



## **Other Grants Guidelines (Research) Amendment (No. 2) 2020**

---

I, Dan Tehan, Minister for Education, make the following instrument.

Dated 15 November 2020

Dan Tehan  
Minister for Education

---



---

# Contents

1 Name.....	1
2 Commencement .....	1
3 Authority.....	1
4 Schedules .....	1
5 Savings provision.....	1
<b>Schedule 1—Amendments</b>	<b>2</b>
<i>Other Grants Guidelines (Research) 2017</i>	2



---

## 1 Name

This instrument is the *Other Grants Guidelines (Research) Amendment (No. 2) 2020*.

## 2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. <i>The whole of this instrument.</i>	on the day after this instrument is registered.	

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

## 3 Authority

This instrument is made under section 238-10 of the *Higher Education Support Act 2003*, for the purposes of Part 2-3.

## 4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

## 5 Savings provision

Despite the repeal of section 1.4 of the *Other Grants Guidelines (Research) 2017* made by Part 1 of this instrument, that section, as in force immediately before the commencement of this Part, continues to apply on and after that commencement in relation to a *RSP* grant to be determined for a *HEP* for the 2020 *Grant Year*.

---

## Schedule 1—Amendments

### *Other Grants Guidelines (Research) 2017*

#### Part 1 – Amendments

##### 1 Paragraph i.v.ii Interpretation

Insert the following definitions so that the resulting list remains in alphabetical order:

<i>AAHMS</i>	Australian Academy of Health and Medical Sciences
<i>COVID-19 Supplementary Funding Pool</i>	is \$1,000,000,000 for the 2021 <i>Grant Year</i> only
<i>COVID-19 Supplementary Grant Amount</i>	is the amount determined under paragraph 1.4.30
<i>RSP Base Grant Amount</i>	is the amount determined under paragraph 1.4.15
<i>RSP Funding Pool</i>	is the total amount of funding for a given <i>Grant Year</i> for the <i>RSP</i> minus the <i>COVID-19 Supplementary Funding Pool</i>

##### 2 Paragraph i.v.ii Interpretation

Omit the definitions for “*Funding Pool*”, “*Funding Pool A*” and “*Funding Pool B*”.

##### 3 Section 1.4 Grant Amounts

Repeal section 1.4, substitute:

#### 1.4 Grant Amounts

##### 1.4.1 Determination of Grants and Indexation

For the purposes of paragraph 41-30(a) of *the Act*, the *RSP Grant Amounts* are determined in accordance with the method set out in paragraph 1.4.5 of these *Guidelines*.

Note: The *RSP Funding Pool* is to be indexed in the same way as amounts are indexed under Part 5-6 of *the Act*.

##### 1.4.5 How Grant Amounts are Determined

- (1) Subject to any adjustment that may be made under paragraph 1.4.40, the *RSP Grant Amount* paid to a *HEP* for the *Grant Year* is the sum of:
  - (a) the *HEP’s RSP Base Grant Amount* calculated under paragraph 1.4.15 and any changes made through the application of the transitional safety net calculated under paragraph 1.4.20 (if applicable), and

- 
- (b) the *HEP's COVID-19 Supplementary Grant Amount* calculated under paragraph 1.4.30 (if applicable),

as rounded in accordance with paragraph 1.4.35.

### 1.4.10 Percentage Share of Competitive and Engagement Income

The formula for calculating each *HEP's* relative percentage share of competitive and engagement income is as follows:

$COMPETITIVE_i$  = Share of *Category 1* income for *HEP i* calculated according to the following formula:

$$\frac{Category1_{i,y1} + Category1_{i,y2}}{\sum_{j=1}^n (Category1_{j,y1} + Category1_{j,y2})}$$

$ENGAGEMENT_i$  = Share of *Category 2, Category 3 and Category 4* income for *HEP i* calculated according to the following formula:

$$\frac{Category2,3,4_{i,y1} + Category2,3,4_{i,y2}}{\sum_{j=1}^n (Category2,3,4_{j,y1} + Category2,3,4_{j,y2})}$$

where:

- $y$  = year for which the grant is given
- $y1,y2$  = the most recent ( $y1$ ) and second most recent ( $y2$ ) years for which data is available
- $i$  = *HEP 1 to n*, where  $n$  is the total number of *HEPs*
- $j$  = *HEP 1 to n*, where  $n$  is the total number of *HEPs*

### 1.4.15 RSP Base Grant Amounts

The formula for calculating each *HEP's RSP Base Grant Amount* for the *Grant Year* is:

$$BGA_{i,y} = (COMPETITIVE_i \times A_y \times 47\%) + (ENGAGEMENT_i \times A_y \times 53\%)$$

where:

- $COMPETITIVE_i$  = the percentage share of competitive income determined under paragraph 1.4.10 for *HEP i*
- $ENGAGEMENT_i$  = the percentage share of engagement income determined under paragraph 1.4.10 for *HEP i*
- $BGA_{i,y}$  = *RSP Base Grant Amount* for *HEP i* in year  $y$
- $A_y$  = *RSP Funding Pool* in year  $y$
- $y$  = year for which the grant is given
- $i$  = *HEP 1 to n*, where  $n$  is the total number of *HEPs*

---

### **1.4.20 Transitional Safety Net**

For the 2021 *Grant Year*, a transitional safety net is applied to ensure that no *HEP's RSP Base Grant Amount* for the *Grant Year* will fall below 95 per cent of that *HEP's indexed RSP Grant Amount* for the previous *Grant Year*.

