



Australian Government

Tertiary Education Quality and Standards Agency

Cost Recovery Implementation Statement

Cost recovery for quality assurance and
regulation of higher education

December 2024

TEQSA

Contents

| | |
|---|-----------|
| 1. Executive summary | 1 |
| 2024 updates | 2 |
| 2. Policy and statutory authority to cost recover | 3 |
| 2.1 About TEQSA | 3 |
| 2.2 Government policy approval to cost recover | 3 |
| 2.3 Statutory authority to apply fees and charges | 4 |
| 2.4 Risk assessment | 4 |
| 2.5 Stakeholder consultation | 4 |
| 3. Application fees | 6 |
| 3.1 Overview of fees | 6 |
| 3.2 Registering a location on CRICOS | 6 |
| 3.3 Course accreditation – substantive – first course | 7 |
| 3.4 Costs of the activities | 8 |
| 3.4.1 Cost drivers and key assumptions | 8 |
| 3.5 Approach to cost recovery | 9 |
| 3.5.1 Application-based activities – fees for service | 9 |
| 3.5.2 Registration renewals - variable effort | 9 |
| 3.5.3 Course accreditation and reaccreditation fees – sliding scale partial cost recovery | 9 |
| 3.5.4 Monitoring fluctuating costs and workload | 10 |
| 4. Non-application-based charges | 11 |
| 4.1 Rationale for charging approach | 11 |
| 4.2 TEQSA’s legislative responsibilities | 11 |
| 4.3 TEQSA’s non-application based regulatory activities and business processes | 11 |
| 4.3.1 Concern or complaint management and resolution | 11 |
| 4.3.2 Enquiries and provider liaison | 12 |
| 4.3.3 Stakeholder communications and engagement | 12 |
| 4.3.4 Risk assessment | 13 |
| 4.3.5 Business support | 13 |
| 4.3.6 Guidance notes | 14 |
| 4.3.7 Compliance assessments and investigations | 14 |
| 4.3.8 Monitoring of compliance with conditions | 15 |
| 4.3.9 Voluntary undertakings | 15 |

| | |
|--|-----------|
| 4.4 Summary of non-application-based activities and costs | 15 |
| 4.5 Approach to recovery of non-application-based costs | 17 |
| 4.5.1 Base component of the RHEP charge – regulatory outputs 1 – 6 | 17 |
| 4.5.2 Compliance component of the RHEP charge – regulatory outputs 7 – 9 | 20 |
| 4.5.3 TEQSA activities excluded from cost recovery | 21 |
| 5. Cost attribution | 23 |
| 5.1 Direct costs | 23 |
| 5.2 Indirect costs | 23 |
| 5.3 Capital costs | 23 |
| 5.4 Cost breakdown | 23 |
| 6. Charging for other activities | 25 |
| 7. Cost recovery and revenue variability | 25 |
| 8. Financial estimates | 26 |
| 9. Financial performance | 27 |
| 10. Non-financial performance | 28 |
| 11. Key forward dates and events | 29 |
| 12. CRIS approval and change register | 29 |
| Appendix A – Application-based fees from 1 January 2024 | 30 |
| Appendix B – Charges for compliance component of RHEP charge from 1 January 2024 | 32 |
| Appendix C – Costs of application-based activities | 33 |
| Glossary | 35 |

1. Executive summary

This Cost Recovery Implementation Statement (CRIS) provides information on how the Tertiary Education Quality and Standards Agency (TEQSA) implements cost recovery for quality assurance and regulation of higher education.

TEQSA performs a range of regulatory activities to fulfil its statutory responsibilities. Some, such as provider registrations and course accreditations, are initiated by an application from a provider. Other regulation is initiated by TEQSA itself, including compliance assessments and investigations regarding individual providers. Further regulatory activity, such as anticipating and responding to emerging risks, cannot be attributed to individual providers and benefits the higher education sector as a whole.

TEQSA's implementation of cost recovery is structured around 3 key elements:

1. **Application fees**, for services that providers request that TEQSA undertake, including registration and re-registration and course accreditation and re-accreditation.
2. **A registered higher education provider (RHEP) charge**, payable annually, consisting of:
 - **a base component**, that covers the costs of TEQSA's regulatory effort for non-application-based activities (such as advisory services and the profiling and management of risk). These costs are not attributable to individual providers.
 - **a compliance component**, for provider-specific regulatory activities (investigations, compliance assessments and conditions monitoring).

TEQSA's activities supporting integrity in the higher education sector and measures to collect, store and manage student records from providers that have ceased operation are not subject to cost recovery. The cost of these activities remains directly funded by the Government. Other costs, such as external reviews and the annual TEQSA conference, are also not subject to the CRIS. In accordance with the Australian Government Cost Recovery Policy, TEQSA continues to review the CRIS to:

- evaluate our fees and charges to ensure each is achieving the policy objectives and meeting the legislative requirements of the Australian Government
- assess the extent of fees and charges, including the level of effort for our regulatory activities and the attribution of costs for those activities
- identify opportunities to amend some fees and charges.

2024 updates

This version of the CRIS reflects the fact that TEQSA has established an Enquiries and Provider Liaison Team, to provide a single point of contact for enquiries, supported by an investment in people and systems to ensure a consistent approach to implementing our service charter. As the volume of enquiries and contact with individual providers is principally determined by the provider's number of students and number of courses, our cost recovery model has been adjusted so these costs are allocated proportionally to providers based on equivalent full-time student load (EFTSL).

TEQSA has reviewed its approach to managing concerns and to compliance assessments, finding that the number of formal compliance assessments is lower than anticipated. However, significant work on compliance regularly occurs in reviewing complaints and concerns without necessarily commencing a formal compliance assessment.

Based on this knowledge, in this version of the CRIS, TEQSA has reduced the proportion of the base component of the RHEP charge which is divided equally across all providers and increased the proportion which is divided proportionally based on EFTSL. The effect of these changes is to increase the amount of RHEP charge paid by larger providers, who have a higher EFTSL, and to reduce the amount paid by very small providers (when compared to what providers would have to pay if no changes were made to the CRIS).

Consistent with a previous decision of the Australian Government, from 1 January 2025 the full amount of the base component of the RHEP charge will be invoiced to all providers. Previous invoices have recovered 20%, and subsequently 50%, of the base component as part of a phased introduction of cost recovery.

TEQSA considers that its application fees and the compliance component of the RHEP charge continue to reflect the costs of the activities relevant to those fees and charges. As such, TEQSA did not make any changes to these fees and charges in this version of the CRIS.

2. Policy and statutory authority to cost recover

2.1 About TEQSA

TEQSA is Australia's independent national quality assurance and regulatory agency for higher education. Under our establishing legislation, the *Tertiary Education Quality and Standards Agency Act 2011* (TEQSA Act), all providers that offer higher education qualifications in or from Australia must be registered by TEQSA. Providers that have not been granted authority to accredit their own courses of study, hereafter referred to as self-accrediting authority, must also have their courses accredited by TEQSA.

TEQSA also has responsibility, as an ESOS agency under the *Education Services for Overseas Students Act 2000* (ESOS Act), for regulating all providers delivering higher education to overseas students studying in Australia, providers delivering English Language Intensive Courses for Overseas Students (ELICOS) where they have an entry arrangement with a registered higher education provider, and providers delivering Foundation programs.

