



INDEPENDENT
HIGHER EDUCATION
AUSTRALIA

IHEA SUBMISSION

TERTIARY EDUCATION QUALITY AND STANDARDS AGENCY FEES AND CHARGES CONSULTATION

15 October 2026

IHEA Submission

TEQSA Fees and Charges Consultation 2026

Independent Higher Education Australia (IHEA) welcomes the opportunity to provide feedback on the Tertiary Education Quality and Standards Agency (TEQSA) Fees and Charges Consultation Paper, for which submissions are due by 16 October 2026. The proposed changes would take effect on 1 January 2027.

TEQSA's proposed changes to fees and charges

TEQSA proposes to update its Cost Recovery Implementation Statement (CRIS) and adjust the registered higher education provider (RHEP) charge from 1 January 2027. It does not propose changes to application-based fees or existing discounts for eligible smaller providers.

The 2026 consultation proposes three changes:

- Allocate the additional costs associated with the 2026–27 Federal Budget measure to the component of the registered higher education provider (RHEP) charge calculated by equivalent full-time student load (EFTSL). TEQSA identifies \$9.631 million in additional government funding over 2026–27 to 2029–30 to support regulatory work relating to higher education governance and the Australian Government's responses to the Special Envoy's Plan to Combat Antisemitism and National Response to Islamophobia. TEQSA proposes to recover the additional regulatory costs in the financial years in which the funding is received, allocating them according to provider EFTSL rather than equally across all providers. The amount payable by each provider will depend on its EFTSL and the number of registered providers.
- Introduce two charging tiers for compliance assessments, accreditation assessments and compliance audits under the Education Services for Overseas Students Act 2000 (ESOS Act). These assessments examine whether a provider continues to meet relevant requirements under the Higher Education Standards Framework (Threshold Standards) 2021 or the ESOS Act. Currently, each assessment attracts the same \$39,600 charge regardless of its scope or duration. Under the proposal, an assessment taking 275 hours or less would be classified as simple and charged \$28,000, while one taking more than 275 hours would be classified as complex and charged \$60,000. For assessments commenced before 2027, the existing charging approach would continue. For assessments commenced in 2027 or later, the charge would be applied in the year after the assessment is completed.
- Introduce a \$22,000 charge for a provider-specific quality assessment undertaken under section 60 of the Tertiary Education Quality and Standards Agency Act 2011 (TEQSA Act). Such an assessment may examine the quality of a provider's higher education generally or in relation to a particular course of study, and may consider aspects of the provider's operations. The charge would apply where the assessment concerns an individual provider, in addition to its annual RHEP charge. TEQSA states that providers included in a broader thematic quality assessment examining a risk affecting multiple providers would not incur this provider-specific charge.

A comparison of 2026 fees and the proposed 2027 fees is included as an Appendix.

Proposed adjustment to the cost recovery model

The additional \$9.631 million identified in TEQSA's October 2026 consultation relates to the 2026–27 Federal Budget measure to strengthen TEQSA's regulatory and enforcement capacity. TEQSA identifies activities arising from the Australian Government's responses to the Senate inquiry into higher education governance, the Special Envoy's Plan to Combat Antisemitism and the Special Envoy's National Response to Islamophobia. The consultation proposes allocating these additional sector-wide costs to the EFTSL-based component of the RHEP

charge, with costs recovered in the financial years in which the funding is received. IHEA considers that TEQSA should provide a clearer breakdown of the expenditure, specific regulatory activities, expected outputs and benefits for providers and students, including the basis for allocating these costs by EFTSL. Cost recovery should be accompanied by measurable improvements in regulatory timeliness, efficiency and transparency. IHEA remains concerned about the financial impact of rising charges, particularly on smaller independent providers.

