



Australian Government

Government Response to the
Review of Reporting Requirements for
Universities

December 2013

Government Response to the *Review of Reporting Requirements for Universities*

In August 2012, PhillipsKPA undertook a review of reporting requirements for universities with the intention of reducing red tape in the higher education sector. They were commissioned by the LH Martin Institute, at the request of the predecessor to the Department of Education and Universities Australia (UA).

The *Review of Reporting Requirements for Universities* was released publicly in April 2013.

To advance the government's objective of reducing red tape in the higher education sector, the Minister for Education, the Hon Christopher Pyne MP, has accepted all of the recommendations of the *Review of Reporting Requirements for Universities*.

The Minister regards this as a significant early step towards reducing the reporting and regulatory burdens on universities and other higher education providers, and intends to take further steps in consultation with the higher education sector. He welcomes the advice of Universities Australia and other stakeholders on this.

In responding now to the *Review of Reporting Requirements for Universities*, the Minister commends the work of PhillipsKPA, members of the Review's Reference Group and higher education stakeholders in identifying the following key areas for reform:

- duplication and a lack of coordination of reporting requirements;
- tendency of reporting requirements to accumulate over time;
- issues relating to definition and documentation;
- issues relating to scale and proportionality;
- frequent changes of reporting requirements and inadequate planning for change; and
- concerns with universities' access to useful and timely information.

Important first steps have already been made to address these issues. These include:

- the formation of the National Advisory Group for Higher Education Data and Information (NAGHEDI), comprising higher education stakeholders, to improve the coordination and interaction of existing data and information and to establish priorities for the phased consolidation and streamlining of reporting into the Higher Education Information Management System (HEIMS);
- amendments to the *Higher Education Support Act (2003)* to allow the Department of Education (the department) to disclose more data to regulators, states and territories, other Commonwealth bodies, higher education providers and peak bodies. As noted by the Review, UA has supported the amendments which will help ensure that regulatory functions operate within known parameters and that the reporting burden on universities is kept to a minimum; and
- the elimination of a separate information collection for universities' Institutional Performance Portfolios (IPPs).

The government's response to the Review, which has been developed by the department through the NAGHEDI, will ensure the momentum continues.

Key priorities include:

- developing a single higher education research data collection;
- listing annual reporting requirements to enhance understanding of the scale of reporting and to identify areas of duplication;
- developing a single equity report;
- removing duplication of reporting of capital asset management;
- streamlining or removing Tuition Protection Service default reporting requirements; and
- streamlining data collections by integrating international and financial reporting into the HEIMS.

The department will oversee the implementation of the recommendations of the Review in consultation with the NAGHEDI.

Implementation of the Review's recommendations will allow universities to spend more time delivering the best higher education possible, freeing them from unnecessary reporting.

UA will also be asked to provide the Minister with an assessment on the implementation of the Review, including an estimate of the cost savings to universities in December 2014.

The *Review of Reporting Requirements for Universities* and its recommendations can be viewed at: <http://www.lhmartininstitute.edu.au/news-updates/latest-news-updates/248-review-of-universities-reporting-requirements-recommends-move-to-national-information-repository>

Information on text

As a result of the machinery of government changes in September 2013, the Department of Education became responsible for higher education and aspects of university research.

The Review's use and references to the former Department of Industry, Innovation, Science, Research and Tertiary Education has been replaced by [the department] which refers to the Department of Education. All references to "the department" refer to the Department of Education.

Recommendations in the Review were prioritised as short term (S), medium term (M) and long term (L).

Recommendations

Recommendation 1

That [the department] compile and maintain a comprehensive listing and a detailed annual timetable of [the department's] reporting requirements for universities. (S)

Agreed. The department will expand the current timetables on the HEIMSHELP website.

Recommendation 2

The comprehensive listing and detailed annual timetable of reporting requirements should include an annual explanation of changes to the way in which data is collected and analysed year on year and variations in data definitions. (S)

Agreed. The department will include this in the process used for the higher education data reported by providers to HEIMS. Each year, a ministerial notice is issued to inform the sector of the data requirements for a reporting year. Changes are only included in the data requirements after consultation with the sector and are kept to a minimum. Higher education provider data collections officers will be advised of changes prior to the issue of the ministerial notice.

