A top-down view of a wooden desk. On the desk, there is a map of a region with various geographical features and place names. A pair of black binoculars is positioned in the upper left. A brown notebook is open in the center-right, with a black pencil resting on it. A small, round, silver compass is also on the notebook. The background is a wooden surface.

ESOS 2026 Integrity Reforms: A Practical Guide to Compliance

Stefan Hofmann and Betty Lui

PRESENTERS



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Chief Marketing Officer –
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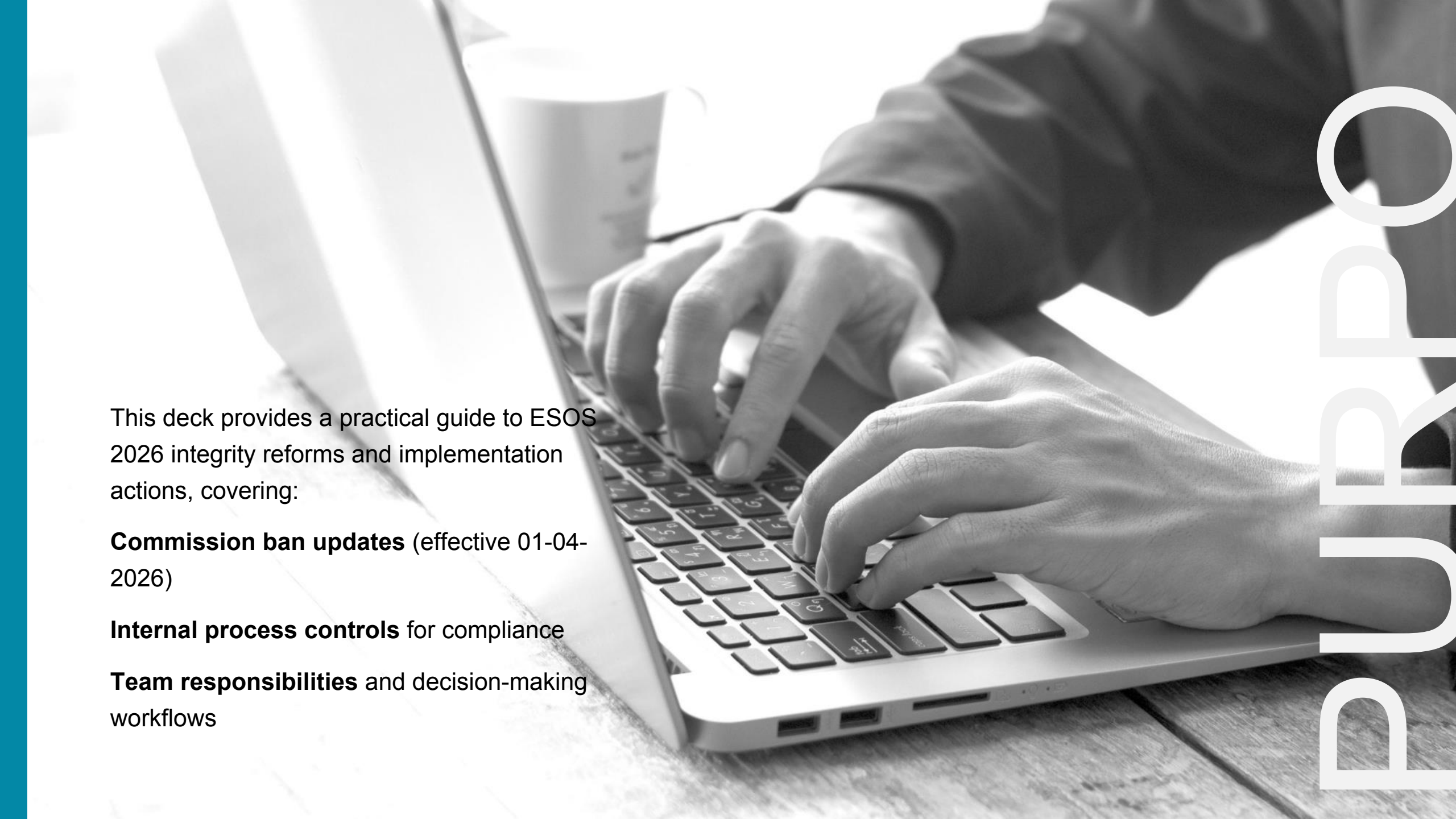
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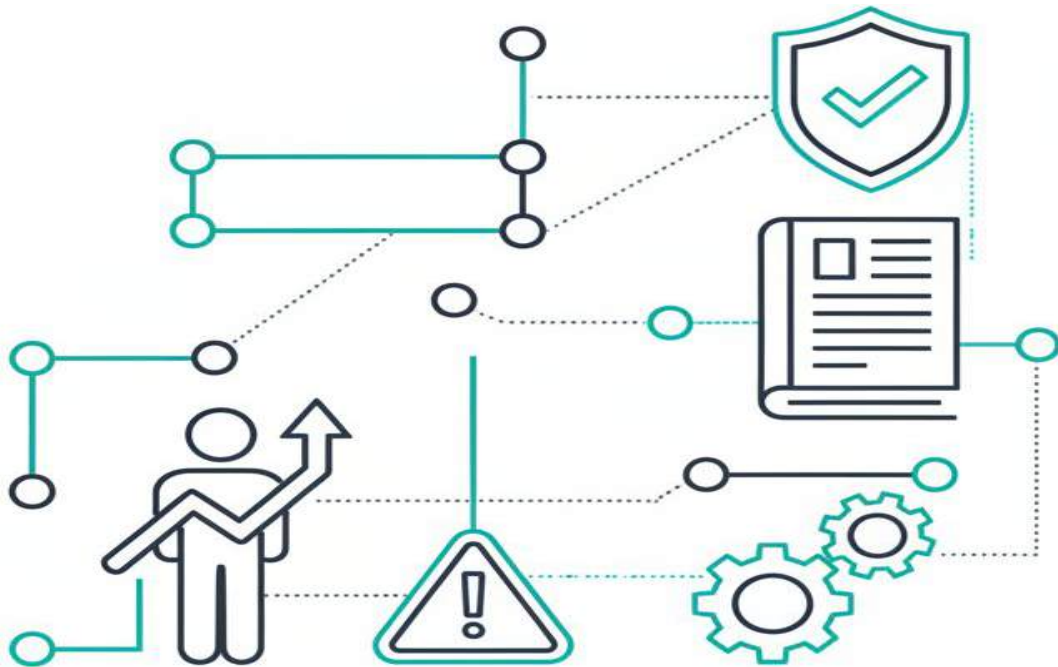
This deck provides a practical guide to ESOS 2026 integrity reforms and implementation actions, covering:

