

AUSTRALIAN UNIVERSITIES QUALITY AGENCY

Report of an Audit of
Queensland Department of Education and the Arts
Higher Education Approvals Functions

February 2006

AUQA Audit Report Number 40

ISBN 1 877090 49 2

© Australian Universities Quality Agency 2006

Level 10, 123 Lonsdale Street
Melbourne, VIC 3000
Ph 03 9664 1000
Fax 03 9639 7377

admin@auqa.edu.au

<http://www.auqa.edu.au>

The Australian Universities Quality Agency receives financial support from the Commonwealth, State and Territory Governments of Australia.

CONTENTS

OVERVIEW OF THE AUDIT	1
Background	1
The Audit Process	1
CONCLUSIONS.....	3
Introduction to Findings.....	3
Commendations.....	4
Affirmations	4
Recommendations	5
1 CONTEXT OF THE AUDIT AND THE ROLE OF THE DEPARTMENT.....	7
1.1 Queensland Department of Education and the Arts	7
1.2 Legislative Framework for Higher Education Approvals Functions in Queensland	7
1.3 Queensland Office of Higher Education	8
1.4 Office of Non-State Education — State Registration Authority	9
1.5 Higher Education in Queensland	9
1.6 Context for the Audit	10
1.6.1 National Context.....	10
1.6.2 State Context	11
1.6.3 Departmental Context.....	11
1.6.4 Management of Aspects of the Protocols under Contract from Another Jurisdiction.....	12
1.7 QDEA Role in Shaping National Policy and Policy Implementation.....	12
2 QUALITY ASSURANCE FRAMEWORK AND QUALITY SYSTEM	14
2.1 Higher education Approvals and Policy Team Objectives and Values.....	14
2.2 State Registration Authority Objectives and Key Performance Indicators	15
2.3 Higher Education Approvals and Policy Team Quality System	15
2.3.1 Human Resource Management.....	16
2.3.2 Benchmarking.....	16
2.3.3 Conclusion Regarding the HEAP Quality System	17
2.4 Ministerial Advisory Panel	17
2.5 State Registration Authority.....	19
2.6 Risk Management for Higher Education Approvals Functions	20
3 COMMUNICATION WITH CLIENTS AND STAKEHOLDERS	21
3.1 HEAP Team Communication with Applicants and Providers	21
3.1.1 Communication with Applicants	21
3.1.2 Communication with Approved Providers	22
3.2 HEAP Team Communication with Assessment Panel Members.....	23
3.3 Web Site and General Communication.....	23
3.4 State Registration Authority Communication with Clients and Stakeholders	24
4 LEGISLATIVE AND REGULATORY FRAMEWORK	26
4.1 Higher Education (General Provisions) Act 2003	26
4.2 Definition of ‘to operate’	27
4.3 Monitoring of Compliance and Breaches	27
4.4 Education (Overseas Students) Act 1996.....	28

5 IMPLEMENTATION OF HIGHER EDUCATION APPROVAL PROCESSES	29
5.1 National Protocol 1	29
5.2 National Protocol 2	29
5.3 National Protocol 3	30
5.3.1 The Standard Process, Concurrent Accreditation and Mutual Recognition	30
5.3.2 The ‘Modified Process’	31
5.3.3 Approval Subject to Conditions.....	32
5.3.4 Changes after Accreditation	33
5.3.5 Consistency in Regard to the Provider of the Course.....	33
5.4 National Protocol 4	34
5.5 National Protocol 5	35
APPENDIX A: QUEENSLAND DEPARTMENT OF EDUCATION AND THE ARTS.....	36
APPENDIX B: AUQA’S MISSION, OBJECTIVES, VALUES AND VISION.....	38
APPENDIX C: THE AUDIT PANEL	40
APPENDIX D: ABBREVIATIONS AND DEFINITIONS.....	41
APPENDIX E: NATIONAL PROTOCOLS FOR HIGHER EDUCATION APPROVAL PROCESSES	43

OVERVIEW OF THE AUDIT

Background

In March 2005, the Australian Universities Quality Agency (AUQA) appointed an Audit Panel to undertake an audit of the quality assurance systems in place within Queensland in respect of its higher education approvals and accreditation responsibilities. The same Audit Panel also undertook an audit of the quality assurance systems in place within the Northern Territory Department of Employment, Education and Training (NT DEET) in respect of its higher education approvals and accreditation responsibilities. The audits were undertaken concurrently by one Audit Panel, in recognition of contractual arrangements between these two jurisdictions and the desirability of minimising costs, given the small scale of higher education approvals functions in the Northern Territory.

This Report of the audit provides an overview, and then details the Audit Panel's findings, commendations, affirmations and recommendations. A brief introduction to the Queensland Department of Education and the Arts (hereinafter 'QDEA' or 'the Agency' or 'the Department') is given in Appendix A; the mission, objectives, values and vision of AUQA are shown in Appendix B. Membership of the Audit Panel is at Appendix C and Appendix D defines technical terms and abbreviations used in this Report.

The Audit Process

AUQA bases its audits on each organisation's own objectives, together with the five MCEETYA National Protocols for Higher Education Approval Processes ('National Protocols' or 'Protocols') and legislation within the jurisdiction designed to give effect to the National Protocols. The major aim of the audit is to consider and review the procedures an organisation has in place to monitor and achieve its legislative and related objectives and to implement the National Protocols. Appendix E provides brief information about the National Protocols. Further details are available at <http://www.mceetya.edu.au>. Full details of the AUQA audit process are contained in the AUQA Audit Manual available at <http://www.auqa.edu.au/qualityaudit/auditmanuals/index.shtml>.

On 23 June 2005 the Department, through its Office of Higher Education (OHE), presented its submission (Performance Portfolio) to AUQA, along with 12 Supporting Materials. The Audit Panel met on 29 July 2005 to consider these documents, after which additional information and documents were sought from the Department.

The Performance Portfolio was produced by the Higher Education Approvals and Policy (HEAP) team within the OHE and reflects the team's focus on operational management of its responsibilities for National Protocols 1 to 4 under the *Higher Education (General Provisions) Act 2003*. The Portfolio provided a detailed assessment of the work of the HEAP team. On the Panel's request, further information was provided in relation to Protocol 5 and the Department's overall administration of all five National Protocols.

The Audit Panel Chair and the AUQA Audit Director undertook a preparatory visit to the Department on 11 August to clarify the Panel's request for further information and to review arrangements for the Audit Visit.

The Audit Panel acknowledges the open and constructive approach taken to the audit by the Department and, in particular, by officers of the HEAP team and the Manager Accreditation. The Panel was impressed by the thoroughly professional and helpful manner in which the team coordinated the provision of information and arrangements for the Audit Visit. The quality of the OHE documentation examined by the Panel was of a high standard.

The Audit Panel undertook three confidential surveys. The first was of higher education (HE) providers subject to QDEA processes. A total of 18 responses was received from the 22 providers surveyed, a response rate of 82 per cent. The second survey was of course assessment panel members from a sample of panels convened since 2003. A total of 27 responses was received from an invitation list of 46, a response rate of 59 per cent. A third survey was sent to self-accrediting institutions (SAIs) and non self-accrediting institutions (NSAIs) subject to registration in Queensland on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS). A total of 23 responses was received from an invitation list of 26, a response rate of 88 per cent. The results of these three surveys were used as additional contributing information to the Audit Panel's overall deliberations, along with the submitted materials, document trails for several accredited courses, and audit interviews.

The Audit Visit took place in the QDEA offices in Brisbane on 20 and 21 September 2005.

In all, the Audit Panel spoke with over 75 people during the Audit Visit, including the Queensland Minister for Education and the Arts, Departmental officers, members of the Ministerial Advisory Panel (MAP), course assessment panel members and chairs and higher education providers. Sessions were set aside for any persons involved in or affected by the QDEA higher education approvals processes to meet the Audit Panel. There were no requests for such a meeting.

This Report relates to the situation current at the time of the Audit Visit, which ended on 21 September 2005, and does not take account of any changes that may have occurred subsequently. It records the conclusions reached by the Audit Panel based on the documentation provided by QDEA, as well as information gained through examination of publicly available material and through interviews, discussion and observation. While every attempt has been made to reach a comprehensive understanding of the QDEA higher education approvals activities encompassed by the audit, the Report does not identify every aspect of quality assurance and its effectiveness or shortcomings.

The Report contains a summary of findings together with lists of commendations, affirmations and recommendations. A commendation refers to the achievement of a stated goal, or to some plan or activity that has led to, or appears likely to lead to, the achievement of a stated goal, and which in AUQA's view is particularly significant. A recommendation refers to an unsuitable approach, a faulty deployment, or a lack of success in relation to a stated goal, and which in AUQA's view is particularly significant. Recommendations indicate matters in need of attention, possibly with suggestions for action. Where there is evidence that similar matters have already been identified by the Department, they are termed 'affirmations'. It is acknowledged that recommendations in AUQA audit reports may have resource implications, and that this can pose difficulties for organisations. Accordingly, AUQA does not prioritise these recommendations, and recognises that it is the responsibility of the QDEA to respond in a manner consistent with its local context.

This Audit Report largely follows the structure of the QDEA (OHE) Performance Portfolio but contains additional sections relating to the context for higher education approvals functions in Queensland and the Department's responsibilities in regard to National Protocol 5.

CONCLUSIONS

This section summarises the main findings and lists the commendations, affirmations and recommendations. Other favourable comments and suggestions are mentioned throughout the text of the Report.

Introduction to Findings

The Audit took place at a time when revision of both the National Protocols for Higher Education Approval Processes and the Commonwealth *Education Services for Overseas Students Act 2000* (ESOS Act) was under active consideration throughout Australia. Queensland is regarded by many as a leader in development of the Protocols and continues to take a significant role in shaping national policy on higher education approvals. Several of the recommendations in this report are contingent upon the outcome of national changes.

Within QDEA, the Audit Panel became aware of some important differences between the situation of the Higher Education Approvals and Policy team in the Office of Higher Education, which administers legislation relating to Protocols 1 to 4, and the State Registration Authority (SRA) in the Office of Non-State Education (ONSE), which administers legislation relating to Protocol 5.

These differences in operating environment are accompanied by differences in the respective regulatory frameworks. The Panel found there is a sound legislative framework for the implementation of Protocols 1 to 4 but an acknowledged need to amend Queensland legislation in regard to Protocol 5 to ensure consistency with the Commonwealth ESOS Act. Similarly, while the HEAP team was operating as a well-established and well-coordinated team, supported by a sustainable resource base and well-documented procedures, SRA officers were dealing with the challenges of backlogs, poor resourcing in the past, and the implementation of more stringent registration and monitoring processes. The SRA acknowledges the need to improve communication with clients, while the HEAP team is already employing effective and systematic communication strategies.

AUQA affirms the actions being taken by the Department to address these issues within the Office of Non-State Education, including a review underway at the time of the Audit Visit. The Panel makes a number of findings on the need for the Department to improve its management of Protocol 5 and recommendations aimed at enhancing coordination between the HEAP team and SRA.

The Audit Panel finds that the Office of Higher Education encourages higher education providers to adopt the principles of continuous quality improvement and to focus on improvements in outcomes. It is evident that the OHE has been willing to explore the interpretation of the current National Protocols and, to the extent allowed by its mandate under the legislation, support novel proposals. The Panel concludes that the OHE's approach to the implementation of Protocols 1 to 3 has been proactive and supportive of innovation. In this regard, the Panel comments on the need for the Department to develop a quality system that encompasses an integrated risk management plan to cover all higher education approvals processes.

The Audit Panel concluded that the Portfolio presents a balanced assessment of the Department's performance in respect of National Protocols 1 to 4, showing a sustained commitment to quality improvement by the HEAP team within the OHE. AUQA commends the professionalism of the HEAP team and also commends the well-established quality system it operates.

The OHE is also commended for its monitoring of compliance and potential breaches of the legislation, and for recognising the need for an overarching review body, in the form of a Ministerial Advisory Panel. Some further development of the nature and function of this body is recommended by the Panel, to ensure clarity in the roles it is expected to play.