The transitional safety net is applied as follows:

- (1) Each *HEP's RSP Grant Amount* for the previous *Grant Year* is indexed by multiplying that amount by the indexation component. The indexation component is determined by dividing the *RSP Funding Pool* for the *Grant Year* by the *RSP Funding Pool* for the previous *Grant Year*.
- (2) For each *HEP* whose *RSP Base Grant Amount* calculated under paragraph 1.4.15 is greater than the indexed amount calculated under subparagraph 1.4.20(1), the difference between the two amounts is included in what would be a notional safety net pool.
- (3) For each *HEP* whose *RSP Base Grant Amount* calculated under paragraph 1.4.15 is less than 95 per cent of the indexed amount calculated under subparagraph 1.4.20(1), funds are taken from the notional safety net pool created in subparagraph 1.4.20(2) to top up the *HEP's RSP Base Grant Amount* to 95 per cent of that *HEP's indexed RSP Grant Amount* for the previous *Grant Year*.
- (4) After the calculation at subparagraph 1.4.20(3), any funds remaining in the notional safety net pool are then returned to *HEPs* that added to the notional safety net pool under subparagraph 1.4.20(2), based on their percentage contribution to the safety net pool.

### **1.4.25 RSP Base Grant Amounts for 2022 and future Grant Years**

For 2022 and future *Grant Years*, the transitional safety net as specified in paragraph 1.4.20 is not applied to *RSP Base Grant Amounts*.

### **1.4.30 COVID-19 Supplementary Grant Amounts**

For the 2021 *Grant Year*, the *COVID-19 Supplementary Grant Amount* for a *HEP* will be calculated using the same method for calculating a *RSP Base Grant Amount* specified in paragraph 1.4.15 with the *RSP Funding Pool* substituted with the *COVID-19 Supplementary Funding Pool*. The Transitional Safety Net outlined in paragraph 1.4.20 will not be applied to *COVID-19 Supplementary Grant Amounts*.

### **1.4.35 Rounding Process**

The rounding process for *RSP Grant Amounts* is as follows:

- (1) The Grant Amount calculated for each *HEP* under paragraph 1.4.5 is rounded down to the nearest whole dollar. The difference in cents between a *HEP's* rounded and unrounded *RSP Grant Amount* is its Remainder. The sum of all Remainders is the Unallocated Dollars.



- 
- (2) Each *HEP* is ranked in descending order based on how close the *HEP*'s remainder is to one hundred cents. One dollar is paid to each *HEP* in order of ranking until all Unallocated Dollars are paid.
  - (3) Each *HEP*'s *RSP* Grant Amount is equal to the rounded amount calculated under subparagraph 1.4.35(1) plus any whole dollars assigned in subparagraph 1.4.35(2).

#### **1.4.40 Adjustments**

- (1) If a *HEP* provides incorrect *HERDC* data used to calculate the *HEP*'s *RSP* Grant Amount for a *Grant Year*, the *HEP* must correct the information provided to *the department* ('corrected data').
- (2) If the *HEP* provides corrected data on or before 1 October in the year the data was first provided, *the department* will take into account the corrected data when calculating *RSP* Grant Amounts under paragraph 1.4.5.
- (3) Subject to subparagraph 1.4.40(4), if a *HEP* provides corrected data after 1 October in the year the data was first provided, the corrected data will not be used to calculate, or adjust, the *HEP*'s *RSP* Grant Amount for a *Grant Year*.
- (4) Where corrected data is provided in accordance with subparagraph 1.4.40(3), *the department* will use the method specified in paragraph 1.4.5 to determine the Grant Amount the *HEP* would have been paid for the *Grant Year* if the corrected data had been used. If *the department* determines that the *HEP* has received an overpayment in respect of the *Grant Year*, the *HEP* must repay the amount of the overpayment to *the department*.

#### **1.4.45 Rollover of Grant Amounts**

A *RSP* grant is made in respect of the relevant *Grant Year* for the purpose of section 41-40 of *the Act*.

#### **4 Before sub-subparagraph 2.5(3)(a)**

Insert:

(aa) Australian Academy of Health and Medical Sciences (*AAHMS*);

#### **5 Subparagraph 2.15(2)**

Omit "four" (wherever occurring), substitute "five".

#### **6 Sub-subparagraph 2.15(3)(a)**

Omit "and *ASSA*", substitute "*ASSA* and *AAHMS*".