



Australian Psychology Accreditation Council

Framework for risk-based decision making and delegations

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1. Regulatory context

The proposed framework for risk-based decision making aligns with the approach taken by the accreditation committees for Aboriginal and Torres Strait Islander Health Practice, Chinese medicine, medical radiation practice, paramedicine, and podiatry.

The framework also draws on the principles of risk-based regulation that are integral to the Tertiary Education Quality and Standards Agency's (TEQSA) monitoring, assessment, and investigation activities.

In so doing, the framework provides an approach to decision making that is consistent with accreditation bodies functioning under the *Health Practitioner Regulation National Law Act 2009* and the *Tertiary Education Quality and Standards Act 2011*.

2. Regulatory principles

APAC proposes to adopt the principles that TEQSA applies to its regulatory decision-making processes.

As a set of well-established, sector-wide principles, they will ensure APAC's processes complement TEQSA's in a way that will help to manage provider expectations and facilitate meaningful exchanges of information between APAC and TEQSA under an existing Memorandum of Understanding.

If adopted, APAC's decision makers would need to consider whether the proposed regulatory actions:

- are necessary to ensure all accreditation standards are met, i.e. regulatory actions address identified deficits
- reflect the level of risk arising from the compliance concern, i.e. high risks receive high priority and attention
- are proportionate to the nature of the compliance concern, i.e. remedial actions are tailored to the risks at hand.

When these principles are applied to providers and programs, the level of risk drives the level of oversight. The greater the risk, the more resources are allocated to regulatory activities. For specific examples, please see Table 2 in Section 4.

3. Risk indicators for providers

The bulleted points below list the risk indicators that would help APAC to assess risk on a systemic level. These indicators would be used to identify stress points in a provider's higher education operations that could negatively impact the quality of program offerings and delivery.

The proposed risk indicators are:

- TEQSA registration status (registration period, existing conditions, financial viability and sustainability)
- Provider profile (material changes, level of award, SSR, new/offshore campuses, supervisory arrangements for placements, regulatory history)
- Level of ongoing compliance with the Accreditation Standards (number of conditions and monitoring requirements imposed, progression made towards meeting them)
- Monitoring data (feedback from staff and students, complaints register, external input into the programs, QILT surveys)
- Institutional culture (student attrition, staffing profile, staff PD and research, continuous improvement activities)

4. Risk ratings for providers

The matrix below measures APAC's level of confidence in accredited programs at the provider level.

Table 1: Risk assessment matrix

		Risk consequence				
		Negligible	Low	Medium	High	Extreme
Likelihood of risk occurring	Rare	N/A	Low	Low	Low	Medium
	Unlikely	N/A	Low	Low	Medium	High
	Possible	N/A	Low	Medium	High	High
	Likely	N/A	Medium	High	High	Extreme
	Almost certain	N/A	Medium	High	Extreme	Extreme

The table below illustrates the features associated with each risk profile.

Table 2: Overall risk ratings for providers

Risk rating	Overall provider risk rating
Negligible	No condition has been imposed. Negligible risk is assumed.
Low	Risks are of concern and conditions are imposed for that reason. However, the risks are likely to have relatively lower impacts to students, the program, the provider and/or the public compared to Medium to Extreme risk categories.
Medium	Risk consequences may moderately affect students, the program, the provider and/or the public and may require some remedial actions to ensure the risk does not escalate to a higher level of severity.
High	Risk consequences may pose a major, significant impact on students, the program, the provider and/or the public and will require targeted remedial actions to ensure the risk does not escalate to a higher severity.

Risk rating	Overall provider risk rating
Extreme	Risks may have a catastrophic impact on students, the program, the provider and/or the public. Immediate, targeted interventions are needed to mitigate this risk.

Importantly, overall provider risk ratings would help senior academic leaders to allocate resources where they are most needed and reward them for achieving and maintaining compliant programs.

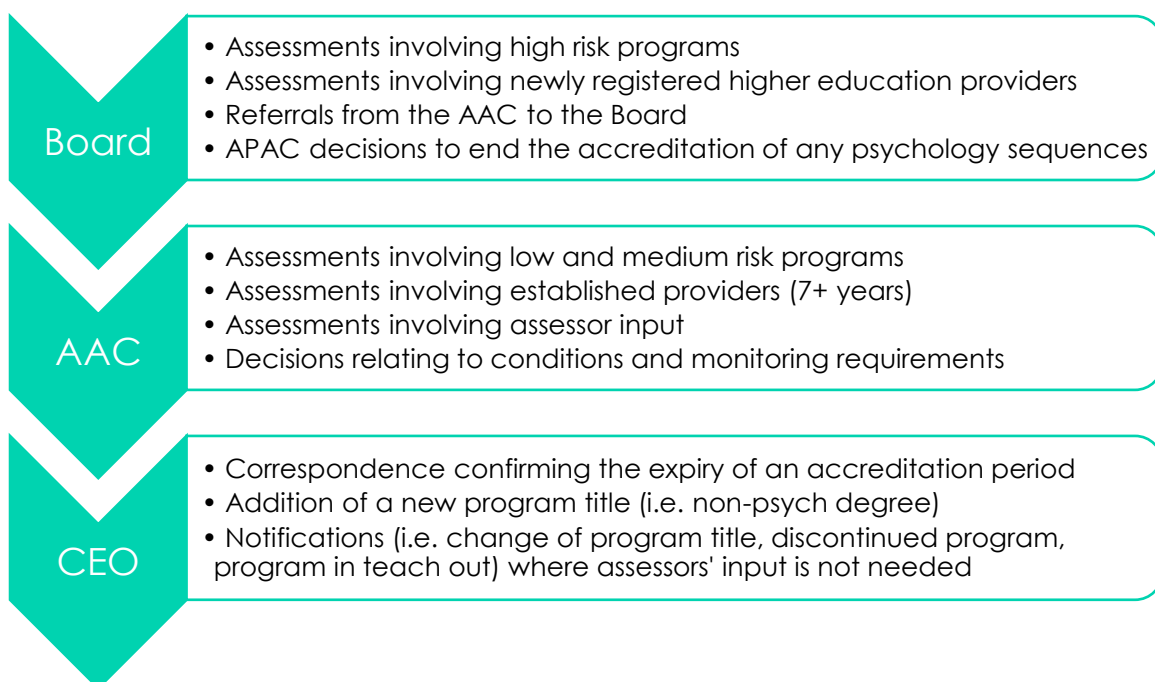
5. Risk-based delegations

At a high level, a delegations framework would allow the APAC Board to:

- retain oversight over accreditation activities through reporting lines
- make decisions on high risk matters that the AAC refers to the Board
- delegate decisions requiring academic insight and expertise to the AAC
- delegate administrative matters to the CEO.

The figure below outlines how a delegations framework would apply to the decision-making process.

Figure 1: Examples of delegated decisions



There are three significant benefits to implementing a delegations framework at this time:

1. The Constitution is being revised and these updates could be included with ease and minimal expense.
2. APAC is likely to expand its functions, meaning that operational efficiencies will be needed. A delegations framework will halve the work of the APAC Secretariat.
3. The decision-making process will be streamlined in a way that will ensure providers receive determinations faster than ever before.