Recommendation 3

That [the department] note the following key findings of the analysis of 'extent and proportionality':

- the extent of reporting requirements for each type of funding program is not consistently proportionate to the amount of funding provided, ranging from around \$0.2 for every \$1,000 in funding (0.02%) to around \$30 for every \$1,000 in funding (3%);
- the largest reporting costs relative to associated funding are associated with smaller, targeted programs. There are also comparatively large relative reporting costs for the research block grant programs; and
- the factors are lowest for the capital funding programs and for the Commonwealth Grant Scheme (CGS) and Higher Education Loan Program (HELP) schemes, where the relatively high total costs of associated reporting are outweighed by the very large amounts of funding. (S)

Agreed. The department is taking account of risk and proportionality in assessing current and future reporting obligations.

Recommendation 4

That the listing and timetable of [the department's] reporting requirements for universities be expanded to include the reporting requirements of other [department] portfolio agencies and other major Commonwealth agencies outside of the portfolio, including the Australian Bureau of Statistics (ABS), that seek regular information from universities. (S)

Agreed. The department will work with other Commonwealth agencies to expand the reporting calendars published on the HEIMSHELP website.

Recommendation 5

That the NAGHEDI examine the feasibility of establishing a register of all regular Commonwealth and State compliance and reporting requirements for universities to document the complexity of the higher education information landscape and provide a reference point for reform. (M)

Agreed. The department agrees that this is important in addressing reporting burdens and will work with states and territories and universities to identify the extent of compliance and reporting requirements and monitor progress in their reduction.

Recommendation 6

That [the department] and the NAGHEDI agree to work toward a model for governance and management of the higher education information function along the lines set out in this report. Key features of the model should include:

- a national higher education data collection and a national higher education information repository covering all higher education providers and including both current and historical data down to unit record level;
- input to the national data collection through a number of agreed main data collections covering information on domestic and international students, staff, courses, finance, infrastructure, and research, plus a small number of agreed student, graduate and employer surveys. In addition there could be some other agreed inputs to the national data collection, depending on its scope and the advice of its governing body;
- implementation of the main agreed data collections wherever possible through a single modern IT interface that would link with corporate systems of universities and other higher education providers. HEIMS would be the obvious starting point for this system;
- direct, unmediated access to the national data collection and information repository for approved users, under appropriate access protocols and privacy provisions. Such approved users could include relevant government agencies, universities, other higher education providers, and sector peak bodies; and
- production of publicly accessible statistical reports and other public information tools such as a data cube and the *MyUniversity* website.

(Agreement in principle: S)

Agreed. Implementation of this by the Department of Education, in consultation with universities and with other agencies, is a high priority. A NAGHEDI paper on how HEIMS can be expanded to streamline data collections will be released early in 2014.

Recommendation 7

That the organisational arrangements for the model be established initially within [the department], noting that in the longer term there may be a case to establish a new, separate structure within [the department] portfolio, or even a stand-alone national higher education information agency. (Initial arrangements: S, new structures M - L)

Agree that appropriate organisational arrangements are necessary for good data governance. Following the machinery of government changes, responsibility for the administration and data collection of HEIMS will sit within the department. Therefore, a separate agency is not required.

Recommendation 8

That the governance arrangements for the development, implementation and ongoing operation of this model be developed from the NAGHEDI, noting our views that:

- the membership of the NAGHEDI should be reconsidered in the light of these functions to reflect principally the contributors to and users of the national collection and information repository, particularly universities.
- the NAGHEDI will need the support of one or more technically expert committees.
- as a first step, the membership and terms of reference of the various existing [departmental] Advisory Committees and Reference Groups should be reviewed, with a view to streamlining and creating links to the NAGHEDI. (S)

Agreed.