The Audit Panel is satisfied that, overall, the Department has in place sound processes for management of National Protocols 1 to 4 and that improvements are being made to processes for Protocol 5. The Panel recommends an assessment of the extent to which the modified process under Protocol 3 is proving effective and identifies some other Protocol 3 matters that require consideration. It also proposes that the Department review its arrangements for the administration of Protocol 4, to ensure clearer information for applicants and coordinated processes for applicants seeking approvals under both Protocols 4 and 5.

A summary of commendations, affirmations and recommendations follows. These are not prioritised by the Audit Panel but are listed in the order in which they appear in the Report.

Commendations

1. AUQA commends QDEA for its established commitment to a sustainable level of resourcing for the higher education approvals functions carried out within the Office of Higher Education.....8
2. AUQA commends QDEA for its ongoing engagement, through the Office of Higher Education, in national policy development and policy implementation for higher education approvals processes.....13
3. AUQA commends members of the Higher Education Approvals and Policy team for their commitment to continuous quality improvement and active efforts to embody the team's core values in their conduct, and commends the Manager Accreditation for positive leadership of the team.16
4. AUQA commends QDEA for the quality system implemented by the Higher Education Approvals and Policy team within the Office of Higher Education.....17
5. AUQA commends QDEA for establishing a review process, conducted by the Ministerial Advisory Panel, that is designed to support the achievement of consistency of outcomes in assessment processes and conditions of accreditation.18
6. AUQA commends the Higher Education Approvals and Policy team for identifying strategies to assist providers to submit better-developed applications, in order to avoid rework and minimise the risk of a blurring of advisory and regulatory functions in the assessment of applications.22
7. AUQA commends the Higher Education Approvals and Policy team for the successful implementation of its communication strategies for providers of accredited courses.23
8. AUQA commends the Higher Education Approvals and Policy team's proactive approach to managing compliance and its use of a range of methods to identify different types of compliance issues.....28
9. AUQA commends QDEA's thorough implementation of processes for the assessment of applications for course accreditation.....31

Affirmations

1. AUQA affirms the recognition by QDEA of the need to review resourcing and work level requirements for the management of CRICOS registration processes.....9

2. AUQA affirms the intention of the Higher Education Approvals and Policy team to undertake further benchmarking within QDEA and with external agencies, noting that existing informal benchmarking could be supplemented by more systematic approaches, including quantifiable measures where relevant. 16
3. AUQA affirms the intention of the Higher Education Approvals and Policy team to assess the costs and benefits of its quality system, including the resource requirements for the implementation of priority improvements. 17
4. AUQA affirms the intention of the Higher Education Approvals and Policy team and the State Registration Authority to formalise ways of working more closely together on operational matters and on the sharing of good practice and benchmarking. 20
5. AUQA affirms the Higher Education Approvals and Policy team's intention of considering additional ways of clearly distinguishing the advisory and regulatory functions of staff in regard to applications and communicating this to providers..... 22
6. AUQA affirms QDEA's intention to clarify the meaning of the term 'to operate' and its implications for Queensland legislation, taking into account national discussions on the use of this term in the National Protocols. 27
7. AUQA affirms QDEA's change of approach to the approval of applications with numerous conditions, to ensure that all threshold criteria are met before a course is accredited. 33

Recommendations

1. AUQA recommends that QDEA review and clarify the roles it wishes the Ministerial Advisory Panel to play, to avoid any perception of conflict in these roles and to ensure that assessment panels and providers have a firm understanding of the Ministerial Advisory Panel's responsibilities..... 19
2. AUQA recommends that QDEA take action to ensure that process improvements currently underway within the State Registration Authority are integrated into a systematic approach to quality assurance and enhancement. 19
3. AUQA recommends that QDEA work towards a higher education quality system that includes an integrated risk management plan for approvals relating to all National Protocols, based on the goal of maintaining public confidence in higher education in Queensland. 20
4. AUQA recommends that QDEA further develop its communication strategy for higher education approvals to ensure that Protocol 5 matters are incorporated..... 25
5. AUQA recommends that QDEA commence planning to amend the *Education (Overseas Students) Act 1996* to ensure an adequate regulatory framework for National Protocol 5 that is aligned to the requirements of the Commonwealth ESOS Act once changes to the Commonwealth legislation have been clarified. 28
6. AUQA recommends that QDEA review the use of the 'modified process' for course accreditation and consider whether assisting providers to self-regulate could be achieved through other means..... 32
7. AUQA recommends that QDEA consider further the types of changes that would constitute a major change requiring a new application for accreditation, with a view to providing better guidance to providers contemplating such changes. 33

- 8. AUQA recommends that QDEA review its arrangements for the administration of Protocol 4, to ensure clearer information for applicants and coordinated processes for applicants seeking approvals under both Protocols 4 and 5.34
- 9. AUQA recommends that QDEA ensure that sufficient resources and expertise are provided for the State Registration Authority to continue the actions it is taking to more actively monitor provider compliance with the requirements for CRICOS registration in respect of Protocol 5 and to educate providers on the Department’s expectations in this regard.....35

1 CONTEXT OF THE AUDIT AND THE ROLE OF THE DEPARTMENT

The purpose of this section of the Report is to provide an outline of the regulatory and operational context within which QDEA's management of its higher education approvals functions has been considered.

1.1 *Queensland Department of Education and the Arts*

The Queensland Department of Education and the Arts has overall responsibility for school-level education in Queensland, through the State public schooling system (Education Queensland) and accreditation and financial assistance for independent and Catholic schools, plus shared responsibilities with the Commonwealth Government for higher education, including legislative responsibilities for matters relating to the National Protocols. Responsibilities for Vocational Education and Training (VET), including TAFE Queensland, come under the portfolio of the Minister for Employment and Training rather than the Minister for Education and the Arts.

The organisational structure of the Department provides for three Deputy Directors-General: one for Education Queensland, the largest component of the Department in terms of funding and employees; one for Arts Queensland; and one for International, Non-State and Higher Education (INSHE).

The INSHE division is made up of three groups, each headed by a Director: the Office of Higher Education; the Office of Non-State Education; and Education Queensland International. The Directors of the first two of these groups are responsible for all the higher education approvals functions covered by the National Protocols.

Legal advice in relation to approvals, breaches and legislative questions is provided by the Legal Services, Administrative Law and Cabinet and Legislative Services units of the Department's Legal Services Branch.

Appendix A provides additional information on QDEA.

1.2 *Legislative Framework for Higher Education Approvals Functions in Queensland*

In Queensland, higher education approval processes relevant to National Protocols 1 to 4 are carried out under requirements of the Queensland *Higher Education (General Provisions) Act 2003* and the *Higher Education (General Provisions) Regulation 2004*.

The objects of the 2003 Act are to:

- uphold the standards of education delivered by higher education institutions operating in Queensland; and
- maintain public confidence in the higher education sector in the State.

Provision of education for overseas students is regulated by Commonwealth legislation (the ESOS Act and the ESOS Regulations) and a National Code, which underpin the requirements for Protocol 5. The Commonwealth *Education Services for Overseas Students (Assurance Fund Contributions) Act 2000* imposes the requirement to pay annual contributions and special levies to the Assurance Fund, while the Commonwealth *Education Services for Overseas Students (Registration Charges) Act 1997* sets out the fees and charges to be paid by providers for registration on CRICOS.

In Queensland, education of overseas students is also regulated by State legislation, in the form of the *Education (Overseas Students) Act 1996* (EOSA) and the associated Regulation of 1998 (EOS Regulation), which pre-date the Commonwealth legislation.

The Department is also subject to overarching State legislation, including privacy, freedom of information and trade practices legislation. Additional observations and findings on the regulatory framework for higher education approvals are contained in section 4.

1.3 *Queensland Office of Higher Education*

Within QDEA, the OHE is responsible for managing the Minister's portfolio responsibility for higher education. The functions of the OHE include:

- advising the Minister for Education and the Arts on State needs and priorities in higher education and to generate and analyse the information necessary in support of that function
- cooperating with universities to market Queensland's higher education sector overseas
- providing and manage the executive support required by the Minister to implement the provisions of the *Higher Education (General Provisions) Act 2003* and, in particular, to assist the Minister to fulfil the role of accrediting authority for higher education courses offered by non-university providers.

That is, the OHE is responsible for the management of matters relating to National Protocols 1 to 4. Decisions under the Act are made by the Minister for Education and the Arts.

The OHE comprises twenty staff in three units — a Directorate, an International Programs and Services Unit, and six staff in the Higher Education Approvals and Policy team. The latter group, the HEAP team, led by the Manager Accreditation, administers the Act and thus the implementation of National Protocols 1 to 4. For Protocols 1 to 3, the assessment of applications under the Act is carried out by external assessment panels that are supported by members of the HEAP team. Each panel report contains a recommendation for consideration by the Minister.

The Panel was informed that the HEAP team spends around half its time on approval processes, with the remainder being spent on policy and quality maintenance. However, team members are often called on to undertake work outside their core business of higher education approvals and this could amount to about a third of the available Effective Full-Time (EFT) resources.

Notwithstanding these other responsibilities, the Manager Accreditation and HEAP team staff are satisfied with the level of resourcing currently available to the team to carry out its responsibilities, which can include the employment of casual staff to manage specific projects. The Manager Accreditation noted, however, the increasing complexity of the policy and regulatory environment in which the team operates.

The Panel was advised of a significant, continuing investment by the Department to support the management of higher education approvals in Queensland in respect of Protocols 1 to 4. The OHE's operations, including salary costs for the HEAP team, are funded primarily from State revenue. Non-staff costs are recouped primarily by fees charged to applicants for higher education approvals and the OHE has approval to retain fee revenue from applicants in future financial years, to support ongoing processes and improvements.

Commendation 1

AUQA commends QDEA for its established commitment to a sustainable level of resourcing for the higher education approvals functions carried out within the Office of Higher Education.

1.4 Office of Non-State Education — State Registration Authority

Responsibility in Queensland for registration of providers and courses for overseas students has been delegated to the Deputy Director-General INSHE within the Department. The Director-General of Education and the Arts retains responsibility for the cancellation of registration for providers and courses.

The State Registration Authority for CRICOS endorsement is located within ONSE and has responsibility for administration of EOSA, and also for ensuring that Queensland meets its responsibilities under the National Code of Practice for Registration Authorities and Providers of Education and Training for Overseas Students. The Queensland legislation pre-dates the Commonwealth ESOS Act and Queensland maintains its own QRICOS register of courses, which provides information to the national CRICOS register.

In practice, the functions of the CRICOS State Registration Authority within ONSE are carried out by a small team led by a Principal Advisor (CRICOS Registration), who reports to the Director of ONSE. Officers in the team cover all education sectors collectively. These sectors comprise public schools, non-state schools, Vocational Education and Training (VET), Registered Training Organisations (RTOs), English Language Intensive Courses for Overseas Students (ELICOS) and higher education (HE).

At the Preparatory Visit, the Panel Chair and Audit Director were advised by the Deputy Director-General INSHE that he had commissioned a review of selected aspects of ONSE's processes for managing CRICOS registration and renewal of registration. The Panel endorses the Department's recognition of a need for review of the management of CRICOS registration processes, noting that SRA intends to focus in 2006 on registration processes for higher education providers. Further discussion of these processes as they relate to Protocol 5 is at sections 3.4, 4.4 and 5.5.

This review also includes an examination of the work level responsibilities and classifications of the HEAP team. At the time of the Audit Visit, no findings from the review were available.

Affirmation 1

AUQA affirms the recognition by QDEA of the need to review resourcing and work level requirements for the management of CRICOS registration processes.

1.5 Higher Education in Queensland

The following are the nine universities in Queensland, which operate on 26 campuses, including a campus of the Australian Catholic University, teaching approximately 180,000 students:

- Australian Catholic University – Queensland (established in 1991)
- Bond University (private university established in 1989)
- Central Queensland University (established in 1992)
- Griffith University (established in 1971)
- James Cook University (established in 1970)
- Queensland University of Technology (established in 1988)
- The University of Queensland (established in 1909)
- University of Southern Queensland (established in 1992)
- University of the Sunshine Coast (established in 1999).

