

AUSTRALIAN UNIVERSITIES QUALITY AGENCY

Report of an Audit of the
Department of Education Services, Western Australia

April 2006

AUQA Audit Report Number 43

ISBN 2 877090 54 9

© 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 | 5 |
| Recommendations | 5 |
| 1 CONTEXT FOR THE AUDIT AND THE ROLE OF THE DEPARTMENT..... | 7 |
| 1.1 Higher Education in Western Australia | 7 |
| 1.2 Legislative Framework for Higher Education Approvals Functions in Western Australia | 7 |
| 1.3 Department of Education Services, Western Australia..... | 7 |
| 1.4 Directorate of Higher Education and Legislative Review | 8 |
| 1.5 Directorate of Non-Government and International Education..... | 8 |
| 1.6 Context for the Audit | 9 |
| 1.6.1 National Context..... | 9 |
| 1.6.2 State Context | 9 |
| 1.6.3 Departmental Context..... | 10 |
| 2 LEGISLATIVE AND REGULATORY FRAMEWORK | 11 |
| 2.1 Commitment to National Protocols..... | 11 |
| 2.2 Interim Arrangements | 11 |
| 2.3 Higher Education Act 2004..... | 12 |
| 2.4 Higher Education Regulations 2005 and Associated Guidelines..... | 12 |
| 2.5 Education Service Providers (Full Fee Overseas Students) Registration Act 1991 | 13 |
| 3 QUALITY ASSURANCE WITHIN DES | 15 |
| 3.1 Quality Objectives and Strategies of DES | 15 |
| 3.2 Accreditation and Authorisation | 15 |
| 3.2.1 The Processes | 15 |
| 3.2.2 Rigour of the Process and Provider Satisfaction | 16 |
| 3.2.3 Timelines | 16 |
| 3.2.4 Areas of Overlaps | 16 |
| 3.3 Quality in Accreditation and Authorisation | 17 |
| 3.3.1 Identifying HEAC Members | 17 |
| 3.3.2 Composition of HEACs..... | 18 |
| 3.3.3 Briefing to HEACs | 18 |
| 3.3.4 Consistency among HEACs | 18 |
| 3.3.5 Standing Committee | 19 |
| 3.3.6 Accreditation with Conditions..... | 19 |
| 3.3.7 Monitoring Conditions | 20 |
| 3.4 Communication with Clients | 20 |
| 3.5 Enhancement of Quality..... | 21 |
| 3.6 Operational and Policy Linkages | 22 |
| 3.7 Information Management and Documentation | 22 |
| 3.8 Resources | 23 |

| | |
|---|-----------|
| 4 IMPLEMENTATION OF HIGHER EDUCATION APPROVAL PROCESSES | 24 |
| 4.1 National Protocol 1: Criteria and Processes for Recognition of Universities | 24 |
| 4.1.1 Protection of the term ‘University’ in Western Australia..... | 24 |
| 4.1.2 Protection of the term ‘University’ in the <i>Higher Education Act 2004</i> | 24 |
| 4.1.3 Establishment of an Australian University in Western Australia | 24 |
| 4.2 National Protocol 2: Overseas Higher Education Institutions Seeking to Operate in Western Australia..... | 25 |
| 4.3 National Protocol 3: The Accreditation of Higher Education Courses to be offered by Non Self-Accrediting Providers | 26 |
| 4.3.1 Accreditation and Authorisation by DES | 26 |
| 4.3.2 Concurrent Accreditation..... | 27 |
| 4.3.3. Mutual Recognition | 27 |
| 4.3.4 Monitoring Unauthorised Providers | 28 |
| 4.3.5 Regulation of Offshore Operations..... | 28 |
| 4.4 National Protocol 4: Delivery Arrangements Involving Other Organisations | 29 |
| 4.5 National Protocol 5: Endorsement of Courses for Overseas Students | 29 |
| 4.5.1 NSAs and Protocol 5 | 30 |
| 4.5.2 SAs and Protocol 5 | 30 |
| 4.5.3 Conciliation Services | 31 |
| APPENDIX A: WESTERN AUSTRALIA - DEPARTMENT OF EDUCATION SERVICES | 33 |
| APPENDIX B: AUQA’S MISSION, OBJECTIVES, VALUES AND VISION..... | 34 |
| APPENDIX C: THE AUDIT PANEL | 36 |
| APPENDIX D: ABBREVIATIONS AND DEFINITIONS..... | 37 |
| APPENDIX E: NATIONAL PROTOCOLS FOR HIGHER EDUCATION APPROVAL PROCESSES | 38 |

OVERVIEW OF THE AUDIT

Background

In August 2005 the Australian Universities Quality Agency (AUQA) appointed an Audit Panel to undertake an audit of the quality assurance systems in place within Western Australia in respect of its higher education approvals and accreditation responsibilities.

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 Western Australia Department of Education Services ('DES' 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 abbreviations and technical terms 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/mceetya/>. 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 14 November 2005 the Department of Education Services presented its submission (Performance Portfolio or Portfolio — quotations from the Portfolio appear with the source page number and are identified as 'PF p') to AUQA, along with 14 Supporting Materials. The Audit Panel met on 6 December 2005 to consider these documents.

The Performance Portfolio was produced by the Directorate of Higher Education and Legislative Review (HED) team within DES. The Portfolio contained the necessary details to understand the operations of DES and the policies and procedures regarding the implementation of the National Protocols. However, for a better appreciation of the adequacy of the legislative framework and the effectiveness of the approval and accreditation procedures, the Panel required additional information. The Audit Panel Chair and the AUQA Audit Director undertook a Preparatory Visit to the Department on 16 January 2006 to clarify the Panel's request for further information and to review arrangements for the Audit Visit.

The Audit Panel undertook three confidential surveys. The first was of higher education providers subject to DES processes. Ten responses were received from the 20 providers surveyed, a response rate of 50 per cent. The second survey was of chairs and members of the Higher Education Advisory Committees (HEACs). Ten responses were received from an invitation list of 21, a response rate of 47 per cent. A third survey was sent to self-accrediting institutions (SAIs) and non self-accrediting institutions (NSAIs) subject to registration in Western Australia on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS). Fifteen responses were received from an invitation list of 21, a response rate of 71 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 DES offices in Perth on 9 and 10 February 2006.

In all, the Audit Panel spoke with more than 30 people during the Audit Visit, including the Principal Policy Officer (Education) to the Western Australia Minister for Education and Training, Departmental officers, chairs and members of the HEACs and higher education providers. Sessions were set aside for any persons involved in or affected by the DES 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 10 February 2006, 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 DES, 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 DES 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 area in need of attention, whether in respect of approach, deployment or results, which in AUQA's view is particularly significant. Where such matters have already been identified by the Department, with adequate evidence, 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 DES to respond in a manner consistent with its own context.

This Audit Report largely follows the structure of the DES Performance Portfolio.

The Audit Panel acknowledges the support of the Department and, in particular, by officers of HED.

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 conclusions of this Report are about the quality assurance systems in place within Western Australia (WA) in respect of its higher education approvals and accreditation responsibilities. They need to be considered in the context of the changes and developments the State has made in its legislative and regulatory framework during the past three years. That is the interim arrangements to regulate non self-accrediting institutions (NSAIs) during 2002–2004, the Higher Education Act (the ‘Act’) that was passed in December 2004 and the Higher Education Regulations (the Regulations) that were put in place only by July 2005. Prior to the passage of the Act there was no legal requirement for the NSAIs to be accredited/authorised in WA and there was limited provision to enforce breaches of the National Protocols. However, the State has had a sound mechanism in place since 1991 to regulate providers offering education programs to international students through its *Education Service Providers (Full Fee Overseas Students) Registration Act 1991* (ESPRA).

This audit took place at a time when national consultations regarding the review of National Protocols were in progress, and Western Australia is an active participant in those discussions. Depending on the national consultations, and the consequent interpretation about the implementation responsibilities of the States, some of the audit conclusions given here may not come within the immediate responsibility of WA. They are discussed here because of their larger implications for quality assurance of the higher education sector in the State and also because WA needs to note them for future development and feed them into higher level discussions to promote national consistency.

After considering all the evidence, the Audit Panel is satisfied that the legislation in place in WA is appropriate to dispense its core regulation of the higher education sector. The manner in which WA managed the transition from an unregulated to a regulated environment to ensure standards of higher education, and the overall rigour in the implementation of the Act and Regulations is noteworthy. In particular, the implementation of the ESPRA and *Education Services for Overseas Students Act 2000* (ESOS) to protect the interests of international students, the conciliation services offered to international students and the manner in which the two directorates of DES—Directorate of Higher Education and Legislative Review (HED) and Directorate of Non-Government and International Education (IED)—work together when courses for international students are involved, are commended. The Audit Panel regards the participation of the State in mutual recognition of course accreditation between States and Territories, and the contribution of the staff to national discussions on National Protocols as significant measures to promote national consistency. The staff of DES are commended for their commitment and professionalism, despite the limited human resources of DES. The important role played by HEAC members in implementing the approval processes and the confidence providers have in the expertise of the HEACs are noted.

