

EXPLANATORY STATEMENT

Guidelines issued under section 238-10 of the Higher Education Support Act 2003

Commonwealth Scholarships Guidelines (Education) 2010

Issued by the authority of the Minister for Education

Subject:- *Higher Education Support Act 2003*
Commonwealth Scholarships Guidelines (Education) 2010

Authority

Section 238-10 of the *Higher Education Support Act 2003* ('the Act') provides that the Minister may make guidelines providing for matters required or permitted by the Act necessary or convenient to be provided in order to carry out or give effect to the Act. In particular section 238-10 specifies the Minister may make Commonwealth Scholarships Guidelines matters set out in Part 2-4 of the Act.

Purpose and operation

This instrument revokes the Commonwealth Scholarships Guidelines (Education) 2008 (DEEWR) and all subsequent amendments and make the Commonwealth Scholarships Guidelines (Education) 2010 (DEEWR) ('the Guidelines').

The Guidelines provide for matters in order to make grants for scholarships under Part 2-4 of the Act.

Background

On 5 September 2005, the former Minister for Education, the Hon. Dr Brendan Nelson MP, made the Commonwealth Scholarship Guidelines. These were registered on 20 September 2005 [F2005L02715] and amended four (4) times between that date and 9 October 2007.

The Guidelines were subsequently amended in 2008 to make provision for the National Accommodation Scholarships and the National Priority Scholarships categories to assist students studying in specialist courses and courses related to areas of skill shortage which were announced in the 2008-09 Budget initiative *Scholarships for a Competitive Future*: and to separate education and research scholarships in line with the Administrative Arrangements Order (AAO) of 25 January 2008 which ordered that research matters under the Act are the responsibility of the Minister for Innovation, Industry, Science and Research, and that all other matters under the Act are the responsibility of the Minister for Education.

The purpose of the Guidelines is to provide additional guidance regarding Commonwealth Scholarships under section 46-20 of the Act for scholarships other than scholarships to be administered by Centrelink. Significant changes from the previous Commonwealth Scholarships Guidelines in these Guidelines relate to the establishment of new categories of Indigenous Scholarships:

- Indigenous Enabling Commonwealth Education Costs Scholarships
- Indigenous Commonwealth Education Costs Scholarships
- Indigenous Enabling Commonwealth Accommodation Scholarships
- Indigenous Commonwealth Accommodation Scholarships

- Indigenous Access Scholarship

Further amendments provide additional guidance regarding the 'grandfathering arrangements' for those Commonwealth Scholarships awarded to recipients prior to 1 January 2010.

Consultation

Draft Guidelines were released to the higher education sector for comment on 14 October 2009. Comments closed on 27 October 2009. 34 submissions were received from universities, other higher education providers and government departments. Suggestions from the Indigenous Higher Education Advisory Council were incorporated into the Guidelines.

Commencement

The Guidelines will take effect the day after the day on which they are registered on the Federal Register of Legislative Instruments.

Overview of the Commonwealth Scholarships Guidelines (Education) 2009

Chapter 1 - Introduction

- 1.1 sets out the purpose of the Guidelines and provides information on the obligations on the Department of Education, Employment and Workplace Relations ('the Department') in relation to the Guidelines which it may have the *Privacy Act 1988* and *Freedom of Information Act 1982*.
- 1.5 sets out in relation to the defined terms used in the Guidelines. This section has been updated from the previous Guidelines to include definitions for Relocation Scholarships and Student Start-Up Scholarship types as well as eligible graduate or postgraduate course and Indigenous Education Unit.

The Guidelines are made in two Parts:

- Part A provides guidance for higher education providers on the awarding and management of Indigenous Commonwealth Scholarships from 1 January 2010; and
- Part B provides guidance to higher education providers on the cessation of Commonwealth Education Costs Scholarships (CECS) and Commonwealth Accommodation Scholarships (CAS) to non-Indigenous students and on arrangements to manage those Commonwealth scholarships that were awarded prior to 1 January 2010.