In addition, the following four interstate universities have been approved to offer higher education courses in Queensland to overseas students, under the Commonwealth ESOS Act:

- Charles Sturt University
- La Trobe University
- University of Canberra
- University of New England

A fifth interstate university, The University of Melbourne, has approval to offer higher education courses in Queensland through an agent, though not to overseas students.

At the time of the audit there were 22 non self-accrediting institutions (NSAIs) operating in Queensland. This is the third largest number of all jurisdictions, after New South Wales and Victoria. One NSAI has accredited courses delivered by five Queensland-based organisations. At 12 September 2005, just prior to the Audit Visit, there were 23 applications for accreditation or reaccreditation in progress, one related to Protocol 2 and the rest relating to Protocol 3.

Table 1 shows a breakdown of the courses approved by the Minister by their Australian Qualification Framework (AQF) Award Classification as at February 2006.

Table 1

AQF Award Classification	Number of Courses
Diploma	23
Advanced Diploma	4
Associate Degree	6
Bachelor Degree	27
Graduate Certificate	15
Graduate Diploma	29
Masters Degree	19
Doctoral Degree	2
All Award Categories:	125

1.6 Context for the Audit

1.6.1 National Context

The audit of the higher education approvals functions of QDEA took place at a time of considerable debate and discussion nationally on changes to the National Protocols. In December 2003, the Department of Education, Science and Training (DEST) initiated a consultancy on the National Protocols, to cover topics including:

- the feasibility/desirability of common guidelines to address issues in National Protocol 1
- criteria for 'green-field university' proposals and criteria which might be specific to private or for-profit institutions
- changes to Protocols 2, 3 or 4, and
- the possibility of developing a consistent, nationally agreed definition of 'to operate' (see also section 4 of this Report).

The consultancy resulted in the publication in late 2004 of the report *Further Development of the National Protocols for Higher Education Approvals Processes* by Professors Gus Guthrie, Sue Johnston and Roger King. The report was followed by an Issues Paper in early 2005, *Building University Diversity: Future Approval and Accreditation Processes for Australian Higher Education*, and a sector-wide consultation process on issues such as national consistency and recognition of accreditation decisions across jurisdictions. A National Protocols workshop was held on 17 August 2005. Subsequent to the QDEA Audit Visit, discussions at the MCEETYA meeting of 17 November 2005 led to an agreement that the nine Australian jurisdictions would commence work on revisions to the Protocols. Once agreed, these revisions are likely to influence the implementation of recommendations in this Audit Report.

In addition, and relevant to the operations of the State Registration Authority, an evaluation of the ESOS Act was undertaken in 2004, with a final report being provided in February 2005. The evaluation recognised the legislation as a sound foundation for regulating the provision of education to overseas students but also recommended a range of changes, many of which are expected to be implemented. At the time of the Audit Visit, DEST was consulting jurisdictions on the implementation of changes.

The Commonwealth's *Higher Education Support Act 2003* allows NSAI higher education providers to offer FEE-HELP loans to students in accredited courses from 1 January 2005, subject to these providers agreeing to quality requirements, including quality audit. This development has led to an increased sensitivity to quality assurance issues among NSAIs as well as new applications for accreditation.

1.6.2 State Context

The Department's Strategic Plan 2004–2008 provides the following objective for higher education (PF p52, App 3):

- To support the continuing development of high quality accessible education that meets the need of the Queensland community and contributes vigorously to the State's economic, social and cultural development.

The Audit Panel was advised that the State of Queensland faces specific challenges, related to demographic and geographical factors, for the further development of higher education. Queensland is Australia's fastest-growing State in terms of population, a comparatively high proportion of its population is within immediate post-school age groups, and it is the only Australian State where most of the population lives outside the capital city. Equitable access to higher education is particularly important for Queenslanders, the Panel heard, including access for Aboriginal and Torres Strait Islander peoples.

The OHE's operations will therefore need to balance the benefits of a rapid increase in higher education provision, through SAIs and NSAIs, with a requirement to maintain overall standards and public confidence in higher education.

1.6.3 Departmental Context

At the time of the Audit Visit, organisational arrangements with respect to higher education approvals had been stable for some time. The OHE, with its responsibilities for course accreditation and, subsequently, other higher education approvals, has been a dedicated unit since the early 1990s. Similarly, the SRA has been operating for some years. While the new Act brought some changes in terms of guidelines and course accreditation activities managed by the HEAP team, it generally built on established processes. One change experienced by the OHE since the new legislation was an increase in the volume of courses for which accreditation is sought, which has highlighted challenges in maintaining consistency of standards.

The OHE is familiar with AUQA audits, having volunteered to take part in the trial audits conducted in 2001, AUQA's first year of operation. The trial audit was conducted as a substantive audit and the Portfolio indicates that it was used by the OHE to initiate a cycle of review and improvement that is discussed in section 2 of the Report.

1.6.4 Management of Aspects of the Protocols under Contract from Another Jurisdiction

In 2005, the OHE was the successful tenderer for a proposal by the Northern Territory Department of Employment, Education and Training (NT DEET) to outsource aspects of the management of its responsibilities under National Protocols 1 to 3. An outsourcing Agreement was entered into with NT DEET and planning has since been underway to implement this Agreement. At the time of the Audit Visit, no applications had been referred to the OHE.

The OHE is willing to make its expertise and established processes available to other jurisdictions, to assist in developing consistent national practices. In considering whether to tender, the OHE took into account the benefits at a national level of the arrangement and the opportunity provided by the Agreement to enhance skills and capacity within NT DEET. As well, the HEAP team had made an assessment that the workload implications for the team would not be significant. However, the Panel received conflicting advice on the extent to which legal advice in relation to the agreement had been sought by the OHE. Recognising the desire of the OHE to assist other jurisdictions in the practical implementation of the Protocols, the Panel observes that full consideration should be given to the legal implications of any proposed agreements.

1.7 *QDEA Role in Shaping National Policy and Policy Implementation*

The Performance Portfolio claims a strong role for the OHE in national leadership of higher education approvals processes over several years (PF pp9–10). This claim is based on:

- work undertaken by OHE staff that formed the basis of the Protocols
- assistance by the OHE to AUQA in developing quality audit processes for agencies
- development by the OHE of the first comprehensive guidelines for accreditation of non-university providers
- participation by OHE officers in international and national conferences
- continuing development of quality systems by the HEAP team
- a willingness to engage with new processes and to trial new ways of working to assist national consistency, as evidenced by the outsourcing Agreement with the Northern Territory referred to in section 1.6.4 and guidelines on Recognition of Interstate Accreditation.

The Panel was impressed by the extent to which the OHE has developed a strong philosophical basis to guide its implementation of the Act and, in particular, the development of public confidence in higher education standards. Rather than relying on regulation for its own sake, the approach espoused by the OHE aims to foster a self-reliant culture of quality improvement within NSAI: in effect NSAI are encouraged to develop their ability to self-regulate to meet standards. The OHE aims to apply this philosophy in the guidance offered to providers and also in the particular course accreditation processes used for one long-standing provider (section 5.3.2). Notwithstanding the potential strength of this approach, there is a need to carefully balance development and encouragement with regulation and risk management in this underpinning philosophy to ensure that, in the long term, standards are not compromised.

The Panel was informed by senior officers that the Department is proud of the conscious leadership role taken by the OHE, and in particular by its current and former Directors, in the initial and ongoing development of the National Protocols. As well, documents and guidelines

provided to the Panel indicated that the OHE and HEAP team continue to be proactive in developing regulations and procedures which have informed national policies and practices.

The Panel's findings confirm the national role of the OHE in advancing and shaping attitudes and policy implementation for higher education approvals. At the same time, the Panel noted that the OHE has given careful consideration to the need for an appropriate balance between this role and its ongoing regulatory responsibilities.

Commendation 2

AUQA commends QDEA for its ongoing engagement, through the Office of Higher Education, in national policy development and policy implementation for higher education approvals processes.

2 QUALITY ASSURANCE FRAMEWORK AND QUALITY SYSTEM

This section examines the quality assurance framework for higher education approvals processes within the Department and specifically within the HEAP team and the SRA.

The Panel evaluated the procedures that the Department has in place to monitor and achieve its objectives for higher education approvals processes and to implement the National Protocols. It considered not only the Departmental objective for higher education, but also local objectives articulated by the HEAP team and SRA.

2.1 *Higher education Approvals and Policy Team Objectives and Values*

The objectives of the HEAP team, which are claimed to be embedded in the team's quality system, are to achieve:

- compliance with regulatory and policy responsibilities
- the provision of comprehensive, accurate, timely and accessible advice
- transparency of processes for clients, stakeholders and the broader community
- consistent application of processes and guidelines to achieve fair and equitable outcomes
- responsiveness to client needs within the regulatory parameters
- a team approach to administering processes and the quality system
- continuous quality improvement of processes and outcomes.

To achieve its objectives, the HEAP team describes itself as striving 'for best practice' (PF p7) in the following Key Performance Areas (KPAs):

- consistency of policy and procedures with the aims and objectives of the regulatory environment, and relevant national policy frameworks
- enhancement of the quality of higher education in Queensland
- client, stakeholder and public confidence in the administration of the regulatory and procedural environment
- interactions with clients.

The core values of the HEAP team, as expressed in the Performance Portfolio (PF p6) and also in the team's Quality System Handbook, are:

- a commitment to high levels of professional performance
- accountability to key clients and stakeholders
- impartiality and integrity in all transactions
- maintenance of a culture of continuous review and improvement.

The Panel noted that the HEAP team's values are consistent with the Department's Code of Conduct and relevant State legislation and that the HEAP team's own Code of Conduct properly recognises these overarching commitments. The team uses a series of Key Performance Indicators (KPIs) to assess performance against its annual Improvement Plan.

The Panel observed that the KPAs reflect the objects of the Act more directly than the HEAP team's stated objectives, but concluded that there was broad overall consistency across the objects of the legislation and the specific objectives, KPAs and values of the HEAP team.

2.2 *State Registration Authority Objectives and Key Performance Indicators*

The State Registration Authority's objectives are contained in a Strategic Plan for 2004–2008. The principal objective of SRA is to:

- enhance the reputation of Queensland and Australia's education export industry by ensuring the interests of overseas students are protected and the integrity of the visa system is maintained.

Supporting objectives are to:

- register only those providers and courses which meet the legislative requirements for CRICOS registration
- increase the level of providers' understanding of their obligations as registered providers
- increase the level of providers' compliance with the legislative requirements for CRICOS registration.

The Panel found that SRA officers were aware of these objectives and were working to improve their performance with respect to the objectives.

2.3 *Higher Education Approvals and Policy Team Quality System*

The HEAP team has developed a well-articulated quality system for its business activities, grounded in its view of an overarching quality assurance framework set by the National Protocols and Queensland legislation, and the objectives and values stated above. This system was adopted in 2002 and fully implemented in 2004.

The HEAP quality system is based on a cycle of continuous improvement, similar to an Approach, Deployment, Results, Improvement (ADRI) cycle, where:

Approach and Deployment are embodied in:	National Protocols, legislation, QDEA and HEAP team policies, procedures, guidelines and documentation, databases and processes
Results are considered by:	An annual review and planning meeting, which takes into account a report on the previous year's Improvement Plan, a report against KPIs, client feedback and outcomes from the Ministerial Advisory Panel
Improvements are set by:	An annual Improvement Plan

The Audit Panel was provided with evidence of a range of improvements that had been initiated by the HEAP team since the 2001 trial audit, including activities required for the development and implementation of the new legislation, a quality system database and the conduct of client surveys. In interviews with staff, the Panel heard that the annual review process is taken seriously and the issues raised are considered exhaustively.