Recommendation 9

That [the department], with advice from the NAGHEDI, develop an implementation plan and timetable for the model, noting the options for transitional steps set out in this report. (Implementation plan: S, full implementation: M - L)

Agreed and noted. The department, through NAGHEDI, will consider an implementation plan in its paper on how HEIMS can be expanded to streamline data collections (see recommendation 6).

Recommendation 10

That [the department] and the NAGHEDI establish a set of principles to guide the future development of the higher education information landscape, drawing on the principles set out in the initial terms of reference for the NAGHEDI and the additional principles identified through this Review. (S)

Agreed.

Recommendation 11

That [the department], UA, and individual universities develop ways to enhance staff understanding of the higher education information function through, for example:

- expanding the scope of help/support arrangements, training programs and regular workshops available for institutional and government agency staff involved with higher education data collections, including but not limited to the collections supported by HEIMS;
- staff exchanges and secondments between relevant areas of [the department] and universities;

- an internal process within [the department] to share information on current approaches and capabilities to higher education information functions and to identify opportunities for improvement;
- adopting similar internal information sharing processes within universities, where levels of shared understanding across administrative units, for example in relation to the capabilities of HEIMS, are often poor. (M)

Agreed. The department will enhance the support and training arrangements currently in place to improve university staff understanding of higher education information, including the purpose built HEIMSHelp website. This provides ready access to all reporting and support documentation, regular training sessions and workshops on the HEIMS data collections for both new and experienced staff and monthly newsletters on current issues.

The department will also work to build a shared understanding about the utility of published international student data, extracted from the Provider Registration and International Students Management System (PRISMS), both across the Department and across higher education providers.

Recommendation 12

That [the department]:

- clarify the purposes of and relationship between Compacts and IPPs suggested in this report with a view to removing overlap and duplication;
- re-design the IPP reports in consultation with the sector to comprise a streamlined set of appropriate, high priority metrics, selected and presented in such a way as to be valuable for institutions, especially for benchmarking purposes, as well as for [the department] and the Tertiary Education Quality Standards Agency (TEQSA).
- In relation to the Institutional Performance Portfolio Information Collection (IPPIC)
 - review the alignment/overlap between the section on student load planning and the Mission-Based Compact;
 - delete the generic question ‘How is the institution addressing issues in relation to its financial sustainability?’ and focus on ensuring that the IPP analysis uses the most appropriate measures of financial position, performance and viability;
 - review the need for the Capital Asset Management Survey (CAMS) - see recommendation 13;
 - delete the generic question ‘What are the main features of the institution’s engagement with its community?’
 - review the equity report requirements (see recommendations 14 and 17);
 - remove the requirement to submit an Indigenous Education Statement (IES) as part of the IPP, noting that an IES may still be required for accountability purposes in relation to the Indigenous Support Program (ISP);
 - review the value added by the descriptive requirements in relation to research, research training and innovation and the need for the additional research performance indicators; and

- in the light of decisions on the above proposals, consider whether the IPPIC could be removed altogether, with the data requirements for the IPP analysis to be sourced completely from other collections. (S)

Agreed. The IPPIC will cease and equity reporting will be obtained through a single report. The changes ensure that the purpose of, and relationship between, Compacts and IPPs are clear: Compacts are forward-looking documents whereas IPPs are a quantitative annual report of institutions' performance for the previous year.

The department has removed from the IPP the descriptive requirements in relation to research, research training and innovation along with the additional research performance indicators previously gathered using a smartform.

Recommendation 13

That [the department] consider whether, with appropriate agreements, it may be possible to use the Tertiary Education Facilities Management Association (TEFMA) survey results directly for the purposes of the IPPs, obviating the need for the CAMS. (M)

Agreed. The department is engaged in discussions with TEFMA at present regarding cooperation in facilities data collection, analysis and reporting.

