	50.4	51.9
Fair	19.8	16.0
Poor	5.3	5.3
Very poor	2.3	0.8
Don't know/No answer	2.3	1.5
Not applicable	1.5	2.3

For some graphs and figures, the totals may not always equal 100.0%. This is due to rounding and is not an error.

COMMON SURVEY THEMES

In relation to this KPI, principal contacts raised concerns about the speed of decision making, and the need for further clarity on the minimum level of evidence required to avoid unnecessary administrative work. Private providers (including for profit providers) were concerned about TEQSA's lack of understanding of their business.

The two most common themes from VC/CEOs were positive feedback on TEQSA's interaction with providers, and the need for faster decision making, including simpler, more efficient responses to applications. The operational heads of some providers (including for profit providers) were also concerned about the regulatory burden for the size of their organisation.

Most PPSBs made positive comments on TEQSA's staff, processes, case managers and TEQSA in general. Areas where TEQSA could improve included:

- ▶ clarity around TEQSA's expectations of what is required as evidence of providers' achievements
- ▶ keeping providers up-to-date on the status of their re-accreditation.

KPI 2 - TEQSA'S COMMUNICATION WITH HIGHER EDUCATION PROVIDERS IS CLEAR, TARGETED AND EFFECTIVE

TEQSA pays considerable attention to communication with providers and other stakeholders. In 2015–16, TEQSA increased face-to-face engagements, conducting a well-attended registration workshop for prospective providers in late 2015, and two sets of countrywide briefings for all providers (in late 2015 and in early 2016). TEQSA intentionally adopted a 'beta release' approach to releasing key materials early for sector use and feedback (e.g., for the transition to the 2015 HE Standards Framework). TEQSA also introduced new communication channels, providing updates via an email newsletter and Twitter.

WHAT DID OUR STAKEHOLDERS SAY?

For KPI 2, 80.8% of principal contacts and 78.2% of VC/CEOs rated TEQSA's performance as good or excellent.

PERFORMANCE INDICATORS FOR KPI 2

For KPI 2, TEQSA has assessed its performance against five indicators using both internal metrics and feedback from the stakeholder survey.

1 TEQSA'S DECISIONS ARE PROVIDED IN A TIMELY MANNER, CLEARLY ARTICULATING THE REASONS FOR DECISIONS

In 2015–16, TEQSA continued to maintain and publish monthly updates of the National Register of Higher Education Providers (National Register) on the TEQSA website. The number of registered providers was relatively constant, varying between 169 and 172 during the 2015–16 year. The number of accredited courses ranged between 1012 and 1070 during the year.

The following graph shows the external usage made of the National Register website (based on Google Analytics statistics of web traffic).

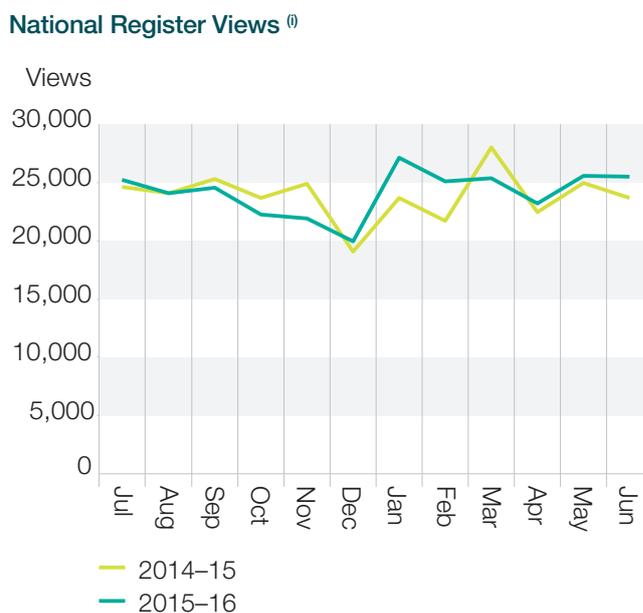
WHAT DID OUR STAKEHOLDERS SAY?

More than 80% of principal contacts rated the completeness and clarity of information provided about TEQSA's regulatory decision as good or excellent.

76.5% rated the timeliness of information provided by TEQSA after TEQSA makes a regulatory decision as good or excellent.

80.5% of principal contacts rated TEQSA's performance as good or excellent for the quality of information provided on the National Register, showing the results of regulatory decisions (see KPI 5).

Figure 3: National register views in 2015–16 compared to 2014–15



(i) Views equals Pageviews which is an instance of a page being loaded (or reloaded) in a browser. Pageviews is a metric defined as the total number of pages viewed.

2 TEQSA GIVES ALL HIGHER EDUCATION PROVIDERS A REASONABLE OPPORTUNITY TO ADDRESS MATTERS RELEVANT TO A DECISION BY TEQSA BEFORE MAKING A DECISION THAT AFFECTS THE PROVIDER

In some instances, after notification from TEQSA, providers have been able to rectify issues that form the basis of a potential adverse decision. Where issues have been rectified a positive decision may result.

▶ WHAT DID OUR STAKEHOLDERS SAY?

80.7% of principal contacts rated TEQSA as good or excellent in terms of being provided with a reasonable opportunity to address matters relevant to a regulatory decision, prior to a final decision being made.

3 SPECIFIC CONSULTATION WITH THE SECTOR OCCURS BEFORE PROPOSED CHANGES ARE MADE TO TEQSA'S PRACTICES

As mentioned in the *TEQSA Annual Report 2015–2016*, consultation with the Australian higher education sector is a crucial component in maintaining TEQSA's relations with stakeholders and improving quality assurance processes. For more information, refer to *Information Sheet: TEQSA's Approach to Consultation* available on the TEQSA website. A summary of the review process and consultation outcomes is also available at <http://www.teqsa.gov.au/news-publications/current-consultations>.

▶ WHAT DID OUR STAKEHOLDERS SAY?

77% of principal contacts (and more than 80% of those from low risk providers) rated the opportunity to give feedback on proposed changes to TEQSA's practices (including streamlining initiatives) as good or excellent (see KPI 1).

As examples of recent consultation, in 2015–16, TEQSA consulted on topics including:

- ▶ publishing key financial metrics data. As mentioned in the *TEQSA Annual Report 2015–2016*, TEQSA released the report *Key Financial Metrics on Australia's Higher Education Sector* in April 2016 and gave all providers an individualised brief to enable comparison of their data with sector data

- ▶ draft application guides and guidance notes for the 2015 HE Standards Framework. In April 2016, TEQSA published supporting information on the 2015 HE Standards Framework on its website, including an overview of the new Framework, four sets of beta guidance notes and three application guides. The guidance notes and application guides were also subject to a three-month consultation period with feedback received from a variety of stakeholders. This feedback was taken into consideration when finalising the guidance notes, application guides and the contextual overview of the 2015 HE Standards Framework.

▶ WHAT DID OUR STAKEHOLDERS SAY?

Overall, 72.5% of principal contacts rated TEQSA's initiatives to improve its regulatory framework in consultation with their organisation as good or excellent (see KPI 6).

The TEQSA website (www.teqsa.gov.au) is a key tool for communicating important information to the higher education sector and those with an interest in Australian higher education.

4 COMPREHENSIVE CURRENT GUIDANCE MATERIAL FOR REGULATORY POLICIES AND PROCESSES IS PUBLICLY AVAILABLE AND UPDATED REGULARLY

As mentioned previously, in March and April 2016 TEQSA published as beta (for consultation) a range of materials for the transition to the 2015 HE Standards Framework including the contextual overview, guidance notes and application guides.