The HEAP team has produced a Quality System Handbook ('The Way We Work', v. 4.0), which acts as a comprehensive manual for staff on: the HEAP team's objectives and values; staffing matters; key processes; clients and feedback; quality and performance monitoring; the annual review and improvement process; document management; and the regulatory and policy context. The Panel found the information in the Quality System Handbook to be set out clearly and considers the Handbook to be an example of good practice in supporting business continuity in the functions for which the HEAP team is responsible. Additional guidance for staff is available in internal guides to procedures, which detail specific actions and provide proformas for the various steps associated with accreditation and approvals under National Protocols 1 to 4. The Panel viewed documents that indicate ongoing updating of proformas.

The Quality Systems Handbook contains an account of the HEAP team's document management system, which makes use of Departmental systems, but also includes the team's Document Register and its dedicated quality system database for tracking applications, conditions of approval, enquiries, complaints, annual report requirements and breaches and warnings. The Panel examined these systems and considers that the team's record-keeping and tracking systems have integrity and are appropriate to support the business functions of the HEAP team.

2.3.1 Human Resource Management

The Office of Higher Education and HEAP team have developed a structured approach to performance planning, development and review for staff that encourages Departmental officers to develop a strong understanding of the overall objectives of the OHE (PF pp. 125–128).

The Quality Systems Handbook states that the HEAP team 'owns' the quality system and that all team members have an opportunity to contribute to the ongoing maintenance of the system. In addition to the annual review process, the Panel was told that HEAP team members, who share an open-plan office area, use the opportunities their proximity provides to discuss issues as they arise.

The Panel formed the view that there is an admirable level of mutual support and cohesion among members of the HEAP team, assisted by the affirming leadership of the Manager Accreditation. The team exhibits a strong sense of joint ownership in regard to the quality system. The Panel concluded that team members actively strive to embody the team's values for professional conduct, integrity and a culture of continuous quality improvement.

Commendation 3

AUQA commends members of the Higher Education Approvals and Policy team for their commitment to continuous quality improvement and active efforts to embody the team's core values in their conduct, and commends the Manager Accreditation for positive leadership of the team.

2.3.2 Benchmarking

The Performance Portfolio makes a number of references to benchmarking and the HEAP team has developed a Benchmarking Policy that sets out the team's intentions for benchmarking of processes and performance. The Audit Panel found that much of the team's current benchmarking activity consists of seeking feedback from other jurisdictions through the national Higher Education Recognition Officers (HEROs) network and staying abreast of international developments through organisations such as the International Network for Quality Assurance Agencies in Higher Education (INQAAHE). In this regard, the HEROs network has developed priority areas for benchmark comparisons, which include cycle times, library provision, governance, quality assurance mechanisms and staffing. While the Performance Portfolio identifies opportunities for benchmarking between ONS and the HEAP team (PF p9), this has not yet occurred. The Panel viewed an early plan to investigate more formal benchmarking of the team's activities with an overseas agency, including the priority areas identified by the HEROs.

Affirmation 2

AUQA affirms the intention of the Higher Education Approvals and Policy team to undertake further benchmarking within QDEA and with external agencies, noting that existing informal benchmarking could be supplemented by more systematic approaches, including quantifiable measures where relevant.

2.3.3 Conclusion Regarding the HEAP Quality System

Although the HEAP quality system is fairly new and focused largely on the team's internal operations, the Panel was impressed by its systematic approach to quality enhancement. Features of the system that the Panel believes exemplify good practice are:

- an alignment with the team's ongoing business processes and business continuity arrangements
- an emphasis on closing the loop, so that performance is consistently reviewed and improvements are fed into goals for the next annual cycle
- the use of a significant amount of feedback data and KPIs to structure improvements

Members of the HEAP team are demonstrably familiar with the system and take seriously their role in the annual cycle of review and improvement. The Panel observed that the quality system requires ongoing tracking of a considerable amount of data and believes it appropriate that the HEAP team keep under review the resource costs and benefits of this system. The Panel was advised that the HEAP team sometimes struggled to find sufficient time to implement the improvements identified through the annual review process, although short-term assistance could be engaged for some tasks.

The Panel was told by the Department's senior management that they were impressed with the approach to continuous quality improvement adopted by the HEAP team, and particularly the use of a combination of self-assessment, stakeholder views and peer assessment. The Department intends to consider how this model could be applied in other areas of QDEA.

Commendation 4

AUQA commends QDEA for the quality system implemented by the Higher Education Approvals and Policy team within the Office of Higher Education.

The Performance Portfolio identifies actions that the HEAP team will undertake to improve the quality system. These include implementing strategies such as benchmarking together with an investigation of the merits of formally incorporating risk management into the system. Broader issues of risk management and quality across all five National Protocols are discussed in section 2.6.

Affirmation 3

AUQA affirms the intention of the Higher Education Approvals and Policy team to assess the costs and benefits of its quality system, including the resource requirements for the implementation of priority improvements.

2.4 *Ministerial Advisory Panel*

A specific feature of the QDEA quality system for higher education approvals for National Protocols 1 to 4 is the presence of a Ministerial Advisory Panel (MAP) on Higher Education Approval Processes, established in 2004 at the initiative of the OHE in the context of a large increase in applications from NSAIs. At that time, the Audit Panel was told, the OHE identified the lack of a mechanism for formal overview of accreditation processes. It was also felt that a body like the MAP, as a group of external experts, could play a role in reviewing annual reports and more generally assisting to address issues as they arose.

Membership of MAP normally comprises three people with extensive experience of higher education approvals processes, at least two with experience of Queensland processes, and one member with significant experience of senior academic management in the university sector. All

members are appointed by the Minister. There is no person who acts as chair: the MAP meetings are facilitated by an OHE officer, currently the Manager Accreditation.

The MAP has wide-ranging functions, but its principal aim was described to the Audit Panel as being 'to achieve consistency in accreditation of HE courses' and in practice much of its work relates to Protocol 3. The MAP has no decision-making powers but, formally, is established to perform a range of advisory functions. These include:

- providing general advice to the Minister on higher education matters
- monitoring and evaluating the consistency of the outcomes of approval processes from the preceding 12 months
- considering providers' annual reports to the Minister and identifying any follow-up action
- assisting with the professional development of assessment panel chairs and members
- advising, if required, on appointment of assessment panels and in disputes
- mediating in cases of appeal
- providing input into HEAP development.

The MAP's role differs from that of the higher education advisory committees established under legislation in some other jurisdictions, the role of which is to make recommendations on applications for accreditation of courses.

At the time of the Audit Visit, MAP had held several meetings and completed two cycles of review of annual reports for accredited courses. One member of MAP had also completed a monitoring review of a specific provider. The MAP had also undertaken a review of the 16 course accreditation processes completed in the previous two years and concluded that the outcomes were satisfactory in terms of overall consistency. As well, MAP members had made presentations at provider information sessions organised by the HEAP team.

The Panel agrees with the OHE's assessment of the need for an overarching review mechanism to monitor consistency in respect of outcomes, and on the value of involving external experts in this process. The establishment of the MAP represents an interesting approach and the Panel finds that the MAP is performing a value-adding role in terms of quality assurance for course assessments. Examination of records of MAP meetings, together with feedback from providers, confirm that the MAP is also undertaking important functions for the Department in providing helpful, detailed feedback on provider annual reports and in more direct monitoring in certain circumstances.

Commendation 5

AUQA commends QDEA for establishing a review process, conducted by the Ministerial Advisory Panel, that is designed to support the achievement of consistency of outcomes in assessment processes and conditions of accreditation.

The Panel considers, however, that there are potentially significant risks inherent in the present way MAP is functioning and that its roles could benefit from further clarification and development. Although the functions of MAP have been explained to providers and panel members, its purpose was not entirely clear to those providers and panel members with whom the Audit Panel spoke, even for its reviews of annual reports. Appropriate communication of the role of the MAP, as a non-statutory advisory committee to the Minister, could be used to improve public confidence in higher education standards. Similarly, the Panel found a lack of clarity in regard to communication from the MAP to the Minister. Members of the MAP told the Panel they were able to approach the Minister directly if circumstances warranted but minutes of the first MAP meeting record agreement that all approaches were to be made through the OHE.

The Panel also concluded there may be a blurring of the distinction between MAP's independent advisory functions and the Department's operational processes for reaching a recommendation on a particular course accreditation submission. This view is based on a recent case, referred to in section 5.3.4, where the advice of a member of MAP was sought and acted on in relation to an application for a change of accreditation. The Director of the OHE and Manager Accreditation informed the Panel that the MAP plays no role at all in mediating between a particular course assessment panel and the Minister during the application process. In this instance, however, the MAP member's views were critical to the process of arriving at a recommendation to the Minister. The Panel considers the occasional assignment of a member of the MAP to an operational role in respect of particular course accreditation recommendations could give rise to a perception of conflict in MAP's roles. It could also place individual MAP members in an ambiguous situation, given that MAP's terms of reference do not provide for an operational role in accreditation recommendations.

The Panel considers that the Department now needs to clarify the roles it wishes the MAP to fulfil, including whether a typical higher education advisory committee, which has formal and clearly defined operational and advisory roles, would better meet the objects of the Act. As well, the Department will need to take action to ensure that the roles of MAP are clear to the members of MAP itself and to providers, assessment panels and the public.

Recommendation 1

AUQA recommends that QDEA review and clarify the roles it wishes the Ministerial Advisory Panel to play, to avoid any perception of conflict in these roles and to ensure that assessment panels and providers have a firm understanding of the Ministerial Advisory Panel's responsibilities.

2.5 State Registration Authority

In considering the implementation of Protocol 5, the Audit Panel found that the SRA does not have any formal quality management system or documented approach to quality enhancement. The SRA, the Panel was informed, plans to introduce a quality assurance system as part of improvements to its overall performance.

The Panel was told that significant improvements had been made to SRA processes since 2004 and that SRA recognised the need for risk assessment in its activities. The SRA has recently established a spreadsheet to track the current status of providers and courses with milestones, to replace the previous database that replicated the Commonwealth's PRISMS system. The SRA has also established electronic files that contain information about all providers.

The Panel concluded that, although some strategies are being implemented to improve the SRA's ability to manage processes relating to National Protocol 5, the SRA has yet to tackle an urgent need for a systematic approach to quality assurance and quality enhancement that incorporates risk assessment and benchmarking of processes. Recommendations from the review of the SRA should be implemented within this wider systematic framework.

Recommendation 2

AUQA recommends that QDEA take action to ensure that process improvements currently underway within the State Registration Authority are integrated into a systematic approach to quality assurance and enhancement.

The Panel explored the links between SRA's higher education approvals functions in ONS and those of the HEAP team within the OHE, noting that the two functions are located in adjoining

workspaces. SRA officers advised that there were some advantages in terms of team cohesion, back-up and consistency in having all CRICOS registration responsibilities located within one functional group but acknowledge a need to work more closely with the HEAP team on matters relating to higher education approvals.

The HEAP team also recognises this area for improvement as one that has the potential to assist with benchmarking and the sharing of good practice. In this regard the Panel noted that a presentation by ONSE officers to the HEROs network in March 2005 had been facilitated by the OHE. The Panel noted a number of operational issues, discussed in section 2.5, which would benefit from closer liaison between the two areas.

Affirmation 4

AUQA affirms the intention of the Higher Education Approvals and Policy team and the State Registration Authority to formalise ways of working more closely together on operational matters and on the sharing of good practice and benchmarking.

2.6 Risk Management for Higher Education Approvals Functions

As discussed in section 1.7, the Department's approach to higher education approvals for Protocols 1 to 4 has been based on the development of self-regulatory capacities among NSAI's and a willingness to embrace novel proposals. The OHE's role as an innovator in policy and processes poses special challenges in terms of increased levels of risk and their management. These risks relate to the maintenance of standards of higher education in the State and the interests of students and, by extension, the wider public interest. In its examination of document trails, the Panel saw examples of approvals that may involve such increased risk levels and that will require careful monitoring.