Recommendation 14

That the IPP report should focus on quantitative indicators and benchmarks of each institution's outcomes and performance for the equity target groups, with particular emphasis on low socio-economic status (SES) students (given the national participation target) and the nominated equity groups in the institution's Compact. The data and indicators should be derived from the main data collections and should not relate to any specific funding program. Reporting on equity related activities and expenditures and accountability for funding through equity programs should be addressed separately and in a less fragmented way (see recommendation 17) and the equity report component of the IPPIC should be deleted or substantially reduced. (S)

Agreed. Equity reporting will be collected through a single annual report. With the removal of the IPPIC, the IPP will primarily be a quantitative document with benchmarked data taken from the main higher education data collections.

Recommendation 15

That [the department] consider the proposals set out in this report to improve verification processes and data definitions and in particular implement enhancements to HEIMS to support the sector better and to underpin the operation of a national higher education data collection by:

- generating summary tables within HEIMS of student and staff information in the formats used in the IPP report and *MyUniversity* website;
- providing these summary tables throughout the year – this would allow institutions to be verifying proactively;
- using HEIMS as a document management system where specifications documents such as those used to support *MyUniversity* could be stored;

- expanding on the current HEIMS data element dictionary to create a comprehensive and consistent data dictionary for all aspects of departmental reporting; and
- making the links to these more obvious in HEIMS to assist institutions in their interpretation of data. (S – M)

Agreed. Current HEIMS processes will be enhanced to generate a broader range of summary tables and reports throughout the year, including reports such as those included in the IPP.

The specifications for each data element on the HEIMSHelp website (see response to Recommendation 2) will be expanded to include a wider range of specification documents.

A concordance between different classification systems and identification of the key differences between systems will be developed for data users.

Recommendation 16

That [the department], in consultation with the sector, explore opportunities to improve the efficiency, flexibility and timeliness of reporting and delivery of information by re-thinking the use of census dates within HEIMS and setting ‘rolling benchmark points’ (i.e. having a number of different benchmarking points set throughout the year and/or benchmark analyses based upon more than one year of data). (M)

Agreed. The department will consult with institutional users of HEIMS regarding their suggestions for changes to the current reporting schedule. The current reporting deadlines are also in line with the reporting of student debt to the Australian Taxation Office.

Recommendation 17

That each university be asked to provide four annual equity reports (or a single equity report with four components), relating to:

1. Low SES students (including accountability requirements for HEPPP)
2. Students with a disability (including accountability requirements for DSP)
3. Indigenous students and staff (the Indigenous Education Statement, including accountability requirements for ISP and the ITAS)
4. Other group/s of high priority for the university. (S – M)

Agreed. The department will no longer collect equity information through the IPP process. The department will develop a single equity report.

Recommendation 18

That [the department] consider the eight proposals for change to international student policy and reporting arrangements for universities set out in this report relating to:

- policy differentiation for low risk providers;
- streamlining of reporting;

- improvements to PRISMS; and
- the intersection between PRISMS, the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS) and the main student and course data collections,

and the implementation of reforms where possible to reduce the reporting burden. (S - M)

Proposal 1 – Low-risk providers should be exempt from Tuition Protection Service (TPS) reporting requirements or have reduced obligations.

Agreed. The current TPS reporting approach has reduced reporting obligations for universities in recognition of their low risk nature. This is acknowledged through exempting universities from the risk element of the TPS levy and from ongoing reporting of student tuition fee data. In addition, the TPS will work with the department to either remove or streamline the default reporting refund notification requirements of the universities.

Proposal 2 – For low-risk providers, replace the CRICOS requirement for approval of a course and its site of delivery with a single approval.

Agreed. The department in consultation with NAGHEDI and TEOSA will examine options for universities to maintain their Course and Campus data on the CRICOS.

Proposal 3 - For low-risk providers at least, the student default reporting time frame should be increased in line with the current 14 day requirement under the Education Services for Overseas Students (ESOS) Act.

Agreed. The TPS will work with the department to either remove or streamline the default reporting refund notification requirements of the universities.

Proposal 4 - s19 and Part 5 reporting requirements of the ESOS Act should be aligned and remove duplication, i.e. TPS reporting and student course variations.