DES has identified certain areas that need to be addressed for effective implementation of the National Protocols and the Panel endorses most of them, and includes them as recommendations or affirmations. Areas of improvement include streamlining the annual reporting of providers, reviewing client satisfaction surveys, clarifying timelines associated with the approval and monitoring processes, considering resource requirements, improving the information management system, and revisiting the Regulations and Guidelines to achieve greater consistency between them. To strengthen the existing processes, establishing an overarching standing committee is recommended. Ensuring rigour in the threshold criteria for approvals, phasing out conditions on accreditation and organising sessions for the

HEACs for sharing of experience are also noted as areas for improvement. In addition, the Panel considers that DES, as the body responsible for quality assurance of higher education in Western Australia, should strengthen its own quality assurance and improvement plans and move away from compliance towards continuous quality enhancement in its core functions.

In relation to the National Protocols, the various steps taken by Western Australia indicate a clear commitment to the implementation of the Protocols. The Act and draft ‘Guidelines for Protocol 1’ of WA meet the requirements and intent of Protocol 1 regarding the establishment of a new university. But in relation to protection of the title ‘university’ and to addressing the problem of doubtful and fraudulent providers, DES considers that a more consistent national approach is required. Further discussion with the Department of Education, Science and Training (DEST) about the role of the WA and Commonwealth government, especially regarding the so-called Hutt River Province, and associated website listings is recommended.

DES is yet to receive any applications under Protocol 1 or Protocol 2. The Act and draft Guidelines of Western Australia might meet the requirements and intent of Protocol 2. When an overseas university wishes to operate in Australia, either in its own right or through an agent, using its title and offering its own country of origin awards, WA intends to apply Protocol 2. But for an overseas university wishing to offer Australian awards, DES intends to apply Protocol 1. However, its interpretation of the Protocols would depend on the outcome of the national consultations on the Protocols.

Much of what DES has been doing in terms of higher education approvals come under Protocol 3 and 5 and DES has been implementing these Protocols well. However, to ensure that Regulations and Guidelines cover all key areas and to ensure consistency between them, they need to be revisited.

There are very limited Protocol 4 operations in WA. Most contractual arrangements between a university and an agent involve the provision of courses to international students and hence the parties are subject to the ESPRA and to registration on CRICOS. DES’s approach to Protocol 4 is that in the principal/agent relation between SAIs and NSAIs, the SAIs will be audited by AUQA and therefore need not be directly subject to the Act. If the agent wishes to offer courses in its own right, DES undertakes an accreditation/authorisation process under Protocol 3. The Panel is of the view that as the authority to monitor the higher education providers in WA and to protect students enrolling in the State, DES may consider its role in Protocol 4 more proactively and revisit its approach to dealing with agents who operate in Western Australia.

DES has been implementing Protocol 5 well and is commended for the overall rigour it has ensured in the implementation of ESOS and ESPRA to protect the interests of international students.

AUQA recognises that the details of any action to be taken will depend on the outcome of the national review of the National Protocols and encourages DES to continue its role in the national discussions to promote national consistency in interpreting the Protocols.

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 DES for managing effectively the transition from an unregulated to a regulated environment in ensuring standards of the higher education sector in the State.....11
2. AUQA commends the State for the development of legislation on higher education that supports DES well in carrying out its higher education approvals and accreditation responsibilities in respect of the NSAIs.12

| | | |
|----|---|----|
| 3. | AUQA commends DES for the overall rigour it has ensured in the implementation of ESOS and ESPRA to protect the interests of international students..... | 14 |
| 4. | AUQA commends DES for the high level of satisfaction it has established among the higher education providers and chairs and members of HEACs with the accreditation and authorisation processes. | 16 |
| 5. | AUQA commends DES for the effectiveness of the joint efforts of its two directorates in the higher education approval processes where international students are involved..... | 17 |
| 6. | AUQA commends DES for the contribution of the Departmental staff to national developments in the implementation and review of the National Protocols..... | 22 |
| 7. | AUQA commends DES for the overall efficiency and responsiveness it has maintained in the Departmental services. | 23 |
| 8. | AUQA commends the participation of DES in mutual recognition processes in course accreditation. | 28 |
| 9. | AUQA commends DES for the effectiveness of the conciliation services it offers to international students. | 31 |

Affirmations

| | | |
|----|---|----|
| 1. | AUQA affirms DES's improvement plan to organise formal 'experience sharing' sessions for HEACs members. | 19 |
| 2. | AUQA affirms the intention of DES to strengthen its client focus by holding regular meetings with targeted client groups on the requirements of higher education approval processes. | 21 |
| 3. | AUQA affirms the intention of DES to improve its process capacity by enhanced website facilities and information access, enhanced database facilities, and integrated and expanded filing capacity..... | 23 |

Recommendations

| | | |
|----|---|----|
| 1. | AUQA recommends that DES revise the Higher Education Regulations and Higher Education Guidelines with a view to achieving greater consistency between them and broader coverage of key issues in the accreditation of courses and the authorisation of institutions..... | 13 |
| 2. | AUQA recommends that DES clarify the timelines associated with its approval and monitoring processes and better inform institutions of the application of these timelines. | 16 |
| 3. | AUQA recommends that DES consider the establishment of an overarching standing committee to steer the accreditation/authorisation procedures especially in respect of constituting the HEACs, ensuring consistency in the approvals processes, and advising on related policy developments..... | 19 |
| 4. | AUQA recommends that DES review the application and use of conditions in approvals, with a view to reducing their number. | 19 |
| 5. | AUQA recommends that DES review the annual reporting process with a view to achieving greater consistency in reporting and increased attention to quality assurance outcomes..... | 20 |

6. AUQA recommends that DES review its client satisfaction surveys and realign them to feed into the management strategies for improving client focus.21

7. AUQA recommends that DES develop its own quality assurance and improvement processes and realign its strategies to ensure continuous quality improvement.....22

8. AUQA recommends that DES review its human resource practices and resources in the light of the evidence of pressures on key staff, the importance of staff development opportunities and the need for contingency planning.23

9. AUQA recommends that DES consider establishing a register of panel members approved by the Minister, from which panels may be appointed without further Ministerial approval.....27

1 CONTEXT FOR THE AUDIT AND THE ROLE OF THE DEPARTMENT

This section of the Report is intended to assist readers to understand the context in which the audit of the Department of Education Services (DES) of Western Australia took place. It provides an outline of the regulatory and operational context within which DES's management of its higher education approvals functions has been considered.

1.1 *Higher Education in Western Australia*

In recent decades, higher education in Western Australia has seen many significant changes. From one self-accrediting institution (SAI) with 3500 students in 1961, Western Australia now has five SAIs (The University of Western Australia, Curtin University of Technology, Murdoch University, Edith Cowan University and The University of Notre Dame Australia), all based in the Perth metropolitan area. Each is established under its own Act. Between 1961 and 2003, the population in Western Australia more than doubled while the student enrolment into SAIs increased twenty three-fold.

At the time of audit, there were 23 non self-accrediting institutions (NSAIs) on the WA Higher Education Provider Register authorised to offer 85 accredited higher education courses in WA and six applications were being assessed. The NSAI sector in WA is increasing both in the number of institutions and also in the range and scope of its offerings.

Both SAIs and NSAIs are active in attracting international students. Reported international student enrolments are 20,245 in 2004, with an offshore enrolment of 8939 (PF p2) which has implications for regulating the institutions that offer courses for international students.

Other significant developments include changes in funding of higher education institutions, growth of the vocational education and training (VET) sector, increasing interest in the technical and further education (TAFE) sector to offer higher education programs and increase in dual sector institutions. These developments have implications for the regulatory functions of the State towards quality assurance of its higher education sector.

1.2 *Legislative Framework for Higher Education Approvals Functions in Western Australia*

In Western Australia, there are two separate pieces of legislation that apply to higher education approval processes and the National Protocols. They are:

- *Education Service Providers (Full Fee Overseas Students) Registration Act 1991*
- *Higher Education Act 2004* (the 'Act')

The Minister responsible for administering them is the Minister for Education and Training. The Department of Education Services administers the above-mentioned Acts of Parliament on behalf of the Minister.

1.3 *Department of Education Services, Western Australia*

The Department of Education Services was established in July 1996 under Section 35 of the *Public Sector Management Act 1994* as a department of the Public Service. The Department was formed by amalgamating the Education Policy and Coordination Bureau, the Western Australian Office of Non-Government Education, and the Country High School Hostels

Authority. The responsibility for administering the *Education Service Providers (Full Fee Overseas Students) Registration Act 1991* was also transferred to DES. DES focuses on all aspects of education outside the operation of government schools and VET colleges (PF p3).

The stated role of DES (PF p4) is to contribute to the development of education in Western Australia by:

- providing objective and independent advice to the Minister for Education and Training;
- planning and managing cross-sectoral initiatives aimed at improving the delivery of education, and
- delivering specific education services.

Appendix A provides additional information on DES.

DES carries out its functions through two operational directorates: Directorate of Higher Education and Legislative Review; and Directorate of Non-Government and International Education.

1.4 Directorate of Higher Education and Legislative Review

Staff of the Directorate of Higher Education and Legislative Review (HED) manage implementation procedures for the *Higher Education Act 2004* and the National Protocols. They support the Higher Education Advisory Committees (HEACs) that make recommendations on higher education approvals. They provide advice to potential higher education providers and monitor the progress of registered providers. Monitoring unaccredited providers operating in higher education, liaising with relevant Government and industry bodies, representing the Government on committees and policy forums, and maintaining the document and information management systems for higher education approvals are also responsibilities of HED.