2.2 Government policy approval to cost recover

The 2018-19 Budget provided for TEQSA to transition progressively to full cost recovery for its regulatory services and activities. A subsequent decision of Government to reduce the impact of cost recovery on smaller providers provided for discounts to fees for course accreditation and re-accreditation, based on a provider's number of full-time equivalent students.

TEQSA conducted a formal consultation with the sector on a cost recovery model and draft CRIS in mid-2021. The key elements of the model are:

- **application-based fees**, calculated to recover the cost of assessing applications. As noted above, discounts of up to 70% apply for course accreditation and re-accreditation application fees, depending on a provider's equivalent full-time student load.
- **the RHEP charge**, comprising:
 - **a base component**, that covers the costs of TEQSA's regulatory effort for non-application-based activities (such as advisory services and the profiling and management of risk) that are not attributable to individual providers. Charging for this component of the RHEP charge commenced at 20% of the cost of delivery on 1 January 2023, increased to 50% of the cost from 1 January 2024, and will increase to 100% from 1 January 2025.
 - **a compliance component**, for provider-specific regulatory activities (investigations, compliance assessments and conditions monitoring). This component recovers the full cost of these activities performed in relation to an individual provider in the previous calendar year.

2.3 Statutory authority to apply fees and charges

Section 158 of the TEQSA Act gives TEQSA the authority to make a legislative instrument determining fees that it may charge for activities undertaken in the performance of its functions, provided that the Minister has given approval for TEQSA to make the instrument. The current instrument, the [Tertiary Education Quality and Standards Agency Determination of Fees No.1 of 2020 \(Determination of Fees\)](#), is available from the Federal Register of Legislation.

Section 6 of the *Tertiary Education Quality and Standards Agency (Charges) Act 2021* (the Charges Act) imposes the RHEP charge on each body that is a higher education provider, registered under Part 3 of the TEQSA Act and listed on the National Register of Higher Education Providers, at the start of a year.

Section 9 of the Charges Act provides the Governor-General with the authority to make regulations that prescribe the amount of the RHEP charge. [Access the regulations.](#)

2.4 Risk assessment

In accordance with the Australian Government Charging Framework, TEQSA has undertaken a Charging Risk Assessment (CRA) involving the ongoing assessment and management of risk at each phase of the cost recovery process. The CRA for TEQSA's cost recovery arrangements following the 2024 updates is rated at medium. This rating is based on an assessment of several key components including the change in expected annual revenue, the types of changes and impact of those changes on prices, the work required to implement the changes and the outcomes of the consultation process.

2.5 Stakeholder consultation

TEQSA undertook a public consultation on proposed changes to its cost recovery arrangements in October 2024. TEQSA announced the consultation period ahead of time during a TEQSA Talks webinar held for the sector on 3 October 2024. All Vice-Chancellors and Chief Executive Officers of registered higher education providers were subsequently notified of the consultation process via email and the details of the consultation were advertised on TEQSA's website.

TEQSA received 10 submissions on the proposed changes to the CRIS via the consultation process, including 7 from individual higher education providers and 3 from peak bodies in the higher education sector. TEQSA took this feedback into consideration when finalising its CRIS.

The submissions were generally supportive of the fact that there is no proposal to increase fees for applications or the compliance-related charges in the Charges Regulation.

Some submissions suggested that provider risk profiling, rather than full-time student numbers, should form the basis for any proportionate division of costs between providers. As was noted in the consultation paper, TEQSA expects to consult with higher education providers on proposed changes to its regulatory processes, including our application-based

processes, in the coming months. There will be capacity for TEQSA to consider, as part of that process, what proxies are the most appropriate for identifying likely regulatory costs in relation to providers.

Some submissions raised concerns about the transparency of TEQSA's calculations and the extent to which TEQSA's regulatory costs involve duplication with other activities. TEQSA is taking steps to reduce duplication and minimise the cost to providers wherever possible, including by finalising its updated service charter and by working closely with the Department of Education and other agencies on the implementation of reforms recommended by the Universities Accord. The finalisation of the service charter and the proposed changes to regulatory processes mentioned above will provide a clearer basis for measuring the amount of regulatory effort spent on various regulatory processes and thus, a clearer basis for the calculations involved in TEQSA's cost recovery modelling.

Submissions concerning the timing of the review of the CRIS and the budgeting cycles of higher education providers will be considered as part of the ongoing review of TEQSA's cost recovery arrangements.

The detail set out in this document provides clarity regarding how TEQSA has calculated the appropriate amounts for each of its fees and charges while working within the limitations of the requirements in the Australian Government Charging Policy.

In keeping with the Australian Government Cost Recovery Policy, TEQSA will continue to consult the sector on its approach to the regulatory activities covered by cost recovery, the administrative arrangements for implementing cost recovery, and on the impacts on providers. The consultations will form the basis for adjustments to the model and revisions to the CRIS.

3. Application fees

3.1 Overview of fees

The Australian Government Charging Policy requires that regulators recover the full cost of the effort required to deliver their services unless the Government has decided to fund that activity.

As a result, TEQSA's application fees are calculated to recover the full cost of assessing applications. A Government decision to address the impact of cost recovery on small providers is reflected in the application of discounts to application fees for course accreditation and re-accreditation for providers with up to 5,000 full-time equivalent students.

In the processes associated with registration and accreditation, TEQSA considers providers' compliance history and risk of future non-compliance, applying a range of assessment methods to be satisfied that legislated standards are met. Where it is possible to distinguish the level of effort required for particular classes of applications, TEQSA specifies separate fees for those classes of applications. For instance, for applications for renewal of TEQSA registration, there are differences in the required regulatory effort and therefore fees, reflecting differences in the scope of higher education standards assessed and the complexity of the assessment undertaken by TEQSA.

A summary of TEQSA's application fees appears in Appendix A. TEQSA is not proposing any adjustments to application fees as part of the 2024 update of the CRIS, including the discounts on certain application fees for providers with an EFTSL of 5,000 or less. The unchanged fees reflect ongoing work by TEQSA to identify efficiencies in regulatory processes, to contain costs to administer those processes, and to align effort and costs to regulatory risk.

TEQSA will continue to review its costs to ensure that its application fees align with the efficient cost of delivering these services.

Some selected illustrative examples of assessment processes follow in sections 3.2 and 3.3.

3.2 Registering a location on CRICOS

Under the ESOS Act, all locations used for the delivery of courses to overseas students must be registered on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS). Registered providers may make an application to TEQSA under section 10H of the ESOS Act to add locations to their CRICOS registration. When considering these applications, TEQSA determines whether the provider meets the registration requirements and applies a risk management approach.

Figure 1 below identifies the major processes involved in assessing an application for registering a location on CRICOS.

Figure 1. Adding a location to CRICOS registration



The main regulatory effort associated with assessing applications to add a location is the staff effort involved in reviewing the evidence and preparing a report detailing TEQSA's findings and recommending a decision.

TEQSA has identified applications to add a location submitted by providers who have self-accrediting authority (under section 41 of the TEQSA Act) are lower risk. These assessments can be streamlined because these providers have already demonstrated effective and mature self-assurance processes that provide TEQSA with confidence that adequate facilities, staff and educational resources will be made available at a proposed location. As TEQSA requires less evidence to assess these applications, and the main regulatory effort associated with such applications is thus reduced, a lower fee for providers with self-accrediting authority has been introduced.

When assessing applications by providers that do not have self-accrediting authority, TEQSA needs to more thoroughly consider whether the provider has a clearly demonstrated capacity to provide and maintain education of a satisfactory standard at the proposed new location.

