



INDEPENDENT
HIGHER EDUCATION
AUSTRALIA

HIGHER EDUCATION STANDARDS PANEL AMENDMENTS TO THE PROVIDER CATEGORY STANDARDS

April 2020

Submission to: Higher Education Standards Panel

Response to: *Amending the Higher Education Standards Framework:
Provider Category Standards*

IHEA's Response to Amendments to the Provider Category Standards Proposed by the Higher Education Standards Panel

Executive Summary

IHEA largely supports the amendments to the Provider Category Standards proposed by the HESP. In particular, our members support the creation of the college category for non-university providers that are recognised for providing a quality education and have a solid track record of compliance and excellence in higher education. Under the current categories, these institutions, often with a long history of higher education provision, were unable to have their quality and maturity recognised unless they were seeking to transition to the Australian University category.

IHEA supports the intent for the outcomes of the Provider Categories Review that:

“...the structures set in place for Australia’s higher education sector enable, rather than impede, innovation while also maintaining a high expectation of quality...”¹

“[The current] university-centred mindset will need to shift if Australia is to meet its future workforce demands and economic potential. As such, the tertiary pathway perspective for students needs to be reframed.”²

There are, however, two primary areas of concern with the amendments for IHEA, the University College Category and proposals for greenfield universities. The drafting of the amendments in these areas potentially inhibit these objectives being met.

The University College (UC) Category

IHEA welcomed the announcement by Minister Tehan that the government would accept all recommendations of the Coaldrake Review, with a simple amendment to rename the proposed National Institute of Higher Education category as the University College category.

IHEA has long advocated the principle of needing to recognise the quality of institutions granted Self-Accrediting Authority (SAA) in the current HEP cohort. The naming of this category as University Colleges reflected their similarity with the quality of universities - self-accrediting - and their differences as a college - not required to have comprehensive or high-level research accreditations.

We are concerned, however, that the proposed criteria for the University College category will go further than the Government proposed and subsequently limit the diversity and innovative capacity across the provider types.

¹ Professor Coaldrake, “What’s in a Name? Review of the Higher Education Provider Category Standards Final Report”, October 2019, p. 10.

² Professor Coaldrake, “What’s in a Name? Review of the Higher Education Provider Category Standards Final Report”, October 2019, p. 11.

IHEA supports the requirement proposed by Professor Coaldrake that University Colleges have industry links as reflective of modern higher education institutions preparing graduates for the workforce. We do not support the additional requirements proposed by the HESP that Colleges be required to demonstrate civic leadership and community engagement. Civic leadership and community engagement are valuable elements of Australian Universities, reflecting community expectation and investment in these institutions.

An important element of the Coaldrake Review and reform of the University College category was to remove the requirement that the category be transitional, enabling the College to be a destination category for a defined provider type. For some providers, the College category will continue to be transitional as they seek entry as an Australian University. For others, the College recognition will meet the aspirations of the provider.

IHEA supports the need for colleges seeking to become universities to meet the requirements of a university as a condition of entry, but that narrowing the differentiation between the categories will limit the flexibility, diversity and innovation of the Coaldrake reforms.

Greenfield Universities

IHEA welcomes the recognition by Professor Coaldrake that a method for greenfield universities to enter the sector is required. The landscape of Australian higher education will evolve more rapidly in the future than previously. Continued globalisation, domestic fiscal pressures, new learning technologies and a changing industry and workforce will create a new set of learner demands. The Australian government estimates that 50% of jobs today require a degree qualification and that this will be a long-term pattern for the Australian economy.

Positioning Australian education within this environment requires frameworks that equip governments and education providers to ensure high quality, higher education can reach the whole Australian population and that Australian institutions are best able to meet learner demand.

IHEA supports the ability for greenfield institutions to enter the Australian Higher Education system. The complexities of enabling greenfield entrants, however, require significant further exploration and consideration by a range of stakeholders in the sector.