Registered Higher Education Provider (RHEP) charge

Since 1 January 2023, all higher education providers have been required to pay the annual registered Higher Education Provider (RHEP) charge. The RHEP charge is the sum of:

- A base component, which enables TEQSA to recover costs for delivering regulatory services that benefit the sector that cannot be attributed to individual providers, and
- A compliance component that recovers the cost of compliance activities undertaken by TEQSA in relation to the provider in the preceding calendar year.

The 2026 examples project a \$599 reduction in the equally shared base component, from \$34,982 to \$34,383, but increases in the EFTSL-based component for existing providers. The total projected base charges, excluding provider-specific compliance costs, are:

- \$119,755 for a university with 22,000 EFTSL, up \$43,272 from \$76,483 (approximately 56.6 per cent).
- \$55,726 for a university college with 5,500 EFTSL, up \$10,369 from \$45,357 (approximately 22.9 per cent).
- \$40,204 for an independent higher education provider with 1,500 EFTSL, up \$2,392 from \$37,812 (approximately 6.3 per cent).

The examples are illustrative, based on projected provider numbers and tentative sector EFTSL. The consultation also proposes replacing the current \$39,600 assessment charge with \$28,000 for simple assessments and \$60,000 for complex assessments and adding a \$22,000 provider-specific quality assessment charge.

We understand that TEQSA does not propose to change application-based fees in 2027 or the existing discounts of up to 70 per cent on certain course accreditation fees for providers with EFTSL of 5,000 or less. IHEA welcomes the absence of further application-fee increases, while maintaining its concern about the overall level of regulatory costs.

IHEA feedback

Proposed charges and cost transparency

IHEA is concerned that the proposed increase in the EFTSL-based RHEP charge and the higher charge for complex assessments will add to the financial and regulatory pressures on providers. Although simpler assessments would attract a lower charge, the consultation does not explain how TEQSA will manage assessment scope and time or enable providers to anticipate their liability.

In recent years, TEQSA has reduced evidence requirements and placed greater emphasis on self-assessment and self-assurance. These reforms are welcomed by providers. However, the consultation does not demonstrate whether resulting efficiencies have reduced assessment costs. Reduced documentation may lower some assessment effort, although the overall cost also depends on the scope and complexity of regulatory work.

TEQSA should publish evidence of the workload, staff time and cost assumptions underpinning the proposed assessment tiers and explain how efficiencies from streamlined evidence requirements and provider self-assurance are reflected in its charges. Providers should not bear costs arising from avoidable inefficiency or duplication.

TEQSA should also identify the efficiencies achieved through changes to its regulatory processes, systems and assessment practices, quantify the resulting savings where practicable, and demonstrate how those savings are reflected in lower fees and charges for providers or offset other cost increases. Where efficiencies have not reduced charges, TEQSA should explain why.

Financial impact on independent providers

Independent higher education providers are generally smaller and have more limited access to recurrent Commonwealth funding and Commonwealth supported places than public universities. Higher regulatory costs can therefore place proportionately greater pressure on their finances and may ultimately affect student fees or the resources available for teaching and student support. This is particularly concerning for domestic undergraduate students subject to the 20 per cent FEE–HELP loan fee, where applicable.

This is compounded by wider Government policies, including Indicative New Overseas Student Commencement levels for international students and increases in the Student visa application charge, which rose from \$710 in June 2024 to \$2,500 in July 2026 for most primary applicants. These measures may constrain growth and add to the financial and operating pressures facing independent higher education providers.

These cumulative pressures reinforce the need for a proportionate approach to cost recovery that supports the sustainability and diversity of the higher education sector.

IHEA continues to support a more proportionate approach to allocating sector–wide regulatory costs, including greater weight on EFTSL rather than an equal fixed charge that disproportionately affects small providers. However, provider–specific compliance charges should reflect efficiently incurred regulatory activity and be subject to transparent and consistent assessment criteria. TEQSA should explain how the new EFTSL allocation was calculated and how the resulting charges affect different provider types.