3.3 Course accreditation – substantive – first course

To provide a higher education course of study, providers without self-accrediting authority (under section 41 of the TEQSA Act) must have the course accredited by TEQSA. Only registered higher education providers or those intending to become higher education providers can apply for accreditation of higher education courses. If the application for accreditation of a course is successful, the accreditation period cannot exceed 7 years.

Figure 2 below identifies the major processes involved in the substantive assessment of an application for course accreditation.

Figure 2: Course accreditation – substantive – first course



The successful preliminary assessment process of a course accreditation precedes this process. This diagram refers to the process for substantive assessment of the first course in a new area of study for a registered provider or for a replacement for a course previously accredited. The major elements of the course accreditation process are expert assessment, preparation of an assessment report, and review by the assessment team manager.

External experts are usually engaged to inform the analysis of specific parts of the application, where expertise and experience is needed in the academic discipline that is central to the proposed course of study. External experts contribute to the evidence TEQSA uses in its assessment process and decision-making.

TEQSA staff may also visit the provider's site to inspect facilities, equipment and resources, or clarify how a relevant course is delivered. TEQSA will use observations and discussions held at a site visit in its assessment and decision-making to supplement or validate evidence submitted with the application. At the site visit, TEQSA may conduct interviews with students, staff and members of corporate and academic governing bodies.

The assessment report and the review by the assessment team manager will consider the evidence provided by the applicant and other information available to TEQSA. This includes the regulatory history of an existing provider and outcomes of previous assessments directly relevant to the application, and the risk of non-compliance with the Threshold Standards and the ability of the provider to mitigate those risks.

This may result in approval of the application, approval with conditions on the delivery of the course, accreditation of the course for a shorter period than 7 years, or rejection of the application.

3.4 Costs of the activities

3.4.1 Cost drivers and key assumptions

The greater part of TEQSA's application-based activity costs is employee-related. External experts and operating support for the case management IT system make up other major direct costs.

The key cost driver for application-based activities is complexity, which determines the amount of time and effort spent on a regulatory output. The cost of (and regulatory effort associated with) delivering application-based activities was determined by:

- data collection to determine how regulatory effort was apportioned within each team and for each budgeted staff position or role
- costs then allocated for each activity and matched to full-time equivalent positions and represented as direct costs per hour
- enabling costs then allocated across activity cost pools, represented by an additional indirect cost for each budgeted position
- a final reallocation process, to verify and confirm both specific and overall activity costs, including through surveying managers and staff.

TEQSA will continue to review and evaluate regulatory effort, costs and the fees based on those costs.

Appendix C shows the estimated costs for application-based activities.

3.5 Approach to cost recovery

3.5.1 Application-based activities – fees for service

TEQSA's application fees cover the full cost of assessing these applications. A tiered scale of discounts applies to course accreditation and renewal of accreditation fees so providers with lower numbers of students pay a lower fee to accredit or re-accredit their courses. Table 1 shows the ranges that apply in terms of student numbers and discount rates.

The table at Appendix A sets out the fees schedule that has applied since January 2024, reflecting the costs for assessment of each type of application as set out in Appendix C. Application fees have not changed since the last update effective 1 January 2024.

3.5.2 Registration renewals – variable effort

For TEQSA registration renewals, there are 2 levels of fees because there are material differences in the costs of assessment based on the scope of Standards to be assessed.

As assessment of renewals of TEQSA registration vary significantly in workload requirements, TEQSA will assess the regulatory effort required before an application is formally submitted. TEQSA will advise the applicant of the associated fee for assessing the application before the application is formally submitted.

3.5.3 Course accreditation and reaccreditation fees – sliding scale partial cost recovery

Course accreditation and re-accreditation fees are subject to partial cost recovery for providers with less than 5,000 equivalent full-time student load (EFTSL) in the year that is 2 years before the application is made.

The application fee is fixed by reference to the cost and regulatory effort in assessing the application. For providers with less than 5000 EFTSL, this fee is subject to a sliding scale of discounts of up to 70% of the fee. The discount on course accreditation fees was a decision of Government to reduce the impact of cost recovery on small providers.

Providers with less than 500 EFTSL will receive the maximum discount, while full costs will be recovered from providers with 5,000 or more EFTSL (refer to Table 1 for bands).

Table 1. Cost recovery bands to be applied

| Provider's equivalent full time student load (EFTSL) | Reduction applied to course accreditation and re-accreditation fees |
|---|---|
| A number equal to or greater than 0 but less than 500 | 70% |
| A number equal to or greater than 500 but less than 1,000 | 60% |
| A number equal to or greater than 1,000 but less than 1,500 | 50% |
| A number equal to or greater than 1,500 but less than 2,000 | 40% |
| A number equal to or greater than 2,000 but less than 3,000 | 30% |
| A number equal to or greater than 3,000 but less than 4,000 | 20% |
| A number equal to or greater than 4,000 but less than 5,000 | 10% |
| A number equal to or greater than 5,000 | 0% |

3.5.4 Monitoring fluctuating costs and workload

TEQSA's volume of scheduled application-based activities changes significantly each year due to a 7-year cycle for the renewal of most registrations and accreditations. Extension of some due dates during the COVID-19 pandemic has resulted in concentrations of re-registration and re-registrations falling due in some years. TEQSA cannot precisely forecast certain types of unscheduled assessment work such as new course accreditations, initial provider registrations, applications for self-accrediting authority or a change of category.

The fluctuating nature of demand for TEQSA's assessment work creates a significant challenge for establishing fees and charges consistently under a cost recovery framework particularly where there is an expectation that revenue will not exceed TEQSA's budget and cost base. Furthermore, as TEQSA will be charging upfront for the bulk of its cost recovery activity, and where such activity can extend beyond the year in which the fee or charge is levied, the differential in any given year between expenditure and revenue will vary.

It is important, therefore, that the cost recovery model be interpreted and analysed in a (up to 7 years) cyclical context. It is also important to note that the cost recovery framework provides for the model and CRIS to be revisited and adjusted each year, as a result of consultations between TEQSA and the sector. TEQSA is committed to ensuring that the model – and the fees and charges that result – closely reflects regulatory effort.

4. Non-application-based charges

4.1 Rationale for charging approach

TEQSA's non-application-based activities include communications and engagement, risk assessments, enquiries and guidance material, as well as compliance monitoring and assessment activities. These activities do not involve the provision of a service to individual providers or groups of providers. As such, the costs of these activities are recovered by a RHEP charge.

4.2 TEQSA's legislative responsibilities

The non-application-based activities for which TEQSA is required to recover costs flow from the agency's statutory responsibilities. TEQSA's functions are set out in section 134 of the TEQSA Act, and include functions conferred under the ESOS Act in TEQSA's capacity as an ESOS Agency. In addition to specific functions related to its assessment activities, the collection and dissemination of information, and the provision of training, TEQSA is also given the power to do all things necessary or convenient to be done in connection with the performance of its functions.

4.3 TEQSA's non-application based regulatory activities and business processes

This section outlines the business processes associated with each non-application based regulatory activity undertaken by TEQSA.

4.3.1 Concern or complaint management and resolution

Anyone with concerns or complaints about a higher education provider's compliance with the TEQSA Act, the Threshold Standards the ESOS Act or the National Code can raise a concern with TEQSA. The information TEQSA receives through concerns helps us to identify potential risks of non-compliance with a provider's obligations under the legislation we administer.

After receiving a concern, an initial assessment is conducted to determine whether it relates to TEQSA's legislative functions and powers. If not, and where appropriate, advice is provided to the complainant on the appropriate pathway for the concern or complaint to be progressed.