The current proposal of the HESP is for greenfield University Colleges, but not greenfield Universities. The effect of this is to potentially undermine the proposed University College category which recognises HEPs (HEIs) that have attained self-accrediting status. The HESP proposal risks a greenfield entrant:

- being granted entry to the UC category without SAA.
- retaining ongoing UC status without SAA if they do not attain entry to the Australian University category.
- being demoted or deregistered if they do not attain entry to the Australian University category, having operated for several years as a University College without SAA.

In the Australian context it is likely that greenfield universities might emerge through three main models:

- a) An established international education provider seeking to register as an Australian University
- b) Merger of existing Australian Universities to form a new entity
- c) A desire by government to establish a new University (public or private)

The capacity for self-accrediting status at the time of entry of providers in each of these models varies widely.

IHEA opposes a rigid requirement that greenfield universities must be mentored or sponsored by an already registered Australian University for the same reasons. We recognise there is considerable public utility in a requirement for existing universities to be consulted and for the regulator to assess quality, capacity and corporate history in the approval of greenfield university proposals. Whilst mentorship or sponsorship by an existing university may be suitable or desirable in the case of some proposals, the residual strength of a greenfield approval needs to allow diversity and flexibility. The absence of a suitable or willing sponsor within the existing Australian University cohort should not limit the capacity for Australia to complement its existing institutions through developing or attracting the innovative institutions of the future.

More work is required to ensure that there is flexibility to create greenfield universities in the national interest, but without undermining the criteria of the University College or Australian University categories.

Recommendation 1

IHEA recommends that the amendments proposed by the HESP to allow greenfield University Colleges not be adopted to avoid undermining the integrity of the college or university categories

IHEA believes there should be provisions established through approved national protocols to allow for greenfield entrants to the University Category and that the development of agreed protocols will require further consultation and consideration. This work should be urgently undertaken, but should not delay the implementation of the new Category Standards as they apply to existing providers.

Recommendation 2

IHEA recommends that the Coaldrake recommendation that a method for the entry of greenfield universities be developed and considered separately from the implementation of the new Category Standards to enable the development of agreed national protocols for greenfield universities following further sector consultation and consideration of the issues.

IHEA's Response to Questions Posed by the Higher Education Standards Panel

1. Amendments to the Provider Category Standards (Part B1)

Question 1: Does the revised description of an 'Institute of Higher Education' in Appendix C B1.1, provide sufficient clarity for providers seeking to enter the category?

IHEA supports the revised description of an 'Institute of Higher Education' which largely provides sufficient clarity for providers seeking to enter this category. Of importance to both new entrants and ongoing providers is that they continue to meet the Standards and this is informed by TEQSA guidance. For example, the requirements of "scholarship to inform teaching" can be interpreted differently. IHEA recommends that TEQSA release draft guidelines on the new categories in advance of their implementation to ensure providers are able to continue to meet the Standards.

Recommendation 3

IHEA recommends that TEQSA provides clear guidance on the interpretation and measurement of the requirements of the new Standards well in advance of their implementation to enable adequate preparation for changes to the Standards.

Question 2: Do you foresee any implementation issues in creating the new 'University College' category?

There are two main issues that IHEA can foresee with the implementation of the new University College category. The primary issue will be where providers are allocated on commencement of the new categories.

IHEA recommends that current University Colleges, having achieved the requirements of a current university category, be admitted to the new Australian University category. The current University College category is a university category, largely defined by the characteristics of an Australian University.

IHEA recommends that existing HEPS that have achieved SAA be admitted into the new University College category at implementation. The new college category as developed by Professor Coaldrake primarily recognises existing, and mature HEP's that have attained SAA.

Recommendation 4

IHEA recommends that existing University Colleges be admitted to the Australian University category and existing HEPs with SAA be admitted to the new University College category at the commencement of the new categories.

The other issue IHEA can foresee relates to the efficiency of transition to new categories and the expectations placed on providers. Sector consultation and publication of guidance by TEQSA on how the standards will be interpreted and transitioned should be undertaken well in advance of implementation.

Recommendation 5

IHEA recommends that TEQSA consult with all registered providers and publish guidance on interpretation and transition to the new Standards well in advance on their implementation.