Chapter 2 – Commonwealth Scholarships

Part A

- 2.1 specifies that the objectives of the Commonwealth Scholarship Program are to facilitate choice in higher education and to increase higher education participation for Indigenous students.
- 2.1.1 specifies that there are 5 scholarship types: Indigenous CECS, Indigenous Enabling CECS, Indigenous CAS, Indigenous Enabling CAS and Indigenous Accommodation Scholarships.
- 2.5.5 specifies that the allocation of all Indigenous scholarships will be based on a competitive bidding process.
- 2.5.10 specifies the flexibility and reporting requirements for higher education providers to rollover and convert funding of Commonwealth Scholarships (CS) across and within CS types; the administrative processes for the return of CS funds; and the reallocation of funds resulting from unspent CS funds by higher education providers.
- 2.10 specifies that a student may only hold one type of CS from each of the respective Indigenous CECS and Indigenous CAS categories (the exception is that a student can hold an Indigenous Access Scholarship concurrently with another category of CAS); and the maximum duration a student can have access to one or more scholarships (eight scholarship periods exception being a student accessing an Indigenous Enabling CECS or Indigenous Enabling CAS- may access ten scholarship periods if progressing to an undergraduate degree).
- Concurrent arrangements between Commonwealth Scholarships and the proposed Student Start-Up Scholarships and Relocation Scholarships are also specified.

- 2.10.1 specifies the basic eligibility requirements for each category of CS.
- 2.10.5 specifies the low socio-economic status requirements in order to be eligible for a CS.
- 2.10.10 specifies the full-time student load requirements for types of CS.
- 2.10.15 specifies the additional eligibility requirements for Indigenous CAS and Indigenous Enabling CAS; and further guidance to determine whether a student has lived in a regional or remote area consistent with the Guidelines.
- 2.15.1 specifies that higher education providers may only offer a student a CS as a result of an application lodged by the student and that the application form must advise students that they may incur a debt to the Commonwealth if they make a claim or receive payments for a scholarships to which they were not entitled. Providers are also required to inform a student that the student must advise Centrelink that they have applied for a CS.
- 2.15.5 specifies the selection policy that a higher education provider must maintain for CS, including special provisions for students progressing from an Indigenous Enabling CECS and/or Indigenous Enabling CAS and priority of offers for the offer of Indigenous Access Scholarships; and also outlines the interactions between scholarship types, including proposed Relocation and Student Start-Up Scholarships.
- 2.15.5 (5) specifies that Indigenous students are to be provided with enough information to assist them to make an informed choice between a Student Start-Up Scholarships and an Indigenous Access Scholarship.
- 2.15.5.(6) specifies that Indigenous students are to be provided with enough information to assist them to make an informed choice between a Relocation Scholarship and an Indigenous CAS or Indigenous Enabling CAS.
- 2.15.5(14) specifies that a student who is made an offer of a Governor-General's Indigenous Student Teacher Scholarship and is receiving an Indigenous CECS or Indigenous CAS, the student is to advise the relevant provider of their choice in writing.
- 2.15.10 specifies the offer process that higher education must follow.
- 2.15.10(3) specifies that a provider should include on a students offer letter that the student must advise Centrelink of the offer of a Commonwealth Scholarship.
- 2.15.10(4) specifies that scholarships are to be offered within ten working days of the offer of a Commonwealth-supported place.
- 2.15.10(5) specifies that a provider must report information to the Department on offers of scholarships by 22 January and 15 June in each calendar year.
- 2.15.10(6) specifies that in any mid year offer of scholarships, a provider must advise both Centrelink and the student of any offer before finalising the offer of a scholarship if this involves the student repaying part of a Relocation Scholarship.
- 2.15.15 specifies the requirement of higher education providers to collect student personal information for the purposes of administering Commonwealth Scholarships across all types of CS and to disclose personal information to Centrelink.

