

**Senate Standing Committee on Education and Employment - Education**

**QUESTIONS ON NOTICE  
Supplementary Budget Estimates 2014-2015**

**Agency - Tertiary Education Quality & Standards Agency (TEQSA)**

**Department of Education Question No. ED0420\_15**

**Senator Carr provided in writing.**

**Question**

**TEQSA – Moderate/High Risk providers**

How does TEQSA define (a) moderate and (b) high risk providers?

**Answer**

The Tertiary Education Quality and Standards Agency (TEQSA) has provided the following response.

Overall risk ratings of moderate or high are based on TEQSA's judgement about the likelihood that providers may be at risk of not meeting the Threshold Standards, for the purposes of guiding TEQSA's regulatory processes. Risk ratings do not draw conclusions about compliance with the Threshold Standards or the ESOS Act or National Code. Risk assessments guide the scope of the assessments and the internal allocation of resources for TEQSA's re-registration and course accreditation/re-accreditation processes which assess that providers are meeting the Standards.

TEQSA's Risk Assessment Framework outlines TEQSA's approach for undertaking annual risk assessments. Risk assessments are based on the analysis of a set of risk indicators and consideration of the provider's context, and history and standing. Risk indicators focus on students outcomes and experience, academic staff, and financial viability and sustainability. Risk indicators are based on published technical definitions and rated with reference to internally held 'risk thresholds'. Risk thresholds provide guidance to TEQSA's risk analysts on areas in which potential risks may be present and are informed by consideration of statistical analysis of the sector.

TEQSA makes an overall evaluation against two areas: 'Risk to Students' and 'Risk to Financial Position', using high, moderate or low ratings for each. The overall evaluation of moderate or high reflects the combination of risk issues identified by the analysis and the nature of those risks. Where an overall evaluation is not able to be established due to lack of information, conflicting information, or unreliable data, a 'No Confidence in Data' rating may be applied.

More information can be found in TEQSA's Risk Assessment Framework:

[www.teqsa.gov.au/regulatory-approach/risk-assessment-framework](http://www.teqsa.gov.au/regulatory-approach/risk-assessment-framework).