Question 3: Are the requirements in the new 'University College' category in Appendix C B1.2 sufficiently clear and appropriate to uphold quality and facilitate institutional progression?

IHEA members believe that the requirements for the new University College category should remain as outlined by Professor Coaldrake for the draft National Institute of Higher Education category and agreed to by the Government. The HESP's proposed amendments substantially amend the new category to include the university requirements to demonstrate strong civic leadership and community engagement. IHEA does not support this inclusion.

IHEA supports Recommendation 6 of the Coaldrake Review:

“Requirements related to industry engagement, civic leadership, and community engagement should be introduced and bolstered in the university categories of the Higher Education Provider Category Standards. Industry engagement requirements should also be part of the proposed ‘National Institute of Higher Education’ [now University College] category.”³

The Australian Government’s response to this recommendation was

“Government supports the proposal that the requirement for industry engagement should be mirrored in the proposed ‘University College’ category, to encourage strong ties between these high performing providers and industry partners.”⁴

The Government’s response did not include the addition of civic leadership and community engagements in the University College category but did support its inclusion in the Australian University category, not as a compliance measure, but to reflect what Australian Universities are already doing:

“As noted by Professor Coaldrake, it should not be the intention of this recommendation to introduce a new compliance burden. The Government recognises that universities are already undertaking effective work in these areas – this recommendation will instead recognise, support and encourage these efforts.”⁵

It was clearly not the intention of either Professor Coaldrake or the Government to add a requirement for civic leadership and community engagement to the new University College category.

Both the Review and Government’s response make it clear that the ‘University College’ category is differentiated from the ‘Australian University’ category. It was acknowledged by government that renaming of the ‘National Institute for Higher Education’ to ‘University College’ gave greater recognition to the quality and status of impacted providers than the name that was initially proposed. It was not intended to create a ‘pseudo-university’ or ‘university-lite’ category.

Adding university characteristics to the college category also reduces differentiation and diversity. Professor Coaldrake as reflected on this in his comment that:

“...increasing from one to two the number of categories catering to those higher education providers which are not universities...addresses an issue of under-differentiation of such providers in the current PCS.”⁶

Professor Coaldrake went on to recommend

“...two categories for universities and two categories for higher education providers which are not universities...”⁷

IHEA members are concerned that narrowing definitions will stifle diversity, innovation and transition.

Professor Coaldrake sought to address concerns that the gap between the current Higher Education Provider and current Australian University College category was too great.⁸ Reducing the differentiation between the recommended University College and Australian University categories retains the imbalances of the current Standards and reduces the differentiation and diversity driven by the new Standards.

³ Professor Coaldrake, “What’s in a Name? Review of the Higher Education Provider Category Standards Final Report”, October 2019, p. 41.

⁴ Australian Government Department of Education, “Review of the Higher Education Provider Category Standards Australian Government Response”, December 2019, p. 9.

⁵ Australian Government Department of Education, “Review of the Higher Education Provider Category Standards Australian Government Response”, December 2019, p. 10.

⁶ Professor Coaldrake, “What’s in a Name? Review of the Higher Education Provider Category Standards Final Report”, October 2019, p. vi.

⁷ Professor Coaldrake, “What’s in a Name? Review of the Higher Education Provider Category Standards Final Report”, October 2019, p. 15.

⁸ Professor Coaldrake, “What’s in a Name? Review of the Higher Education Provider Category Standards Final Report”, October 2019, p. 14.

IHEA supports the defining university characteristics of civic leadership and community engagement being retained solely in the university categories of Overseas University in Australia and Australian University.

Recommendation 6

IHEA recommends that the requirements for civic leadership and community engagement not be added to the college category and that they remain in the *Overseas University in Australia* and *Australian University* categories.

Question 4: Is there sufficient clarity for providers about the distinct requirements in the revised 'Australian University' category for providers offering courses of study in three or more broad fields of education versus those with a 'specialised focus' (Appendix C B1.3)?