Figures 4 and 5 show the number of page views and downloads of materials related to the 2015 HE Standards Framework transition, based on Google Analytics web traffic statistics.

In Figures 4 and 5, the high number of views for the contextual overview material (compared to downloads) most likely reflects the fact that TEQSA has published the contextual overview in full on the TEQSA webpage, in addition to making the contextual material available as a downloadable document. Only introductory information is provided on the TEQSA webpage for the guidance notes and application guides, with the content for these being available as downloadable documents.

Figure 6 shows the number of downloads of the Risk Assessment Framework in 2014–15 and 2015–16.

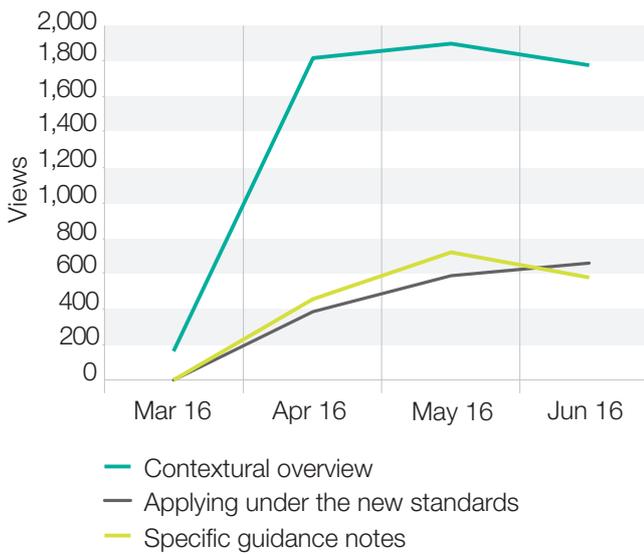
WHAT DID OUR STAKEHOLDERS SAY?

78.9% of principal contacts rated TEQSA as good or excellent at communicating its streamlining of initiatives to their organisation.

More than 80% of principal contacts rated the quality (80.8%) and relevance (86.8%) of information on TEQSA's regulatory policies and processes provided through TEQSA's website and newsletters as good or excellent.

Figure 4: Views of support materials for the 2015 HE Standards Framework

Views of support material for HESF 2015 ⁽ⁱ⁾



(i) Views equals Pageviews which is an instance of a page being loaded (or reloaded) in a browser. Pageviews is a metric defined as the total number of pages viewed.

Figure 5: 2015 HE Framework Standards document downloads in 2015–16

HESF 2015 document download

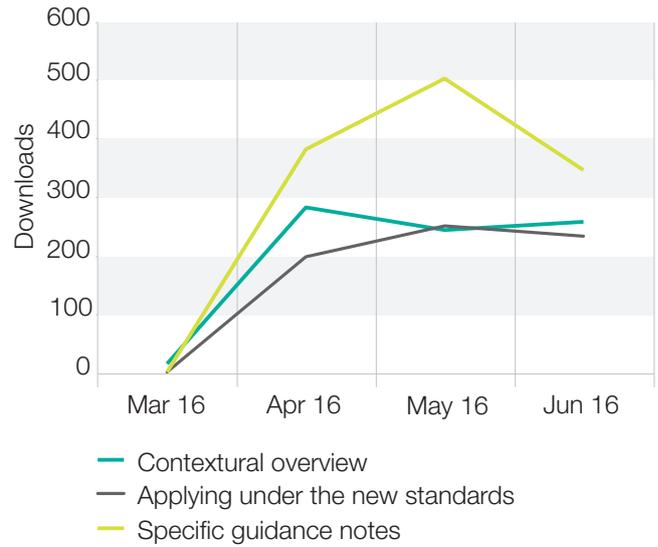
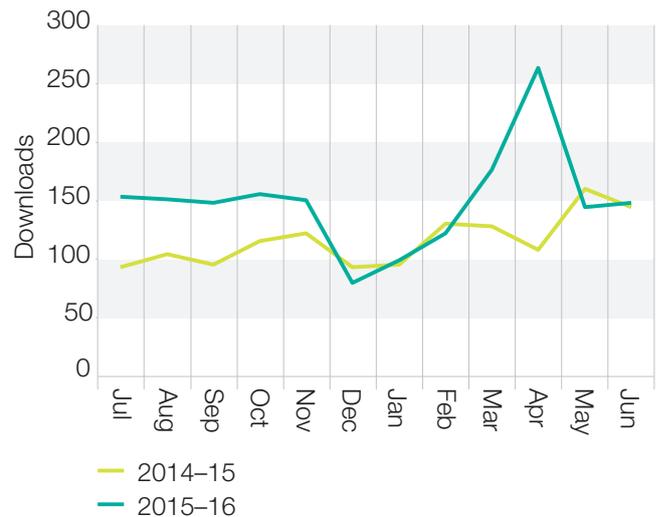


Figure 6: 2015 Risk Assessment Framework downloads in 2015–16

Risk Assessment Framework downloads



5 ALL GENERAL INFORMATION THAT IS REQUIRED BY PROVIDERS IS CURRENT AND PUBLICLY AVAILABLE

As well as the Standards Transition guidance notes and application guides mentioned previously, TEQSA published a video on YouTube of the briefing from the Standards Transition roundtables held in April and May 2016. The video was viewed 699 times between its release date of 25 May and the end of the financial year on 30 June 2016.

▶ WHAT DID OUR STAKEHOLDERS SAY?

More than 75% of providers rated the clarity of online forms and application guides as good or excellent. More than 90% of principal contacts used the TEQSA website in 2015–16.

STAKEHOLDER SURVEY RESULTS

This was the highest rated KPI by principal contacts. The *good* or *excellent* ratings for individual indicators under this KPI ranged from 76.5 to 86.8%, as shown in Table 5. *Relevance of information* was the highest scoring item.