Commission ban updates (effective 01-04-2026)

Internal process controls for compliance

Team responsibilities and decision-making workflows

WHY IT MATTERS



- Largest ESOS / National Code tightening since 2018
- Stronger scrutiny across **recruitment, agent governance, ownership/control, and course quality**
- Business continuity + reputation + student protection issue
- Not-ready providers risk regulatory attention, operational disruption, and loss of trust

Ban on certain transfer-related commissions

Stronger transparency requirements for education agents

Expanded **fit-and-proper person** scrutiny

Higher entry barriers for some VET providers

CRICOS cancellation risk after inactivity

Ministerial powers to cancel courses in the public interest

Stronger English test identifier requirements

Increased offshore oversight under TEQSA



REFORM



EVIDENCE YOU SHOULD RETAIN

SIGNED AGENT
CONTRACTS AND
CONTRACT
VARIATIONS

CLEAR PAYMENT
RULES AND
APPROVAL RECORDS

STUDENT TRANSFER
STATUS CHECKS

ADMISSIONS NOTES
AND SOURCE
TRACKING

AUDIT TRAILS FOR
EXCEPTION
HANDLING

WHAT IS AN AGENT?

An agent is a person/entity that:

- gives overseas students information on, or help with, obtaining enrolment
- does so for a registered provider
- receives a commission/benefit (or has an arrangement for that purpose)



AGENT

WHAT COUNTS AS COMMISSION?