IHEA members believe that the distinct requirements in the revised 'Australian University' category for providers offering courses of study in three or more broad fields of education and those universities with a 'specialised focus' is sufficiently clear. The HESP have drafted an effective set of requirements that reflect the recommendations of the Coaldrake Review and the Government's response.

Question 5: Do you consider the research benchmarks outlined in Appendix C B1.3 (16) (i.e. that research be 'world standard and/or be of national standing in fields specific to Australia') appropriate for the revised 'Australian University' category standard?

The research benchmarks appear to IHEA to be appropriate.

Question 6: What factors should TEQSA consider in determining whether the research at an Australian University is 'world standard', in particular where an existing benchmarking exercise, such as the ERA, is not available?

IHEA advocates for the inclusion of several different research benchmarking tools and that the measurement of this requirement should not be limited to a single form of benchmarking, such as the ERA. Ensuring that TEQSA has the flexibility to use a range of different, appropriate and adaptable benchmarking tools will provide TEQSA with the greatest flexibility and ensure the longest lifespan of relevance and effectiveness for the new provider categories.

Question 7: On what basis should TEQSA assess whether an Australian University meets the benchmark for research of 'national standing in fields specific to Australia'?

IHEA has no specific feedback in response to this question.

Question 8: Do the draft criteria for the revised 'Overseas University in Australia' category in Appendix C B1.4 provide sufficient clarity for providers wishing to enter the category?

The draft criteria for the revised 'Overseas University in Australia' category seem to provide sufficient clarity for providers seeking to enter this category.

Question 9: Are the requirements for industry engagement, civic leadership, and community engagement sufficiently clear in the draft standards (Appendix C B1.2 (9-10))?

IHEA members are opposed to the civic leadership and community engagement criteria being added to the college category. The simple renaming of the draft National Institutes of Higher Education category to University College does not necessitate the inclusion of Australian University characteristics into the college category. This issue has been addressed earlier.

IHEA supports the principles underlying the inclusion of these characteristics in the university categories and believe they reflect sector and community expectations of Australian Universities.

It is essential that TEQSA prepare clear guidance on these criteria to minimise subjective interpretation and ensure all providers can reasonably meet the expectations of their category. For institutions seeking to transition between categories, guidance on regulator interpretation of these criteria will be critical. For example, providers seeking to transition from the institute category to the college category will seek guidance on the industry engagement requirements.

IHEA members are concerned that both inadequate and over prescriptive guidance on these criteria could stifle transition between categories and impact the objective of the Coaldrake Review that the:

“Higher Education Provider Category Standards must enable providers to transition to other categories and grow their course and research offerings.”⁹

IHEA recommends that sector consultation and preparation of guidance materials be undertaken in advance of the commencement of the new Standards.

2. Amendments to the self-accrediting authority criteria (Part B2)

Question 10: Do you have any comment on the draft amendments to the criteria for seeking authority for self-accreditation (Part B2 of the Threshold Standards), described in Appendix D?

IHEA members welcome the streamlining of the criteria for application for self-accrediting authority. There is, however, a minor issue of clarity with the draft criteria presented in the HESP consultation paper. Definitions of unlimited self-accrediting authority and limited self-accrediting authority should be included to meet the Coaldrake Review recommendation that:

“[t]he criteria for seeking self-accrediting authority should be amended to simplify and clearly articulate the types of self-accrediting authority (limited and unlimited) that can be authorised by the Tertiary Education Quality and Standards Agency and the requirements to be demonstrated by providers seeking self-accreditation status.”¹⁰

Recommendation 7

IHEA recommends that definitions of Unlimited Self-Accrediting Authority and Limited Self-Accrediting Authority be included to clarify the different types of Self-Accrediting Authority.

3. Provisions for greenfield universities

Question 11: Do you think there should be provision for greenfield entry to the ‘University College’ category as a destination, as well as a pathway to the ‘Australian University’ category?

Question 12: Do you have any comments on the implementation issues associated with greenfield universities (Appendix C B1.2 (11-14))?

