

## TEQSA Consultation Submission: Cost recovery for quality assurance and regulation

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via: [consultation@teqsa.gov.au](mailto:consultation@teqsa.gov.au)

University of Canberra welcomes TEQSA's consultation on a fees and charges proposal: cost recovery for quality assurance and regulation of higher education and is pleased to provide a submission.

We are a member of Universities Australia and strongly support the position set out in Universities Australia's submission on this matter. The University urges government to reconsider the decision to implement cost recovery and its application to universities. Introducing a cost recovery approach for regulatory activities will greatly contribute to the increasing compliance costs that universities are being required to absorb. As autonomous, self-accrediting institutions representing low regulatory risk, universities are already subjected to layers of independent oversight. Should a cost-recovery approach be implemented, an independent review of TEQSA's activities should be established to ensure that only those costs directly connected with powers articulated in the [TEQSA Act 2011](#) are recovered.

### *Service Delivery Approach*

TEQSA has acknowledged that the sector has been critical of the amount of time taken to process registrations and that it was actively reviewing processes and systems. The Australian National Audit Office (ANAO) [performance audit](#) of TEQSA in 2019-20 also identified timely decision making as an issue. While TEQSA has a [Service Charter](#), it is strongly suggested that TEQSA needs to develop a more mature service delivery approach, providing service catalogues, service definitions, delivery turnaround times for different types of enquiries/applications and an independent mechanism for measuring performance and sector satisfaction. While the TEQSA Act does speak broadly to time frames for the completion of a very limited range of activities, there does not appear to have been any consultation to determine if the published time frames support institutions to operate efficiently or effectively, or if the services provided by TEQSA match the requirements of the sector. In moving to a cost-recovery approach, consultation on the types of services provided, how these are delivered, and metrics to measure performance to inform continuous improvement are imperative.

### *Fee-setting approach*

The consultation paper indicates that TEQSA will set (and increase) fees sector in line with service delivery costs. To ensure that fees are fair; represent the cost of service delivery; are charged equitably; and to mitigate against dramatic fee increases; we suggest that an independent body is tasked with fee assessment and setting, and assuring fees are only charged for activities aligned with the TEQSA Act and the AGCF.

### *Consolidation of CRICOS activities and charging*

Concurrently, the Department of Education, Skills and Employment (DESE) is running separate [consultation](#) on an amended cost-recovery approach for the CRICOS-related fees they charge. While TEQSA will be charging institutional/course related fees, DESE will continue to charge fees based on international student enrolments. Like many providers, the University of Canberra pays DESE an annual base fee, and a volume fee for each Confirmation of Enrolment (CoE) processed through their Provider Registration and International Student Management System (PRISMS).

To streamline fees, processes and service delivery, amalgamation of the CRICOS-related activities of DESE and TEQSA should be considered. Such consolidation would deliver efficiencies and improved client service. This could be expanded to also include the Australian Skills Quality Authority (ASQA) which charges for VET-related CRICOS registrations. Similarly, streamlined and joint consultation process on CRICOS-related matters would reduce institutional resourcing and provide both TEQSA and DESE with a better understanding of the end-to-end management of international students and registered courses. As a note, ASQA ran their [consultation](#) process on cost recovery approaches in late 2019.

### *Impact of Cost Recovery*

Initial internal modelling using historical transaction activities indicates that TEQSA's move to cost recovery will have a growing budgetary impact on the University of Canberra, ranging from \$40,000 to \$60,000 annually. In 2024/25 University of Canberra renewal of registration, CRICOS registration, transaction fees and the annual levy could total over \$200,000. These growing compliance costs will require funds to be redirected from other important operational activities of the University.

Please contact Ms Melissa Hankinson, Deputy Director, Quality & Service Improvement via [melissa.hankinson@canberra.edu.au](mailto:melissa.hankinson@canberra.edu.au) if you have any questions regarding this submission.