FEES AND CHARGES CONSULATION PAPER

SCD thanks TEQSA for the opportunity to provide feedback on the Fees and Charges Proposal and sets out its comments below.

We understand the Government's decision to introduce cost recovery for TEQSA's fees and charges, but we find challenging and potentially unproductive some of the timing and amounts proposed. This is the case both as the sector overall tries to move on from the ravages of the COVID pandemic and in the industry context of making genuine, informed efforts to grow and contribute increasingly to national productivity and the national and international higher education reputation and attractiveness of Australia.

Our comments relate specifically to application-based cost recovery.

Registration

We note especially:

- the three basic levels of cost for renewal of registration;
- that the relevant one for a provider will be communicated ahead of the actual application;
- that there is no phasing in of these fees, unlike non-application fees;
- the rate to be charged per hour for non-application charges;
- that there is provision for allowing responses before finalization where there is potentially some level of a negative result; and
- that there is apparently no provision for combining the charges for renewal of registration with that for a change of category application if both occur at the same time, as previously.

As a provider undertakes this application for the first time under the new costing, many might be quite uncertain of which level they are most likely to match. SCD, for example, well known to TEQSA as a mainly consortium provider with SAA, may, for the sake of argument, attract the middle level application fee with regard to TEQSA's effort. The leap to $100,000 from $20,000 would be considerable and, even with cautious budgeting, is a sizable sum for a non-for-profit organization.

We therefore ask TEQSA to consider the following suggestions:

1. A provider with a well-established, familiar track record may seek an estimate of which level is its most likely match well ahead of an application, for notional long-term budgeting purposes, based on reference to its track record and a summary indicator for quick reference for the TEQSA reader, for a modest sum related to, perhaps, 1-3 hours of TEQSA work, without holding TEQSA to account for any inadequacy in the indicator provided or other misunderstanding on either side.
2. Would TEQSA please publish a range of fictional scenarios to clarify the process and shape of determining the basic fee levels.
3. Some phasing in should be reconsidered to reduce the shock for smaller providers from January 2022, probably in line with the scheme for non-application fees.
4. The intended $150 per hour for non-application charges appears to attribute to qualified desk workers the cost of a leading executive. Perhaps this sum includes normal oncosts, but would TEQSA please clarify publicly whether it also includes other costs and, particularly, whether the desk work for renewal of registration is calculated on the same basis?

5. Would TEQSA please consider a suitable reduction in the full cost of renewal of registration coupled with an application for change of category, since most the same territory would be covered in each?

CRICOS

We note the very large cost of $17,200 for adding/relocation a delivery site.

We appreciate the importance of a uniform, average rate in respect of the relation of the new location to the person(s) undertaking a visit., though we note that TEQSA staff can now live all over Australia because of electronic connections for many purposes and might therefore, on occasion, be assigned to visit locations that involve as little travel as possible.

At the same time, however, we consider that this large fee might be broken down into a more nuanced scale related to other factors, since it is a highly disproportionate fee in some situations.

Relevant factors might include, for example, the existing familiarity of TEQSA staff and records with the physical campus concerned, with its physical scale and intended use, and with the availability of faculty, staff, and learning resources already known to TEQSA from registration or other applications and reporting, all of which could be simply referred to. Either travel or detailed desk-checking or both might be avoided, and the costs greatly reduced.

As a case in point, one SCD Member Institution is likely to seek CRICOS soon through SCD for a small number of mature students from a Europe. For the rest of this year there would be no cost, but in two years the same MI may need to seek approval for a different campus where its purpose-built facilities are under construction. In theory, there could be two charges for this kind of activity amounting to $34,400. This MI has been established in SCD at its current site since 1986 and is very well known to TEQSA. It was even visited in 2017, for other purposes, by Michael Tomlinson. Its faculty and staff are endlessly reported on, and many have featured in applications over the years. SCD's overall CRICOS experience has long been documented with TEQSA and new locations, whether in general or specifically for CRICOS, have been approved in recent years using photographs rather than laborious visits. There might be a maximum of ten overseas students enrolled there at any one time, well known also to the church concerned and its national leader. Even with a day's travel Melbourne-Sydney for the new delivery site, in due course, it is hard to see why this minuscule operation should occasion charges of $34,400 within a short time frame.

We would therefore request reconsideration of the lack of nuancing in proposing this single large charge for what could be a very limited purpose, in the interest of the sector at large. Even a simple division into whether the delivery site is one where the provider's courses have previously been delivered only to domestic students and the intention is to add overseas students to the mix or a completely new delivery site would be a start.

Thank you very much for considering these matters.

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