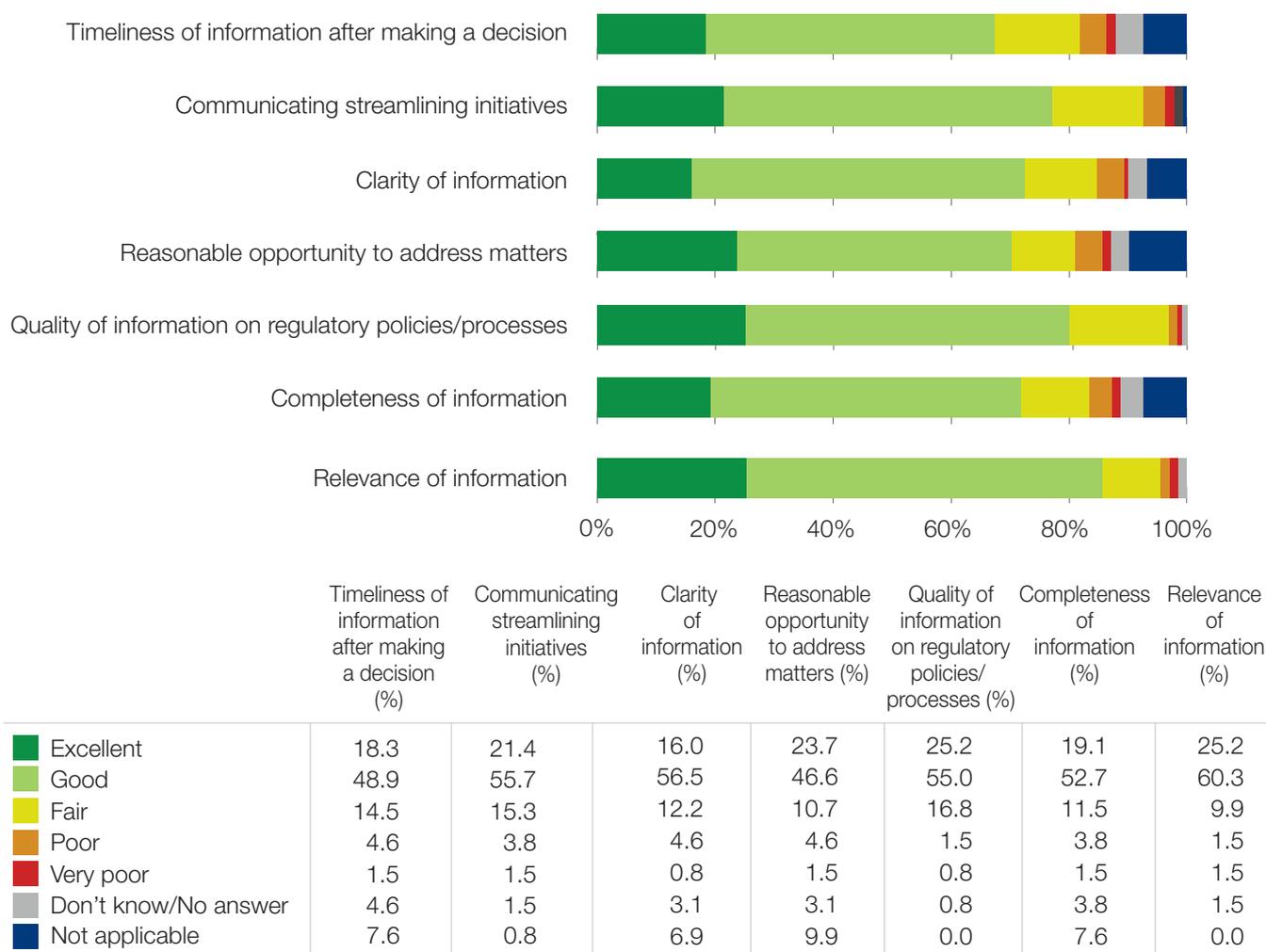
Table 5: Percentage of principal contacts rating TEQSA's performance as good or excellent for KPI 2

KPI 2 – SPECIFIC PERFORMANCE QUESTIONS	% OF SCORES AS GOOD OR EXCELLENT*
Relevance of information on TEQSA's regulatory policies and processes provided through TEQSA's website and newsletters (Relevance of information)	86.8
Completeness of information about TEQSA's regulatory decision (Completeness of information)	81.0
Quality of information on TEQSA's regulatory policies and processes provided through TEQSA's website and newsletters (Quality of information on regulatory policies/processes)	80.8
Providing a reasonable opportunity to address matters relevant to a regulatory decision, prior to a final decision being made (Reasonable opportunity to address matters)	80.7
Clarity of information about TEQSA's regulatory decisions (Clarity of information)	80.5
Communicating its streamlining initiatives to your organisation (Communicating streamlining initiatives)	78.9
Timeliness of information provided by TEQSA after TEQSA makes a regulatory decision (Timeliness of information after making a decision)	76.5

* Excludes don't know/not applicable/no answer responses

Figure 7 provides a breakdown of responses from principal contacts. This KPI had a relatively high proportion of *don't know/not applicable/no answers* for some items relating to TEQSA's communication. This suggests that not all respondents had the experience or information to provide a rating response for these items.

Figure 7: Breakdown of responses from principal contacts for KPI 2



For some graphs and figures, the totals may not always equal 100.0%. This is due to rounding and is not an error.

COMMON SURVEY THEMES

In relation to this KPI, principal contacts commented positively on the quality of communication (especially with regard to the transition to the new HE Standards 2015). While some appreciated the quality and timeliness of recent guidance material, others requested further clarity. A number requested email alerts on updates to TEQSA's website.

VC/CEOs provided positive comments on the nature of communication and case manager interaction. However, some indicated that communication could be improved in terms of clarity, speed and accuracy. Several wanted more visits and face-to-face contact but also understood TEQSA's constraints.

Most PPSBs made positive comments, with a minority requesting clearer, more consistent and effective communications.

KPI 3 - REGULATORY ACTIONS UNDERTAKEN BY TEQSA ARE PROPORTIONATE TO THE RISKS BEING MANAGED

TEQSA has developed and implemented an innovative standards-based risk modulated approach to regulation. Reflecting the increasing number of low risk providers, most registrations and re-registrations continue to be granted for the maximum seven-year period. TEQSA continues to promote Self Accrediting Authority for low risk providers.

PERFORMANCE INDICATORS FOR KPI 3

For KPI 3, TEQSA has assessed its performance against three indicators using both internal metrics and feedback from the stakeholder survey.

1 A COMPREHENSIVE CAPACITY FOR MULTIFACTORIAL RISK ANALYSIS OF ALL PROVIDER TYPES

As described in the *TEQSA Annual Report 2015–2016*, TEQSA's Risk Assessment Framework represents a simplified and robust approach to assessing risk. The framework and use of risk assessments provide TEQSA with both an overview of risks in the sector as a whole and information about individual providers.

The framework is a key tool for the Agency in monitoring risks to quality, together with intelligence from a range of sources including case managers. TEQSA's risk assessments provide a snapshot of providers to prioritise TEQSA's focus in undertaking its assurance activities. Together they support TEQSA in complying with the three regulatory principles of reflecting risk, proportionality and necessity.

Where data permits, TEQSA makes overall evaluations against: 'Risk to Students' and 'Risk to Financial Position', drawing on information against 12 indicators. The risk assessments do not draw conclusions about compliance with the HE Standards Framework or the *Education Services for Overseas Students Act 2000* and the National Code, but rather identify potential risks of non-compliance. In other words, risk assessments may identify 'leads' that warrant closer consideration by TEQSA.

At the start of 2015–16, TEQSA had completed its fourth annual risk assessment cycle. This, coupled with completing more than 1000 major regulatory assessments, provided TEQSA with extensive intelligence as to the priority areas of risk in the sector.

2 INTEGRATION OF RISK ANALYSIS AND REGULATORY DECISION MAKING, BY USE OF COMPREHENSIVE DETAILED CURRENT DATASETS GATHERED AND MAINTAINED TO INFORM RISK ANALYSES AND REGULATORY INTERVENTIONS

TEQSA uses datasets from previous risk analysis and regulatory history, and data collected from external sources such as the Department of Education and Training's Higher Education Information Management System (HEIMS). Data from HEIMS has been supplemented with information collected through the Provider Information Request in the last financial year (2014–15).

As described in the *TEQSA Annual Report 2015–2016*, analysis of regulatory decisions by TEQSA indicates a strong alignment between the risk profile of a provider and the outcome of regulatory decisions. That is, applications from providers rated high risk in risk assessments are more likely to result in adverse assessment findings or assurance action. The examples from 2015–16 and 2014–15 in Tables 6 and 7 illustrate this correlation.

