

## Navitas Submission to the 2017 Cost Recovery Implementation Statement – Consultation Draft (CRIS)

September 2017

Navitas supports and advocates for a regulatory environment that is transparent, fair, consistent and reduces regulatory burden and red tape on providers. Navitas welcomes measures that create a regulatory environment that evaluates current performance as well as take into account a provider's track record for high quality delivery, robust governance and strong financial performance.

Navitas supports the *Australia Skills Quality Authority's (ASQA) 2017 Cost Recovery Implementation Statement – Consultation Draft and Proposed Schedule of Fees and Charges*. We believe the proposed approach is appropriate and, in doing so acknowledge that ensuring the quality and regulatory compliance of Australia's vocational education and training sector requires appropriate resourcing.

Navitas congratulates ASQA for consulting with industry in its evolution to a risk-based regulator and for restructuring its operations with a view to continuously improving its policies and practice. Navitas looks forward to ASQA's ongoing engagement with the sector.

Navitas agrees with the proposed principles for cost recovery to:

- incentivise compliance by providing fee relief to compliant Registered Training Organisations (RTOs); and
- shift the cost burden of ongoing audit and oversight for non-compliant providers/high-risk providers, from the entire regulated community, onto the individual providers concerned.

The principle of reflecting risk is critical. This approach supports established and high performing providers with lower risk profiles being recognised for their prudence – distinguishing them from higher risk providers. This enhances the effectiveness of regulatory resources, providing ASQA with the opportunity to focus their compliance efforts on higher risk providers.

Navitas supports the key elements of the proposed fee schedule:

- simplifying application fees and aligning of course accreditation application fees with provider application fees;
- attributing compliance audit cost recovery to the audited provider, rather than a distribution across all RTOs; and
- removing separate travel cost charges.

In summary, Navitas supports the proposed changes as they provide RTOs with greater transparency of regulatory fees, charges and cost certainty. The proposed approach is appropriate and based on sound arguments and rationale.

### Submitted by Navitas Limited

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12 September 2017