The Audit Panel observes that risk management needs to be viewed in this wider sense rather than solely in terms of operational matters affecting the HEAP team. The Performance Portfolio comments that the HEAP team will consider the merits of formally incorporating risk management into its Quality System (PF p15). It also states that risk management is implicit in the team's existing approach as 'areas of risk in processes and policies are identified by the team and addressed' (PF p15). The Panel broadly agrees with this conclusion but observes that this view does not capture the overall sense of risk to achieving the objects of the Queensland legislation (the Act and EOSA).

Moreover, protection of the interests of overseas students is crucial for Queensland's education sector and also a recognised area of risk. From the Audit Panel's assessment, the Department should approach risk management from the perspective of all higher education approvals functions, not only those relating to Protocols 1 to 4.

The Panel suggests the Department develop an integrated approach to risk assessment and management for all its higher education approvals functions. This will assist in ensuring that public confidence in higher education in Queensland, including the confidence of international communities, is able to be maintained.

Recommendation 3

AUQA recommends that QDEA work towards a higher education quality system that includes an integrated risk management plan for approvals relating to all National Protocols, based on the goal of maintaining public confidence in higher education in Queensland.

3 COMMUNICATION WITH CLIENTS AND STAKEHOLDERS

The HEAP team defines its key stakeholders and clients as the Minister for Education and the Arts together with the wider Department, higher education providers and potential providers, course assessment panels, and the public, while recognising other stakeholders such as universities, students and other jurisdictions.

Since the 2001 Audit, the team has taken a number of actions to improve its communication with clients and assessment panels, in particular. The Panel noted that these actions have resulted in a clear definition of the HEAP team's stakeholders and the development of structured communication strategies for each.

The Portfolio identified a range of ongoing challenges and areas for improvement in communication with clients and wider stakeholder groups. These include expediting the approvals process through more direct communication between applicants and assessment panels.

3.1 *HEAP Team Communication with Applicants and Providers*

3.1.1 Communication with Applicants

The HEAP team aims to provide each applicant with all the information required to prepare an application. It has developed various guidelines under the new legislation for applications relating to Protocols 1 to 4, as follows:

- Guidelines for the Establishment of, or Recognition as, a University (Protocol 1)
- Guidelines for the Approval of Overseas Higher Education Institutions to Operate in Queensland (Protocol 2)
- Guidelines for the Accreditation of Higher Education Courses Offered by Non-University Providers (Protocol 3)
- Concurrent Accreditation of Higher Education Courses (Protocol 3)
- Recognition of Interstate Accreditation (Protocol 3)
- Guidelines for Transnational Delivery of Higher Education Courses Offered by Non-University Providers (Protocol 3)
- Guidelines for the Approval of the Operation of an Interstate University under an Agency Arrangement in Queensland (Protocol 4).

The majority of applicants seek accreditation of courses under Protocol 3. In the surveys and interviews undertaken by the Audit Panel, the approved providers of accredited courses confirmed that, to a large extent, the information requirements for applications are clear and reasonable. The HEAP team has conducted feedback surveys since 2004 for applicants for accreditation and the results, which are strongly positive, inform its annual review process.

The Quality Systems Handbook sets out the responsibilities of team members and applicants during the application process. Each applicant seeking course accreditation is assigned a dedicated Policy Officer, who provides continuity and a detailed knowledge of the application. Related applications from one provider are sometimes considered together. The Portfolio noted the challenges in ensuring that the Policy Officer does not become a de facto 'consultant' or advocate for an application (PF p22), observing that this is also an issue for assessment panels.

The Panel learnt that the Policy Officer for the application is usually the secretary to the course assessment panel and acknowledges there are a number of advantages in this arrangement. However, the Panel also considers that there is some risk of the Policy Officer being seen by

providers as an advocate for the application because of this. The HEAP team should continue to consider ways of maintaining a clear distinction between the advisory and regulatory functions of staff in regard to applications and communicating this to providers.

Affirmation 5

AUQA affirms the Higher Education Approvals and Policy team's intention of considering additional ways of clearly distinguishing the advisory and regulatory functions of staff in regard to applications and communicating this to providers.

The HEAP team's 2005 Improvement Plan identifies strategies to improve the ability of applicants to submit fully-formed applications, including for example the use of workshops for providers that intend to make an application. Document trails examined by the Audit Panel showed, in some cases, extensive re-working of applications to address comments and suggestions from the assessment panel and HEAP team. The existence of such multiple iterations suggests to the Audit Panel that the balance between the development and the regulation of applications has not always been easily found. In this regard, the Panel notes that the Department should continue to monitor the extent to which its own resources are used to offer support to potential applicants.

Course assessment panel members stressed to the Audit Panel the need for applicants to develop a sound educational philosophy for courses they propose to offer. The Panel heard that applicants who are not familiar with higher education, such as providers of VET courses, can struggle to understand the requirements, both physical and pedagogical, of higher education.

Assessment panel members expressed some concern over the cost in time and resources of considering multiple iterations of individual applications. The Panel believes it is desirable to limit the number of iterations permitted for an initial application and encourages the Department to measure progress in reducing the number of iterations. Overall, the Panel endorses the HEAP team's assessment of the need to ensure that only well-developed proposals are submitted and its identification of strategies to assist potential applicants prior to submission of an application.

Commendation 6

AUQA commends the Higher Education Approvals and Policy team for identifying strategies to assist providers to submit better-developed applications, in order to avoid rework and minimise the risk of a blurring of advisory and regulatory functions in the assessment of applications.

3.1.2 Communication with Approved Providers

As noted above, the HEAP team has established structured processes for two-way communication with providers. The annual reporting process facilitates regular communication and the Audit Panel heard that providers particularly appreciate the feedback they receive through the annual reporting process. Regarding information flows in the other direction, findings from the survey confirm that providers feel they have adequate opportunities to provide their views on accreditation processes.

Prior to the introduction of the new legislation, the OHE ran workshops for providers to explain the proposed changes. The Panel found substantial evidence of efforts by the HEAP team over the past three years to improve communication with providers on a wide range of matters, including advice on policy changes. The Panel viewed examples of Information Bulletins for providers and Information Sessions run by the team on a range of issues in 2004 and 2005. Providers commented that they found this information helpful. In fact, they would like the HEAP

team to expand its communication with providers, given the likelihood of changes to the Protocols.

The Panel received uniformly excellent reports from providers about their communication with individual members of the HEAP team. Overall, the Panel is satisfied that the communication strategies used by the HEAP team are working well, enabling the team to identify areas for improvement and provide instances of good practice.

Commendation 7

AUQA commends the Higher Education Approvals and Policy team for the successful implementation of its communication strategies for providers of accredited courses.

3.2 *HEAP Team Communication with Assessment Panel Members*

The majority of assessment panels are convened to consider applications under Protocol 3, although the OHE also has experience of applications under Protocols 1 and 2. Assessment panel members receive an information pack and feedback on outcomes of assessment processes. The Audit Panel heard that assessment panel members and chairs are satisfied with the amount of information they receive to fulfil their roles.

The survey carried out for the audit of panel members since 2003 found that a number of assessment panel members were not fully satisfied with their initial training, although panel member chairs felt they had adequate initial and ongoing training. In 2004, the HEAP team introduced biannual professional development sessions for panel members and chairs, to meet both induction and ongoing developmental needs, and feedback from these sessions has been positive. The Panel formed the view that some assessment panel members would appreciate opportunities to discuss the specific features of higher education that distinguish it from other levels and forms of education.

The HEAP team has conducted assessment panel feedback surveys since 2004 and, as for provider surveys, the results inform its annual review process. The Panel heard from members of assessment panels that they are highly satisfied with the support they received from the HEAP team and considered that the team appropriately assisted clients seeking accreditation. As noted in section 2.4, assessment panel members and chairs are either not aware of the role of the Ministerial Advisory Panel, or are aware of its existence and purpose in only a vague way.

The Panel concluded that the HEAP team's communication strategies for assessment panel members are generally robust but that some additional attention could be given to induction of panel members with little prior experience of higher education accreditation processes.

3.3 *Web Site and General Communication*

For persons external to the Department, including applicants, the OHE internet web site (<http://education.qld.gov.au/office/higher-education/>) is the main portal for public information on higher education approvals, other than those relating to CRICOS registration. The OHE web site contains information relevant to improving public understanding of higher education standards, including a section on bogus qualifications, although it does not include any information on the role of the MAP.

The web site also includes a helpful section on student complaints that provides a summary of sources of advice for students with a grievance. The HEAP team has developed a policy and procedures for handling student complaints, with advice and contact information available on its web site. The Panel agrees with the HEAP team's view that its approach assists in empowering

students while allowing the OHE to investigate complaints that suggest failures of internal processes relevant to accreditation criteria.

Information on CRICOS is available on another part of the Department's web site not linked to the OHE web site (<http://education.qld.gov.au/strategic/accreditation/cricos/contacts.html>). For transparency and consistency, the Panel suggests that the OHE and ONSE investigate options to cross-link on the Departmental web site the CRICOS information that is relevant to higher education approvals, in line with the recommendation in section 3.4.

The Panel heard some views that there could be more information available on the OHE web site for stakeholders and that the information could be updated in a more timely fashion. More broadly, given the Department's legislative requirement to maintain public confidence in the higher education sector, the Panel observes that the OHE could consider some redevelopment of the web site information to demonstrate the ways in which it is fulfilling this responsibility, while at the same time increasing the usefulness of the web site as a resource to providers.

3.4 State Registration Authority Communication with Clients and Stakeholders

Staff responsible for CRICOS processes acknowledged to the Panel that communication with providers had not been as consistent or as meaningful as it could have been, due in part to resourcing issues. The web site had been established only recently. The Panel was told that ONSE was now making stronger efforts to be more approachable to providers.

The survey undertaken for this audit confirmed that while many providers found individual SRA officers to be efficient and helpful, they were aware of under-resourcing that had limited responsiveness. Providers also expressed concerns over the lack of timeliness in processing applications. From the survey, some providers appeared uncertain whether they should be dealing with SRA or OHE in relation to particular approval processes. No formal feedback on the SRA's performance has been sought from higher education organisations seeking or possessing CRICOS endorsement.

The Panel heard that, following a review of CRICOS registration processes in 2005, the ONSE introduced workshops to advise providers on requirements for renewal of registration. A new registration form has been issued and more thorough checks are being undertaken.

Feedback from providers on the workshops was strongly positive, although there was some criticism over the lack of information when a new approach to assessing registration was first introduced. The availability of application forms on the web site was seen as a positive development. The Panel noted that there are only minimal guidelines for providers on how to complete the registration forms.

Although most providers stated in the survey that they are generally satisfied with the registration process, views expressed at the Audit Visit were more mixed. Some regional and interstate providers indicated they would like more direct communication with the Department. A few providers were concerned about the additional information and paperwork involved with the new process (see also section 5.5). The Panel observed that the SRA web site contains guidance for overseas students who have complaints.

Overall, the Panel found there are gaps in communication regarding Protocol 5 matters although steps are now being taken to address this. These gaps concern in particular guidance to providers and the seeking of feedback from providers. In the medium term, a more structured communication strategy could assist SRA to identify its key stakeholders and the information and advice they require. Such a strategy should be coordinated with the existing communication strategies of the HEAP team. Moreover, the Panel considers it would be helpful for the HEAP

team and SRA to work together to address any confusion among providers over which area of the Department they should approach on specific topics.

Recommendation 4

AUQA recommends that QDEA further develop its communication strategy for higher education approvals to ensure that Protocol 5 matters are incorporated.

4 LEGISLATIVE AND REGULATORY FRAMEWORK

This section considers general issues over the adequacy of the regulatory framework in Queensland for implementing the National Protocols, including the ways in which potential breaches of legislation are handled within the Department. The Audit Panel notes that Queensland has had experience in assessing applications under all five Protocols.