Agreed. Work is planned for PRISMS to streamline the default and course variation reporting, which would reduce the burden on providers. This work may require alignment of legislation in order to yield the most efficient outcome.

Proposal 5 – PRISMS should have an interface to allow data to be exported in and out, instead of manually.

Agreed. The department will examine options to enhance the existing PRISMS export functionality. Bulk upload of data is being enabled in a limited set of circumstances; for example, the department is working to enable bulk upload of course cost data from higher education providers.

Proposal 6 - PRISMS' functionality does not allow institutions to manage the risks associated with international students i.e. information on agents and immigration information such as visa rejection type. An upgrade of PRISMS' functionality is necessary and overdue and would lessen the need to check multiple sources of information before a report on a student can be made.

Agreed. The department will work to upgrade PRISMS so that it can track the progress and outcomes for international students, especially when changing education providers.

Proposal 7 – [The department] should examine whether efficiencies could be achieved by linking related fields in HEIMS, PRISMS, and CRICOS.

Agreed. The department will examine whether efficiencies could be achieved by linking relevant fields in these systems.

Proposal 8 – [The department] should examine whether for universities it would be efficient to use revised versions of the Course and Campus files to submit details required for CRICOS.

Agreed. The department, in consultation with NAGHEDI and TEQSA, will examine options for universities to maintain their Course and Campus data on the CRICOS.

Recommendation 19

That [the department] consider developing a single higher education research data collection that could serve more than one purpose, noting that this would inevitably require some compromise to the specific objectives of the existing data collections and related funding programs, and hence would require policy change. (Noting: S, policy change M – L).

Agreed. The department will work with the Australian Research Council on the development of a single higher education research data collection. There will be further consultation on its design, development and implementation. The aim will be to ensure research data is only collected once.

Recommendation 20

That [the department]:

- examine the merit and feasibility of reintegrating the collection of research income data back into the finance data collection;
- discontinue roll over requests for research block grants; and
- review the clarity and consistency of data definition in the Sustainable Research Excellence (SRE) and HERDC financial data collections.

Proposal 1 - Feasibility of reintegrating the collection of research income data back into the finance data collection

Agreed. The department will investigate the possibility of using HEIMS through NAGHEDI's paper on streamlining data collections.

Proposal 2 - Discontinue roll over requests for research block grants

Agreed. The department has introduced a new process to identify unexpended funds from universities' Acquittal of Australian Government Financial Assistance included in their annual financial statements. As a result, rollover amounts for universities publishing acquittals will be considered for approval without the need for formal requests, reducing their total research related returns.

Proposal 3 - Review the clarity and consistency of data definition in the SRE and HERDC financial data collections

Agreed. In the yearly review, the department will give particular attention to SRE and HERDC data definitions, with drafts provided to the sector for comment.

Recommendation 21

That [the Department] investigate the costs and benefits of using HEIMS for the collection and management of higher education research data, as part of the development of the proposed national higher education data collection and information repository. (M)

Agreed. The department will investigate the possibility of using HEIMS in the context of the development of a single higher education research data collection (recommendation 19).

Recommendation 22

That in setting the timing and frequency of data collection points, [the Department] should adopt a discipline of:

- reducing the number of collection points to the minimum required for program functionality and accountability;
- providing realistic reporting timeframes especially for any reporting requirements that involve the coordination of staff from different areas across each university and the involvement of senior staff;
- adherence to a regular reporting timetable – universities identified a number of instances where reporting timeframes have been set then varied by [the Department], causing disruption to planned work flows; and
- taking into account practical issues that affect the timing of reports, such as the requirement for audits or the timeframes of other related processes. (M)

Agreed. The department will take steps to reduce the number of reporting collection points. As all data reported through HEIMS has regular reporting schedules which are generally not subject to change, the department, through NAGHEDI, will work to streamline data collections into the HEIMS process.