4.3.2 Enquiries and provider liaison

TEQSA receives approximately 4,000 enquiries annually from students and providers (current and prospective) via phone, email and social media channels. Enquiries may be resolved immediately or may require greater involvement and engagement to ensure that the correct response is provided to the stakeholder. At times, it may also be necessary to escalate the enquiry for further action, including potential compliance assessment and regulatory enforcement actions.

To support the management of enquiries, and to provide an improved and more consistent approach to dealing with individual higher education providers, TEQSA has established an Enquiries and Provider Liaison Team. This team includes experienced case managers dedicated to providing high-quality and timely regulatory support services to providers.

4.3.3 Stakeholder communications and engagement



TEQSA's stakeholder communication and engagement activities allow the agency to gain a greater understanding of key issues facing the higher education sector and help to build stakeholder capability to meet regulatory requirements.

TEQSA therefore maintains and continually updates its communication and engagement channels including the TEQSA website and social media channels. TEQSA also runs sector-wide and targeted educational events, has memoranda of understanding with partner regulators and publishes reports to inform the sector.

These engagement activities assist TEQSA in terms of building understanding of the agency's role and building relationships with, and gaining important regulatory information from, stakeholders such as providers, students, professional accreditation bodies and international organisations.

4.3.4 Risk assessment



TEQSA’s annual risk assessments provide a snapshot of key risks. The assessments help TEQSA to prioritise its regulatory and quality assurance activities based on the principles of regulatory necessity, reflecting risk, and proportionate regulation, per the requirements of the TEQSA Act, and inform risk-based regulation of providers under the ESOS Act.

TEQSA considers the history and context of each provider, its approach to delivery, and findings from previous assessment processes (favourable and adverse). TEQSA undertakes an analysis of risk against a series of indicators, guided by thresholds, trends and other relevant information. Risk rating information is shared with providers.

At an aggregate level, and to provide a broad overview of risks in the higher education sector and to share information on good practices, TEQSA also publishes high-level sector analyses from time to time. Information on risks in the sector and good practices may also be shared through guidance on TEQSA’s website and presentations at TEQSA provider roundtables, forums or sector conferences.

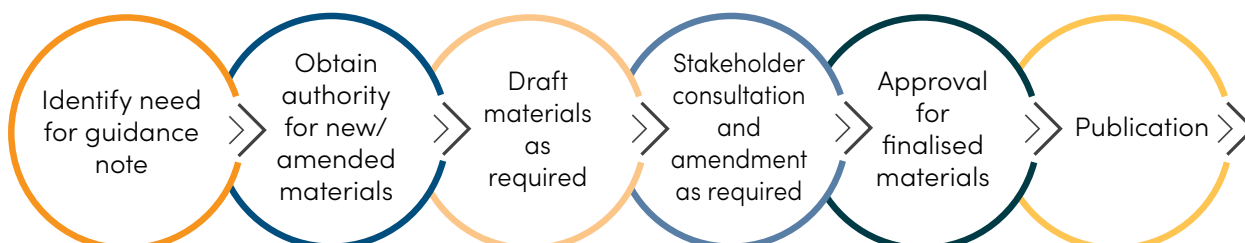
4.3.5 Business support



TEQSA’s business support functions help to ensure that the agency fulfils its legislated functions as a higher education quality and standards agency.

Business support functions include executive and IT support to the agency, the provision of legal services, advice relating to enforcing TEQSA and ESOS Acts, management of assessment functions (not directly related to particular assessments) and database management.

4.3.6 Guidance notes



TEQSA publishes guidance notes to provide greater clarity for providers in the interpretation and application of selected standards of the Threshold Standards. Guidance notes are developed based on identified needs and after consultation with the sector. They draw on TEQSA’s regulatory experience and the knowledge of experts in the higher education sector.

Stakeholders are consulted on the content of these notes to ensure TEQSA addresses the issue, before being reviewed and approved by TEQSA’s Commissioners and published on the TEQSA website.

4.3.7 Compliance assessments and investigations

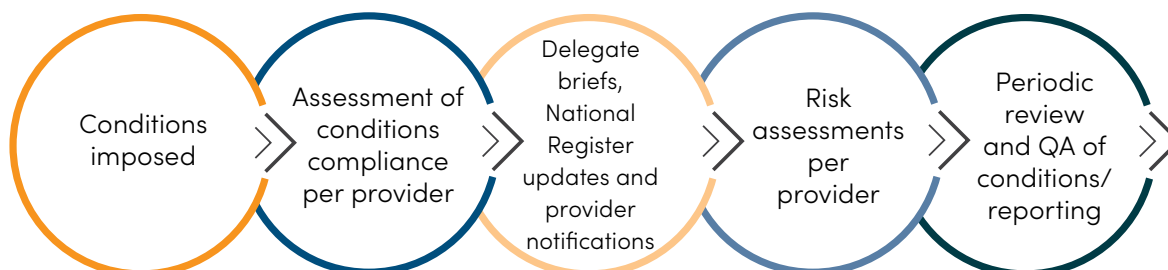


TEQSA applies a risk-based triage process to prioritise issues that pose the greatest risk of harm to students and the quality, integrity and reputation of the higher education sector. For concerns triaged as a priority, TEQSA undertakes a preliminary assessment to determine the level of risk and the potential harm, impact and consequence. As part of this process, TEQSA considers information and intelligence available to TEQSA such as the provider’s regulatory history, related concerns, material changes, active conditions and risk profile. TEQSA usually engages with the provider to ensure that we have sufficient information to assess any potential non-compliance or risk of non-compliance and determine the appropriate course of action.

Where there is a reasonable basis to a concern and our engagement with the provider has not mitigated the concern, TEQSA may commence a compliance assessment or an investigation.

TEQSA's initial inquiries with a provider may clarify any concerns TEQSA holds such that TEQSA no longer needs to commence a compliance assessment or investigation. In these cases, there is no charge imposed on the provider.

4.3.8 Monitoring of compliance with conditions



TEQSA may impose conditions on the registration of a provider under the TEQSA or ESOS Acts, or the accreditation of a course of study under the TEQSA Act, to address any concerns TEQSA holds concerning the provider's registration or the accreditation of the course. Conditions are designed to mitigate any potential harm that could arise from the concerns TEQSA holds and, when imposing a condition, TEQSA must take into account the principles of regulatory necessity, reflecting risk, and proportionate regulation.

The National Register of Higher Education Providers records the conditions imposed on a provider's registration and/or course accreditation, including the timeline for reporting against the condition(s). TEQSA is responsible for monitoring a provider's compliance with any conditions imposed on a provider's registration or the accreditation of a course to ensure that the concerns that led to the imposition of the condition are being addressed and, if necessary, assess what further regulatory action is appropriate.

4.3.9 Voluntary undertakings

TEQSA may enter into a voluntary undertaking (referred to as a 'compliance undertaking' in the *Tertiary Education Quality and Standards Agency (Charges) Regulations 2022*) as a regulatory response to the risk of a provider not meeting the Threshold Standards and requiring monitoring. Typically, a voluntary undertaking is only accepted where there are lower-level concerns, and conditions are imposed for more serious or pervasive concerns. Accordingly, the monitoring activity for voluntary undertakings is less intensive than for conditions.

4.4 Summary of non-application-based activities and costs

The cost of undertaking these activities has been determined through analysis of the staff effort that directly contributes to each service. Where there has been limited information, a 'best estimate' has been utilised, with reference to the statutory requirements and/or comparison with similar activities.