This is most strongly shown for renewal of registration applications, in both 2014–15 and 2015–16, where the majority of low risk providers received positive outcomes (92% for 2015–16 and 100% for 2014–15), and between 73% and 80% of moderate or high risk providers received a form of adverse outcome (i.e., conditions, re-registration for less than 7 years or rejection). As risk assessments are conducted at an organisational level, the relationship is greatest for provider level applications (i.e., re-registration). Noting this, the relationship between risk rating and outcome is still evident for course accreditation and re-accreditations for low risk providers, with only 6 to 7% of such applications for low risk providers receiving a form of adverse outcome in 2014–15 and 2015–16.

As described for indicator 2 of KPI 2, consistent with the principles of procedural fairness, providers are given an opportunity to respond to notice of a potential adverse decision prior to a decision being made. In some instances, after notification from TEQSA, providers have been able to rectify issues that form the basis of a potential adverse decision. Where issues have been rectified, a positive decision may result. The figures in Tables 6 and 7 reflect the outcome of final decisions taken by TEQSA.

Table 6: Risk ratings and outcomes for Renewal of Registration

	RISK RATING	ADVERSE OUTCOME*	POSITIVE OUTCOME
JULY 2015 – JUNE 2016	MODERATE TO HIGH	73%	27%
	LOW	8%	92%
JULY 2014 – JUNE 2015	MODERATE TO HIGH	80%	20%
	LOW	0%	100%

* Condition, < 7 years or rejection of application

Table 7: Risk ratings and outcomes for Course Accreditation and Renewal of Accreditation

	RISK RATING	ADVERSE OUTCOME*	POSITIVE OUTCOME
JULY 2015 – JUNE 2016	MODERATE TO HIGH	32%	68%
	LOW	7%	93%
JULY 2014 – JUNE 2015	MODERATE TO HIGH	58%	42%
	LOW	6%	94%

* Condition, < 7 years or rejection of application

3 PROGRESSIVE DEVELOPMENT OF THE SCOPE AND APPLICATION OF THE DIFFERENTIATED MODEL (KNOWN AS CORE+) TO FURTHER REDUCE BURDENS ON DEMONSTRATED LOW-RISK PROVIDERS

As described in the *TEQSA Annual Report 2015–2016*, in September 2015, TEQSA extended its risk differentiated Core+ model to further reduce the evidence requirements for providers assessed as low risk by TEQSA. Following sector consultation, the revised processes implemented in 2014 for renewal of registration were extended and implemented for course accreditation and renewal of accreditation.

Under this model all applicants are required to submit minimum evidence relating to a set of core standards in the HE Standards Framework. Some providers are required to submit evidence against other selected Standards on a case-by-case basis, according to risk profile and regulatory track record. Initial registration applications are assessed against all of the standards of the HE Standards Framework due to the absence of regulatory history with TEQSA and a risk assessment. The model is designed to reduce evidence requirements and create more efficient regulatory assessment.

Due to the time needed to prepare an application, not all applications received after September 2015 fell under the Core+ evidence requirements. For these applications TEQSA modified the scope of assessment to align with the Core+ methodology. A benefit to providers of the Core+ model (along with the increased delegation of regulatory decisions for accreditation and re-accreditation of courses) is the improvement in the percentage of decisions made within six months. As shown in Table 6 in the *TEQSA Annual Report 2015–2016* (shown below as Table 8), there was a noticeable increase in the percentage of decisions made in six months between 2015–16 and 2014–15. The complexity of the re-registration matters contributed to the decrease in percentage of decisions for re-registration.

Table 8: TEQSA's decision-making timeframes in 2015–16 compared to 2014–15

PERCENTAGE OF DECISIONS MADE WITHIN SIX MONTHS	2014–15*	2015–16
Re-registration	41.2%	39.3%
Course accreditation	64.6%	69.6%
Course re-accreditations	44.7%	52.1%

STAKEHOLDER SURVEY RESULTS

This was TEQSA's lowest scoring KPI based on total principal contact feedback. As shown in Table 9, TEQSA scored 65.0 and 56.6% as good or excellent for the two items under this KPI. The rating of 56.6% relates to the consultative approach taken by TEQSA to confirm annual risk assessments results with a provider.

WHAT DID OUR STAKEHOLDERS SAY?

For KPI 3, 60.8% of principal contacts in total and 71.2% of VC/CEOs rated TEQSA as good or excellent. Ratings varied considerably by risk and market groupings, with 92.2% of faith based and 84% of university based principal contacts rating TEQSA as good or excellent in regard to actions being proportionate to risks.

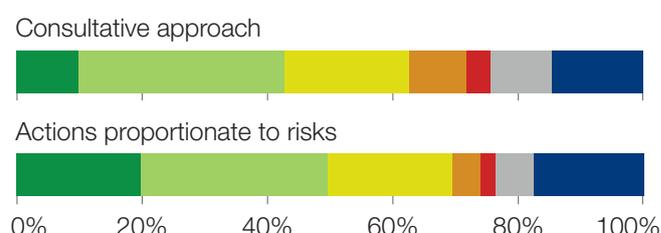
65% of principal contacts rated TEQSA's regulatory actions as being proportionate to the risks being managed. This rating increased to more than 75% for low risk providers. The results also varied considerably when viewed by TEQSA market grouping. For example, 84% of university based principal contacts and 92.9% of faith based contacts rated TEQSA as good or excellent in response to this question, while only 40% of for profit providers did so. In other words, low risk providers and a variety of providers by type of market group regard TEQSA's performance in this area good or excellent.

Table 9: Percentage of principal contacts rating TEQSA's performance as good or excellent for KPI 3

KPI 3 – SPECIFIC PERFORMANCE QUESTIONS	% OF SCORES AS GOOD OR EXCELLENT*
Regulatory actions undertaken by TEQSA for your organisation are proportionate to the risks being managed (Actions proportionate to risks)	65.0
The consultative approach taken to confirm the annual risk assessment results with your organisation (Consultative approach)	56.6

* Excludes Don't know/not applicable/no answer responses

Figure 8: Breakdown of responses from principal contact for KPI 3



	Consultative approach (%)	Actions proportionate to risks (%)
Excellent	9.9	19.8
Good	32.8	29.8
Fair	19.8	19.8
Poor	9.2	4.6
Very poor	3.8	2.3
Don't know/No answer	9.9	6.1
Not applicable	14.5	17.6

For some graphs and figures, the totals may not always equal 100.0%. This is due to rounding and is not an error.

COMMON SURVEY THEMES

Common themes from principal contacts included concerns about:

- ▶ TEQSA not advising of risk assessment results.
- ▶ lack of consultation around risk assessment results. While one provider commented that factual errors were not remedied by TEQSA, another noted that TEQSA made amendments after consultation.
- ▶ specific issues such as the age of, and clarity on the nature of the source data.

VC/CEOs had a range of opinions on the question of TEQSA's actions being proportionate to risk. A number agreed. However, others commented on actions needing to be more proportionate to risk, and raised concerns about slow response times for decisions, as well as the source of data and conduct of risk analysis. Considerations of different employment models (for example, the use of sessional, part time and full time staff), and also concerns with attrition and retention calculations were repeated themes.

There were no common themes in the comments from PPSBs for this KPI; however, consistent with the high level of positive ratings by PPSBs for this KPI, respondents were understanding of TEQSA's risk approach.

KPI 4 - TEQSA'S COMPLIANCE AND MONITORING APPROACHES ARE STREAMLINED AND COORDINATED

TEQSA is engaged in collaborations with other Commonwealth agencies and other regulators (e.g., the Australian Skills Quality Authority (ASQA), international agencies and professional bodies) to enhance, streamline and share data, and to minimise regulatory impact.