Regulatory performance and proportionality

TEQSA introduced its increased cost recovery model in 2023, with the full base component of the RHEP charge phased in by 2025. IHEA members have raised concerns about delays in registration and accreditation decisions and the costs associated with prolonged regulatory processes. The consultation does not provide performance data demonstrating that the proposed increases will be accompanied by improved timeliness or efficiency. TEQSA should publish performance against its Service Charter, including decision timeframes, alongside its cost recovery reporting.

IHEA reiterates its 2025 call for a moratorium on proposed fee and charge increases pending an independent review of TEQSA’s regulatory performance and cost efficiency. For the 2026 proposals, IHEA recommends deferring the increased EFTSL-based RHEP component and higher complex-assessment charge until TEQSA provides transparent cost justification, an assessment of provider impacts and measurable service performance commitments. This should not prevent a demonstrably lower charge for simple assessments from proceeding. The review should assess timeliness, transparency, proportionality and efficiency against the Australian Government Regulator Performance Guide and TEQSA’s Service Charter.

TEQSA has identified effective provider self-assurance as an integral part of higher education regulation. Stronger self-assurance should enable TEQSA to reduce unnecessary regulatory activity and associated costs, particularly for providers with established compliance records. TEQSA should explain how these efficiencies are reflected in its cost recovery arrangements while maintaining appropriate regulatory oversight.

Another area that would benefit from reform is TEQSA’s approach to registration/re–registration and course accreditation/re–accreditation. These processes impose administrative and financial burdens on both providers and TEQSA, drawing attention and resources away from student–facing activities. IHEA supports a more

proportionate approach to provider registration and course accreditation, with greater recognition of established compliance histories and effective provider self-assurance. Regulatory assessment should be risk-based and avoid unnecessary duplication, consistent with applicable legislative requirements.

TEQSA should use providers' compliance histories, relevant student outcomes, governance evidence and demonstrated self-assurance to determine the scope and intensity of assessments. Quality Indicators for Learning and Teaching (QILT) data can inform this risk assessment where relevant but should not substitute for a balanced consideration of provider-specific evidence.

IHEA continues to support consideration of more streamlined registration and course accreditation processes, including reduced repetition for providers with established compliance and effective self-assurance. Any move towards enduring registration or risk-triggered reassessment would require consideration of the relevant legislative framework and should be pursued as a longer-term reform, rather than presented as a change proposed in this consultation.

The consultation proposes that the previous charging approach continue for assessments commenced before 2027. For compliance assessments commenced in 2027 or later, the charge would be applied in the year after the assessment is completed. IHEA supports clear transitional rules and advance notice of potential liabilities.

Provider-specific quality assessments: The proposed \$22,000 charge should apply only where an assessment is genuinely provider-specific. TEQSA should explain how it differs from a compliance assessment, justify the fixed charge and prevent duplicate recovery for overlapping work.

Assessment tiering: TEQSA should specify which activities count towards the 275-hour threshold, how hours are recorded, when providers are notified of their classification and how they can query it. The higher \$60,000 charge should not create incentives for unnecessary assessment activity.

Conclusion

IHEA recommends that TEQSA:

- Defer the proposed increase in the EFTSL-based RHEP component and the higher complex-assessment charge pending an independent regulatory performance and cost-efficiency review, while allowing the reduced simple-assessment charge to proceed where justified.
 - Publish the cost assumptions, intended activities and expected outcomes associated with the additional budget measure and demonstrate value for money before implementing higher charges.
 - Ensure the RHEP charge is proportionate to provider size and explain the distributional impact of the EFTSL-based increase, including on small and specialist independent providers.
 - Publish clear criteria and safeguards for classifying assessments as simple (275 hours or less) or complex (more than 275 hours), including notification, reasons, opportunities to correct errors and a mechanism to query charges.
 - Clarify the scope and charging triggers for provider-specific section 60 quality assessments, distinguish these from thematic assessments and prevent duplicate recovery of the same regulatory activity.
- Identify regulatory efficiencies, quantify resulting savings where practicable, and explain how savings have reduced charges or offset proposed increases.
- Publish performance against service standards, including decision timeliness, and recognise effective provider self-assurance through risk-based registration and accreditation assessments that avoid unnecessary repetition and reflect demonstrated risk.