TEQSA uses an activity-based costing process to ensure that the calculation of non-application-based charges is appropriate. TEQSA will regularly review and evaluate regulatory effort and consequent charges over the coming years, reducing the need for reliance on estimates.

Table 2 details TEQSA's non-application-based activities, the providers impacted and the regulatory activity costs.

Table 2: Summary of average non-application-based activities and regulatory costs

| Regulatory output | High-level description | Sector/s (or sections of sector/s) impacted | Annual regulatory activity cost (\$'000) |
|-------------------------------------|---|---|--|
| 1. Concerns and complaints | Receive and resolve concerns and complaints from providers, third parties, other agencies and/or students | All higher education providers | 565 |
| 2. Enquiries and provider liaison | Manage and resolve queries from students, providers or prospective providers | All higher education providers | 564 |
| 3. Communication and engagement | Media, website, publications, delegations, forums and TEQSA conference | All higher education providers | 959 |
| 4. Risk assessment | Annual risk review for all providers | All higher education providers | 1,368 |
| 5. Corporate support | Executive and corporate functions in support of TEQSA Commission and Accountable Authority specifically related to non-application-based activities | All higher education providers | 3,516 |
| 6. Guidance and education standards | Provision of guidance to the sector in relation to interpretation and assessment of the Threshold Standards, Foundation Standards, ELICOS Standards and ESOS National Code 2018 | All higher education providers | 58 |

Table 2: Summary of average non-application-based activities and regulatory costs (continued)

| Regulatory output | High-level description | Sector/s (or sections of sector/s) impacted | Annual regulatory activity cost (\$'000) |
|--|---|---|--|
| 7. Investigations | Plan and carry out investigations when suspected non-compliance of a provider is identified | Specific providers based on information gathered | 0 |
| 8. Compliance assessments | Review of a provider's compliance with the TEQSA or ESOS Acts | Specific providers based on assessment of risk of non-compliance | 252 |
| 9. Monitoring of compliance with conditions and undertakings | Monitoring compliance by providers with conditions and voluntary undertakings | Providers or groups of providers exhibiting high risk for the specific issues | 652 |
| Total TEQSA non-application-based regulatory activities | | | 7,934 |

4.5 Approach to recovery of non-application-based costs

4.5.1 Base component of the RHEP charge – regulatory outputs 1 – 6

The cost of the activities listed in regulatory outputs 1 – 6 of Table 2 are charged to all registered higher education providers through the base component of the RHEP charge. These are sector-wide activities and the need to undertake the activities cannot be attributed to particular providers.

The base component of the RHEP charge operates as a levy, used to collect the costs of these activities, because the Australian Government Charging Framework provides that a levy is appropriate where it is not possible to link an activity to a specific individual or organisation. A cost recovery levy should only recover costs from regulated entities that create the need for that activity and thus all providers should pay an equal charge irrespective of difference in their characteristics, such as size or revenue base.

The base component of the RHEP charge reflects the following principles:

- charging only those entities (i.e. providers) for which a regulatory effort is required
- charging only for efficient costs
- ensuring that no cross-subsidisation occurs
- distribution of the registration charge is driven by regulatory effort.

4.5.1.1 Allocating costs via the base component of the RHEP charge

The total costs of regulatory outputs 3 – 6 in Table 2, \$5,901,000, will be allocated equally across all providers via the base component of the RHEP charge.

The costs associated with regulatory outputs 1 and 2, totalling \$1,128,000, will be treated differently because TEQSA can use a proxy to differentiate between the effort likely to be spent on these activities in relation to each provider. TEQSA has determined that the total equivalent full-time student load (EFTSL) of a provider is an appropriate proxy for differentiating between providers for this purpose. The logic is that, the more students a provider has, the more concerns, enquiries and complaints relating to the provider that TEQSA is likely to receive.

For this reason, the cost of regulatory outputs 1 and 2 is distributed proportionally among providers based on the EFTSL the provider has as a proportion of total EFTSL for all registered higher education providers.

The amount of the base component of the RHEP charge for each provider therefore varies based on:

- the number of higher education providers registered with TEQSA – the costs of regulatory outputs 3 – 6, \$5,901,000 will be divided equally among all providers. The more providers, the lower this amount for each provider
- the provider's EFTSL – providers with a lower EFTSL pay a smaller proportion of the costs associated with regulatory outputs 1 and 2 (\$1,128,000).

In 2025, it is estimated that the base component of the RHEP charge, calculated in accordance with the formula set out in the Tertiary Education Quality and Standards Agency (Charges) Regulations 2022 (Charges Regulation), will be between approximately \$28,500 and \$95,000.

Table 3 shows how the cost of regulatory outputs 1 – 6 are allocated.

Table 3: Base component of the RHEP charge – allocation

| Regulatory output | Sub-outputs – business processes | Levy proxy | Annual regulatory activity cost ('000) |
|--|---|--------------------------------|--|
| 1. Concerns or complaints | <ul style="list-style-type: none"> • Receive • Assess • Triage • Seek information • Respond • Further assess • Report and review | Number of students | \$565 |
| 2. Enquiries and provider liaison | Receive calls/emails and resolve by provision of information or materials | Number of students | \$564 |
| 3. Communication and engagement | Media, websites, publications, delegations, forums, conferences | All higher education providers | \$959 |
| 4. Risk Assessment | <p>3.1 Framework testing and agreement</p> <p>Update framework document, internal processes, data collection, validation and testing of reporting tool</p> <p>3.2 Undertake risk assessments</p> <p>Risk assessments drafted for all providers, case manager review, assessment clearance, assessments sent to providers for comment, assessments modified as appropriate, notification of risk assessment result, engagement with high-risk providers in relation to risk identification and risk management</p> <p>3.3 Analyse results across all HEPs</p> <p>Interpretation of results, review of indicators, report to Commission for review, recommendations prepared for settings in the next risk cycle</p> | All higher education providers | \$1,368 |

Table 3: Base component of the RHEP charge – allocation (*continued*)

| Regulatory output | Sub-outputs – business processes | Levy proxy | Annual regulatory activity cost ('000) |
|--|---|--------------------------------|--|
| 5. Corporate support | Meeting support, papers, and minutes | All higher education providers | \$3,516 |
| 6. Guidance and education standards | Identify need and obtain approval for amendment/new guidance material, draft material, approve material, publish material | All higher education providers | \$58 |
| Total TEQSA non-application based regulatory activities | | | \$7,030 |

4.5.2 Compliance component of the RHEP charge – regulatory outputs 7 – 9

The compliance component of the RHEP charge deals with the costs of the activities listed in regulatory outputs 7 – 9 of Table 2, which are costs that can be directly attributed to regulatory effort spent in relation to particular registered higher education providers.

From 2024 onwards, providers have to pay the compliance component if TEQSA has had to undertake any relevant regulatory activity in the previous calendar year. Relevant regulatory activity includes compliance assessments, monitoring compliance with conditions and compliance (voluntary) undertakings and, investigations into compliance with the TEQSA Act.

Unlike the base component of the RHEP charge, which is paid by every registered provider every year, whether a provider has to pay the compliance component of the charge, and how much the provider will have to pay, varies from year to year based on the relevant regulatory activity (if any) undertaken by TEQSA in relation to the provider in the previous year.