Recommendation 23

That [the department] develop a standard set of guidelines and templates to be used across [the department] that are in accordance with the standard university financial statement reporting guidelines (S –M)

Agreed. A HELP IT System (HITS) has been developed to provide a single set of financial reporting templates and one set of financial viability instructions for private higher education providers and vocational education and training (VET) providers that have been approved to offer FEE-HELP and/or VET FEE-HELP. Dual sector providers will need to submit only one set of financial documents.

The department recognises that universities are required to submit multiple financial reports and will work to integrate a standard university financial statement into HEIMS that can be disclosed to states and territories and TEQSA.

Recommendation 24

That the Applications and Offers data collection be continued at least in the short term but an early date should be scheduled for its review. (S)

Agreed. The report noted a diversity of views in the sector as to the usefulness of the Applications and Offers data. The Applications and Offers data is useful as a leading indicator for the department and the government and provides information on supply and demand, and student preferences over time. The department will continue its regular review of the data collection.

Recommendation 25

That [the department] take forward the issue of review of the ASCED fields of education, the ANZSRC fields of research, and the relationship between them, [the department] and the ABS. (M – L)

Agreed. The department will work with the ABS to undertake a review. In the interim, the department will provide concordance tables on the HEIMSHelp website.

Recommendation 26

That pending a review of the ASCED fields of education and the ANZSRC fields of research, [the department] prepares a set of concordance tables that show the relationships between the various classification systems and structures used for different forms of higher education information. (S)

Agreed. The department will provide concordance tables on the HEIMSHelp website.

Recommendation 27

That [the department] commission an expert review of [the department's] IT capabilities to support the higher education information function and to support the effective development of a national higher education data collection and information repository. (M)

Agreed. An ICT Strategic Review was finalised in September 2013. The higher education data collection systems were included in the assessment. The review found that HEIMS is ageing with a continuing high annual enhancement cost. The review argued that it could be due for replacement in the next 2-3 years. An expert review of HEIMS will be desirable in the medium-term to ensure continued value for money, noting that a replacement of HEIMS would generate costs for higher education providers.

Conclusion

The Minister's acceptance of all the recommendations of the *Review of Reporting Requirements for Universities* reflects the government's commitment to reducing red tape. Implementation of the recommendations will eliminate duplication of reporting, streamline the collection of existing data and simplify access to data.

The department will continue to consult with universities, UA and NAGHEDI throughout the implementation of the review. The NAGHEDI will regularly monitor progress and publish updates following its meetings.

In December 2014, UA will provide the Minister with an update on the implementation of the Review, including an estimate of the cost savings.

The Minister also recognises that the Review and this response should be seen as important early steps in addressing the problems arising from excessive reporting and regulatory burdens on universities. Reducing this burden is a very high priority, and the Minister welcomes all further suggestions on how this is best done. He will take further steps in consultation with universities and others over the months ahead.

List of Abbreviations

ABS	Australian Bureau of Statistics
ANZSRC	Australian and New Zealand Standard Research Classification
ASCED	Australian Standard Classification of Education
CAMS	Capital Asset Management Survey
CGS	Commonwealth Grant Scheme
CRICOS	Commonwealth Register of Institutions and Courses for Overseas Students
DSP	Disability Support Program
ESOS Act	Education Services for Overseas Students Act
HEPPP	Higher Education Participation Partnership Program
HEIMS	Higher Education Information Management System
HEIMSHelp	Higher Education Information Management System Help
HELP	Higher Education Loan Program
HITS	Higher Education Loan Program IT System
HERDC	Higher Education Research Data Collection
IPP	Institutional Performance Portfolio
ITAS	Indigenous Tutorial Assistance Scheme
IPPIC	Institutional Performance Portfolio Information Collection
(L)	Long term
(M)	Medium term
NAGHEDI	National Advisory Group for Higher Education Data and Information
PRISMS	Provider Registration and International Students Management System
(S)	Short term
SES	socio-economic status
SRE	Sustainable Research Excellence
TEFMA	Tertiary Education Facilities Management Association
TEQSA	Tertiary Education Quality Standards Agency
UA	Universities Australia
VET	vocational education and training