4.1 *Higher Education (General Provisions) Act 2003*

The current Act commenced on 21 May 2004, replacing the *Higher Education (General Provisions) Act 1993*, which was in effect from 15 March 1996. The previous legislation informed the structure and content of the National Protocols approved in 2000 and therefore provided a workable framework to give effect to the Protocols in Queensland. The new Act carries over many provisions from the 1993 legislation but contains a number of provisions designed to strengthen the regulatory framework around the Protocols, including:

- a structure that directly reflects each of the first four Protocols
- opportunities to formalise stronger processes for the establishment or recognition of new universities (Protocol 1) and overseas higher education institutions (Protocol 2), including time-limited approvals for overseas institutions
- an annual reporting requirement for NSAI with accredited courses (Protocol 3)
- power for the Minister to investigate a provider's operations during an accreditation period (Protocol 3)
- provisions for regulating interstate universities operating in Queensland (Protocol 4)
- clear legislative requirements for Ministerial decisions and defined processes for enforcing compliance.

The Panel was informed that the fees charged by the Department for higher education approval processes are set with regard to the nature of assessment required for each type of approval process and are comparable to equivalent fees charged in other Australian jurisdictions. Processes are subsidised 50 per cent by government, 'in acknowledgement that the regulation of the higher education sector, and maintenance of the quality assurance framework provided by the legislation serve a broad public interest, and protect the State's valuable export trade in education' (PF p128, Appendix 9).

As noted in section 3.1, the HEAP team operates with a comprehensive set of guidelines for applications under the Act. The Panel formed the view that the current legislation provides a strong framework for implementation of National Protocols 1 to 4.

Since the Protocols were introduced, experience in handling specific issues has revealed some ambiguities in their interpretation across jurisdictions. In this broader context, the Panel acknowledges there are challenges in interpreting the scope of the Queensland legislation, which that stem from these ambiguities. The Panel notes the intention of the Department to amend its legislation consistent with changes to the Protocols.

Unlike the legislation in most other jurisdictions, the Queensland Act does not provide for a registration process for higher education providers separate to the processes for course accreditation. The Panel heard that this issue was discussed when the new Act was being drafted but the view was taken that there was no such separation in the National Protocols and it is difficult to entirely separate these elements. The Panel observes that matters such as the financial assessment carried out for course accreditation proposals in Queensland are addressed by an initial registration process in other jurisdictions. The Department recognises there are advantages and disadvantages either way and is aware that formalisation of the separation could assist in

implementing mutual recognition across jurisdictions. The Panel encourages the Department to review the need for a separate provider registration process when legislative changes are addressed.

4.2 *Definition of 'to operate'*

The National Protocols apply to institutions that seek 'to operate' programs in Australia. The Performance Portfolio contains various comments on the need for a clear and nationally consistent definition of 'to operate', a matter addressed in the Guthrie, Johnston, King (2004) review of the Protocols.

The Queensland Act expressly includes operating by electronic means in the scope of 'to operate'. More generally, it appears to the Panel that the Department has chosen to take a broad definition of 'to operate' when determining whether or not a proposal falls within the scope of the legislation.

For the purposes of considering applications from overseas higher education institutions under Part 3 of the Act, the Department has adopted a definition of 'operating in Queensland' that includes:

- representing that the institution operates in or has a connection or association with Queensland, and
- providing in Queensland, in person, any part of the institution's courses.

The Panel heard additional evidence of ongoing consideration by the Department of the legal meaning of the term 'to operate' and was advised that the Department is considering how the definition above might apply to other sections of the Act. Queensland is one of two Australian jurisdictions that treat the offshore operations of NSAI's based in their jurisdiction as falling within the legislative definition of 'to operate' and therefore subject to regulation.

Affirmation 6

AUQA affirms QDEA's intention to clarify the meaning of the term 'to operate' and its implications for Queensland legislation, taking into account national discussions on the use of this term in the National Protocols.

4.3 *Monitoring of Compliance and Breaches*

The Audit Panel notes that the Department's compliance management processes for Protocols 1 to 3 pre-date new legislation. The Portfolio refers to the successful prosecution in December 2004 of an NSAI for enrolling students in unaccredited courses (PF pp24–25). The successful prosecution is the first and to date the only one of its kind in Australia and the Panel accepts that it demonstrates the commitment of the OHE to enforcing the Protocols.

The HEAP team has established procedures for detecting and handling potential breaches of the legislation for unauthorised operations, based on active monitoring and searching. The team maintains a 'Breaches and Warnings Log' to track all cases and the action taken. The Portfolio identifies actions taken in two cases by the HEAP team to protect the use of the title 'university'.

The HEAP team has identified the need to pay further attention to 'downstream compliance', which involves compliance with requirements for continued accreditation. While the annual review process serves a useful purpose in this regard, the Panel accepts the Department's view that this needs to be supported by additional monitoring of conditions of approval and the status of approved courses. In this regard, the Panel heard that monthly reports are produced on those conditions which have not yet been met. The Panel concludes that the Department has

demonstrated a proactive approach to managing compliance issues and notes the Department's use of differing methods to address the various forms that compliance issues can take.

Commendation 8

AUQA commends the Higher Education Approvals and Policy team's proactive approach to managing compliance and its use of a range of methods to identify different types of compliance issues.

4.4 *Education (Overseas Students) Act 1996*

The object of EOSA is 'to seek to ensure that education and training for overseas students is provided in an orderly and appropriate way' in Queensland. Underlying principles of this legislation are that:

- courses delivered to overseas students should have appropriate Queensland accreditation and should have stated and demonstrable educational outcomes for the students
- providers of courses should have staffing and resources of adequate quality and quantity to achieve the stated outcomes for the overseas students who take the courses
- management policies and practices of course providers should operate to protect:
 - the educational interests of overseas students
 - the reputation of other providers of courses to overseas students, including persons in other States who provide overseas students with educational services, and
 - the financial interests of overseas students (including intending overseas students).

The legislation provides for the registration of providers and also for the registration of courses as suitable for overseas students. The Panel was told that the Queensland legislation is imperfectly aligned with the Commonwealth's ESOS Act, a legacy of Queensland having been active in implementing its own legislation and processes ahead of the Commonwealth legislation. The Department has been aware of this situation since the introduction of the ESOS Act but has not yet amended its legislation.

SRA officers in the Department are aware of the current Commonwealth Government ESOS review and involved in the consultation process regarding changes. The Panel heard that it was the Department's intention to update EOSA for Queensland once the outcomes of the changes at Commonwealth level are clear.

The Panel also heard that the SRA is now paying considerably more attention to compliance issues for higher education providers, having identified and addressed some issues with one particular higher education provider in 2005. In the process, the SRA also became aware of varying degrees of compliance by SAIs. Registration processes have since been tightened. The SRA Strategic Plan 2005–2008 identifies the need to develop a system to audit existing providers' compliance with key regulatory requirements. Further, the SRA advises that it will require all SAIs registered on CRICOS in Queensland to undertake a full renewal of registration process involving site inspections in 2006.

Recommendation 5

AUQA recommends that QDEA commence planning to amend the *Education (Overseas Students) Act 1996* to ensure an adequate regulatory framework for National Protocol 5 that is aligned to the requirements of the Commonwealth ESOS Act once changes to the Commonwealth legislation have been clarified.

5 IMPLEMENTATION OF HIGHER EDUCATION APPROVAL PROCESSES

The Audit Panel investigated the extent to which the Department has put in place arrangements for effective management of its responsibilities for each of the National Protocols, taking into account the Queensland legislative framework discussed in section 4. Some issues raised under one Protocol may have implications for the management of other Protocols.

5.1 *National Protocol 1*

National Protocol 1 concerns criteria for the recognition of universities and protection of the title 'university'. In the latter regard, specific legislative provisions to protect this title have existed in Queensland since 1965 and, as noted earlier, actions have been taken by the HEAP team in a number of cases to protect the use of the title 'university'.

Queensland is unusual among Australian jurisdictions in having direct experience of the assessment of an application for approval of a new university, although the application was considered under the provisions of the previous legislation.

When the application was received, the OHE appointed an assessment panel and developed a process that included several meetings, local consultations with stakeholders, a submission process and extensive external advice on financial matters. The support provided to the assessment panel by the OHE was regarded as meticulous, highly professional and a sound demonstration of the Department's ability to run a major process of this type. Reflections on the process led to the development of the HEAP team's current process guidelines for Protocol 1 applications.

The assessment of the application, which revealed some areas where the National Protocols provided incomplete guidance, offered a useful learning experience for the Department and nationally. The Panel agrees with the conclusion expressed in the Portfolio that the Department's experience with the application has led to process improvements under the new legislation and this will stand it in good stead for the consideration of future applications.

The Audit Panel is satisfied that the Department has in place sound processes for the assessment of applications under Protocol 1, that potential breaches are identified and that this Protocol is being appropriately implemented in Queensland.

5.2 *National Protocol 2*

This protocol addresses criteria for the approval of an overseas university or higher education provider to operate in Australia. Queensland uses the interpretation of 'to operate' mentioned in section 4 of this Report.

The Act requires an assessment of the comparability of the requirements and learning outcomes of the course proposed to be delivered in Queensland, and the delivery arrangements, with those of a similar Australian course. The OHE has developed specific guidelines for applications under Protocol 2. In assessing comparability with Australian courses, these guidelines refer to the criteria for applicants seeking accreditation of higher education courses under Protocol 3, such as the Australian Qualifications Framework, rationale, mode of delivery, entry requirements, course structure and content, assessment, and resourcing.

There were no current approvals under Protocol 2 in August 2005. Three overseas institutions had been approved to operate in Queensland under the previous legislation with no time limit on their approval. When the new legislation commenced, each of these providers was advised of

transition arrangements allowing the provider 12 months in which to apply under the new Act. None of these providers chose to make an application.

At the time of the Audit Visit, one application was being assessed under the new Act. As the process had not been completed, the Panel chose not to use this application as the basis for examining the effectiveness of the process. The Panel noted that the process for assessment of applications relating to Protocol 2 is similar to that for Protocol 3 applications, with which the HEAP team is familiar, and that a single pool of panel members is used for applications of either type. There are extensive public and internal guidelines specifically for Protocol 2 applications. On this basis, the Audit Panel was satisfied that the Department has developed sound processes for the assessment of applications under Protocol 2 and that this Protocol is being appropriately implemented.

5.3 *National Protocol 3*

This Protocol sets out requirements for the accreditation of higher education courses offered by NSAIAs. In Queensland, the Act sets the legislative framework and the Minister is the decision-maker. The Act prohibits the offering of a higher education course unless it is accredited. As noted in section 4.1, there is no separate process for registration of providers, so course assessment panels need to examine the capacity and standing of providers as well as the proposed courses.

There are different forms of accreditation process used in Queensland and the OHE has developed guidelines for each. Broadly, the standard process and a variation, the 'modified process', are used for the assessment of applications involving Queensland-based applicants seeking to operate only in Queensland. Where applicants are already accredited in another jurisdiction and seek to operate in Queensland, a process of mutual recognition of interstate accreditation can be used. If an applicant seeks accreditation in several jurisdictions, a concurrent accreditation process may occur, involving input from all relevant jurisdictions.

5.3.1 The Standard Process, Concurrent Accreditation and Mutual Recognition

The Minister is responsible for the appointment of assessment panels, which are established to advise on applications for accreditation and the HEAP team maintains a register of course assessment panel members. The Audit Panel observes that many members are from Queensland but notes that the OHE's internal guidelines on diversity of panel members state that assessment panels should increasingly include interstate members.

Requirements for accreditation are set out in guidelines, which came into effect with the new Act, and have been augmented since by additional guidelines on specific topics, such as the 'modified process', transnational (offshore) operations and annual reports. The guidelines build on those in effect under the previous legislation, but include some notable amendments, such as an increased emphasis in the reaccreditation process on performance outcomes and future developments, consistent with a continuous improvement cycle.

The course assessment process includes an independent financial assessment of the provider. The Panel heard that the Department now requires providers to have a contingency plan for students in the event of the provider's financial failure. Although some providers state they find this requirement difficult to meet, it is a critical aspect of their capacity to assure student interests.