On the basis of the costs for regulatory outputs 7 – 9 set out in Table 2, in the last update to the CRIS, TEQSA determined that:

| For each: | The compliance component of the provider’s RHEP charge will include a charge of: |
|--|--|
| assessment or audit commenced under s 59 or 61 of the TEQSA Act or s 112A of the ESOS Act in the previous calendar year | \$36,000 |
| condition, imposed under ss 10B(1) or 83(3) of the ESOS Act or section 32 of the TEQSA Act, that applied to the provider’s registration at any time during the previous calendar year* | \$4,100 |
| condition, imposed under s 53(1) of the TEQSA Act, that applied at any time during the previous calendar year* to the accreditation of a course of study offered by the provider | \$3,350 |
| compliance undertaking that was in force in relation to the provider in the previous calendar year* | \$1,675 |
| hour spent in the previous calendar year conducting an investigation commenced using the powers set out in section 116 of the TEQSA Act | \$165 (per hour) |

*Regardless of the year in which the condition or undertaking was originally imposed.

None of the compliance related charges set out in the table above have changed as a result of the 2024 updated to the CRIS. This is because TEQSA’s review determined the compliance charge amounts appropriately reflected the cost and effort hours TEQSA spends on compliance assessments, monitoring compliance with conditions , monitoring compliance with compliance undertakings and conducting investigations.

- In terms of the hourly charge for investigations, TEQSA has retained the hourly charging approach as the resources required for investigations can vary considerably.
- In terms of the charge for compliance (voluntary) undertakings, as they are only accepted where there are lower-level concerns, and conditions are imposed for more serious or pervasive concerns, TEQSA will continue to charge a lower amount for the less intensive monitoring activity associated with the undertakings.

The amount charged for each relevant regulatory activity in subsequent years will be refined based on monitoring of the approach taken in 2025, further reviews of TEQSA’s cost recovery model and the growing evidence base TEQSA is compiling in relation to the actual costs of these activities.

4.5.3 TEQSA activities excluded from cost recovery

TEQSA activities excluded from cost recovery included in Table 4 below are academic integrity, admissions transparency, external review of TEQSA decisions and TEQSA internal costs related to the TEQSA annual conference. The activities in Table 4 do not include funding related to the Higher Education Integrity Unit and student records management, which are budget funded.

Table 4: TEQSA activities excluded from cost recovery (budget-funded)

| Activity | Description | Estimated cost of regulatory activity not to be recovered ('000) |
|---|-------------------------------|--|
| Academic integrity | Budget-funded | \$3,563 |
| Sector-wide analysis / admission transparency | Budget-funded | \$707 |
| External reviews/AAT matters | Budget-funded | \$726 |
| Conference | Annual conference expenditure | \$766 |
| Total activities excluded from cost recovery | | \$5,762 |

5. Cost attribution

The regulatory workload model developed by TEQSA allocates employee costs to each type of regulatory output.

5.1 Direct costs

Direct costs that are not employee costs are assigned where they can be directly linked to an activity. Direct supplier costs (e.g. external experts, case management system costs) are allocated to the regulatory activity as appropriate. Direct costs for regulatory outputs include the costs of employees, external experts, site visits and contractors, and the operating expenses of the TEQSA case management system.

5.2 Indirect costs

Indirect costs are enabling costs that cannot be attributed to a specific process or output. These include information and communications technology, maintenance, office accommodation, and finance and corporate services. Enabling costs are allocated across applications and non-application cost pools.

5.3 Capital costs

Capital costs included in the operating costs of business processes are depreciation of property, plant and equipment (including furniture, IT hardware and infrastructure), amortisation of IT systems and software, non-capital software development costs, and accommodation.

In terms of capital expenditure, TEQSA budgets for the replacement of property, plant and equipment (including IT hardware and infrastructure) and the replacement of/investment in computer systems and software.

5.4 Cost breakdown

Table 5 below shows that, of TEQSA's total costs of \$22.5 million (2024-25), \$16.7 million was attributable to regulatory activities, of which application-based activities were \$8.8 million and non-application-based activities \$7.9 million.

\$5.76 million of TEQSA's total costs (2024-25) relates to TEQSA activities that are excluded from cost recovery, being \$5.0 million related to academic integrity, admissions transparency, external review of TEQSA decisions that are budget funded, and \$0.76 million relating to TEQSA's annual conference.

Table 5: Summary of direct and indirect regulatory costs in 2024-25

| Regulatory activity | Application based (assessment) activities ('000) | Non-application based (sector monitoring and oversight) activities ('000) | Total TEQSA regulatory expenses ('000) | Budget-funded (external reviews, admission transparency and academic integrity) activities ('000) | TEQSA annual conference expenditure ('000) | Total TEQSA expenses ('000) |
|---------------------|--|---|--|---|--|-----------------------------|
| Direct costs | \$5,161 | \$5,081 | \$10,242 | \$3,338 | \$636 | \$14,216 |
| Indirect costs | \$3,607 | \$2,853 | \$6,459 | \$1,658 | \$130 | \$8,248 |
| Total | \$8,768 | \$7,934 | \$16,701 | \$4,996 | \$766 | \$22,464 |

6. Charging for other activities

There is capacity and legislative authority for TEQSA to charge for activities that are related to TEQSA's purpose but these activities are not covered by the current charging arrangements. These activities include conferences, education and training. In line with the *Public Governance, Performance and Accountability Act 2013*, TEQSA is permitted to retain revenue generated from such activity to the extent that it offsets its costs. TEQSA has undertaken only a small amount of this type of activity to date.

To avoid any potential conflict of interest, TEQSA does not undertake consultancy work on a commercial basis for current or potential Australian higher education providers or overseas providers that might seek registration in Australia.

The success of TEQSA's annual conference has highlighted an appetite for capacity building around sector-wide quality issues. In future, smaller training courses and seminars may provide a vehicle for this. TEQSA could offer the sector a range of training programs each year, on a fee-for-service basis and ensuring there is no cross-subsidisation.

TEQSA recognises care is needed to ensure these types of activity do not negatively affect delivery of its core regulatory functions. The conduct of any such additional activities will be the subject of ongoing consultation with stakeholders. TEQSA will also ensure the Minister for Education is fully aware of these activities in advance, so that any implications for broader sectoral policies can be considered, as well as any impacts on red tape or regulatory burden within the sector. Any commercial activities will be clearly defined.

There is potential demand for TEQSA to undertake work for overseas governments or regulatory agencies. Contributing to the enhancement of quality in higher education overseas has clear potential reputational benefits for Australia, as well as potential benefits for TEQSA through the development of increased capability and expertise among TEQSA staff. Such activity and the management of any international relations sensitivities will need careful engagement and coordination with the Department of Foreign Affairs and Trade, Austrade and the Department of Education's International Group, given the potential for intersections with multiple strands of Australia's international policy.

7. Cost recovery and revenue variability

Complexity, materiality and sensitivity are considered in assessing the risk of variation in revenue from cost-recovered activities. Each of these factors applies to TEQSA in varying degrees. For example, in relation to TEQSA's regulatory activity, the variability in demand, the variability in frequency and the variability in application type and bundling of applications all contribute to the complexity of projecting revenue from fees and charges.

The demand for TEQSA's activities, and therefore TEQSA's revenue stream, is sensitive to market fluctuations. The applications for new registrations (including CRICOS) and new

course accreditations are initiated by providers and are beyond TEQSA's control. They can vary depending on government policy settings, demand for higher education and broader economic conditions.