IHEA supports the provision for greenfield entry into the Australian Higher Education system and the capacity for greenfield entry to the university categories but does not believe the draft Standards as proposed by the HESP have adequately explored the requirements for the likely types of greenfield applications.

IHEA does not support greenfield entry to the University College category in a way that would enable an applicant to be admitted to the college category without being assessed, and approved, by TEQSA for self-accrediting status. As drafted, however, it is not possible to grant SAA to greenfield entrants.

The entry of greenfield universities to the college category without SAA will diminish the status of the category, undermine the destination characteristic of the category and perpetuate the category as a transitional destination for aspiring universities.

Professor Coaldrake’s Recommendation 7 stated:

⁹ Professor Coaldrake, “What’s in a Name? Review of the Higher Education Provider Category Standards Final Report”, October 2019, p. vii.

¹⁰ Professor Coaldrake, “What’s in a Name? Review of the Higher Education Provider Category Standards Final Report”, October 2019, p. 24.

“[t]o ensure Australia’s higher education sector is positioned to support innovation, population growth, and demand for higher education in the future, the Tertiary Education Quality and Standards Agency Act 2011 should be amended to allow for ‘greenfield’ universities.”¹¹

IHEA does not believe that enabling greenfield University Colleges without approved SAA on entry meets the aim of this recommendation.

As drafted, the requirements for a greenfield institution to achieve access to the ‘University College’ category would expose the college category to bifurcation around institutions that meet the SAA requirements and those who show the ‘potential’ to meet the requirements.

The category would subsequently contain University Colleges that have developed a track record of good academic governance, compliance and delivery of quality education, and University Colleges that have *“credible policies, plans and procedures to meet the criteria in the ‘University College’ category”*.¹²

A range of other considerations are not addressed by the HESP’s proposal, for example:

- The consequence of a greenfield University College not subsequently meeting the requirements.
- Timeframes by which those plans must be achieved or any penalty for failure to achieve them.

IHEA members are concerned that if the HESP proposal is adopted, the same issues with the current Australian University College category (that there is no clear outcome for entrants that remain unable to meet the requirements to transition into the Australian University category) will be carried over into the new PCS.

IHEA members also have concerns about the requirement and expectation that greenfield institutions will need to be mentored or sponsored by an existing University. Whilst this will have been drafted with good intent, and the practice may be occurring, making this a requirement of the category has the potential to cause significant issues for providers seeking admission to this category including:

- A suitable or willing sponsor within the existing Australian University cohort may not be able to be secured by an aspiring Australian University, particularly an independent university with a non-traditional or innovative model.
- The sector operates on a competitive basis with institutions competing with one another to attract students, deliver unique and valuable courses for students and attract public and private funding. Universities show a willingness to support and mentor complementary institutions but little willingness to collaborate with competitors.

Insisting on a mentoring or sponsorship arrangement does not provide a guarantee of quality. There is no definition or explanation about the duration, aim or quality of the mentoring and sponsorship. Ultimately, there will still be a reliance on TEQSA’s judgement about the quality of the institution as it is approved for entry into a category, and this is entirely appropriate and is the legitimate role of the regulator.

Therefore, more thinking and consultation needs to be directed to developing a set of national protocols that could provide regulations for the establishment of greenfield universities without undermining the existing categories or delaying the implementation of the categories as recommended by the Coaldrake Review and supported by government.

4. Transition arrangements for existing providers

Question 13: Do you identify any issues of concern for providers in the Australian University of Specialisation and Australian University College categories that transition to the new ‘Australian University’ category—either with or without a ‘specialised focus’?

IHEA has no issues of concern with the transition of the Australian University of Specialisation and Australian University College category into the new Australian University category.

¹¹ Professor Coaldrake, “What’s in a Name? Review of the Higher Education Provider Category Standards Final Report”, October 2019, p. vii.

¹² Australian Government Department of Education, Skills and Employment, “Amending the Higher Education Framework: Provider Category Standards”, Higher Education Standards Panel Consultation Paper, February 2020, p. 18.