1.5 Directorate of Non-Government and International Education

There are two divisions in the Directorate of Non-Government and International Education (IED), the one for non-government education and the other for international education. Staff of the non-government division deal with non-government schools and they do not have responsibilities in higher education. Staff of the international education division are primarily responsible for registration processes under the *Education Service Providers (Full Fee Overseas Students) Registration Act 1991* that applies to all sectors of education, and the Portfolio lists the following as their responsibilities (PF p7):

- Managing the review of policies and procedures for the registration of providers of education services for overseas students and the monitoring of registered providers.
- Representing the Government on committees and policy forums, at national and State level, and other key industry policy groups.
- Reviewing accreditation requirements and liaising with relevant authorities to ensure that quality assurance mechanisms are consistent with industry trends.
- Mediating and conciliating with students, institutions and other bodies on grievances, student support services, and other relevant matters.

In carrying out the higher education approval processes the two directorates, HED and IED, cooperate with each other wherever possible.

1.6 *Context for the Audit*

1.6.1 National Context

The national consultation on revising the National Protocols that has been going on for more than two years is a significant part of the national context for this audit. In December 2003 the Department of Education, Science and Training (DEST) initiated a consultancy on the National Protocols which resulted in the report *Further Development of the National Protocols for Higher Education Approvals Processes* by Professors Gus Guthrie, Sue Johnston and Roger King in the late 2004. 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 that, discussions at the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) meeting of 17 November 2005 led to an agreement that the nine Australian jurisdictions would commence work on revisions to the Protocols. This has implications for the operations of DES.

In addition, an evaluation of the Education Services for Overseas Students (ESOS) Act was undertaken by DEST in 2004. 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 outcome of the consultation will be relevant to the operations of the division of international education in DES.

Another significant development at the national level is the offering of FEE-HELP loans to students of NSAI. The Commonwealth's *Higher Education Support Act 2003* allows 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 awareness of quality assurance issues among NSAIs, and many of them are participating in discussions on developing quality audit models. One of the options currently being explored is an integrated model for quality audit and re-registration. Soon NSAIs that would like to qualify for FEE-HELP will make submissions for one or the other forms of quality audit.

These developments are likely to influence the implementation of recommendations in this Audit Report.

1.6.2 State Context

An important goal for the Western Australian Government is to enhance the quality of life and wellbeing of all people throughout Western Australia. To realise this goal, Western Australia has identified 'having a world-class education system' as an important strategic outcome (PF p3). The State has initiated various measures towards this outcome.

The State passed the Higher Education Act in December 2004 to ensure standards of the higher education sector and to provide for the formal accreditation and registration of non-university higher education institutions providing education services to local and full fee-paying overseas students. The associated Higher Education Regulations came into effect on 26 July 2005.

The legislation does not apply directly to recognised Australian universities that are self-accrediting institutions established under State, Territory or Commonwealth Acts. Until the Act was passed, there was no legal requirement for NSAIs to be accredited/authorised in WA. There

was only limited provision to take action on breaches of the National Protocols. There were however requirements under ESPRA in relation to the provision of courses to international students. Further, until the Regulations came into effect DES could not charge fees for accreditation/authorisation or other approval services. With the passing of the Act and the associated guidelines, Western Australia is trying to bring all higher education providers under its regulatory framework and to a large extent has been successful in this effort. The Portfolio mentions a few doubtful providers and unaccredited providers that operate in the State and DES is taking steps to deal with the matter.

1.6.3 Departmental Context

The Portfolio states that DES's mission is to contribute to the strategic outcome of the State (achievement of a world-class education system) aided by the "regulation and development, as appropriate, of higher education, non-government education, and international education". Thus, DES takes the prime responsibility to provide the appropriate "planning, regulatory and funding services" to the educational institutions and providers who operate in Western Australia (PF p3).

The Western Australian Training and Accreditation Council (TAC) with 17 staff is in the process of amalgamating with DES. HED staff see the merger as an opportunity for sharing resources and expertise. It might lead to synergies between VET, HED and IED. At the same time, it will result in an increase in the number of providers to monitor. DES is aware that as the number of education providers under its purview increases, resource requirements will also mount. In addition, with more TAFE institutions moving into higher education, DES recognises the need for promoting information flow between the various sectors of education and this also has implications for its strategic planning.

Overall, the audit was conducted in the context of significant developments and change in regulatory frameworks at all levels — national, State and the Department. The audit conclusions were developed against this context.

2 LEGISLATIVE AND REGULATORY FRAMEWORK

This section considers general issues surrounding the adequacy of the regulatory framework in Western Australia for implementing the National Protocols, including the ways in which potential breaches of legislation are handled within the Department.

2.1 *Commitment to National Protocols*

Western Australia is a signatory to the multilateral intergovernmental agreement to implement the National Protocols. The *National Protocols for Higher Education Approval Processes* were recommended by the Joint Committee on Higher Education and approved by the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) on 31 March 2000. All States and Territories agreed to implement the National Protocols as soon as possible and no later than 30 June 2001.

Subsequent to this agreement, on 17 September 2001 the Western Australian Cabinet approved the drafting of legislation to implement the National Protocols in WA. The various steps taken by WA, following the Cabinet approval, indicate a clear commitment to the implementation of the National Protocols. Details are given in the subsections below.

2.2 *Interim Arrangements*

When Western Australia agreed to implement the National Protocols, there was no legal requirement for higher education providers to be accredited/authorised in WA. Providers were operating a range of higher education courses with no external quality control. To address this issue, during the period when the Higher Education Act was being drafted, DES developed the Interim Arrangements, adapting the Queensland model of operation.

DES recognised that adapting the Queensland model was not necessarily the ideal situation but given the limited time and resources available to the Department a start had to be made and drawing on the other States was seen as a viable option. The Panel regards this as an appropriate strategy.

The interim arrangements were approved by the Minister for Education and Training in August 2002 and were in place until the new system was established. The Panel noted that, during 2002–2004, DES effectively managed its responsibilities under the interim arrangements. These interim arrangements helped DES to create a positive environment in WA for quality control leading to the maintenance of appropriate standards in the higher education sector.

After the enactment of the *Higher Education Act 2004*, the transition from the interim arrangements to the new system was done systematically. The interim arrangements enabled the Minister to deem that the courses/institutions approved under the interim arrangements be deemed to be accredited/authorised under the new Act. The Panel formed the view that DES has successfully managed the interim arrangements and the transition from an unregulated to regulated environment of quality control.

Commendation 1

AUQA commends DES for managing effectively the transition from an unregulated to a regulated environment in ensuring standards of the higher education sector in the State.

2.3 Higher Education Act 2004

The Higher Education Bill 2003 was introduced in the Legislative Assembly on 6 May 2003 and passed the House on 17 June 2003. The Bill passed all stages on 26 November 2004 and the State *Higher Education Act 2004* came into operation on 8 December 2004.

The *Higher Education Act 2004* is “to provide for recognition of Australian and overseas universities, authorisation of other higher education institutions and accreditation of higher education courses, and for related purposes” (The Act, p1). The four key elements of the Act are:

- (i) Protection of the title ‘university’.
- (ii) Establishment and recognition of universities in WA.
- (iii) Approval of overseas universities seeking to operate in WA.
- (iv) Accreditation and authorisation of non-university higher education courses/institutions.

With the passage of this Act, DES now has an effective legislative framework for implementing quality assurance. WA has not received any formal application so far under (ii) or (iii) above. The Panel could see evidence that in relation to (iv), the Act provides appropriate support to DES to carry out its accreditation and authorisation processes of the non self-accrediting institutions. DES has ensured that NSAI's comply with WA regulations and a few unauthorised providers who are yet to fall in line with the legislative requirements are being dealt with. More details about the accreditation and authorisation processes are given in section 3.

Commendation 2

AUQA commends the State for the development of legislation on higher education that supports DES well in carrying out its higher education approvals and accreditation responsibilities in respect of the NSAI's.

The legislation does not apply directly to recognised Australian universities established under State, Territory or Commonwealth Acts. The Act prescribes that “A higher education course provided by a recognised Australian university is accredited for the purposes of this Act” (the Act, section 16, p10). Consequently there are no restrictions on the interstate universities that operate in Western Australia. In circumstances where a WA provider wishes to offer a course that is owned by a recognised Australian university, no application for course accreditation is required. This raises issues related to the implementation of Protocol 4 that involves delivery arrangements involving other organisations. Those details are discussed in section 4.

2.4 Higher Education Regulations 2005 and Associated Guidelines

The *Higher Education Regulations 2005* (‘the Regulations’) and the associated Guidelines came into effect on 26 July 2005. The matters prescribed in the Regulations include:

- fees payable for services provided under the Act: services being provider authorisation, course accreditation and determination for recognition as a university
- information to be included in applications
- the waiver, rebate or refund of fees payable under the Act, and
- penalties not exceeding \$5000 for an offence under the Regulations.

The Panel was advised that the new Guidelines do not differ significantly from the previous version but have been rewritten to include specific requirements of the Act and Regulations, to accommodate the separate functions of accreditation and authorisation and to improve user friendliness. Some of the changes to the Guidelines are:

- the requirement for a ‘fit and proper’ person statement
- financial requirements that can be provided as part of registration on CRICOS
- specific reference to the availability of administrative and support staff
- the requirement for providers to have a ‘quality management system’ in place
- a flowchart of accreditation and authorisation processes
- provision for a ‘modified accreditation assessment’ process—mutual recognition
- the new fee structure
- an application form
- provision for adding a course during the registration period, and
- making specific reference to the existence of a higher education register.

