TDA Response: Future directions for TEQSA's Regulatory Risk Framework, Sector Discussion paper

Consultation Question

Does the proposed approach reflected in Figure 1 offer an improvement to the current approach? If not, why and what changes would you propose?

In relation to the proposed approach, TDA recognises that provider categories are not in the direct remit of TEQSA. Nevertheless, TDA reiterates the call for a specific provider category for the public non-university higher education provider (HEP), as the current provider categories may impact on regulatory risk ratings.

Currently, there are ten TAFE Institutes (23 individual institutes) registered as HEPs in Australia delivering over 100 accredited higher education qualifications across a range of industry sectors. Further, there are 66 private colleges registered as HEPs. By supporting students who may not otherwise have attended university, these institutes are enhancing the diversity of the tertiary sector through new and innovative pathways into higher education. The strength of these ‘integrated tertiary providers’ lies in the applied nature of the learning, the supportive learning environments, the direct links with work and industry and innovative pathways into higher skills and qualifications for a diverse range of students.

The greater variation in this ‘non-university’ HEP market has led to significant challenges for students seeking higher education qualifications, industry seeking internship opportunities and international clients seeking Australian higher education. For instance, a complaint was raised at a recent meeting of the Australia China Education Council by a Chinese government delegate concerning what was termed the ‘grey’ frameworks of both higher education and VET in Australia. Greater clarity was sought particularly about non-university RTOs operating in both sectors.

In the case of public non-university providers, TAFE Institutes operating as ‘integrated tertiary providers’ is in line with developments in other Anglophone countries such as North America, United Kingdom and, in the region, New Zealand, Indonesia, Singapore and Hong Kong. Hong Kong, in particular, with the establishment of the Technological Higher Education Institute, has established a new model for the public delivery of specialist higher education qualifications.

TDA argues that, as public providers, TAFE Institutes are well established and highly governed educational institutions that do not pose the risk to quality that private non-university providers may. As the overall risk to students and to the financial position of TAFE Institutes is largely diminished as a result, we argue for a specialist higher education category.

Consultation Question

Is the reduction in the number of risk indicators and the proposed selection of indicators in Attachment B appropriate for capturing key risks of non-compliance in the sector? If not, why and what changes would you propose?
Response

TDA welcomes the clarification of the risk process in the discussion paper. The proposed reduction in the number of risk indicators from 46 to 12, and their refinement, is a considerable improvement and, in our view, is sufficient to capture risks of non-compliance. The regulatory burden, however, is likely to remain significant for Non Self Accrediting (NSA) Institutions including TAFE institutes.

TDA therefore proposes that TEQSA consider adopting a more targeted approach to quality assurance and risk assessment focused on evidence of a problem. This would enable TEQSA to move away from regular, systematic but costly assessment of all institutions, regardless of their risk, to a more proportional approach, freeing high quality providers from unnecessary red tape and allowing TEQSA to devote more resources to delivering its core regulatory services.

To promote responsiveness and focused action, the TAFE HEPs would appreciate TEQSA sharing its methodology for arriving at the risk thresholds and for the evidence used with the institutions concerned. In addition to the risk assessment itself, confidential information to each provider as to how they situated relative to the sector could also inform the improvement of institutional risk identification and management.

Consultation Question

Should information about risk thresholds be released by TEQSA?
If yes what information would strike an appropriate balance in supporting providers to understand risk assessments, while preventing the potential misinterpretation or misuse of the thresholds?

Response

TDA is not of the view that HEP risk threshold ratings should be published and share TEQSA’s stated concerns (p.5 of the discussion paper) about the potential for their misuse. The HEP Network considers that the approach outlined in question 1 is largely adequate for the purpose of focussing provider attention and mitigation activity on significant risk factors. If the risk thresholds were to be released, they would need to be accompanied by a clear and categorical statement about their intent, purpose, audience and benefit to the sector, but this strategy may not preclude misinterpretation and misuse.

Consultation Question

Apart from better information about the nature of information TEQSA takes into account in finalising risk ratings, are there other areas of the risk process and/or profile that would benefit from further explanation by TEQSA?

Response

Should TEQSA release information related to the risk threshold standards as discussed above, TDA recommends a clearly identified process for the release of this information, inclusive of a response time, by relevant institutions to the findings. It would also be valuable for pertinent feedback to be provided by case managers directly to their institutions.
For further information:

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