Appendix: Comparison of current and proposed TEQSA charges (2026–27)

Charge / illustrative provider	2026 current	2027 proposed	Change
Compliance assessment – simple	\$39,600	\$28,000	–\$11,600 (–29.3%)
Compliance assessment – complex	\$39,600	\$60,000	+\$20,400 (+51.5%)
Accreditation assessment – simple	\$39,600	\$28,000	–\$11,600 (–29.3%)
Accreditation assessment – complex	\$39,600	\$60,000	+\$20,400 (+51.5%)
ESOS compliance audit – simple	\$39,600	\$28,000	–\$11,600 (–29.3%)
ESOS compliance audit – complex	\$39,600	\$60,000	+\$20,400 (+51.5%)
Provider–specific s 60 quality assessment	Not charged separately	\$22,000	New charge
Conditions monitoring – registration	\$4,500	\$4,500	No change
Conditions monitoring – accreditation	\$3,700	\$3,700	No change
Compliance undertaking	\$1,800	\$1,800	No change
Investigation – hourly rate	\$180/hour	\$180/hour	No change
RHEP example: university (22,000 EFTSL)	\$76,483	\$119,755	+\$43,272 (+56.6%)
RHEP example: university college (5,500 EFTSL)	\$45,357	\$55,726	+\$10,369 (+22.9%)
RHEP example: institute (1,500 EFTSL)	\$37,812	\$40,204	+\$2,392 (+6.3%)
RHEP example: new provider (zero prior EFTSL)	\$34,982	\$34,383	–\$599 (–1.7%)

Source: TEQSA, Fees and charges consultation (October 2026), Appendices A and B. RHEP figures are illustrative and exclude provider–specific compliance charges. TEQSA proposes no changes to application–based fees or existing eligible small–provider discounts.

Who We Are

Independent Higher Education Australia Ltd. (IHEA) is a peak body established in 2001 to represent Australian independent (private sector) higher education institutions. Our membership spans independent universities, University Colleges and other institutes of higher education that are registered with the national higher education regulator, TEQSA, as well as associate members seeking registration.

There is a long tradition of independent higher education providers in Australia, with the first provider created as early as 1815, only 27 years after the first British settlement in Sydney in 1788. In total, five independent providers were established between 1815 and 1845, before the establishment of Australia's first public university. The fifth of these was St James College, which was created in 1845. The founders of St James College were then involved in creating Moore College in 1856 and remarkably Moore College, a University College, still exists and is Australia's longest continuously operating independent higher education provider.

Our Vision is that: students, domestic and international, have open and equitable access to world class independent higher education in Australia, built on the foundations of equity, choice and diversity.

Our Mission is to represent independent higher education and promote recognition and respect of independent providers as they contribute to Australian education, the Australian economy and to society in general. We achieve this by promoting continuous improvement of academic and quality standards within member institutions, by advocating equity for their staff and students and by delivering services that further strengthen independent providers' reputations as innovative, sustainable and responsive to the needs of industry and other relevant stakeholders in both higher education and vocational education and training. IHEA's commitment is to excellence, productivity and growth in independent higher education being delivered through a trusted Australian education system underpinned by equity, choice and diversity.

IHEA members have different missions, scales and course offerings across the full AQF range (Diplomas to Doctorates). IHEA has 93 members, which rises to over 120 if providers' constituent colleges and subsidiaries are included.

IHEA's 93 members comprise:

- Five private Universities (Australian University of Theology, Avondale University, Bond University, Torrens University and University of Divinity).
- Six University Colleges (ACAP University College, Australian University College of Divinity, Alphacrucis University College, Excelsia University College, Moore Theological College and SAE University College).
- Seventy-nine not-for-profit and for-profit institutions of higher education (which includes twelve full or partially self-accrediting institutes); and related corporate entities.
- Three corporate owners of higher education providers.