The Panel recognises that the Regulations and Guidelines have come into effect only by the end of July 2005 and that six months is a relatively short period on which to comment on their adequacy. At the time of the audit, the Australian Institute for University Studies offering Diploma of Business Studies and Associate Degree in Commerce was the only provider to have its courses accredited and authorised to operate in WA under the new Guidelines.

The Panel noted some inconsistencies between the Higher Education Regulations and the Higher Education Guidelines in relation to the accreditation of courses and the authorisation of institutions. While the Guidelines are reasonably comprehensive, there appear to be gaps in the Regulations. In Schedule 1 relating to the authorisation of institutions, there is no mention of governance and organisational arrangements, academic oversight, course advisory committees, professional development of staff, student support services, and quality management systems. In Schedule 2 relating to course accreditation, there is no mention of course advisory committees, academic governance, articulation arrangements, and how the course will be evaluated. These inconsistencies and omissions need to be addressed.

Efforts should also be made to ensure consistency in the use of terminology. DES recognises that it has used some of the terms interchangeably, in part because different Acts use different terminology.

Recommendation 1

AUQA recommends that DES revise the Higher Education Regulations and Higher Education Guidelines with a view to achieving greater consistency between them and broader coverage of key issues in the accreditation of courses and the authorisation of institutions.

2.5 Education Service Providers (Full Fee Overseas Students) Registration Act 1991

The *Education Service Providers (Full Fee Overseas Students) Registration Act 1991* (ESPRA) serves to protect the interests of overseas students who study in Western Australia. The State Government introduced ESPRA after the financial failure of two WA institutions in the late 1980s. ESPRA ensures that providers are financially viable and have systems in place to

safeguard students' pre-paid fees. It also provides a quality assurance mechanism to ensure that providers are registered and meet basic standards in relation to student welfare, contractual material, resources and course accreditation. IED within DES has the responsibility to administer ESPRA.

In addition to implementing ESPRA, DES also has delegated responsibility for ensuring that institutions meet the requirements of the Commonwealth *Education Services for Overseas Students 2000 Act* (ESOS) and the associated National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students.

There is some overlap between the ESPRA and ESOS and where this occurs, DES states that the provider must comply with the more stringent requirement. To apply for both ESPRA and ESOS, a provider is required to lodge one application to DES that encompasses both the State and Commonwealth requirements which are outlined in the document *Policy Guidelines: Registration of Providers of Education Services to International Students, 2001*. These guidelines complement the ESPRA and ESOS legislations and are designed to assist providers in preparing applications for registration on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS). Most of the providers surveyed and interviewed commented that the guidelines and procedures are clear and thorough. The Panel formed the view that IED implements the ESOS and ESPRA very effectively.

IED carries out financial assessments to ensure the viability of the providers who offer courses to international students. It helps to detect problems at an early stage, and this has contributed to improved financial stability amongst NSAs. The rigour of this assessment is commendable.

The Department has a SAI audit program to improve ESOS compliance. At the time of the AUQA Audit Visit, Edith Cowan University, Curtin University of Technology, Murdoch University and The University of Western Australia had been audited and the audit of The University of Notre Dame Australia was scheduled for April 2006. The Panel considers these initiatives significant in improving quality assurance of programs offered to international students.

Commendation 3

AUQA commends DES for the overall rigour it has ensured in the implementation of ESOS and ESPRA to protect the interests of international students.

3 QUALITY ASSURANCE WITHIN DES

3.1 *Quality Objectives and Strategies of DES*

The Department of Education Services in its Portfolio submission states that its prime objective over the past three years has been to develop the legislative framework for the implementation of the National Protocols in WA. In the Higher Education Guidelines of WA, the purpose of State accreditation of higher education courses and authorisation to provide higher education courses is to:

- protect the standing of higher education awards in Western Australia
- assure students, the general public, the education community, government, and other agencies that the courses accredited are appropriate to the awards conferred, and
- ensure comparability of awards in higher education and facilitate national recognition of awards.

The Panel investigated the processes and procedures of DES towards achieving the above-mentioned purpose and evaluated how well DES ensures quality in those processes and procedures. The audit conclusions related to quality assurance within DES are given in the following sections.

3.2 *Accreditation and Authorisation*

3.2.1 The Processes

The Act stipulates that the Minister may authorise a non-university institution to provide a higher education course if satisfied that:

- (a) the governance, financial resources, facilities, staffing and student services of the institution are or will be appropriate to the provision of the course, and
- (b) the institution otherwise meets the criteria set out in the National Protocols in relation to non-university institutions (The Act, Item 14, p9).

The Act also states that when deciding whether to authorise a provider, the Minister must have regard to the report of the HEAC appointed to consider the matter. DES assists the Minister in the administration of the Act.

DES staff undertake a preliminary investigation of the application to ensure that the required information is available to allow formal consideration by a HEAC. An application is normally referred to a HEAC chair for preliminary academic advice. This process is designed to save time and cost and to help streamline the accreditation processes. Following an initial assessment of an application for accreditation and authorisation, DES recommends to the Minister the composition of a HEAC and provides executive support to that committee.

The Act provides for accreditation/authorisation for a period of five years only. The processes for accrediting a course and authorising an institution to offer that course may be carried out jointly or separately. In particular, where a course is deemed to be accredited under either mutual recognition or concurrent accreditation, WA undertakes only an authorisation process, although this does include a HEAC site visit.

3.2.2 Rigour of the Process and Provider Satisfaction

The majority of providers surveyed and interviewed expressed their confidence in the services of DES. Most commented on the professionalism of the process. The chairs and members of the HEACs surveyed and interviewed confirmed that the process was rigorous and helpful to providers. The client satisfaction survey conducted by DES also indicated similar results. The Panel was convinced that DES was discharging its accreditation and authorisation responsibilities to the satisfaction of the higher education providers of Western Australia.

Commendation 4

AUQA commends DES for the high level of satisfaction it has established among the higher education providers and chairs and members of HEACs with the accreditation and authorisation processes.

3.2.3 Timelines

The Higher Education Policy Guidelines state that applications for accreditation and authorisation can be made at any time and that, as a general rule, providers should allow at least six months for the result. The guidelines also recognise that the time taken by DES to complete the assessment of an application is subject to a number of factors and may vary considerably depending on the quality, complexity and completeness of the application, degree of follow up required of outstanding matters, and availability of suitable persons to sit on the HEAC.

DES maintains a tracking record on all applications to ensure that it stays within suggested timeframes. However, some of the higher education providers surveyed and interviewed identified delays they experienced in the approval processes. The Panel acknowledges that some of the factors causing delays may be beyond the control of DES, such as the providers taking considerable time to respond to information requests and the Minister taking time to approve the HEAC.

Based on a review of processes, DES has identified the need to stipulate time limits on responses to requests for further information, with applications lapsing if information is not provided reasonably expeditiously. The Panel endorses this plan and suggests that DES develop clear timelines for each stage indicating how long each stage might take and what happens when timelines are not met by the party concerned.

Recommendation 2

AUQA recommends that DES clarify the timelines associated with its approval and monitoring processes and better inform institutions of the application of these timelines.

3.2.4 Areas of Overlaps

In carrying out the accreditation and authorisation processes, the two directorates of DES deal with some overlapping areas of operation. As described in sections 1.4 and 1.5, the two directorates of DES — HED and IED — have the responsibility to implement the Protocols, and IED takes particular responsibility for ESPRA/ESOS to protect the interests of international students. The Panel found a good level of cooperation between the two directorates especially when they deal with providers who offer programs to international students. The Performance Portfolio (PF p23) outlines the collaborative approach taken by HED and IED under their

respective Acts. Essentially, providers may apply concurrently for approval under the *Higher Education Act 2004* (administered by HED) and the ESPRA/ESOS (administered by IED). DES ensures that areas of overlap are identified and addressed by officers at the Departmental level.

The Panel noted that financial viability review is a significant area where the two directorates work jointly. A confidential financial viability review is undertaken by DES to demonstrate that an applicant's fiscal resources are adequate to protect students' investment in their education and to engender confidence that it will be possible to maintain an appropriate standard in the courses for the period of accreditation/registration. If the applicant is also registered on CRICOS, or intends to seek registration, the financial assessment of the applicant is undertaken to meet both the ESOS/CRICOS and higher education accreditation requirements.

There is a collaborative model between the two directorates. Officers of the respective directorates exchange information and joint meetings are held with provider applicants to provide general advice on how to apply. The Chief Executive Officer acts as a single reference point for formal communication with providers, with both directorates involved in the drafting of correspondence.

Many providers who offer courses to international students commented that they find this approach very helpful. The documentation provided by DES supports this practice. Secondment of one of the staff of IED to HED to assist in developing new procedures is yet further evidence of this growing interaction between the two directorates and the Panel commends DES for this collaborative approach.

Commendation 5

AUQA commends DES for the effectiveness of the joint efforts of its two directorates in the higher education approval processes where international students are involved.

3.3 *Quality in Accreditation and Authorisation*

As described in section 3.2, the Act states that when deciding whether to authorise a provider, the Minister must have regard to the report of the HEAC appointed to consider the matter. HEACs clearly and appropriately have a key role in ensuring the quality of the higher education approval processes of WA.