- 2.20 specifies the requirements for the payment of CS to students, for example a higher education provider must spend CECS grant amounts only on making of CECS payment to students awarded a CECS who are undertaking an eligible course of study and CS grants may only be used for CS payments.
- 2.20.(8) specifies that, prior to payment of an Indigenous CECS or Indigenous Enabling CECS, a student must sign a declaration that either, they have not accepted a Student Start-Up Scholarship, or that they have notified Centrelink that they wish to rescind the Student Start-Up Scholarship and return funds if applicable.
- 2.20.(9) specifies that, prior to payment of an Indigenous CAS or Indigenous Enabling CAS, a student must sign a declaration that either, they have not accepted a Relocation Scholarship, or that they have notified Centrelink that they wish to rescind the Relocation Scholarship and return funds if applicable.
- 2.20.5 specifies the payment arrangements required by higher education providers across all CS types. Depending on the type of CS and when the offer is made, the timing of the payment may differ. In all cases the payment is 50 percent of the value of the CS.
- 2.25.1 specifies that each higher education provider is responsible for monitoring the ongoing eligibility of its students to ensure that each student continues to meet the CS eligibility requirements.
- 2.25.5 specifies the circumstances in which a suspension of a CS may be granted.
- 2.25.10 specifies the circumstances in which a higher education provider must terminate a CS, and that a CS may not be terminated for any other reason.
- 2.25.15 specifies the steps which must be taken by the higher education provider if it or the Department believes a student has provided false or misleading information. As this clause relates to the possible commission of an offence by the student under the Criminal Code against the Commonwealth (rather than against the higher education provider) the provider should not make contact with the student in relation to the matter as it may jeopardise the investigative process and the collection of evidence which may be needed for any subsequent prosecution. Officers of the Department's Investigations Branch are required to conduct any enquiries in accordance with the Australian Government Investigation Standards, the Fraud Control Policy of the Commonwealth and various statutory provisions governing investigatory and forensic processes.
- 2.30 specifies the arrangements to meet the existing commitments to Commonwealth Scholarships program for CS awarded in the period covering the commencement of the program to 1 January 2010; and provides that higher education providers will not be able to award new CS to non-Indigenous students.
- 2.30.1 description of CS awarded in the period covering the commencement of the program to 1 January 2010.
- 2.30.5 specifies that a CS is an indirectly-paid standard scholarship as allowed under HESA.
- 2.40.5 specifies the allocation process across each scholarship type and requires providers to notify the Department of continuing student numbers by 15 October in each calendar year.

- 2.40.10 specifies that a provider may rollover any or all of unspent Commonwealth Scholarships funds from previous years into 2010 only. Providers are required to notify the Department of unused funds by 15 October. Funds not rolled over are to be returned to the Department by 31 December 2010.
- 2.50 specifies the eligibility requirements for students.
- 2.50.1 specifies the continued basic eligibility requirements.
- 2.50.5 specifies the continued low SES requirements that a student must meet in order to remain eligible to receive a CS.
- 2.50.10 specifies the continued full-time student load requirements that a student must meet in order to remain eligible to receive a CS.
- 2.60 specifies the reporting arrangements and administrative arrangements required by providers.
- 2.70 specifies the restrictions on the expenditure of CS grants and specifies the continued payment arrangements.
- 2.80 determines the conditions of continuing scholarships and specifies the circumstances in which a continuing scholarship may be suspended or terminated. The maximum duration of a continuing CS is also specified as are the arrangements for providers to manage the provision of false or misleading information.
- Schedule 1 specifies the Fields of Education that will be accepted for the purposes of awarding a CECS-Priority Discipline for undergraduate study.

Chapter 3 – Indigenous Staff Scholarships

- 3.1 specifies that the objective of the Indigenous Staff Scholarship (ISS) Program is to develop Indigenous leadership in the higher education sector through the provision of opportunities for professional development.
- 3.1.1 and 3.1.5 describes the ISS, the number of ISS available each year and that they are standard scholarships in accordance with paragraph 46-10(a) of the Act.
- 3.5.1 specifies the total grant amounts allocated to providers for 2009 and that this amount will be indexed in subsequent years in accordance with the Act.
- 3.5.5 specifies the stipend value and payment of tuition fees and/or student contribution amounts for 2009 in order to determine the grant amount per student at each provider.
- 3.10 specifies the student eligibility requirements.
- 3.15 specifies the application process, the selection policy and the offer process.
- 3.20 specifies the condition of grants to eligible providers.
- 3.20.5 specifies the stipend amount for 2009, and the time and manner of payments.
- 3.20.10 specifies the tuition fees and student contribution amounts for 2009.
- 3.20.15 specifies the process for recovery of funds on termination or transfer of ISS.

- 3.20.20 specifies reporting and notice requirements which the provider must comply with in order to provide the Department with certain information.
- 3.25 specifies the conditions of scholarship.
- 3.25.1 specifies the ISS value for 2009 in terms of the stipend to students and the grant to providers.
- 3.25.5 specifies the duration of the ISS.
- 3.25.10 specifies the circumstances in which an ISS may commence.
- 3.25.15 specifies the circumstances in which a suspension of an ISS may be granted.
- 3.25.20 and 3.25.25 specify the circumstances in which a course may be withdrawn from or changes within the conditions of the ISS.
- 3.25.30 specifies the circumstances in which a transfer to another provider within the tenure of the ISS may be granted.
- 3.25.35 specifies the circumstances in which the student might be eligible for concurrent scholarships or awards.
- 3.25.40 and 3.25.45 specifies the conditions in relation to work and leave.
- 3.25.50 specifies reporting requirements which the student must comply with in order to provide the Department with certain information.
- 3.25.55 specifies the circumstances in which an ISS may be terminated.