In 2015–16, TEQSA led the transition of the 2016 Provider Information Request to the Commonwealth Higher Education Information System (HEIMS) in collaboration with the Department of Education and Training. TEQSA has also entered into four additional Memorandums of Understanding with professional bodies to share information for the benefit of providers. Additionally, TEQSA has signed two more agreements with international regulatory and quality assurance agencies for information sharing and increased understanding of, and confidence in, Australian higher education.

WHAT DID OUR STAKEHOLDERS SAY?

For KPI 4, 73.1% of principal contacts and 76.9% of VC/CEOs rated TEQSA as good or excellent. Ratings for specific performance questions in this KPI varied considerably by risk and market grouping. For example 100% of faith based, 85.7% of university based and 46.7% of for profit based principal contacts rated TEQSA as good or excellent in regard to timely coordination of visits. Over 80% of low risk providers rated TEQSA as good or excellent for the reuse of material compared to 54.5% to 58.3% of moderate or high risk providers.

PERFORMANCE INDICATORS FOR KPI 4

For KPI 4, TEQSA has assessed its performance against four indicators using both internal metrics and feedback from the stakeholder survey.

1 COLLABORATION WITH THE DEPARTMENT OF EDUCATION AND TRAINING TO STREAMLINE AND AUTOMATE DATA COLLECTION ON PROVIDERS, AND ENHANCE ACCESS AND SHARING

TEQSA led the transition of the 2016 Provider Information Request to the Commonwealth HEIMS in collaboration with the Department of Education and Training. This change takes effect from 1 July 2016, so providers will realise the benefits in 2016–17.

The Department of Education and Training's Provider Registration and International Students Management System (PRISMS) is now able to capture the National Registration of providers' multiple CRICOS entities. TEQSA is supporting providers with multiple CRICOS registrations to consolidate these into single national registration. This will significantly streamline CRICOS management for providers with multiple courses in multiple locations.

The requirements for CRICOS renewal of registration have been incorporated into TEQSA's Renewal of Registration Application Form to enable providers to undergo a concurrent assessment process where registration dates enable this to occur.

2 COLLABORATION WITH PROFESSIONAL BODIES TO ENHANCE DATA SHARING AND THUS REDUCE REGULATORY BURDEN ON PROVIDERS THAT ARE REGULATED BY BOTH TEQSA AND A PROFESSIONAL BODY

As described in Table 1 under KPI 1, TEQSA entered into three additional MOUs with peak domestic bodies in 2015–16 to share information for the benefit of providers. In addition, in September 2016 TEQSA conducted briefings with representatives from 43 professional bodies on the transition to the 2015 HE Standards Framework.

3 SPECIFIC INTERACTIONS WITH INTERNATIONAL REGULATORY AGENCIES AS WARRANTED FOR ASSESSMENTS OF CROSS BORDER EDUCATION FROM AUSTRALIAN PROVIDERS

As described in Table 2 under KPI 1, TEQSA signed four agreements with international regulatory and quality assurance agencies in 2015–16 for information sharing and increased understanding of, and confidence in, Australian higher education.

4 DEMONSTRATED TRANSPARENCY OF INSPECTION AND MONITORING ARRANGEMENTS

As described in the *TEQSA Annual Report 2015–2016*, TEQSA uses a case management model to manage its relationship with providers, assigning staff as liaison for all quality assurance and regulatory processes. Regulatory staff work in 'provider teams', responsible for the quality assurance and regulatory assessment of between 40 and 60 providers. The provider team arrangements enable providers to have contact with more than one staff member, allowing greater responsiveness and consistency of advice. Allocation of providers to teams is reviewed periodically. Provider teams regularly meet with representatives from providers and conduct provider visits as part of their assessment activities. Provider teams are also allocated to liaise with entities that have submitted an application seeking to register as a higher education provider.

WHAT DID OUR STAKEHOLDERS SAY?

Providers who had interacted with a TEQSA case manager in the last 12 months were asked about different aspects of TEQSA's case management approach. More than 70% of principal contacts rated TEQSA as good or excellent for the three aspects raised. The highest scoring item was responsiveness at 78.3% (see Table 3 under KPI 1).

STAKEHOLDER SURVEY RESULTS

More than 70% of principal contacts rated TEQSA's performance as either good or excellent for the two key questions relating to this KPI, as shown in Table 10.

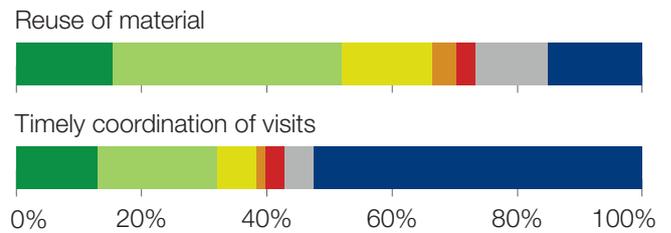
Table 10: Percentage of principal contacts rating TEQSA's performance as good or excellent for KPI 4

KPI 4 – SPECIFIC PERFORMANCE QUESTIONS	% OF SCORES AS GOOD OR EXCELLENT*
Timely coordination of TEQSA staff visits to your organisation (Timely coordination of visits)	75.4
TEQSA's reuse of material provided by your organisation for a range of regulatory matters (Reuse of material)	70.8

* Excludes don't know/not applicable/no answer responses

Figure 9 provides a breakdown of all responses. Not all respondents were able to rate the items. The proportion of *Don't know/not applicable/no answers* is particularly high for *timely coordination of visits* (52.7%). It is likely these respondents had not experienced a TEQSA staff visit in the last 12 months and were therefore not able to provide a rating.

Figure 9: Breakdown of responses from principal contacts for KPI 4



	Reuse of material (%)	Timely coordination of visits (%)
Excellent	15.3	13.0
Good	36.6	19.1
Fair	14.5	6.1
Poor	3.8	1.5
Very poor	3.1	3.1
Don't know/No answer	11.5	4.6
Not applicable	15.3	52.7

For some graphs and figures, the totals may not always equal 100.0%. This is due to rounding and is not an error.

COMMON SURVEY THEMES

Principal contacts had a variety of views about TEQSA's reuse of materials, with one appreciating the reduction in administrative burden such reuse facilitated, while others were either not aware of the reuse or noting that TEQSA asks for information available from other sources. Principal contacts had a variety of experiences with visits by TEQSA staff, ranging from well coordinated to the short notice of one specific visit request.

VC/CEOs commented positively on significant improvements made by TEQSA in this area and good case manager interactions. A handful noted slow response times.

The majority of comments from PPSBs were fairly positive, also noting improvements. Some commented on slow response times to enquiries.

KPI 5 - TEQSA'S DEALINGS WITH HIGHER EDUCATION PROVIDERS ARE OPEN, TRANSPARENT AND CONSISTENT

TEQSA is open and transparent in its dealings with higher education providers, for example publishing two reports in 2015–16 on trends and observations of sector performance. TEQSA continues to improve its materials based on feedback from the sector, including enhancements to the 'beta release' materials for the transition to the 2015 HE Standards Framework.

PERFORMANCE INDICATORS FOR KPI 5

For KPI 5, TEQSA has assessed its performance against four indicators using both internal metrics and feedback from the stakeholder survey

1 A CLEAR PUBLICLY AVAILABLE RISK FRAMEWORK AND ARTICULATED RISK ANALYSIS PROCESS

The TEQSA Risk Assessment Framework sets out the risk assessment process and information about key components of risk assessments – key risk areas, risk indicators and risk thresholds. TEQSA first released a Regulatory Risk Framework in early 2012. A review was conducted in late 2013, drawing on the experience of the first cycle of risk assessments and feedback from the sector.