3.3.1 Identifying HEAC Members

DES has developed a pool of experts from which it draws HEAC chairs and members. In addition to seeking advice from HEACs chairs on potential members and directly contacting academics and individuals with specific backgrounds, DES has identified potential members by writing to all universities seeking expressions of interest to participate in State quality processes. The pool consists predominantly of academics from Western Australia. Although DES indicates that members from other States and Territories would be considered where there is specific expertise or independence of views required, it is yet to be put into practice. The Panel encourages the use of interstate members where appropriate.

DES recognises that the increasing demand from NSAI for accreditation and approval services will mean that a wider expert pool of HEAC chairs and panel members needs to be developed. Under the plans for improvements the Portfolio mentions that WA universities will be

reapproached to identify additional members. DES is also considering involving more practitioners and representatives of professional bodies in its accreditation/authorisation processes.

3.3.2 Composition of HEACs

The composition of a HEAC is tentatively identified by DES from the pool of experts and based on the initial assessment of an application for accreditation and authorisation. Applicants are given the opportunity to discuss the composition of the HEAC and their views are given consideration. A recommended committee is decided by DES in conjunction with the chair and put to the Minister for approval.

HEAC membership is developed giving consideration to gender balance, specific discipline expertise, university balance and representatives with key expertise such as from professional bodies. During the interview with the higher education providers, and as indicated in the survey of the providers, the Panel found that there was an overall endorsement of this approach to panel composition. The majority of the providers surveyed and interviewed expressed their confidence in the expertise of the HEACs and the professionalism and thoroughness of the HEAC assessments.

HEAC members sign a statement in relation to conflict of interest prior to receiving any documentation. The Panel did not find any issue of concern regarding conflict of interest.

3.3.3 Briefing to HEACs

DES sends information on the accreditation and authorisation processes, the duties of the chair and committee members and a checklist of questions to each member. The Panel was informed that further advice is given to committee members in initial discussions with HED staff and in preliminary meetings of the HEACs. During the interviews with the HEAC chairs and members, the Panel formed the view that the briefings were helpful to the HEACs.

3.3.4 Consistency among HEACs

DES claims that it ensures consistency between the HEACs by the provision of standard information and advice to HEACs prior to and during their operation. DES staff support and attend all HEAC meetings and work with experienced chairs to ensure consistency. Information provided to the Panel by DES indicates that, to date the same DES staff have been present at all the preliminary HEAC meetings and site visits, and DES believes that this provides continuity. DES is of the view that using a limited number of chairs who have had responsibilities for a number of committees, often dealing with similar fields, have helped promote consistency between committees.

In finalising a HEAC report to the Minister, DES pays attention to ensuring as far as possible that recommendations and any conditions are consistent across the operations of DES. It also relies on a consistent format for reporting and internal checks to promote quality control.

While the Panel regards all these efforts as safeguards to promote consistency, it is of the view that DES should consider more formal strategies to enhance the common understanding of the HEACs. Experience sharing sessions for the HEAC chairs and members would contribute to promoting consistency in the way different panels apply standards and conditions. The improvement plans of DES include formal sessions and training for the HEACs, and the Panel endorses this plan.

Affirmation 1

AUQA affirms DES's improvement plan to organise formal 'experience sharing' sessions for HEACs members.

3.3.5 Standing Committee

DES indicates in its improvement plan that consideration is being given to establishing a standing committee or appointing a senior academic as a part-time standing chair to provide advice on applications and the formation of individual HEACs. While endorsing this consideration for a standing committee, the Panel sees a greater role for the committee. The standing committee would be able to provide the expert forum to ensure that the approval processes are adequate and appropriate. It would be able to review all applications, reports of HEACs, and annual institutional reports to promote consistency of content and standards. It could be delegated to establish the individual HEACs. It could also identify and advise on the policy implications of its experience with these activities. There are States that have established such overarching committees and they are found to be of value in these respects.

Recommendation 3

AUQA recommends that DES consider the establishment of an overarching standing committee to steer the accreditation/authorisation procedures especially in respect of constituting the HEACs, ensuring consistency in the approvals processes, and advising on related policy developments.

3.3.6 Accreditation with Conditions

The Act allows the Minister to make accreditation subject to conditions and to revoke accreditation for non-compliance. The Audit Panel noted that many courses have been accredited with a number of conditions placed on the accreditation. The Panel felt some concern that this practice might result in the approval of some applications which could pose a risk to standards. During the Audit Visit, the Panel was advised that the imposition of conditions is not used by DES as a means of pushing sub-standard institutions or courses over the threshold of accreditation/authorisation but that DES uses conditions for quality improvement. The Panel also learnt that the HEACs would not recommend approval if threshold standards were not met by the applicants.

Noting that DES has only recently implemented the new system of accreditation/authorisation, the Panel recognises that conditions might be useful in the transitional phase. However, if there is a lack of clarity on the rules for conditions, it might result in blurring of what constitutes 'low standards' and what are 'threshold standards'. In view of these considerations, the Panel recommends that DES review the use of conditions as a routine feature and also inform the HEACs about its policy on the use of such conditions. The Panel's view is that DES should aim to move towards having tighter controls with fewer conditions. However, the Panel recognises that it will be appropriate for DES to apply conditions in special circumstances.

Recommendation 4

AUQA recommends that DES review the application and use of conditions in approvals, with a view to reducing their number.

3.3.7 Monitoring Conditions

The accreditation/authorisation conditions imposed are contained on a providers' register in the database and are monitored. These conditions are dated and reminders are emailed automatically to the HED staff for follow up. Conditions relating to CRICOS registration are emailed to the IED staff concerned. A manual tracking sheet is also maintained and a summary sheet is attached to the front cover of each provider's departmental file.

Generally, accreditation/authorisation with conditions involves a review of identified elements after one year's operation. The HEAC chairs are involved wherever necessary in reviewing the compliance. The Panel was informed that many of the conditions are about administrative arrangements which are monitored by the HED staff, and on issues of academic nature the HEAC chairs are involved. The Panel believes that conditions must be addressed rigorously in order to minimise risks.

The Panel was informed that several providers such as the Australian College of Natural Medicine, Tabor College and Australia Perth Commercial College would soon be revisited as a condition of their authorisation and that the chair of the relevant HEAC would be included in these visits in the first instance. The Panel is of the view that some conditions may prove to be hard to monitor and may cause additional workload and therefore consideration should be given to phasing out conditions or to DES providing additional resources to support the function more adequately.

Annual Reporting is a standing condition of all higher education accreditation/authorisation processes. DES requires all registered providers to submit an annual return for which a pro forma is provided. The pro forma seeks information on the compliance with any conditions imposed, details on enrolments, staffing and general information on the progress of the course(s). After examining a sample of annual reports and investigating the perception of the providers about annual reporting, the Panel is of the view that the present form needs improvements to enhance the quality of data provided by the providers. The pro forma should be redesigned to better elicit adequate information to demonstrate how well the conditions are met.

The improvement plan of DES acknowledges that annual reporting and data collection needs to be extended with a greater emphasis on outputs and evaluation and the Panel endorses this plan. The review may take account of the reporting requirements of both the higher education and international education divisions and the work of the Higher Education Recognition Officers (HEROs) on achieving greater national consistency in reporting.

Recommendation 5

AUQA recommends that DES review the annual reporting process with a view to achieving greater consistency in reporting and increased attention to quality assurance outcomes.

3.4 *Communication with Clients*

DES organises meetings with key client groups such as the VET sector and TAFE colleges which are contemplating offering higher education courses in niche areas. It provides advice to applicants and existing providers on provider requirements. The majority of the providers surveyed and interviewed expressed their appreciation for the advice provided by DES and wished to have more interaction. DES recognises that its interaction with the client groups needs further strengthening. The improvement plan notes regular presentations to targeted client

groups on the requirements of higher education approval processes as an area for attention. The Panel endorses this plan. This is essential in a climate of change and development.

Affirmation 2

AUQA affirms the intention of DES to strengthen its client focus by holding regular meetings with targeted client groups on the requirements of higher education approval processes.

DES conducts client satisfaction surveys, to meet the compliance requirement by the Auditor-General, covering aspects such as quality of service provided, level of consultation, level of professional conduct and ethical behaviour, and timelines. The overall feedback from the clients has been positive. The Panel was advised that dissatisfaction had been expressed mostly by the providers with whom DES had to be tough to ensure standards. However, the responses under the 'not applicable' category in the survey questionnaire indicates that the questions may need more customisation to suit the different respondent groups.

When the Panel raised the issue of the effectiveness of the surveys and the use of the survey results, DES indicated that the survey questionnaire was not specifically designed to focus on services provided by DES on higher education. It was a generic survey, very rudimentary and rarely used by management. The Panel is of the view that, if done well, the results of the surveys could be very useful for trend analysis and to plan continuous quality improvement of services provided by DES. The Panel recommends that DES review its survey to inform its management and quality assurance strategies. This will also assist with the improvement processes in client relations.

Recommendation 6

AUQA recommends that DES review its client satisfaction surveys and realign them to feed into the management strategies for improving client focus.