While applications for re-registration (including CRICOS) and re-accreditation generally follow a 7-year cycle, TEQSA has the power to shorten or extend the period of registration and accreditation based on its assessment of risk, which introduces an element of uncertainty to the number of renewal applications due in a year and hence the fee revenue. Additionally, providers may decide not to renew their registration or course accreditations.

8. Financial estimates

Table 6 outlines the financial projections for TEQSA's regulatory activity.

Regulatory expense equals TEQSA's yearly appropriation including depreciation and amortisation, write down and impairments of assets and losses from sale of assets, but excludes budget-funded activities (such as academic integrity, admissions transparency, external reviews, and costs in relation to the annual TEQSA conference).

TEQSA will model its application and non-application-based expenses against revenue collected over a 7-year cycle to ensure that revenue is consistent with expenses. Thus, the differential between revenue and expenditure across the cycle varies year to year.

Table 6: Summary of direct and indirect regulatory costs

| | 2024-25 ('000) | 2025-26 ('000) | 2026-27 ('000) | 2027-28 ('000) |
|--|-------------------|-------------------|-------------------|-------------------|
| Regulatory expenses | -\$22,568 | -\$22,242 | -\$22,543 | -\$22,612 |
| Appropriation | \$21,276 | \$21,064 | \$21,497 | \$21,709 |
| Other revenue | \$650 | \$650 | \$650 | \$650 |
| Fee and charge revenue collected* | \$16,937 | \$16,937 | \$16,937 | \$16,937 |

* Return to Consolidated Revenue Fund (CRF) – does not contribute to TEQSA's surplus/deficit.

9. Financial performance

TEQSA's past financial performance is set out in Table 7, based on audited financial statements.

Table 7: Historical financial performance

| | 2019-20 ¹ ('000) | 2020-21 ² ('000) | 2021-22 ('000) | 2022-23 ('000) | 2023-24 ('000) |
|-----------------------------------|--------------------------------|--------------------------------|-------------------|-------------------|-------------------|
| Regulatory expenses ³ | -\$20,753 | -\$18,675 | -\$19,861 | -\$23,446 | -\$22,947 |
| Appropriation | \$17,539 | \$20,800 | \$20,198 | \$20,009 | \$21,497 |
| Other revenue | \$1,071 | \$653 | \$354 | \$652 | \$806 |
| Fee and charge revenue collected* | \$1,182 | \$353 | \$399 | \$3,000 | \$13,086 |

*Return to Consolidated Revenue Fund (CRF) – does not contribute to TEQSA's surplus/deficit

1. In 2019-20 TEQSA incurred higher regulatory expenses due to the timing of project-based activities, higher contractor utilisation and increased depreciation expense resulting from the transition to AASB 16.
2. In 2020-21 TEQSA incurred lower regulatory expenses than planned due to the impacts of COVID-19, staff attrition and the timing of recruitment activities.
3. Expenses include depreciation and amortisation, write down and impairments of assets and losses from sale of assets.

10. Non-financial performance

TEQSA has identified 3 broad strategic objectives in delivering outcomes to its role and functions:

1. Promote and support good practice and effective self-assurance across the sector
2. Identify, analyse and respond to risks in the sector
3. Ensure compliance with applicable legislation through effective and efficient regulation.

The activities undertaken by TEQSA in pursuit of its objectives reflect the impacts, challenges and priorities identified in TEQSA's Corporate Plan, and are underpinned by performance measures and qualitative and quantitative targets.

TEQSA aligns its performance measures against the guidance in Resource Management Guide 128: Regulator Performance, issued by the Department of Finance, which requires regulators to assess and report their performance against best practice principles, including continuous improvement and building trust, risk-based and data-driven, and collaboration and engagement.

TEQSA has identified 13 key activities in meeting its objectives:

1. Develop and publish education and guidance materials, in consultation with the sector, to support good practice and provider self-assurance.
2. Engage with higher education peak bodies, registered providers and students, to uphold student interests and support effective regulation and quality assurance.
3. Work closely with the Department of Education and the Higher Education Standards Panel on joint projects regarding the Threshold Standards.
4. Advise and make recommendations to the Minister on matters relating to the quality and regulation of higher education providers.
5. Monitor the performance of registered providers, identify risks, assess provider responses and where necessary, take regulatory or other action.
6. Maintain a risk assessment focus on the financial viability of providers, particularly in relation to providers heavily reliant on overseas students.
7. Develop TEQSA's risk and compliance focus in relation to student wellbeing, such as mental health and the issues raised by sexual assault and sexual harassment.
8. Further develop the activity of the TEQSA Higher Education Integrity Unit in relation to commercial academic cheating, cyber security and foreign interference.
9. Review and adapt TEQSA's regulatory model and practice, in keeping with established principles of regulatory best practice and reform, in close consultation with stakeholders.
10. Align risk and compliance approach with legislated requirements and principles of regulatory necessity, risk and proportionality.
11. Ensure regulatory assessments are streamlined and coordinated to ensure regulatory activity is undertaken efficiently.
12. Recover regulatory costs consistent with CRIS and relevant framework or guidelines.
13. Implement key strategic projects in relation to organisational capability.

The detailed measures and targets for meeting TEQSA's strategic objectives are set out in its Corporate Plan, available at teqsa.gov.au.

11. Key forward dates and events

| Event | Date |
|---|----------------|
| Release of CRIS 2025 | December 2024 |
| Instrument updating the <i>Tertiary Education Quality and Standards Agency (Charges) Regulations 2022</i> is registered and made publicly available | December 2024 |
| Commissioning | December 2024 |
| Commencement of updated cost recovery model | 1 January 2025 |

12. CRIS approval and change register

| Date of change | CRIS change | Approver | Basis for change |
|----------------|--|------------------------|--|
| March 2021 | Finalisation of draft CRIS | Minister for Education | Impacts on smaller providers |
| October 2021 | Deferral of implementation to 1 January 2023 | Minister for Education | Ongoing COVID impacts, particularly on smaller providers |
| August 2022 | Amended cost model and CRIS | Minister for Education | Refined model and CRIS |
| November 2023 | Agreement to amended CRIS | Minister for Education | Changes in costs of resources and revalidation of the cost model |
| December 2024 | Agreement to amended CRIS | Minister for Education | Changes in costs of resources and revalidation of the cost model |

Appendix A – Application-based fees from 1 January 2024

| Description | Type | Fee |
|---|---|-----------|
| Initial registration (ss 19 and 20 TEQSA Act) | Preliminary assessment | \$13,900 |
| | Substantive assessment | \$105,900 |
| Registration renewal (s 35 TEQSA Act) | Registration renewal – Core | \$62,400 |
| | Registration renewal – Core+ | \$106,700 |
| Application requesting both registration renewal and authority to self-accredit courses of study (ss 35 and 41 TEQSA Act) | Registration renewal + self accreditation – Core | \$70,800 |
| | Registration renewal + self accreditation – Core+ | \$122,000 |
| Provider category change (s 38 TEQSA Act) | N/A | \$48,900 |
| Application for authority to self-accredit one or more courses of study (s 41 TEQSA Act) | No current authority | \$48,900 |
| | Existing authority for 1 or more courses | \$34,700 |
| Course accreditation – preliminary assessment (proposed provider) (s 46 TEQSA Act) | Each course (regardless of whether there is a nested set) | \$5,600* |
| Course accreditation – preliminary assessment (registered provider) (s 47 TEQSA Act) | First course or single course | \$4,900* |
| | Additional in a nested set of courses per application | \$1,200* |
| Course accreditation – substantive assessment (proposed provider) (s 48 TEQSA Act) | First course or single course | \$42,200* |
| | Additional in a nested set of courses per application | \$37,700* |
| Course accreditation – substantive assessment (registered provider) (s 48 TEQSA Act) | First course or single course | \$18,000* |
| | Additional in a nested set of courses per application | \$4,500* |