WHAT DID OUR STAKEHOLDERS SAY?

74.8% of principal contacts (and around 84% of those from low risk providers) rated consistency of information provided to their organisation as good or excellent.

Consistency of TEQSA's decisions about their organisation was rated at 73.7% in total (and over 80% for low risk providers).

2 TRANSPARENCY IN THE RESULTS OF THE REGULATORY DECISION MAKING PROCESS

As described under KPI 2, TEQSA publishes the National Register on a monthly basis, updating decisions and sharing decision-related information such as conditions and shorter approval periods.

3 PUBLIC SHARING OF AGGREGATE OBSERVATIONS OF PERFORMANCE AND RISKS DERIVED FROM REGULATORY EXPERIENCE WITH THE SECTOR, BY PUBLICATION OF ANALYTICAL REPORTS

As mentioned in the *TEQSA Annual Report 2015–2016*, TEQSA is committed to providing information and analysis about the Australian higher education sector. In April 2016, TEQSA published two key documents:

- ▶ **Statistics Report on TEQSA Registered Higher Education Providers:** this is the third statistics report. It includes analysis of 2014–15 sector data. This version of the report was downloaded 495 times between April and 30 June 2016.
- ▶ **Key financial metrics on Australia's higher education sector:** this is the first key financial metrics report on Australia's Higher Education Sector. The report has been downloaded over 200 times between April and 30 June 2016.

Both reports are available from the publications section of the TEQSA website at www.teqsa.gov.au/news-publications/publications.

WHAT DID OUR STAKEHOLDERS SAY?

Availability of trends and observations on sector performance was rated as good or excellent by 61.2% of principal contacts.

4 CONSULTATIVE APPROACH TAKEN FOR NEW APPLICATION GUIDES AND GUIDANCE NOTES FOR THE TRANSITION TO THE HIGHER EDUCATION STANDARDS FRAMEWORK (THRESHOLD STANDARDS) 2015

As mentioned under KPI 2, TEQSA intentionally adopted a 'beta release' approach to releasing key materials early for sector use and feedback (e.g., for the transition to the new HE Standards Framework). The guidance notes and application guides were subject to a three-month consultation period with feedback received from a variety of stakeholders. This feedback was taken into consideration when finalising the guidance notes, application guides and the contextual overview of the 2015 HE Standards Framework.

STAKEHOLDER SURVEY RESULTS

TEQSA's performance on KPI 5 was rated fairly positively, with all but one item rated good or excellent by more than 70% of principal contacts, as shown in Table 11. *Availability of information* was the lowest scoring item for this KPI (61.2%). This item received a relatively high proportion of fair ratings (see Figure 10).

Table 11: Percentage of principal contacts rating TEQSA's performance as good or excellent for KPI 5

KPI 5 – SPECIFIC PERFORMANCE QUESTIONS	% OF SCORES AS GOOD OR EXCELLENT*
Quality of information provided on the National Register (showing the results of the regulatory decisions) (Quality of information on National Register)	80.5
Consistency of information provided to your organisation (Consistency of information)	74.8
Consistency of TEQSA's decisions about your organisation (Consistency of decisions)	73.7
Availability of information on trends and observations on sector performance (Availability of information)	61.2

* Excludes don't know/not applicable/no answer response.

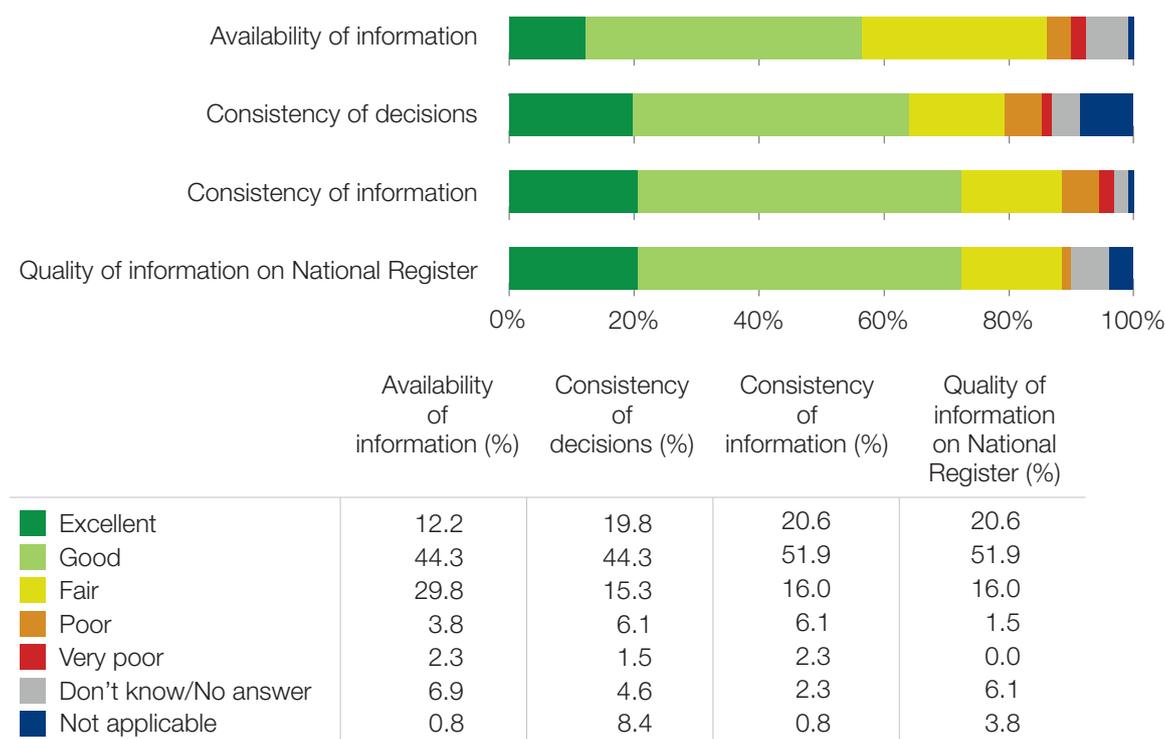
COMMON SURVEY THEMES

Comments from principal contacts varied, ranging from appreciation over the improving trend in provision of sector information to concerns over the lack of timeliness and age of data used in such reports. One provider was concerned with the lack of frequency of updates to the National Register, with the monthly update potentially leading to outdated information being in the public domain. Contacts requested more frequent updates from TEQSA on changes to regulatory requirements (including to the ESOS Act), guidance materials and other relevant information.

VC/CEOs made positive comments on dealings with TEQSA. Some reported inconsistencies in TEQSA information and decisions, and lack of transparency about decision making.

Most comments from PPSBs were positive, which was consistent with the PPSB rating of 87.5% for this KPI.

Figure 10: Breakdown of responses from principal contacts for KPI 5



For some graphs and figures, the totals may not always equal 100.0%. This is due to rounding and is not an error.

KPI 6 - TEQSA'S REGULATORY FRAMEWORK CONTINUES TO BE IMPROVED IN CONSULTATION WITH STAKEHOLDERS

TEQSA is committed to continuous improvement of its approach and processes. TEQSA has engaged extensively with providers and peak bodies to manage the transition to the new HE Standards Framework, through the formation of a Standards Transition Reference Group consisting of representatives from peak bodies. TEQSA has also conducted multiple provider briefings in most capital cities, and published an online video and beta materials for consultation.

