



13 May 2021

Dear Sir,

Re: Fees and Charges Consultation

Please find below our submission to the consultation being undertaken by the Agency on fees and charges.

The submission is based on our experience from our work with a variety of independent higher education providers.

We are more than happy to discuss our views further in this area if needed.

Yours sincerely,

A handwritten signature in blue ink that reads "Michael Milgate".

Michael Milgate

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It is not apparent in the documentation how, when offering fee discounts based on the EFT size of a provider, this meets the requirement to recoup fees. Discounts/reductions will need to be passed onto other providers to recover these discounts in order to meet the cost recovery level required by Government.

You know the size of providers so you should have a sliding scale of costs based on size, not a single cost then a discount. I am not clear from an accounting perspective you can calculate how to recoup the discounts in planning your pricing structures.

Often a similar quantity of documents will need to be assessed. Which will require the same amount of time. Offering discounts based on student EFTSL places greater burden on larger providers with no or smaller discounts applied to bare the burden of the fee and charge cost recovery.

Imposing these charges also imposes a greater duty and responsibility on the Agency to process applications to a final determination within timelines that, say for example, providers with SAA, enjoy. There is sound legal argument that delays in decisions irrespective of Covid or other explanations for delays, the Agency will need to make decisions in a timelier manner or action to refund fees and legal costs would become a realistic and attainable action.

It also increases the responsibility on the Agency and its experts – a less than standard ‘job’ by the Agency or its experts will see Court (not AAT) action to recover costs and damages and start to set precedents that providers are desperately wanting to see occur.

For example, I have clients where the Agency has not supplied all the relevant documentation to its ‘experts’ and less than favourable outcomes to the provider have occurred.

In other cases, and more frequently, ‘experts’ from universities do not understand the difference between ‘scholarship’ and ‘research’, or they impose their personal preferences when undertaking accreditation reviews, that are at odds with their own university’s actions. For example, stating that 3-unit learning outcomes is not appropriate when their own equivalent unit as 3 unit learning outcomes. Or universities having 8-unit master courses when the Agency requires 12 to 16 under the AQF for non-university providers. No provider can hide behind having SAA when it breaches the rules – the Agency has to act on all providers and ensure equal and consistent treatment.

So to reduce the cost burden, the Agency needs to focus on course accreditation is about assuring the providers processes are sound – it is not about an expert writing a report that they do not like an unit title, or a specific textbook, or that they think an unit should not have a topic included – it is about the assurance process that the provider has gone through and is it sufficient and appropriate – this will dramatically impact on costs associated with course accreditation applications.

As the Agency consistently says, its Guidance Notes are not binding documents and only for guidance – this is an automatic saving of \$181,000. If these documents have no authority, then why produce them. If Providers will be charged to cover their costs, then the Agency must be bound by the advice it is providing as it is fee for service. If a provider acts in good faith on the GN, then it cannot be penalised, no condition, no adverse finding – just a request to make a correction. It works for numerous Commonwealth agencies, departments etc, it should be the same for the Agency or cut the expenditure.

The introduction of cost recovery is an opportunity for the Agency to restructure its processes and be more efficient and effective while reducing its cost structure and its burden on the sector.

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