3.5 *Enhancement of Quality*

DES considers that the advice of HEACs to providers, conditions attached to the accreditation approvals, monitoring of conditions by DES, annual reporting of the providers to DES and monitoring unaccredited providers all contribute to quality enhancement in the State. The Portfolio presents the following as specific examples of quality enhancement (PF p14):

- A HEAC commissioning additional evaluations where specific expertise or input was required.
- Seeking independent input in course evaluation from experts outside the State.
- Arranging for a HEAC member to undertake site visits of an applicant's campuses in other states.
- Site visits which have provided significant advice on clinical facilities and practical elements of the course.
- Seeking input from library experts with a view to improving guidelines for library facilities and arrangements for private providers.
- Making conditions regarding enhanced library facilities, linkages to universities, access and reviews of staffing, library and general facilities.

- Making conditions on implementation of a specific staffing policy on appointments and professional development activities.
- Requiring student progression and graduation rates to be monitored and reviewed.

These efforts contribute to quality enhancement, and could be built on in a continuous and more structured way. Most of the efforts cited by DES are part of its core responsibility towards ensuring compliance.

However, the Panel's analysis of DES's internal quality assurance processes revealed a lack of clarity. The Panel considers that DES, as the body responsible for quality assurance of higher education in Western Australia, should strengthen its own quality assurance and improvement plans with a view to maintaining continuous quality enhancement across its core functions.

Recommendation 7

AUQA recommends that DES develop its own quality assurance and improvement processes and realign its strategies to ensure continuous quality improvement.

3.6 *Operational and Policy Linkages*

The Panel noted that DES has a range of operational and policy linkages including information exchange with other States and Territories. DES staff have membership in the HEROs group and the Joint Committee on Higher Education. They have contributed to national policy developments including the development of the National Protocols, the ESOS and CRICOS. Staff are involved in the ongoing discussions on the revisions to National Protocols. The Panel recognises that the departmental staff are active in national policy developments in higher education and in the implementation of the National Protocols.

Commendation 6

AUQA commends DES for the contribution of the Departmental staff to national developments in the implementation and review of the National Protocols.

3.7 *Information Management and Documentation*

The growing higher education sector requires DES to pay attention to enhancing its process capacity. With limited human resource, this very much depends on the effective use of information technology to support core functions. The Panel investigated how well the current information management systems of DES support its higher education approval processes and monitoring responsibilities.

The Panel examined the different data management practices of DES and formed the view that the data management system needs improvement. The present form of data handling is mostly manual. The electronic database that is in use and shared by the two directorates of DES is more a storage vehicle and requires much manual work. The website does not provide for on-line information access to providers, and needs improvement.

The apparent duplication of documentation is also in need of attention. Some amount of duplication of records between directorates and between electronic and hardcopy versions might

be unavoidable. But there is scope for revisiting how to integrate the data management systems more effectively. DES has identified these areas for further improvement and some amount of updating and integration is already in progress, though not across the board. The whole information management system — website and database — requires IT consultants if it is to support the operations of DES effectively.

Affirmation 3

AUQA affirms the intention of DES to improve its process capacity by enhanced website facilities and information access, enhanced database facilities, and integrated and expanded filing capacity.

Related to data management is the issue of security of accreditation documents. The Panel endorses the improvement plans of DES and suggests that action on those plans be expedited.

3.8 Resources

DES has a small team of staff who manage the higher education approval and authorisation functions. The Panel was impressed by the overall efficiency and responsiveness of DES staff. Interviews with providers confirmed the Panel's view that DES staff have been approachable and supportive.

Although the accreditation decisions or recommendations to the Minister are made by the HEACs and not by DES, the DES staff who join the HEACs play a key supportive role in terms of the logistics of meetings and the site visit; procedural advice, both during and outside meetings; and provision of assessment material, agenda, and meeting reports including the final report. The HEACs chairs and members surveyed and interviewed commented very positively on the efficiency and professionalism of DES staff.

Commendation 7

AUQA commends DES for the overall efficiency and responsiveness it has maintained in the Departmental services.

The Panel was informed that two-to-three DES staff might join HEAC meetings. While this seems to have contributed to ensuring consistency in the accreditation decisions of the HEACs, the Panel also notes that this can place heavy demand on the limited staff strength of DES, especially as the number of accreditations and authorisations to be handled increases. The Panel was advised that the staffing and resource issues will be influenced by policy and organisational decisions such as the amalgamation of the Western Australian Training and Accreditation Council (TAC) and DES. While considering the resource implications, it is important that DES note the need for staff development and contingency planning.

Recommendation 8

AUQA recommends that DES review its human resource practices and resources in the light of the evidence of pressures on key staff, the importance of staff development opportunities and the need for contingency planning.

4 IMPLEMENTATION OF HIGHER EDUCATION APPROVAL PROCESSES

The Audit Panel investigated the extent to which DES has put in place arrangements for effective management of its responsibilities for each of the National Protocols, taking into account the legislative framework of Western Australia discussed in section 2. The Panel's observations and conclusions are given in the following subsections.

4.1 *National Protocol 1: Criteria and Processes for Recognition of Universities*

4.1.1 Protection of the term 'University' in Western Australia

National Protocol 1 requires all Australian jurisdictions to "provide for the protection of the title 'university' under the procedures established for the protection of names in business names and associations legislation" (section 1.5, p6).

In Western Australia the word 'university' is protected under the *Business Names Act 1962*. Under that Act the Commissioner of Fair Trading shall not, except with the consent of the Minister administering the Act, accept for registration any business names containing words or phrases or abbreviations of like meaning including 'College of Advanced Education', 'Institute of Advanced Education' and 'University'.

Under a protocol with the Department of Consumer and Employment Protection, consistent with the National Protocols, applications for Ministerial consent for the use of the word 'university' in a business name where the nature of business is associated with education, require written approval from the HED to use the word 'university'. Applicants for business names are advised accordingly.

4.1.2 Protection of the term 'University' in the *Higher Education Act 2004*

In addition to protection under the *Business Names Act 1962*, the Act provides for the protection of the title 'university' and a penalty for breaches of the legislation is stipulated. Under 'Protection of titles and awards' of the Act (The Act, section 6, p5) an education institution or an agent of an education institution must not, by use of the title 'university' or in any other way, represent that the education institution is a university or part of a university unless it is:

- a recognised university; or
- a recognised overseas university.

Exception is made for certain prescribed organisations such as the University of the Third Age (U3A). Breaches of the Act are monitored and followed up by the HED.

4.1.3 Establishment of an Australian University in Western Australia

National Protocol 1 requires that establishment or recognition as a university in Australia should only occur by the mechanism of a legislative instrument, either by a separate act, or by a regulation or order made under an Act. The enactment should be subject to scrutiny by the relevant Australian parliament. It also lists the criteria to be considered and process to be followed in the establishment or recognition of a university.

In Western Australia, the *Higher Education Act 2004* incorporates nationally agreed criteria for establishing an Australian university and a procedure for an application for Australian university status to be investigated. A proposed university can be investigated but cannot be established under the Act. The establishment of a new university in Western Australia requires an additional stage that would include being established under either an individual or generic Act of the State Parliament. A determination made by the Minister for Education and Training in regard to an application for Australian university status, following an investigation by an expert national panel, would only indicate that an applicant meets or may meet the criteria for university status. The determination of the Minister must be laid before each House of Parliament.

The Portfolio recognises that the Act may need to be amended in the light of national developments and changes to the National Protocols emerging from the Guthrie Review (Guthrie, Johnston and King (2004)) and the MCEETYA discussions of 17 November 2005 on the future of the National Protocols.

Western Australia has had no formal applications from organisations seeking to become universities under Protocol 1 but has established draft Guidelines based on experience in other jurisdictions. The Panel endorses DES's claim that the Act and draft Guidelines for Protocol 1 meet the requirements and intent of Protocol 1 regarding the establishment of a new university but might need amendment depending on national developments.

The provisions of the Act are adequate to protect the term 'university', although a clearer and more consistent national definition of 'to operate' and 'purporting to operate' might help all Australian jurisdictions to address unauthorised providers and to better protect the term 'university'. The Panel investigated the strategies used by DES to deal with unauthorised providers such as the so-called Pebble Hills University and South Pacific University that use the title 'university' and exist on a website. Both were advertising that they were licensed accredited universities incorporated in the Hutt River area in Australasia. In response to the approach made by DES advising of WA legislative requirements, the providers amended the earlier references to accreditation and license, and changed their contact address to another country, but retained their claim to incorporation in the Hutt River Province. Legal advice by the State Solicitor indicates that since there is no 'whole of government' approach to Hutt River Province, and given the tenuous links to WA, there is little or no chance of a successful prosecution under the Act. The Panel was advised by DES that these providers are not considered as 'universities' in WA and are not 'operating' in WA or controlled under the WA Act. DES has brought this to the attention of the Federal Department of Education, Science and Training (DEST). The Panel supports the approach made by DES and encourages further discussions with DEST about the roles of WA and the Commonwealth governments regarding the so-called Hutt River Province as appropriate.

4.2 *National Protocol 2: Overseas Higher Education Institutions Seeking to Operate in Western Australia*

National Protocol 2 defines an overseas higher education institution as a university or other recognised higher education provider whose legal origin is in a country other than Australia. The Protocol provides the process and criteria for an overseas higher education institution to gain approval to operate in Australia.

The Higher Education Act and the Regulations of Western Australia make provision for an overseas university to gain approval to operate in Western Australia as a university and to have nominated awards accredited. To gain approval to operate, an overseas university would need

to be recognised as a university by the appropriate authority in its country of origin, and meet the criteria for recognition of university standards laid down in the Act.