In common with other jurisdictions, the Department and providers find concurrent accreditation processes to be cumbersome. Responding to these concerns, the OHE has developed a guideline on Recognition of Interstate Accreditation which has been applied with good feedback and is serving as a model for ongoing consideration of mutual recognition across jurisdictions.

The Audit Panel reviewed the document trails for a cross-section of accreditations completed under the previous legislation and under the current Act. The HEAP team's processes for course assessment are extensively documented and, from the document trails viewed by the Panel, consistently applied.

From the surveys, the large majority of providers find the Department's assessment processes to be transparent, rigorous and fair. Assessment panel members were also satisfied that the processes were clear and offered adequate assurance that courses were equivalent to comparable university courses. The Panel acknowledges the concerns of some providers that assessment panel members often bring a perspective based on their experiences in large universities but notes that, in the main, providers feel the panels are appropriate and the outcomes are reasonable.

The Panel learnt that the feedback loop for the assessment process requires the panel secretary to prepare an evaluation report on each course accreditation process. This report includes comments on the process and the panel, as well as on the application and panel feedback on provider development.

The review of applications conducted by the MAP concluded that overall consistency of the assessment processes is being upheld in Queensland. As noted in section 2.6, the AUQA Audit Panel considers that some approvals may need particular attention regarding the ongoing maintenance of standards.

The Panel noted some specific issues in regard to Protocol 3 which are discussed below. Overall, the Audit Panel was satisfied that Protocol 3 is being implemented well by the Department.

Commendation 9

AUQA commends QDEA's thorough implementation of processes for the assessment of applications for course accreditation.

5.3.2 The 'Modified Process'

The OHE, through the HEAP team, administers the course accreditation process in most cases. Under the previous legislation, Ministerial approval was given for a special 'modified' accreditation process, which devolves certain responsibilities to well-established NSAs. The modified process resembles the Department's standard processes for assessment of courses in some respects but differs in that:

- the course assessment panel is established by the institution's governing body, although it must still be approved by the Minister and members are included on the Department's register
- the institution makes its submission on the course direct to the assessment panel, with a copy of the submission being sent to the OHE, and the institution administers the assessment process
- the panel's report is provided to the institution's governing body and the governing body transmits the report to the Minister through the OHE for final decision.

There is currently one provider in Queensland using this modified process. A second provider was approved and operated the process for several years. Following difficulties with one panel process, it was agreed that this provider would discontinue the use of the modified process. The OHE's guidelines for accreditation note that a course assessment panel may recommend to the Minister, as part of its findings, that a provider is eligible to operate the modified process. To be eligible, a provider must have an established track record as a provider and fulfil various other requirements.

While the process has been inherited, the Department views it as a means to develop the capacity of providers for self-reflection and internal critique of their course offerings, in the context of national discussions on allowing NSAI to transit to self-accrediting status. The process is said to allow institutions to gain additional experience of the criteria and processes for course accreditation. It was explained to the Panel that the modified process would only be available to providers which had demonstrated a willingness to engage with the challenges of successfully delivering higher education.

The Panel notes that the Minister must approve both the assessment panel and make the final decision and that both the submission and panel report are viewed by the HEAP team. Other safeguards have progressively been introduced. The process is evolving to take account of recommendations from the MAP that the HEAP team be consulted on panel member selection, that panels include at least one person with experience in processes managed by the HEAP team and that panel chairs should attend a panel professional development session run by the OHE.

The Panel accepts that the modified process allows providers to experience the processes involved in course accreditation and acknowledges the philosophy of continuous self-improvement that underpins it, consistent with the Department's overall approach to higher education approvals. However, the Panel is not convinced that the modified process will lead to the achievement of the aims stated for it. It is possible that the process could be counter-productive in terms of overall public confidence. During the Audit Visit, stakeholders expressed some concerns over the modified process. The selection of panel members by the institution seeking accreditation, even when panels are approved by the Minister, may result in a perception that panels are not completely independent. Further, there may be a failure to close the loop in regard to self-improvement, as there may be little independent feedback on the quality of the assessment process managed by the institution.

The Panel accepts that the modified process is designed to assist providers' ability to self-regulate but considers this may be at the expense of clarity and certainty over standards. Given the concerns expressed above, the Panel concludes it would be timely for the Department to review the use of the modified process for course accreditations and consider whether assisting providers to self-regulate could be achieved through other means.

Recommendation 6

AUQA recommends that QDEA review the use of the 'modified process' for course accreditation and consider whether assisting providers to self-regulate could be achieved through other means.

5.3.3 Approval Subject to Conditions

The Audit Panel noted from HEAP team documentation that many courses are accredited but with a significant number of conditions placed on the accreditation. The Panel felt some concern that this practice could pose a risk to standards, through the approval of weak applications or through a failure to ensure that conditions were implemented as required. During the Audit Visit, the Panel was informed that the Department had previously used conditions as a quality improvement device but, more recently, had questioned this approach. The Panel notes that there could have been a blurring by assessment panels in the past between conditions imposed to 'improve quality' in cases where threshold criteria for approval were met, and conditions imposed to 'improve quality' in cases where this was necessary to meet threshold criteria.

As a result, the Department's current approach is to signal to providers and to assessment panels that applications should be recommended for rejection if threshold criteria are not satisfied.

The Panel was advised that the HEAP team produces monthly lists of all conditions to monitor progress and to identify any need for compliance action, in addition to the review of conditions contained in the annual reporting process. The Panel believes that monitoring of conditions is carried out appropriately and affirms the Department's attempts to remind providers that an application needs to meet all threshold criteria while offering some flexibility for new providers to develop operations appropriate to higher education.

Affirmation 7

AUQA affirms QDEA's change of approach to the approval of applications with numerous conditions, to ensure that all threshold criteria are met before a course is accredited.

5.3.4 Changes after Accreditation

The Department's Guidelines for Accreditation of Higher Education Courses Offered by Non-University Providers advise that major changes, such as significant changes in the content or mode of delivery of a course, may require a new application for accreditation. It was not entirely clear to the Panel, however, which changes would require a new application to be submitted.

In reviewing course documentation trails, the Panel became aware of one case where, after the initial accreditation of its courses, a provider subsequently sought accreditation of these courses through a different delivery mode. During the Audit Visit, the Panel was informed the OHE made a judgement that the change to the mode of delivery did not require a new application for accreditation, after obtaining advice from a member of the MAP (section 2.4). The change was approved by the Minister. In passing, the Panel notes that the assessment of this request should have taken account of conditions in the initial accreditation regarding the sites at which students could be enrolled.

The general issue concerns the criteria for decisions on whether or not a new application for accreditation is required when changes are made to an accredited course. Although the Department has set out examples of major and minor changes in its guidelines, in this case the decision-making criteria did not seem to be clear. As part of the establishment of a risk management approach and to reduce the likelihood of a perception of internal advocacy or conflict of interests, the Panel considers that care should be taken to ensure that a succession of small changes to an accredited course does not become the norm. A second issue concerns the process to be used by the Department in considering changes that do not require a new application for accreditation.

Recommendation 7

AUQA recommends that QDEA consider further the types of changes that would constitute a major change requiring a new application for accreditation, with a view to providing better guidance to providers contemplating such changes.

5.3.5 Consistency in Regard to the Provider of the Course

As in other jurisdictions, a number of courses accredited in Queensland are 'owned' by one body, such as a theological group or professional body, but delivered locally by affiliated institutions. The Audit Panel observed that the provider organisations of accredited courses in Queensland and the registered providers of the same courses listed on the CRICOS register occasionally differ. The OHE acknowledged it had become aware of this discrepancy, which is due to the requirements of EOSA in Queensland, and agreed that it would be addressed.

5.4 *National Protocol 4*

This Protocol broadly addresses delivery arrangements for higher education institutions operating in distant locations, either in their own right or through an agency arrangement with another organisation. The requirements of Protocol 4 were not addressed in the previous legislation, so the legislative provisions are relatively new.

The Act prohibits the operation of an interstate university in Queensland under an agency arrangement without prior approval by the Minister. In this regard, the Audit Panel notes that the Act uses the term ‘university’ while the Protocol refers to ‘universities and other SAIs’. This point should be addressed when the legislation is next amended, subject to consistency with changes to the National Protocols. Under the Protocol, the SAI that engages the agent is responsible for all aspects of course delivery by the agent. These agency arrangements are subject to audit as part of the SAI audits conducted by AUQA.

The interpretation of the Protocol expressed in the Act reserves for the Minister the legal power to intervene, after an approval has been given, if there are concerns surrounding delivery through an agent. As a result of any such investigations, the Minister may also impose special conditions on an approval. At the time of the Audit Visit, five interstate universities had approvals to operate in Queensland, none with special conditions. The Act does not provide for applications to be assessed before they are approved, i.e. it provides for automatic approval of applications if a small amount of required information is submitted.

The Panel finds that the Department’s implementation arrangements for Protocol 4 accurately reflect the provisions for automatic approval in the Act. The Panel also finds that, the Act addresses the requirements of this Protocol, apart from the omission noted above.

In terms of administrative practice, however, the Panel considers there are some matters that the Department could further examine. The Panel was told by representatives of the interstate institutions and their agents that they were unsure of the duration of the approval in respect of Protocol 4. They were also unsure of requirements if their circumstances were to change and therefore of the types of actions that could initiate investigative action.

The Panel encourages the Department to review its administrative processes for Protocol 4 applications, to provide greater certainty and clarity to applicants. The Panel also suggests the Department consider whether the absence of any legislative provision to allow the refusal of applications at the time could give rise to difficulties.

Further, the Panel observes that there will be occasions when an interstate institution applies for approvals in respect of both Protocols 4 and 5 at the same time. In these circumstances, the SRA will need to be satisfied of local arrangements for delivery of courses to overseas students (Protocol 5, section 5.5) and will need to obtain additional information on the operations of the SAI in Queensland or its agents. The Panel found that some interstate university representatives making Protocol 5 applications were not initially aware of the need to first obtain a Protocol 4 approval. The Panel suggests that the Department’s processes in respect of applicants seeking approvals under both Protocols 4 and 5 be coordinated and clearly explained, in order to assist applicants.

Recommendation 8

AUQA recommends that QDEA review its arrangements for the administration of Protocol 4, to ensure clearer information for applicants and coordinated processes for applicants seeking approvals under both Protocols 4 and 5.

5.5 *National Protocol 5*

This Protocol addresses the processes for endorsing courses as suitable for overseas students on the Commonwealth Register of Institutions and Courses for Overseas Students. Previous sections of this report have commented on past deficiencies identified by the Department in the administration of CRICOS registration.

The Panel accepts that the Department is now taking steps to address this and that requirements for provider and course registration are now being enforced more strictly. It appears to the Panel that these actions are being taken ahead of the documentation of a full set of internal procedures, although outlines are available for staff of the actions and timelines for processing requests for provider registration and renewal of registration, together with outlines of the course registration process and the 'special arrangement' approval process. The Panel notes the risks of new processes being implemented in haste.

It was evident to the Panel that some providers are not entirely sure what is now required of them. These providers stated they had been taken unawares by new processes, which they found time-consuming and not aligned to their expected timeframes. Given the need for providers to advertise new courses to overseas students in time for the start of each semester, uncertainty over timelines is not a trivial issue.

Notwithstanding these comments, the Panel recognises that SRA officers have made efforts to inform providers about the change in enforcement and appear to be doing a sound job under difficult circumstances. The majority of higher education providers are satisfied that the processes in place are working effectively and are pleased with the level of personal service they receive from SRA staff.

Regarding the intersection of Protocol 3 and Protocol 5 processes, the Performance Portfolio states that '[e]fforts are made to coordinate a CRICOS inspection and accreditation or reaccreditation site visit where possible' (PF p45). Given the revised SRA processes, there have not yet been any occasions that have warranted a coordinated visit. The intention is however laudable and the Panel encourages SRA and the HEAP team to continue to work on coordination of their processes. In this regard, there could be merit in undertaking a coordinated visit on a trial basis, to determine how the two areas can better coordinate their processes.