PERFORMANCE INDICATORS FOR KPI 6

For KPI 6, TEQSA has assessed its performance against the following two indicators using both internal metrics and feedback from the stakeholder survey.

1 WELL ESTABLISHED, PRODUCTIVE CONSULTATIVE MECHANISMS WITH STAKEHOLDERS, AND USE OF A VARIETY OF MEDIA AND CHANNELS TO CONVEY INFORMATION TO STAKEHOLDERS

Key activities undertaken by TEQSA in this area include:

- ▶ increasing the number and purpose of face-to-face engagements, conducting a registration workshop in September 2015 for prospective providers, and two sets of countrywide briefings for providers (in late 2015 and in early 2016)
- ▶ conducting five briefings around Australia for TEQSA experts in early 2016
- ▶ establishing the Standards Transition Reference Group (including representation from provider peak bodies) to provide advice to support the transition to the 2015 HE Standards Framework. Two meetings were held in 2015–16, and the Group continues to meet and provide advice into 2016–17.
- ▶ introducing new communication channels – e-news and Twitter.

WHAT DID OUR STAKEHOLDERS SAY?

Over 65% of principal contacts rated TEQSA's performance as good or excellent for:

- ▶ using a variety of media and channels to communicate sector-wide updates (68.8% in total and around 73% for low risk providers)
- ▶ direct engagement with their organisation through briefings and roundtables (78.9% overall)
- ▶ making improvements to its processes and policies in areas that impact their organisation (69.9% in total and around 80% for low risk providers).

2 REGULAR ENGAGEMENT WITH THE MINISTER OF AND THE DEPARTMENT OF EDUCATION AND TRAINING

TEQSA engaged with the department on a range of matters including feedback on the development of the HE Standards Framework, and the review of the TEQSA Act. Additionally as mentioned in the *TEQSA Annual Report 2015–2016*, TEQSA met with the Higher Education Standards Panel during 2015–16 to discuss the review of the impact of the TEQSA Act.

TEQSA also provided feedback on the review of the ESOS National Code to the Department of Education in March 2016.

STAKEHOLDER SURVEY RESULTS

As shown in Table 12, *Direct engagement with organisation through briefings and roundtables* was the highest scoring item for KPI 6 with 78.9% of principal contacts rating it as good or excellent.

Making process improvements and *Variety of media* were both rated at just under 70% by principal contacts, providing opportunities for improvements.

WHAT DID OUR STAKEHOLDERS SAY?

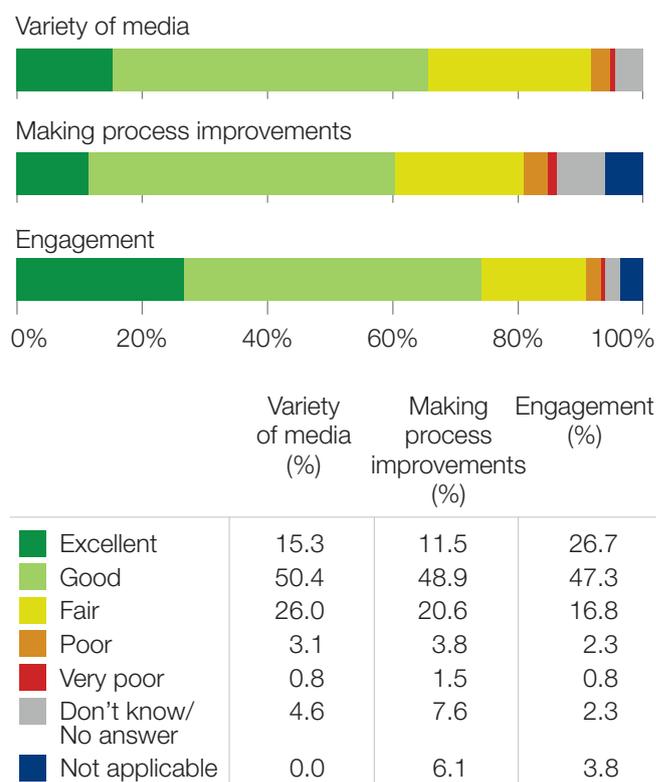
For KPI 6, 72.5% of principal contacts and 73.1% of VC/CEOs rated TEQSA as good or excellent.

Table 12: Percentage of principal contacts rating TEQSA's performance as good or excellent for KPI 6

KPI 6 – SPECIFIC PERFORMANCE QUESTIONS	% OF SCORES AS GOOD OR EXCELLENT*
Direct engagement with your organisation through briefings and roundtables (Engagement)	78.9
Making improvements to its processes and policies in areas that impact your organisation (Making process improvements)	69.9
Using a variety of media and channels to communicate sector-wide updates (Variety of media)	68.8

* Excludes don't know/not applicable/no answer responses

Figure 11: Breakdown of responses from principal contacts for KPI 6



For some graphs and figures, the totals may not always equal 100.0%. This is due to rounding and is not an error.

COMMON SURVEY THEMES

Principal contact comments varied. Providers appreciated the recent briefings conducted in most capital cities. As with KPI 1, some providers were concerned about decision timeframes and TEQSA's understanding of and engagement with private providers.

VC/CEO comments were positive, particularly on the roundtable discussions and TEQSA's responsiveness to feedback. Some noted a marked improvement within TEQSA in this area. A minority commented that they had been given the opportunity to provide feedback but had little indication that TEQSA had listened.

Of the few comments from PPSBs, the overall theme was an understanding that TEQSA is committed to this KPI. One respondent commented positively on TEQSA's roundtable briefings and another on TEQSA's guidance notes.

LEARNINGS FOR TEQSA

TEQSA appreciates the willingness of the sector to provide open and frank feedback, as attested by the high level of participation in the surveys, with responses from 59% of VC/CEOs and 68% of principal contacts.

It is encouraging that overall TEQSA is well regarded as the regulator assessing the quality of Australia's higher education, with 82.3% of principal contacts and 81.1% of VC/CEOs rating TEQSA's performance as good or excellent.

The survey results show where TEQSA is performing at a high level, while also highlighting areas for improvement, based on both the areas where performance was rated less highly as well as the constructive responses to the four key questions about what TEQSA should continue to do, change, stop and do more of.

▶ WHAT DID OUR STAKEHOLDERS SAY?

82.3% of principal contacts rated TEQSA's performance over the last 12 months as the regulator assuring the quality of Australian higher education as good or excellent.