Consistent with the Act, the Minister must appoint an independent HEAC with appropriate expertise to consider the application for approval to operate as an overseas university in Western Australia. If the Minister makes a determination, a copy of the determination must be laid before each House of Parliament. This is for information only and is not disallowable.

Western Australia has had no formal applications from overseas universities seeking to operate as a recognised overseas university under Protocol 2 but is considering draft Guidelines based on guidelines in other jurisdictions. DES is also considering the interpretations of Protocol 2. The Portfolio explains that when an overseas university wishes to operate in Australia, either in its own right or through an agent, using its title and offering its own country of origin awards, WA would like to apply Protocol 2. But for an overseas university wishing to offer Australian awards, DES would like to apply Protocol 1 (PF p18). DES recognises that this interpretation needs national consistency.

While the Panel endorses the view of DES that the Act and draft Guidelines of Western Australia might meet the requirements and intent of Protocol 2, it encourages DES to continue its role in the national discussions of the review of the National Protocols to promote national consistency in interpreting the Protocols.

4.3 *National Protocol 3: The Accreditation of Higher Education Courses to be offered by Non Self-Accrediting Providers*

Prior to the passage of the Act (December 2004) and associated Regulations, Western Australia operated under Interim Arrangements (August 2002 to July 2005) in relation to Protocol 3. Revised guidelines backed by the legislation, were introduced from 26 July 2005. Until December 2004, there was no legislation to implement the Protocols in WA, apart from the requirements of the *Education Service Providers (Full Fee Overseas Students) Registration Act 1991* (ESPRA) in relation to the provision of courses to international students.

The limitations of the Interim Arrangements were that fees could not be charged, with consequent funding implications for DES and the higher education accreditation processes; and penalties could not apply nor prosecutions be brought against doubtful providers or providers in breach of the requirements of the National Protocols. In the interim period considerable use was made of concurrent accreditation and mutual recognition processes.

4.3.1 Accreditation and Authorisation by DES

Much of what DES has done during the past three years comes under Protocol 3. The overall impression of the Panel is that DES has an appropriate legislative framework in place to implement Protocol 3. The overall rigour of the accreditation and authorisation process, the role of HEAC members in implementing the approval processes and the confidence the providers have in the expertise of the HEACs have been commended in sections 2 and 3. Areas of improvement relevant to Protocol 3 include reviewing the Regulations and Guidelines, streamlining some of the existing procedures, clarifying timelines associated with the approval and monitoring processes, and considering resource requirements. Section 2.4 mentions the inconsistencies between the Regulations and the Guidelines in relation to accreditation and authorisation processes, and recommends that DES revise them. To strengthen the existing processes, establishing an overarching standing committee is recommended.

The Panel is of the view that an overarching committee will, among other things, improve the efficiency and consistency of the accreditation and authorisation processes. For example, the Panel was informed that after the Minister approves a HEAC, if changes are needed to the HEAC composition, once again Ministerial approval is necessary. This process may work well with limited numbers of providers and courses to be authorised and accredited but with an increase in higher education operations in the State this may lead to delays. To address this issue, DES should consider developing a register of members approved by the Minister. The register may need regular updating depending on the type of institutions and courses to be assessed and the corresponding expertise required of HEACs. From the approved register, panels may be constituted by a standing committee with delegated responsibilities.

Recommendation 9

AUQA recommends that DES consider establishing a register of panel members approved by the Minister, from which panels may be appointed without further Ministerial approval.

4.3.2 Concurrent Accreditation

The Panel noted that prior to the passage of the Higher Education Act, Western Australia participated in a number of concurrent accreditation processes and agreed to be bound by the collective view of a joint accreditation panel in regard to accepting the accreditation of specific courses offered by NSAIs. While the courses are deemed to be accredited in WA by the concurrent process, the providers concerned are still subject to a separate registration (authorisation to conduct) process including a site visit and a report to the Minister. WA now intends to replace concurrent accreditation processes by mutual recognition since it finds the concurrent accreditation process very slow and costly. This is consistent with the MCEETYA position.

WA has been involved in the following concurrent accreditations:

- Australian College of Ministries - Sydney College of Divinity
- Australian College of Natural Medicine
- Baptist Theological College - Australian College of Theology
- Chartered Secretaries Australia
- Institute of Chartered Accountants in Australia
- Royal Australian College of General Practitioners
- Securities Institute Education
- Trinity Theological College - Australian College of Theology

4.3.3 Mutual Recognition

The Panel noted that Western Australia is supportive of mutual recognition and has been in the forefront of development of national processes for mutual recognition. Where a course has been accredited in another State or Territory in its own right, the HEAC may seek the Minister's approval to recognise accreditation of that course through 'mutual recognition'. Essentially, this means that the HEAC accepts that the course is of sufficient standard for a higher education course in accordance with the National Protocols and the Australian Qualifications Framework

and that it has been assessed through proper accreditation procedures. However, a local registration process including a site visit would always be conducted.

Western Australia has incorporated the concept of mutual recognition in its Higher Education Guidelines (p14) as a 'modified assessment process'. It has used mutual recognition in the accreditation/authorisation processes of Harvest West Bible College, The College of Law and Tabor College.

Commendation 8

AUQA commends the participation of DES in mutual recognition processes in course accreditation.

4.3.4 Monitoring Unauthorised Providers

There are a few unauthorised providers operating in WA and DES has been monitoring them. DES maintains a database of unaccredited providers with a view to regulating them. Where inaccurate information is provided about their status with DES or about their accreditation or authorisation, DES advises them of their obligation under WA regulations. However, in cases where the physical presence in WA is minimal, effective monitoring of the operations of the unaccredited provider becomes more difficult. The Panel examined the various approaches made by DES to regulate these providers and, in one instance, formed the view that the operations of West Coast Institute of Management and Technology (WCIMT) which has a physical presence with a registered office in Perth, may warrant more attention. WCIMT is an organisation, which was previously accredited by TAC to offer several VET courses and was on CRICOS. Subsequently this accreditation has lapsed and they have been removed from CRICOS. The organisation is not accredited/authorised to offer higher education awards in WA although the WCIMT website is ambiguous on this matter. While there appears to be no further action which can be taken on WCIMT or its operations at this time, the State should continue to closely monitor WCIMT's operations. The question of monitoring and dealing with unauthorised providers is a national matter that should be further addressed by the Joint Committee on Higher Education (JCHE).

4.3.5 Regulation of Offshore Operations

WA considers that the courses offered by Australian universities in offshore locations, either in their own right or via an agent are the responsibility of the university and are subject to audit by AUQA. WA universities operating offshore are outside the WA Act and the ESPRA.

Oversight of courses offered by NSAI's in offshore locations is considered a State role under the Act. Authorisation to conduct a course is approved for a specific campus and a separate authorisation under the Guidelines is required if the provider wishes to offer the course at an offshore location. However, DES is yet to receive an application for the offshore operation of NSAI's of WA and is currently developing guidelines.

With many NSAI's active in attracting international students and expanding their operations across national borders, the Panel is of the view that DES will have to pay close attention to this area and make its roles and responsibilities in offshore educational services clear to its clients.

4.4 *National Protocol 4: Delivery Arrangements Involving Other Organisations*

The Panel noted that prior to the introduction of the Higher Education Act in Western Australia, a Protocol 4 arrangement was considered as an authorisation in relation to the agent only, provided that the principal, as a self-accrediting Australian university, had full ownership and responsibility for the courses' quality control and delivery. Approval for authorisation in WA was based on a HEAC assessment of the facilities, staff and delivery arrangements of the agent. With the introduction of the Act, the operations of recognised Australian universities are specifically excluded. The Panel was advised that DES's approach to Protocol 4 now is that the university will be audited by AUQA and therefore need not be directly subject to the Act. If the agent wishes to offer courses in its own right, DES undertakes an accreditation/authorisation process under Protocol 3.

The Panel was informed that the approach taken to Protocol 4 in WA is also partially determined by the requirements of the ESPRA. Most contractual arrangements between a university and an agent involve the provision of courses to international students and hence the parties are subject to the ESPRA and to registration on CRICOS.

In all principal and agent arrangements, DES reviews the formal agreement between both parties to determine the roles and responsibilities of each and whether the arrangements come within the ambit of the *Higher Education Act 2004*. Where the arrangement is outside the Act the State seeks assurance from the university that it will carry full responsibility for all aspects of the quality control and delivery of the course/s involved in the arrangement.

At the time of the audit the only interstate university with a continuing operation in WA is Southern Cross University with the Australian School of Tourism and Hotel Management. Of the five Protocol 4 approvals handled by the Department, four have since been deregistered. The Panel was informed that in all cases it was a result of organisations terminating their agreements, citing falling student enrolments, and that IED monitored the termination of all these arrangements in regard to student completions as a requirement under ESOS and ESPRA legislation.