The 'special arrangement' process applies in cases where there are 'special circumstances' in terms of Protocol 5, such as an interstate university operating through an agent, in which case the Panel was informed that SRA would seek advice from the OHE, which is responsible for the administration of Protocol 4. As noted in section 5.4, providers are not clear over the way in which requirements for the two processes are coordinated. As a result, there may be a risk of the checks required under Protocol 5 not being undertaken or of concerns found during the CRICOS endorsement process not being passed on to the OHE. The Panel suggests that SRA and the HEAP team work together to address this matter.

On balance, the Audit Panel believes that the Department is now taking action to address the issues it has identified in regard to CRICOS endorsement processes and that these actions will assist in ensuring this Protocol is appropriately implemented in Queensland.

Recommendation 9

AUQA recommends that QDEA ensure that sufficient resources and expertise are provided for the State Registration Authority to continue the actions it is taking to more actively monitor provider compliance with the requirements for CRICOS registration in respect of Protocol 5 and to educate providers on the Department's expectations in this regard.

APPENDIX A: QUEENSLAND DEPARTMENT OF EDUCATION AND THE ARTS

The Department of Education and the Arts drives the Queensland Government's strategic direction to produce a creative and clever Queensland built on a quality education system and a vibrant and innovative arts and cultural sector. The principal functions of the Department are to:

- set the direction for education in Queensland.
- manage the state education system.
- develop and implement government arts and cultural policy and programs.
- support non-state and higher education portfolio responsibilities.
- administer arts cultural funding and capital works programs.

The Department of Education and the Arts is structured into three discreet areas led by a Deputy Director-General. These are Deputy Director-General Education Queensland, Deputy Director-General Arts Queensland, and Deputy Director-General International, Non-State and Higher Education (INSHE).

Education Responsibilities

The key areas of education responsibility for the Department include:

- **State Schools.** Providing a quality public education system that delivers excellence by enhancing educational opportunities for all. There are 1280 state schools, attended by more than 488 000 students, under the guidance of over 35 600 teachers and additional support staff.
- **Non-State Schools.** As part of its advisory, monitoring and regulatory functions, the department provides assistance to Catholic and Independent Schools to support excellence for all students in the state. This sector provides for more than 196 000 students in 451 schools and employs approximately 13 000 teachers
- **Higher Education.** Providing advice to the Minister, negotiating Commonwealth funding, carrying out regulatory functions in accordance with university authorising acts, planning for the growth of the sector, accrediting higher education courses and recognising institutions, and supporting the international work of institutions.

International, Non-State and Higher Education

The Deputy Director-General International, Non-State and Higher Education manages the three portfolios of International, Non-State and Higher Education, each led by a Director.

Non-State Education

The Office of Non-State Education administers an accreditation process and grants schemes for non-state schools. ONSE is also responsible for the registration of providers and courses for overseas students, and for effecting suspension of courses and providers. Under the *Education (Overseas Students) Act 1996* all education providers, including self-accrediting higher education institutions, are required to be assessed for registration.

Education Queensland International

Education Queensland International (EQI) is the international commercial arm of the Department of Education and the Arts. EQI has been involved in the delivery of international education programs in various forms for almost 15 years and has responsibility for the marketing and management of all international student programs and commercial activities relating to the government school sector. These programs include Study Tours, Offshore Programs, International Student Programs and International Projects (aid/development and commercial).

Office of Higher Education

The Office of Higher Education leads and co-ordinates the Department's interface with the higher education sector, at state, national, and international levels. The core functions of the Office are:

- to advise the Minister for Education and the Arts on State needs and priorities in higher education and to generate and analyse the information necessary in support of that function.
- on behalf of the Minister for Education and the Arts undertake higher education approval processes.

In 2004 the Office managed the following applications:

- one Protocol 2
- twenty-eight Protocol 3
- five Protocol 4.

In May 2005 there were 125 courses offered by 22 providers accredited in Queensland.

APPENDIX B: AUQA'S MISSION, OBJECTIVES, VALUES AND VISION

Mission

By means of quality audits of universities and accrediting agencies, and otherwise, AUQA will provide public assurance of the quality of Australia's universities and other institutions of higher education, and will assist in improving the academic quality of these institutions.

Objectives

- Arrange and manage a system of periodic audits of quality assurance arrangements relating to the activities of Australian universities, other self-accrediting institutions and state and territory higher education accreditation bodies.
- Monitor, review, analyse and provide public reports on quality assurance arrangements in self-accrediting institutions, and on processes and procedures of state and territory accreditation authorities, and on the impact of those processes on quality of programs.
- Report on the criteria for the accreditation of new universities and non-university higher education courses as a result of information obtained during the audit of institutions and state and territory accreditation processes.
- Report on the relative standards of the Australian higher education system and its quality assurance processes, including their international standing, as a result of information obtained during the audit process.

Values

AUQA will be:

- *Thorough*: AUQA carries out all its audits as thoroughly as possible.
- *Supportive*: recognising institutional autonomy in setting objectives and implementing processes to achieve them, AUQA acts to facilitate and support this.
- *Flexible*: AUQA operates flexibly, in order to acknowledge and reinforce institutional diversity.
- *Cooperative*: recognising that the achievement of quality in any organisation depends on a commitment to quality within the organisation itself, AUQA operates as unobtrusively as is consistent with effectiveness and rigour.
- *Collaborative*: as a quality assurance agency, AUQA works collaboratively with the accrediting agencies (in addition to its audit role with respect to these agencies).
- *Transparent*: AUQA's audit procedures, and its own quality assurance system are open to public scrutiny.
- *Economical*: AUQA operates cost-effectively and keeps as low as possible the demands it places on institutions and agencies.
- *Open*: AUQA reports publicly and clearly on its findings in relation to institutions, agencies and the sector.

Vision

- AUQA's judgements will be widely recognised as objective, fair, accurate, perceptive, rigorous and useful: AUQA has established detailed and effective procedures for audit, that include auditor appointment and training, extensive and thorough investigation, and consistent implementation.
- AUQA will work in partnership with institutions and accrediting agencies to add value to their activities: AUQA audit is based on self-review, acknowledges the characteristics of the institution or agency being audited, and accepts comment from the auditee on the best way of expressing the audit findings.
- AUQA's advice will be sought on matters related to quality assurance in higher education: AUQA will carry out consulting activities, including workshops, publications, and advising, and will publish and maintain a database of good practice.
- AUQA will be recognised among its international peers as a leading quality assurance agency: AUQA will build international links to learn from and provide leadership to other agencies, and will work with other agencies to the benefit of Australian institutions.

APPENDIX C: THE AUDIT PANEL

Dr Jeanette Baird, Audit Director, AUQA, Melbourne, Victoria

Professor John Finlay-Jones, Assistant Director, Telethon Institute for Child Health Research, Perth, Western Australia

Dr Anne L Martin, Consultant, South Melbourne, Victoria (Panel Chair)

Professor Kevin McConkey, School of Psychology, University of New South Wales, Sydney, New South Wales

Professor Ken Milne, Dean, Graduate Research School, Massey University, Palmerston North, New Zealand

Observers:

Mr Alan Marshall, Principal Policy Officer, Higher Education, Department of Education Services, Perth, Western Australia

Dr Antony Stella, Audit Director, AUQA, Melbourne, Victoria

APPENDIX D: ABBREVIATIONS AND DEFINITIONS

The following abbreviations, acronyms and definitions are used in this Report. As necessary, they are explained in context.

Accreditation.....	An approval process to ensure that the standards of a course are appropriate for the qualification to which it leads and that the course and methods of delivery are likely to achieve its purpose.
Agency (the).....	Those sections of QDEA (q.v.), which taken together constitute the higher education accreditation and approvals functions in Queensland.
Act (the / the new).....	Queensland <i>Higher Education (General Provisions) Act 2003</i>
ADRI.....	Approach, Deployment, Results, Improvement
AQF.....	Australian Qualifications Framework
AUQA.....	Australian Universities Quality Agency
CRICOS.....	Commonwealth Register of Institutions and Courses for Overseas Students
Department (the).....	QDEA (q.v.)
DEST.....	Australian Government Department of Education, Science and Training
Director-General (the).....	Director-General of the Queensland Department of Education and the Arts
ELICOS.....	English Language Intensive Courses for Overseas Students
EOSA.....	Queensland <i>Education (Overseas Students) Act 1996</i>
EOS Regulation.....	Queensland <i>Education (Overseas Students) Regulation 1998</i>
ESOS Act.....	Commonwealth <i>Education Services for Overseas Students Act 2000</i>
ESOS Regulations	Commonwealth <i>Education Services for Overseas Students Regulations 2001</i>
FEE-HELP	A system of loans to eligible fee-paying students to assist with tuition fees under the Commonwealth <i>Higher Education Support Act 2003</i>
HEAP.....	Higher Education Approvals and Policy
HEROs.....	Higher Education Recognition Officers
INQAAHE.....	International Network for Quality Assurance Agencies in Higher Education
INSHE.....	International Non-State and Higher Education
JCHE.....	Joint Committee on Higher Education
KPA.....	Key Performance Area
KPI.....	Key Performance Indicator
MAP.....	Ministerial Advisory Panel
MCEETYA.....	Ministerial Council on Education, Employment, Training and Youth Affairs
National Code.....	National Code of Practice for Registration Authorities and Providers of Education and Training for Overseas Students
National Protocols / Protocols...	National Protocols for Higher Education Approval Processes
NSAI.....	non self-accrediting institution

NT DEET.....	Northern Territory Department of Employment, Education and Training
OHE.....	Office of Higher Education
ONSE.....	Office of Non-State Education
PF p.....	QDEA Performance Portfolio page reference
PRISMS.....	Provider Registration and International Students Management System
Provider(s).....	Persons or organisations which provide higher education courses to students
QDEA.....	Queensland Department of Education and the Arts
QRICOS.....	Queensland Register of Institutions and Courses for Overseas Students
Regulation (the).....	Queensland <i>Higher Education Regulation 2004</i>
RTO.....	Registered Training Organisation
SAI.....	self-accrediting institution
SRA.....	State Registration Authority (for CRICOS endorsement)
TAFE.....	Technical and Further Education
VET.....	Vocational Education and Training

APPENDIX E: NATIONAL PROTOCOLS FOR HIGHER EDUCATION APPROVAL PROCESSES

These Protocols are a key element of a new national quality assurance framework for Australian higher education:

- Protocol 1: Criteria and processes for recognition of universities
- Protocol 2: Overseas higher education institutions seeking to operate in Australia
- Protocol 3: The accreditation of higher education courses to be offered by non self-accrediting providers
- Protocol 4: Delivery arrangements involving other organisations and,
- Protocol 5: Endorsement of courses for overseas students.

These Protocols provide a set of common principles and a cooperative approach to the quality assurance of all higher education accreditation and registration processes. They were designed to ensure consistent criteria and standards across Australia in such matters. All the Australian States and mainland Territories, which have responsibility for managing higher education and approval processes, have agreed to their adoption.

The higher education accreditation and registration processes of the approval bodies of Australian States and Territories are subject to audit against these Protocols by AUQA.

The National Protocols are available as a PDF from the MCEETYA web site at: <http://www.mceetya.edu.au/mceetya/>. They are also available from the DEST web site at: http://www.dest.gov.au/sectors/higher_education/policy_issues_reviews/key_issues/MCEETYAS/

A copy of the Guthrie, Johnston, King (2004) report *Further Development of the National Protocols for Higher Education Approvals Processes* is available from the DEST web site at: http://www.dest.gov.au/sectors/higher_education/policy_issues_reviews/reviews/guthrie_review/Further_Development_of_the_National_Protocols_for_Higher_Edu.htm

Bibliographic information about the National Protocols as published in hard copy form is:

National Protocols for Higher Education Approval Processes
Canberra, ACT: Department of Education, Training and Youth Affairs, 2000
ISBN 0 642 44908 2
ISBN 0 642 44909 0 (www)
DETYA No. 6565.HERC 00B
ABN: 51 452 193 160