| Description | Type | Fee |
|---|--|-----------|
| Accreditation undergraduate certificate – preliminary assessment (s 47 TEQSA Act) | Each undergraduate certificate | \$300 |
| Accreditation undergraduate certificate – substantive assessment (s 48 TEQSA Act) | Each undergraduate certificate | \$1,200 |
| Renewal of course accreditation – teach out (s 55 TEQSA Act) | First course or single course | \$2,900* |
| | Additional in a nested set of courses per application | \$700* |
| Renewal of course accreditation – general (s 55 TEQSA Act) | First course or single course | \$23,100* |
| | Additional in a nested set of courses per application | \$5,500* |
| Renewal of accreditation of undergraduate certificate (s 55 TEQSA Act) | Each undergraduate certificate | \$1,100 |
| Application to vary or revoke registration or accreditation condition (ss 32(3) or 53(3) TEQSA Act) | Accreditation condition | \$2,900 |
| | Registration condition | \$3,600 |
| Internal review of decision (s 184 TEQSA Act or 169AD ESOS Act) | N/A | \$1,000 |
| Application for ESOS Act registration (s 9 ESOS Act) | N/A | \$23,200 |
| Application for ESOS Act re-registrations (s 10D ESOS Act) | Existing self-accrediting authority under s 41 TEQSA Act | \$12,800 |
| | No self-accrediting authority | \$26,000 |
| Additional course for ESOS registration (s 10H ESOS Act) | N/A | \$500 |
| Additional ELICOS for ESOS registration (s 10H ESOS Act) | N/A | \$4,800 |
| Additional Foundation program for ESOS registration (s 10H ESOS Act) | N/A | \$4,900 |
| Additional location for ESOS registration (s 10H ESOS Act) | Existing self-accrediting authority under s 41 TEQSA Act | \$1,800 |
| | No self-accrediting authority | \$9,100 |

* where a higher education provider has an equivalent full-time student load of less than 5,000, the table of discounts set out in Table 1 are relevant.

Appendix B – Charges for compliance component of RHEP charge from 1 January 2024

| Description | Type | Charge |
|--|--|-------------|
| Registered higher education provider (RHEP) charge | Levy | \$32,650 |
| Compliance | Compliance assessment | \$36,000 |
| | Investigation – hourly rate | \$165 /hour |
| Conditions monitoring | Monitor compliance with condition attached to registration or re-registration | \$4,100 |
| | Monitor compliance with condition attached to course accreditation or re-accreditation | \$3,350 |
| Compliance (voluntary) undertaking | Monitor compliance with undertaking | \$1,675 |

Appendix C – Costs of application-based activities

| Description | Type | Cost |
|---|---|-----------|
| Initial registration | Preliminary assessment | \$8,090 |
| | Financial assessment (preliminary) | \$5,799 |
| | Substantive assessment | \$68,141 |
| | Financial assessment (substantive) | \$37,844 |
| Registration renewal | Registration renewal – Core | \$62,378 |
| | Registration renewal – Core+ | \$106,655 |
| Registration renewal + self accreditation | Registration renewal + self accreditation – Core | \$70,784 |
| | Registration renewal + self accreditation – Core+ | \$122,011 |
| Provider category change | N/A | \$48,950 |
| Withdrawal of registration | N/A | \$0 |
| Application to self-accredit one or more courses | No current authority | \$48,950 |
| | Existing authority for one or more courses | \$34,750 |
| Course accreditation – preliminary assessment (proposed provider) | First course or single course | \$5,553 |
| | Additional in a nested set of courses per application | \$5,553 |
| Course accreditation – preliminary assessment (registered provider) | First course or single course | \$4,887 |
| | Additional in a nested set of courses per application | \$1,226 |
| Course accreditation – substantive assessment (proposed provider) | First course or single course | \$42,164 |
| | Additional in a nested set of courses per application | \$37,724 |

| Description | Type | Cost |
|---|--|----------|
| Course accreditation – substantive assessment (registered provider) | First course or single course | \$17,981 |
| | Additional in a nested set of courses per application | \$4,483 |
| Undergraduate certificate accreditation – preliminary assessment | First course or single course | \$307 |
| Undergraduate certificate accreditation – substantive assessment | Assessment of course | \$835 |
| | Decision | \$364 |
| Renewal of course accreditation – teach out | First course or single course | \$2,932 |
| | Additional in a nested set of courses per application | \$733 |
| Renewal of course accreditation – general | First course or single course | \$23,111 |
| | Additional in a nested set of courses per application | \$5,527 |
| Review, vary or revoke condition (registration and accreditation) | Review of conditions | \$3,958 |
| | Vary or revoke condition – accreditation condition | \$2,940 |
| | Vary or revoke condition – registration condition | \$3,599 |
| Internal review of decision | N/A | \$22,289 |
| CRICOS registration | Self-accrediting authority or non self-accrediting authority | \$23,242 |
| CRICOS re-registrations | Self-accrediting authority | \$12,832 |
| | Non self-accrediting authority | \$26,041 |
| CRICOS additional course | N/A | \$456 |
| CRICOS additional ELICOS | N/A | \$4,843 |
| CRICOS Foundation | N/A | \$4,862 |
| CRICOS relocate site (standard) | N/A | \$9,086 |
| CRICOS relocate site (streamlined) | N/A | \$1,794 |

Glossary

AGCF

Australian Government Charging Framework.

Application-based activities

Assessments undertaken in response to an application by a provider. For example, to register as a higher education provider, accredit a new course or reaccredit an existing course, to change provider category, or to seek authority to self-accredit courses of study.

CRG

Australian Government Australian Government Charging Framework.

CRICOS

Commonwealth Register of Institutions and Courses for Overseas Students.

Efficient cost

The minimum costs necessary to provide the activity while achieving the policy objectives and legislative functions of the Australian Government.

EFTSL

Equivalent full-time student load.

ELICOS

English Language Intensive Courses for Overseas Students.

ESOS

Education Services for Overseas Students.

ISO

International Organization for Standardization.

National Code

National Code of Practice for Providers of Education and Training to Overseas Students 2018.

Non-application-based activities

Work which is not undertaken in response to an application. Examples include the investigation of concerns or sector-wide regulatory problems; the development and delivery of advice to providers, the Department of Education, and the Minister for Education; the profiling and management of risk in the sector; and engagement activities, both domestic and international.

QA

Quality assessment.

RAF

Risk Assessment Framework.

RHEP charge

Registered higher education provider charge that all providers must pay as a condition of their registration (section 26C of the *Tertiary Education Quality and Standards Agency Act 2011*)

Self-accrediting authority

A provider that has been given the authority, under section 41 of the TEQSA Act, to self-accredit one or more courses of study.

TEQSA

Tertiary Education Quality and Standards Agency.

Threshold Standards

Higher Education Standards Framework (Threshold Standards) 2021.

The image features a diagonal split background with orange in the top right and blue in the bottom left. In the bottom left corner, the text 'TEQSA' is written in a large, white, bold, sans-serif font. Below it, the website address 'teqsa.gov.au' is written in a smaller, white, lowercase, sans-serif font.

TEQSA
teqsa.gov.au