IHEA members teach approximately 74 percent of the students in the independent sector (i.e., more than 140,000 students) and educate students in a range of disciplines, including law, agricultural science, architecture, business, accounting, tourism and hospitality, education, health sciences, theology, creative arts, information technology, human services and social sciences.

IHEA holds a unique position in higher education as a representative peak body of higher education providers. Membership in IHEA is only open to providers registered, or seeking registration, with the Australian regulator – TEQSA. However, some IHEA members are dual- and multi-sector providers who also deliver VET and/or English Language Intensive Courses for Overseas Students (ELICOS) courses.

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IHEA Member Institutions



Universities

Australian University of Theology
Avondale University
Bond University
Torrens University Australia
University of Divinity

University Colleges

ACAP University College
Alphacrucis University College
Australian University College of Divinity
Excelsia University College
Moore Theological College
SAE University College

Institutes of Higher Education

Academies Australasia Polytechnic
Academy of Interactive Technology
Acknowledge Education
Adelaide Central School of Art
AIBI Higher Education
AIM Business School
Australasian Academy of Higher Education
Australasian College of Health and Wellness
Australian Chiropractic College
Australian College of Christian Studies
Australian College of Nursing
The Australian College of Physical Education
Australian Data and Cyber Institute
The Australian Institute of Music
Barton Business School
Campion College Australia
Central Institute of Technology and Innovation
Christian Heritage College
CIHE Australia
COLLARTS
The College of Law
Eastern College Australia
Education Centre of Australia
 Asia Pacific International College
 ECA College of Health Sciences
 Higher Education Leadership Institute
Endeavour College of Natural Health
EQUALS International
Fairmont College Australia
Gateway Business College
Governance Institute of Australia
Holmes Institute
IBC Education

iCareers Institute

ICHM

Ikon Institute of Australia

International College of Management, Sydney

International School of Global Leaders

JMC Academy

Kaplan Business School

Kaplan Higher Education

King's Own Institute

Laurus Higher Education

LCI Melbourne

Le Cordon Bleu Australia

Leaders Institute

Lyons College

Marcus Oldham College

MIECAT

Morling College

Nan Tien Institute

National Institute of Organisation Dynamics Australia

Navitas

 Curtin College

 Edith Cowan College

 Eynesbury College

 Deakin College

 La Trobe College Australia

 Griffith College

 SAIBT

 SIBT

 Western Sydney University International College

Nova Higher Education

Photography Studies College

Polytechnic Institute Australia

Russo Business School

Sheridan Institute of Higher Education

Skyline Higher Education Australia

S P Jain School of Global Management

Stanley College

Sydney Institute of Higher Education

Sydney International School of Technology and Commerce

Sydney Met

Southern Academy of Higher Education

Tabor College

The Tax Institute Higher Education

Torrens University Australia

 Think: Colleges

Universal Business School Sydney

Universal Higher Education

UoW College

UTS College

Wentworth Institute

Economic contribution of independent higher education



Key Findings.

Independent higher education is an important contributor to Australia's economic activity.

The sector contributes



\$8.2 billion

to Australia's GDP



196,000 students



61%
International*



39%
Domestic*

*Shares based on EFTSL

For every **\$3** the sector directly contributes to GDP, it supports around **\$1** of additional value added elsewhere in the economy

Contributes



\$3.0 billion

in government tax revenue

International students contribute



\$7.6 billion

to Australia's GDP

Increases output by



\$14.0 billion

Supports



18,906 FTEs

across the economy

Contributes



\$13.1 billion

to total incomes

The sector contributes to the Australian economy through several major impact channels:



institutional spending



international student living expenses



expenditure of visiting friends and family



net increase in student labour supply



graduate labour productivity uplift



research driven productivity uplift