



**Australian Government**

**Tertiary Education Quality and Standards Agency**

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**CHIEF COMMISSIONER**

**Tertiary Education Quality and Standards Agency**

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## **NEW RISK APPROACH FOR HIGHER EDUCATION**

The Tertiary Education Quality and Standards Agency (TEQSA) today released details of how it will assess risk associated with the provision of higher education services in Australia.

TEQSA Chief Commissioner Dr Carol Nicoll said that the Regulatory Risk Framework was an important part of the Agency's role as the first national regulator of Australia's higher education sector.

"It gives the Agency a systematic and consistent method of identifying, assessing and monitoring risk in the higher education sector," Dr Nicoll said.

The Regulatory Risk Framework will be used to gauge whether institutions are at risk of not meeting the Threshold Standards relating to the quality of higher education.

"This Framework takes into account the wide variety of higher education providers in the sector, which is important to our regulatory approach," said Dr Nicoll.

"Where a risk is identified, we will give providers the chance to explain the context and outline the ways they intend to address them."

In undertaking its regulatory responsibilities, TEQSA is guided by three principles:

- Reflecting risk
- Regulatory necessity
- Proportionate regulation

The new Regulatory Risk Framework sets out how TEQSA will address the principle of reflecting risk.

"The Framework was developed after consultation with the sector and we acknowledge the constructive feedback we received during this process. TEQSA will continue to work with the sector to identify any further adjustments, using insights gained from its implementation," said Dr Nicoll.

TEQSA is Australia's first national regulator for higher education. It commenced its regulatory functions on 29 January 2012. TEQSA will register and evaluate the performance of higher education providers against the new Higher Education Standards Framework.

The Agency's primary aim is to ensure that students receive a high quality education at any Australian higher education provider.

More information on the Regulatory Risk Framework is available on the TEQSA website at [www.teqsa.gov.au/regulatory-risk-framework](http://www.teqsa.gov.au/regulatory-risk-framework).

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**TEQSA Website:** [www.teqsa.gov.au](http://www.teqsa.gov.au)

## TEQSA's Regulatory Risk Framework: Some quick facts

- The TEQSA Regulatory Risk Framework sets out TEQSA's policy and processes for identifying and assessing risk in the higher education sector, in accordance with TEQSA's regulatory principles of reflecting risk, proportionality and necessity. These principles are prescribed in the *Tertiary Education Quality and Standards Agency Act 2011* (TEQSA Act).
- The Framework is a regulatory tool to identify and analyse current and potential risk to the provision of quality higher education in Australia. It will guide TEQSA's approach in undertaking risk assessments of individual providers and in considering risk across the sector as a whole.
- By applying a risk-based approach, TEQSA is able to adjust the frequency and intensity of regulatory review and quality assurance activities based on its risk assessment of a higher education provider. This means the regulatory burden on providers is reduced where possible and TEQSA's resources are more effectively targeted.
- The Framework encourages collaborative relationships with the sector and allows for dialogue with providers before any formal regulatory intervention. Such an approach supports TEQSA as a preventative and proactive regulator, as well as a responsive regulator when risks materialise or performance issues warrant intervention.
- The Framework identifies three priority risk consequence areas drawing on the Threshold Standards and Objects of the TEQSA Act. These three areas guide an overall judgement about levels of risk: Risk to students; risk of provider collapse; and risk to sector reputation. TEQSA will take a holistic approach to considering risk in the sector, drawing on both quantitative and qualitative information across a range of domains.
- During December 2011 and January 2012, TEQSA sought the views of the higher education sector in the development of its Regulatory Risk Framework. Consultations were pursued predominantly through the sector's peak bodies. TEQSA acknowledges the very constructive feedback provided through this process and thanks those involved for their contributions. The Framework will continue to be refined, as TEQSA increases its understanding of risk in the sector.
- TEQSA will take a phased approach to the implementation of the Framework. All providers regulated by TEQSA will be subject to a preliminary risk scan in early 2012. This will necessarily be based on a limited set of core data and risk indicators under the Framework, building on existing collections within the sector. More detailed risk assessments will commence later in 2012.