Commission includes **direct or indirect** payments/benefits, including:

- cash or non-cash benefits
- fees, bonuses, incentives, rebates, discounts, credits
- gifts, marketing support, or anything else of value



COMMISSIO

AGENT DATA CAPTURE

AGENT AND SUB-AGENT IDENTITIES

STUDENT RECRUITMENT
VOLUMES AND OUTCOMES

MARKETS AND TERRITORIES

COMPLAINTS, BREACHES, AND
REMEDATION ACTIONS

COMMISSION STRUCTURES AND
PAYMENT LOGIC

MONITORING HISTORY AND
RELATIONSHIP OWNERSHIP

DATA

HIGH-RISK SCENARIOS

ONSHORE TRANSFERS

Paying agents for students who **transfer onshore** from another provider

BACKDATED COMMISSIONS

Backdated or unclear commission arrangements

CONTRACT LOOPHOLES

Broad contract wording that still allows transfer-linked incentives

HIGH-RISK SCENARIOS

SUB-AGENT OVERSIGHT

Poor visibility over **sub-agent** activity

PAYMENT CONTROLS

Finance teams processing payments without transfer checks

INFORMAL ARRANGEMENTS

Informal side agreements or verbal commission promises

PREVENT NON-COMPLIANT PAYMENTS

STOP ANY TRANSFER-RELATED COMMISSION PAYMENTS THAT MAY BREACH THE RULES

MULTIPLE CHECKPOINTS

- **At offer:** Verify transfer status and acceptance date using Standard 4 Decision Tree.
- **At COE:** Confirm transfer eligibility and exceptions are documented and approved.
- **Pre-commission:** Final transfer check and exception confirmation before payment release.

ACCOUNTS MUST NOT PROCESS / RELEASE COMMISSION UNLESS

- eligibility has been checked (and re-checked)
- any exception has been confirmed
- Admissions has completed / confirmed the primary decision-tree check (where required)



RE-ISSUE AND CONTROL CONTRACTS TRAIN AND ALIGN

RE-ISSUE AGREEMENTS

Update/re-issue agent contracts and remove non-compliant wording. Use specific reference to commission restrictions

WITHDRAW OLD AGREEMENTS

- Best to withdraw pre-April 1 2026 agreements. Use a **new agreement version only which addresses new obligations**
- Do not rely on old templates, side deals, or informal promises

TRAIN AND ALIGN

- Retrain Admissions, Recruitment/Sales, Finance/Accounts, and agent-facing teams
- Reinforce: compliance issue (not just contract issue) affecting transfers, payments, approvals

PROCESS CONTROLS

ADMISSIONS

Use **Standard 4 Decision Tree** as the primary check before:

- accepting an agent-sourced application
- assessing a transfer case
- issuing an offer where a transfer/commission issue may arise

Decision-tree order:

1. Is it a transfer?
2. Can the transfer proceed?
3. Did the agent act appropriately?
4. Is any payment permitted?
5. If unsure: pause, escalate, document

RECRUITMENT

Do not offer, discuss, or imply commission arrangements outside the approved agreement

Avoid informal promises or side arrangements

Escalate if anything is unclear

FINANCE

Do not process/release commission unless eligibility + exception checks are complete

Use accurate payment descriptions

Escalate unusual arrangements

LEVERAGE TECH (DEMAND THESE FROM YOUR SMS)

AGENT DATA CAPTURE AND
AUDIT TRAILS

REAL TIME DASHBOARDS

TRANSFER STATUS FLAGGING
AT ADMISSIONS LEVEL – WITH
ADDITIONAL CHECKPOINTS

ALERTS FOR HIGH-RISK
SCENARIOS

COMMISSION LOGIC
ENFORCEMENT

DATA EXPORTS TO
DEMONSTRATE COMPLIANCE
TO REGULATORS (DON'T RELY
ON SPREADSHEETS)

TECH



BEYOND COMMISSION

AND THE FOR L

Regulators will look at:

- Ownership and control links
- Management integrity
- Past investigations or penalties
- Related-party arrangements
- Recruitment practices
- Governance records

Prepare a current, organised evidence pack

OTHER RISKS FOR PROVIDERS

CRICOS REGISTRATION RISKS

Regulators may focus on:

Application pause powers

- **12-month inactivity cancellation risk**
- High-risk course clusters

Action:

- Stronger course viability reviews
- Clearer enrolment monitoring

MINISTERIAL COURSE CANCELLATION POWER

May be triggered by:

- Systemic quality issues
- Weak skills value
- Public interest concerns

Check:

- Curriculum quality
- Student outcomes and progression
- Industry alignment
- Employment pathways



WORKSHOP ACTIVITY

- Map your **top 5 agent risks**
- Map your **top 5 commission risks**
- Identify **top 3 CRICOS vulnerabilities**

Discussion prompts:

- What will regulators look at first?
- Where is your provider most exposed?
- Does current tech assist or hinder requirements?
- What would you struggle to evidence today?
- Who owns each control?
- What's the first thing that you will do after returning to your desk?

WORKSH

60 DAY ROADMAP