After considering all these inputs including the very limited principal/agent arrangements in place, the Panel felt that implementation of Protocol 4 arrangement in WA is not currently at risk. However, considering the future developments, in the event of more principal/agent arrangements likely to operate in WA, DES should consider its interpretation more carefully. Since AUQA audits would happen only once in five years, relying on those audits to monitor the operations in the State may pose risk to the standards of higher education in the State. Protocol 4 also indicates that, in the case of SAIs, although their direct line of accountability is to the State in which they are established, in the event of concerns about quality of delivery, the State where they operate may establish independent reviews. The Panel is of the view that as the authority to monitor the higher education providers in WA, DES may consider its role in Protocol 4 more proactively and revisit its approach to dealing with agents and SAIs who operate in Western Australia. The Panel also recognises that the details of any action to be taken will depend on the outcome of the national review of the National Protocols.

4.5 *National Protocol 5: Endorsement of Courses for Overseas Students*

Western Australia has a separate Act, the ESPRA, which deals with the protection of the interests of overseas students of all sectors. If a provider wishes to register a higher education course on CRICOS the registration process is undertaken by DES under the ESPRA. As part of the registration process, DES ensures that the course is full-time, not offered by distance

education or on-line, that principal/agent arrangements (where they exist) are approved and that there is full compliance with the requirements of CRICOS registration.

4.5.1 NSAs and Protocol 5

The Panel was informed that the vast majority of NSAs wishing to apply for accreditation/authorisation under Protocol 3 also wish to provide courses to international students. In such cases, DES ensures a joint higher education accreditation/authorisation process that includes the requirements of the ESPRA. Officers of IED participate on HEACs to examine proposed higher education courses in terms of compliance under the ESPRA, ESOS and the National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students.

The Panel noted that the HEACs do not endorse specific applications associated with Protocol 5. While the HEAC members look at compliance to Protocol 3, IED staff examine matters and/or seek further information from the provider in relation to the mode of study, whether a course meets the current definition of full time, marketing and promotion, whether there is a work or industry placement component, suitability of the premises, English language entry requirements, Recognition of Prior Learning and where there is a principal/agent agreement, the contract between the parties. The viability aspects and financial safeguards in place in the event of the course ceasing to be offered are also examined. In the case of first time applicants, a more detailed examination by the IED, using the Department's Evidence Guide — Providers of Education Services to International Students, is standard practice. The Panel believes that DES effectively implements Protocol 5 in respect of NSAs.

4.5.2 SAIs and Protocol 5

Self-accrediting universities are not subject directly to accreditation/authorisation processes but they have to demonstrate compliance under ESPRA. An assessment for ESPRA compliance includes at least one inspection of the premises in which the provider offers its courses, or there must be clear evidence that the facilities meet the requirements. In the case of SAIs of Western Australia, by way of exception, DES may accept from the SAI a statement that provision made by it satisfies all of the requirements without an inspection, so long as the provision in question is made solely by that institution and solely in Western Australia.

The Panel was advised that other State and Territory regulatory authorities that have responsibility for ESOS compliance essentially rely on the universities to ensure compliance with overseas student regulatory frameworks. However, as a commitment to improving quality assurance, DES has commenced a program of audits aiming to improve ESOS compliance by SAIs of the State, particularly with respect to the monitoring of academic performance and participation. Edith Cowan University, Curtin University of Technology, Murdoch University and The University of Western Australia have been audited and DES intends to audit The University of Notre Dame Australia by 30 April 2006.

Where there is a principal/agent agreement it is standard procedure for DES to examine the contractual arrangements. The IED examines promotional, marketing and contractual material to ensure that it is clear and unambiguous and identifies the provider legally responsible under the ESOS as distinct from the delivery agent. The principal must clearly identify the use of an agent in marketing and promotional material. The HED considers the contractual arrangement to see whether or not it falls under the Act and whether it needs to be considered for accreditation/authorisation under Protocol 3.

4.5.3 Conciliation Services

An important responsibility of IED listed in the Portfolio (PF p7) is to mediate and conciliate with students, institutions and other bodies on grievances, student support services, and other relevant matters. An independent conciliator attends to these responsibilities. DES's 2004–05 Annual Report states that the independent conciliator addressed 119 incidences of grievance involving full fee-paying overseas students. Approximately 15% of the incidences derived from issues raised within the university sector, 67% in the VET sector, 7% in the school sector and 11% for ELICOS. The issues raised were predominately matters regarding student refunds and the content and standard of service for full fee-paying overseas students.

The providers interviewed and surveyed indicated that the conciliation services of DES are working very well. The Panel commends the Department for the contribution being made by this service.

Commendation 9

AUQA commends DES for the effectiveness of the conciliation services it offers to international students.

Overall, the Panel formed the view that DES has been effectively implementing Protocol 5. Section 2.5 has more details on this, including a commendation for the overall rigour DES has ensured in the implementation of ESOS and ESPRA to protect the interests of international students.

APPENDIX A: WESTERN AUSTRALIA - DEPARTMENT OF EDUCATION SERVICES

The Department of Education Services (DES) was established in July 1996 under Section 35 of the *Western Australian Public Sector Management Act 1994*.

DES's primary scope is all aspects of education outside the operation of government schools and vocational education and training (VET) colleges. In recent years apart from core areas, there has been particular involvement in cross-sectoral initiatives.

DES is responsible for four main functional areas: higher education; non-government schools; vocational education and training accreditation; and international education. A new function, legislative review, was introduced in 2004 to provide support across the Education and Training Portfolio. The Department provides essential planning, regulatory and/or funding services in each of these areas on behalf of the Western Australian State Government.

Two Ministerial advisory councils, the Aboriginal Education and Training Council and the Rural and Remote Education Advisory Council, operate from the Department with executive and other support provided by DES. DES also provides executive support to the Western Australian Higher Education Council.

The Higher Education and Legislative Review directorate leads and coordinates the Department's interface with the higher education sector at state and national levels. The core functions are:

- to advise the Minister for Education and Training on State needs and priorities in higher education and to generate and analyse the information necessary in support of that function, and
- on behalf of the Minister to undertake higher education approval processes under the *Higher Education Act 2004* which implements the *National Protocols for Higher Education Approval Processes* in Western Australia.

DES is responsible for the accreditation and registration of non self-accrediting institutions (NSAIs) to offer higher education awards in WA. At the time of the AUQA audit there were 23 NSAIs on the Western Australian Provider Register authorised to offer 85 accredited higher education courses in WA.

In addition to higher education matters, the Non-Government and International Education directorate of DES is responsible for advising the Minister on granting planning approval to establish new non-government schools; registration and re-registration of schools; and the administration of State Government funding assistance to non-government schools administered on behalf of the Minister for Education and Training under the authority of the *School Education Act 1999*.

The directorate also administers the *Education Service Providers (Full Fee Overseas Students) Registration Act 1991*, under which all providers of education and training services (universities, TAFE institutions, government and non-government schools and other private providers) are registered for enrolment of full-fee international students.

The Department of Education Services has recently assumed responsibility for the Training Accreditation Council (TAC) and supports TAC in administering the relevant sections of the *Vocational Education and Training Act 1996*.

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. John Grant, Visiting Fellow, UNESCO Centre, Australian National University, Canberra, ACT (Chair)

Professor Barbara van Ernst, Deputy Vice-Chancellor, Swinburne University, Hawthorn, Victoria

Professor Phil Meade, (former Deputy Vice-Chancellor - Academic, University of Otago, Dunedin, New Zealand),
Emeritus Professor, Noosaville, Queensland

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

Observer:

Ms. Jane Smith, Director, Private Providers' Team, Quality Branch, DEST, Canberra

APPENDIX D: ABBREVIATIONS AND DEFINITIONS

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

| | |
|-----------------------------------|---|
| Act (the)..... | <i>Higher Education Act 2004</i> |
| AUQA | Australian Universities Quality Agency |
| CRICOS | Commonwealth Register of Institutions and Courses for Overseas Students |
| Department (the) | Department of Education Services |
| DES | Department of Education Services |
| DEST | (Australian) Department of Education, Science and Training |
| ELICOS | English Language Intensive Courses for Overseas Students |
| ESOS | <i>Education Services for Overseas Students Act 2000</i> |
| ESPRA | <i>Education Service Providers (Full Fee Overseas Students) Registration Act 1991</i> |
| FEE-HELP | A system of loans to eligible fee-paying students to assist with tuition fees under the Commonwealth Higher Education Support Act 2003 |
| Guidelines (the)..... | <i>Higher Education Guidelines</i> (July 2005) |
| HED..... | Directorate of Higher Education and Legislative Review |
| HEAC | Higher Education Advisory Committee |
| HEROs | Higher Education Recognition Officers |
| IED | Directorate of Non-Government and International Education |
| MCEETYA..... | Ministerial Council on Education, Employment, Training and Youth Affairs |
| National Protocols/Protocols..... | <i>National Protocols for Higher Education Approval Processes</i> |
| NSAI(s) | non self-accrediting institution(s) |
| PF p | Performance Portfolio page number reference |
| Performance Portfolio/Portfolio | Department of Education Services, Western Australia Performance Portfolio (Self-review) November 2005 |
| Regulations (the) | <i>Higher Education Regulations 2005</i> |
| SAI(s) | self-accrediting institution(s) |
| TAC | Training and Accreditation Council |
| TAFE..... | technical and further education |
| U3A | University of the Third Age (a self-funded, voluntary organisation formed in 1990 to provide lecture courses to its members, who are over age 50) |
| VET | vocational education and training |
| WA | Western Australia |
| WCIMT | West Coast Institute of Management and Technology |

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 website at:

<http://www.mceetya.edu.au>. They are also available from the DEST website 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 website 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