Institutions in these categories have met the onerous requirements of the current Standards which are substantially higher than the new institute and college categories. The current University of Specialisation has been operating as a University for several years, and by the time of implementation of the new Standards the University College will be well established.

IHEA supports Professor Coaldrake's finding that:

"[t]here is a general consensus that providers are highly unlikely to achieve the transition within the five year timeframe unless they are already mostly meeting the requirements of the 'Australian University' category at time of entry to the 'Australian University College category.'"¹³

Therefore, the existing Australian University College is already mostly meeting the requirements of being an Australian University and warrants transition to the new Australian University category at commencement of the new Standards. The University of Specialisation is an established university with a unique position in the higher education landscape and a substantial research profile in its specialised offerings. It is essential that this institution be included in the Australian University category.

There is substantial reputational risk associated with relegation of an institution that is currently located in a university category back to a category with a lower level of standards. It would not serve the interests of the sector, their students or alumni to have the good standing of these providers diminished.

The new university Standards are based on a university being defined by its scholarship and research with as broad or narrow a focus as is fitting to the university's mission and objectives. This is essential to the development of innovative institutions focused on excellence in their fields of expertise. Transition of current University Colleges and the University of Specialisation directly into the Australian University category is completely aligned with the intent of the Coaldrake Review recommendations and is supported by the Australian Government's response.

Recommendation 8

IHEA recommends that providers in the Australian University of Specialisation and Australian University College categories transition to the new 'Australian University' category on commencement of the new Standards.

Question 14: Are there other aspects of the transition of providers occupying the Higher Education Provider category to the new categories that the Panel has not considered but should?

IHEA has no other issues of concern that the Panel should consider.

¹³ Professor Coaldrake, "What's in a Name? Review of the Higher Education Provider Category Standards Final Report", October 2019, p. 13.

We thank the Higher Education Standards Panel for the opportunity to comment on the proposed amendments to the Provider Category Standards Consultation Paper and look forward to discussions with you to clarify any of the recommendations IHEA makes in this submission.

Independent Higher Education Australia

IHEA is a peak body for Australia's registered and accredited independent higher education providers (including independent universities) with campuses across Australia.

The majority of Australian independent providers are members and educate students in a range of disciplines including Law, Agricultural Science, Architecture, Business, Accounting, Tourism and Hospitality, Education, and Health Sciences, Theology, Creative Arts, Information Technology and Social Science. IHEA members are higher education institutions with both for-profit and not-for-profit models and educate domestic and international students in undergraduate and postgraduate programs.

The Australian independent higher education sector comprises more than 130,000 students and 120 institutions, with independent providers variously accredited to offer courses across the full AQF range (Diplomas to Doctorates).

Membership of IHEA is only open to providers that are registered with the Australian regulator – Tertiary Education Quality and Standards Agency (TEQSA). Membership is also conditional on continued compliance with IHEA's Code of Good Practice.

IHEA's primary goal is promoting equity, choice and diversity for all Australian higher education students.

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Appendix – List of Recommendations

Recommendation 1

IHEA recommends that the amendments proposed by the HESP to allow greenfield University Colleges not be adopted to avoid undermining the integrity of the college or university categories

Recommendation 2

IHEA recommends that the Coaldrake recommendation that a method for the entry of greenfield universities be developed and considered separately from the implementation of the new Category Standards to enable the development of agreed national protocols for greenfield universities following further sector consultation and consideration of the issues.

Recommendation 3

IHEA recommends that TEQSA provides clear guidance on the interpretation and measurement of the requirements of the new Standards well in advance of their implementation to enable adequate preparation for changes to the Standards.

Recommendation 4

IHEA recommends that existing University Colleges be admitted to the Australian University category and existing HEPs with SAA be admitted to the new University College category at the commencement of the new categories.

Recommendation 5

IHEA recommends that TEQSA consult with all registered providers and publish guidance on interpretation and transition to the new Standards well in advance on their implementation.

Recommendation 6

IHEA recommends that the requirements for civic leadership and community engagement not be added to the college category and that they remain in the *Overseas University in Australia* and *Australian University* categories.

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