HIGHEST AND LOWEST RATED PERFORMANCE AREAS

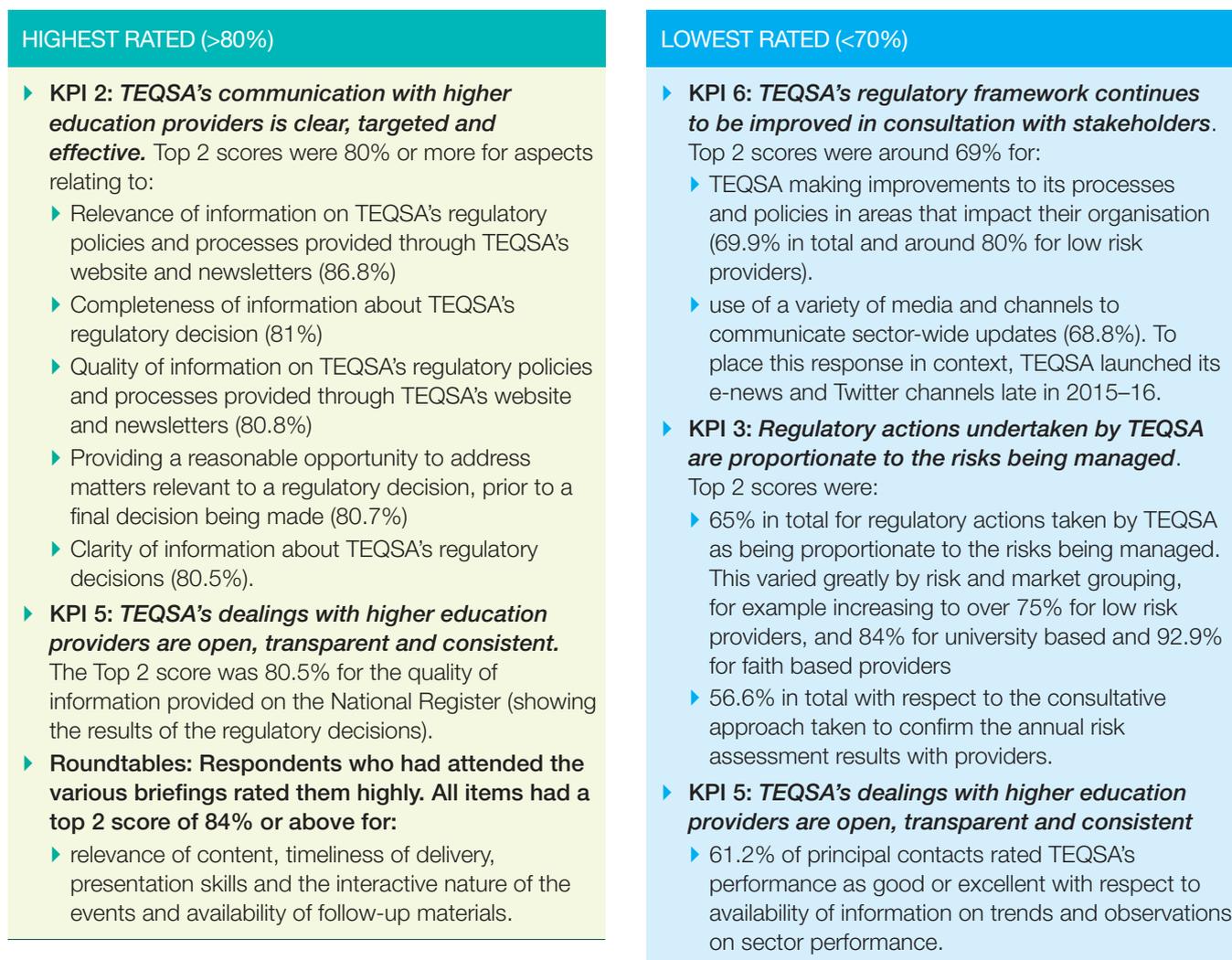
Using the benchmark of 80% of top 2 scores (i.e., good or excellent), the highest rated performance areas (by principal contact) were aspects of KPI 2 (*TEQSA's communication with higher education providers is clear, targeted and effective*) and KPI 5 (*TEQSA's dealings with higher education providers are open, transparent and consistent*), as well as TEQSA's engagement with providers through roundtables.

Aspects of KPIs 3 (*Regulatory actions undertaken by TEQSA are proportionate to the risks being managed*) and 6 (*TEQSA's regulatory framework continues to be improved in consultation with stakeholders*) were the lowest rated performance areas from the survey, with top 2 scores for the lowest rated questions ranging from between 56.6 to 69.9%. The ratings for specific performance questions within each KPI sometimes varied considerably, affecting the overall score for that KPI. A breakdown of KPIs by sub-ratings is available under the analysis of each KPI.

Figure 12 shows the highest and lowest rated performance areas by indicator or performance area.

TEQSA APPRECIATES THE WILLINGNESS OF THE SECTOR TO PROVIDE OPEN AND FRANK FEEDBACK

Figure 12: Highest and lowest performance areas as rated by principal contacts



COMMON SURVEY THEMES

In addition to requesting feedback on performance using the rating scale, TEQSA also asked participants to respond to four key questions. Table 13 outlines the common themes that emerged from stakeholder responses.

Table 13: Common responses to four key questions

QUESTIONS	COMMON THEMES
<p>1. What does TEQSA DO WELL that it should continue doing?</p>	<p>TEQSA should:</p> <ul style="list-style-type: none"> ▶ Retain the case management model ▶ Continue its <ul style="list-style-type: none"> ▶ streamlining initiatives to reduce regulatory burden ▶ consultative and risk based approach to regulation ▶ collaborative and responsive engagement with stakeholders ▶ Continue to <ul style="list-style-type: none"> ▶ communicate effectively with the sector on a timely basis, via various methods including face to face briefings ▶ provide high quality, timely support materials and other information to the sector, especially for the transition to the new HE standards ▶ assure the quality of higher education
<p>2. What one thing should TEQSA IMPROVE or change that would make the most difference to its effectiveness as a regulator?</p>	<p>TEQSA should:</p> <ul style="list-style-type: none"> ▶ Increase the speed of its decision making ▶ Increase case management capability and capacity for engagement ▶ Expand its streamlining initiatives to further reduce regulatory burden ▶ Improve the range, quality and accessibility of support materials and information (including guidelines, clarity on requirements, approach to risk assessments and provision of best practice examples) ▶ More effectively communicate with operational staff in providers ▶ Expand its understanding of the private sector (including faith based and for profit providers), especially small institutions ▶ Increase consultation with particular bodies/sections of the sector ▶ Improve its use of technology to more effectively support providers, for example by improving the capability of the provider portal and providing email alerts on updates to materials on the TEQSA website
<p>3. What one thing should TEQSA NOT DO that it is currently doing?</p>	<p>The majority of responses advised that TEQSA should not drop anything it is currently doing. Of the remainder of responses, other common themes included suggestions that TEQSA should:</p> <ul style="list-style-type: none"> ▶ Not take a one size fits all approach, and should increase its understanding of the private sector ▶ Not take so long to make decisions ▶ More effectively assess provider risk and other factors such as attrition and staffing levels by type of provider ▶ Only ask for the minimum information actually required
<p>4. What should TEQSA be involved in or MORE INVOLVED in than it is currently?</p>	<p>TEQSA should:</p> <ul style="list-style-type: none"> ▶ Increase its level of consultation and engagement with providers, including increasing the number of provider visits ▶ Develop a greater understanding of the needs of private providers (including faith based and for profit providers) ▶ Support innovation and diversity in higher education ▶ Continue sector-wide briefings and engagement in peer networks ▶ Work more closely with other government departments and agencies to collaborate on initiatives impacting the sector ▶ Create more opportunities to share better practice and to discuss the sector in general, including provision of more information on trends and sector benchmarks ▶ Increase its interaction and engagement with international higher education accreditation bodies to benefit Australian HE providers

CONSIDERATIONS FOR TEQSA

There are a range of learnings for TEQSA to reflect upon in the stakeholder survey feedback, especially in relation to

- ▶ timeliness of decision making
- ▶ continued streamlining
- ▶ ensuring that actions are proportionate to risk
- ▶ more effective consultation
- ▶ provision of sector updates, support materials and best practice examples
- ▶ consultation with private providers

TEQSA will develop initiatives for approval by the TEQSA Accountable Authority. These initiatives will inform the TEQSA Corporate Plan 2017-2021.

WWW.TEQSA.GOV.AU